

ECONOMIC BENEFITS OF THE NEW UZBEKISTAN'S ACCESSION TO THE EURASIAN ECONOMIC UNION

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Annotation: *The following article examines the current state of the Uzbek economy, its challenges and future successes. In particular, they discussed the current role of the Eurasian Economic Organization in the creation of a new strategy for our country, the "New Uzbekistan" and its benefits for Uzbekistan.*

Keywords: *competitiveness, democratic change, competition, new Uzbekistan, international market, Eurasian Organization, OSCE member states, GDP, economic benefits.*

Introduction. The globalization of the economy in the international world, the growth of global commodity and financial markets, digital technology, as well as the social and economic problems of the population are leading to increased competition in the transition to new technological developments. The main solution to the emerging problems is to become one of the leading countries in the field of science and innovation, to achieve international competitiveness and to address the controversial issues arising from globalization.

It is known that over the past five years, our country has undergone large-scale democratic changes. The head of our state Shavkat Mirziyoyev said: strengthening the atmosphere of friendship and solidarity between citizens and nations; further raising the spiritual world of our people; Protection of the rights and freedoms, legitimate interests of every citizen of Uzbekistan, regardless of nationality, language and religion, guaranteed source of income, medical care and housing, quality education; poverty reduction and social protection of the needy; We have developed a New Uzbekistan strategy aimed at enhancing the country's prestige and prestige in the international arena".

Today, the new Uzbekistan's need to enter international markets, as well as its growing economic demands, require the establishment of a legal framework for cooperation with the member states of the Eurasian Economic Union. At the same time, it is important to exchange experiences and information in the fields of economy, education, health, industry, agriculture, energy and labor migration.

METHODS

In preparing this article, statistical data of the Republic of Uzbekistan, analysis of structural changes, articles published by world and Uzbek scientists and information provided in textbooks were studied. In addition, a comparative analysis of the current state of the economy of our country was made. Based on the results of the analysis, relevant conclusions and recommendations were made.

RESULTS

As a result of the analysis, a number of conclusions were drawn. Nowadays, the population of Uzbekistan has reached 35 million, and by 2026 it is expected to exceed 38 million. This means that our country ranks 37th in the world in terms of population, surpassing the population of countries such as Poland, Canada and Saudi Arabia. In addition, about 55% of the country's youth are young people, and at least 600,000 young people enter the labor market every year. Such demographic growth will lead to an increase in economic demand, as well as the need to enter international markets, which requires the establishment of cooperation between the Republic of Uzbekistan and the member states of the Eurasian Economic Union in all areas of the organization.

ANALYSIS

Uzbekistan's accession to the Eurasian Organization is beneficial, and our country is the main inter-regional link. In addition, there are a number of consequences of our country's membership. First of all, economically, it will increase the flow of money to our country, increase exports, strengthen industrial associations, and increase the flow of urban infrastructure. Foreign analysts say Uzbekistan has a favorable environment for starting private businesses and attracting direct investment. The investment infrastructure in Uzbekistan alone can reach \$ 1-1.5 billion. This, in turn, will increase the country's GDP by 0.3-0.4% per annum.

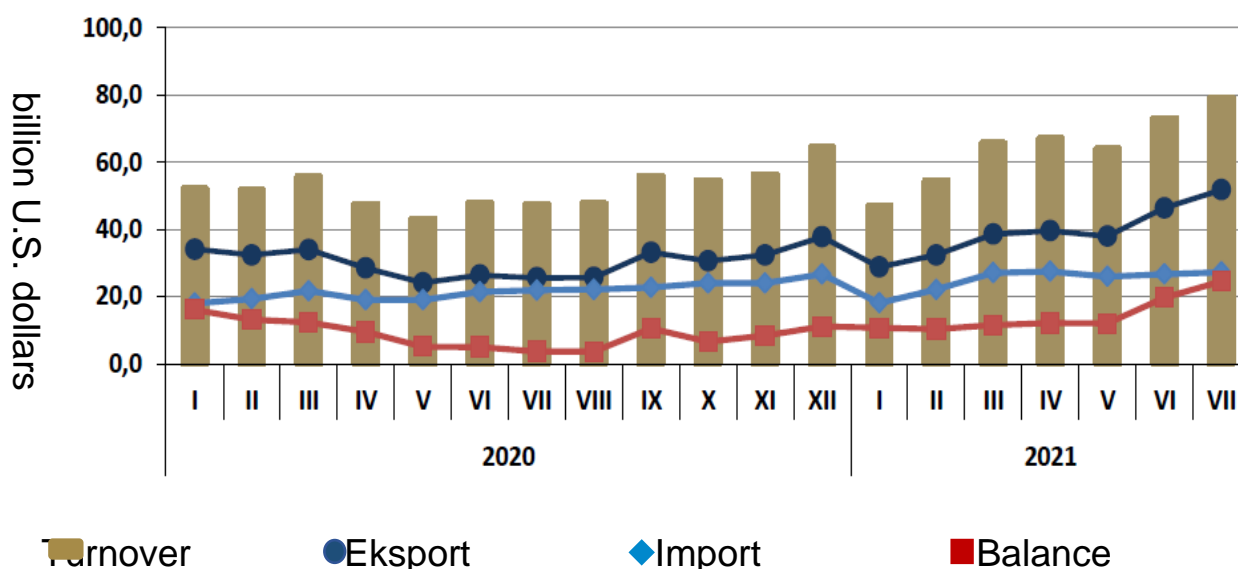
Second, the Eurasian Organization will help to alleviate the problems between its member states, including the socio-economic conflicts in Uzbekistan resulting from unemployment and full employment.

It is known that in order to improve the living standards of the population and create conditions for sustainable development, the Eurasian Economic Union will help its member states to strengthen cooperation in mutual trade, reduce barriers, modernize the national economy and increase competitiveness.

It is obvious that the Eurasian Economic Union is a very large market, and being an equal member of this market creates great opportunities for Uzbekistan. For example, the members of the OSCE – the Russian Federation, the Republic of Belarus, Kazakhstan, Kyrgyzstan and Armenia – have a total area of 20.3 million square kilometers, a population of 186 million people and a GDP of \$ 1.9 trillion.

If we look at the results of foreign and mutual trade turnover of goods of the OSCE member states, we can see that by May-July this year, trade turnover, exports and the positive balance have grown significantly.

In January-July 2021, the volume of foreign trade of the Eurasian Economic Union with non-EU countries amounted to 450.4 billion US dollars, including exports – 275.6 billion US dollars, imports – 174.8 billion US dollars. Compared to January-July last year, trade turnover increased by 30.4% or \$ 104.9 billion, exports by 34.4% or \$ 70.5 billion, imports by 24.6% or \$ 34.4 billion. The positive balance of foreign trade in goods in January-July 2020 amounted to \$ 100.8 billion, compared to \$ 64.7 billion.



Compared to January-July 2020, exports to non-EU countries increased by 51.1% from Belarus, 38.3% from Russia, 19.2% from Armenia and 7% from Kazakhstan. caused an increase in the volume of deliveries.

Compared to the same period in 2020, the volume of imports of goods from non-OSCE countries increased by 61.6% in Kyrgyzstan, 29.1% in Russia and 9.8% in Belarus. In Armenia – 9.6%.

	January – July 2021			July 2021	
	million dollars	In January – July 2020 in %	million dollars	July 2020 in %	June 2021 in %
EAEU					
Turnover	450 427,6	130,4	79 161,9	166,8	108,2
Eksport	275 588,2	134,4	51 832,0		111,7
Import	174 839,4	124,6	27 329,9	125,0	102,2
Balance	100 748,8		24 502,1		

ARMENIA					
Turnover	2 809,1	113,4	461,5	119,3	100,4
Eksport	1 171,9	119,2	172,7	118,7	79,7
Import	1 637,2	109,6	288,8	119,7	118,9
Balance	-465,3		-116,1		
BELARUS					
Turnover	21 409,8	129,1	3 251,1	120,6	106,7
Eksport	11 713,7	151,1	1 873,1	139,8	110,4
Import	9 696,1	109,8	1 378,0	101,6	102,0
Balance	2 017,6		495,1		
KAZAKHSTAN					
Turnover	39 991,4	102,7	6 200,4	132,9	90,5
Eksport	27 781,7	107,0	4 353,6		90,2
Import	12 209,7	93,3	1 846,8	74,1	91,2
Balance	15 572,0		2 506,8		
KYRGYZSTAN					
Turnover	2 062,2	114,6	308,5	105,5	104,6
Eksport	528,2	62,1	37,2	31,3	84,2
Import	1 533,8	161,6	271,3	156,4	108,2
Balance	-1 005,5		-234,1		
RUSSIA					
Turnover	384 155,3	134,5	68 940,4	174,8	110,3
Eksport	234 392,7	138,3	45 395,4		114,5
Import	149 762,6	129,1	23 545,0	133,8	103,0
Balance	84 630,1		21 850,4		

The above-mentioned positive aspects of Uzbekistan's accession to the Eurasian Economic Union (Belarus, Kazakhstan, Kyrgyzstan, Belarus, Russia) are also considered positive for bank exports. – There is a favorable environment for attracting the right investments. Attracting investment, in turn, will help increase labor productivity in Uzbekistan, both through the modernization of physical infrastructure and the introduction of new technologies. Accession to the common labor market of the OSCE envisages additional inflow of remittances to Uzbekistan (\$ 1.5-2 billion) and real annual growth in GDP by another 0.3-0.4%.

DISCUSSION

According to forecasts, the expansion of domestic sectors and the expansion of industrial cooperation will help Uzbekistan, along with all other countries, to diversify the economy and the structure of the country's export basket.

By the end of 2020, exports between member states amounted to \$ 3 billion. Due to the accession of Uzbekistan, this figure will increase significantly, and taking into account all the factors, after joining the OSCE, the growth rate of GDP of Uzbekistan will increase from the current 5.5% to

6.9 per year. It is expected to grow to ,27.2%. Analyzing the main socio-economic indicators of Uzbekistan, our country has the highest GDP in Central Asia (\$ 57.7 billion) compared to other countries (Kyrgyzstan \$ 7.7 billion). In terms of population (34.6 million), Russia is in second place.

However, Uzbekistan lags behind its citizens in terms of per capita income. In terms of purchasing power parity, the country's GDP per capita in 2020 amounted to \$ 7.4 thousand. In this respect, Uzbekistan lags behind Kyrgyzstan, but is more than 3.5 times behind Russia and Kazakhstan, 2.5 times behind Belarus and almost 2 times behind Armenia.

As mentioned above, one of the reasons for the decline in income is the low productivity of economic sectors: in agriculture (25% of GDP) this figure is twice as high as in Russia and Belarus, and in industry and construction - 4 times higher than in Kazakhstan.

At the systemic level, economic efficiency is hampered by a lack of investment and the current state of technology and physical infrastructure.

Although there are some disadvantages of our country's accession to the Eurasian Economic Union, there are many positive aspects and they are in the interests of Uzbekistan. It all depends on careful preparation for joining the organization. Then this event will serve the interests of our people and will contribute to the further growth of our economy.

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