

NEW ECONOMIC RELATIONS - INCREASING THE EFFICIENCY OF PRODUCTION IN AGRICULTURE

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Abstract

At present, in New Uzbekistan, one of the main tasks of modernizing the country's economy is the development of the domestic agro-industrial complex. Agriculture remains the largest branch of the agro-industrial complex. Consequently, issues related to increasing the economic efficiency of agriculture in the conditions of market relations seem to be quite relevant. The need to improve the efficiency of agricultural production is associated with the constant increase in people's needs for high-quality and diverse products, and industry for agricultural raw materials. The economic efficiency of agricultural production is characterized by a system of indicators. In order to assess the economic efficiency of agriculture, specific indicators are used that reflect the influence of various factors on the production process. Agricultural production has a number of significant restrictions on its growth, but despite this, it seems possible to achieve an increase in the efficiency of the economy and management in this industry.

The article deals with the problems in the development of agricultural production in the world market, as well as in the Republic of Uzbekistan. The trends in the formation of economic relations in foreign countries and the ways of improvement in the structure of the agro-industrial complex are considered.

Key words: *economy, agriculture, agro-industrial complex, scientific and technical progress, economic relations.*

Introduction. The purpose of the article is to study the improvement of new economic relations in improving the efficiency of agricultural production. The objectives of the study in the article are: to study the dynamics of development of agricultural production in the world market, the development of the agro-industrial complex in the Republic of Uzbekistan is considered, recommendations are given for improving the development of economic relations in the structure of agricultural production in modern realities.

In the course of writing the article, the author came to the following conclusions that the current situation with the introduction of scientific achievements and foreign experience in the agricultural sector in the context of the formation of market relations determines the need to create a market for scientific and technical products with all relevant components and economic mechanisms. The new requirements for the development of the agricultural sector include increasing productivity and flexibility in response to changes in demand, adapting to new conditions and increasing its significant vulnerability to progress in innovative development. Under these conditions, scientific developments, advanced technologies, the best works accumulated by manufacturers become a product that can be sold if there is a demand.

Literature analysis. Within the framework of the problems of improving the scientific and methodological foundations for increasing the efficiency of production in the agricultural sector of the economy, scientists from foreign countries are conducting large-scale research. In particular, these include the scientific works of J. K. Acker, F. K. Anato, B. Gebremedin, K. Nickel, A. Knierim, P. Labart, W. Hoffman, J. Harrington, N. S. Hawkins and other scientists.

Also, among the scientists of the CIS countries, V.M. Ani'shin [5], A.P. Zhivaev [6], V.M. Koshelev [7], L.V. Lyovina, A.V. Lugovtsov, G.N. Stashevskaya, V.F. Stukach and the scientific results of similar scientists are considered noteworthy.

Major studies on the problems of innovation and development in agriculture were conducted by U.P. Umurzakov [8], K.A. Choriev [9], O. Murtazaev, N.S. Khushmatov, F.T. Egamberdiev, B.T. , G.A. Samatov, S.R. Umarov, A. Mukhtorov. And remarkable scientific results have been achieved by them. However, the emergence of

new economic relations in the context of the transition to market relations in agriculture makes it relevant to study existing problems and situations from a theoretical and practical point of view.

Results discussion. The transition to sustainable economic growth in all sectors of the agrarian economy is impossible without the promotion of the use of science and technology, the introduction of new technologies and the intensification of scientific and technical activities in all areas of the development of agricultural production.

Agriculture is the second most important branch of material production. It is the oldest and most widespread branch of industry. About a billion people work in agricultural production (CIS - 20 million, countries of Central and Eastern Europe - 12 million people, industrialized countries - 22 million people, China - 450 million people, developing countries - 600 million people).

Agriculture is divided into 2 large groups [Uskova T.V., Selimenkov R.Yu., p.78]:

- commercial agriculture is intensive farming and animal husbandry, including horticulture and horticulture, as well as extensive fallow and pasture farming;
- consumer agriculture: plowing, gathering, hunting and fishing, animal husbandry.

In economically developed countries, commercial agriculture predominates, reaching the highest possible level of development and mechanization. Currently, the "Green Revolution" continues in the development of agriculture, which includes the cultivation of high-yielding varieties, irrigation and the use of modern technologies, fertilizers and plant protection products, which leads to an increase in food production.

Both forms of agriculture exist in developing countries, but traditional consumption (or small-scale agriculture) predominates. The traditional sector is represented by hundreds of millions of small plots, the production of which in most cases is enough to feed a peasant family. Primitive agriculture prevails, the main tools of which are a wooden plow and a hoe. At least 20 million families are employed in agriculture. At the same time, an important public sector has developed in many developing countries, represented by some tropical and subtropical crops (coffee, cocoa, tea, natural rubber, bananas, sugarcane, bananas, etc.), but the plantation sector is more export-oriented, than for the domestic market.

The share of people employed in this sector of the agro-industrial complex in the EU countries, that is, the share of agricultural products in the gross domestic product, assesses the overall level of development of the countries' economies. These indicators distinguish between agricultural, industrialized and post-industrialized countries. At one time, the share of agriculture in the gross domestic product of many countries of the world not only increased, but also reached such values as 60-80%.

In developed countries, agricultural products account for 2% to 10% of GDP, and employment for 2% to 5%. For example, in the United States, agriculture accounts for 1% of GDP, industry accounts for 4% of GDP, the country produces a huge amount of agricultural products, which allows you to keep a share both in the domestic market and export products to other countries [Polukhin A.A., Yusipova A.B., p.10].

The process of development of agro-industrial integration and the formation of the agro-industrial complex is sufficiently developed in industrialized countries, primarily in the United States. This is less obvious in developing countries, which, along with general trends and manifestations, have features and forms associated with a significant lag of the agricultural sector from liberalized countries and their economic dependence on the West.

In economically developed countries, the share of agriculture in the structure of the agro-industrial complex is relatively low, both in terms of production costs and in terms of employment in this sector. In developed countries, the share of the second sector of agriculture is steadily growing, while the share of agricultural production is declining. As a result, agriculture in the United States provides 1% of GDP, 4% of jobs, while agriculture as a whole provides 18% of GDP and 20% of the nation's labor force.

In transition countries, the share of agriculture in the agro-industrial structure is much higher than in Western countries, reflecting the weak development of the processing of agricultural raw materials, such as the food industry. The agro-industrial complex of Russia employs about 30% of workers, including 14% in agriculture, and this industry accounts for 7% of the gross domestic product.

In almost all countries of the world, agriculture consists of two main sectors: crop production (crops (rice, rye, corn, beans, peas) and horticulture (viticulture, horticulture, horticulture, tropical crops) and animal husbandry (livestock breeding, pig breeding, sheep breeding., poultry farming, horse breeding, camel breeding, etc.).

In the structure of the world economy, the ratio of crop production and livestock production is approximately the same, but in developed countries, animal husbandry prevails, and in developing countries, crop production. The ratio between these sectors is changing in favor of animal husbandry. In Sweden and Finland, livestock accounts for 75% to 80% of gross domestic agricultural product, in the United States about 55%, and in France 53%. The exceptions are the countries of Central Europe, including Italy, where the industry produces from 40 to 42% of agricultural products, which is largely determined by unfavorable natural conditions for animal husbandry [Polukhin A.A., Yusipova A.B., p.12].

Agriculture remains one of the most important sectors of material production in the world economy. At present, due to the strong influence of scientific and technological

progress, agriculture is undergoing a period of profound structural changes. Agricultural production has entered the stage of mechanical development: agriculture has become an integral part of a large agro-industrial complex.

Countries used for agriculture and food production export 35% of the world's land stock. They differ greatly in their natural properties, in their ability to produce cultivated plants or herbs that livestock feed on, that is, in their industrial potential in agriculture.

On different continents, different sizes of agricultural land depend on the agro-industrial potential of the region, and not on the needs of the population. This can be seen in Asia, where over 3.1 billion people currently live, only 17% of the total land area per capita was plowed, so the locals here have very little land per capita.

While the world as a whole has 0.3 ha of arable land per capita, in Asia, which has 31% of the world's arable land, this figure (0.15 ha) is the lowest on earth. In densely populated Europe, 1 ha already feeds 4, in South America - 2.0, in North America - almost 1.5.

According to the FAO, over the past 25 years, the total land area in the world has increased by 140 million hectares, or 10 percent. The population exceeded 1.3 billion or 40%. Feeding this population became possible only thanks to intensive agriculture: the increase in food production by 82% was only 12% due to the intensification of agriculture and the extensive expansion of arable land. Studies and calculations carried out by international organizations and, above all, by the FAO, show that instead of developing inefficient countries, it is advisable to introduce intensive agricultural technologies.

As world experience shows, scientific and technological development is the only basis for effective socio-economic changes at the macro and micro levels of development of the national economy. The economy of Uzbekistan differs from many other countries in its rapidly changing scientific and technical potential, historical traditions of advanced agricultural science, which in modern conditions is an important strategic resource. Thus, the desire in the conditions of the global financial and economic crisis to develop the innovation sector and deepen market relations in the agricultural sector should objectively contribute to the formation of competition in agriculture and other sectors of the agro-industrial complex for access to the latest scientific developments [Krivorotko I.A., p.59].

In most countries of the world, ownership of land, including agricultural land, is not limited by the state as the sole owner. At the same time, in many countries the state does not participate in the land market for commercial agricultural activities, but only retains regulatory functions to protect public interests in the field of land relations.

In addition, the full participation of the country in trade allows the development of other markets, as this is an important financial asset for capitalization (for example, financing and development of corporate securities markets for companies in this sector of the economy).

The Agriculture Development Strategy of Uzbekistan for 2020-2030 contains important priorities for the development of the agricultural sector for the coming years, including reducing the role of the state and strengthening the role of market mechanisms in management, increasing the investment attractiveness of the sector.

The strategy emphasizes that the rational use of natural resources and the growth of ecological and agricultural exports are hampered by the lack of guarantees of land

use rights, the lack of clear land distribution mechanisms, limited sublease opportunities and other reasons, and also speaks of the need to cancel the mandatory state order for cotton and wheat [8].

The main problems of agricultural production in Uzbekistan that affect economic relations with other countries are as follows [6]:

1. Agricultural lands of agricultural farms are used inefficiently in terms of preserving and increasing land fertility. Soil fertility continues to decline, salinization and soil degradation are observed. The main reasons for this are:

- Ownership of land is poorly protected, land can be bought at any time. Thus, there is little incentive for landowners to invest in land management and fertility in the long term. The land is usually used for short term exploitation.

- Planned agricultural work commissioned by the state will force farmers to intensively use the land and reduce crop rotation potential.

- Objective and effective mechanisms are required for the selection of effective land owners and the redistribution of land in favor of effective owners. It is necessary to divide and redistribute land should be carried out according to market principles, and not at the request of officials. Must pay attention to ensure transparency mechanisms for the distribution and redistribution of land.

2. Agricultural land of agricultural farms is used inefficiently in terms of maximizing the commercial profitability of land use. Government-mandated mandatory harvest quotas prevent farmers from optimizing their production mix based on soil, climate, water availability, staff skills, market conditions, cost levels, etc. Relative advantage factors, grow other crops more efficiently on cotton farmland and wheat.

3. Effective incentives exist for end users, water infrastructure and organizations to use water efficiently. As a result, more than 1/3 of irrigation water is lost in irrigation networks. More water is lost in the fields because only a small percentage of irrigated land is equipped with water-saving technologies.

4. The potential of land use to solve social problems is not fully realized:

- A significant part of the rural population has limited access to land, which can lead to social conflict, low employment and income in overcrowded rural areas.

- The principles and mechanisms of land acquisition by the current owners (farmers) are vague, non-transparent, and their land ownership rights are illegal in the eyes of the rural population.

In his statements, the President of the country has repeatedly stressed the need to address the above-mentioned problems, such as the abolition of mandatory state regulation, the expansion of land use rights in the form of lease and sublease, as well as the reduction of the powers of local authorities to distribute land, and the regulation of market mechanisms in the agricultural sector.

Despite a number of decisions, for objective and subjective reasons, the land reform was not actually completed. Significant government interference in the agricultural production process continues, a mandatory public order system still exists in practice, and farmers' land use rights are limited and not adequately protected. This has huge negative consequences and casts doubt on the prospects for agricultural reform.

More than 70% of arable land is still mandatory for cotton and wheat, due to the current administrative method known as "crop colonization" and normalized yield rates, which remain a prerequisite for land allocation.

Along with this, in other words, the mandatory state order density is abolished in practice, and is the main motive for the effective development of further reform of the sector.

Although the power of khokims to redistribute land is limited, there are important exceptions that allow them to actively participate in these processes. Legislative reforms brought transparency and stopped the illegal trade of land, as well as the illegal confiscation of land from farmers.

Land offered to farmers must be used strictly for its intended purpose, which limits the choice of crops, taking into account the freedom of enterprise, soil and climate characteristics, water availability, staff qualifications, etc.

Recent changes and additions to the legislation allow the use of sublease (which is prohibited), but its scope is very limited. Agricultural land can be provided to farms for up to one year (for investment projects or public-private partnerships for a period of at least 3 years and no more than 49 years) [7].

In a peasant farm, a land plot may be transferred for temporary use for a certain period with the consent of the parties. However, agricultural land leased for sublease cannot be the subject of purchase, pledge, donation or exchange.

The legislation provides for three forms of land use: (1) farming; (2) dekhkan farm; and (3) cooperative farming (shirkats).

However, in recent years a fourth form, agricultural groups, has been widely used, although there is no legal definition of groups as a form of land use.

At the same time, it is clear that the state gave farmers the right to coerce the cultivation of crops that bring large incomes, and coercion could extend not only to cotton and wheat, but also to other crops (fruits and vegetables). In addition, we believe that currently states do not restrict the freedom of movement of farmers working with them by introducing agricultural technologies.

Uzbekistan is an exporter of textiles and at the same time imports textiles with high added value and quality. Countries buy cotton mainly for the production of yarn for export. 97% of textiles and more than 60% of yarn produced in Uzbekistan are exported, of which 60% of finished products go to other countries of Russia and the CIS, 100% of bleached and dyed yarn is exported to China and Turkey. 90% of the yarn produced comes from knitwear and only 10% from knitwear [5].

Due to the technological complexity of the production of knitted yarn, Uzbekistan has not yet become a major player in this area. As for the production of finished textiles, Uzbekistan produces mainly high-quality cotton products, which locals cannot buy, and exports them mainly to Russia and Eastern Europe.

Local demand continues to be driven mainly by demand for low-cost, high-volume artificial fabrics and dyes produced at competitive prices in countries with advanced chemical industries such as China and Turkey. Domestic manufacturers mainly sell surpluses and defects in the domestic market.

The groups' competitive advantages are largely based on market factors: forcing farmers to grow certain crops, selling crops at fixed prices, low electricity, gas and water prices, and low wages for textile workers.

When the state moves away from mandatory public procurement (in all its forms), wages rise, subsidies for electricity, water and gas are reduced or eliminated, groups lose their competitive edge and most of them become uncompetitive.

Thus, the “farmer groups” created in recent years represent an effective form of management that can survive in market conditions, but the actual situation requires that enormous institutional changes be continued in agrarian reform and the development of agricultural production in Uzbekistan.

Conclusion. As world experience shows, scientific and technological development is the only basis for effective socio-economic changes at the macro and micro levels of development of the national economy. The economy of Uzbekistan differs from many other countries in its rapidly changing scientific and technical potential, historical traditions of advanced agricultural science, which in modern conditions is an important strategic resource.

In many countries, agricultural resources continue

to be used primarily for food purposes. Benefits can operate only in those countries where there are special natural and political conditions that allow efficient use of land resources for the production of biofuels. The most important of them are the United States (corn ethanol), Brazil (sugar cane ethanol) and a number of countries in Southeast Asia, which in the future will establish the production of palm oil biodiesel.

The presented forecasts for agricultural production in world practice show that the transition of agriculture to an innovative, resource-saving development path in the next 40 years can significantly reduce the risks of a global food crisis. Overcoming the threat of hunger is the most important problem for the world community.

The desire in the conditions of the global financial and economic crisis to develop the innovation sector and deepen market relations in the agricultural sector should objectively contribute to the formation of competition in agriculture and other sectors of the agro-industrial complex for access to the latest scientific developments.

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