

A quarter of a century ago, a new independent sovereign state emerged on the political and geographic maps of the world – the Republic of Uzbekistan. In the space of almost 7 decades before this remarkable event, Uzbekistan was part of the former USSR, where it appeared in the role of a major cotton base for the Soviet economy. Securing high and consistent cotton harvests and meeting demand for raw cotton of all-Union and domestic enterprises constituted one of the priority tasks facing Uzbekistan as an integral part of the Soviet Union’s centralized economic complex.

As a matter of fact, it is the volume of cultivated and supplied cotton that determined the republic’s economic position as well as the amount of attention given and support provided by Soviet leaders. This affected, to a certain extent, both the structure and specialization of the whole manufacturing industry in Uzbekistan. A majority of its enterprises produced agricultural machinery designed to mechanize cotton cultivation and to industrialize the agrarian sector at large. The biggest enterprises operating there in that period included Tashselmash, Uzbekselmash, Chirchikselmash, Andijanirmash, the Tashkent Tractor Works and others.

According to official figures, at the beginning of 1991 – the year when Uzbekistan proclaimed independence – there were 9,700 industrial enterprises in operation, including 1,821 – in manufacturing; their production personnel exceeded 1 million. Only 283 industrial enterprises, scientific-production associations and group of enterprises that functioned in the machine-building sector operated independently. In 1990, the volume of goods turned out by Uzbekistan during 15 days was equivalent to that produced during the four quarters of 1940.

As is generally known, the truth arises in argument, while the achievements and successes spring up from comparison. In 1913, all industrial enterprises that operated on the territory of Uzbekistan were privately owned. Truth to say, there was a pittance of them – only 425, of which 208 enterprises were cotton-refineries, 90 – food production facilities, 18 – oil mills, 35 – tanneries etc. At the same time, more than 80 per cent of Uzbekistan’s gross manufactured output resulted from the primary processing of raw cotton. It is clear that in the course of many years – from the tsarist period to the acquisition of independence, the Uzbek economy was dominated by cotton-growing.

Over the years of Soviet power, the republic’s economy reached much, but still couldn’t become independent and self-sufficient. It is pointed out in the Uzbek leader’s book “Uzbekistan: its own model of transition to market relationships” that “in 1991, the republics, which gained their independence, including Uzbekistan, inherited from the former Soviet Union a completely ruined economy, inefficient financial and price-formation systems, an almost atrophic administrative mechanism and deformed economic relationships... Enterprises en bloc produced goods not to satiate the home market’s demand, but to be subsequently supplied to many regions elsewhere

in the Soviet Union. The stupendous natural potential of Uzbekistan was ruthlessly exhausted, with the receipts being accumulated far beyond its borders.”

As for the living standards of the republic’s population, they also left much to be desired. According to statistics, in 1990, some 70 per cent of the Uzbek population enjoyed the total income, which was below the subsistence minimum, while in Russia and Ukraine, only 30 per cent of their residents was in a similar situation. At the same time, about 60 per cent of citizens in Uzbekistan lived in rural areas and were predominantly engaged in agriculture. Jobs in the countryside were provided by administrations of kolkhozes and sovkhoses that were considered to be a major production link in the agrarian sector. Very often, local peasants, called “kolkhoz workers”, had neither work-books nor civil passports. Literally “tied” to the land, they were not entitled to go elsewhere across the Soviet Union, not to mention travelling abroad. The countryside worked to provide the manufacturing industry with raw materials and citizens – with farm produce and foodstuffs.

Today, the situation in Uzbekistan is radically different thanks to independence. The improvement of villages themselves and living standards of peasants, not to mention many legal questions of their life, represents one of the priority directions of the nation’s economic and social development. As a member of the UNO, the Republic of Uzbekistan enjoys equal rights with other member states of this international organization. Uzbekistan is part and parcel of the world community and the global financial-economic market. It maintains diplomatic relations with many countries. The Republic is no longer confused with Afghanistan or Pakistan, as was the case before. The World Economic Forum rates Uzbekistan as one of the world’s five top nations with the most rapidly developing economies. Over the past 10-12 years, the rates of economic growth in the Republic have never dropped below 8 per cent. In 2015, Uzbekistan has become one of the 14 countries awarded for the achievement of the Millennium Development Purposes in the field of ensuring food security by the member states of the UN Food and Agriculture Organization (FAO).

Uzbekistan has been confidently following the path of scientific-technical and social progress, doing its best to intensify the pace of economic and social development and thus to join the club of the world’s highly developed states as soon as possible.

The past achievements and the current year’s accomplishments testify to this statement. In the Republic of Uzbekistan, 2016 has been proclaimed as the Year of Healthy Mother and Child. In the first quarter of this year, the country’s GDP has increased by 7.5 per cent, manufacturing – 7 per cent and industries such as farming, timber and fishery – 6.7 per cent, in comparison with the similar period of 2015.

One should mention a tangible increase in investment activity. The scale of major construction work in the Republic has grown, especially that of house-building in the countryside. In the first quarter of 2016, the volumes of implemented investments have jumped by 8.5 per cent and 19.4 per cent, correspondingly. Compared with the similar period of the past year, the volume of foreign investments implemented in the Republic has grown by 14.4 per cent, exceeding US \$732 million, with foreign direct investments accounting for US \$563 million of this amount. Realizing territorial programs of regional economic development, 632 production facilities have been put into operation since the beginning of the current year; as many as 167.7 thou new jobs have been created, of which 58 per cent are in rural areas; and 37 new product categories of localized output have been mastered in Uzbekistan.

Some 1.3 trillion Soum (*currency rates of CB RU from 23.09.2016, 1\$= 3005.11 soums*) have been appropriated toward the implementation of the Year of Healthy Mother and Child State Program. 1,120 families with children under age 14, 8,460 families with children under age 2 as well as 2,130 families of scanty means have been granted pecuniary aid. More than 155,000 children have been inoculated against 12 manageable infections. 44 children with inborn development defects and 10 children with inborn heart disease have been operated and brought into a healthy state with the financial support from a number of international organizations. Over the years of independent development, the maternal and child mortality rates dropped and the population's life expectancy went up appreciably.

Since the acquisition of independence the right to possess private property was rehabilitated. Business and entrepreneurship, formerly regarded as the distinctive features of a capitalist economy, were backed by the state and rapidly turned into a pivotal sector of the national economy and the main source of increases in the population's employment and income rates. For now those engaged in this sector create some 57 per cent of the country's GDP. More than 77 per cent of Uzbek citizens carrying out economic activity work there.

Addressing the participants in the grand meeting dedicated to the 23rd anniversary of the Republic's Constitution, the Uzbek leader stressed: "We have every reason to claim that 2016 and the years to come will constitute an even more crucial stage in the processes of further intensification and increase in the efficiency of ongoing reforms. It will cover the implementation of deep qualitative restructuring in the economy; the rapid development of private property and entrepreneurship and protection of the interests of proprietors and business people; the formation of new corporate organizations; a further reduction of the state's share in the national economy; the attraction of larger volumes of foreign investments and creation of all necessary prerequisites and preferences to secure this objective.

A given Presidential thesis is, in essence, a kind of state policy and strategy of economic development for both the present and the future, which rests, above all, on the vast reserves of minerals, large production capacities and considerable manpower resources available in the country. According to the existing economic calculations, Uzbekistan's potential in the field of natural resources and raw materials is estimated at more than US \$3 trillion. The Republic is one of the world's ten top countries by the amount of known reserves of mineral resources. The economic model elaborated by the Uzbek leader is aimed not only at exploiting its mineral wealth in the most zealous way, but also at ensuring its preservation for future generations. The Republic of Uzbekistan is not only a state with the great future; it is a state with the rich present, which creates public tranquility, the population's confidence in prosperous everyday life and their trust in the reforms carried out nationwide.

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