

Issues of Increasing State Budget Revenues and Their Effective Use in the Process of Socio-Economic Reforms

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Abstract: This article examines the issues of increasing state budget revenues and their effective use in the process of socio-economic reforms. The need to increase state regulation for these purposes, change the course of socio-economic policy conducted in the country is emphasized.

Keywords: state budget, process, regulation, socio-economic reforms, efficiency.

World experience shows that in the conditions of market relations, it is impossible to imagine achieving the goal of economic growth and ensuring social security of the population in isolation from state regulation. The role of state regulation is especially significant at the initial stage of the emergence and development of a market economy in the social sphere, where problems become more complex and administrative management methods are gradually replaced by economic and legal ones. Moreover, a fundamental change in the forms and methods of state regulation is the main feature at this stage of the development of market relations [5]. Along with the introduction of purely market mechanisms, the most important function of the state is to create conditions for the transition to market relations, including legal support for ongoing economic reforms and strengthening state control, stimulating the development of a competitive environment, etc. The possibility of a gradual weakening of the role of the state and the transition from global state regulation to the auxiliary function of a non-market regulator is created only as a developed market economy is formed.

However, even a developed market economy determines the presence of sectors of public life where market mechanisms are ineffective or unrealizable. A striking example is the social sphere: education, health care, culture, social security [1] and such spheres as science, defense, management, which are usually called non-market (non-commercial). If models of market mechanisms are capable of working effectively in material production, then in their pure form they are unsuitable for the above-mentioned industries [3]. For they represent a specific area of state participation, where the line between economic regulation and the direct implementation of socially significant functions of the state is practically erased.

It should be noted that there is not a single state in the world with a developed market economy where the ultra-liberal approach would be implemented systematically in all spheres of public life, as is done in modern Uzbekistan. In many European countries, which a significant number of our citizens see as a role model, market relations exist in material production, but far from in a pure form in the social sphere. As a rule, there is a system of state-provided social services to the population, provided mainly free of charge, that is, on a non-market basis. And even in the United States - and they are considered an example of an ultra-liberal approach - key segments of the social sphere are under the care of the state. In Western countries, the state is essentially social, that is, it takes on the functions of ensuring a significant part of the social needs of people, guarantees citizens free and free access to education, health care and other areas of social services [5].

The state carries out its regulatory functions, especially in the social sphere, mainly through the state budget and the budget system. In the conditions of market relations, it is the budget system that serves in the hands of the state as the most important instrument for accumulating the required volume of monetary resources to finance the necessary expenses for the social sphere. Meanwhile, as part of the

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implementation of budget reform in modern Uzbekistan, under the guise of the need to optimize the network of budgetary and scientific institutions, implementation and increase efficiency, that is, effectiveness.

The state carries out its regulatory functions, especially in the social sphere, mainly through the state budget and budget system. In the conditions of market relations, it is the budget system that serves as the most important instrument in the hands of the state for accumulating the required volume of monetary resources to finance the necessary expenses on the social sphere [4]. Meanwhile, within the framework of the implementation of the budget reform in modern Uzbekistan, under the guise of the need to optimize the network of budgetary and scientific institutions, implementation and improvement of efficiency, i.e. the effectiveness of budget expenditures, legislative and other legal regulations are adopted that lead to a reduction in budget expenditures on the social sphere and science. The Government of the Republic of Uzbekistan is going for an unprecedented experiment in applying a radical liberal approach to the social sphere, trying to completely rebuild it on market principles. It is planned to actually transfer educational, health care, cultural institutions and scientific organizations to market rails.

For example, in 2023, on November 8, at the regular plenary session of the Legislative Chamber of the Oliy Majlis, the draft law "On the State Budget of the Republic of Uzbekistan for 2024" was considered in the first reading, developed taking into account the requirements of the Constitution in the new edition, the Strategy "Uzbekistan - 2030", as well as taking into account the principles of the "social state" and the tasks defined at the videoconference held on October 20, 2023, chaired by President Shavkat Mirziyoyev to discuss the main directions of the State Budget for 2024 and tasks that need to be addressed in industries and regions. That is, the emphasis is on issues of ensuring budget stability, increasing its revenues, optimizing expenses, effectively using existing reserves and opportunities, strengthening budget discipline, as well as developing the social sphere, which should become the main criteria in budget formation [2]. During the discussion of the bill, the deputies separately focused on the issues of ensuring the priority of expenditure on human capital development, financing programs to enhance the targeting of social protection, funds allocated by first-level budget distributors, and the purposefulness and validity of funds to finance proactive budget processes. It was noted that in recent years, geopolitical uncertainty and its negative impact on global economic growth have been increasing. In the context of slowing economic growth in the countries that are the main trade and economic partners of Uzbekistan, our country is consistently implementing large-scale socio-economic reforms aimed at maintaining stable economic growth.

The draft law provides for the revenues and expenditures of the consolidated budget of the Republic of Uzbekistan, the forecast of revenues and expenditures of the state target fund and the Fund for Reconstruction and Development of the Republic of Uzbekistan, the forecast of revenues and expenditures of the budget of the Republic, local budgets, rates of individual payments, features of the formation of budget revenues, and the implementation of envisaged government expenditures. It was noted that the Uzbekistan-2030 Strategy defines the development of the social sphere as a priority task. Therefore, these areas are given special importance when forming the draft State Budget for 2024. In addition, in order to further increase citizens' participation in budget formation and ensure stronger public control over the spending of budget funds, it is planned to launch the "Mahalla Budget" project to further expand the active participation of the population in the process of distributing budget funds [2]. During the discussions, the deputies made proposals and recommendations regarding measures aimed at increasing revenues, expanding the tax base, and also increasing the efficiency and effectiveness of using budget funds allocated for the next year.

Thus, considering the issues of the efficiency of the state budget, K.M. Rustamov writes: "For Uzbekistan, such a formulation of the issue is new, but other countries have accumulated experience in solving similar problems and the degree of their development is such that we can talk about a new stage in the general development of public finances" [3]. It is difficult to agree with this. Almost at all times in Uzbekistan, the fact that the effectiveness and improvement of the level of public finance management largely depend on the effectiveness of the state budget, as an important instrument of



influence on the economic and social life of the country, has not been questioned. Moreover, issues of increasing the efficiency of the state budget, including budget expenditures, have always been in the center of attention of the financial bodies of the state. Another thing is that in the conditions of market relations, higher demands are placed on the efficiency of the state budget and budget expenditures from the point of view of implementing this task not through administrative-command, but through economic-legal methods, norms and mechanisms.

Further, D. R. Baxriev notes that approximately fifty years ago, the active discussion of the issues of the efficiency of the state budget in Western economic science was facilitated by the fact that “the concept of the state as a producer of public goods, and not just a collector of taxes spent on the maintenance of the state apparatus and other goals designated by the state itself was formulated” [4]. As it seems to us, from the point of view of economic science, such an approach to the characterization of the role of the state in the economy and public life does not stand up to criticism. The state, represented by its officials, cannot create public goods and earn income. Through the state budget and the budgetary system of the country, it mainly distributes and redistributes the value of GDP and national income produced in the spheres of material production, services and work, forms its own fund of funds (budget fund), at the expense of which it provides financial support to individual sectors of the economy, finances expenses on the social sphere, science, defense and other needs of society.

Thus, the problem of the efficiency of the state budget and budget expenditures is very multifaceted, it covers a wide range of issues of scientific and theoretical, socio-political, legal, methodological, practical nature. This problem should be solved primarily through the use of new forms and methods of budget planning and financing (budgeting, medium-term budget planning, application of the program-target method of planning budget expenditures, etc.), development of methodological guidelines, legal norms and mechanisms for determining the performance indicators of budget spending, as well as strengthening and tightening state financial control. At the same time, I would like to especially emphasize that a real solution to this problem is possible only in the context of increasing the role of state regulation and changing the course of the socio-economic policy of the modern state of Uzbekistan.

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