

**THE EFFECTIVE AGRICULTURAL PRODUCTION: ASSESSING ITS UNIQUE
CONTRIBUTION TO ECONOMIC GROWTH AND EXPANSION**

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ABSTRACT

This article analyzes the changes in the volume of agricultural production in our society and its impact on economic growth and expansion. The results of this study are of great importance for making strategic decisions in the field of agriculture, as they contribute to ensuring food security in Uzbekistan, increasing export potential, and strengthening economic stability. The article proposes the following measures to increase agricultural production and further develop the sector: widespread implementation of innovative agro technologies, rational use of water resources, financial support for farms, development of agricultural infrastructure, and expansion of scientific research activities. It was recommended that it is necessary to develop strategies for integrating innovative technologies, providing financial and institutional support, and optimizing resource utilization in the sector. This due to the fact that enhancing agricultural productivity contributes to ensuring national food security, strengthening economic stability, and increasing employment.

KEYWORDS: Agriculture, Productivity, Economic Growth, Efficiency.

INTRODUCTION

Agriculture is one of the strategic sectors of our country's economy. Through its sustainable development, it plays a vital role in ensuring food security, increasing the national gross domestic product, providing employment, and enhancing export potential. At the same time, due to the growing global demand for food products, new challenges and opportunities are emerging for the agricultural sector. This necessitates increasing efficiency, adopting appropriate technologies, and using resources wisely. Agriculture is a fundamental branch of any national economy, fulfilling key tasks such as ensuring food security, creating new jobs, boosting export potential, and increasing gross domestic product. For Uzbekistan, this sector holds strategic importance. In recent years, large-scale reforms have been implemented in our country to modernize agriculture, ensure rational use of land and water resources, and introduce modern agro technologies. As a result, the volume of agricultural production is increasing. However, there remains a need to further enhance efficiency in this sector and strengthen its contribution to economic growth. Agriculture in Uzbekistan is one of the main driving forces of the national economy, and in recent years, the volume of agricultural production has significantly increased. The government has taken various measures to modernize agriculture, build and improve infrastructure, provide financial support to farmers and dehkans, and introduce modern agro technologies. However, many issues still need to be resolved in order to improve the efficiency of production processes and increase their role in economic growth.

LITERATURE REVIEW

The efficiency of agricultural production and its impact on economic growth has attracted the attention of many economists and specialists, leading to numerous relevant studies. This section analyzes the theoretical perspectives and scholarly literature proposed within the scope of the topic¹.

Classical theorists such as Adam Smith and David Ricardo explained the concept of agricultural efficiency. They regarded the effective use of production factors—land, labor, and capital—as one of the main drivers of economic growth. “Ricardo’s theory of comparative advantage emphasizes the economic allocation of resources in agricultural production.” Technological approaches aimed at increasing agricultural efficiency have gained particular importance since the second half of the 20th century. T.W. Schultz studied the role of human capital in agriculture, focusing on the effects of education in relation to productivity. “He noted that farmers’ knowledge and experience can significantly enhance productivity by adopting modern technologies.”² The link between ecology and economic growth has also been explored by Todaro and Smith, who emphasized that developing the agrarian sector is essential for countries struggling with food insecurity. “According to the researchers, if agricultural production efficiency does not improve, other problems such as urban modernization, food security, and employment will arise.” “Over the years, digital technologies and innovations have increasingly played a role in improving agricultural production efficiency³. For example, according to research provided by the FAO, the implementation of artificial intelligence, IoT (Internet of Things), and smart agriculture methodologies can significantly increase the efficiency of agricultural supply chains.” In general, high results in agricultural production directly affect not only economic growth, but also food security, employment, and ecological sustainability. Therefore, introducing modern technologies, attracting investments, and developing innovative management systems are considered essential by scientific sources in this field.

ECONOMIC EXPANSION

According to Bondarenko expansion, in economics, an upward trend in the business cycle, characterized by an increase in production and employment, which in turn causes an increase in the incomes and spending of households and businesses. Although not all households and businesses experience increases in income, their greater confidence about the future during an expansion prompts them to make larger purchases and investments. During an economic expansion, increases in output are mostly the result of increases in the purchases of durable goods by consumers and of machinery and equipment by businesses. Consumer and business confidence fuels the demand for products and services. As demand grows, businesses add to their inventories to ensure that they will be able to keep up with new purchase orders. The decision to increase inventories often has an additional impact on production volume, above and beyond the increase in actual sales. Whether an expansion is sustainable for a long period of time depends on a number of factors. Among them are the extent and quality of credit provided by banks and other financial intermediaries, the existence of appropriate monetary and fiscal policies to support the upward trend, the total production capacity across industries and the portion of it that has been used, and external factors that could influence energy prices or other components of production

ECONOMIC GROWTH

Economic growth is the increase in an economy's capacity to produce goods and services over time, typically measured by the percentage change in real Gross Domestic Product (GDP. According to (Bheemappa, 2022) economic growth serves as the cornerstone of societal progress, encompassing

the steady expansion of a nation's production and consumption capabilities. It represents the foundation upon which higher living standards, improved infrastructure, and enhanced quality of life are built. The dynamics of economic growth encompass intricate interplays of factors such as technological innovation, investments, trade, and policy frameworks.

AGRICULTURAL PRODUCTIVITY

Agricultural productivity refers to the efficiency and output of agricultural processes, encompassing crop yield, livestock production, and overall agricultural efficiency. Economic growth, on the other hand, is the sustained increase in a country's gross domestic product (GDP) over time. According to (Bheemappa, 2022), agricultural productivity stands at the crossroads of global sustenance and economic prosperity. It signifies the efficiency and effectiveness with which agricultural resources are utilized to produce food, feed, fiber, and fuel for a growing population. This critical metric encompasses a spectrum of factors, from technological innovation and sustainable practices to market access and resource management. As the world grapples with the challenges of food security, environmental degradation, and economic development, enhancing agricultural productivity emerges as a fundamental solution. The relationship between increased productivity and economic growth is symbiotic, driving job creation, income generation, and food stability.

CONCLUSION AND RECOMMENDATIONS

The research findings indicate that although agricultural production increased in all regions during the 2020–2023 period, the growth rates varied across regions. Higher growth rates in Fergana, Surkhandarya, Namangan, Syrdarya, and Jizzakh regions are associated with agrarian reforms, the wide introduction of innovative technologies, and the efficient use of land resources. In contrast, lower growth in some areas may be attributed to factors such as productivity, infrastructure limitations, and natural conditions.

Enhancing agricultural productivity contributes to ensuring national food security, strengthening economic stability, and increasing employment. Therefore, it is necessary to develop strategies for integrating innovative technologies, providing financial and institutional support, and optimizing resource utilization in the sector. Based on the research results, the following recommendations are proposed:

Efficient use of water resources - Improving water efficiency through the introduction of water-saving technologies such as drip irrigation and laser land leveling. Modernization of agro technologies - Enhancing productivity by automating agricultural processes using digital technologies, artificial intelligence, and IoT systems. Financial support for farmers and dehkan farms - Expanding access to preferential loans, subsidies, and insurance mechanisms.

Improving soil fertility - Preventing soil degradation through crop rotation and the rational use of organic and mineral fertilizers. Development of agricultural infrastructure - Optimizing supply chains by improving logistics systems and establishing agro-clusters and cooperatives.

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