## REGIONAL PROBLEMS OF KASHKADARYA: A REGION IN TRANSITION

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Absract: The article explores main features of regional problems in one of the regions of Uzbekistan – Kashkadarya. Key issues are looked through services and agricultural image of the region. Tourism is chosen as one of the effective tools to reduce the level of unemployment and increase income in rural areas. Municipal regulations are illustrated as an example of how existing problems are being addressed. Here, preferences and privileges are the main approach of issue solving. Additionally, transition in regional economics is exemplified with state regulation methods. Overall process of changing is outlined.

**Key words:** rural economy, transition, legislation, rural problems, tourism, local development of tourism, privileges, preferences

## РЕГИОНАЛЬНЫЕ ПРОБЛЕМЫ КАШКАДАРЬИ: РЕГИОН В ПЕРЕХОДНОМ ПЕРИОДЕ

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Аннотация: В статье рассматриваются основные черты региональных проблем в одном из регионов Узбекистана — Кашкадарьинской области. Ключевые вопросы рассматриваются через сферу услуг и сельскохозяйственный имидж региона. Туризм выбран в качестве одного из эффективных инструментов для повышения уровня доходов и понижения

безработицы Муниципальные сельской местности. правила проиллюстрированы в качестве примера того, как решаются существующие проблемы. Здесь преференции и льготы являются основным подходом к проблем. Кроме того, решению переход в региональной экономике иллюстрируется на примере методов государственного регулирования. Описан общий процесс изменений.

**Ключевые слова:** сельская экономика, переход, законодательство, проблемы села, туризм, местное развитие туризма, льготы, преференции.

Introduction. Historically, macroeconomics was the main sphere and tool of economic analysis and finding out the data on the development of the country. Regions were not considered as a separate or unique unit as well as the potential of the region was not taken into account before introducing any sector of economy. Gradually, this has developed and after microeconomics had appeared, the way was given to the emerge of regional economics. So, regional economics is a "child" of macro- and microeconomics. It means that regional economics included all the features of those two fields.

**Methods.** Today, regional economics focus not only on socio-economic aspects of development, but also on legislative and political ones. On municipal level The decree of the President of the Republic of Uzbekistan on "Measures for the rapid development of the services sector" dating May 11 2021 was adopted to provide the development in service sectors and according to experts there are several sectors to be refurbished [1]. As the main matter to solve ready-made business plans and projects are suggested to provide the population. This could help to employ more people. Indeed this is one of the major problems of regional development. Unified service slots are also created to ease the process of start-ups and reduce bureaucracy. To eliminate excessive bureaucratic obstacles in the service sector, the types of services based on the specific characteristics of each region, the scope of transport, financial, as well as banking, tourism and trade services in the regions, especially in rural areas should be expanded. According to A.E. Ishmukhamedov, the region has more aging

infrastructure. Much of the region's infrastructure, including roads, bridges, and irrigation systems, is outdated and in need of repair or replacement [2]. There is also limited access to utilities: many rural areas still lack reliable access to clean water, electricity, and natural gas.

Environmental issues are the next aspect of regional problem. Overexploitation of water resources, particularly for agriculture, has led to declining water levels in rivers and underground aquifers. Since ex-Soviet Union periods, the matter has been under constant anxiety. Today drip watering has been introduced to improve the ecological problem with irrigation. Trees were planted even in the place which did not use to be plant-friendly. Next problem is soil erosion which is contributing to land degradation reducing agricultural productivity. Years of heavy exploitation has presented similar condition to the most developed countries where the soil is steeped in fertilizers and chemicals. All these problems require the optimum of approach. For example, the consistency of the soil includes only 0,29 -1,2% of humus[3] which is extremely scarce for good harvest.

So, there are many legislative regulations to solve these problems and many of them are being processed. In fact, The decree of the President of the Republic of Uzbekistan "On additional measures for the development of the services sector" was conducted and as one of the main drivers decreasing taxes was found to be the most appropriate one. For instance, single social tax has been reduced to 1% if the whole staff is not hidden from legislative control or the decrease of taxes on real estate of small business by 90% are seen as sufficient privileges for entrepreneurs [4]. To improve the development of large businesses some customs privileges and preferences have been given to certain kind of communication products. Even some optic memory storages are freed from fees. Special accent has been done on tourism businesses i.e. organization which is involved in tourism is freed from revenue tax even. this could be illustrated by the fact that 500 billion soums (almost 4 million dollars) are allocated to projects in the field of service provision primarily to finance projects for the establishment and repair of family guest houses, hostels, complexes

of tent camps, autocamps, eco-home complexes, container towns and tent camps. These may help to provide local people with extra income and employ more workers. Both internal and external tourism are paid much attention as agriculture is facing more and more challenges day by day.

The transition to market relations determines the market specifics of state regulation of the social services sector, adapted mechanisms of influence, forms and methods of their implementation. In social policy, the state partially moves away from the use of methods of administrative influence of social services. In the regulation of the development of social services, in the modern period, the following economic methods are used: the establishment of paid and free types of social services, new social standards, accumulative pension insurance, social contracts and others. These methods are controlled by the activities of licensing, socio-economic standards, benefits. In addition, licenses, social, environmental and other economic standards, social benefits, etc. are widely used. At present, state regulation does not fully use the available resources, mechanisms and principles that can provide conditions for sustainable socio-economic development of the national economy. In our opinion, the regulation of the development of social services in rural areas should be understood as targeted nationwide measures and systemic actions to ensure sustainable and balanced functioning of the social services sectors, the main target of which is to improve the quality and increase the standard of living of the rural population and the environment. Thus, an important feature of state regulation of the development of social services in rural areas of the country is the support of strategic priorities that ensure positive dynamics of the standard of living of the population.

**Results**. State regulation of social services concerns areas that perform tasks and other state functions that are within the competence of public administration. These include: bodies that develop social policy; institutions for the development of various programs for the development of social services in the sphere; structures that determine the legal norms of the activities of social infrastructure; bodies that conduct tax policy and differentiation of incomes of the population, etc.

The mechanisms of action of state regulation can often act directly and indirectly. In addition, there are mechanisms of state regulation in the form of selective support for economic development. State selective support can be understood as a set of selective organizational, political, legal, social, financial and economic measures that are aimed at:

- 1. Stimulating the development and improvement of the management of social services by involving private capital.
- 2. Formation of conditions for increasing the efficiency of production and provision of social services.
- 3. Ensuring the legal basis for the free functioning of social infrastructure facilities. 4. Timely response to acute situations, minimization of negative factors, full satisfaction of social needs of the rural population.

State regulation of the development of social services in rural areas is characterized by having certain goals:

- 1. As an initial goal ensuring conditions for public safety and necessary living conditions for the population. In the medium term, acquiring pre-crisis stereotypes of using significant social services. In the long term improving the standard and quality of life of the rural population.
- 2. As a global goal in accordance with regional characteristics, the formation of modern mechanisms for the development of the social sphere based on the introduction of innovative types of social services.
  - 3. As a strategic goal development of innovative, industrial, social policies.

Conclusions. The basic principles of state regulation of the country, taking into account the formation of network forms of social service institutions, include the following: dosed combinations of state and market regulation mechanisms, compliance with the level and conditions of adaptation of rural settlements to them; development and implementation of state mechanisms for regulating the activities of the social infrastructure of the village, increasing responsibility for the provision of social services.

In conclusion, it is clear that without state assistance and provision it is fairly challenging to develop the whole region in these circumstances. Not just privileges can help to enhance the service sectors. This requires complex approach by both government and social institutions.

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