



Clusters as a Tool for Improving the Economic Efficiency of the National Economy

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Abstract: *This article examines the theoretical and practical essence of clusters, studies the problems of cluster development in agricultural production of the Republic of Uzbekistan, proposals for further improving the implementation of the cluster approach in the agro-industrial complex of Uzbekistan.*

Key words: *agriculture, cluster, region, innovation, agrarian reform, cluster technology, cluster efficiency.*

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Agriculture is one of the key sectors of the economy of the Republic of Uzbekistan. The lands used for agricultural production occupy 45% of the country's territory, about 50% of the population lives in rural areas.

Together with water and forestry, the industry provides employment for 3.6 million people (27% of the employed in the economy as a whole) and 32.4% of the country's GDP. In addition, the owners of 4.7 million Dehkan farms producing a large share of fruit and vegetable and livestock products are also considered to be employed in agriculture, although they are also often employed in other sectors of the economy.

The export of agricultural products brings about 20-25% of total export revenues to the Republic of Uzbekistan. More than 180 types of agri-food products, which account for 20% of the total volume of exports of goods, are exported to 80 countries of the world.

The implementation of the country's agrarian reforms has provided the following main trends and results:

1. Sustainable development of the agricultural sector, the growth of agricultural production.
2. Agricultural production, even excluding its processed products, accounts for 32.4% of the structure of the country's economy, and taking into account the industries processing its products, creates about 40% of GDP. The contribution of agriculture to the annual GDP growth is on average 1.1% (or 13.5% of the total increase).
3. Production growth is typical for all types of agricultural crops. The production of fruits and vegetables increased by 1.5 times (the average annual growth rate of 8.5%), meat and dairy products – by 1.4 times (6.7%), grain – by 8% (2.2%). Poultry farming developed rapidly (12% annual growth) and fish farming (5.1 times), and the production of raw cotton decreased by 16.2% due to a reduction in acreage.

One of the innovative ideas of the President of the Republic of Uzbekistan is the introduction of a cluster system that can significantly affect the well-being and well-being of the people. Clusters form complex production and technological packages for making profitable investment decisions, determine priority investment investments and create conditions for the re-equipment of industry.

World practice shows the high efficiency of cluster technology in increasing the competitiveness of enterprises. The cluster approach implies that one of the branches of the national economy cannot be considered separately from the rest, and promotes the development of close ties between the supplier industries and consumer industries. The cluster method in agriculture combines such processes as plowing the land, sowing and caring for plants, and the production of finished products from grown raw materials. This single technological chain unites a complex of enterprises and makes it possible to deepen the integration of science, education and production, to introduce new technologies into practice. For example, cotton and textile clusters cover not only light industry, but also dozens of other industries, including the food industry, pharmaceuticals, construction materials production and others. The ultimate goals of such a system are the creation of high-quality products under the brand "Uzbekistan", social protection of the population, ensuring employment, creating decent working conditions and solving other important tasks.

Clusters are a system that affects not only economic growth, but also the competitiveness of districts, regions and even countries. A cluster is a group of interconnected services, infrastructure, universities and other organizations concentrated on a certain territory that complement each other and strengthen the competitive advantages of individual companies and the cluster as a whole. World experience shows that a regional cluster is a point of growth of an innovation-oriented economy. The cluster creates a favorable environment for the development of businesses of various scales and stimulates the development of a certain region. Based on world experience, it is possible to identify the main prerequisites for the creation of clusters:

- the presence of a group of interacting companies focused on dynamically developing market segments;
- functioning of a large number of small and medium-sized enterprises with similar specialization;
- availability of scientific organizations that freely provide equipment and laboratories for joint use;
- availability of a developed innovation infrastructure supporting industrial development and including technology parks, business incubators, etc.;
- Active participation of auxiliary organizations (chambers of commerce, consulting firms) in R&D processes, development of innovative projects; policy of regional authorities aimed at the development of innovation infrastructure.

For the successful development of regional clusters, many experts identify several key factors that make it possible to achieve high cluster efficiency, presented in Figure 1.

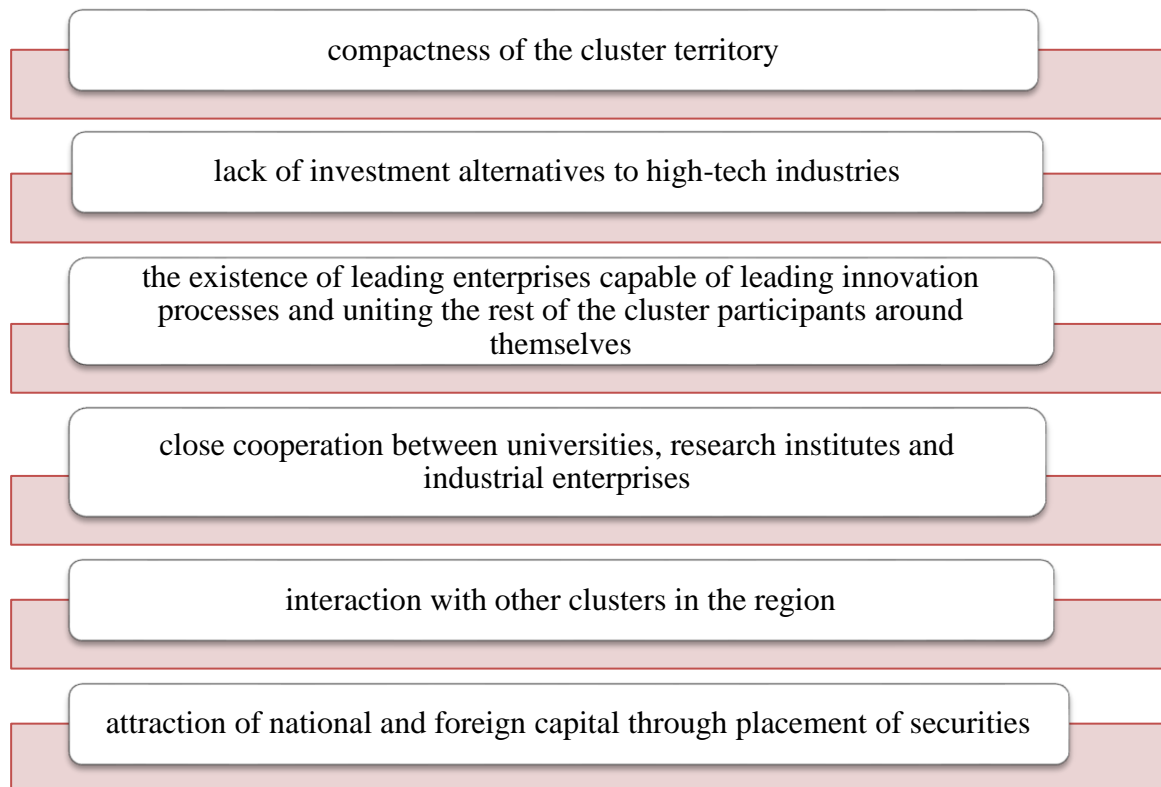


Fig.1 – Factors of cluster functioning efficiency

As follows from the resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated September 19, 2018 "On additional measures for the further development of cotton and textile industries", cotton and textile clusters in our country will occupy 300 thousand hectares of acreage. Their number will increase to 44. A number of additional conditions have been introduced for the organizers of cotton and textile production. Recall that back in 2018, the cluster form of the organization of cotton and textile production for the formation of market relations between farms and textile industry enterprises was experimentally introduced in 20 districts of the republic on the territory of 160 thousand hectares. Its essence lies in the fact that domestic textile enterprises have the opportunity to order and advance the production of raw cotton directly from farms and other agricultural producers. These organizations promote the efficient and rational use of land, water and other resources, increase yields and timely harvesting of cultivated raw cotton, as well as ensure its further in-depth processing and increase the production of products with high added value. They are subject to the conditions provided for farms and the procedure for the purchase of agricultural machinery on lease, the supply of mineral fertilizers, seed seeds, fuels and lubricants, chemical protection of plants and other material resources. Cotton fiber produced for its own needs within the framework of cotton and textile production is certified on a voluntary basis. In general, cotton fiber is subject to mandatory certification. The volumes of cotton fiber produced that exceed the needs of its own production facilities, the organizer of cotton and textile production can sell to other domestic consumers under direct contracts or through exchange trading.

According to the State Statistics Committee, in January-June 2022, there were 21 special economic zones (SEZ), 143 directorates of small industrial zones (MPZ), 3 technoparks and 259 clusters in the country. Official statistics recorded that the FEZ included more than 462 enterprises, MPZ — 1473, technoparks – 48 and clusters — 259 enterprises.

Analysis of open information has shown that a significant part of free economic zones and small industrial zones is accumulated by the capital region. There are 18 small industrial and 4 special economic zones in the Tashkent region.

As for the technoparks, they operate in the Bukhara, Khorezm regions and the city of Tashkent.

In the first half of the year, FEZ, MPZ, technoparks and clusters produced industrial products worth 10.8 trillion. soums. At the same time, 4, 9 trillion. soums account for special economic zones, 4.8 trillion.soums- for clusters, 1 trillion. - for small industrial zones , 69.4 billion .Sumy- to technoparks.

This is twice as much as in the first half of 2019. In January-June 2019, the volume of industrial production amounted to only 5.2 trillion.soums, from it: in the FEZ – 3 trillion.soums, clusters – 1.1 trillion soums, MPZ – 1 trillion soums, technoparks — 69.9 billion. soums.

Official statistics have recorded that the volume of investments in fixed assets at the expense of all sources of financing amounted to only 1.28 trillion soums. A significant share - 956 billion .soums account for special economic zones, 236.7 billion.soums – for clusters, 87.3 billion.soums – for small industrial zones and 0.4 billion rubles . Sumy - to technoparks.

As for clusters, if in 2017 there was one cluster in Uzbekistan, then in 2018 there were already 15, and in 2019 their number reached 75. The cluster system is organized in two directions. The first is a direct contract between farmers and the textile business. Secondly, textile enterprises with great potential form farming themselves. An example is the "TCT cluster" in Kuyi Chirchik district.

The largest number of clusters is concentrated in Kashkadarya (42), Bukhara (35) and Jizzakh (30) regions.

In the Syrdarya region, as an experiment in the agro-industrial sphere, the first cluster was organized - an Uzbek-British joint venture in the form of a limited liability company "Bek cluster". This experience has spread throughout the country. In a word, a new structure in the economy of our country – cotton and textile clusters - began to achieve high results.

In 2018, 14 cotton and textile clusters were organized in the Republic of Karakalpakstan and the regions of the country. They have grown and processed 368 thousand tons of raw cotton. This year, 48 cotton and textile clusters have been organized across the country.

On the basis of the resolution of the Cabinet of Ministers of the Republic of Uzbekistan "On measures to create a modern cotton and textile production by Indorama (Singapore) in the Republic of Uzbekistan" dated August 8, 2018, the Singapore company Indorama is investing 340 million dollars to organize a cotton textile cluster in our country. The project of the cotton and textile cluster of the Indorama Group Company, designed for 2019-2023, consists of two stages. Work has begun in the Syrdarya and Kashkadarya regions, then in Fergana and Jizzakh. \$225 million will be allocated for the cultivation of raw cotton, corn and other products. In addition, the company will direct another \$ 115 million of investments for deep processing of raw cotton (the second stage) - yarn production. The production facilities are located at the existing facilities of the joint venture "Indorama Kokand Textile".

The presence of a high natural resource and existing production potential can ensure the production of many types of industrial products, the development of import-substituting industries and cooperative ties.

There are good prerequisites for the accelerated development of the agricultural sector and processing industries in the republic, which serve as important sources of export products. In the production of fruit and vegetable products, fruits and grapes, cocoons, Astrakhan and wool, the country occupies a leading place in the CIS.

It should also be noted the trends of increasing areas for grain and fruit and vegetable crops, the formation of textile and fruit and vegetable clusters, improving the infrastructure of the agricultural sector and creating favorable conditions for farmers and dehkan farms.

The cluster approach can become a tool for ensuring high rates of economic growth and economic diversification. Obtaining cluster status is of great economic importance for the region, as it attracts the attention of investors and contributes to the development of trade operations. The state is ready to provide financial support to the regions in creating clusters. The authorities in the regions need to form and legislate mechanisms aimed at forming a cluster policy of the state.

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