

**BY INCREASING EXPORT CAPACITY
ENSURING SUSTAINABLE ECONOMIC GROWTH**



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Abstract: This article covers the main development directions of the national economy, in particular, the issues of stabilizing economic growth by increasing export potential. It analyzes such important aspects as internal and external factors of economic development, diversification of the volume and composition of exports, development of new markets and increasing competitiveness. It also considers the possibilities of achieving long-term economic growth by expanding export-oriented production, supporting local enterprises, introducing innovative technologies and improving international trade conditions. Strategies in this area are aimed at identifying specific mechanisms used to attract investment, strengthen international cooperation and stimulate exports.

Keywords: Export potential, economic growth, diversification, competitiveness, innovation, international cooperation, investment, trade policy, sustainable development, local production.

Аннотация: В статье рассматриваются основные направления развития национальной экономики, в частности вопросы стабилизации экономического роста за счет увеличения экспортного потенциала. В нем анализируются такие важные аспекты, как внутренние и внешние факторы экономического развития, диверсификация объемов и структуры экспорта, освоение новых рынков и повышение конкурентоспособности. Также рассматриваются возможности достижения долгосрочного экономического роста за счет расширения экспортно-ориентированного производства, поддержки местных предприятий, внедрения инновационных технологий и улучшения условий

международной торговли. Стратегии в этой области направлены на определение конкретных механизмов, которые можно использовать для привлечения инвестиций, укрепления международного сотрудничества и стимулирования экспорта.

Ключевые слова: экспортный потенциал, экономический рост, диверсификация, конкурентоспособность, инновации, международное сотрудничество, инвестиции, торговая политика, устойчивое развитие, местное производство.

Export potential refers to the economic indicator that reflects a country's ability to export goods and services to foreign markets. It is largely dependent on the effective utilization of production capabilities, technologies, resources, and infrastructure. The development of export potential contributes to a country's economic growth and integration into the global market. This process plays a crucial role in the economy and impacts various sectors.

An increase in export potential leads to economic growth and stability, primarily achieved through the expansion of production and the creation of new job opportunities. Strengthening exports enhances a country's competitiveness and solidifies its position in foreign markets. The introduction of new technologies and innovations is required, helping to modernize the economic system and produce high-quality products. Strengthening exports increases the flow of foreign currency, positively impacting the national economy. Specifically, attracting foreign currency through foreign trade ensures financial stability and helps reduce external debt. Furthermore, the growth of exports boosts production volumes, strengthens specialization, and ensures the efficient use of resources.

Participation in international trade creates new economic opportunities for the country and expands integration into the global market. The development of export potential supports economic growth by increasing competitiveness. To further develop this process, countries need to strengthen their trade policies, attract foreign

investments, and diversify their industrial sectors. In the case of Uzbekistan, increasing export potential is contributing to economic stability, the development of industry and agriculture, and the creation of new economic opportunities.

Thus, export potential broadens a country's ability to integrate into the global market, accelerates economic growth, and facilitates the introduction of new technologies and innovations. By increasing competitiveness, effective utilization of export potential ensures economic stability and fosters growth across various sectors of the economy.

Globalization processes are not only altering the structure of the global economy but also significantly influencing the development of regions within countries. Producing and exporting high-quality products within the international trade network is essential for ensuring economic growth. By effectively utilizing export potential, countries can develop their economies and better integrate into international markets. Through this process, countries can increase their production volume, enhance resource productivity, improve economic efficiency, and embrace new scientific and technological advances. To accelerate economic growth, it is crucial to increase export potential and actively participate in international trade.

Countries can further develop their export potential based on the theory of comparative advantage. Developed by David Ricardo, the theory of comparative advantage provides an important approach to increasing trade and production efficiency between countries. Through the concept of comparative advantage, a country can produce a product at a lower cost relative to others, which helps increase its export potential. Therefore, to ensure economic growth and achieve stable economic development, new approaches to supporting exports must be implemented.

Uzbekistan's economic development can be accelerated through the liberalization of foreign trade, attracting foreign investments, and developing industry. This process will enhance the country's opportunities to integrate into the

global economy, create new economic systems, and make production more efficient.

By increasing Uzbekistan's export potential, the country will be able to strengthen its competitiveness in the global market and continue its economic growth. This process, in particular, must be implemented through the introduction of modern technologies and the application of scientific advancements in production.

1-table

Foreign Trade Turnover and Balance of the Republic of Uzbekistan¹

Indicators	2022 (mln USD)	2023 (mln. USD)	Growth Rate (%)
Foreign trade turnover	50 500.3	62 567.4	123.9
Export	19 732.6	24 426.2	123.8
Goods	11 020.3	10 989.9	99.7
services	4 456.7	5 179.7	116.2
Non-monetary gold	4 255.6	8 256.6	194
Import	30 767.8	38 141.2	124
Goods	28 220.3	35 574.8	126.1
services	2 547.5	2 566.4	100.7
Balance	-11 035.2	-13 715	x

To support the development of Uzbekistan's economic potential and growth rates, the importance of promoting exports is steadily increasing. As a result of comprehensive measures implemented to stimulate exports and optimize imports, Uzbekistan's foreign trade turnover reached \$62.6 billion in January-December 2023. This figure represents a 23.9% increase compared to the previous year, marking the highest level in the country's history. The export volume totaled \$24.4 billion, growing by 23.8%, while imports amounted to \$38.1 billion, a 24.0% rise.

However, the foreign trade balance remained negative at \$13.7 billion, as imports exceeded exports. The number of exporters increased to 7,288, collectively exporting goods and services worth \$16.2 billion (excluding non-monetary gold), reflecting a 4.5% growth compared to 2022. Gold accounted for 33.4% of total exports, underscoring the economy's reliance on gold resources.

¹ The table is independently compiled by the author based on statistical data.

Additionally, the export of services grew by 16.2%, indicating progress in the services sector and successful economic diversification. To further enhance Uzbekistan's export-import potential, diversifying export composition, capturing new markets, and strengthening state policies aimed at supporting exports are imperative. These efforts will contribute to the country's economic growth and international competitiveness.

Uzbekistan's significant population in Central Asia, combined with a high level of entrepreneurship, relatively developed infrastructure, and a robust consumer market, positions the country as a potential strong regional economy. However, the need for economic diversification through increased direct investments remains critical. Enhancing export potential can be achieved by focusing on the production of high-quality goods, introducing new technologies, and expanding export sectors. Effectively utilizing export potential, particularly in the context of 21st-century technological advancements and shifts in the global labor market, will bolster the nation's competitiveness.

In conclusion, export potential represents a country's capacity to deliver goods and services to foreign markets and is one of the key drivers of economic growth. In the case of Uzbekistan, increasing export potential serves as a foundation for ensuring economic stability, advancing industrial and agricultural development, and creating new economic opportunities. Despite the rise in foreign trade turnover and export volume, the high level of imports results in a negative trade balance. Therefore, diversifying exports, entering new markets, and strengthening government policies are essential. To accelerate economic growth, Uzbekistan must effectively leverage its export potential, focus on producing high-quality goods, and adopt advanced technologies. This process will facilitate the country's integration into global markets and enhance its competitiveness.

Stable economic development to provide, especially small and middle to economies has countries for export and import potential increase with directly

related to. The economy stable growth provide for countries in the global economy competitiveness save to stay , to potential maximum at the level development and economic the system modern to the conditions adaptations necessary . This the process done increase main from the means one – export and import potential is to increase , because external trade economic activity revival , new opportunities create and economic stability in providing important importance has . Export potential increase, increase in turn, national of the economy stable to develop motivation This process not only economic to grow encourages, but the country to the global market with further solid to tie help Export rise, national working of release diversification take comes and new industry networks to form service Export directed products and of services competitiveness increase, economic growth sources expands. With this together, import potential increase, economic growth for necessary was resources and technologies take entrance opportunity creates, this and working of release efficiency increases and new technologies current to reach Export and import potential increase through of the economy diversification important importance has. Countries own economic networks diversification to do through competitiveness save to remain possible. Products and services type expansion, new networks development, export only one how many to networks not to tie, economy strength and stability for is necessary. New markets create, also, similar markets with mutual cooperation strengthening, state external trade expands to the global market integration in the process new markets conquest to grow and competitive products working release for qualified worker strength, progress technologies and innovative approaches application necessary. Export and import potential increase important structural from parts one competitiveness Competitive products working release and export to do, countries between in trade advantage caught input opportunity creates. Product and services quality improvement, technological innovations application, new working release methods current to grow through export dignity increased. Country inside innovative research encouragement, progressive technologies current

to grow and scientific and technical development support, global competitiveness of the economy in strengthening important importance has. With this together, import potential increase through high good quality and competitive products and technologies to the country take entrance, interior working of release efficiency increases and international to the market competitive products working release opportunity Creates. Export and import potential increase for state by done increaseable trade of the policy role very big. Markets expansion and economic integration processes of the country external trade in development important importance has . New trade agreement, regional economic integration and free trade zone organization to grow through export encouragement possible. Trade policy modernization to do and new markets with economic connections strengthening the country economic potential increases . The country's external trade their connections expansion, economic to grow contribution addictive and new opportunities Creates. Export and import potential increase through stable economic development in providing progressive methodology application of the economy diversification, new markets to create and competitiveness increase demand does. Such processes of countries economic potential strengthen , develop to release diversification to do and new technologies current to grow to the global market through integration provides . Sustainable economic development for export and import potential increase of the state economic of the policy in the center to stand need .This approach the country not only economic in terms of , perhaps ecological and social also stable to develop opportunity gives.

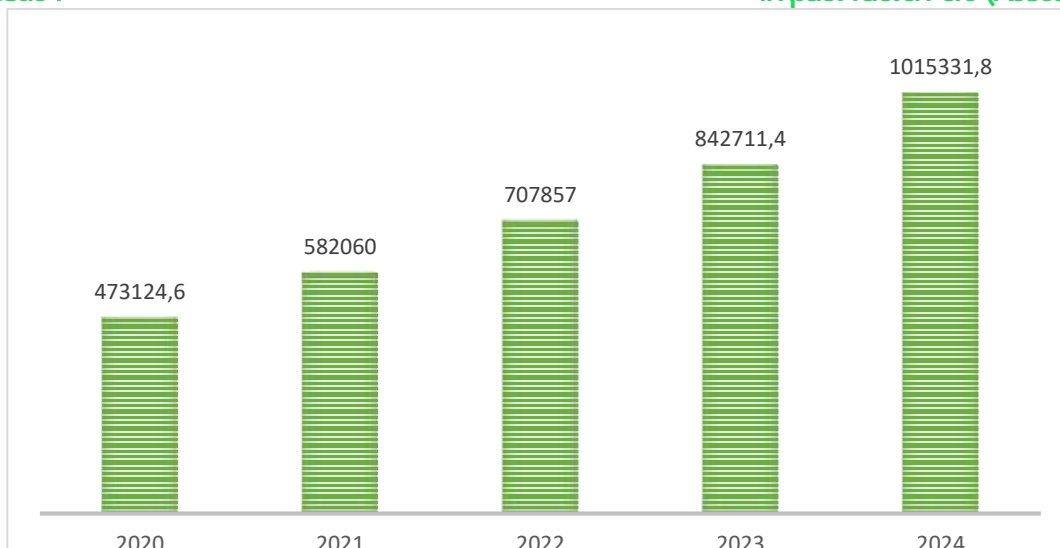


Chart 1. 2020-2024 January-September in the months Uzbekistan Republic according to gross internal product²

Latest in years In the republic external trade policy effective done increase for one row important measures Especially , exports to encourage imports optimization and external trade balance provision according to done increased efforts as a result of 2024 January-September in the months Our Republic external trade turnover (TSA) 48.2 billion US dollars per dollar This is the year 2023. this to the period compared to 3.5 billion US dollar or 7.7% increase This means indicator country in history the most high to the level achieved result as record was established in 2024. January-September to the state according to external trade turnover 48.2 billion US dollars dollar organization did if so , this and for 2020 compared to 20.7 billion US dollar or 1.8 times increased shows . Export and import growth pace and of the country external trade of activity to develop big attention directed confirms . External trade of activity efficiency increase , export diversification to do and new to the markets direction , economy competitiveness provide and national working to release reinforcement for necessary strategies done increase continue Importing optimization , especially technological and innovative products take entrance ,

² Author by statistics information based on independent structured

interior working to release update and high additional valuable products working to release encouragement , the country's economic to grow directly impact shows . Like this positive growth indicators , first in turn , the state external trade of the policy correct orientation , international in the markets of the country instead to strengthen aimed at of measures from the effectiveness evidence These changes of the country economic stability reinforcement and in the global economy successful integration to do for basis become service does .

Stable economic development provide for of the state economic of the policy in the center export and import potential increase standing to be This approach is necessary . of the country only economic stability reinforcement with without limitation , ecological and social also stable to develop opportunity Export and import diversification to do , new to the markets redirect and high additional valuable products working to release to encourage the country to participate in the global economy competitive to do and integration in doing important importance has .

From this outside the country external trade activity optimization and develop according to continue arriving strategies , its economic potential further to strengthen service does . With this together , this processes stable economic growth main factor the country's entry into the global market integration provides .

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5. Uzbekistan Republic Presidential Decree No. PF-6306 dated 07.09.2021

“Exporter enterprises to encourage related additional measures "about" Decree.

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