

## NATIONAL IN GLOBAL TRADE PROCESSES ECONOMIC DEVELOPMENT

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Within the framework of foreign trade policy, there are two main approaches - liberalization and protectionism, both of which affect different aspects of the national economy. Liberalization policy is mainly aimed at increasing economic activity by reducing customs barriers and creating a free trade environment. This approach stimulates globalization processes, facilitating the exchange of goods and services between countries, strengthening competitiveness and increasing economic efficiency. At the same time, liberalization creates new opportunities for national producers, as they gain access to international markets.

On the other hand, protectionist measures are aimed at protecting domestic producers and developing the domestic market. These measures include restricting imports, imposing high tariffs, and creating incentives for domestic producers. Protectionism helps to protect the national economy from foreign competition and support domestic industry. However, in the long run, this approach can reduce the competitive environment and slow down innovation.

International trade agreements and regional economic integration processes are an important factor in strengthening trade relations between countries. Through such agreements, countries will be able to increase the volume of exchange of goods and services using customs privileges. Through the creation of regional economic unions and free trade areas, opportunities for effective use of economic resources will be expanded, transport and logistics costs will be reduced, and general economic stability will be ensured.

Foreign trade plays an important role in the development of the national economy. It accelerates economic growth, increases employment levels by creating new jobs, and expands the revenue side of the state budget. Also, through foreign trade, new technologies and innovations are attracted to the country's economy, which increases production efficiency and leads to improved product quality. As the example of Uzbekistan shows, through the implementation of an effective trade and economic policy, the country is strengthening its position in international economic relations. In particular, new sources of economic growth are being created through the conclusion of new trade agreements and the development of international cooperation.

The growth of total foreign trade turnover by 10-12% in 2023 has triggered significant macroeconomic changes in the economy of Uzbekistan. This growth has ensured an increase in the country's GDP by 5.5%, of which 2% was accounted for by net income from foreign trade. These results confirm that external economic factors have emerged as one of the main drivers of economic growth. This was achieved, in particular, through an increase in the volume of exports and imports, access to new markets, and expansion of international cooperation.

The increase in export volumes to 20 billion US dollars led to a significant increase in the revenue side of the state budget. This, in turn, expanded the opportunities for additional investments in social projects and improving social infrastructure. This effect of exports indicates that economic growth is associated with socio-economic stability. At the same time, export revenues served as an important source for diversifying the country's economy and developing new production sectors.

As a result of the expansion of export-oriented manufacturing enterprises, approximately 50 thousand new jobs were created in 2023. This process led to the activation of the local labor market, a decrease in the unemployment rate, and an increase in real incomes of the population. At the same time, an increase in labor efficiency has emerged as an important component of economic growth. The creation of new jobs has increased the well-being of the population, which has further strengthened the activity of the domestic market.

International cooperation and the growth of foreign direct investment have given impetus to the integration of modern technologies into the country's economy. In particular, technological modernization in the energy and chemical industries has increased production efficiency, improved product quality, and expanded the range of exportable products. This fact confirms the impact of technology on economic growth, as innovative solutions and new production methods increase competitiveness and help strengthen positions in international markets.

*Based on the results of the research, the following practical suggestions and recommendations can be made:*

**1. Strategy for expansion of export potential.** In order to diversify exports of textiles, agricultural products and mineral resources, it is necessary to develop strategies for entering new international markets. These strategies should include increasing competitiveness in existing markets and identifying new export opportunities. It is important to improve the foreign trade environment and create favorable conditions for exporting enterprises by improving international trade agreements. Export potential can also be increased by bringing product quality into

line with international standards, improving logistics infrastructure and developing marketing strategies.

2. **Optimizing import content and promoting local production.** To develop the local production of imported machines, vehicles and construction materials, it is necessary to improve the investment environment and activate technology transfer. It helps to reduce foreign economic dependence and strengthen economic stability. It is important to introduce tax breaks and subsidies to support local manufacturers, as well as to finance research and development for the adoption of innovative technologies. In addition, it is possible to increase production capacity by creating favorable credit conditions for local producers.

3. **Institutional support for job creation.** It is necessary to improve mechanisms for supporting the creation of new jobs by introducing tax incentives, subsidies and other financial incentives for export-oriented enterprises. In this process, it is important to create favorable conditions for local and foreign investors, develop skills and qualifications required in the labor market. It is also necessary to develop special programs to ensure gender equality in the labor market and increase youth employment.

4. **Support the expansion and transfer of technological innovation.** It is necessary to expand the production of high-value-added products by attracting foreign investment and introducing innovations at local enterprises. It is necessary to develop special programs to simplify technological transfer processes and provide local enterprises with new technologies. It is also important to increase the volume of financing for research and development and integrate them into practical production processes. It is advisable to introduce special grants and incentive programs to stimulate innovations.

5. **Ensuring economic diversification and stability.** It is necessary to implement a strategy to achieve economic stability and reduce dependence on external factors through the development of various sectors of the economy. For this purpose, it is recommended to take measures to create clusters, stimulate local business, and form new production potential. In particular, it is necessary to improve the investment climate and improve infrastructure to ensure diversification in the agricultural, industrial, and service sectors. In addition, it is important to introduce eco-technologies and the principles of a green economy in accordance with the goals of sustainable development.

6. **Improving the legal and regulatory framework of foreign trade.** It is necessary to review and improve the legal framework and regulatory documents to simplify foreign trade operations and bring them into line with international

standards. This will serve to increase the transparency and competitiveness of the international trading environment. In particular, the efficiency of foreign trade can be increased by digitizing customs processes, automating trade procedures, and eliminating bureaucratic barriers. It is also necessary to expand access to foreign markets by harmonizing international trade agreements and introducing new trade standards.