

## Impact Factor:

ISRA (India) = 1.344	SIS (USA) = 0.912	ICV (Poland) = 6.630
ISI (Dubai, UAE) = 0.829	PIHHI (Russia) = 0.207	PIF (India) = 1.940
GIF (Australia) = 0.564	ESJI (KZ) = 4.102	IBI (India) = 4.260
JIF = 1.500	SJIF (Morocco) = 2.031	

SOI: [1.1/TAS](#) DOI: [10.15863/TAS](#)

## International Scientific Journal Theoretical & Applied Science

p-ISSN: 2308-4944 (print) e-ISSN: 2409-0085 (online)

Year: 2018 Issue: 05 Volume: 61

Published: 30.05.2018 <http://T-Science.org>

**Yashnarjon Egamberdiyevich Aliev**  
PhD, docent of "Industry economy" department  
Tashkent state university of economics  
Republic of Uzbekistan

**SECTION 31. Economic research, finance,  
innovation, risk management.**  
JEL: Q12; Q14; Q18.

## AGRARIAN MARKET AND ITS FEATURES

**Abstract:** This article outlines the ways to ensure a balanced market of agricultural products, agribusinesses and agro services, which are part of the agrarian market and its peculiarities. The author believes that the economic sustainability of the agricultural sector can be achieved by improving the range of crop yields, such as crop yields, product quality and appearance, to meet the market demand, and to save the amount of resources consumed at the expense of the product unit. It is scientifically justified that adequate and timely quality agro-technical measures can only be achieved.

**Key words:** agro market, agricultural products market, agrosurria market, agro services market, industrial enterprises, intellectual capital, innovative agrotechnical analogues.

**Language:** English

**Citation:** Aliev YE (2018) AGRARIAN MARKET AND ITS FEATURES. ISJ Theoretical & Applied Science, 05 (61): 182-187.

**Soi:** <http://s-o-i.org/1.1/TAS-05-61-29> **Doi:**  <https://dx.doi.org/10.15863/TAS.2018.05.61.29>

### Introduction

Global climate change today, which is affecting the planet, has a negative impact on the effectiveness of agricultural land and water use. This is mainly due to the lack of water due to shortage of water, seasonal rainfall and seasonal changes, increased moisture content from soil, and the decline in food production due to various natural disasters and degradation of desert pastures. Therefore, one of the important directions of agrarian reforms in the country is the attraction of land, water and other resources to the formation of the production systems that are in line with the negative consequences of the global climate change in agricultural production.

However, despite the fact that a competitive environment has been established between producers of agricultural products, the underdeveloped system of sales of finished goods, the predominance of domestically produced goods for agricultural producers, although the market for services is rapidly growing, it is difficult to adapt to the requirements of agricultural producers, not only for farmers and dekhkan farms agrosurslar harm to the market for market participants alike.

### Literature review

There many scientists researched in agrarian sector as well as William G. [1], Ludwig Verbeke

[2], L. Gilbert[3], Y.Ramkishen [4], McConnell, Tim Josling, Kym Anderson, Andrew Schmitz, and Stefan Tangermann [17], Anderson K.[18] and others, in the field of agricultural production, agrosurria and agro services, N.Kovalenko [5], A.Orlov [6], V.Yakovets [7], I.Dobrynin, I.Makarets [8] and others. In the Republic of Uzbekistan, a number of authors in the agricultural sector investigated problems of agrarian market, including: R. Khusanov, A.Hamdamov, I. Rafikov [9], F.Qayumov, Q.Choriev [10], N.Hushmatov [11], Abdullaev R. [12], . Qodirov A., Abdullaev A. [13], Rajabov I.[14] and Nazarova F.[15]. However, the above-mentioned authors' scientific works were carried out in the early years of the independence of the country and within the framework of the priorities of the country's next stage of reform of the economy, and nowadays do not fully cover the innovative model of development and modernization of the country's economy.

### Main part

The expected outcomes can not be achieved without a balanced development of markets for goods and services in a free marketplace through economic, legal and organizational coordination efforts. The agrarian market is a marketplace where there are a lot of markets, such as the market, machinery, spare parts, mineral fertilizers, oil



**Impact Factor:**

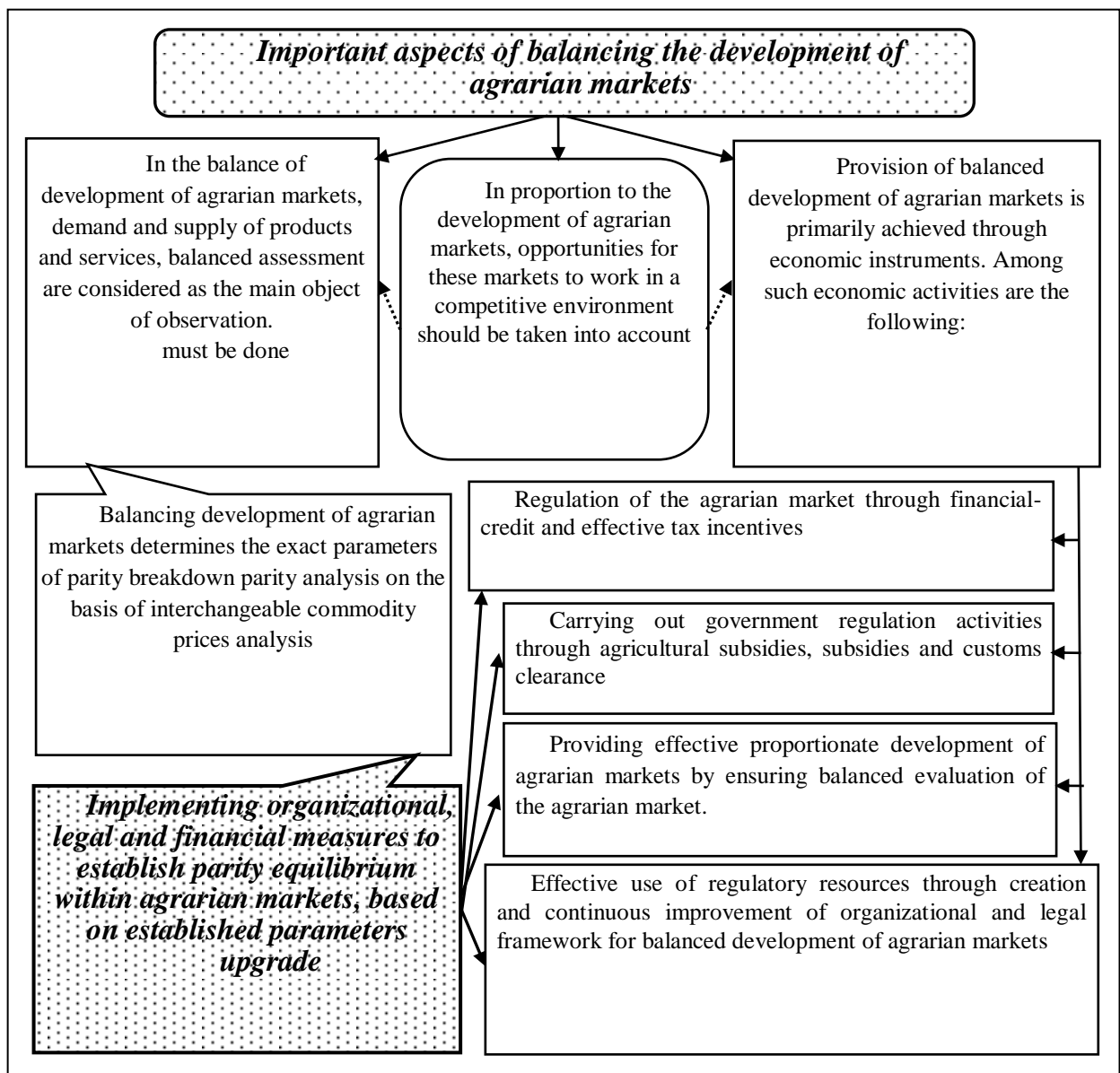
<b>ISRA (India)</b> = 1.344	<b>SIS (USA)</b> = 0.912	<b>ICV (Poland)</b> = 6.630
<b>ISI (Dubai, UAE)</b> = 0.829	<b>PIHHI (Russia)</b> = 0.207	<b>PIF (India)</b> = 1.940
<b>GIF (Australia)</b> = 0.564	<b>ESJI (KZ)</b> = 4.102	<b>IBI (India)</b> = 4.260
<b>JIF</b> = 1.500	<b>SJIF (Morocco)</b> = 2.031	

products, etc. etc.), the labor market, financial resources market, intellectual property market and other important markets. Each one of these markets operates separately, independently and complementary, and one at the expense of the other.

The aforementioned situation calls for a balanced process in the development of agricultural products, agribusinesses and agro services. Therefore, ensuring balanced development of the agricultural products market with the level of development of agrosurs and agro services, with the development of agricultural markets in the context of free market law, the scientific and theoretical and practical basis of identifying and

effective use of markets. The lack of academic knowledge determines the relevance of the subject.

Tomek, William G. Kaiser, a foreign economist, notes that Harry Mason, a researcher in their field of study, ... "Applies the microeconomic principles to the characteristics of the agricultural product markets and applies pricing to various aspects. In particular, they provide mechanisms to regulate the agricultural market through futures contracts, auctions and agreements ... " [1] paying special attention. One of the most important tasks of today is to improve the economic and legal systems for the development of agricultural products market in accordance with international requirements.



**Fig. 1. Balance of development of agrarian markets general scheme of supply system.**

*Source: author`s development.*

## Impact Factor:

ISRA (India) = 1.344	SIS (USA) = 0.912	ICV (Poland) = 6.630
ISI (Dubai, UAE) = 0.829	ПИИИ (Russia) = 0.207	PIF (India) = 1.940
GIF (Australia) = 0.564	ESJI (KZ) = 4.102	IBI (India) = 4.260
JIF = 1.500	SJIF (Morocco) = 2.031	

The Economist Scientists Lauwers., Ludwig Verbeke., Vim Huylenbroek. In his "New Institutional Economy", by Guido Van, "... computes the policy and the market as two main components of the institutional environment. The implementation of agrarian policy, the selection of new conceptual and existing technologies, the establishment of a market and supply chain, and the effective management of resources are dependent on the legal and economic mechanisms of the agricultural market ... "[2] The above suggestions and recommendations serve to improve the legal and economic mechanisms of the agrarian market, the effective functioning of the market and the formation of new types of unusual agricultural practices.

Economist Scientists Barbier and Hochard stated in their scientific articles: "The support of international financial institutions in the evaluation of agricultural production in areas with limited natural, climatic, soil fertility, limited rainfall areas, and the effects of climate change on the backdrop of developed countries the development of softening mechanisms will contribute to the balanced development of the world agricultural product market ... "[16] Of course, today the natural and climatic factors are strongly influenced on the quality of agricultural production and quality, and the insurance system can be used to prevent such cases.

The agricultural product market is the basis of the agrarian market in terms of its role and functions. There are also markets for agrarian markets, although major markets are agribusiness markets and agro services. Due to the intensification of the innovation process in agriculture, it is also desirable to include the market for intellectual property. In our opinion, these markets generally cover all markets in the agrarian sector.

Taking into consideration the role and importance of the development of agrarian markets in the country's economy, the following scheme is proposed for balanced development of agricultural products, agribusiness and agro services markets (Figure 1).

In line with the above considerations, it is important to develop methodological recommendations on the mechanism of the agrarian sector to calculate the amount of financial resources available to the agricultural sector through agribusiness in the agricultural sector and agribusiness markets in order to increase the efficiency of the agricultural product market is gaining momentum.

At the same time, the following calculations are recommended:

• average annual growth indices (at least recent 10 years) on the selected regions are calculated based on the following formula (KFMI).

At the same time, the main agricultural crops (such as cotton and wheat), which have a large share in the aquifers,

$$KXM_{II} = \frac{AE_{(жорий)} : \mathcal{E}C}{AE_{(базис)} : \mathcal{E}C} \quad (1)^1$$

Where:

AE (current) - total aggregate current prices of basic agricultural products for the selected year, kg / Soum;

AE (basis) - sum of average base prices of basic agricultural products for the selected year, kg / Soum;

ES - the number of crops selected for calculations.

• The average annual price growth index (SMI) for many years (latest 10 years) of basic industrial goods required for the agricultural sector in the selected region is calculated. It is recommended that this indicator be determined by the following

formula:

$$SM_{II} = \frac{(E_p + M_p + T_p)_{(жорий)}}{(E_p + M_p + T_p)_{(базис)}}$$

Yor - average cost of fuel oils;

Mr - The average price for the main types of mineral fertilizers;

The average annual price of most years of technology and spare parts.

• The ratio of the average index of the average value of the industry's essential price index for the industry to the average value of agricultural products (BN), ie:

Where:

BN - the ratio of the average index of essential industrial goods for the industry to the average value index of the main agricultural products.

This figure indicates a steeper increase in the average agricultural product prices than average industrial output.

The above calculations show that the amount of damage caused by the production of one ton of agricultural production is determined as a result of the disproportionate discrepancy between the agribusiness's aggregate turnover ratio (in current prices of current year).

These recommendations are applicable not only to cotton and grain products, but also to the entire agricultural market. Because, as the experience of

<sup>1</sup> Манба: Ушбу (2.1, 2.2, 2.3, 2.4) формулалар муаллиф томонидан тавсия қилинмоқда.

## Impact Factor:

ISRA (India) = 1.344	SIS (USA) = 0.912	ICV (Poland) = 6.630
ISI (Dubai, UAE) = 0.829	PIHHI (Russia) = 0.207	PIF (India) = 1.940
GIF (Australia) = 0.564	ESJI (KZ) = 4.102	IBI (India) = 4.260
JIF = 1.500	SJIF (Morocco) = 2.031	

developed countries shows, the state is constantly supporting agricultural production.

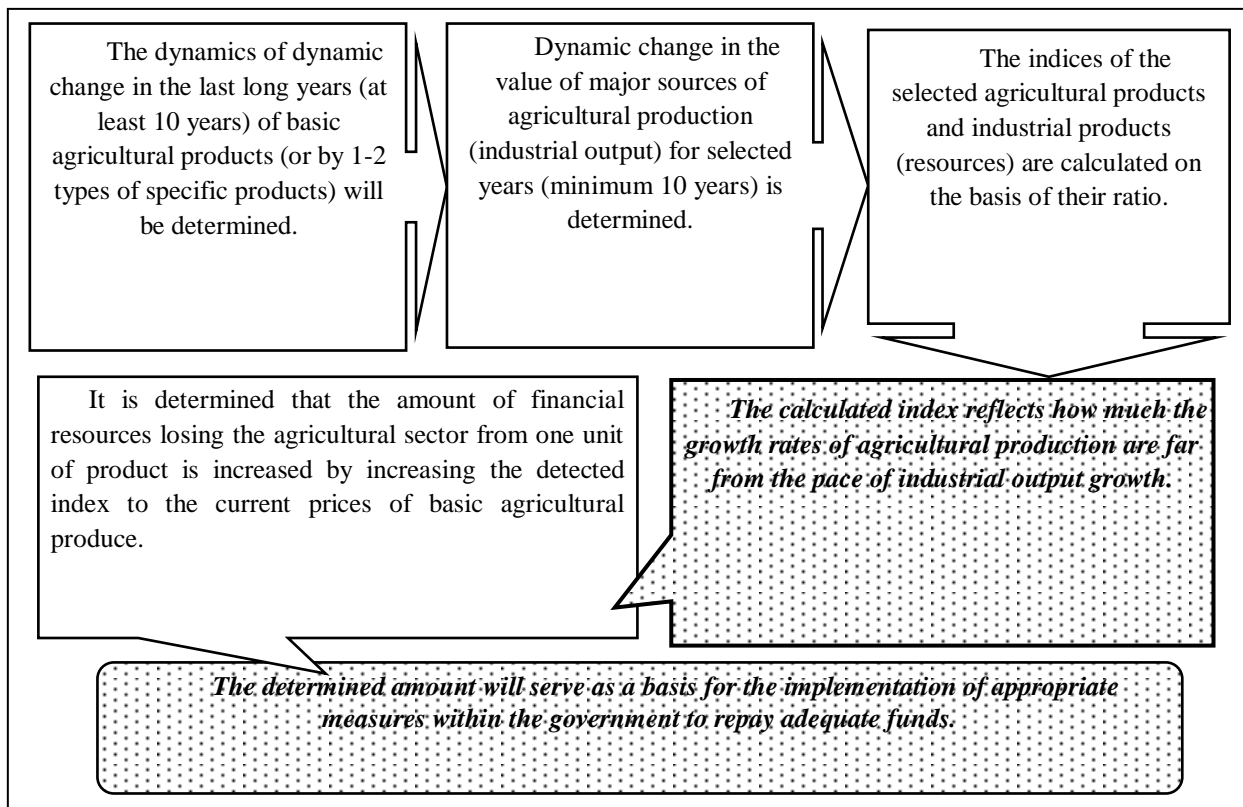
In recent years, there has been a significant negative impact on the economic development of the sector, especially in the cotton industry, negatively impacting crop cultivation, accumulated experiences and quality products and increasing the competitiveness of the industry. One of the reasons for this situation is the advancement of the agricultural and agro-market, especially in the industrial sector, and the agglomeration of the agricultural sector, leading to a large portion of revenue generated from the agricultural sector.

Therefore, the development of agricultural production and agricultural products market is difficult without the government's clear focus. In this regard, the implementation of the cluster system in

The mode of action of this style can be seen in the form of a drawing (Figure 2).

the cotton sector in Uzbekistan is of great importance in support of agriculture, and the agricultural sector remains in need of the state's policy of protectionism.

Based on the above-stated methodology, the author provides an opportunity to determine the amount of funds borrowed from the agricultural sector at the expense of the industrial sector and the services sector through the exchange of commodity turnover, and the funds are used by the government for the development of agriculture through various means for the development of the agricultural sector. This will allow you to redirect. It is advisable to use a system of material and technical resources supplied to farms as a supplement to the cost of agricultural production or as targeted subsidies to the industrial sector.



Source: author's development.

Picture 2. General scheme of the system for balancing the development of agrarian markets

Especially during the period of reforms, agriculture needs more assistance than other branches of agrarian sector. The need for financial support for farming enterprises, which is engaged in the production of the state order, will increase.

### Conclusion and recommendations

The balancing of the development of agrarian markets should be based on market principles and

should be based on economic priorities without reducing government regulation opportunities. At the same time, it is envisaged to prevent the loss of the agrarian sector through the discrepancy of market development and the parity violation.

The increase in the disparity in the trade turnover between the agricultural and industrial sectors is largely due to the dominance of industrial enterprises in the agrarian market.

## Impact Factor:

ISRA (India) = 1.344	SIS (USA) = 0.912	ICV (Poland) = 6.630
ISI (Dubai, UAE) = 0.829	PIHHI (Russia) = 0.207	PIF (India) = 1.940
GIF (Australia) = 0.564	ESJI (KZ) = 4.102	IBI (India) = 4.260
JIF = 1.500	SJIF (Morocco) = 2.031	

In order to address this issue, it is recommended that the "Method of Regulating the Balanced Development of Agrarian Markets by Correcting the Inter-sectoral Growth Rate Correlation" (GNBT) is recommended.

This method will allow evaluating the level of economic efficiency of agricultural production and the level of development of agricultural products in the country, as well as defining the amount of funds raised by industry sectors as a result of discrepancies in prices.

These recommendations are very important for the agricultural products market. Because, according to the experience of developed countries, the state is constantly supported by the agricultural sector. In particular, the growth rate of industrial production and agricultural products prices for agricultural production vehicles is monitored and the agricultural sector is protected from the rise in prices for industrial products. Protections are based on subsidies, quotas, preferential loans, and the minimum cost of agricultural products.

The following measures should be taken to improve the scientific and practical basis for

mutually beneficial development of the agricultural market:

- Improvement of the technique of marking of agricultural products and the rejection of the essence of the practice of setting the price based on the cost of production;

- Implementing existing mechanisms to ensure disparity between agricultural production and industrial product prices;

- Creation of concessions for supply and service of farmers who produce reclamation status in poor, low-cost and irrigated areas;

- Expansion of measures of state financial support for agricultural products, resources supply and service in severe natural conditions;

- Improving sales and initial assessment of agricultural and processed products;

- increasing the employment rate of agricultural products, agribusinesses and agro services through expansion of non-productive services at enterprises.

## References:

1. Tomek., William G., Kaiser., Harry Mason. (2014) Agricultural Product Prices. Ed.: Fifth edition. Ithaca : Cornell University Press. 2014y.
2. Lauwers., Ludwig Verbeke., Vim Huylenbroek., Guido Van. (2004) Role of Institutions in Rural Policies and Agricultural Markets. Boston : Elsevier Science Ltd. BUSINESS & ECONOMICS 2004y.
3. Gilbert L. (2008) Commodity Speculation and Commodity Investment. University of Trento. Italy-2008.
4. Ramkishen, Y. (2004) New Perspectives in Rural and Agricultural marketing. 2nd ed., Jaico Publications, Mumbai, India-2004.
5. Kovalenko N. (2017) The economy is selskogo hozyaystva. Издательство Юрайт, Moscow-2017 .
6. Orlov A. (2013) Organization proizvodstva. Typography NGTU im R.E.Alekseeva. N.Novgorod-2013 .
7. Yakovets V. (2006) Civilizations: theory, theory, dialogue, budeshchee. Graspо Cheshskaya Respublika-OOO Alex Media-2006 .
8. Dobryn I. Tarasevich S. (2009) Economical theory. Peter-2009 .;
9. Makarets I, Makarets N, (2000) Economics proizvodstva selskoxozyaystvennoy produktsii. Lan. St. Petersburg-2002 .; Shakirova F. The organizational selskoxozyaystvenno go proizvodstva. Kolos. Moscow-2000.
10. R. Khusanov, A.Hamdammov, I. Rafikov. (2001) Agricultural service, alternative machinery and tractor park development problems. Tashkent, 2001. -20 pages.
11. Choriev Q. (2014) Prospects for the formation and incentives for agricultural innovation. - Tashkent-2014. -19 p.
12. Hushmatov N. (2018) Important theoretical issues in the development of agricultural products, agroresuria and agro services markets. Scientific and practical recommendations. Tashkent University of Information Technology, Tashkent, Uzbekistan. -36 p .
13. Abdullaev R. (2001) Increasing the export potential of the agrarian sector in the conditions of liberalization of the Uzbek economy. PhD dissertation autobiography. Tashkent, Uzbekistan, 2001. -42 p.



**Impact Factor:**

<b>ISRA (India)</b>	<b>= 1.344</b>	<b>SIS (USA)</b>	<b>= 0.912</b>	<b>ICV (Poland)</b>	<b>= 6.630</b>
<b>ISI (Dubai, UAE)</b>	<b>= 0.829</b>	<b>PIHHI (Russia)</b>	<b>= 0.207</b>	<b>PIF (India)</b>	<b>= 1.940</b>
<b>GIF (Australia)</b>	<b>= 0.564</b>	<b>ESJI (KZ)</b>	<b>= 4.102</b>	<b>IBI (India)</b>	<b>= 4.260</b>
<b>JIF</b>	<b>= 1.500</b>	<b>SJIF (Morocco)</b>	<b>= 2.031</b>		

14. Qodirov A., Abdullaev A. (2007) Foreign experience of agricultural cooperative development and its adaptation to the conditions of Uzbekistan. Tashkent, Uzbekistan, 2007. -208 p.
15. Rajabov I. (2006) Equilibrium of the agribusiness market and efficiency of production in conditions of economy liberalization. PhD dissertation autobiography. Uzbekistan, Tashkent, 2006. -26 p.
16. Nazarova F, Muminov Sh. (2006) Improving the mechanism for improving the export potential of agricultural products. Uzbekistan, Tashkent, 2006. -109 p.
17. Barbier Hochard. (2018) The Impacts of Climate Change on the Poor in Disadvantaged Regions. REVIEW OF ENVIRONMENTAL ECONOMICS AND POLICY. Vol. 1 pp: 26-47.
18. Tim Josling, Kym Anderson, Andrew Schmitz, and Stefan Tangermann. (2018) Understanding international trade in agricultural products: one hundred years of contributions by agricultural economists.
19. Anderson K. (2008) Agricultural Price and Trade Policy Reform in Developing Countries Since. 2008.

