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Sarvinoz Adashalieva
The student of Namangan State University, Uzbekistan

Correspondence
Sarvinoz Adashalieva
The student of Namangan State University, Uzbekistan

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Indicators of gross domestic product in Uzbekistan

Sarvinoz Adashalieva

Abstract
This paper makes analyses indicators of gross domestic product in Uzbekistan. On this case, research makes both theoretical and practical surveys to make better analyses. Finally, research concludes with final points of the suggestions while showing outcomes and shortcomings as the whole.

Keywords: Indicators, GDP, Uzbekistan, life standard, research, perspectives.

Introduction

One of the key macroeconomic indicators is the gross domestic product.

Gross Domestic Product is the market value of all final goods and services created within the country, regardless of who has been created for a given period (one year).

At the end of 2017, the GDP of the Republic of Uzbekistan in current prices amounted to 254,043.1 billion soums and, compared to 2016, increased in real terms by 5.2%. The average annual growth rate of GDP for 1991-2017. amounted to 4.5% (Bendini, 2013; Bhoothalingam, 2016) [3].

Thanks to the implementation of its own development model, in 1996 Uzbekistan, in the shortest period compared to other republics of the former Soviet Union, stopped the economic downturn, ensured macroeconomic stability and began to implement the main economic tasks associated with the structural transformations of the economy (Dreher, Sturm, & Vreeland, 2009; Muhammad *et al*., 2012) [8].

The average annual rate of economic growth in the period 1996–2017 was 6.4%.

Over the past 10 years (2008-2017), GDP grew 2.1 times. An analysis of the main factors of economic growth shows that the high growth rates over the past 10 years were ensured due to the growth of agriculture by 1.8 times (with an average annual increase in 2008-2017 - 6.1%), industry - by 1.7 times (5, 4%), construction - 3.4 times (13.4%), services - 2.3 times (8.8%).

In the period 2008–2016, there was a tendency for the GDP deflator to decline from 126.8% to 109.6%. In 2017, a relatively high level of the GDP deflator index (120.8%) was noted, which was mainly due to the liberalization of the foreign exchange market and the devaluation of the national currency in September 2017 (Elias, Benjamin, & Shiftan, 2015; Radnor Zoe (School of Business and Economics, Loughborough University, Loughborough & O'Mahoney (Cardiff Business School, Cardiff University, Cardiff, 2013) [9].

Main part

Creating a favorable business environment, increasing investments provided not only an increase in economic growth rates, but also important qualitative changes in the structure of the economy.

As a result of the consistent implementation of the policy of structural reforms, the structure of the country's economy has been diversified.

Over the years of independence, the trend of a gradual reduction in the share of agriculture in the GDP structure (from 32.4% in 1995 to 19.7% in 2017) persisted, which is associated with a further expansion of the development potential of industries and services. At the same time, the decline in the share of agriculture in GDP occurred against the background of positive average annual growth rates of agricultural products (Association Of Business Schools, 2015; Schulze, 2009; Sobirov, 2018) [12].

Thanks to the measures taken for diversification, modernization, technical and technological renewal of industries, the growth of total industrial output and the share of industry (including construction) in the GDP structure from 27.8% in 1995 was ensured. up to 34.1% in 2017

At the same time, the development of the service sector is one of the most important factors in the growth of the country's economy, increase in employment and increase in incomes of the population. As a result of the implementation of consistent measures to reform the sphere of services and services, this industry in a short time has become the most dynamically developing sector of the economy. The share of the service sector in GDP increased from 39.8% in 1995 to 46.2% in 2017(Khalmurzaev, 2000; Salzarulo, Krehbiel, Mahar, & Emerson, 2012) [10].

From the very beginning of economic reforms, the development of small and private entrepreneurship, along with the privatization and privatization of facilities, formed the basis for the formation of a mixed economy.

Theoretical background

Small business has become one of the important factors for the economic development of the republic for the period 2000-2017.

Measures taken to create a business environment, comprehensive support and further stimulate the development of small business and private entrepreneurship contributed to an increase in its share to 54.9% in 2017. against 31.0% in 2000.

Data on the structure of GDP, calculated using the end-use method, allows analyzing the main proportions of using GDP, determining the share of the cost of goods and services used to meet the needs of end-users and to increase the national wealth of a country.

In the structure of the use of GDP, most of the expenditures are on final consumption. The main share in final consumption expenditures is made up of household expenditures, their value ranges from 43.9% to 63.1% in 1991-2017.

During the period under review, the share of expenditures on final consumption of state institutions in the structure of GDP undergoes significant changes and has a tendency to decrease from 20.7% in 1991. up to 16.7% in 2017

The share of non-market services provided by non-profit organizations to households averages 1.1% of GDP.

Gross accumulation is represented by an increase in fixed assets and material circulating assets. The share of gross savings had a stable development trend and averaged 25.4% of GDP from 1991-2017. The main share in gross accumulation is gross accumulation of fixed capital, reflecting investment activity in the economy(Fauziah & Aryanto, 2012). The share of gross fixed capital formation in GDP in the period 1991–2017 averaged 26.4%. The share of net exports of goods and services during the period under review averaged 2.1% of GDP (exports — 30.4%, imports — 28.3%).

In recent years, there has been a tendency of stable growth of the main elements of GDP in real terms.

During 2001–2017, the average annual increase in final consumption expenditures was 9.2%, and over the period under review, this figure grew by more than 4.4 times. This is mainly due to the growth in household spending by 5.5 times. Also, real expenditures of government on individual and collective services increased 2.4 times.

Data analyses

The main indicators of the development of investment activity in the country indicate a steady increase in the accumulation of fixed capital through the attraction and development of domestic and foreign investment. The rate of accumulation of fixed capital in recent years (2001-2017) was about 25.2% of GDP, which corresponds to the level of developed and rapidly developing countries of the world.

During 2001-2017, gross fixed capital formation increased by more than 5.5 times, with an average annual increase of 10.9%, outpacing the average annual growth rate of GDP (7.1%) over the period under review.

Over the years of independence, ensuring the territorial balance of the national economy and reducing regional disparities have become priority areas of state policy of Uzbekistan.

In recent years, the role of the regions in the country's structural reforms has increased significantly. A number of measures were taken to increase the economic potential and competitiveness of the regions.

As a result of the implementation of targeted regional programs, for the period 2001–2017, the outrunning growth rates of GRP were ensured in the city of Tashkent (4.6 times as compared with 2000), in the Republic of Karakalpakstan (3.6 times), in Djizak (4.0 times), Samarkand (3.8 times), Namangan (3.6 times), Andijan (3.5 times) and Surkhandarya (3.4 times) regions. At the same time, during the period under review, the average annual growth rate of GRP in Tashkent was 109.5%, Jizzakh region - 108.6%, Samarkand region - 108.3%, Namangan region - 107.9%, and the Republic of Karakalpakstan - 107.8 %, Andijan region - 107.7%, Surkhandarya region -107.5%.

Low average annual growth rates of GRP compared to the average national level (107.1%) for 2001–2017 were recorded in Navoi (104.2%), Fergana (105.6%) and Tashkent (106.3%) oblasts.

The inequality of the regions of Uzbekistan in terms of socio-economic development and economic growth rates is determined by a number of objective reasons - the level of regional development in the initial period of market reforms, the region's investment attractiveness, economic and geographical development, level of infrastructure development, innovative potential and many other factors.

The share of GRP in the formation of GDP of the republic with a 15.5 percent indicator leads the city of Tashkent. Tashkent and Samarkand regions take the next places with indicators of 9.1% and 7.1%, respectively.

The lowest share of GRP is observed in Syrdarya (2.0%), Jizzakh (2.3%), Khorezm (3.2%) regions and the Republic of Karakalpakstan (3.2%). According to the average annual growth rate of GRP per capita for the period under review (2001-2017), the most dynamic changes occurred in Tashkent (8.6%), Jizzakh region (6.7%), the Republic of

Karakalpakstan (6.6%), Samarkand region (6.3%), Namangan region (5.8%), Andijan region (5.8%), where the results were achieved mainly due to accelerated industrial growth in the industry and the service sector.

Conclusion

In a market economy, the key priority of the country's socio-economic development is becoming diversification, which implies a reduction in commodity dependence, the development of industries with a high share of value added and the development of high-tech industries. The economic development of Uzbekistan during the years of independence was aimed at creating favorable conditions for economic growth and increasing the investment attractiveness of the regions.

Measures aimed at improving the territorial organization of the economy contributed to overcoming the raw materials orientation, shaping the production and technological base and smoothing disparities in the socio-economic development of the regions.

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