

The Role and Importance of Industry in the Fight against Poverty in Today's Economy

Turayeva Gulizahro

Independent researcher of Gulistan State University

**Suyunov Shohzodbek, Ibodullayev Nodirjon, Rasulova Nasiba,
Xo'jaboyeva Yulduz**

Independent researcher of Gulistan State University

Article Information

Received: October 11, 2022

Accepted: November 12, 2022

Published: December 13, 2022

Keywords

Industrial development,
innovative ideas,
investments, clustering,
leasing, employment
promotion, textile and light
industry.

ABSTRACT

The purpose of the article is to study the role and importance of industry in the fight against poverty. To conduct our research, firstly, the analysis of the dynamics of the production volume in the industrial sector of our economy in 2017-2020 in statistical indicators, and then the analysis of panel data was used. The following statistical indicators were used to quantitatively assess the dynamics of the studied events and processes - absolute change; - change image;

For our analysis, data from 13 industrial production sectors in the industrial sector are used. Therefore, our data have four years of performance. . The results indicate that the production volume in the industry is increasing year by year, according to our data. This is also observed in some of his compositions.

INTRODUCTION

For the first time in the history of Uzbekistan, the issue of poverty was raised in the address of the President of the Republic of Uzbekistan to the Oliy Majlis on January 24, 2020, and this topic became the main agenda of socio-economic policy.[1]

The article develops a mechanism for the introduction of innovative clusters, which provides for the employment of free segments of the population, in particular unorganized youth and women, at existing enterprises created through investment and leasing in non-existent and stagnant in the development of the industry. Scientifically based proposals and recommendations for finding solutions to the problems of industrial development are presented.

In Uzbekistan, 16.3 percent of the able-bodied population will be employed in industrial production in 2021. It should be noted here that the provision of the republic's industry, employment of the able-bodied population with socially useful work, one of the measures to combat poverty, is improving at an accelerated pace. The more intensive development of the industry, combined with a significant increase in the level of employment, leads to a further increase in the number of production personnel and their position in society.

LITERATURE REVIEW

There are different approaches to the prevention and study of poverty, which has become a pressing problem. First of all, it is assumed to develop a marketing strategy for the development of the agricultural economy, because the agricultural economy aims to deliver food to the population

Z. M. Ilyina suggests using the following approaches to analyze the role of industry and the sustainability of food production in agriculture [2]: static (determining the limits of market development); dynamic (studying the vibration of a number of speakers); adaptive (factorial assessment of the degree of adaptation of the food system to changes in external conditions).

Uzbekistan is a country with rich natural, mineral, raw materials and labor resources, a huge investment potential. The decisive factor ensuring the success of investment activity in Uzbekistan is the regular and continuous improvement of effective legislation regulating the set of necessary issues, one way or another related to investment.[3,4]

DATA AND METHODOLOGY

In our research panel, the dynamics of production volumes in the industrial sector of our economy from 2017 to 2020 and the place and role of industry in the national economy are analyzed. For our analysis, data are used from 13 Industrial production sectors within the industrial sector. Therefore, our data has four years of indicators. According to the indicators of our data, the volume of production in the industry is increasing year by year. This is also observed in some of his compositions.

The following statistical indicators were used to quantitatively assess the dynamics of the studied events and processes;

- Absolute change;
- A picture of change;

The role and place of industry in the national economy can be clearly seen from the following table (Table.1). The table below shows the dynamics of production volumes in the structure of the industrial sector of our economy.

**Table 1. Analysis of production volume by industrial production sectors
(as a percentage of the previous year)**

Industry structure	Years			
	2017	2018	2019	2020
Total	100,0	108,3	109,6	108,3
Including:				
Electric power industry	7,1	7,3	9,2	9,4
Fuel	15,0	13,3	9,2	9,4
Ferrous metallurgy	2,3	2,7	11,1	9,6
Non-ferrous metallurgy	9,0	8,9	11,1	9,6
Chemistry vs. Petrochemistry	5,4	5,3	9,2	9,4
Mechanical engineering and metalworking	18,8	19,2	175,4	135,8
Forestry, woodworking and pulp and paper	1,4	1,8	2,3	3,0
Building materials	6,5	6,4	6,7	7,9
Easy	13,2	14,1	15,4	17,0
Food	15,7	15,1	17,2	19,1
Other	5,6	5,9	189,4	608,7

From the data in Table 1. it can be seen that the volume of production in industry increased from year to year. This is also observed in some of its compositions. In 2019, the electric power industry accounted for 9.2 percent, and in 2020 - 9.4 percent.

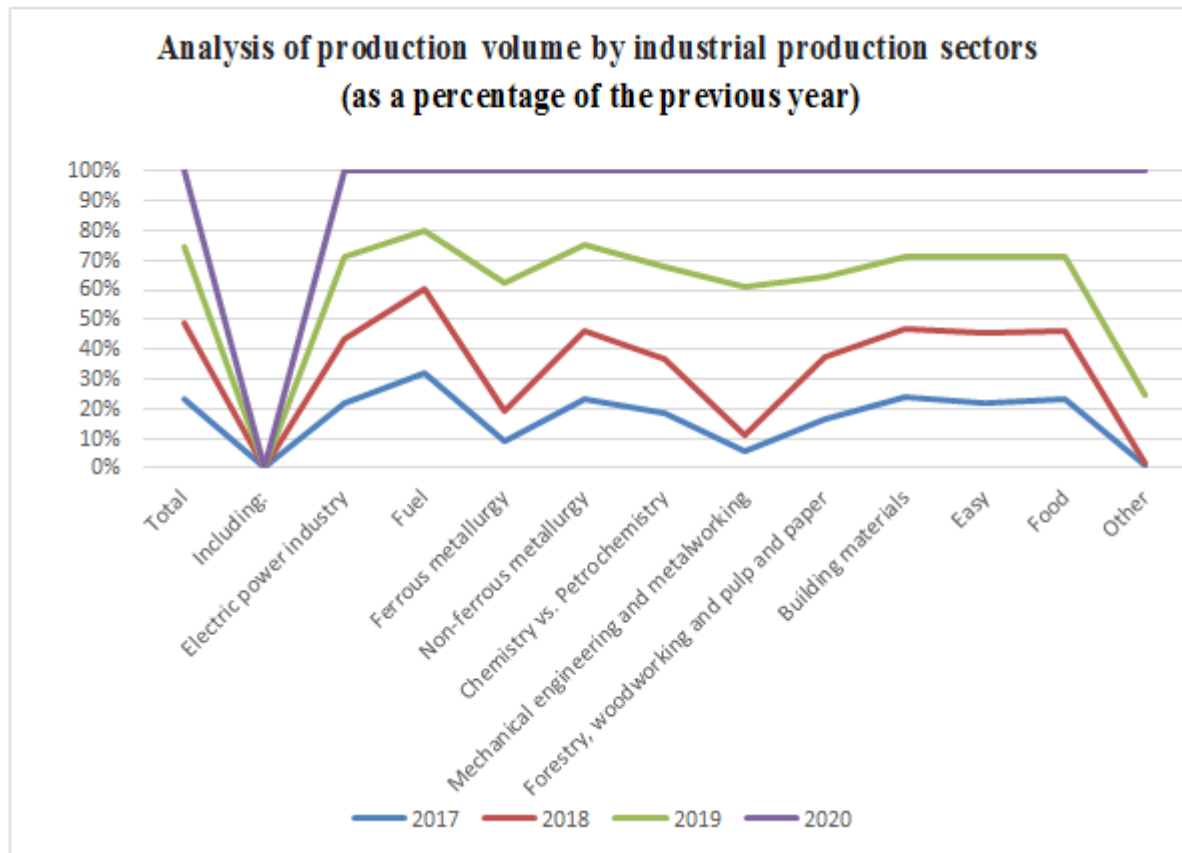


Figure 1 Production volume dynamics by industrial production sectors

The main factor of such growth is that the state itself is pursuing a reform strategy on a par with the policy of industrialization. Among those that make up the leading positions in industrial production, one can name mechanical engineering and metalworking, light industry, food industry, non-ferrous metallurgy. The basis for achieving positive indicators was, first of all, the preservation of existing industries in the required volume and the creation of new industry strategies. Indeed, since the first years of independence, the development of the real sector has become one of the priorities for the Government of Uzbekistan. With fuel and energy products in our republic.[5,6,7]

Uzbekistan is a country with rich natural, mineral, raw materials and labor resources, huge investment potential. The decisive factor ensuring the success of investment activity in Uzbekistan is the regular and continuous improvement of effective legislation regulating the totality of necessary issues related to investment in one way or another.

During the short period of the formation of state independence, a legislative framework for investment activity was created in the republic. It is in the legislation that a fairly broad system of legal guarantees and preferences for attracting domestic and external investments has been reflected. These legislative acts consist of laws of the Republic of Uzbekistan, **decrees and resolutions of the President of the Republic of Uzbekistan and resolutions of the Cabinet of Ministers.**

In order to increase the interest of foreign investors in attracting investments in the industrial sectors of the national economy, the development of mutually beneficial cooperation, they have been provided with many benefits and amenities, which is an important factor in increasing the

favorable state of the country's investment climate.

Due to the exceptional role of foreign investments in the development of the industrial sector, there are a number of benefits in tax legislation to support them.

In addition, the export - import of production factors is facilitated for them. Customs duties on property imported for incorporation into the authorized capitals of joint ventures and foreign enterprises in the territory of Uzbekistan were not introduced.

RESULTS AND DISCUSSION

In addition to all of the above, many other advantages and amenities can be brought to Uzbekistan. All this is becoming increasingly important to increase the attractiveness of the investment climate and attract investment in the national economy.

In particular, a number of opportunities have been created in our Syrdarya region for the consistent development of industry, at the same time there are a number of systemic problems that hinder the consistent development of industry in the region. In particular;[8,9]

- firstly, the lack of a well-coordinated technological chain for the production of finished products with high added value, despite the sufficient potential of the network;
- secondly, the light industry management system does not meet the current trends in the development of the industry, which leads to the accumulation of unresolved problems;
- thirdly, unsatisfactory work on the harmonization of national standards and light industry testing laboratories with international standards and requirements, as well as the low level of implementation of modern quality management systems hinder the promotion of domestic products to large foreign markets, increase export potential and increase confidence in the quality and safety of products;
- fourth, the level of introduction of modern information and communication technologies in the industry is unsatisfactory for a systematic analysis of existing problems and determining promising directions for the development of the textile industry;
- fifth, the irrational distribution of raw materials and production resources, deficiencies in the organization of logistics and engineering infrastructure lead to the shutdown of a significant part of production capacity, economic losses and, as a result, to an increase in the cost of production, as well as to an increase in the profitability of production;
- sixth, the steady dominance at our industrial enterprises, in particular in the production and export of textile semi-finished products, the insufficient level of production of finished textile products with high added value and the formation of national brands capable of competing adequately in world markets, do not allow to increase the incomes of textile industry enterprises;
- seventh, the personnel training system does not meet the real needs of the industry, international cooperation has not been established on the introduction of innovative areas of training 3 + 3 (3 classrooms + 3 production facilities) and the deepening of scientific research on topical issues of industry development.

I believe that in solving this number of problems, we will be able to achieve further improvement of industrial development in our area and solve problems through the following areas.

- firstly, by increasing the share of light industry in the regional economy, increasing the volume and quality of light industry products produced in the country, primarily competitive textile products with high added value, by reorienting to high-tech production Including:

- secondly, a radical revision of the light industry management system in our region with the introduction of advanced management technologies, effective forms of comprehensive assistance and support to industry enterprises, including in solving problems that hinder their development;
- thirdly, further improvement of the system of standardization and certification in the field of light industry through harmonization with international requirements and standards, as well as modernization and accreditation of product testing laboratories;
- fourth, the widespread introduction of advanced information and communication technologies into the industry, which allow obtaining reliable and timely information about the state and trends in the development of domestic and foreign markets of light industry products, its systematic and comprehensive analysis in order to determine the priority directions of the industry development;
- fifth, the implementation of a cluster development model that provides for the integration of production from the cultivation of cotton raw materials to its primary processing, subsequent processing of products at cotton gins and the production of finished products of light industry with high added value;
- sixth, ensuring a balanced distribution of raw materials and their interdependence with the development of logistics and engineering infrastructure of the industry enterprises being created, including through the construction of multifunctional transport and logistics hubs, choosing optimal routes and corridors for cargo delivery, as well as optimizing the definition of cargo transportation in transport;
- seventh, expansion of production and export of high-quality finished products of light industry, widespread introduction of advanced and innovative technologies, know-how, design developments into the production process, localization of production of modern samples of accessories and accessories in order to promote national brands to world markets;
- eighth, radical improvement of the system of training, retraining and advanced training of personnel for light industry with the expansion of areas in demand specialties, revision of the system of 3 + 3 curricula of educational institutions taking into account current trends in the development of the industry, intensification of research activities, as well as international cooperation in this field.

CONCLUSION

Taking into account the current trends in the development of industries, it is necessary to determine the real need for personnel in industry and promising areas of their training, take part in improving training programs for training, retraining and advanced training of specialists, deepening research in this area, identifying and eliminating systemic problems that hinder the accelerated development of the industry and the sustainable functioning of light industry enterprises, developing proposals for further improvement of legislation in this area.

The organization of production in the republic of a wide range of high-quality textile and sewing and knitting products, deepening the localization of its production, as well as increasing the export potential of domestic producers are of great importance for the role of foreign investment in the Republic of Uzbekistan, which gives Uzbekistan all the conditions for joining the group of countries where huge foreign investments are directed, a number of advantages for attracting foreign investment. Since our country gained independence, the creation of a favorable investment climate has been one of the central issues of our state's economic policy. In a market economy, specific sources of financing for investments in fixed and current production assets of enterprises are formed, such sources are based on the principles of self-financing of enterprises.

The cost of production (works, services) expresses the cost expression of costs associated with natural resources, raw materials, materials, fuel, energy, fixed assets (depreciation charges), labor resources and other production costs used in the production or processing process.

The cost of production includes costs directly related to the production of products (performance of works, provision of services), determined by the method and technology of production organization.

To date, one of the important industrial zones in the Syrdarya region is a project to create an industrial zone in the Mirzaabad district of Gujarat, for which 40 hectares of land have been allocated. It is planned to attract 100 million dollars of foreign direct investment to its organization, the enterprises will be launched one after another in 2021-2023.

In this regard, the President of our country, emphasizing the importance of paying special attention to the quality and timing of the implementation of projects, gave instructions to increase the production of import-substituting products, noted the proximity of the Syrdarya region to the city of Tashkent, the need to develop logistics using railway infrastructure, expand cooperation with neighboring countries, as a result of which an important place is also given to work on lifting the population out of poverty, increasing the employment of youth and women.

REFERENCES

1. Sh. Mirziyoyev.M. Message of the President of the Republic of Uzbekistan to the Oliy Majlis.December 28, 2020. Source: <http://press-servis.uz>
2. Ilyina Z.M. Sustainable development of the food system: methodological aspects / Z.M. Ilyin // *Vests of the National Academy of Sciences of Belarus. Series of agricultural sciences.* - 2013. - No. 2. - S. 9-19.
3. Decree of the President of the Republic of Uzbekistan dated April 1, 2021 No. UP - 6198 "on improving the system of public administration for the development of scientific and innovative activities".
4. Innovation management. Surin A.V. Molchanova And O.P., M.: Infra-M, 2008. - 368 p .
5. Khamidov S. Modern trends in the development of industry in Uzbekistan: reforms and results, market, money and credit. - Tashkent, 2015. No. 7,22-28 b;
6. Journal. G.Q.Turayeva. S.SH.Anvarov The role and importance of industry in the practice of combating poverty in the development of the national economy.USA.07.10.2021
7. Committee for Combating Monopoly of the Republic of Uzbekistan <https://lex.uz/docs/-4342729>
8. Agricultural economy agro.uz. Ministry of Agriculture <https://www.agro.uz/>
9. Information on the Commodity Exchange of the Republic of Uzbekistan <https://uzex.uz/>