

## THE DEVELOPMENT OF THE ECONOMY TODAY

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*Annotation* There are several resources and studies on this topic. They may be written between Uzbek and English. These sources and studies provide information on economic news, financial relations, investments, exchange rates and trade relations. These resources are also important for business organizations, countries, individuals and other organizations. Financial relations have a great influence on the development of the economy in our society. This information is important for business organizations, states, individuals and other organizations. These sources and studies provide an overview of Uzbekistan's economic development and investment and trade relations. Financial indicators and international trade relations are also important data. This information can be useful for business planning and investment planning.

*Keywords:* Trade sector, Independence, Financial policy, Foreign economy, Analysis and management.

**Physical Capital** – enhancements and increased physical capital expenditure, such as roadways, infrastructure, and factories, would lower costs and enhance economic production quality. Industrial units and modern machinery, which are upgraded and properly maintained, are more efficient than manual labor. Increased productivity leads to higher output, and work becomes more productive as the ratio of capital spending per employee increases. Improving labor output will definitely enhance the rate of economic growth.

**Natural Resources** – the rate of economic growth is influenced by the quantities and availability of natural resources. The exploration of more minerals, like oil reserves or minerals, would improve the economy by increasing its production potential. A country's success in using and managing its natural wealth is a feature of the labor force's expertise, the nature of technology, and capital availability. Therefore, professional and trained workers can use these natural resources.

**Technology** – technology enhancements have a high effect on economic development. As the scientific world progresses, management finds ways to use these growths as more advanced manufacturing standards. Applying improved technology means that the same amount of labor will be more efficient, and at lower prices, and economic development will progress. Countries that understand the importance of these four factors would have higher growth rates and better living conditions for their citizens. Technological progress and greater education for the workforce would increase economic development, resulting in a better living environment for all. When investments are made by acquiring better equipment, which requires less physical effort from the labor force, manufacturing output improvements are much easier to achieve. Organizational improvements play a significant role in the economic development process. It requires expanding the market size and organizing the labor market. Since private enterprises cannot undertake such schemes, the state should establish a means of transport and

communication to increase the sector's size. Besides, the state will aid the development of agriculture and industries. The management of the workforce is also a role of the government, which increases the productivity of workers. The government helps to organize labor through the recognition of trade unions. It sets working hours, pays salaries, provides machinery for resolving labor disputes, and provides for social security programs. It also creates a partnership between employers and workers, which increases labor productivity, thus raising revenue, and reducing costs.

***Proper Institutional Framework*** The Government plays an important role in reforming the institutional framework and laying the foundations for forming new institutions. New technologies can produce new products or reduce the cost of processing old commodities. New or improved transport systems or other infrastructure upgrades may create new opportunities for commerce. Foreign nationals can enter the country, bring new markets, inject new capital, or introduce additional job opportunities.

**Improved Rate of Investment** A rise in the investment rate stimulates the development process. In most situations, the rate of savings of the National Reserve is extremely insufficient relative to its capital expenditure. Therefore, it is necessary for the government to accelerate the pace of capital formation, which can be achieved through taxation or inflation. For example, socialist countries have often been able to save and spend a rather large proportion of their national income due to their administration's active contribution in the area of capital formation.

### **Industrial Development**

The State should come forward and take steps to develop and enforce a sustainable industrial policy. The policy should concentrate on the devolution of industries which will spread throughout the country without any political intervention. A system should be developed to encourage exports, which may offset imports, leading to rapid economic growth. Special efforts must be made to develop cottage and small-scale enterprises in rural regions to use local resources. It must support rural citizens with greater opportunities for jobs.

### **Utilization of Capital and Reduction of Disparities**

The government has to take effective steps to ensure an equal distribution of wealth. It should enact progressive taxes on income and wealth and luxury products and support the poor by responsible public spending policies. The different economic regulations should focus on a reasonable balance in the development of different fields and the rate of creating various businesses in each sector. Greater job opportunities must be used to ensure sustainable economic development.

### **Peace and Security**

Peace and stability are the two items which are key to economic growth, as they provide a conducive environment for running businesses and conducting any other type of trade. The Government also should maintain law and order domestically and defend the nation from external invasion. It will bring stability to the economic system in such a way as to make bold decisions. A nation engaged in a protracted war or internal conflict will not effectively plan for economic growth.

### China and South Korea

According to economic experts and analysts, China's GDP per capita is forecast to achieve the 8130.00 USD mark by the end of 2020. In the long term, its GDP is expected to trend towards 8840.00 USD in 2021 and 9020.00 USD in 2022, respectively. On the other hand, GDP in South Korea is projected to reach 26900.00 USD by the end of 2020. Therefore, growing GDP in both China and South Korea means higher purchasing power and an economy strengthened not only by manufacturing but also progressively by consumption. The tremendous and stable growth realized by these two countries is derived from improved and effective infrastructure, technological advancement and a conducive environment that promotes private sector development. Other sectors like education and healthcare are constantly being enhanced, the two countries have also been able to control the political temperatures within their borders, thus making it safe and secure for business to be established.

More significantly, a more diversified economy opens the way for the country's development to be more robust to external impacts. In the long run, both nations' rapid economic growth is due to two significant aspects: large-scale capital spending (funded by large local savings and international investment) and rapid productivity growth.

**Conclusions** If it is correct that economic growth alone does not guarantee progress, hardly any development can be maintained without economic development. Therefore, in order to compete with progressive countries, developing and emergent nations will need to attain and sustain higher economic development rates. Rapid population growth is counterproductive to both economic and social development and the successful use of natural resource base by the state. There can be no development without proper planning and implementation of developmental projects. Infrastructure plays a crucial role in enabling growth to take place, thus constant improvement in this area is needed. Proper education and effective healthcare services, both equips the workforce with better knowledge and provides them with good health which enables them to be more productive

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