



THE FORMATION AND DEVELOPMENT OF FARMS IN THE REPUBLIC OF UZBEKISTAN (AS AN EXAMPLE OF STEPS 1 AND 2)

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ABSTRACT

The article provides a scientific analysis of the establishment of farms in the Republic of Uzbekistan during the years of independence, the reforms implemented by the government in the first and second stages of its development and their results on the basis of literature and archival sources.

KEY WORDS: *Collective farm, state farm, farm, rent, land, budget, hectare, entrepreneurship, national economy, professional college.*

INTRODUCTION

After the independence of Uzbekistan, the process of fundamental reforms in all sectors of the economy began. This, of course, is also typical of the agricultural sector, as a result of which property owners have changed and new promising forms of management have emerged. Under the leadership of the First President of the Republic of Uzbekistan Islam Karimov, a lot of positive work has been done to deepen reforms in all areas, improve the living standards of the rural population, in particular, encourage entrepreneurship, support the establishment of farms and create conditions for their effective development.

RESEARCH METHODS

The movement to establish farms in the country began in 1989. Initially, this movement was called peasant (farmer) farms. The essence of this movement was that the kolkhoz or sovkhoz at that time allocated land to farmers on a lease basis on a contractual basis, giving them the right to receive 10-15 sots or more of land. The farmer handed over the products, meat and milk to him at the state price, at the expense of fulfilling the economic plan. For the product, the farmer was given mixed fodder, construction materials and other materials.

In the early years, this form of management was widespread in Bukhara, Samarkand and Tashkent regions. The farming movement really began to develop in the republic after independence. Less than three months after the declaration of independence, a special decree of the First President Islam Karimov was issued to provide state support to farmers. The Decree of the President of the Republic of Uzbekistan dated November 29, 1991 “On further development and strengthening of dehkan (farmer) farms,

state support of business activity in the republic” [1] was an event that fulfilled the dream of all farmers. After this decree, the number of farmers began to grow rapidly.

RESULTS AND DISCUSSIONS

The initial experience of the organization and operation of dehkan (farmer) farms in Uzbekistan was generalized, and a rational mechanism for its development was developed. The rules of law on the organization and operation of dehkan (farm) farms are reflected in the Law of the Republic of Uzbekistan “On Lease” and other laws and decrees of the President. According to this law and recent experience, it was possible to organize a farm individually or in groups. The application for this purpose was submitted to the executive committee of the district council after consideration by the heads of village councils, collective farms and state farms. According to the Lease and other normative acts, local councils had to set up a special land fund for this purpose. For this, the local Soviets set up a special land commission. It includes local executive bodies, landowners, farmers’ associations and specialists.

By law, land is not sold, only leased. Powers in the regulation of land relations are vested in local councils. The land is leased on a contract basis for at least 10 years. According to the law, the land is allocated for the cultivation of agricultural products. The minimum size of land plots to be leased to a farm is at least one OD hectare of irrigated land in Andizhan, Namangan, Fergana, Samarkand, Tashkent and Khorezm regions at the expense of one conditional head of cattle. This figure was 0.45 hectares in the irrigated lands of the Republic of Karakalpakstan and 2 hectares in dry lands [2]. The minimum size of land leased to farms specializing in the cultivation of agricultural products is set at least 10



hectares for cotton and grain, and at least 1 hectare for the cultivation of crops such as horticulture, viticulture, vegetables [3]. The farmer could pay tax on the leased land in the manner prescribed by law or be exempted from this tax for a certain period of time by the decision of the executive committee due to a natural disaster). Dehkan farms are exempt from income tax for the first two years. He then paid 10 percent of the revenue to the budget each month.

The Ministry of Agriculture of the Republic of Uzbekistan and its local bodies has done some work in the field of execution. At the beginning of 1994, there were 14,825 dehkan (farmer) farms in the agricultural system. There were two types of farms. The first is that 7,538 are independent farms that have opened accounts in the local branches of Tadbirkor Bank. They took out a soft loan from a bank, added their own savings, and bought goods from the market [4]. Second, 7,287 farms were dehkan (farmer) farms within kolkhozes and sovkhozes, which operated on a contract basis. These farms borrowed from the kolkhoz and the sovkhoz and bought cattle. He handed over the products to him at the expense of fulfilling the economic plan at the state price of meat and milk. For the product, the farm provided the farmer with mixed fodder, construction and other materials. Farms provided farmers with transportation, veterinary services, and seeds [5].

It should be noted that during these years the number of farms has increased from year to year. In 1993, the number of such farms in Andizhan region reached 1,060, which is 396 more than in 1992. The land area attached to these farms was 7,050 hectares. Farmers' land in 1993 increased by 5,512 hectares compared to 1992. During this period, the area under wheat increased by 313 hectares, and the gross yield increased by 2288 tons. In 1993, farmers of the region sold 947.4 tons of meat, 5335.7 tons of milk and 73.1 thousand eggs to the state. The average milk yield per cow was 1152 kg. The material and technical base of farms has also been strengthened. In 1993, 307 tractors, 6 combines, 40 cars and 194 trailers were attached to the farms of the region. In pursuance of the Decree of the President of the Republic of Uzbekistan dated November 29, 1991 "On further development and strengthening of dehkan (farm) farms, state support of entrepreneurship" and the Resolution of the Cabinet of Ministers of December 30, 1991 organizations have intensified their work.

According to the order of the regional executive committee of January 10, 1992, the regional land commission was formed from 20 officials. According to the decree, land commissions were formed in village councils, state, collective farms and district executive committees. In order to establish a land fund with the participation of commissions, the issue of land use in all farms was considered, and a land fund was established to provide land to dehkan (farmers) farms. As of January 1, 1993, 13,985 hectares of land had been established in all districts of the region by commissions set up to implement the above decision, instead of 14,000 hectares. These lands were reduced by 2.1 thousand hectares in 1992 compared to 1991 due to the reduction of cotton area; 2.9 thousand hectares at the expense of hemp and other lands. In

particular, 5964 hectares of land were allocated to the district farms of the regional agro-industrial association, including 5121 hectares of irrigated land, 119 hectares of arable land, 616 hectares of pastures, 164 hectares of non-agricultural land and 79 hectares of orchards and vineyards.

During 1992, the number of applicants for the establishment of dehkan (farmer) farms was 1,733, of which 981 were considered by local land commissions, 931 dehkan farms were established on a competitive basis, of which 490 in district farms of the regional agro-industrial association of which 275 were engaged in animal husbandry and 209 in agriculture and 6 in other industries. Of these farmers, 77 were self-employed and 413 were on-farm leases.

Relevant laws and decisions have been adopted in the country to allocate irrigated lands to farmers, exempt them from taxes for a certain period of time provide them with material and technical means and create all conditions for their efficient operation. In addition, farmers had the right to sell only half of their produce to the state at zero prices and the other half at free market prices. As a result of such opportunities, the number of farms has increased year by year. In 1992, their number was 10,000, in 1994 it was 13,000, and in early 1996 it was almost 21,000[6].

In the process of denationalization and privatization of collective and state farms in the system of the Ministry of Agriculture of the Republic of Uzbekistan, along with dehkan (farmer) farms, other forms of ownership in agriculture, other non-state structures were established and tested.

Other non-governmental forms of ownership, which have been tested in the republic's agriculture, have not been fully justified in practice by closed joint-stock companies, agro-firms, peasant (farmer) associations and farms operating on a lease and family basis. Practical life has fully proved that the most promising farms in the village are these farms.

The decree of the President of the Republic of Uzbekistan provides for the state support of agricultural producers, the creation of appropriate conditions for the implementation of urgent tasks in the field of land policy. These documents were the main vmlil defining the priorities of deepening economic reforms in the village.

Speaking of state support for farmers, it should be noted that the reforms in agriculture in Uzbekistan began at the initiative of the President of the Republic with the provision of additional land for farmers to run their own farms and personal subsidiary plots. These sensible measures taken by the state for the sake of the country's future have shown their results. Quantitative and qualitative changes have taken place, rural infrastructure has been developed, and the legal framework for economic reforms has been strengthened [7].

Today, as a result of finding the real owner of the land, the range and volume of products grown is growing. This was especially evident in the cultivation of grain, which allowed the republic to ensure grain independence.

The Law on Land, adopted on July 4, 1990, the Law on Dehkan Farms, adopted on August 14, 1992, the Law on Encouragement of Small Entrepreneurship Development, adopted on December 21, 1995, adopted at the XI session of the Oliy Majlis The Laws on Farms, the Law on Dehkan



Farms, and many decisions of the Cabinet of Ministers have been the main driving forces behind the establishment and development of dehqan farms. It should be noted that the future development of Uzbekistan largely depends on the effectiveness of ongoing reforms in agriculture. Almost two-thirds of Uzbekistan's population lives in rural areas. Their employment, the creation of decent living conditions, the solution of other social problems that raise living standards, in many respects depends on the level of land supply of the rural population.

The state undertakes to promote the development of farmers, primarily through the use of interest rates on loans and investments, taxes, pensions, economic sanctions, targeted subsidies, social and economic standards and other economic incentives. Support of farmers at the expense of the state budget is provided directly.

The state will cover the costs of providing free assistance to farmers in the formation of social infrastructure, as well as in training and retraining. Such measures are aimed at expanding the ranks of farmers and their further development, which is an important factor in raising agricultural production to a higher level, careful treatment of land and other material and technical means.

In 1998, the second phase of farm development began. At this stage, farms have achieved full independence. After the decision of the Cabinet of Ministers of the Republic of Uzbekistan dated April 22, 1998 "On the organization of the activities of the Association of Farmers and Farms" a new era in the activities of farms began [8]. This decision was taken in pursuance of the Decree of the President of the Republic of Uzbekistan dated April 9, 1998 "On measures to further stimulate the development of private enterprise and medium business" and to increase the role of farmers in increasing agricultural production.

The organizational structure of the executive office of the Republican Association of Peasants and Farmers in the regions and districts has also been established. It unites the Association and its regional farms, organizes their interests in state organizations on the basis of the principles of full economic accounting in accordance with the relevant charters.

The main task of the Association of Peasants and Farmers is the peasant city. protection of the rights and interests of farms granted to them by the legislation of the Republic: monitoring of the activities of farmers and farms, their organization and liquidation; Regularly study the effective use of land in dehqan farms and make proposals to the relevant khokimiyats on additional allocation of land plots or withdrawal in the manner prescribed by law: to provide small and medium-sized agricultural producers with seeds, fertilizers, seedlings, breeding stock and other resources; assist them in providing production-technological, transport, legal, information, marketing and other services, assisting farmers in selling their products in domestic and foreign markets; Advising farmers on obtaining and disbursing loans, including foreign loans, and providing methodological assistance to farmers.

Peasants and farms were previously managed by the Ministry of Agriculture of the Republic of Uzbekistan, but

after the decision of the Cabinet of Ministers to deregister the ministry, it was headed by the Association of Peasants and Farms [9].

A dehqan farm is a small family farm that grows and sells agricultural products on a plot of land given to the head of the family for life, which is inherited on the basis of personal labor of family members. Family members and cousins could be members of independent farms with the rights of a legal entity based on the joint activity of members of the farm engaged in the production of goods, using the land plots leased to them on a long-term basis. In addition to them, other able-bodied people were members of the farm. The farm was different from the peasant farm in the first place. Second, while the farm used long-term leased land to grow agricultural produce, the dehqan farm did the work on a plot of land. Third, the head of the farm was the leader of one of the family members. The farm could be headed by one of the members of the farm, a person who was not a member of the family.

In the first stage of the development of farms, they became dependent on collective farms, state farms and companies. In the second stage, they were free from cabbage. According to the rules of the first stage, a person who wants to become a farmer has applied to the manager of that farm to get a plot of land from the land of the collective farm or company. The application is first composed of the head of the collective farm or the management of the company the chief agronomist, land developer, chief technician, irrigator and economist. The commission meeting was also attended by the applicant and the terms of the land lease were agreed with him. The results of the application are based on the act of the land commission. The act is considered at the general meeting of the board of the collective farm or company or at the board of experts. The minutes of the general meeting were considered and approved by the district administration. The right to lease land is concluded between the farm and the tenant, registered with the district administration, confirmed by a contract.

In the first stage, there were not enough legal and regulatory documents on the establishment of farms. The establishment of a farm had become a general meeting of the company farm (in practice, a subjective process that depended on the will of the head of the farm).

At the second stage of farm development, the adoption of the Land Code and the Law of the Republic of Uzbekistan "On Farms", the development of a number of legal and regulatory documents on the establishment of farms, the establishment of associations of farmers, protection of their rights and interests As a result, farms gained true independence and became free from dependence on company farms.

In 1998-2004, the second phase of the development of farms and dehqan farms, the number of farms grew rapidly. The main reasons for this were measures such as state support for farms, the development and implementation of a mechanism for the transformation of low-profit and loss-making companies into farms.

The activity of farms has been growing and developing day by day. As of July 1, 2002, there were 67.7 thousand farms in the country, of which 12.3 thousand were



established in the first half of the year. 1408.6 thousand hectares of land were allocated to farms, which is 353.9 thousand hectares more than on January 1, 2002. On average, one farm had 20.8 hectares of land. The number of listeners increased by 73.2 thousand and amounted to 459.4 thousand people.

In the first half of 2002, the Dehkan and Farm Support Fund provided 125.5 million soums, of which 58.5 mln. soums were given to newly established dehkan farms as "initial capital" on the basis of the decision of the Cabinet of Ministers of September 10, 2001. In the first half of 2002, a total of 10,076.9 million soums were allocated to 5,194 dehkan farms operating in the country. UZS loans were issued. In addition, seminars were organized to increase the legal knowledge and skills of farm managers.

According to the decision of the Cabinet of Ministers of November 26, 2001, "Advisory Centers" were established to provide services to farmers. In accordance with the 2002 Investment Program and the Resolution of the Cabinet of Ministers of February 15, 2002 "On practical measures to implement the project to support agricultural enterprises under the auspices of the International Bank for Reconstruction and Development" under the Republican Association of Farmers Advisory Service for The service also has centers in Ellikkala, Marhamat, Nishan, Sherabad and Ahangaron districts. In June 2002, the project entered into force and the organizational work was completed. Recommendations and the business plan samples for farmers and other entrepreneurs were prepared and delivered to the project districts.

In order to train and improve the skills of 540 specialists from the Republican Association of Dehkan Farms and its regional representatives for a year, a grant project "Knowledge is power" was developed and submitted to the Eurasia Foundation. The value of the project in the amount of USD 24,316 was successfully approved by the expert group of the fund. The first phase of the project was completed in August 2001 and trained 27 specialists from regional representatives.

The association held an exhibition seminar of Chinese mini-tractors in Yazyovan district of Ferghana region with the participation of representatives of relevant ministries and departments, regional and district, Tashkent Tractor Plant with the participation of heads of regional representatives and heads of farms led by Deputy Prime Minister N. Yusupov. A training seminar was held on June 5, 2002 in cooperation with the Republican Association of Peasants and Farms and the Supreme Economic Court of the Republic and its organizations in the Republic of Karakalpakstan. The seminar covered the protection of the rights of farmers and contractors, contractual relations and other "bees".

Proposals have been made to the khokimiyats to allocate additional land plots to farms that effectively use the lands allocated by the Association and its regional representatives. In particular, during the first six months of 2002, according to the recommendations of the Syrdarya region, the district allocated an additional 524 hectares of land to 42 farms that effectively used the land. In the 1st quarter of 2002, 338 farms were monitored for the targeted use of land

allocated to farms in Khorezm region, including 3 khokimiyats on the return of land plots of 5 farms, 5 farms on the termination of land lease agreements, 5 plots of land were confiscated, and 44 farms were fined for not operating legally.

In 2003, the Republican Association and its regional representatives made recommendations to local governors on additional allocation of 34,162 hectares of land to 2,115 farms in the country that used land wisely, of which 2,212 hectares were allocated to 1,728 farms. In addition, recommendations were issued to khokimiyats to terminate the lease of 36,926 hectares of land from 1,421 farms that used the allocated land inefficiently, and 1,324 of them were terminated.

The rapid growth of the farming movement during the years of independence can be seen from the fact that if in 1992 there were 5,942 farms in the country, in the first quarter of 2005 there were 116,000 farms in the country. hectares. The average farm had 28.5 hectares of land. 765.3 thousand people were employed on farms [11].

In 2004, a total of 16,369 farms were established, which were allocated 87.3 thousand hectares of land. The share of farms in the production of agricultural products was more than 20%. They also accounted for 50 percent of the cotton and grain produced and sold. Of all farms, 73 percent specialized in cotton and grain, 12 percent in orchards and vineyards, 8 percent in livestock, 6 percent in melons and vegetables, and 1 percent in other industries.

During 2000-2004, 442 mini-banks serving farms, 579 stations selling fuel, 471 mineral fertilizers and chemicals, 579 alternative MTPs, 516 associations of water users, 88 outlets selling agricultural products, 91 livestock sales and veterinary services and 60 information and consulting services.

In 2004, commercial funds provided a total of \$ 20,530 million to 7,880 farmers. UZS microloans were issued. In addition, the Fund for Support of Farmers and Farms provided 506 million soums to 354 farmers. UZS in the form of soft loans. In cooperation with the relevant ministries, business schools have been established in the regions for the training and retraining of farmers, and training of specialists in farm management and services has been established in 15 vocational colleges. More than 4,500 farmers participated in training courses at 34 business schools. More than 150 farmers have returned abroad to improve their skills. In 2004, the Association and its regional representatives allocated 373.2 million soums for the improvement of living standards and beautification of the poor. Charity events worth more than UZS were held.

In addition, 3587 mln. More than UZS were spent. The Karakasmoq farm in the Kyzaryk district alone has completed the construction of a 264-seat school building. In addition, the farm "Khojayor ota" in Nishan district has adopted more than 15 low-income families and provided them with financial assistance. There are more than 2,000 such farmers in the country [12].

CONCLUSION

In short, after the independence of the Republic. In 1991, the Decree of the President of the Republic of



Uzbekistan “On further development and strengthening of dehqan (farming) farms and support of state-owned business” and the resolution of the Cabinet of Ministers on further development and strengthening of dehqan (farming) farms in the country. Despite the fact that peasant (farmer) farms have been established in Uzbekistan since 1989, in the first years of independence there were certain shortcomings in the activities of these farms. Farms were dependent on kolkhozes and sovkhozes, and these farms had almost no independence.

After the independence of Uzbekistan, a new era in the farming movement began. Farmers were given the freedom to set up farms. At the same time, difficulties arose in the first phase of the farming movement (1991-1997). Illegal interference in the activities of farms by collective farms, companies, and government agencies is common. It was observed that the terms of the contract between the farms and the service and receiving organizations were not fulfilled by these organizations and no appropriate measures were taken against them.

Due to the decision of the Cabinet of Ministers of the Republic of Uzbekistan on April 22, 1998 on the organization of the Association of Peasants and Farms and the Law of the Oliy Majlis of Uzbekistan on April 30, 1998 “On Farms” a new stage in the development of farms, the second stage (1998- 2004). Their number, the area of land allotted to them, and their share in the production of agricultural products grew exponentially. Resolutions of the First President and the Cabinet of Ministers of the Republic of Uzbekistan aimed at improving the activities of these farms were adopted. From this period, the Association of Peasants and Farms began to operate. The association defended the rights and interests of farms and helped them to provide services on a contract basis in the production of agricultural products. Beginning in 1999, the transformation of low-profit and loss-making company farms into farms began. Farms became free from dependence on collective farms and companies, became independent farms, and their role in increasing food production increased. As a result of the rapid growth in the number of farms, the participation of farmers in their activities has also increased.

On the basis of decrees of the President of the Republic of Uzbekistan, government resolutions and other normative documents, a number of benefits have been provided to farmers. Farms are exempted from paying the single land tax for two years from the date of establishment. Under the auspices of the Association, the Farmers’ and Farms Support Fund has provided soft loans to farmers. Without the permission of the Republican Coordinating Council, inspections of dehqan and farm activities were banned and other benefits were granted. The provision of such benefits to farmers was an important factor in the further development of their activities.

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