

## DEVELOPMENT STRATEGY OF NEW UZBEKISTAN: ISSUES OF IMPLEMENTATION AND SYSTEM FORECASTING

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### Abstract

The processes of modernization of Uzbekistan cover all spheres of society. The basis of the ongoing transformations are official documents that fix the stages and main directions of reforms. The article analyzes the problems of implementing the Development Strategy of the new Uzbekistan, associated with the shortcomings of the organization of systematic work, including in the field of urbanization and urban construction. In the implementation of plans, it is necessary to take into account force majeure circumstances, such as the COVID -19 pandemic and its consequences, and abnormal climate changes. Also, such constraining factors as poverty, inflation, and some problematic aspects of the introduction of the digital economy remain. It is important to solve these problems on a systemic basis and for the long term, rather than reacting to the consequences. This is the only way to ensure the fulfillment of the tasks set in the Strategy for the Development of the New Uzbekistan.

**Keywords:** Development strategy of new Uzbekistan, economy, development, Uzbekistan, urbanization, pandemic, infrastructure, problems, state, policy, solution, implementation.

### Introduction.

Modernization in Uzbekistan is carried out on a systematic basis. At the beginning of the reform process, an Action Strategy was adopted in five priority areas for the development of the Republic of Uzbekistan in 2017–2021<sup>1</sup>. As a result of its implementation, the Strategy for the Development of the New Uzbekistan for 2022–2026 was developed.<sup>2</sup>

<sup>1</sup>Decree of the President of the Republic of Uzbekistan, dated February 7, 2017 No. UP-4947 . On the Action Strategy for the further development of the Republic of Uzbekistan. URL : <https://lex.uz/ru/docs/3107042#3109624>

<sup>2</sup>Decree of the President of the Republic of Uzbekistan, dated January 28, 2022 No. UP-60 . On the Development Strategy of the new Uzbekistan for 2022–2026. URL : <https://lex.uz/ru/docs/5841077>

This document includes seven main directions and one hundred goals to be achieved over the period of its implementation. The main directions include building a humane state, developing the principles of justice and the rule of law as necessary conditions for the development of the country, accelerated economic development, pursuing a fair social policy and developing human capital, ensuring spiritual development, approaching global problems based on national interests, strengthening security, defense potential, open and active foreign policy <sup>3</sup>.

This article is an attempt to analyze the main problems and ways to overcome them in the framework of the implementation of the Reform Strategy in the sphere of the economy of Uzbekistan.

### Methodology

Content analysis and analysis of secondary data.

### Main Part

As part of the implementation of the Development Strategy, the sphere of the economy can be singled out as fundamental for the modernization of the country. The accelerated development of the economy assumes the achievement of the goal of growth of Uzbekistan's GDP per capita by 60% within 5 years <sup>4</sup>. Accordingly, the average annual growth rate should be 12%.

It is planned to create conditions for Uzbekistan to enter the group of countries that are classified as countries with an upper middle income level . This can be achieved through systemic and comprehensive reform, ensuring macroeconomic stability , achieving an annual inflation rate of up to 5 percent , and a state budget deficit of no more than 3% of GDP. from 2023 a .

The reform includes "further liberalization, improving competition, eliminating monopoly, attracting more foreign investment, stabilizing prices and decentralization that will give more power to the regions <sup>5</sup>. "

The ongoing industrial policy aimed at increasing the volume of industrial production by 40% should contribute to the achievement of the goals set <sup>6</sup>.

Providing the economy with energy resources is an integral task of development, and in this regard, the issues of ensuring energy security, obtaining electricity in the required volumes and at an acceptable cost act as the most important task of the state. An important aspect is to increase the energy efficiency of the economy. The Development Strategy set the goal of increasing energy efficiency by 20% <sup>7</sup>.

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<sup>3</sup>On the development strategy of New Uzbekistan for 2022–2026 .

<sup>4</sup>A significant priority in the Development Strategy of Uzbekistan for 2022-2026 . .

<sup>5</sup>Development Strategy of New Uzbekistan for the period 2022-2026 Interview with Eldor Tulyakov .

<sup>6</sup> Decree of the President of the Republic of Uzbekistan, dated January 28, 2022 No. UP-60 . On the Development Strategy of the new Uzbekistan for 2022-2026.

<sup>7</sup> Ibid

The restructuring of the country's energy sector should be part of the overall reform process. In particular, it is planned to dramatically increase the share of renewable energy sources through the active introduction of "green economy" technologies, which will lead to a reduction in emissions of harmful greenhouse gases into the atmosphere by 10 % percent <sup>8</sup>. This will contribute to the fulfillment of obligations under the Paris Climate Agreement <sup>9</sup>, to which Uzbekistan has acceded.

In general, "it is envisaged to attract foreign investment to Uzbekistan in order to support small and medium-sized businesses, create jobs to eliminate unemployment problems, fight monopolization, accelerate privatization processes to adapt to a free market economy" <sup>10</sup>.

An important and promising area is the development of the digital economy. The Development Strategy plans to increase its cost by 2.5 times, and due to this, to cover all settlements, social facilities and main roads with broadband Internet access networks <sup>11</sup>.

At the same time, as the events of 2020-2021 showed, the rapid and forced digitalization due to the COVID -19 pandemic revealed a certain technological lag and insufficient readiness for the transition to a digital economy.

In order to achieve the set goals, in our opinion, it is necessary to amend the regulatory framework relating to the digital economy, attract large-scale investments, including foreign ones, and intensify cooperation in the field of technology with the developed countries of the world. This requires systematic and systematic work. As the period of the COVID -19 pandemic has shown, emergency and spontaneous measures, focused on response, and not on complex work, are in the nature of eliminating problems that have already arisen, instead of systematically resolving the situation.

In addition, it is necessary to take into account such factors as ensuring cybersecurity, preventing illegal economic activities, protecting the privacy of citizens <sup>12</sup>.

When implementing the Development Strategy, it is necessary to keep in mind the dynamism of the domestic and international environment, the possibility of force majeure situations that will inevitably have an impact on the transformation process. The COVID -19 pandemic has significantly adjusted the development processes not only of the economy of Uzbekistan, but also of global economic processes.

Rapid climate change is having an increasing impact. It is no coincidence that climate change issues have become one of the universally recognized global problems.

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<sup>8</sup> Ibid

<sup>9</sup> Paris Agreement. Text.

<sup>10</sup> Mehmet Seyfettin Erol. The main goals of the Development Strategy of Uzbekistan for 2022-2026.

<sup>11</sup> Decree of the President of the Republic of Uzbekistan, dated January 28, 2022 No. UP-60. On the Development Strategy of the new Uzbekistan for 2022-2026

<sup>12</sup> Digital economy: problems and development prospects

It is important to understand that the crisis around Ukraine also has a strong impact on global and regional processes, forcing people to adapt to the new conditions of political and socio-economic development.

In addition, certain issues of the implementation of the Development Strategy should be noted. For example, rapid and intensive construction quickly actualized the problem of the lack of systematic work on urbanization issues.

The absence of a master plan for construction in Tashkent has led to chaotic and large-scale development, without taking into account infrastructural features, the need to develop social facilities. When building new residential areas, it is important to keep in mind the construction of kindergartens, schools, clinics, other social facilities, as well as highways.

Moreover, according to experts, roads and related infrastructure are designed for half the population of Tashkent city, which in the long term leads to social collapse. In addition, Tashkent is located in a seismically active zone, and unsystematic construction in the absence of a master plan can lead to serious consequences.

It is no coincidence that more than 250 illegally built objects have already been discovered in Tashkent alone<sup>13</sup>, and the President of Uzbekistan Sh.M. Mirziyoyev has criticized the lack of Master Plans for cities<sup>14</sup>.

It is necessary to implement on a systematic basis the principle of "development of a unified transport system in conjunction with all modes of transport, creating conditions for the possibility of daily trips on scheduled transport routes between major cities"<sup>15</sup>.

Another problem is the level of poverty. Nutrition-based calculations showed that over 10% of the population lives below the poverty line<sup>16</sup>, and this is a sufficiently high figure that hinders the achievement of the goals set in the Development Strategy.

Finally, an important task is the problem of inflation. High inflation is often a reflection of crisis phenomena in the economy, and reducing its level is an important task of state policy. To achieve the goal - five percent inflation on an annualized basis - it is necessary to take a set of measures that will allow solving this problem without negative consequences.

## Conclusion

Summing up, it should be noted that the goals set in the Development Strategy are a benchmark to be strived for. At the same time, force majeure circumstances of a regional or global scale, crisis changes in the external environment require constant

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<sup>13</sup> Due to the lack of a master plan, more than 250 objects were illegally built in Tashkent.

<sup>14</sup> The President criticized the lack of master plans for cities.

<sup>15</sup> Decree of the President of the Republic of Uzbekistan, dated January 28, 2022 No. UP-60. On the Development Strategy of the new Uzbekistan for 2022-2026.

<sup>16</sup> Khamidov B. Poverty profile in Uzbekistan: Who are the poor? Where and how do they live? What are they doing

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review and optimization of the tasks performed. In addition, attention should be paid to the need for systematic work and preventive measures, which will make the issues of responding to crises irrelevant as a tool for solving the problems facing society.

### **Literature**

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