

INDUSTRIAL ECONOMY IN OUR COUNTRY AND ITS PECULIARITIES IN ECONOMIC DEVELOPMENT.

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Abstract

This article gives a special characteristic of industrial economy at the level of individual branches of the economy, ways of attracting and collecting investments in the industrial economy, proposals and recommendations for the development of industrial economy in our country in the formation of an effective national economy.

Keywords

modern economy, concentration, post-industrial economy, market economy, production resource, development strategies, liberalization.

The main feature of modern economic development is the transition to post-industrial economy. Specific indicators of post-industrial economy are globalization and informatization. Many economists and sociologists of our time describe the new type of society as a post-industrial (information) society, based on knowledge, whose economy is globalizing. The production and exchange of information are becoming increasingly important in it. At the level of individual sectors of the economy, post-industrial trends are expressed by the change of technologies, mobility of sectoral structures, intra-industry integration and intensification of global competition as a result of continuous innovation. At the organizational level, there is virtualization of resources, concentration of firms on their core competencies and outsourcing of other functions, spread of network and virtual organizational forms.

The industrial economy was based on the accumulation of investments (in the form of savings of the population or at the expense of government activities) and their subsequent investment in production capacity. In the post-industrial economy, fixed capital sharply decreases (for example, in the U.S. the amount of savings is less than the amount of household debt), while consumption increases. This trend is explained by the fact that the main productive resource - people's skills - cannot be increased by increasing investment in production. This can only

be achieved by increasing investment in people and increasing consumption. In addition, the growth of consumption makes it possible to satisfy the immediate human needs, as a result of which people acquire personal growth, development of creative abilities, etc., i.e. the qualities that are most important for post-industry.

Thus, in order to transition to a post-industrial economy, industrialized economies must strive to upgrade people's skills and develop the service sector, which currently accounts for more than 60% of all jobs. Employment in industry is declining in favor of services, even in China due to rapid technological progress. At the same time, Uzbekistan is striving towards a post-industrial economy in transition. The most developed service industries are banking and retail trade, but the share of this sector is still lower than in Kazakhstan and many Asian countries, so a number of challenges for development are foreseen.

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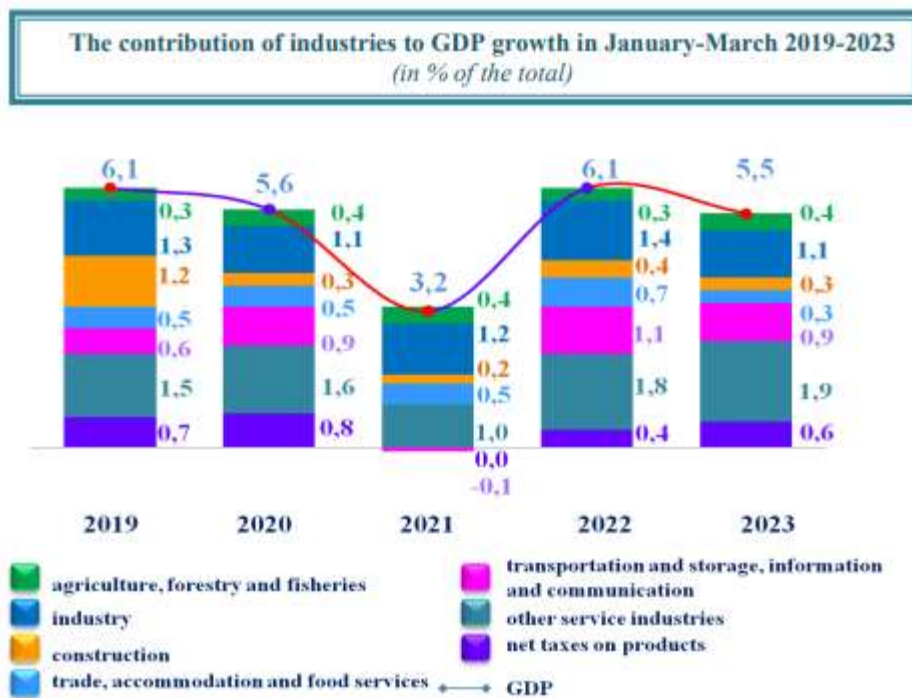
The impossibility of forming an efficient national economy is explained by the important regulatory role of the state, the dominance of the extractive industry and the fuel and energy complex, the low competitiveness of the national economy, the extensive nature of agriculture and the population's propensity for economic development. It should be taken into account that before reaching the current indicators of economic growth, the countries of the world have passed a long way of evolution before forming an effective model of national economies.

The market economy of our country is still very young, so many analysts argue about what type of economy it should be attributed to: industrial or post-industrial. To answer this question, it is necessary to analyze the structure of our country's economy and its main indicators.

In accordance with a preliminary estimate, in January-March 2023, the GDP of the Republic of Uzbekistan at current prices amounted to 198 483.5 billion soums and, compared to January-March 2022, increased in real terms by 5.5%. The GDP

deflator index, in relation to the prices of January-March 2022, amounted to 112.6%.⁶¹

When calculated in US dollars at the average exchange rate for the reporting period, nominal GDP amounted to 17 501.1 million US dollars. A positive contribution to GDP growth was made by the sectors of agriculture, forestry and fisheries – 0.4 percentage points, industry – 1.1 percentage points, construction – 0.3 percentage points and services – 3.1 percentage points. Due to the growth of net taxes on products, GDP increased by 0.6 percentage points.⁶²



Before reaching the position of active economic growth, realization of a number of global institutional reforms in the national economy, first of all, the mentality and psychology of the population must change in order to take a more active economic position.

We need to start the process of modernizing our country's economy, carrying out major structural reforms, bringing legislation to the conditions of a market economy, and strengthening the specialization of property rights. The focus should be on the development of intellectual and human capital, which generally supports the education and health sectors.

In conclusion, it makes sense to take the main successful development strategies from the EU countries:

⁶¹ file:///C:/Users/user/Downloads/1.Gross%20domestic%20product.pdf

⁶² file:///C:/Users/user/Downloads/1.Gross%20domestic%20product.pdf

1. European wage and social reforms.
2. Improving the quality of public administration.
3. Technology should become the basis for economic growth.
4. Consistent strategic planning.

Of course, these strategies should be developed taking into account the overall stability of state institutions, and most importantly, they serve the development of a market economy. Legislation in our country needs to be liberalized, which should be reflected in law reform. It is also necessary to establish property rights to reduce corruption and protect private property.

In addition, it is necessary to form a policy of reindustrialization aimed at both the West and Asia. Europe is a good and profitable trade market for the producers of our country.

Many kinds of industries are developed in our country, including mining and extraction of raw materials: oil, gas, various kinds of metals. The production of agricultural machinery is established in our country. Textile industry and production of scientific instruments are well developed.

The economy of our country is becoming more and more dependent on various innovative technologies, so the funding of science is increasing. Research and development has come to play an important role in economic development. Specialization is also increasing in all sectors of the economy. The insurance market, which is an integral part of any post-industrial economy, is actively developing, as it guarantees the protection of the entrepreneur from major production risks. In addition, we should not forget about the development of financial infrastructure. The realization of a full-fledged and comprehensive development strategy should include not only an increase in production capacity,

but also financial infrastructure to ensure its security and independence in this area.

So, to the state, first of all:

- development of production of industrial products that will be competitive on domestic and world markets;
- Increasing investment in human capital: education, science and health care;
- development of a system of values that define the culture of society, which should guide the authorities when making decisions;
- fight against corruption, as it is one of the reasons for inefficient use of invested funds.

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