
The role of the budget in ensuring stability economic growth in the light of the implementation of the main directions of the Development Strategy of the Republic of Uzbekistan until 2035

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Abstract— The article discusses the features of the place and role of the budget in ensuring the stability of economic growth in the light of the implementation of the main directions of the Development Strategy of the Republic of Uzbekistan until 2035. Based on the results of the study, within the framework of the article, the authors propose proposals for improving the efficiency of financial policy in the near future, through the introduction of an innovative management system, based on results-oriented IT. Why do we need better regulations? Their adoption allows the system of state forecasting to function effectively in the conditions of the development of an innovative economy. It is noted that in order to implement the above proposal, the Government will need to provide conditions for creating a favorable tax and innovation climate, business development, and intensify work to reduce administrative barriers. And as tools, specific recommendations were given on taking the necessary measures to introduce a methodology for evaluating and monitoring investment projects financed from budget funds.

Keywords: financial policy efficiency, planning (forecasting), regulation, strategy, evaluation of investment projects, business, efficiency, flexibility, entrepreneurship support, interest rate subsidies, investment development.

INTRODUCTION

In terms of ensuring stable economic growth in Uzbekistan, a number of tasks have to be solved by reforming the system of state planning, fiscal and monetary policy, developing the financial sector, regulating the activities of natural monopolies, developing competition and entrepreneurship, as well as introducing the principles of public administration.

It follows that in the short term, improving the efficiency of financial policy should be carried out through the introduction of an innovative management system, based on results-oriented IT.

This will not only contribute to the correct determination of the priority directions of the action strategy, but will also set the task for the Government to develop and implement target indicators of the effectiveness and efficiency of state, sectoral, territorial programs, as well as each state government body. The system of planning, coordination and control should be aimed at this.

This requires more advanced regulatory legal acts, the adoption of which will allow the system of state forecasting (planning) to function effectively in the conditions of the development of an innovative economy, improve the quality of public services, including financial ones, and orient the activities of territorial government bodies towards achieving strategic goals.

To do this, the Government will have to ensure the conditions for creating a favorable tax and investment climate, business development, intensify work to reduce administrative barriers, increase the productivity of the economy as a whole, in particular, administrative territories.

It is necessary to pay close attention to improving the methods of state regulation of the economy with an emphasis on reducing bureaucratic interference in business development. Therefore, in the future, relations with entrepreneurship should be built on the principles of partnership, honesty and transparency.

Along with this, it is necessary to take measures to strengthen the institution of private property as the basis for guaranteeing the rights and freedoms of citizens.

State planning should be aimed at supporting and managing processes to ensure the growth of the country's competitiveness.

The requirements for the content, procedures for the development and approval of the implementation of state, sectoral (sectoral), territorial and budget programs should be changed.

A reporting system open to the public should be introduced, as well as a system of internal and external control. The budget of citizens will be available to everyone

Directions for spending budgetary funds should be linked to the country's strategic (program) documents and have clear priorities for diversifying and increasing the competitiveness of the economy. As for inefficient budget expenditures, they should undoubtedly be reduced.

It should be noted that now the methodology for evaluating and monitoring investment projects financed from budgetary funds has been introduced everywhere, and the requirements for their preparation have also been strengthened.

In order to conduct a balanced fiscal and monetary policy, the growth rates of state budget expenditures were linked to the growth rates of the economy.

In order to reduce the dependence of the economy on the raw materials sector and reduce the budget deficit, it is also necessary to improve the mechanism for the formation and use of the National Reserve Fund and extra-budgetary funds.

In our opinion, when determining the amount of budget funds for the forecast period, it is necessary to take into account the degree of achievement of the established indicators and the effectiveness of the implementation of budget programs.

In the field of public procurement, a system has also been formed that takes into account the interests of the state and business and contributes to the efficiency and flexibility of spending public funds.

Of no small importance for substantiating the cost of economic growth is the task of further strengthening the impact of the measures taken on the state of the money market, harmonizing rates for various types of monetary policy instruments. At the same time, short-term notes and deposits of commercial banks will remain the main instruments for regulating interest rates in the financial market, as well as sterilizing excess liquidity of banks.

Back in 2017, in comparison with 2000 (according to the Strategy for the socio-economic development of the country for 2017-2021 and the annual Messages of the Head of State), the volume of the republic's GDP was doubled and the social obligations of the state were fulfilled. The average monthly salary increased by 2.5 times, and the average pension - by 2 times. The proportion of the population with incomes below the subsistence level has decreased by 2 times.

The main indicators of public health have improved. Life expectancy has increased from 65 to 77 years. Maternal mortality has halved, and the birth rate of the population has increased.

Within the framework of the Development Strategy of Uzbekistan until 2035, the main activities of the government should be aimed at the following areas of development of the innovative economy:

1. Industrialization and diversification of production, wage increases. The key direction of industrialization should be the support of our non-commodity exporters. Domestic industry in export markets should be represented by a wide range of domestic brands. It is necessary to create an integrated system of support for exporters, which provides for financing the acquisition of fixed assets, service support for exports, grants to exporters and export trade financing.

2. Ensuring financial stability and overcoming the crisis caused by the coronavirus pandemic. To prepare the economy for a global recovery and increase its stability in the face of external challenges,

the following interrelated tasks must be solved: first, to significantly improve the business climate; secondly, to ensure the stable functioning of the financial system; thirdly, to continue the formation of a reliable legal environment.

3. Support for the development of entrepreneurship. Entrepreneurship should be the core of diversification. Entrepreneurs are the driving force behind the modernization of any economy. Therefore, the issues of entrepreneurship development should become a state development priority.

The use of the funds of this program should be carried out in the following areas:

- subsidizing the interest rate on loans;
- partial guarantee of loans to small businesses;
- service support for doing business;
- retraining of personnel and advanced training, youth practice and social jobs.

Obviously, public resources alone will not be enough to implement measures to diversify. Its main source should be foreign direct investment.

4. Development of economic zones. Taking into account the priorities of innovative development, new approaches to the functioning of special economic zones are needed.

In order to introduce the principle of project financing, it is necessary to provide in our legislation for the possibility of creating special project organizations with a special legal status.

All these activities will help build and strengthen the country's economy as an independent, prosperous and politically stable state.

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