

## TOOLS AND LIMITATIONS IN ECONOMIC POLICY DEVELOPMENT

*Ziyodova Rayhona Jasur kizi**Student of Samarkand Institute of Economics and Service  
+998933114501**Burkhonov Bekzod Saydazim ugli**Student of master's degree in Samarkand Institute of Economics and Service  
+998946271771*

**Abstract :** This in the article author economic politics working at the exit tools democracy , election right and political competition with and economic politics working at the exit restrictions internal and external restrictions with and every both of them done in the increase government and economic - political cycle importance with open to give movement did .

**Keywords:** democracy, elections, political competition, liberalization, protectionism, economic cycles.

Uzbekistan Republic citizens the most important political from the rights one state representation to the organs to elect and election is the right ( New in edit Uzbekistan Republic Article 65 of the Constitution ). Citizens this right through state their work in management directly and own representatives through of times the most important political issues discussion to do and solution in the process of active participation ( New in edit Uzbekistan Republic Article 66 of the Constitution ). The right to vote is used to describe the subjective right of a citizen to participate in elections, to elect and be elected to representative bodies.

In this regard, it is necessary to distinguish between active suffrage and passive suffrage. Active suffrage means the right of a citizen to directly participate in the election of representative bodies. Passive suffrage is the right to be elected. Professor A. Saidov explains that the concept and expression “suffrage” are used in two meanings. The first is that this suffrage is a system of legal norms regulating the formation of elected state bodies. The sources of suffrage are the Constitution, electoral laws for the highest and local representative bodies of the state. The second is that this suffrage is the right of citizens to participate in the formation of elected bodies, that is, to be elected to it (passive suffrage) and to choose their order (active suffrage).

A citizen of Uzbekistan who is not younger than thirty-five years old, who knows the state language well, and who has resided permanently in Uzbekistan for at least ten years immediately prior to the election may be elected to the position of President of the Republic of Uzbekistan . A citizen of Uzbekistan who has reached the age of 25 may be elected as a deputy of the Legislative Chamber of the Oliy Majlis or a member of the Senate. Elections of deputies to regional, district and city Councils of People's Deputies are universal. Citizens of Uzbekistan who have reached the age of 21 by election day have the right to be elected.

State bodies have different characteristics in terms of their organizational structure. In accordance with the Constitution of the Republic of Uzbekistan , some state bodies are elected, while others are formed. Elections to state bodies are held on a democratic basis. The democracy that is taking root in Uzbekistan embodies democratic traditions recognized in the world. This democracy does not know any national, racial or other restrictions. At the same

time, the procedure for electing and forming state bodies is carried out in accordance with their specific characteristics .

Elections to state representative bodies of the Republic of Uzbekistan are organized and held in accordance with the Constitution of the Republic of Uzbekistan, the laws "On Elections to the Oliy Majlis of the Republic of Uzbekistan", "On Elections of the President of the Republic of Uzbekistan", "On Elections to Regional, District and City Councils of People's Deputies", and "On the Central Election Commission of the Republic of Uzbekistan".

From the first days of independence, the Republic of Uzbekistan set itself the task of building a humane democratic legal state, and this task was proclaimed in the Constitution of the Republic of Uzbekistan. The Constitution established that Uzbekistan is a sovereign democratic republic, that democracy in the Republic of Uzbekistan is based on universal human principles, according to which a person, his life, freedom, honor, dignity and other inviolable rights are considered the highest value. Democratic rights and freedoms are protected by the Constitution and laws. The Constitution stipulates the right of citizens to participate in the management of society and state affairs as one of the basic political rights of citizens. For example, in accordance with Article 9 of the Constitution of the Republic of Uzbekistan in the new edition, citizens of the Republic of Uzbekistan have the right to participate in the management of society and state affairs directly and through their representatives. Such participation is achieved through self- government, referendums, and the democratic organization of state bodies.

As the President of the Republic of Uzbekistan Sh. Mirziyoyev emphasized, "The concepts of democracy and elections always go hand in hand, they are intertwined. Elections mean democracy. Democracy means elections. Therefore, a democratic legal state and civil society cannot be imagined without elections . Elections are a legal instrument that ensures the participation of citizens in the formation of representative bodies of state power . Elections are a form of expression of the will of the people, as a result of which representative bodies of state power are formed. The democratic nature and freedom of the right to vote directly affect the improvement of the quality of the activities of the newly formed representative bodies of state power .

The right to vote in each country has its own characteristics, which are associated with its historical traditions , the nature of the political system, the behavior of the electorate, etc. At the same time, the right to vote in democratic countries is based on generally recognized principles expressed in international legal documents. These include the universality and equality of suffrage, secret ballot, etc.

Of particular importance is the creation of a system of guarantees of the right to vote. Today, these guarantees are enshrined in the Constitution of the Republic of Uzbekistan , constitutional laws and other laws. In accordance with Article 65 of the Constitution, the right to vote, equality and freedom of expression of one's will are guaranteed by law.

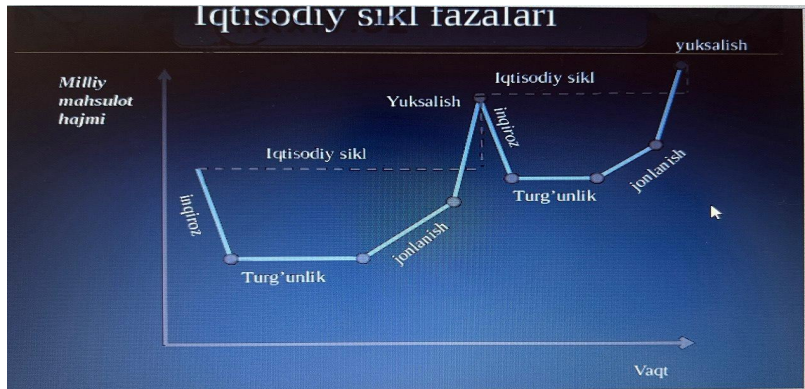
Thus, the democratic foundations of electoral law in force in the Republic of Uzbekistan are a solid foundation for free and democratic elections, serve as a basis for citizens to manage society and state affairs, form representative bodies of state power, exercise their right to participate, and are aimed at achieving the main goal of the country, which is to build a democratic legal state and a strong civil society.

certain obstacles to free international trade, and this situation is explained by the need to protect national interests. These include protecting the country's consumer markets, increasing domestic employment, developing new industries, etc. Both countries that are resistant to

economic competition and those that are not resistant to such competition widely use licensing and establishing quotas, introducing customs duties and tariffs, establishing standards that ensure product quality and safety, and a number of other tools that affect foreign economic activity, thereby conducting their foreign economic policies. The foreign economic activity of a country carried out by the state is based on its foreign economic policy in accordance with daily and strategic goals. The foreign economic policy of a country is understood as activities aimed at developing and regulating economic relations with other countries. Currently, there are two directions in the policy of state regulation of foreign economic activity: 1) liberalization; 2) protectionism. Economic policy aimed at protecting the domestic market from foreign competition is called protectionism. Liberalization is the economic policy of the state aimed at reducing economic and administrative barriers to foreign trade. Liberalization and protectionism policies are characteristic of any state in the world. Currently, there is a tendency to liberalize foreign trade. This process is being implemented in three forms: - in mutual trade between individual countries; between individual countries that are members of a single customs union; in the General Agreement on Tariffs and Trade (GATT). It is carried out on the basis of multilateral agreements within the framework of the United Nations Conferences on Trade and Development (UNCTAD), the United Nations Economic Commission for Europe (UNECE). Foreign economic policy is a set of measures taken by state agencies in the field of foreign economic relations in accordance with national current and strategic goals. The spatial aspect of foreign economic policy determines the actions of the state in the main areas of influence on the world and domestic economies. According to this designation, the state's foreign economic policy includes foreign trade policy, foreign investment policy, currency policy, and customs policy. The state's foreign trade policy covers the exchange of goods, services, information, and the results of intellectual activity at the international level, and export and import policies together constitute foreign trade policy. The state's export policy on foreign trade means measures aimed at selling the country's competitive goods, services, and intellectual property on the world market and stimulating the production of these goods. Incentives for exporting enterprises include financing state orders from the budget and granting preferential loans. The state's import policy on foreign trade means measures aimed at regulating the arrival of goods, services, and intellectual property from abroad to the country. The means of such regulation are direct restrictions on imports in order to protect the economy of the republic. Licensing and quotas, anti-dumping and countervailing duties on imports, a system of minimum import prices, etc. are used in this. Foreign investment policy consists of a set of measures to attract foreign investments to the country and use them, as well as to regulate the export of national investments abroad. Currency policy is a set of economic measures and organizational forms and methods in the field of currency relations, carried out by the state and international monetary and financial organizations. Currency policy is the targeted use of the state's currency funds, including the main directions of formation and use of currency funds and the development of measures aimed at the effective use of such funds. The scope of currency policy is the currency market, the market for precious metals and stones. The state's currency policy is divided into discount and foreign exchange policies and covers tasks such as ensuring the smooth operation of the financial system and the balance of payments of the country. Discount policy includes a system of measures to regulate investment activity and balance payment obligations, using the discount rate to approximate the exchange rate. This policy is manifested in influencing the state of money demand, price dynamics and level, the volume of the money supply, and the migration of short-term investments. Foreign exchange policy is a

system of regulating the exchange rate by purchasing and selling currency using currency intervention and currency restrictions. Currency intervention is a targeted operation of the Central Bank on the purchase and sale of foreign currency, which is aimed at limiting the dynamics of the national exchange rate to certain limits. Currency restrictions consist of a set of economic, legal, and organizational measures that regulate operations with national and foreign currency, gold, etc. The policy of external migration of labor is divided into labor export policy and labor import policy. Labor export policy is understood as a set of measures taken by the state to create favorable conditions for the movement of labor from one country to another. As a result of labor export, it becomes possible to reduce the unemployment rate in the country and generate additional foreign exchange earnings for the country. Labor import policy is understood as a set of measures taken by the state to create favorable conditions for the entry of labor from abroad into the country or to impose obstacles.

Long-term economic growth is not uniform and continuous, it is interrupted by periods of economic instability. Economic growth is always followed by recession. The state of periodic interruptions in the movement of reproduction under the unchangeable influence of objective laws and their sharp manifestation of economic imbalances is called the cyclical development of the economy. An economic cycle is usually understood as a period of economic development that begins with one state, passes through several phases one after another, and returns to its original state. The movement of the economy in development does not stop with one cycle, but continues as a continuous wave-like movement. Cyclical movement is an important factor of economic change, one of the elements of macroeconomic equilibrium, reflecting the uneven functioning of various components of the national economy, the alternation of revolutionary and progressive stages in its development, and economic progress. The economic cycle proceeds through special phases. Each phase represents a specific stage in economic development and has its own characteristics. Usually, the economic cycle is divided into phases of crisis, stagnation, recovery, and growth. In the process of development of each of these phases, conditions arise for the transition to the next phase. The initial phase of the economic cycle begins with a crisis, which is expressed in a decline in production. After the crisis, a stagnation phase begins and lasts relatively long. Although the stability of the production level is ensured in this phase, it is much lower than the level before the crisis. The decline in prices stops, lending rates decrease, and commodity stocks stabilize. However, the high level of unemployment remains. In the recovery phase, the unemployment rate decreases slightly, and the level of production gradually increases. Prices also gradually increase, and the interest rate on loans also begins to increase. The increase in the employment rate and the rapid growth of the volume of profits of the economy allow the recovery phase to move to the growth phase. The starting point of the new cycle is the rise. In the growth phase, the expansion of the demand for labor leads to a slight decrease in unemployment and an increase in wages, as a result of which the demand for consumer goods - the effective demand - expands. The resulting increase in demand, in turn, gives a rapid impetus to the sectors producing consumer goods to expand the market. As a result of competition and the pursuit of profit, a chain reaction of the accumulation of imbalances accelerates. This makes a new crisis inevitable. Individual business cycles differ significantly in their duration and intensity. However, they all have the same phases. However, these phases are called differently by different researchers. For example, the phases of the business cycle considered above have a classical description, which can be represented by the following diagram 1.



confirms that in modern economics there are more than 1380 types of business cycles . Table 1 below shows the most basic types recognized by most economists .

### Sikllarning asosiy turlari

Sikl turlari	Siklning davomiyligi	Asosiy xususiyatlari
Kitchin sikli	2-4 yil	Zaxiralar miqdori → YaMM, inflatsiya, bandlikning tebranishi, tijorat sikllari
Juglar sikli	7-12 yil	Investitsion sikl → YaMM, inflatsiya va bandlikning tebranishi
Kuznets sikli	16-25 yil	Daromad → immigratsiya → uy joy qurilishi → yalpi talab → daromad
Kondratiev sikli	40-60 yil	Texnika taraqqiyoti, tarkibiy o'zgarishlar
Forrester sikli	200 yil	Energiya va materiallar
Toffler sikli	1000-2000 yil	Sivilizatsiyalarning rivojlanishi

Main features Kitchin cycle 2-4 years Stocks – GDP, inflation, employment fluctuations, business cycles. Juglar cycle 7-12 years Investment cycle – GDP, inflation and employment fluctuations. Kuznets cycle 16-25 years Income – immigration – housing construction, aggregate demand – income. Kondratiev cycle 40-60 years Technical progress, structural changes . Forrester cycle 200 years Energy and materials. Toffler cycle 1000-2000 years Development of civilizations. The Kitchin cycle is also known as the stock cycle. In it, Joseph Kitchin (1926) focuses on the study of short waves over a period of 2 to 4 years based on the analysis of financial accounts and sales prices during the movement of commodity stocks. In particular, he associates the duration of the cycle with fluctuations in world gold reserves , considering it to be 3 years or 4 months. However, this explanation of the causes of short-term cycles does not satisfy most economists today . The business cycle is also called the “business cycle”, “industrial cycle”, “ average cycle” and “major cycle”. Since in previous periods, economic science distinguished cycles of 7-12 years , it was this cycle that made a great contribution to the study of the nature of the industrial cycle in France, England and the United States, based on the basic analysis of fluctuations in interest rates and prices, and is named after

Clement Juglar (1819-1905). The first industrial cycle is observed in England in 1825, when machine production took a dominant position in metallurgy and other leading industries. The crisis of 1836 began in England and then spread to the United States, and the crisis that began in the United States and several European countries in 1847-1848 was, in essence, the first world industrial crisis. If in the 19th century the industrial cycle lasted 10-12 years, in the 20th century its duration was reduced to 7-9 years or even less. The developed countries of the United States and Europe experienced 12 industrial cycles in the 20th century, seven of which occurred after the Second World War. The Kuznets cycle, often called the "construction cycle", is defined as economic fluctuations lasting up to 20 years. Simon Kuznets in his book "National Income" (1946) determines the existence of 20-year interrelated fluctuations in the indicators of national income, consumer spending, production equipment, and gross investment in buildings and structures. In 1955, as a symbol of recognition of the services of the American economist, it was decided to name the industrial cycle the Kuznets cycle. The Kondratiev cycle is also called the cycle of "big waves". The Russian scientist N. D. Kondratiev made a great contribution to the development of this theory of the cycle. His research covers the development of England, France and the USA for 100-150 years. In this, he conducted a multi-factor analysis of economic growth, that is, as a result of generalizing the average level of macroeconomic indicators such as commodity prices, interest on capital, nominal wages, foreign trade turnover, and so on, and identified a number of big cycles. 1st cycle: 1787-1814 - rising wave; 1814-1851 - falling wave. P-cycle: 1844-1851 - rising wave; 1870-1896 - a downward wave. SH-cycle: 1896-1920 - an upward wave. The duration of the Kondratiev cycle is on average 40-60 years, and its main feature is that it reflects technical progress and structural changes. Kondratiev associates the first major cycle with the industrial revolution in England, the second with the development of railway transport, the third with the discovery of electricity, telephones and radio, and the fourth with the development of the automotive industry. Modern researchers indicate that the fifth cycle is due to the development of electronics, genetic engineering and microprocessors. The economic cycle manifests itself in all its aspects and has a significant impact on almost all sectors of the economy. Due to the interconnectedness of the components of the economy, none of its sectors is immune to the negative consequences of inflation or stagnation. However, it is important to note that the economic cycle affects the living standards of individuals and the economic activity of enterprises to varying degrees. The initial and main phase of cyclical development is a crisis. The crisis completes one cycle and lays the foundation for the beginning of a new one, which inevitably ends with a crisis; in a crisis situation, the overaccumulation of fixed capital is manifested in all its functional forms. During the crisis phase, production and employment decrease, but the principle of falling prices does not occur. At the bottom of this phase, production and employment fall to their lowest level. Accordingly, an economic crisis is understood as a sharp decline in the volume of production. The reason for the crisis is that the mass of goods produced in society does not correspond to the demand for alternative payment (it exceeds or falls short of it). As a result, part of production stops, commodity production decreases, and the period of growth of production is replaced by its depression. Economic growth is retarded by inflation, that is, an unjustified sharp increase in the price level. There are periods when economic growth gives way to low levels of employment and production, and in some cases, along with the increase in the price level, unemployment also increases sharply. In short, the long-term principles of economic growth are interrupted and complicated by both unemployment and inflation. The main cause of crises is instability and imbalances in the production of goods. This is primarily an imbalance between

production and the absorption of its results , which manifests itself in various forms in different production methods and in different niches of the economic system. Periodic imbalances between production and consumption , supply and demand, also create the possibility of economic crises. Before the emergence of a developed commodity economy, sharp declines in production were usually associated with natural disasters (droughts, floods, etc.) or wars and the devastation they cause. After the transition to large-scale mechanized production, economic crises that periodically shake the economy give a cyclical character to social reproduction. Although crises occur in different ways , they can be divided into groups, taking into account their common, similar aspects. 1. According to the scale of the imbalance in the economic system, crises can be divided into general and specific crises. While general crises cover the entire national economy , the latter occur as partial, that is, as a crisis in individual sectors or industries. The following can be included in the crises in certain sectors: Monetary crisis - a crisis in the country's monetary system , in which commercial and bank credit sharply decreases, as a result of which the exchange rate of securities and bank interest rates fall, banks collapse and go bankrupt. Currency crisis - a situation in which the reputation of the national currency declines, the bank's foreign exchange reserves are depleted, and the national currency exchange rate sharply decreases. Stock exchange crisis - a rapid decline in the exchange rate of securities , a reduction in their issuance, a deep depression, a state of crisis in the activities of stock exchanges. A crisis expressed in the creation of a situation that leads to the loss of the environment, primarily human health , and a reduction in life expectancy is called an ecological crisis. It does not allow the rapid growth of industry. Sectoral crisis - a crisis that covers any sector of the national economy and occurs due to a structural change in production or a disruption of normal economic relations. Crises that arise due to deep imbalances between the development of certain sectors of production and industries are called structural crises. Structural crises are accompanied by economic fluctuations, including seasonal fluctuations in economic activity . For example , holiday shopping leads to significant annual fluctuations in the pace of activity of consumer goods, mainly in retail trade. Agriculture , the automotive industry, and construction are also subject to seasonal fluctuations to some extent. Economic activity depends on long-term trends in the economy, that is, an increase or decrease in economic activity over a long period of time, for example, 25, 50, or 100 years. It should be noted here that in some countries (for example, the United States), the long-term trend is characterized by significant economic growth, while for others it is characterized by a slowdown in economic growth. Despite the existence of many views explaining the fluctuations of economic activity , most economists agree that the direct determinant of the level of production and employment is the level of total or gross expenditure. Economic crises in agriculture are called agrarian crises. Agrarian crises manifest themselves in the following forms : 1) Relative overproduction of agricultural products, the accumulation of very large unsold stocks of them; 2) a decline in prices, a decrease in income and profits; 3) mass bankruptcy of farmers, an increase in their capital; 4) an increase in unemployment among the rural population. Since reproduction in agriculture has its own characteristics, agrarian crises acquire a specific character. Agrarian crises usually last much longer than industrial cycles . The first agrarian crisis began in the 1970s and lasted in various forms until the mid-1990s . After the First World War, in conditions where the purchasing power of the population had greatly decreased, a sharp agrarian crisis began in the spring of 1920 and lasted until the beginning of the Second World War. The third agrarian crisis began in 1948 and lasted until the 1980s. The main reasons for the protracted agrarian crises are : a) the monopoly of private

property on land, which entails a lag behind industry in the development of agricultural production; b) the existence of land rent and its continuous growth. An increase in land rent, especially absolute rent, makes agricultural products more expensive, as a result of which it becomes difficult to sell them; c) the existence of many small peasant farms. Small producers operate farms mainly to find the necessary means of subsistence for themselves and their families. Even in times of crisis, they cannot reduce production. They continue to produce at the same level to make a living and pay rent. This further increases the overproduction of agricultural products. Disequilibrium in the economy can be divided into periodic, intermediate, and irregular crises, depending on whether they occur regularly or not. Periodic crises repeat over a certain period of time. Intermediate crises do not occur in a full cycle. They are interrupted at some stage of the cycle. They are relatively shallow and last for a short period of time. Irregular crises occur for some specific reason. For example, natural disasters, floods, storms, and droughts can lead to a crisis in the economy. According to the characteristics of the violation of the reproduction ratios, crises are divided into two: overproduction and underproduction crises. The crisis of overproduction of goods is manifested in the production of a large number of goods that bring various benefits, but the inability to sell them in full. During the crisis of underproduction, the balance is disturbed, and a crisis arises as a result of shortages. Thus, the crisis of the economy is caused not only by overproduction, but also by underproduction.

#### References:

1. The new edition of the Constitution of Uzbekistan <https://lex.uz/docs/-6445145> 01.05.2023
2. Gerasimov BI, Ioda Yu.V., Introduction to Economics. Fundamentals of Economic Analysis: Textbook / BI Gerasimov, Yu.V. Ioda.- Tambov: TSU Publishing House, 2004.
3. Reichlin E. Fundamentals of economic theory. Economic growth and development. - M.: Jurist, 2001, p. 67.
4. Resolution No. 100 of February 24, 2021 of the Cabinet of Ministers of the Republic of Uzbekistan dated January 9, 2023
5. [www.zen.yandex.ru](http://www.zen.yandex.ru)
6. B. Kh. Azizkulov, BK Janzakow. Introduction to Economic Policy. Textbook 2022 21-27p.