

## Agrarian relations and agro-business in Uzbekistan, and further developments in this sector

Khotamkulova Madina Sanjar kizi<sup>1</sup>, Zaynalov Jakhongir Rasulovich<sup>2</sup>

<sup>1</sup>Student, Samarkand Institute of economics and service, Uzbekistan

<sup>2</sup>Professor, Samarkand Institute of economics and service, Uzbekistan

Correspondent author: [xotamkulova\\_m@umail.uz](mailto:xotamkulova_m@umail.uz) DOI 10.31150/ajebm.Vol3.Iss4.230

**Abstract:** This article discusses the changes in the agricultural sector of the country and its innovations. In addition, the activities of foreign joint ventures in the agricultural sector were analyzed and proposals were made to increase the share of the agricultural sector in the national economy.

**Keywords:** agricultural relations, integration of the agriculture, agro-business, innovation, financing, the method of cluster.

### Introduction

The role of agriculture in the development of our economy is invaluable. Therefore, as a result of special attention to this area, this sector is developing year by year. As a result of the measures developed in the context of the development of innovative production, a great deal of attention is paid to the agro-industry and its development through the widespread introduction of new innovative technologies. It should be noted that the reforms carried out in recent years in this area, along with a sharp increase in the share of agro-industry in the national economy, also has been creating opportunities for the development of related industries of this sector.

### Materials and methods

It should be noted that agriculture plays a significant role in the economy of the Republic of Uzbekistan. As noted above, it has received a lot of attention since the years of independence. The focus on agriculture has continued to grow in recent years. On April 17, 2019, the President of the

Republic of Uzbekistan Sh.M.Mirziyoev signed a decree "On measures to improve the system of public administration in agriculture". [1] The decree provided for the development of new measures to increase agriculture and increase its competitiveness, and in the framework of this decision, new reforms are being carried out in the agricultural sector.

Scientific works: "Prospects for modernization of agriculture in the implementation of economic reforms" by B. Shermuhomadov, I. Salohiddinov[2], "Effectiveness of innovative activities of the agricultural sector in Uzbekistan" by B. Nasimov [3], "Development of farms in the context of competition and rapid change" by Musaev RM, Rasulov Z.J. , Agzamov A. [4] have been analyzed and it should be stated that in their scientific works, such as their views on these issues provide a detailed theoretical and practical understanding of the need for future development of agro-industry, attracting large amounts of capital. Although the views and scientific approaches of the above-mentioned scientists to the use of modern technologies in the development of agriculture and agribusiness are also covered in detail, there are still challenges to be addressed in financial support. . In particular, the above-mentioned scientific works provide a comprehensive analysis of the agricultural sector, as well as issues such as the stabilization of the organic relations of this sector with other industries and services.

For instance, B.Nasimov's scientific work describes the proposals for the development of the industry and their specific features.

The scientific work of Musaev R.M., Rasulov Z.J., Agzamov A. analyzes the current status of farms which is the most important part of agribusiness, and the use of modern methods in their development and management, as well as new ideas and proposals for the widespread application of these methods in the country. These problems were later analyzed by other economists, who also pointed out the need for drastic reforms in order to develop the agricultural sector in the future. Analyzing the above and a number of other publications, it is described in detail that the agricultural sector in our country is widely analyzed by regions, as well as agrarian reforms.

Production in the agricultural sector depends on land. Relationships related to land ownership, disposal and use are called agrarian relations [5]. It should be noted that after the land and water reform of 1924[1], the view of land as private property was abolished and it was declared public property. However, a number of countries that gained independence from the former union

introduced private ownership of land. In our Republic, the land is state property and is given for long-term lease. Since reproduction in agriculture is directly related to land, it plays more significant role in agriculture than in other areas of production. According to many scientists, land is the main means of production in this sector. It should be noted that according to economists, there are two types of soil fertility: natural and economic fertility. The textbook under the general editorship of Professor M.M. Muhammedov (2018)[6] defines natural fertility as follows: the formation of various substances in the top layer of the earth that can be "nourished" by plants as a result of natural changes without any human intervention for many years. If soil fertility is the result of human impact on nature, that is, the improvement of soil composition and farming methods by artificial means, it constitutes economic fertility. In the process of economic development, agriculture has always been strongly linked to industry, trade and other sectors. Because the satisfaction of the country's demand for food and goods made from agricultural raw materials depends not only on the state of agriculture, but also on the harmonious development of industries.

According to economists, the form of entrepreneurial activity in the agricultural sector is manifested in the form of agribusiness. According to Pardabekova (2006)[7], it is necessary to develop economic relations in the agro-industrial complex with the help of agribusiness. In the agribusiness system, the seller of the product should be the main or leading entity. Agribusiness is an intermediate link in the cultivation, processing and delivery of agricultural products to the consumer, solves the task of adapting the finished product to market requirements and ensures the competitiveness of the product. Moreover in the textbook which was published in English [8] agribusiness also described as a risky type of business because agricultural products may not always yield the expected results.

### **Methodology of the Research**

The methodology includes historical analyzes, systematic analyzes, and graphic methods. Statistics have been made by the help of official statistics of Uzbekistan.

### **Results**

One of the agricultural methods which has been developing in our country, cluster analyzed in the study. During his visit to Bukhara region on March 10-11, 2017 and February 16-17, 2018, the head of our state Sh.M. Mirziyoev [1] got acquainted with the ongoing reforms and organized

the project "Cotton and Textile Cluster" advanced. The purpose of the cluster is to focus on the creation of competitive goods based on the organization of innovative production - the integration of enterprises of the same industry located in the city, district and region and the educational, scientific, engineering, consulting, standardization, certification and other services in a single technological chain. Statistics show [9] that in the enterprises of clustered regions, labor productivity is up to 1.5 times higher, and wages are up to 30 percent higher. According to the study, large-scale efforts are being made to attract foreign joint ventures and innovations to increase the number of clustered regions in the country. It should be noted that this year it is planned to transfer 70 out of 133 cotton-growing districts of the country to a full cluster, and the newly formed cluster will establish 41 enterprises and create about 25,000 jobs.

Many reforms are being carried out in the country for the development of the agricultural sector, and research has shown that the volume of agricultural production is growing from year to year and the increase can be seen in the following table1 [9] .

*Table 1. Agricultural products by regions (in current prices, billion soums)*

	2014	2015	2016	2017	2018
The Republic of Uzbekistan	81794,3	99604,6	115599,2	148199,3	187425,6
The Republic of Karakalpakstan	2558,7	3332,2	3929,8	4801,3	6562,9
Regions					
Andijan	7992,4	9796,6	11873,4	15290,9	19606,3
Bukhara	6856,6	8290,5	9812,2	12968,8	17064,6
Jizzakh	4772,0	5685,3	6827,1	8835,0	11448,2
Kashkadarya	7689,1	9089,0	10863,6	14360,6	17206,5
Navai	3556,7	4206,1	5034,7	6470,3	8299,8
Namangan	5470,5	6973,6	7973,7	10215,7	12639,6
Samarkand	11747,6	14300,0	17088,6	21506,8	25658,0
Surkhndarya	6761,9	8218,0	8737,2	11608,1	15046,2

Syrdarya	2868,0	3581,2	4088,4	5074,0	5654,3
Tashkent	9069,2	10735,5	12034,2	15594,8	18359,1
Fergana	7274,3	9180,9	9824,6	12388,0	17457,1
Khorezm	5177,3	6215,7	7511,7	9085,0	12423,0

According to the results of the study, in some regions of the country the potential of agricultural products is significantly higher than in other regions. In particular, Samarkand, Andijan and Fergana regions can be included in them. Growth rates are also observed in agrobines, which are directly related to the agricultural sector in our country. For example, based on the results of research, it can be noted that the production of farms and dehkan farms, which are the mainstay of agribusiness, is growing 1 to 2 times a year.

In addition, growth rates are observed in agro-business, which are directly related to the agricultural sector in our country. For example, based on the results of research, it can be noted that the production of farms and dehkan farms, which are the mainstay of agribusiness, is growing by 1 or 2 times a year [9].

*Table 2. Basic indicators of agriculture*

	2015	2016	2017	2018	2018-year compared to 2015 growth(+) decrease (-)	2018-year compared to 2016 growth(+) decrease (-)	2018-year compared to 2017 growth(+) decrease (-)
Agricultural arable land, (thousand hectares)	3694,2	3706,7	3474,5	3396,0			
Agricultural products,	99604,4	115599,2	148199,3	187425,6	+	+	+

(billion soums)							
Including:							
Agriculture	55429,2	61755,1	83303,4	98406,4	+	+	+
Livestock	44175,4	53844,1	64895,9	89019,2	+	+	+
The growth rate of the production agricultural. Compared to the last year(in percent)	106,1	106,3	101,0	100,2	+	+	+
Including:							
Agriculture	105,5	105,7	98,2	95,8	+	+	+
Livestock	106,9	107,0	104,1	105,7	+	+	+

It can be seen from the data in Table 2 that, according to the analysis, although the area of land in the Republic has decreased in recent years, the amount of agricultural products has increased from year to year. This development can be seen in the framework of the ongoing reforms in the agricultural sector of the Republic, including the use of innovative technologies to reduce land area and increase productivity.

## Conclusion

In conclusion, strengthening the position of the agricultural sector in the national economy and increasing its share in GDP is one of the tools that determine the bright future of our economy.

For further developing this sector, the following proposals should be taken into account:

- ✚ attracting more foreign joint ventures engaged in agribusiness to our country
- ✚ developing innovative ideas and methods for the development of this field
- ✚ creating new seed varieties with high yield in agriculture
- ✚ planting seeds and seedlings in each area, taking into account soil fertility indicators.

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