DEVELOPMENT OF THE SERVICE SECTOR IN UZBEKISTAN: PAST, PRESENT AND FUTURE

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DEVELOPMENT OF THE SERVICE SECTOR IN UZBEKISTAN: PAST, PRESENT AND FUTURE

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Abstract: The country has taken steps to implement effective economic reforms that meet modern economic requirements. Reforms in the economy are being pursued through deep analytical and innovative approaches and the creation of new economic systems that have attracted the attention of world economists and experts. The economic systems of all countries are complementary industries with limited production, service and service sectors. In the economies of developed countries, the services are in the forefront. Its development has a significant impact on living standards and quality of life. It is reflected not only in the economy of foreign countries, but also in the economy of Uzbekistan. This is the essence and substance of the article.

Keywords: Services sector, services, types of services, sphere, sector, economic sectors and industries, structure of economic sectors and industries, factors, influencing factors, living standards, living conditions, GDP, growth rates, dynamic development, modernization strategy, diversification of the economy, night, today and future of the service sector.

Introduction
Human life and behavior are closely linked to the demand, supply and demand for several types of goods and services. The economies of all countries are complementary industries with limited production, service and service sectors. In the economies of developed countries, the services are in the forefront. Its development has a significant impact on living standards and quality of life. It is reflected not only in the economy of foreign countries, but also in the economy of Uzbekistan.

Literature review
According to the World Tourism Organization (WTO), tourism is today one of the most profitable and most dynamic sectors of the world economy. In terms of profitability, it is second only to oil production and refining. Tourism accounts for...
about 6% of the world's gross national product, 7% of global investment, every 16th job, 11% of global consumer spending and 5% of all tax revenues. In this regard, in many countries, the tourism sector is actively developing with government support. The main purpose of the study is to analyze the prospects for the development of tourism in the world. A significant contribution to the study of the economy in transition was made by Russian and foreign scientists A.V. Zimovets, M.P. Malska, N.V. Antonyuk, N.M. Ganich and others. The research is based on the use of scientific methods: generalization from particular to general and from general to particular, analysis, forecasting, economic assessment (analogy). In the course of writing the article, various sources of literature were used: scientific literature, statistical data, etc.

Materials and methods

During the years of independence, the share of the GDP, services and the services sector has been increasing. Ensuring dynamic development of the services and services sector is based on the strategy of modernization and diversification of the national economy, which is one of the directions of deep restructuring of economic sectors. Throughout the years, services have a high share in the country's gross domestic product (GDP), in terms of improving living conditions, living standards and increasing incomes, and employment of the working age population.

While the share of GDP in the past 2000-2015 was 37.5% to 54.5% (Table 1), GDP production at the end of 2016 was $199,993.4 billion at current prices. This is an increase of 6.2% compared to 2015 (Picture 1).

![Picture 1. GDP growth rates in 1991-2017, in% to the previous year](https://uzjournals.edu.uz)

The share of services in total employment was increased from 41.1% in 2000 to 50.1% in 2015 (Table 1). It is also important to note that the value and scale of

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1 “BUSINESS - EXSPERT” Magazine No.11 dated 23.11.2017 (118) -2017 CF TUIT st. prep. From the article by Sarvar Iskhakov.
development indicators in this sector are mainly due to the fact that the "hidden sectors" have become somewhat disadvantaged by their specific characteristics.

Table 1

<table>
<thead>
<tr>
<th>Years</th>
<th>Total, billion sum.</th>
<th>GDP Including, the sphere of service at the expense of them</th>
<th>Employment Including, the sphere of service at the expense of them</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total, billion sum.</td>
<td>Including, the sphere of service at the expense of them</td>
<td>Total, in the economy mln.people</td>
</tr>
<tr>
<td>2000</td>
<td>3255,6</td>
<td>1201,9</td>
<td>8983,0</td>
</tr>
<tr>
<td>2005</td>
<td>15923,4</td>
<td>5871,7</td>
<td>10196,3</td>
</tr>
<tr>
<td>2006</td>
<td>20759,3</td>
<td>8197,7</td>
<td>10467,0</td>
</tr>
<tr>
<td>2007</td>
<td>28186,2</td>
<td>11979,1</td>
<td>10735,4</td>
</tr>
<tr>
<td>2008</td>
<td>38969,8</td>
<td>17646,6</td>
<td>11035,4</td>
</tr>
<tr>
<td>2009</td>
<td>48097,0</td>
<td>22680,2</td>
<td>11328,1</td>
</tr>
<tr>
<td>2010</td>
<td>61831,2</td>
<td>30397,2</td>
<td>11628,4</td>
</tr>
<tr>
<td>2011</td>
<td>78764,2</td>
<td>40951,5</td>
<td>11919,1</td>
</tr>
<tr>
<td>2012</td>
<td>97929,3</td>
<td>51121,1</td>
<td>12223,8</td>
</tr>
<tr>
<td>2013</td>
<td>120861,5</td>
<td>64056,5</td>
<td>12523,3</td>
</tr>
<tr>
<td>2014</td>
<td>145846,4</td>
<td>78757,0</td>
<td>12818,4</td>
</tr>
<tr>
<td>2015</td>
<td>171369,0</td>
<td>93396,1</td>
<td>13058,3</td>
</tr>
</tbody>
</table>

The importance of the development of services sector is to create social dimensions of the market economy. Today, the services sector is one of the fastest growing sectors of the Uzbek economy.

Since 2017, the country has taken steps to implement effective reforms that meet modern economic requirements. Reforms in the economy are being pursued through deep analytical and innovative approaches and the creation of new economic systems that have attracted the attention of world economists and experts.

At the end of 2017, GDP in the Republic of Uzbekistan was 254043.1 billion at current prices. soums, which is 5.2% more than in 2016. During 1991-2017, the average annual growth rate was 4.5% (Picture 1 above).
GDP growth rate is expected to reach 5.2% by the end of 2018, and 5.4% growth by 2019\(^2\). As a result, there was an increase in domestic consumer demand as a result of an increase in the population's income, an increase in the volume of paid services and qualitative changes in the level of citizens' access to durable goods.

The past year 2018 saw an increase in market services in the services sector. The increase in the volume of transport, trade, financial, communication and information services had a positive impact (Picture 2). The highest growth rates were provided by services in the areas of finance, architecture, engineering research, technical testing and analysis, communication and information, healthcare, education (Picture 3).


**Picture 2. The volume of services that positively impact on the volume of market services, trillion soums**

<table>
<thead>
<tr>
<th>Service</th>
<th>2018 Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport</td>
<td>127</td>
</tr>
<tr>
<td>Trade</td>
<td>126.8</td>
</tr>
<tr>
<td>Financial, communication</td>
<td>116.4</td>
</tr>
<tr>
<td>Healthcare, education</td>
<td>0.8</td>
</tr>
</tbody>
</table>

**Picture 3. % Of services provided by high growth rates of market services, in%**


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\(^2\) A popular scientific guide to the study and promotion of the Address of the President of the Republic of Uzbekistan Shavkat Mirziyoev to the Oliy Majlis [Text]. T: "Spirituality", 2019. - 312 pages. (Page 77)
Results and discussion

In the future, the tasks that are to be implemented in the state programs for the development of the service sector are outlined. Development of the service sector will always be in the focus of our government, as it will have a significant impact on improving living conditions and welfare. Theoretically, the sector is divided into several types of services, one of which is the utilities sector. Existing problems and shortcomings in the sphere and the development of the industry were mentioned by the President in his Address. Improvement of living conditions by providing clean drinking water, sewage, domestic and household waste. This is to ensure that the development of engineering and communication infrastructure and the program of construction of buildings are independently linked. This is the 2017-2021 Program of Action for 2019-2020, 2019-2028, and the 2030 Development Program.

It is also known that in all programs development of such services as transport, tourism, finance, communication and information, trade, healthcare and education are the main focuses on the development of public services and legal services.

Conclusion

In our opinion, the implementation of the main directions of innovative infrastructure in the framework of the Strategy for Innovative Development of the Region will ensure balanced formation and functioning of its constituent subsystems. This will contribute to the formation of necessary infrastructure for introducing innovative products of the region on the market and, consequently, will accelerate its transition to the innovative model of development. But we have to emphasize that as the person and his / her views evolve, the services and services sectors become more complex. We know that in theory there is a range of services in the post-warranty periods. The development of the industry will be successful in the creation of goods and products by clastr method, but further improvement is required.

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