

## EFFICIENCY OF ECONOMIC RELATIONS OF UZBEKISTAN AND TURKEY

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### Abstract

Based on the principles of absolute, relative and competitive advantages of international trade, the countries of Uzbekistan and Turkey, relying on their economic, financial, technical and resource potential, are striving to increase the effectiveness of further expansion and improvement of their foreign economic relations. Uzbekistan has been demonstrating to the world public that Turkey is important in ensuring peace, stability and cooperation in the region and the world.

**Keywords:** international trade, investment, competitive advantage, foreign trade strategy, foreign economic relations, trade and investment, globalization, wholesale trade, textile, agriculture, construction, social sectors, investment, world economy, international trade, international economic relations.

### Introduction

With the globalization of the world economy, the deepening of international and regional economic integration processes, and the development of mutual economic relations between national economies, each country strives to protect its national economic interests and to act more actively in the system of international economic relations.

One of the priorities of the economic reforms implemented in Uzbekistan since the first years of its independence is integration into the world economy in a deeper and more efficient way through the liberalization of economic relations. The Republic of Turkey is also trying to strengthen its position in the region and the world in general in the process of globalization of the world economy, to use all the possibilities of its national economy's place and effective participation in the world market.

The main part. Relations between Uzbekistan and Turkey have a long history. This is related to the cultural and religious similarities and common history of the Uzbek and Turkish peoples. This cultural affinity creates a basis for the development of mutual trade and economic relations between the two countries.

Turkey was one of the first to recognize the Republic of Uzbekistan as an independent state. In April 1992, the embassy of the Republic of Turkey was opened in Tashkent, and in January 1993, the embassy of the Republic of Uzbekistan was opened in Ankara. Diplomatic relations were established between the two countries on March 4, 1992, and more than 100

bilateral agreements and protocols were signed to create the legal basis of relations. On the basis of these legal documents, Turkish businessmen are investing in the economy of Uzbekistan, in particular, in wholesale trade, textile, agriculture, construction and social sectors.

Based on the principles of absolute, relative and competitive advantages of international trade, the countries of Uzbekistan and Turkey, relying on their economic, financial, technical and resource potential, are striving to increase the effectiveness of further expansion and improvement of their foreign economic relations. The existence of mutually complementary production sectors in the national economies of the states requires further strengthening of economic cooperation and integration relations.

Even today, along with countries such as the USA, Japan, Germany, and Switzerland, which have developed in the foreign economic relations of Uzbekistan, the role of Turkey is becoming significant. Taking into account the strategic importance of Uzbekistan's entry into the Central Asian market for Turkey and Uzbekistan's entry into the world markets, the development of mutual economic relations between the national economies of the two countries is an objective necessity.

The development of trade and economic relations between the Republic of Uzbekistan and Turkey is of particular importance. Today, Turkish investments in Uzbekistan are active in the textile, food, construction materials, trade and other service sectors of the national industry. In recent years, there has been a steady growth in trade relations between the two countries.

Turkish investments began to rapidly enter Uzbekistan from the first years of Uzbekistan's independence. Uzbekistan's favorable investment environment, in particular, its strategic importance in Central Asia, its wealth of mineral and raw material resources, high agricultural culture, cheap labor force, production infrastructure, in particular, roads, water, relatively well-developed gas and electricity supply attracted Turkish businessmen. Trade relations between Turkey and Uzbekistan, Turkish-Uzbek joint ventures are showing effective results in most textile, automobile, food, leather processing, and laundry production sectors.

As the level of efficiency of economic relations between Uzbekistan and Turkey increases, the volume of foreign trade between 2000 and 2022 will increase to 196 million. 3.4 billion from US dollars. It also shows that it has reached the US dollar. Only as of January 1, 2022, the number of enterprises operating in Uzbekistan with the participation of Turkish capital was 1882, 765 of the operating enterprises are joint ventures and 1117 are foreign enterprises, the number of operating enterprises increased by 306 compared to the corresponding period of 2021. Industrial goods (1,376.8 million US dollars), chemical products (126.7 million US dollars) and non-food raw materials (57.7 million US dollars) have a high share among export products to Turkey. In particular, the export share of copper and copper products was 46%, cotton fiber and products made from it 30%, zinc and zinc products 7.40% and plastic products 5%. Relations in the fields of trade and investment are developing rapidly, the efficiency of mutual goods exchange has increased by 2.5 times in

recent years. The number of joint ventures has increased 5 times to over 2,000. Indicators of investment cooperation increased 70 times.

The scope and directions of the privatization processes in Uzbekistan have an indirect influence on the development of economic relations between the countries of Uzbekistan and Turkey. The participation of Turkish investors in accelerating the investment activity of privatized industrial enterprises is increasing year by year. The activity of Turkish industrial entrepreneurs in privatization programs announced by the state is giving effective results.

In recent years, Turkish investors have expanded their activities in the textile, food and construction sectors of the industry by acquiring the part of shares of joint stock companies intended for foreign investors. The implementation of promising projects between Turkey and Uzbekistan is gaining momentum.

Taking into account that Uzbekistan is of strategic importance for Turkey's access to world markets, it is evident that the development of mutual economic relations between the national economies of the two countries is an objective necessity. Bilateral cooperation in the field of investments between Turkey and Uzbekistan is rapidly developing.

It is no exaggeration to say that the period of the last six years of the new Uzbekistan was a period of restoring itself compared to the previous years, opening closed doors, looking for friends and partners in all directions, training potential personnel for effective use of the experience of developed countries.

Today's Turkey is a country whose military potential has greatly increased in addition to its production. Cooperation with such a powerful state is fully in line with the national interests of our country. In turn, Uzbekistan also occupies an important place in Turkey's foreign policy.

Today, our country is considered one of Turkey's main partners in Central Asia, and Uzbekistan's huge market, increasingly liberalized economy, favorable investment environment, historical cities, and sacred religious sites are attracting great interest in Turkey. Therefore, both sides are interested in strengthening cooperation, which indicates that the prospects of mutual relations are bright. The noble steps taken towards ascension are beginning to bear fruit for the future. A friendly country that can become a comprehensive partner in independent foreign policy, and if necessary a strategic partner, is necessary for all countries today as a natural need. The activeness of Uzbekistan in foreign policy and its worthy position in international relations show that the prestige of our country is increasing in the international arena. At a time when the processes of integration and globalization in the political, economic, cultural and social aspects of the world are intensifying, it is important to determine the main development trends and directions of the countries of the world. earns. At a time when signs of the development of integration processes in world politics and economy are changing, the Republic of Uzbekistan is deeply integrated into the world community and is increasingly expanding its relations with the world countries in the socio-economic, political and cultural spheres.

Summary. Uzbekistan and Turkey are conducting foreign economic relations taking into account mutual economic interests, and their foreign economic strategies are becoming

complementary. The economic, political and social cooperation relations between Uzbekistan and Turkey are developing and reaching a high level of efficiency with major integration centers and long-standing partners of the world. The strategy of raising friendly relations as brotherly nations to a higher level, Uzbekistan has been demonstrating to the world public that Turkey plays an important role in ensuring peace, stability and cooperation in the region and the world.

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