

**THEORETICAL AND METHODOLOGICAL ASPECTS OF INDUSTRIAL POLICY  
AND ITS IMPLEMENTATION IN ENTERPRISES**

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**Abstract.** *In recent years, the Republic has been developing a real market economy based on healthy competition as a result of active investment policies, foreign trade and liberalization of foreign exchange operations. The development of the industry, which is considered an important branch of the economy, at the level of international standards, increasing the competitiveness of products in the world market and expanding its range, is one of the pressing problems of today.*

**Keywords:** *industry, national economy, competitiveness, Export, import, diversification, industrial policy.*

**ТЕОРЕТИЧЕСКИЕ И МЕТОДОЛОГИЧЕСКИЕ АСПЕКТЫ ПРОМЫШЛЕННОЙ  
ПОЛИТИКИ И ЕЕ РЕАЛИЗАЦИЯ НА ПРЕДПРИЯТИЯХ**

**Аннотация.** *В последние годы в республике развивается реальная рыночная экономика, основанная на здоровой конкуренции в результате активной инвестиционной политики, внешней торговли и либерализации валютных операций. Развитие промышленности, считающейся важной отраслью экономики, на уровне международных стандартов, повышающее конкурентоспособность продукции на мировом рынке и расширяющее ее ассортимент, является одной из актуальных задач современности.*

**Ключевые слова:** *промышленность, национальная экономика, конкурентоспособность, экспорт, импорт, диверсификация, промышленная политика.*

Industry is a leading branch of the economy that has a decisive influence on the level of development of the productive forces of society. A set of enterprises (factories, power plants, shafts, mines, etc.) engaged in the production of Labor weapons and other products for the industry itself and for other sectors of the economy, as well as the processing and processing of products obtained in raw materials, fuel production, energy production, wood preparation, industry or agriculture [1].

It is also recognized by the head of state that deepening the level of localization and dramatically expanding the scope, effectively using existing raw materials and opportunities, is the basis of this industrial policy[2]. It is known that the head of state Shavkat Mirziyoyev held a meeting on investment, export and international cooperation on March 27, 2023[3]. It states that the Center for industrial policy research will be established in Uzbekistan. A centre for Industrial Policy Research is set up in the Ministry of investment, industry and trade. It is also made jori, a project financing system aimed at localizing high-tech and value-added products.

At the fruits of the favorable business environment in the country, in recent years, foreign enterprises have increased from 5 thousand to 16 thousand. Foreign direct investment has entered each district and city. From the beginning of the year, it was noted that 764 million dollars were invested in foreign investment, 1.3 thousand large and medium-sized projects were launched. The

country's exports were \$ 3 billion. The president argued that these results were not enough, and that in the current complex situation in the world, two more efforts should be made. Therefore, the president stressed the need to solve the problems by taking daily control over the implementation of the projects that will be launched in the cross section of Regions and networks. With the launch of 304 major and 3,000 territorial projects, there are opportunities to produce products worth 10 trillion soums and export \$ 200 million in 2023 alone. He was commissioned to implement a project financing system aimed at localizing high-tech and value-added products, and to establish the Centre for Industrial Policy Research at the Ministry of investment, industry and trade.

Increasing the level of localization of the production of finished products, components and materials on the basis of industrial cooperation is one of the important aspects in this direction: stable and consistent development of the economy, reducing its subordination to external factors, accelerating the implementation of new effective technologies in production processes. A special priority in our country is given to maintaining an industrial policy aimed at producing products for export and domestic market, creating high added value, replacing imports.

Uzbekistan has large enough opportunities for the application of an industrial policy strategy, and through its implementation we can achieve great results in ensuring effective socio-economic development. In this regard, in our opinion, the importance of industrial policies based on the production of import substitutes in eliminating the consequences of a transformative crisis in the conditions of the Republic of Uzbekistan is manifested in the following:

- the organization of import substitution Productions reduces the dependence on imports and at the same time sets the stage for a multiplicative increase in the costs of all macroeconomic agents, that is, an increase in the volume of GDP;
- such a strategy will help improve the foreign trade conditions of the Republic;
- Helps to reduce the level of dependence of the economy of Uzbekistan on labor migration, since the expansion of domestic production requires additional labor;
- the production of similar imported goods gradually helps to increase their competitiveness in the domestic market;
- protects the country's economy from the influence of external factors and fluctuations, and also strengthens the economic security of the country.

Clarifying the use of a strategy to organize import substitution industrial production in its place cannot make it clear to what extent the country will achieve the effect of organizing import substitution Productions. By clarifying the position of the industrial policy strategy in the country's economy, we can come to the following important conclusion, according to which, at the present stage of the country's socio-economic development, there is no other effective way to solve socio-economic problems on the scale of the national economy. There are a variety of models regarding the integration of the national economy into the structured system of World Economic Relations. The considered main models of mamalakat's introduction of the national economy into the system of international division of Labor allow us to draw the following conclusions about the role and significance of this process in the economic development of the country:

*First*, the successful development of the national economy assumes the active integration of the country's economic complex into the system of World Economic Relations.

*Secondly*, the introduction of active integration into the world economic system is an important condition for the consistent realization of the National advantages in the development of the country's economic complex in a particular branch and sphere and trade and economic relations with other countries.

*Thirdly*, operating in a strong competitive environment in foreign markets allows you to clarify the most effective sectors and sectors of the national economy, which can serve as the “foundation” for the structural reconstruction of the National Economic complex.

*Fourth*, the comparative advantages of the country and the use and effective use of production potential are considered one of the main conditions for ensuring the sustainable development of the national economy.

In modern economic literature, there is still no consensus on the differentiation and definition of the economic category and processes of import substitution and protectionism. Sometimes, situations are also encountered where the concept of import reduction is used in one place when explaining the content nature of the conduct of industrial policy. In Particular, V.Gavrilenko, R.Nikitenko and N.The “large encyclopedic dictionary "on economics under Yadevich's edit does not mention the category of” import substitution“, but instead defines the concept of” import substitution “as” a strategy aimed at reducing the amount of imported products in order to stimulate the production of a domestic substitute” [4]. A similar approach was taken by E.It can also be seen in Baranov's works, arguing that “import substitution is the process of shortening or stopping the importation of certain goods and replacing them with similar domestic goods in the domestic market” [5].

N.Suchkova argues in her research that “the main feature of the conduct of industrial policy is the industrialization of the economy by restricting and excluding imports”. He believes that the choice of the concept of import substitution provides for the creation of certain incentives for the development of certain sectors of domestic industry and agriculture in order to increase their competitiveness in the domestic market[6].

In our opinion, it is desirable that import substitution, first of all, as well as the replacement of imported goods with locally similar goods, displace them from the domestic market, and only after these goals are achieved, attention is paid to foreign sales markets. In other words, it is possible to gradually move towards an export-oriented type of development as a result of the successful implementation of a well-established industrial policy, import substitution. In order to more accurately understand and distinguish between industrial policies and protectionist policies of the state, in our opinion, it is necessary to distinguish the main economic signs of import substitution. Among these signs, we can include the competitiveness and economic efficiency of import substitution.

Thus, protectionism is limited to protecting national producers (factor owners) from external competition if the main purpose of import substitution is to produce efficient and competitive products with the aim of exporting later. In other words, protectionism makes it possible to generate additional income in excess of the current alternative value of the resources used. Despite the fact that the total cost of implementing protectionist policies in practice is higher than the benefits received, they are usually placed on the responsibility of ordinary consumers. If

the production of goods is not open to foreign manufacturers, then it will naturally inevitably not be competitive (this situation contradicts the main signs of import substitution).

In order to further deepen the processes of localization of production, expand inter-sectoral industrial cooperation, including industrial cooperation between large enterprises of the Republic and small businesses and private businesses, establish enterprises that replace imports on the basis of local raw material resources and provide the domestic market with the necessary consumer goods, medicines, products of technical importance, components and materials:

The program of localization of production of finished products, components and materials was approved in 2017 - 2019, developed jointly with the Ministry of foreign economic relations, investments and trade of the Republic of Uzbekistan, the Ministry of Economy, The State Committee for privatization, monopolization and competition development, the State Customs Committee, the Council of Ministers of the Republic of Karakalpakstan, the municipalities of As a result of a detailed study of the capabilities of Network Enterprises by the Ministry of economy, 1.1 billion dollars were allocated due to the direction of domestic manufacturers to the organization of production of products and new types of imported substitutes. the possibility of reducing imports by more than a dollar or 23 percent was determined. However, despite the fact that measures are being carried out to expand the production of localized products that replace imports, it allows an unreasonable increase in the volume of imports in our country.

The success of such important socio-economic tasks as improving the sectoral and territorial composition of the national economy, ensuring rational employment of labor resources, increasing the competitiveness of national enterprises, achieving economic security largely depends on increasing the level of localization of the production of finished products, components and materials on the basis of industrial cooperation. Because as a result:

- sustainable and consistent development of the economy, reducing its dependence on external factors;
- to accelerate the implementation of new effective technologies in production processes;
- positive development of foreign economic activity;
- expansion of export potential by pursuing an industrial policy aimed at creating high value added;
- results such as reducing the content of imports can be achieved.

Therefore, diversification of export composition and integration into the world economic system by improving import composition, stabilization of the national economy is one of the main directions of economic policy of Uzbekistan. As a result of the consistent reforms carried out in our country, a number of measures are being implemented to increase the volume of production and expand the range of industrial products, to meet the needs of the population for consumer goods[2].

The predominance of raw material goods in the export structure, the narrowness of the assortment of exported goods make the country and its territorial economy dependent on conjunctural changes in world markets. President Of The Republic Of Uzbekistan Sh.M.In the action strategy for the further development of Uzbekistan in 2017 - 2021, developed at the initiative of Mirziyoyev, special attention is paid to “continuing the policy of promoting the

localization of production and, above all, replacing the import of consumer goods and components, expanding inter-industry cooperation.”

**Conclusions and suggestions.** There are cases of inefficient use of imported technological equipment in the Republic, which is hampered by issues such as land allocation, construction permits, connection to communication networks. As long as there are opportunities to achieve economic efficiency as a result of reducing imports through the localization of production, for this:

- creation of a unified system for the localization of industrial production in the Republic;
- further acceleration of the processes of localization of production in the network and regions;
- mastering the production of components, spare parts and materials through the full and efficient use of existing production facilities;
- it is advisable to pay special attention to expanding cooperative relations in the industry and optimizing the volume of imports.

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