

WAYS TO DEVELOP ENTREPRENEURSHIP IN THE AGRICULTURAL SECTOR AND INCREASE EFFICIENCY OF MANAGEMENT

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ABSTRACT

Agricultural markets are an economic tool that combines the factors necessary for agricultural production, the products produced, and the interests of producers. Ensuring economic stability is one of the most important tasks in the development of any independent country. In stabilizing the national economy, it is important to fill the consumer markets with quality agricultural products, strengthen food security, provide industry with raw materials, and increase the efficiency of the agricultural sector, which is a source of improving the welfare of the rural population. With this in mind, this article addresses the development of entrepreneurship in the agricultural sector.

KEYWORDS: *Agriculture, Consumer Markets, Economic Stability, Agrarian Policy, Development and Modernization, Diversification Of Production, Philosophy Of Poverty, Demonstrative Consumption.*

INTRODUCTION

Agriculture is of socio-economic importance, it produces consumer goods and raw materials for other industries, which are the basis for the reproduction of human life and labor. The development of agriculture affects the economic security of the country. In the context of digitalization of a socially oriented market economy, the main tasks of the state are to solve socio-economic problems, ensure the implementation of existing government programs, reduce poverty and improve living standards. The implementation of effective socio-economic and organizational-legal mechanisms of employment is important in the implementation of these priorities. This has a direct positive impact on reducing unemployment, informal employment and poverty, especially in rural areas.

A number of scientific works of leading foreign and domestic economists are devoted to the fundamental study of employment, unemployment, inflation, labor market problems and their mathematical and statistical apparatus in a developed market economy. This research serves as a theoretical basis for studying the general problems of the labor market in market-oriented economies and their prospects. However, only a few aspects of the process of employment and use of labor resources and their forecasting of strategic directions have been studied in these studies. They do not fully cover the problems of employment through the development of agricultural entrepreneurship in Uzbekistan.

The current high socio-economic significance of this problem and the fact that it has not yet been sufficiently studied - determines the relevance of this research work.

Level of Study of the Topic

Among the Russian scientists on the development of agrarian entrepreneurship were “A.G. Granberg [1], V.G. Gutman [2], I.A.Rodionova [3], A.V. Busygin [4] and others.

The development of agrarian entrepreneurship in Uzbekistan has been studied in the scientific works of local economists “Abdusalyamov M., T. M. Axmedov, A.M.Sodiqov, A.S.Soliev, O.Abdullaev, A. A.Qayumov, F.T.Egamberdiev, Sh.Sh.Shodmonov, T. T.Jo'raev, K.Muftaydinov, D.S.Alimatova, A.A.Qulmatov [5], N.K.Muradova's [6] ”.

The above-mentioned scientific works have studied the theoretical foundations, the essence and features of the development of private entrepreneurship in the period of economic liberalization. The need to develop scientific proposals and practical recommendations aimed at developing agricultural entrepreneurship and improving the economic mechanism of state regulation and support in the context of the coronavirus pandemic and mitigation of the negative effects of the global crisis in our country was the basis for choosing this topic.

ANALYSIS AND RESULTS

Agricultural markets are an economic tool that combines the factors necessary for agricultural production, the products produced and the interests of producers. Ensuring economic stability is one of the most important tasks in the development of any independent country. In stabilizing the national economy, it is important to fill the consumer markets with quality agricultural products, strengthen food security, provide industry with raw materials, and increase the efficiency of the agricultural sector, which is a source of improving the welfare of the rural population.

One of the important tasks of the policy pursued in agriculture and related sectors is to influence the agrarian legislation. In the process of forming market relations in the agricultural sector, the state, first of all, sets the task of protecting the rights of producers and consumers in the agricultural market. In order for economic activity to go smoothly, the operating entities must be legally protected. Ensuring the inviolability of property rights of owners in agriculture is an important task.

The following are the specific tasks of agrarian policy:

- Providing consumers with cheap and high-quality agricultural products;
- Ensuring the active participation of agriculture in the creation of gross income and the increase of national wealth;
- Solving environmental problems.

Agriculture is an important sector of the Uzbek economy, accounting for 28.5% of GDP. It

employs about 4.2 million people, accounting for more than 30% of the country's total employment. The main agricultural crops are cotton and grain, but the abolition of quotas and price controls in 2020-2021 will contribute to the diversification of crops and the gradual transition to the cultivation of other crops, fruits and vegetables. Uzbekistan is carrying out dynamic reforms and economic changes. In agriculture, as in all spheres, based on today's requirements, structural changes are being carried out in the field of intensive development and modernization, diversification of production. The important role of agriculture in the economy of Uzbekistan also determines the important role of agricultural reforms in the economic success of the republic. Thus, Uzbekistan was one of the three countries in Europe and Central Asia (EMO) that maintained positive economic growth in 2020 despite the pandemic.

According to forecasts, due to the introduction of scientific and innovative ideas, the production of fruits, vegetables, potatoes, legumes and oilseeds increases as follows 16% meat, 13% milk, 27% eggs, 2 times fish, 30% honey will increase by 6-8% annually. The processing rate of fruits and vegetables rises to 15%, meat from 9 to 15%, and milk from 14 to 18%.

We work within the framework of the 10-year agricultural development strategy developed by the Ministry of Agriculture of the Republic of Uzbekistan with the support of the European Union, WB, FAO, as well as other international organizations and experts. According to the "Strategy of Agricultural Development of the Republic of Uzbekistan for 2020-2030", nine areas are priorities:

1. Ensuring food security of the population. In a short period of time, the "malnutrition index" in Uzbekistan fell from 15% to 2.4%, becoming one of the best results in the region.
2. Improving the agribusiness environment and creating value chains.
3. Reducing state participation in industry and improving the investment climate.
4. Rational environmental policy.
5. Development of a modern system of public administration.
6. Diversify government spending to support the sector.
7. Development of the system of agricultural science, education, information and consulting services.
8. Development of rural areas.
9. Development of a transparent system of industrial statistics [7].

The development trend of the world economy testifies to the fact that in all spheres and aspects of human society, especially in many parts of the world under the influence of global climate change, one of the key factors in eradicating growing poverty and hunger is the economic activity of agricultural producers and service providers and their innovation-based organization is of strategic importance. The continuous improvement of this process is becoming a requirement of the times. While the success of economic growth in China, India, Brazil, Chile, and Vietnam is largely due to rapid agricultural growth, some African countries are lagging behind in development due to their inability to provide adequate labor productivity in agriculture.

This is primarily due to the important role of agriculture in the development of other sectors and industries of the economy in the early stages of economic development, which has a high

share of employment and GDP in the agricultural sector. In this case, agriculture promotes the growth of other sectors of the economy by offering factors of production (raw materials, labor, capital accumulation, foreign exchange).

Agriculture is one of the oldest sectors of the economy, one that will never lose its place and importance. However, due to global climate change and environmental problems in our region, every year new challenges and difficulties appear in agriculture, which require unprecedented attention to this agricultural sector.

Studies show that a \$ 1 increase in agricultural production leads to a \$ 1 increase in output in other sectors of the economy, while a \$ 1 increase in output in other sectors of the economy provides a \$ 0.18 increase in agricultural output. These multipliers of agricultural growth are generally observed to be higher in low-income countries, as the main share of the industrial sector (processing of agricultural products) and services in these countries is largely dependent on agricultural performance.

On the other hand, the growth of labor productivity in agriculture will provide food for a growing proportion of the population engaged in non-agricultural activities, while at the same time contributing to the growth of the urban population. In addition, increased productivity in agriculture will help reduce food prices, which in turn will reduce nominal wages in cities.

Due to the existence of a direct link between agriculture and industry, agriculture provides an uninterrupted supply of raw materials to the agricultural processing industry. Also, the so-called financial balance of agriculture, ie cash flows from agriculture, can be directed as an investment, supporting the growth of other sectors of the economy.

This factor once formed the basis of land reform policy in India and China. In particular, China has been able to develop the domestic market of industrial products among 800 million rural households by giving land users the right to own land. It should be noted that China has been able to dramatically reduce poverty by regulating land use relations.

In addition, because low-income countries have comparative advantages in agriculture, agricultural development is a priority in the context of an open economy. Leading experts in economic development say that agriculture offers comparative advantages in the short term, and the development of the agro-industrial complex will pave the way for industrialization in the long run. It should be noted that the development of the agricultural sector has served as an important basis for reducing poverty in Asian countries.

At the same time, there are certain difficulties in defining priorities in agriculture, based on today's requirements; in particular, the following issues need to be clarified:

- to reduce the price of agricultural products in order to reduce hunger and increase the real income of the population, or to encourage the increase of these prices in order to encourage farmers to invest more in agriculture;
- use budget funds to alleviate short-term food problems (for example, through food aid programs) or invest these funds in agriculture and address long-term productivity problems;
- focus on solving the problem of food security through self-sufficiency or expanding trade in food and agricultural products using comparative advantages;
- Accelerate the development of small agricultural producers and farms that are effective in reducing poverty, or large farms that are effective in accessing complex markets through integrated chains to increase productivity and create value.

Thus, it is important for our country to use the existing potential of agriculture to develop the

economy and increase the welfare of the population, to choose the most appropriate methods and tools in this regard.

Uzbekistan is pursuing an active policy of agricultural reform. Abandoning the export of raw cotton and focusing on food production, creating clusters instead of scattered farms and ensuring the integration of the agricultural sector with agricultural processing industries are the main directions of state policy in agriculture today.

Based on the study of world experience, we can include the following among the factors that have a great positive impact on the development of agriculture:

Price incentives

The world's best practice shows that agricultural producers are vulnerable to price incentives. Therefore, setting "correct" prices for agricultural products is one of the important factors in ensuring agricultural growth.

Establishing Integrated Chains of Value Added Creation

Food markets are increasingly being transformed into advanced integrated value chains such as supermarkets. They bring together agricultural producers and other stakeholders in the process to share valuable information, provide funding when needed, define and enforce sanitary and phytosanitary standards, encourage risk sharing, and fund research and innovation. Cooperation with support sectors such as financial services, telecommunications, transport and energy will also be facilitated. Significant increase in volume efficiency and quality of products delivered to the consumer is achieved. On the other hand, while supermarkets are leading to the loss of traditional retail stores and the loss of many jobs, process participants are equally interested in lower prices.

Choosing the Right Technology

The future development of agriculture due to limited land resources depends on the efficiency of use of these resources. Technology plays a big role in this. There are labor-saving, land and water-saving, risk-reducing, product-friendly and environmentally friendly technologies. In the context of limited financial resources, the priority in choosing technologies depends on the relative cost of production resources.

CONCLUSIONS AND RECOMMENDATIONS

In order to analyze the measures taken to further develop entrepreneurship in our country, to increase the effectiveness of reforms, we put forward the following proposals and recommendations:

1. In order to reduce poverty and expand the income base of the population, it is necessary to widely use the practice of attaching large entrepreneurs to neighborhoods.
2. Further revitalization of vocational training centers for the population, especially youth and women, the establishment of such centers in each large neighborhood, or in two or three relatively small neighborhoods.
3. Combating plagiarism at any stage of education, the formation of an intolerant attitude to any form of it in society.
4. Develop science-based programs and plans to combat poverty based on an in-depth analysis of corruption, poor infrastructure, poor quality of various social services, environmental and production factors that cause poverty in society, etc..
5. Addressing the issues of socio-economic development of rural areas through the

development of small and medium towns.

6. Further expansion of mortgage lending opportunities to provide young people with affordable housing, revision of interest rates on allocated mortgage loans by regions.

7. Promoting a healthy lifestyle among the population, the formation of a medical culture of citizens, especially among young people.

8. The level of "demonstrative consumption" among the population in Uzbekistan is extremely high. This is evident, first of all, in the form of lavish weddings, the purchase of expensive cars, and the expenditure of large sums of money on beautiful telephone and car numbers at the expense of funds raised over the years. All this shows that the economic behavior of the population of our country is based on the "philosophy of poverty." Taking into account the above, the implementation of measures aimed at changing the economic thinking of the general population.

9. Consistent establishment of cooperative relations between industries and sectors of the economy, especially agricultural producers.

10. Consistent implementation of measures aimed at improving the quality of human capital.

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