

The Role of Uzbekistan in the World Economy and its Stages of Development

Khuzhamov Abror

Faculty of Economics and Tourism, Bukhara State University Student of group 3-IMAR-22

M. U. Turdiyeva, Ph.D

Scientific advisor: Doctor of Philosophy in Economics the Department of Economics

Annotation: *This article discusses the formation and development of the global economy and international economic relations, key principles, international trade and financial flows, global economic integration, regional economic unions, and Uzbekistan's role in international economic relations.*

Keywords: *World economy, international economic relations, trade policy, economic integration, export, import, regional union, Uzbekistan, economic stability.*

Introduction.

After gaining independence, Uzbekistan set itself the goal of entering a market economy and developed a 4-stage strategy for this, first in 1991-1995 it began to establish a currency system and foreign trade relations, later Uzbekistan, along with independent states, began to join international organizations - the UN, the CIS, the International Monetary Fund (IMF), and the World Bank system. The second stage was marked in 1996-2000: export capacity was increased by developing national production, and attempts were made to find a place in the world market through the main export products (cotton, gold, gas, etc.).

Research and methods.

The third stage is 2000-2016; stability and economic integration, agriculture, industry, transport and energy sectors were developed, foreign trade cooperation was diversified, free trade agreements were signed with several countries. The fourth stage is from 2017 to the present; the stage of active opening up and global integration. Under the leadership of President Shavkat Mirziyoyev, an open economic policy was implemented, the process of joining the World Trade Organization (WTO) was activated, foreign trade was liberalized, and investment flows were sharply increased. Emphasis was placed on Uzbekistan's first trading partners and key sectors, in particular, since the 1990s, Uzbekistan has been exporting natural gas, oil and electricity. It began to cooperate with Russia, China, Kazakhstan, South Korea, which made Uzbekistan one of the main export destinations in the world economy in the energy sector. And in 1994, for the first time since independence, foreign cooperation was carried out. The UZDAEWOO joint venture was established between Uzbekistan and the South Korean company Daewoo. The first cars were produced at the Asaka automobile plant, and Uzbekistan became an automotive exporter.

Later, Uzbekistan established relations with many countries through cotton exports. Cotton fiber, silk, fruit and vegetable products were exported. In this regard, cooperation was established with China, Turkey, India, Iran, and European countries. Gold and metal production was carried out, and Uzbekistan became one of the world leaders in gold production. Production in Uzbekistan was carried out in Navoi. Gold exports were increased with the "Navoi Mining and Metallurgical Combine". The partners were Switzerland, the UAE, China, and India. Since the 2000s, textile factories have been opened jointly with

foreign companies. Exports of finished products have increased. Cooperation was mainly with Turkey, South Korea, and Bangladesh.

Discussion.

Uzbekistan is known in the world market for its cotton fiber, yarn, ready-made knitwear and clothing products. It ranks 6th in the world in terms of cotton production, and is among the countries that process and export it. Since the 2000s, textile factories have been opened in cooperation with foreign companies. Exports of finished products have increased. Cooperation has been carried out mainly with Turkey, South Korea, and Bangladesh. Uzbekistan's place in the world economy is clearly visible in the following main areas, but the most leading and well-known direction is textiles: exports of yarn (cotton yarn) amounted to \$ 1,237 billion (43.2%) finished textile products \$ 1,124 billion (39.2%) Knitted fabrics amounted to \$ 292.1 million, woven products amounted to \$ 145.9 million. Export volume in 2024 decreased by 6.7% compared to 2023. Exports of textile products in 2023 amounted to \$3.1 billion.

Reached. However, these indicators are planned to be increased to \$ 5 billion in 2026 and \$ 7 billion in 2027. These plans include plans to increase the share of finished products in exports to 70%.

By becoming an observer in the World Trade Organization, the state will get closer to the international trading system and will be given time to formulate laws that meet the requirements of the WTO. Through observer status, it can bring its national legislation to international standards and adapt it, the advantages of being an observer in the WTO are also the opportunity to learn from the experience of many WTO members, the opportunity to understand trade disputes and the mechanism of observations, the opportunity to demonstrate its positive aspects to foreign investors and trading partners, and the opportunity to study the rules of WTO law, which will expand export opportunities in the future. However, there are also difficulties in becoming a member of the WTO.

These include: local legislation and institutional systems may not comply with WTO standards; local producers may not be competitive, they may not be able to withstand external competition; sometimes there may be pressure from WTO members to advance their political or economic interests.

Today, Uzbekistan cooperates with China, Russia, Kazakhstan, Turkey, South Korea, Germany and the European Union. Machinery, equipment and industrial equipment from China enter our domestic markets. Products exported from Uzbekistan include non-ferrous metals and agricultural products. China is Uzbekistan's largest trading partner. Products imported from Russia include vehicles, petroleum products and food; our exports include cotton fiber, fruits and vegetables, and industrial products.

Our import and export products with Kazakhstan are oil, wheat, construction materials and food. Our cooperation with Turkey includes imported products such as clothing, medical devices and construction materials, and exported products such as cotton fiber, yarn and fabrics, and food products. The volume of trade with Turkey is increasing year by year. With South Korea, imported products include electronics and automotive parts, while exported products include chemical products and agricultural products. The volume of investments with South Korea is also high. With Germany and the European Union, mainly trade in technology, pharmaceuticals and industrial equipment has been established.

The main investors in Uzbekistan are Chinese investors. Energy, mining (gold, uranium and gas), construction, industrial infrastructure, China remains the largest investor in Uzbekistan, especially within the framework of the "One Belt, One Road" project. Russian investors. Large Russian companies such as "Gazprom" and "Lukoil" are participating in large projects, especially in the oil and gas, energy, transport, and banking sectors. Turkish investors are investing in textiles, food industry, pharmaceuticals, trade and logistics, many of these large companies are opening production facilities in Uzbekistan. South Korean investors are investing in the automotive industry (with GM Korea) and energy, healthcare, and education. Investors from Saudi Arabia and the UAE are building energy, especially (green energy), infrastructure, agriculture, and "ACWA Power" power plants. Investors from

European Union countries (especially Germany and Switzerland) are mainly interested in technology and environmental sectors. is investing

Results.

The reforms carried out in Uzbekistan on the path to a market economy began to bear fruit. In 1991-2000, state-owned enterprises and property began to be gradually privatized, the population was involved in property ownership through joint-stock companies, in 1992, prices for products and services began to be determined based on market mechanisms, in 1994, the national currency - the soum - was introduced and the procedures for starting a currency exchange were put into practice, free entrepreneurship began to be allowed, mainly for the development of the private sector and small businesses. In 2001-2016, changes were made to the banking and financial systems, the lending system and financial control mechanisms were improved, export and import procedures were simplified and the customs system was reformed, tax incentives and concessions in land and property were provided to support the private sector, and a legal framework was created to directly attract foreign investors.

From 2017 to the present, reforms have been carried out under the leadership of President Sh.M. Mirziyoyev. Since 2017, the currency markets have been liberalized and the dollar exchange rate has become freely convertible. A number of changes have also been made to the tax system. The tax system has been simplified and single tax rates have been introduced, land has been leased, active negotiations have begun on the path to membership in the World Trade Organization, and free trade and investment agreements have been signed with many countries. A digital economy has been introduced, and services have been automated through platforms such as “my.gov.uz”, “solliq.uz”.

Conclusion.

Uzbekistan's economic development strategy is aimed at expanding the state's foreign trade relations, strengthening international integration, increasing export potential and attracting investment flows. The country's position in the world market is increasingly strengthened, especially in the textile industry. However, there are some problems and difficulties in fully integrating into the international trading system, and appropriate laws and policies need to be developed to overcome them.

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