

Stages and Characteristics of the Formation of the Ownership System in Uzbekistan

Yakubov Ikram Rakhmat ugli

Master of Samarkand State University named after Sharof Rashidov

Received: Okt 20, 2023; Accepted: Jan 02, 2024; Published: Feb 02, 2024;

Abstract: In this article, the privatization of state property, which is considered an important part of the country's economic development, is carried out in the conditions of Uzbekistan and its results are analyzed based on scientific literature and statistical data.

Keywords: private property, New Uzbekistan, ownership, state organization, commercial centers, trading houses, large objects.



This is an open-access article under the [CC-BY 4.0](https://creativecommons.org/licenses/by/4.0/) license

As we know, society has a regulatory and legal basis that determines the mechanism of operation of any system. In the same way, there is a regulatory and legal base that defines and regulates the activity mechanism of the ownership system.

In the Republic of Uzbekistan, great importance is also attached to the development of the ownership system and relations, market infrastructure, valuation and real estate activities. For example, the measures of the program entitled "The main directions of the development of evaluation activities of the Republic of Uzbekistan in the period of 2009-2015" and the order of the President of the Republic of Uzbekistan dated April 24, 2008 "Further improvement of the activities of evaluation organizations and the quality of services provided and their It is no exaggeration to say that it is being developed and implemented in accordance with the requirements of the Resolution No. 843 "on increasing responsibility".

Ownership represents the content of both legal and economic relations in society. The legal and economic content of ownership are interrelated and require each other, therefore ownership is considered both an economic and a legal category at the same time. In this unit, as shown above, the decisive role is played by the economic aspect of ownership. If the property is not realized economically, that is, it is not used in production or does not bring income to the owner of the property, then it remains as a "legal" category.

Ownership is realized economically through various forms of economic and entrepreneurial activity.

On the other hand, the legal aspect of ownership does not play a subordinate role compared to its economic aspect. This means that without certain legal ownership of the means of production, no one can carry out the production process, use the means of production and the produced product. For this reason, the legal norms of ownership, the right to own, dispose, and use, are a clarified form of economic relations.

Legal norms, on the one hand, arise precisely in connection with the need to protect property relations, on the other hand, they play an extremely important role in the development of property relations in the conditions of commodity production. This role is seen in the fact that in the conditions of the commodity economy, some social strata have the opportunity to become owners by

participating in exchange relations (for example, trade intermediaries) without participating in the production process.

Thus, the legal norms of ownership determine, firstly, that the means of production and created material goods belong to specific persons (legal or physical), secondly, the powers of property owners protected by law, and finally, thirdly, the methods of property protection.

The main condition for the transition to market relations is to create the conditions for the formation of a multi-level economy and a competitive environment. The main thing is to solve the ownership issue. Therefore, the First President of the Republic of Uzbekistan I.A. Karimov emphasizes that solving the ownership issue "...serves as the cornerstone of the entire system of activities aimed at creating the market." For many years, the economy of our republic was called public property, but in fact, nationalized property completely dominated. The emergence of the state as a subject of property, which is considered public property in theory and practice, led to the formation of views of this property as "nobody's", "state's", "someone's property" among society members.

The task of creating a market economy requires the expropriation and privatization of a certain part of this property in countries where the weight of the public sector in ownership is much higher during the transition period. Accordingly, in Uzbekistan, the expropriation and privatization of property is considered as an important process, and the Law "On Expropriation and Privatization" (November 19, 1991) was defined as follows:

Expropriation of the state - state enterprises and organizations were transformed into collectives, rental enterprises, joint-stock companies, limited liability companies, other enterprises and organizations that are not state property.

Privatization is the purchase by citizens and non-state legal entities of state-owned objects or shares of state joint-stock companies from the state.

It is clear from this that expropriation of property is a much broader concept than privatization.

Privatization is the transfer of ownership of state property from the state to private individuals. Expropriation of property from the state, in addition to privatization, also provides for the creation of other non-state forms of property at the expense of this property. It is implemented in a number of ways: turning state enterprises into joint-stock companies, selling the state enterprise and turning it into collective property; giving property to citizens free of charge based on checks (vouchers) issued according to the value; sale of property to some entrepreneurs and business managers; selling some state-owned enterprises to foreign companies and citizens or giving them on loan; sale of state property at auctions, etc.

The methods of privatization are different and can be divided into 3 groups:

- 1) privatization of state property by giving it away for free;
- 2) privatization through the sale of state property;
- 3) privatization by coordinating the sale and distribution of state property for free.

The specific forms of implementation of these listed methods can be represented by Fig. 3. Which of the indicated ways and methods of expropriation and privatization of property depends on the expected goal. For example, in Russia, the method of free distribution of state property through vouchers was used. The goal of mass privatization was to create a very large group of owners in a short period of time due to the introduction of the check market. If it is intended to encourage entrepreneurship, then privatization will be carried out among a select few. If it is necessary to open the way for the inflow of foreign capital, privatization is carried out in the form of giving state property to foreign entrepreneurs. Giving priority to certain methods in expropriation of property

does not deny the use of other methods, on the contrary, it is necessary to use them as well¹.

For example, it is possible to give priority to the enterprise team, share the state property, and the participation of people outside this team and foreign capital in the purchase of these shares. Expropriation of the property was carried out in a paid, free or preferential manner depending on the circumstances. Regardless of its form and method, this event ensures the creation of diverse ownership, because all forms and types of non-state ownership have developed at the expense of state ownership.

Expropriation and privatization of property means putting an end to the monopolistic rule of the state, which prevents the development of ownership, and opening a wide path and opportunities for the initiative of free entrepreneurship, which is active in the society. In fact, privatization is one of the ways to remove the responsibility of the economy from the state, and it means giving the state property to the real owners - citizens. Privatization is often interpreted as the transfer of state property to workers. In fact, it is not possible to distribute state property to all the inhabitants of the country, in which case all the inhabitants have property and do not undertake laborious work such as organization of production, its management, production and exchange of products.

As a result of privatization, there will be social stratification among the population, and people will receive different salaries depending on the work they have done, and there will also be stratification in the income of the population. People have different forms of ownership in different fields, for example, in business, and they try to increase their share in the ownership of the company by buying shares. In order to implement privatization, it is necessary to develop a large-scale program of privatization of state property².

In the process of disposing of state property, first of all, it is necessary to fully use the experience of countries that have achieved good economic results through privatization, and the mistakes made by them should not be repeated, which can ensure the development of the market economy.

All legally privatized enterprises should be given the right to run a free economic economy and have equal opportunities with the public sector. Compared to the state sector, it is necessary to reduce taxes on these enterprises and exempt some of them from tax for a certain period.

After privatization, the enterprises were removed from the state and sold to certain groups and individuals, and organized their activities based on the laws of brutal competition of the market. The viability of market enterprises and forces them to constantly protect their interests in the fight against competition. If the enterprise fails to cope with the competition, it was abolished through privatization, as in the previous period, it was saved from the state budget.

Privatization should not reflect the transition from one form of property to another, but the task set before privatization is great, that is, through privatization, first of all, to separate the state rule from the economy, which unites all sectors under its control through various methods. how many measures had to be developed.

Privatization of state enterprises is a process arising from the demand for the development of ownership and its transition to a new stage. One of the important factors ensuring the development of privatization is the initiative of producers and entrepreneurs, their activity in production and business acumen. As a result of the privatization of state property, new businesses and an active part of the population are attracted to the power and production sectors, and not only this part of the population is interested in the development of property relations and the improvement of property forms, but also the middle and lower social strata are interested in the improvement of property relations. The policy of privatization of state property was carried out taking into account the specific characteristics of the

¹ Шарапова С.Ш. Многосторонняя дипломатия. Узбекистан: участие в универсальных, региональных и субрегиональных организациях, межгосударственных объединениях: Автореф. дисс. ... д-ра полит. наук. – Ташкент, 2006

² T.Jo'rayev, D.Tojiboyeva "Iqtisodiyot nazariyasi" Toshkent "Iqtisod-Moliya" 2012 yil

country, local and national conditions, and traditions.

The important directions of return from nationalization are the development of rental relations and the formation of shareholder property. This process should be carried out in compliance with certain measures, first of all, it should be carried out on the basis of voluntariness, transparency and public participation, and it should not harm the economic interests of labor communities, the interests of the state, and at the same time, should not conflict with the interests of consumers. necessary. In this case, it is possible to achieve a decrease in prices in the market due to the increase in product volume, quality and labor productivity, better organization of production management, effective use of existing material equipment, financial and labor resources, scientific and technical achievements, new technology, increasing production of goods. It was demanded to achieve an increase in the material well-being of the population.

The peculiar aspect of the privatization process carried out in our country is that it was carried out step by step.

At the first stage of economic reforms in Uzbekistan, it was constitutionally recognized that all forms of ownership have equal rights, and the task of ending the monopoly of state property and privatizing this property was set to create a real multi-level economy. First of all, equal legal norms and enforcement mechanisms were created for different forms of ownership to be decided.

An important feature of the approach to expropriation and privatization of property in Uzbekistan is its gradual implementation on the basis of programs. 1992-1993 included the first stage of privatization, at this stage the privatization process covered the general housing stock, trade, local industry, service enterprises and the agricultural products processing system³.

Some medium-sized and large enterprises belonging to light, local industry, transport and construction, and other industries were later transformed into more executive enterprises, collective enterprises, and closed joint-stock companies with the right of purchase. The controlling package of shares was kept at the disposal of the state.

At the first stage of privatization, the state took over the tasks of maintaining and financing certain sectors of the national economy, which are economically inefficient, but play an important role in the economic development of the country, as well as certain enterprises.

As a result of the first stage of implementation of economic reforms, small privatization was practically completed, a system of institutions necessary for the management of state property and its transformation into other forms of ownership was created.

The second stage defined in the state social program corresponded to 1994-1995. At this stage, many medium-sized and large enterprises were transformed into joint-stock companies, and their shares formed the basis of the republic's securities market. Along with the conversion of state property into joint stock, small private business enterprises were actively organized.

At this stage of expropriation and privatization of property, creation of open joint-stock companies, sale of state property on the basis of selection and auction was put into practice. New institutions of the real estate and securities market were established.

The effect of expropriation and privatization of property has a two-sided description. On the one hand, it attracts the population's idle funds and reduces their demand on the market. On the other hand, it creates conditions for attracting new funds to production and creating competition between producers of goods. It should be noted here that privatization is not the only way to create a non-state sector of the economy. Organization of small and medium-sized enterprises based on individual private ownership on the basis of initiative, as well as various cooperatives, companies, and limited

³ Шарапова С.Ш. Многосторонняя дипломатия. Узбекистан: участие в универсальных, региональных и субрегиональных организациях, межгосударственных объединениях: Автореф. дисс. ... д-ра полит. наук. – Ташкент, 2006.

liability companies is the second powerful process.

Since 1996, the republic's economy has entered the third stage of expropriation and privatization of property. During this stage (1996-1998), all objects and enterprises (3146 in total) that were not included in the list of non-privatized objects were taken out of state control.

The main tasks of the fourth stage of the privatization process (1998-2002) are to allocate funds from privatization to the state budget, attract foreign investments to privatized enterprises, improve management efficiency, and create conditions for the full implementation of new ownership relations. implementation is set⁴.

The last-fifth stage of the processes of expropriation and privatization in Uzbekistan is related to the Decree of the President of the Republic of Uzbekistan dated January 24, 2003 "On measures to radically increase the share and importance of the private sector in the economy of Uzbekistan." liq. In order to accelerate the process of expropriation and privatization of economically weak state enterprises, as well as to attract direct investments for the modernization and sustainable development of these enterprises, an effective mechanism for setting prices for privatized objects was introduced. In particular, procedures were approved for privatized enterprises to gradually reduce the initial prices of state assets and to sell state, economically insolvent enterprises and low-liquidity objects to investors on the condition that they accept investment obligations on the basis of a selection at zero purchase price.

In recent years, the participation of foreign investors in the process of privatization in our country is being paid much attention. In particular, the Decree of the President of the Republic of Uzbekistan "On additional measures to encourage the attraction of direct private foreign investments" adopted on April 11, 2005, clearly shows this. is evidence. According to this Decree, starting from July 1, 2005, enterprises attracting direct private foreign investments were exempted from paying the following taxes and mandatory deductions:

- income (profit) tax on the main activity;
- property tax;
- beautification tax;
- ecological tax;
- single tax set for micro-firms and small enterprises;
- Allocation to the Republican Road Fund.

The establishment of such benefits for foreign investments has undoubtedly led to the further expansion of their participation in the processes of expropriation and privatization of property in our country in recent years and, as a result, to a significant increase in the efficiency of these processes⁵.

REFERENCES

1. Шарапова С.Ш. Многосторонняя дипломатия. Узбекистан: участие в универсальных, региональных и субрегиональных организациях, межгосударственных объединениях: Автореф. дисс. ... д-ра полит. наук. – Ташкент, 2006
2. Т.То'rayev, D.Тоjiboyeva "Iqtisodi yot nazari yasi" Toshkent "Iqtisod-Moliya" 2012 yil
3. Кудратов З.Г., Султанов З.Т. Особенности государственной поддержки и развития малого бизнеса в Узбекистане // Молодой ученый, 2013, №4

⁴ Кудратов З.Г., Султанов З.Т. Особенности государственной поддержки и развития малого бизнеса в Узбекистане // Молодой ученый, 2013, №4.

⁵ Кудратов З.Г., Султанов З.Т. Особенности государственной поддержки и развития малого бизнеса в Узбекистане // Молодой ученый, 2013, №4