

# Industrial and agricultural production in the makhallas of Uzbekistan

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**Abstract.** There is a special, Asian way of production. This is industrial and agricultural production in makhallas. The roots of crafts and entrepreneurship of mahallas go back to the distant history of Central Asia. In the Soviet period, this production was carried out in the form of small craft production. In recent years, the development of crafts and entrepreneurship in makhallas in Uzbekistan has been given the most important importance. The sectoral specialization of all mahallas has been determined in the Republic. Measures to support each of them have been planned and are being implemented. Much attention is paid to the expansion of small industries in the Mahalla environment, including handicraft, sewing, shoe and confectionery. Support is provided to those engaged in home work. More than 2000 mahallas specialize in providing various types of services. Measures are being taken for the effective use of household lands and organized spring sowing. In the agricultural sector, work is being carried out (taking into account the peculiarities of regions, districts) on the specialization of each mahalla in fruit and vegetable growing, greenhouse farming and other areas, according to the principle "one mahalla – one type of product". This gives great opportunities for finding sales markets, contributes to improving product quality, mutual transfer of experience and the development of new technologies. The policy pursued in relation to the mahallas is aimed at solving three important tasks: spiritual, political and socio-economic.

## 1 Introduction

Classics of economic science, characterizing the stages of economic development, singled out such as subsistence farming, small-scale farming, manufacture, industrial production. They argued that there is also a special, Asian way of production that does not fit into this scheme. What is this method of production and how was it formed?

The ambassador of the Chinese emperor Wei Jie, who arrived in Samarkand at the beginning of the VII century, wrote in his memoirs that boys are taught a craft from the age of 5, and when they learn to read, they are sent to study trade [1]. A child of 5-6 years old

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cannot attend workshops to learn a craft, he learns a craft in his family, from his father or grandfather. As a result, the craft was passed down from generation to generation, dynasties of artisans were formed. Historical sources provide information about dynasties that specialized in various branches of craft, in particular about the dynasties of wood carvers, coppersmiths, builders, carpenters, blacksmiths, cooks, tabibs (healers). And now descendants of the Mosh-Tabib dynasties, Khudoyberdi cooks and others are working in the country.

The guards of Uzbekistan remember the historical names of such mahallas (a small territory with a population of 4-6 thousand people, specializing in one kind of handicraft) as Sarkhumdon (potters), Kumirchi (coal miners), Egarchi (saddle makers), Takachi (horseshoe makers), Komolon (bow makers, arrows), Zarkainar (jewelers), Degrez (metalworkers).

The Zhuybar sheikh Khoja Said had a number of handicraft workshops in Bukhara, which were engaged in blacksmithing, weaving, dyeing, fluttering and combing cotton and wool.

It should be noted that Central Asia is known all over the world not only for its craft practice, but also for its theoretical justification, the formation of economic theories. Thus, Abu Ali Ibn Sino (980-1037) explained that people unite in a collective for joint work. He wrote: "Man's need for food to maintain his strength has conditioned the desire to acquire a craft in ways established and indicated by the deity. People are twofold in relation to life. The first category does not show any aspirations to improve living conditions, the second - in order to improve life needs crafts. They are forced to get their own food with the help of trade and crafts." Ibn Sino emphasized that in order to improve the living conditions of society as a whole, everyone should work for their own benefit.

Another outstanding scholar-encyclopedist, a follower of Aristotle Abu Nasr Farabi (873-950), spoke about the importance of crafts in the development of society in this way: "By nature, each person is arranged in such a way that for his own existence and achieving perfection, he needs many things that he cannot get for himself alone, and for achieving which he needs a certain community of people who deliver to him individually some thing from the totality of what he needs"[2].

## 2 Materials and Methods

The peculiarity of the Asian method of production is that each family, mahalla is the owner of its own workshop - means of production. This does not fit into systems based on the socialization of the means of production, since in the case of the transfer of the means of production to public ownership, the family ceases to be an economic unit of society. A family that has lost private property, ceases production activities, and is forced to become a consumer.

The roots of crafts and entrepreneurship go back to the distant history of Central Asia. Therefore, in the recent past, at the end of the XIX - beginning of the XX centuries, Uzbekistan achieved in some ways higher results than Russia. So, before the First World War, the Turkestan Region differed from other regions of Russia by a higher level of marketability. The volume of production of Central Asian small craft industries in 1914 amounted to 62.7 million rubles, which is equivalent to 28.7% of the output of the local factory industry. At that time, only 15.2 rubles worth of goods were produced per capita in the Russian Empire, and 60 rubles in Central Asia"[3].

In 1914, the blacksmiths of Central Asia produced and sold household items, agricultural and other handicraft equipment for 26.7 million rubles.

In the first years after the October Revolution, all types of private activity were banned in the country. They began to revive in 1922, when a new economic policy (NEP) was announced in the country. And already in 1924-1925, the local industry of Central Asia

produced products worth 106.8 million rubles, of which 88.1 million rubles were delivered to the Russian Federation, the rest was sold on the domestic market.

In those years, the small craft industry was of great importance in the production of consumer goods in Central Asia. It was formed as a kind of handicraft enterprises of regional cities, located in neighborhoods specializing in one or more crafts. Manufactured products were sold in the workshops themselves-stalls or markets. So, on Chorsu Square in Tashkent, artisans sold 143 types of handmade products.

### 3 Results

There were no official reports on the volume of small craft production at that time. However, there are data from observations conducted in 1925 on the most important branches of the small craft industry in the cities of Uzbekistan. According to the calculations of Professor G.N.Cherdantsev, the small craft industry of the republic produced products worth 14.57 million rubles. If we take into account that in cities this figure was 17.85 rubles per capita, and extend this figure to Central Asia, it turns out that in regional cities 17.84 million worth of goods were produced in this way. rubles" [4].

**Table** The main indicators of small business and private entrepreneurship in the sectors of the economy of Uzbekistan

Indicators	2000	2005	2010	2015	2020	2022
The volume of industrial production, billion soums	244.0	1104.8	10132.9	39643.5	103020.8	142611.7
The volume of construction works, billion soums	149.0	739.2	4163.2	16954.0	63866.6	93620.8
Number of employees, thousand people	4467.1	6602.5	8643.9	10170.4	9865.7	10222.9
Export turnover, million US dollars	334.3	325.8	1782.8	3377.7	3100.9	5696.2
Import turnover, million US dollars	672.1	1379.9	3287.9	5523.1	10943.3	15154.1
The volume of retail turnover, billion soums	760.3	4918.9	18616.1	61972.3	164106.1	253573.4
Agricultural, forestry and fisheries products, billion soums	1021.0	5019.7	31900.4	101197.5	253238.2	347222.0
The volume of paid services to the population, billion soums	x	x	15214.1	47269.6	114052.7	173157.7
Cargo transportation (million tons)	46.8	156.8	255.2	472.8	638.9	588.1
Passenger turnover of transport, mln.passenger-km	10181.9	29971.5	67874.1	99872.8	107766.7	123882.5

If we assume that the ratio of factory and small craft industry has not changed, then we can conclude that in 1924-1925, small craft products were produced in Central Asia for a

total of 30.6 million rubles. The trade turnover of Central Asia amounted to 275.2 million rubles, that is, 42 rubles per capita. This means that the trade turnover in Central Asia was 4 times higher than in the Soviet Union" [5, 6].

In recent years, the development of crafts and entrepreneurship in makhallas has been considered and implemented as the most important means of ensuring employment of the population of Uzbekistan and eradicating poverty. This is manifested in the performance indicators of small business entities and private entrepreneurship in economic sectors (table).

Moreover, this activity has been increasing in recent years. Thus, in Uzbekistan, the sectoral specialization of all mahallas has been determined. Measures to support each of them within the framework of their specialization are planned and implemented.

So, 2500 mahallas specialize in plant growing and gardening. Business leaders are involved in their development. In the near future, the state will allocate 350 billion to the leaders. sums for the purchase of seeds, seedlings, fertilizers. This will provide an additional 165 thousand people with jobs.

In 2500 mahallas, the main activity will be animal husbandry, poultry farming, beekeeping and fisheries. They will be provided with everything necessary, an additional 140 thousand people will be employed. To do this, 1,500 mahallas will purchase incubators. In addition, at least 20 thousand households in each region will be provided with 20-100 laying hens. In a thousand mahallas, 5-10 houses will receive frames for bee hives.

Measures are being taken for the effective use of household lands and organized spring sowing. Work is being carried out (taking into account the peculiarities of regions, districts) on the specialization of each mahalla in fruit and vegetable growing, greenhouse farming, animal husbandry, poultry farming, beekeeping, rabbit breeding, turkey breeding and other areas, according to the principle of "one mahalla – one type of product". However, specialization does not mean a ban on the cultivation of several types of products.

Thus, viticulture is very developed in the Altyaryk district of the Fergana region. There is not a single house there without a vineyard. Individual entrepreneurs harvest up to 70 tons of grapes from 1 ha. But under the grapes they plant greens, cucumbers.

In the republic, great importance is attached to the expansion of small industries in the mahalla environment, including handicrafts, sewing, shoe and confectionery. Microcenters of production and crafts will be created in 700 mahallas. They will be opened, first of all, in 70 mahallas with a high unemployment rate. They are exempt from land and property taxes for 5 years. 500 billion rubles are allocated for the creation of these centers. soums. This will allow us to give jobs to an additional 50 thousand people.

Support will be provided to those engaged in home work. 500 billion rubles are allocated to businesses working with them. soums under the family entrepreneurship program, and the entrepreneurship fund compensates them for part of the interest on loans. Self-employed persons engaged in home work will pay only social tax. If they work in a remote area, the state will pay them their first salary. It is planned to employ 100 thousand people in the home-based sphere during the year. Special attention is paid to women and persons with disabilities.

More than 2000 mahallas will specialize in providing various types of services. Urban-level services will be available in large villages. For every 3-4 mahallas with a population of more than 20 thousand people, at least one intermahalla center for trade and services will be created. They will be exempt from land and property taxes for 5 years. A total of 140 thousand jobs will be created in the service sector" [7, 9].

Specialization does not mean that residents of certain areas should grow only one type of product with a ban on other types. However, if entrepreneurs grow one type of product together, there will be more opportunities to find a market. It will also contribute to improving the quality of products. Entrepreneurs will be able to study each other's experience and master cultivation technologies.

The Republic of Uzbekistan is also famous for its long-standing traditions in furniture production. In Bukhara, Namangan, Samarkand, Andijan, Ferghana and Khorezm, about 100 mahallas now specialize in these products. Furniture industry centers are being created around these mahallas to improve the working conditions of artisans. To this end, the validity period of customs privileges for furniture manufacturers has also been extended until January 1, 2024, and the number of projects in this area has been increased.

There are also significant opportunities in the production of jewelry in Uzbekistan within the mahalla. Their market is 300 million dollars. Local jewelers can meet domestic demand. In this regard, a number of benefits have been established to support them. In particular, the licensing requirement for the import and export of raw materials necessary for the manufacture of jewelry has been canceled; the import of precious and decorative stones is exempt from customs duties.

At the same time, the sources of financial instruments for performing the corresponding tasks are determined by:

a) loans allocated within the framework of family entrepreneurship development programs – for 10 trillion soums per year;

b) funds allocated to ensure employment, self-employment and the establishment of entrepreneurial activity of the population - 1218 billion soums per year, of which for:

- subsidies, loans and other expenses for entrepreneurship and self-employment of the unemployed population from the State Employment Assistance Fund - 785 billion soums, for training the unemployed population in professions, entrepreneurship and handicrafts - 210 billion soums;

- attracting the unemployed population to paid public works from the Public Works Fund - 222 billion soums" [8, 9].

## 4 Conclusion

According to the results of the conducted research, it should be noted that the policy pursued in relation to mahali is aimed at solving three important tasks. The first task is spiritual, it consists in the revival and development of unique traditions, values of the thousand-year history of the Uzbek people. The second task is political, which consists in the development of the mahalla institute in accordance with modern requirements to expand their powers to manage society. The third task is socio-economic. It consists in the development of mahali as centers of crafts and entrepreneurship, which should make a worthy contribution to building the country's capacity to create material goods and various services.

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