



## MODELS OF TRANSITION TO MARKET ECONOMY

Mixliyev Jasur Mamasadikovich

Director of International Universal Export Import LLC  
e-mail: [baxadur.mustafa@mail.ru](mailto:baxadur.mustafa@mail.ru) phon: +998973949889

Article history:	Abstract:
<b>Received:</b> August 7 <sup>th</sup> 2021 <b>Accepted:</b> September 6 <sup>th</sup> 2021 <b>Published:</b> October 6 <sup>th</sup> 2021	This article discusses the models of different countries in the transition to a market economy and gives examples from their past. The old economic relations can be gradually replaced by new market relations, forming an effective market economy. The experience of reforms shows that the evolutionary path leads to fewer social moments, is more consistent and inevitable.
<b>Keywords:</b> Market, economy, microeconomics, gross domestic product, economic indicator, credit, banking, population, strategy.	

World experience shows that the transition to a market economy can be carried out in a revolutionary way, that is, in a tabular way or in an evolutionary way, that is, step by step. The so-called "shock therapy" method, which requires the sudden and complete breakdown of economic relations. The old economic relations can be gradually replaced by new market relations, forming an effective market economy. The experience of reforms shows that , the evolutionary path leads to fewer social moments, is more consistent and unavoidable. Argentina, Poland models, etc. In the transition to a market economy, we consider the models of China, South Korea and other countries.

**"China model"**, the "father" of the reforms in China Deng Xiaoping leadership of the "three- step" strategy, the concept of the market economy, national chiqildi..Bunga:

**1)The first stage** . The main economic indicators for 1982-1989 ,The country's GDP is expected to grow 2 times .

**2)The second stage.** Over the period 1990-1999 , has increased by 4 times multiplication was determined.

**3)The third stage** . 2000-2050 years, the population defined

GDP per capita is expected to reach \$ 4,000 . Dan Syapin policy wise teacher. He ended the effects of the "material revolution." He said the constitution of the Communist Party of China "3rd world war was inevitable and the rule of " the need for it. Birinchibo'lib, the use of nuclear weapons majmuriyatini oldi.U state and the political system are the founder of the program. There was a time when the British occupied Hong Kong back to China added to the solution to the problem. In 1997, 1 July, has been added.

Hong Kong Asia edi.Xitoy country as a colony of Great Britain

According to the national concept of market economy :

- 1) liberalization of the country's economy ;
- 2) privatization process;
- 3)the emergence of various forms of property ;
- 4) the inflow of foreign investment has been launched.

Dan is aimed at reforming the country's economy Syap on: goals

the socialist market economy system, the formation of ' edi.Xitoy population 1,3mlrd people.

**The "South Korean model"** consisted of 4 stages.

**1) 1946-1961 years** at the character of the American state was formed. US military forces are solely for this task more convenient.

**2 ) the years 1962-1975** as the father of the Korean economic miracle in the name of President Park Jong -hee . The main directions of reform measures aimed to cover vaehitoylarni economy, not the product offers economy was paid.

**3)In 1976-1981**, the economy was export- oriented. Later heavy industry was developed. Industrial production in the 1980s, small and medium-sized businesses 20% failed.

**4)1982-1991 years**, the economy's openness tahminqillindi. Cancellation of preferential loans. The state only to give long -term credit guarantees.

The market type of economy is interpreted as an economic system in which production resources and the movement of production based on private property are carried out under the influence of changes in demand, supply and prices, as well as the mechanism of market regulation based on economic benefits.



The modern interpretation of the market system that ensures the social well-being of the most developed countries and the well-being of their peoples is a mixed economy. It is distinguished by its strengths and weaknesses, the balance has achieved an impressive economic recovery, overcoming the elements of overproduction, social crises. The basis of its modern organization consists of two principles: market and state regulation. It is adapted to the national economic characteristics of almost all developed countries, their more complex economic and social problems. Sustainability, flexibility and convertibility are features that are of constant interest in these types of economic systems. The transition of the Republic of Belarus to market relations is an important condition for ensuring the sustainable development of the national economy.

The Uzbek model of transition to a market economy.

After declaring its independence, Uzbekistan set itself the goal of building a socially oriented, market-based, open democratic state. "Our ultimate goal is to build a strong democratic state governed by the rule of law and a civil society with a socially oriented stable market economy and an open foreign policy."

The historical experience of the transition to a market economy has been studied on a global scale, and the concept of transition to a market economy has been created. Taking into account the current conditions and features of Uzbekistan, a unique way has been developed. They are:

1. The ancient development in Uzbekistan is associated with the long-evolutionary "Asian method of production" and the preservation of its traditions. These are: farming on irrigated land, non-productive leasing of land, doing a lot of work with the community (hashar), living as a community, maintaining a system of self-government such as the neighborhood, the existence of neighborhood property, the tendency to small-scale production and small-scale trade, the fact that small-scale farming is a highly commodity economy, and so on. The preservation of the farm shows that the traditions of small-scale farming are very strong.

2. A number of peculiarities of Uzbekistan are connected with the development on the one hand, on the basis of the socialist economic system, on the other hand, within the Soviet empire.

3. Existence of a special social-democratic situation. There are a lot of young people in the population of the republic. 60% of the population lives in rural areas. The population is sedentary, and labor

migration is very slow. The population respects national customs and traditions, which have a strong impact on lifestyle.

4. The main part of the population is Muslim, and the religious worldview also affects the lifestyle of the population. The hardworking, generous and hospitable people of Uzbekistan are its real wealth.

5. The soil of Uzbekistan is rich in various natural resources. Our republic has almost all the elements of the famous Mendeleev periodic table. So far, more than 2,700 different mineral deposits and promising areas have been identified, which include about 100 types of mineral raw materials. The total raw material potential is estimated at more than \$ 3.3 trillion, and the more than 900 discovered mineral reserves are worth \$ 970 billion. This is a great opportunity for investment, creating a range of activities.

In addition, there are a number of other peculiarities of our republic, which, of course, play a major role in the formation of its peculiarities. Taking into account the specifics of Uzbekistan, the concept of its transition to a market economy has been developed. This concept is reflected in a number of works of President IA Karimov, laws and resolutions adopted by the Oliy Majlis. The peculiarity of the "Uzbek model", the difference from other countries' models of transition to a market economy, is reflected in the principles of transition to a market economy. The main content of these principles is:

## **1. THE PRIORITY OF THE ECONOMY OVER POLITICS.**

According to this principle, it is necessary to completely free the economy from ideology, to put it above politics. However, it should be noted that the complete abandonment of ideology does not mean the abandonment of ideology in general, because no society can develop social consciousness without certain ideas, ideas, concepts embodied in various forms, such as art, religion, politics, morality.

Concept (Latin conception-understanding, system) is a way of interpreting a main idea, a leading idea, a constructive principle. The concept of transition to a market economy sets out a set of scientific views on the principles of transition to a market economy and its features in Uzbekistan. The supremacy of economics over politics must constitute its internal content. It is the economy that will further develop it and solve current problems, which is the main content of the current policy. This principle stems from the fact that economic activity is the primary basis of social life. Historical development



shows that just as the economy, all other aspects of society are formed and developed accordingly. It is known that the level of development of countries is determined by economic indicators, primarily on the basis of gross national product per capita, national income produced and consumed. This is not in vain. Because the living standards of the population directly depend on these indicators. A highly developed economy is necessary for the well-being of the people. Our country has gained national independence. There can be no full independence if political independence is not economically secured. True independence cannot be achieved with a backward economy and low living standards. With this in mind, special attention will be paid to economic development. Uzbekistan is a great country with a great future. A solid foundation for a great future is a constantly evolving economy. For sustainable economic growth, there must be socio-political stability, in the language of our people, peace and tranquility. In addition, a force that stimulates economic growth is needed. Such a force exists in a market economy, as evidenced by the experience of highly developed countries. The supremacy of economics over politics does not deny the role of ideology, political factor in economic development, its goals, the role in determining the overall strategy of socio-economic development. Be a priority in politics, the economy, the internal development of the economy, which is contrary to the laws of rebelliousness, free from political control.

## **2. THE STATE IS THE MAIN REFORMER.**

During the construction of a new society, especially in the transition period, the state must not lose control of the economy. The governing role of the state is another very important condition for the implementation of economic reforms. In the transition period, it is necessary to take a new approach to the role of the state in the economy and implement reforms on the basis of programs developed by the state with the participation of the general public, with its direct participation and leadership. Since market reforms are general economic, nationwide changes, some communities, political parties, public organizations cannot implement them, because they may be limited to protecting the interests of this group. The state represents the interests of all members of society and seeks to realize these interests. The changes taking place in the economy are characterized by the diversity of tasks, the complexity of specific measures aimed at shaping the market. This

process is associated with the organization of economic management, the creation of market infrastructure, integration into the world economy. In the field of management reorganization, the centralized state structures have been abolished and market-specific structures have been established. The State Planning Committee was abolished and replaced by the State Committee for Forecasting and Statistics. It was later transformed into the Ministry of Macroeconomics. The State Procurement Committee was replaced by the Republican Wholesale and Exchange Trade Joint Stock Company. On the basis of the complete abolition of the State Price Committee, a special General Directorate for Demonopolization and Control of Monopoly Prices was established in the system of the Ministry of Finance, which in 1996 was transformed into the Antimonopoly Committee.

There have also been major changes in the banking system. In a short time, the State Tax Committee and the State Customs Committee were established. The State Committee for State Property Management and Entrepreneurship Support has a great incentive to develop a diversified economy.

While the state creates the necessary conditions for the establishment of a market economy, it pays special attention to the creation of various forms of ownership, competition. In the context of the transition to a market economy, stratification in society prevents large differences in people's lives as a result.

## **3. THE RULE OF LAW.**

The whole process of renewal and development must be based on the law. Economic change is inevitable only when it is based on tried-and-true laws that can have significant results. The law must prevail over everything. This principle shows that everyone is equal before the law. Every member of society, regardless of who they are or what position they hold, must abide by the law. In the "Model of Uzbekistan" special attention is paid to the fact that the market economy is based on the law, and its inherent activities, economic relations are carried out on the basis of adopted laws. To do this, first of all, it is necessary to adopt laws that will ensure the implementation of the intended purpose. Legal reforms in the country are an integral part of the overall reforms in Uzbekistan. It is well known that legal reform is not limited to the legal sphere, because the transformative power of legal reform covers all spheres of social life. Without legal reform, there is no hope to reform the political system, economic life, to implement it effectively. Therefore, it is no coincidence that the



reforms began, first of all, with the adoption of the Constitution of the Republic of Uzbekistan. True democratic law has supreme legal force. That is why it is created by the supreme authority. The adopted law takes precedence over all other legal documents. The Republic of Uzbekistan has declared its intention to build a legal, democratic state on the basis of the Constitution and the rule of law.

Ensuring the rule of law is important for society because it obliges citizens, the state itself, its bodies and officials to act in accordance with the law, thereby ensuring that people are protected from potential violence. Respect for and observance of the law is a necessary condition for the formation of a state governed by the rule of law and a free civil society. Where laws are ignored, where they are violated, there is chaos, economic chaos. A civilized market economy is based on the rule of law. For a unified market system to emerge, all laws concerning its various aspects must be mutually coordinated. The laws of economic life have a special place in the regulation of market relations. These are: property, entrepreneurship, financial and credit system, competition, antitrust, foreign economic activity, rent, land ownership, taxes, rehabilitation, protection of the national economy, capital markets, insurance, collateral, agriculture, etc. laws about. "In the first phase of the reform, we have developed our own approach to creating the legal framework, our own mechanism for the production and adoption of legislation."

The laws themselves will not stand until they are passed, it will change with the demands of the times. New ones are accepted, old ones are corrected.

## REFERENCES

1. National encyclopedia of Uzbekistan. The first volume. 2000.
2. Olmasov Ahmadjon "Transition to a market economy". UzME. First volume. 2000.
3. Islam Karimov "Uzbekistan on the way to deepening economic reforms". Tashkent. 1995. p.9, p.13, p.32
4. Shodmonov Sh., Alimov R., Juraev T. Economic theory. Tashkent- Finance-2002.
5. Abdullayev Y. Fundamentals of market economy. Tashkent. 1997.
6. Ishmuhamedov AE, Sitdikova LA, Ishmuhamedov L., Sunnatov MN Market economy and business bases. Tashkent. 2004.
7. [www.wikipedia.org](http://www.wikipedia.org)
8. [moluch.ru](http://moluch.ru)

9. [www.ziyouz.com.library](http://www.ziyouz.com.library)