

FACTORS OF ECONOMIC GROWTH AND THEIR PRACTICAL REFLECTION IN UZBEKISTAN

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Abstract: This article analyzes the concept of economic growth, its main factors, and their practical manifestation in developing countries, particularly in Uzbekistan. The impact of production factors, technological progress, investments, human capital, and institutional environment on economic growth is examined. The results of economic reforms are evaluated based on real statistical data, and proposals for ensuring sustainable growth are presented.

Keywords: economic growth, production factors, human capital, investment, technology, Uzbekistan's economy, gross domestic product (GDP).

Economic growth is considered a top priority for any country. This concept is measured through the growth of gross domestic product (GDP) and is often associated with improvements in people's welfare, increased production capacity, and expanded employment. However, economic growth is not just numbers—it reflects real structural changes in the economy.

Among the main factors influencing growth are capital and labor resources, natural wealth, technology, foreign trade, institutional systems, and political stability. For developing countries, the quality of human capital, investment climate, and effective governance play a decisive role.

Uzbekistan has shown a steady growth trend in recent years. For example, in 2021, GDP growth reached 7.4%, while in 2022 it was around 5.7%. However, the post-pandemic period saw certain impacts on growth rates due to global economic instability, supply chain disruptions, and inflationary pressures.

One of the key tools for ensuring economic growth is investment. In Uzbekistan, the volume of foreign direct investment significantly increased between 2017 and 2023. Investment projects targeted sectors such as industry, energy, transport, and information technologies, which helped revitalize the real economy. Attracting new technologies increased labor productivity and reduced production costs.

Another important factor is human capital. A quality education and healthcare system increases economic efficiency. The government of Uzbekistan has prioritized human capital development in the “New Uzbekistan – Development Strategy.” Practical measures are being implemented to unlock youth potential, enhance digital

skills, and expand higher education coverage. These initiatives positively affect long-term economic growth.

Technological progress is also an essential component of economic growth. The expansion of the digital economy, development of e-commerce, and implementation of automated production lines serve as crucial tools for improving efficiency. For example, by the end of 2023, the volume of electronic payments in Uzbekistan increased by 40%, contributing to the expansion of the financial environment.

Moreover, it is important to evaluate economic growth not only in quantitative but also in qualitative terms. If there is resource waste, environmental damage, and social inequality, growth may look good on paper but fail to bring real social benefit. Hence, the concept of sustainable economic growth is becoming increasingly relevant—it refers to development that ensures economic, social, and environmental balance.

In conclusion, Uzbekistan has the necessary conditions to achieve economic growth. What is important now is to ensure that this growth is of high quality, balanced, and inclusive. For this, it is necessary to continue reforms such as creating a competitive environment, supporting innovation, and improving public administration efficiency.

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