

The Role And Development Features Of The Auto Industry In Economy Of Uzbekistan

Abdullayeva Nigora Sandjarovna

Doctoral Student, Polytechnic University Of Turin In Tashkent, Uzbekistan

 **OPEN ACCESS**

The American Journal of Interdisciplinary Innovations And Research

JULY 2020

Page No.: 90-94

Volume-II Issue-VII

PUBLISHED: 31 JULY 2020

www.usajournalshub.com/index.php/tajiir

Copyright: Original content from this work may be used under the terms of the Creative Commons Attribution 4.0 licence.

Abstract

The article highlights the importance and objective necessity of the auto industry in the development and competitiveness of the national economy. The article also covers the specifics of the automotive industry. The analysis of development features and dynamics of automobile production in Uzbekistan are given.

Keywords: national economy, industry, machinery, auto industry, innovation, modernization, development of the auto industry.

Introduction

The role of industry in the sustainable development of the national economy is invaluable. In the transition to a market economy, the role of industry as a leading sector of the economy plays a special role in the socio-economic development of the country and, on this basis, in ensuring the material and spiritual well-being of society.

Industry provides all sectors and branches of the economy with means of production, tools for labor. The development of the national economy, science, education, culture, health, sports, tourism and other areas is directly related to the level of industrial development.

Industry, especially its priority areas, is the key to solving the problem of globalization of the whole production. Industry is the main branch of material production,

the foundation of the economy.

The importance of the auto industry and the prospects for its development are determined by the place it occupies in the national industry and the overall role in the country's economy. The importance of the share of the auto industry in the structure of the country's economy can already characterize the level of its development. In addition, the production of cars contributes to the revitalization of related industries from metallurgy to electronics. The auto industry has a direct impact on scientific and technological progress in the country, and is a specific indicator of the living standards of the population based on such a parameter as ability to pay. It should be noted that the automotive industry is a wide area, which is one of the main and constant consumer of the products of many other industries namely, electrical, petrochemical, textile, machine tool industries, as well as ferrous and non-ferrous metallurgy. The progress in the global automotive industry demonstrates significant growth in multiplicative sectors of the economy, as well as a constant growth in employment.

The machine-building industry is a set of heavy industries that produce machinery and equipment for the national economy, equipment, aggregates and apparatus, tools, household goods, as well as products of defense importance. The industry is the basis for the provision of the whole economy with machinery. The development of science and technology, the material and cultural well-being of the people and the strength of the country depend on the development of the machine-building industry. Its importance is, first, the transformation of manual labor into machine labor, the creation of machine through machine, the provision of savings, facilitation and change the content and nature of labor, based on the production of modern scientific and technical achievements and their introduction into all spheres of human life. The machine-building industry has the opportunity to improve product quality, increase production efficiency to a higher level. The main task of the machine-building industry is to provide all sectors of the national economy with high-performance tools. They are manufactured in various industries and enterprises.

Materials and methods

The role of the auto industry at the macroeconomic level is closely related to the strengthening and stabilization of the monetary system, identifying the demand for the needs of this product for the industry as a whole. Simultaneous indicators of a large volume of production and, at the same time, a high level of production technologies - all these are indicators of the advantages of the auto industry in the material sphere of any developed country. The conjuncture of the national internal car market is the main indicator of the country's welfare, as well as a powerful indicator of market relations in the modern economic system.

The share of the auto industry in the GDP of industrialized countries is different: from 5% in the United States and France, and up to 10% in Japan and Germany. In Russia, this indicator was not higher than 2,5%, while domestic automotive production lags behind even small automotive manufacturers in foreign countries, such as Spain, Italy, Great Britain, etc. Today, the auto industry is the leading mechanical engineering sector in the economy of industrialized countries. A number of factors evidences this:

- the need of people to purchase cars for personal household tasks is growing daily;
- the auto industry is characterized by high science intensity and high technology. Various industries, enterprises and organizations carrying out its numerous orders are closely related to it. Innovations and new technologies that are introduced and developed in the auto industry lead to an improvement in production, and then the entire automotive industry and the economy as a whole are booming;
- this industry in all industrially developed countries is one of the most productive sectors of the national economy, it contributes to the growth of internal and external trade, replenishes the budget, bringing significant income from sales;

Today, the auto industry, which has become the locomotive of our economy, continues to develop. Therefore, it is worth noting that the history of the world shows that only the most powerful countries in the world have a car industry.

The first enterprises of the machine-building industry in Uzbekistan appeared in the early 20th century. At the beginning of the 20th century, the metalworking industry in Uzbekistan consisted of small repair shops. They mainly repaired railways, ginneries and oil mills. The share of heavy industry and metalworking in the gross industrial output was 1,3%. Since the 1920s, with the need to develop agriculture, industry, and transportation, existing repair plants have been expanded, and new ones have begun to be built. The auto industry, which is an important branch of the machine-building industry in Uzbekistan, began to take shape and to produce spare parts, different equipments and tools of the cars, after the independence of the Republic. Until the 1990s, there was no auto industry in the Republic. There were several car repair plants in Uzbekistan (Tashkent car repair plant was launched in 1939). "UzavtotekhKhizmat", "Uzavto-VAZ-Khizmat", have been providing car maintenance services to enterprises, organizations and the population. Establishment of the auto industry on the basis of existing and new plants in the auto industry, production of cars and trucks, buses, trolleybuses and spare parts, the establishment of service, meet the needs of the national economy in auto transportation, the task of entering the world market with competitive products of the autoindustry has been solved. The formation of the production cycle in the launched enterprises was carried out initially through the complete transition from the assembly of the delivered parts and units to their preparation at these enterprises and the complete assembly cycle. In 1992, "Uzavod-DEUavto" JV which produces cars was built on the basis of the Asaka cotton trailer factory with the South Korean DEU Corporation, and in 1995 with the Turkish "Koch Holding" "SamKochavto" JV was built in Samarkand, which produces medium-sized buses with 35-45 seats for various purposes. \Since its inception on January 1, 2010, the "SamKochavto" JV has been producing medium-sized buses and trucks. The company was launched in March 1999. The company has a capacity of 4,000 buses and 1,000 trucks a year.

Result and discussion

The formation and development of the auto industry in our country is explained by the following factors: Firstly, building the auto industry in Uzbekistan required large

investments, high technology and training of qualified personnel. Secondly, for automakers, in the words of economists, there should always be a situation of interchangeable production. This means that the car model must be completely replaced, and customer needs must be met in a timely manner. This requires the resolute development of strong engineering and design work, the necessary measures to continuously improve the creative and technological process.

Thirdly, they needed to gain the trust of suppliers of raw materials, needed parts, because suppliers had a huge impact on the automotive business. The Uzbek car industry has demonstrated in practice that it is able to address these important issues, and has been able to convince its partners in other countries. It overcame the difficulties wisely, solved the problems without fear and entered the business market with confidence.

Table 1**Car production in Uzbekistan**

Industrial products	January-May 2019	January-May 2020	Difference +/-
Cars, pcs	98 780	117 925,0	19 145
Trucks, pcs	2 044,0	1 443,0	-601
Car engines, pcs	78 300	94 200	15 900

In January-May 2020, 448.0 buses have been produced, which is 41.2% less than in the same period of last year. The highest number in 2020 was in March, 176 buses. The 22,5 thousand pcs auto engines were produced and it reached an increase of 20.3% over the same period last year. In addition, the highest production in 2020 was observed in March (22.5 thousand engines). In January-May 2020, a total of 1,443 trucks were produced in the country. The truck industry indicator fell by 29.4% compared to the same period last year. In addition, the highest production rate in 2020 was observed in March, reaching 378 trucks. At the same time, in the manufacturing industry, compared to the same period last year, the production of the cars, car engines, Gasoline, Drive wheels, their parts and equipment, radiators, noise extinguishers and exhaust pipes, couplings, steering wheels, steering columns and crankcases of mechanisms and their parts increased 1,2 m, 1,2 m, 1,1 m, 1,1 m and 1,4 m respectively.

Conclusion

In conclusion, the role of the auto industry in the development of the national economy and progress of its competitiveness in international markets is high. Therefore, it is necessary to further develop this industry. The widespread application of modern scientific advances in the auto industry will contribute to the development of the industry.

References

1. Ortikov A. "Economy of Industry" Guide P:TSEU 2006, page 220
2. Bereza A.I. "The main trends in the development of the auto market in 2015-2016" [Electronic resource] / Bereza A.I. // Economy and Society. - 2016.-No3 page 33.
3. Melnikov A.B. "Trends, challenges and prospects of the development of foreign and russian passenger car markets" // Scientific journal KubSAU, No. 128 (04), 2017.
4. Gimush R.I. and others. "Production economics" Textbook. P.:2004. Page 135.
5. Information from www.stat.uz