

Scientific Aspects of Agrarian Market Development in Ensuring Macroeconomic Sustainability

Aliev Yashnarjon Egamberdievich

Head of the Department, Doctor of Economics

Tashkent State University of Economics "Economics"

Tashkent city, Republic of Uzbekistan

Abstract: The development of innovative processes in the economy makes it possible to effectively use the existing intellectual, scientific and technical potential. As a result of reforming this process, enterprises will be equipped with modern technologies and new types of products will be produced. This will serve to expand the market for new domestic goods and increase the volume of innovative products in the country's GDP. The article scientifically highlights the development of the agricultural market in ensuring macroeconomic stability.

Keywords: Innovation, innovative process, innovative product, innovative management, innovative marketing, agrarian market, innovative result.

I. INTRODUCTION

Agrarian economic reforms carried out after the independence of the Republic to form an economy based on free market relations were carried out, first of all, to improve land relations, property relations. The state order for agricultural products was gradually abolished, and agricultural products began to operate in accordance with the laws of supply and demand in the market.

The independent solution of the problem of procurement and efficient use of resources in the manufacturing sector also occurs in connection with the priority given to the development of private farms and dehqan farms in agriculture.

According to economists Ergashxodjaeva, S. J., Kyvyakin, K. S.[4], B.Tursunov [11;12;13], A.Burkhanov [10;14], Josling and Tim, "... the impact of government reforms on farmers, the state of trade and transit links between international markets, and the level of compliance with WTO rules determine the state of the agricultural market. " Currently, agricultural products grown on the basis of compliance with the rules and regulations of the World Trade Organization will be able to move freely in the international market. Today, a number of activities are being carried out in our country in cooperation with foreign countries to become a member of the International Trade Organization and implement this activity.

It is known that the market is a set of socio-economic relations between the subjects that occur in the process of barter. These relations are carried out in our country under the law of supply and demand of the market, in the conditions of economic competition and under the influence of indirect and indirect coordinating support of the state.[5]

From the point of view of a systemic approach, the market has a very complex structure, in which all the links develop in an interdependent manner and interact with each other. Markets are divided into types on the basis of diversity and other characteristics in terms of ownership and form of management of individuals and legal entities involved in the process of purchase and sale of goods that are the object of the market and goods that are the subject.

In particular, the agrarian market also has a complex structure, consisting mainly of markets for agricultural products, agro-resources and agro-services. Due to the interdependence of these markets and their complex relationship with each other, it is important to implement development measures in the ongoing reforms in the agricultural sector of the country, taking into account the strict adherence to the laws of a market economy.[6]

According to research, the difficulty of adequately taking into account these aspects in the development of the agricultural market, a one-sided approach to this issue leads to a number of problems. Due to a number of issues that need to be addressed in the sale of agricultural products, the loss of crops before they reach the consumer, the relatively low competitiveness of crops, has a negative impact on the financial condition of producers. This, in turn, is due to the fact that the agro-resource markets are not well developed.[7;8]

Economists Walsh and Brian state in their research that "... price risk management, the study of the means of production, and the application of an integrated marketing system in these processes contribute to the development of the resource market when farms purchase the resources needed to grow agricultural products." . These conclusions mean that the efficient use of available resources in agriculture, adherence to marketing principles in the process of selling agricultural products, and constant monitoring of these activities are important issues.[9]

Farmers often do not have the choice to purchase resources, the competitive environment in the market of material and technical resources required for cultivation is limited, the ability to comply with the law of supply and demand (due to the natural monopoly in the market) is relatively expensive and in many cases will have to use resources that do not meet demand.

II. ANALYSIS AND RESULTS

In the growing market of agricultural services, the lack of quantity and quality of work and services provided to agricultural enterprises, the quality and price of which do not always meet the requirements are obstacles to the development of agricultural production. This, in turn, leads to the inability of the agricultural products market to develop sufficiently due to the low efficiency of agricultural production, the quality and competitiveness of products do not meet market demand.

Due to the imbalances in the development of the agrarian market, agro-resource markets are developing at a separate pace, agricultural products markets at a different pace, and services markets at a different pace. As a result, such cases lead to a sharp stratification in the formation of inter-sectoral price growth rates in the agricultural sector. In particular, in the process of agrarian reform there is a sharp difference between changes in price indices of agricultural products and indices of prices for basic industrial products consumed in the industry, ie the average prices for basic industrial products and services used in agriculture in 2019 will be 8-13 times higher than in 2005. , the prices of basic agricultural products (cotton and grain) increased by 5.45 times during the same period. In other words, in 2019, the production and sale of almost 2.3 times more agricultural products were required, provided that all conditions were equal than the purchase of material and technical resources in 2005 volumes.[9]

This means that the markets for agricultural products, agro-resources and agro-services are interconnected and complementary parts of the agricultural market and are integrated through the market of agricultural products. Because it is in the market of agricultural products that the ultimate goals of the agro-industrial complex are achieved. Although each agrarian market operates independently, it serves the market of agricultural products. That is, the markets for agricultural products, agro-resources and agro-services will be seen as a means of creating favorable conditions for the production of cheap and high-quality products in agriculture. The integral relationship between agrarian markets can be explained on the basis of the following table (Table 1).

Table 1 An integral part of the agrarian market
state of economic dependence

τ/p	Product type Names	Agricultural resources market	Agricultural products market	Agricultural services market
		(ARB)	(QHMB)	(AXB)
1.	The basis of cultivation branded products			
	agricultural machinery	For full (QXMB) and (AXB) markets	consumer	consumer
	Parts	For full (QXMB) and (AXB) markets	consumer	consumer
	mineral fertilizers	For full (QXMB) and (AXB) markets	consumer	-
	petroleum products (for agriculture)	For full (QXMB) and (AXB) markets	consumer	consumer
	agricultural lands	For full (QXMB) and (AXB) markets	consumer	-
	water resources for irrigation	For full (QXMB) and (AXB) markets	consumer	-
	seeds and seedlings of crops	For full (QXMB) and (AXB) markets	consumer	-
	pedigree livestock and breeding materials	For full (QXMB) and (AXB) markets	consumer	Consumer
	varieties of crops and fruit trees	For full (QXMB) and (AXB) markets	consumer	-
2.	The source of profit from the main activity	For full (QXMB) and (AXB) markets	At the expense of all markets	Full (ARB) and (QXMB) market account

In the agricultural sector, the markets for agricultural products, agro-resources and agro-services can be

considered as a set of markets that originate from each other and have an underdeveloped or underdeveloped one, which has an integral impact on the activities of the other. These include cotton, grain, fruit and vegetable markets, livestock products market, labor market, agrochemical services market, seed and planting material market, machinery and spare parts market, fuel and lubricants market, veterinary service market, breeding and productive animals market, pet food market and others.[1]

The following factors should be taken into account in the formation of markets for agricultural products, agro-resources and agro-services:

- the balance of supply and demand for different resources, depending on the area under cultivation;
- The structure of agricultural production in the regions is formed taking into account the natural and climatic conditions of the regions;
- location of agricultural crops based on market demand for products;
- the level of productivity of agricultural crops, fruit trees and livestock;
- The level of specialization of the agricultural sector by regions, the effective organization of multidisciplinary activities, providing for the effective use of the potential of farms;
- forms of ownership and management, etc.[2]

In our view, in the context of the development of market relations and liberalization of the economy, the importance of achieving a gradual liberalization of markets for agricultural products, agroresources and agro-services, and increasing the share of the private sector, should develop in these markets. The system of supplying resources and services to the market of agricultural products should also be sufficiently decentralized and the share of healthy competition should increase. This, of course, can be achieved through government coordination of prices for agricultural and industrial products. In addition, the state should encourage the growth of resource-supply and service enterprises through its tax, credit, insurance and other incentives. It is necessary to take into account the stable state of the necessary factors in the development of markets for agricultural products, agro-resources and agro-services. These include the area under crops, the composition of agricultural production in accordance with the amount of resources (water, territorial characteristics), meeting the needs of the population for a variety of food products. These factors provide a solid foundation for increasing the production of certain types of products by attracting certain types of resources, such as certain types of resources. It is necessary to develop legal, regulatory, financial and service institutions that will facilitate the creation of favorable conditions for the effective functioning of the markets of agricultural products, agro-resources and agro-services. That is, it is important to improve its institutional framework in the organization of agricultural markets.

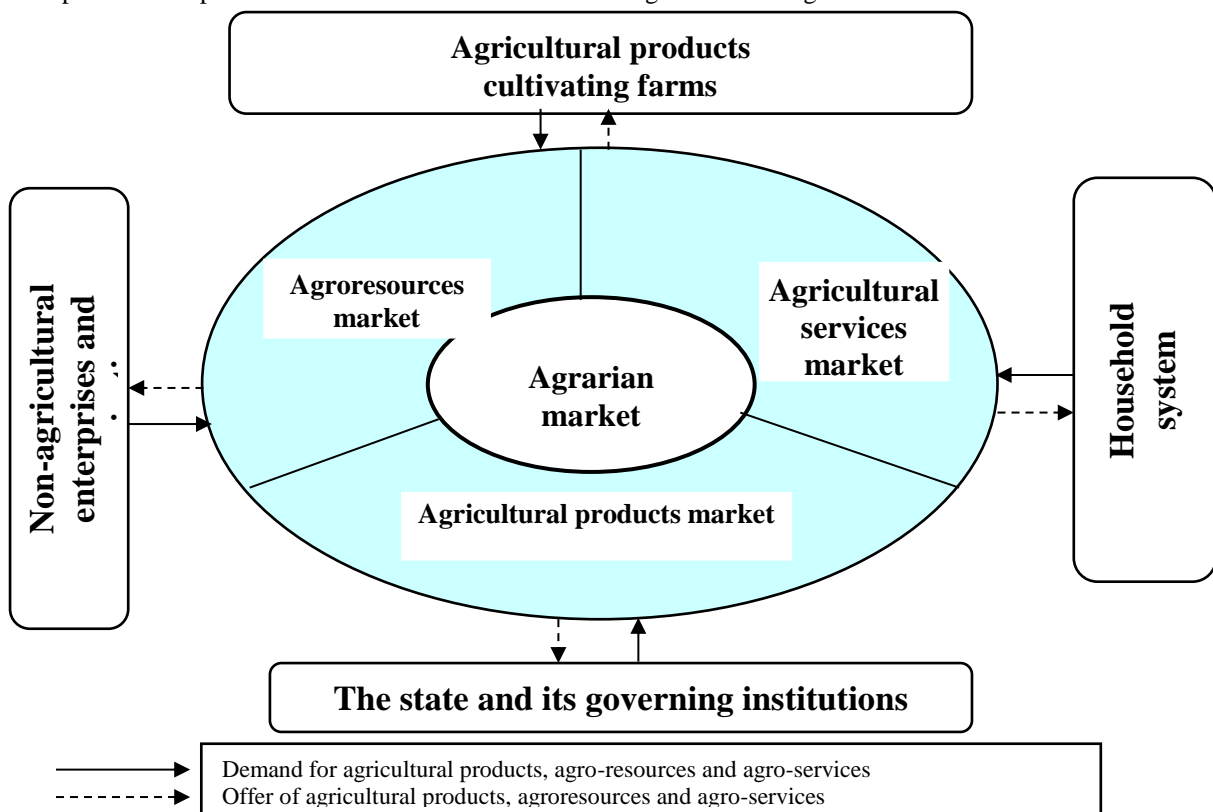


Fig.1. Movement of markets for agricultural products, agroresources and agro-services in agriculture [9]

The institutional framework includes market management, the economic, financial and legal system of relations that ensure the continuous and efficient operation of markets. This, of course, is characterized by the correct definition of the regulatory policy of the state in limiting the state of natural and other monopolies in the markets of agricultural products, agro-resources and agro-services, creating a competitive environment in the industry. In this regard, first of all, the implementation of measures to develop competition in the agricultural market and measures to limit monopolies in manufacturing, trade and services will be important. The role of the market of agricultural products, agroresources and agro-services in the reproduction of the country, the movement of supply and demand is as follows (Figure 1).

It should be noted that in the organization and development of markets for agricultural products, agro-resources and agro-services, it is important to protect the economic interests of domestic producers in the country. This factor must be taken into account in maintaining the balance between supply and demand and in coordinating market relations through economic incentives. This is due to the fact that the demand for agricultural machinery and spare parts produced at existing machine-building plants in the country will fall sharply under all conditions. The main reason for this is that the relationship between product price and quality does not always satisfy the consumer. On the other hand, in the context of low financial capacity and solvency of farms, the activities of machine-building plants are also beginning to face financial barriers. [3]

As a result of scientific research conducted by economists of the country, in particular, R.Kh. Khusanov, A.N. Hamdamov, I.E. The factors influencing the efficiency of the use of machinery are divided into 4 groups: technical performance of tractors and agricultural machinery; natural and climatic conditions; organizational factors; economic factors. ” These factors are interrelated and manifest themselves in the effective use of agricultural machinery.

Although all markets within the agrarian market must operate on the basis of the laws of supply and demand, but in terms of their characteristics and socio-economic importance, it is desirable that the market for agricultural products be central. In turn, the markets of agro-resources and agro-services should determine the direction of their development, serving the development of the market of agricultural products.

It can be said that the supply and demand in the markets of agricultural products, agro-resources and agro-services should be supported in accordance with the rate of price changes. However, in practice, the system of supply of agricultural resources and the monopoly position of service entities are maintained. At the same time, it is necessary to completely decentralize the supply of resources, create favorable economic, legal and organizational conditions for strengthening healthy competition in the service system.

At present, given the important role of the agricultural sector in the economy of the republic, its integral dependence on land and water resources and natural and climatic conditions, it is necessary to develop the state through liberalization and extensive use of financial support.

In developing the institutional framework of the agricultural market, the following should be taken into account:

- Demand and supply of agricultural products in the market, the volume of demand for resources and services in each region, the strengths and weaknesses of competitors, the characteristics of their products and services;
- The quality and types of agricultural products, resources and services, prices, volume of products and services that can be sold, the amount of profit, how much market share they can have.

In order to ensure the balance in the development of markets for agricultural products, agro-resources and agro-services, it is advisable to take the following measures:

- Measures related to the development of the agricultural sector, the adoption of a legal framework, joint development of resources and services should be taken into account in order to achieve a balance between the markets of agricultural products, agro-resources and agro-services in the agricultural sector;
- Development and implementation of measures to strengthen the coordinating role and influence of the state in the development of the agricultural market, to ensure the balanced development of markets for agricultural products, agricultural resources and agro-services through prices, taxes, credit, insurance and other support;
- It is necessary to reconsider the existing organizational, economic and legal framework in terms of balanced development of the agricultural market, to make appropriate changes and additions.

While material and technical resources are provided on a preferential basis to farms, mainly for the cultivation of cotton and grain, farmers growing other types of products do not take advantage of this opportunity. Therefore, these benefits should be introduced for farmers in the livestock, fruit and vegetable, melon and potato sectors.

Given that the financial situation of most farms does not meet demand and the prices of their products increase at a lower rate than the prices of industrial products, the prices of agricultural products depend on the balance of supply and demand in the market. only provides.

Although legal opportunities have been created for farmers to purchase mineral fertilizers and petroleum products from stock exchanges to grow products outside the state order, in practice such opportunities are available only to farmers, and farms rarely use this opportunity. This is because the time and money spent on the paperwork and procurement process to purchase the small amount of resources needed for a small production volume from

the stock exchange does not justify itself.

Second, the lack of tillage equipment on farms reduces the interest in purchasing diesel fuel (the need arises in most cases due to the fact that maintenance companies provide fuel-free services and cover it at the expense of farms that ordered services).

III. CONCLUSIONS

Given the shortage of material and technical resources, the cost of which is higher than the solvency of farmers and dehqan farms, it is necessary to develop a system of maintenance of agricultural enterprises. However, in the future, a system of strict measures should be implemented to provide farms directly with agricultural machinery.

In the future, the continuation of the practice of leasing agricultural machinery, expanding the range of leased equipment, improving the conditions of leasing is an important direction in the development of agro-resource markets.

It is important to develop effective mechanisms to create a competitive environment in the leasing system and increase the number of leasing entities, which will serve the direction of technical equipment to ensure the independent implementation of agro-technical measures of agricultural enterprises.

The essence of healthy economic competition in the agrosources market is that it leads to efficiency in the agrosources market, where buyers and sellers who do not have a monopoly position, have good information about the market, make trade deals in situations that benefit them. On this basis, there is a direction in which market participants can benefit from the use of resources through the process of free trade.

According to the experience of developed market economies, only in an economically free and healthy competitive market can material resources and services be involved in the production process and the distribution of agricultural resources in the most efficient combinations.

Here, when resources are involved in the production process in efficient content and quantities, it is considered a negative situation that at least one of them improves its capacity at the expense of another market in the agricultural sector, while each agrarian market operates interdependently. Because it harms the economic situation of another entity, which can lead to inefficient use of resources within the agricultural market and the country as a whole. This can be seen by giving an example of the situation in our country. For example, one of the participants in the agricultural markets finances the development of the chemical industry, ie the market of agro-resources, through the purchase of mineral fertilizers, which are recommended by farmers at relatively expensive and monopoly prices. At the same time, the agro-resource market is able to improve its potential due to the deterioration of the agricultural market, which is a negative situation for society. This is because agricultural markets are losing their potential.

REFERENCES

- [1]. Josling., Tim. *Farm Policies And World Markets: Monitoring And Disciplining The International Trade Impacts Of Agricultural Policies*. New Jersey: World Scientific. BUSINESS & ECONOMICS 2015y. www.search.ebscohost.com.
- [2]. Walsh., Brian *Marketing Agricultural Products and Services*. [New South Wales, Australia]: Tocal College, NSW DPI. 2011y. www.search.ebscohost.com.
- [3]. Yldashev, N., Nabokov, V. I., Nekrasov, K. V., & Tursunov, B. O. (2019). Innovative development of Uzbekistan agroindustrial complex. In *Digital agriculture-development strategy* (pp. 334-337).
- [4]. Ergashodjaeva, S. J., Kyvyakin, K. S., Tursunov, B. O., & Ahmadovich, H. Z. (2018). Evaluation of textile and clothing industry clustering capabilities in Uzbekistan: based on model of M. Porter. *Int J Econ Manag Sci*, 7(439), 2.
- [5]. Khusanov R., Khamdamov A., Rafikov I., *Service in agriculture, problems of development of alternative machine-tractor fleets*. T.; - 2001. - 11 pages.
- [6]. Aliev Ya. E. *Prospects for the development of agricultural markets // Modern Science: Actual Problems and Solutions*. - 2016. - No. 2 (24).
- [7]. Tursunov, B. O. (2017). *Strategija razvitiya legkoj promyshlennosti Respubliki Uzbekistan*. Vestnik Instituta jekonomiki RAN, 5.
- [8]. Nuritdin, Y., & Bobir, T. (2018). Applying of artificial intelligence in the textile industry as factor of innovative development of the branch. *Бюллетень науки и практики*, 4(4).
- [9]. Aliev Ya. E. *Theoretical aspects of the proportional development of markets for agricultural products, agricultural resources and agricultural services // Economics and Entrepreneurship*. - 2016. - No. 4-1. - S. 443-445.
- [10]. Burkhanov, A. U., Hudoykulov, H. H., & Tursunov, B. O. (2019). The factors effecting net actives of investment funds. *Economics and Innovative Technologies*, 2019(2), 6.
- [11]. Tursunov, B. O. (2019). *Methodology for assessment the efficiency of production capacities management at textile enterprises*. *Vlakna a Textil*, 26(2), 74-81.
- [12]. Tursunov, B. O. (2020). *Mechanism for determining optimal management of use of production capacity at the textile enterprises*. *Vlakna a Textil*, 27 (1), 99–106.
- [13]. Tursunov, B. O. (2017). *Strategija razvitiya legkoj promyshlennosti Respubliki Uzbekistan*. Vestnik Instituta jekonomiki RAN, 5.

- [14].Burkhanov Aktam & Tursunov Bobir, 2019. "Features Of Investment In Mutual Fund: In Case Of Russia," Working papers 2019-29-12, Voice of Research.