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BASES OF ECONOMIC EFFICIENCY OF AGRICULTURAL PRODUCTION

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ОСНОВЫ ЭКОНОМИЧЕСКОЙ ЭФФЕКТИВНОСТИ СЕЛЬСКОХОЗЯЙСТВЕННОГО ПРОИЗВОДСТВА

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Abstract. The essence, criteria and system of indicators of economic efficiency of agricultural production in Uzbekistan are considered. The scientific views of scientists-economists on the definition of the category “efficiency” are given.

Аннотация. Рассмотрены сущность, критерии и система показателей экономической эффективности сельскохозяйственного производства в Узбекистане. Приведены научные взгляды ученых-экономистов на определение категории «эффективность».

Keywords: economic efficiency, agriculture, labor, productivity, agricultural production.

Ключевые слова: экономическая эффективность, сельское хозяйство, труд, производительность, сельскохозяйственное производство.

Agricultural economics plays a role in development economics as the constant the level of surplus agricultural land is one of the sources of technological and commercial growth. In general, it can be said that when a significant part of the country's population depends on agriculture farms as a source of livelihood, average incomes are low. This does not mean that the country poor because most of its population is employed in agriculture; closer to the truth say that because the country is poor, most of its population is forced to earn a living agriculture. As a country develops economically, the relative importance of agriculture decreases. The main reason for this was shown by the 19th century German statistician Ernst Engel, who found that as incomes rise, the share of income spent on food decreases. For example, if a family's income increases by 100 percent, the amount they spend for food, can increase by 60 percent; if before his food expenses were 50% of his budget, then after the increase they will amount to only 40% of his budget. It follows from this that as income increases, a smaller and smaller share of the total resources of society is required for production the amount of food needed by the population. This fact would have surprised most economists of the early 19th century, who feared that limited land supply in the populated areas of Europe will determine the ability of the continent to feed growing population. Their fears were based on the so-called law of diminishing returns: under these conditions, an increase in the amount of labor and capital applied to a fixed amount of land leads to a disproportionate increase in food

production. This principle is valid, but what the classical economists could not foresee was the extent to which which will change the state of art and methods of production. Some changes have taken place in agriculture; others occurred in other sectors of the economy but had a major impact on food supply [1].

Theoretical bases

Increasing the efficiency of social production is the most important task of the country's socio-economic development. In modern economic science, a single concept of the category "efficiency" and methods for assessing the level of efficiency have not yet been developed. It has been suggested in the literature many different approaches, but nevertheless there is no unity of views on this issue. In the agro-economic literature, many scientific papers reflect certain aspects of the economic efficiency of production. The concept of efficiency has various forms of expression and is modified from the public forms of production.

In the following, the category "economic efficiency" is considered by the authors from different points of view. Thus, scientists Campbell R. McConnell and Stanley L. Brew the concept of efficiency is defined as common basis, the central link of the economy. Economics, in their opinion, "is the science of efficiency." Naturally, different levels and aspects of analysis are distinguished in this category, including functional, sectoral, regional, etc., but in these cases they act as elements of a general global problem of economic and social development that characterizes multifaceted relationships "between the number of units of rare resources ("costs") that are used in the production process, and the resulting quantity ("output") of any required product. Particular attention to the problem of efficiency in modern conditions is due to the specifics of the socio-economic processes of the transition period and the transfer of the country's economy to a market basis. Therefore, sharp discussions on the problems of production efficiency unfolded in scientific circles. At the same time, there are different approaches to defining the essence of the category "efficiency" [2].

The economic content of the category of economic efficiency of agricultural production is reflected, according to the author, in the maximum yield of agricultural products with available and attracted resources, taking into account the minimization of labor costs and time for the production of a unit of output. Among the most important economic problems, the question of correctly measuring the efficiency of agricultural production is of particular relevance. Both the category of agricultural production efficiency itself and the methodology for its determination have not yet been studied enough. The most difficult at this stage is the question of measuring production efficiency, its criteria and indicators. There are very different points of view on this problem, but they, as a rule, do not agree with the practice and the task of developing social production. Difficulties in determining the criterion of efficiency and its indicators are due to the complexity and diversity of the problem of the efficiency of social production. The discussion is moving along several lines. Questions are discussed about the number of efficiency criteria, the content of the criterion, and the possibility of quantifying the criterion. Sometimes has place and confusion of the concepts of "criterion" and "indicator". They are used as synonyms. Therefore, it should consider the content of these concepts. The criterion is understood as the basic principle or measure of evaluation, the first and main point of view, determining choice.

To determine the essence of the concept of economic efficiency, it is important to establish a criterion for its evaluation, which it is possible to evaluate the results of a particular economic process, economic activity. However, so far there is no universally recognized criterion for the effectiveness of social production. Some economists believe that there is a single criterion, expressed in the end by a single indicator, others believe that there is a system of criteria and

sometimes equate the concepts of criterion and indicator. Nevertheless, it cannot be simultaneously several main points of view or several basic principles of evaluation. Obviously, the criterion of production efficiency should be a measure of the judgment of optimality, the benefits of this development option. The criterion of the efficiency of social production finds its expression in maximizing the volume of production and saving working time. In accordance with the law of economy of time, the most general and dominant criterion in the system of economic estimates and planning is the principle of saving time, an indicator of social productivity [1, 4-6].

Methods and Materials

After analyzing the various points of view of academic economists, the author of this study concluded that the criterion for the economic efficiency of agricultural production is the rate of profit growth at the lowest cost of labor and time for the production of a unit of output. In the economic literature, there are different points of view regarding indicators of production efficiency. The general principle of constructing indicators of the level of economic efficiency is to compare the results of activities with indicators of cash material and labor resources or with indicators of the current costs of achieving these results. The efficiency of agricultural production is divided into private and general. Private indicators characterize the effectiveness of the use of certain types of resources or costs, and generalizing ones give a synthetic assessment of the economic efficiency of using the resource potential and all running costs [3].

The systematization of indicators characterizing the efficiency of agricultural production is presented in the Table.

Table

SYSTEM OF INDICATORS OF ECONOMIC EFFICIENCY OF AGRICULTURAL PRODUCTION

Indicators	Calculation of the indicator
<i>Private indicators</i>	
Labor productivity Gross output in kind and money expression based on unit of working time	$P_L = \frac{GO}{C}$ GO - gross output C - the cost of working time, man-hour
Gross output in monetary value per average annual employee,	$P_L = \frac{GO}{E}$ GO - gross output E - average annual number of employees, person
Labor intensity, man-hour	$P_L = \frac{C}{GO}$ C - the cost of working time, man-hour GO - gross output

Conclusion

Thus, having considered various points of view, we can conclude that production efficiency is a very complex economic category. Scientists have different opinions about the essence of the concept efficiency, but most boil down to the fact that this is the ratio of results to costs. The fundamental indicator of production efficiency is profitability, as it integrates the ratio of two components - cost and profit. The above system of indicators makes it possible to give an objective and comprehensive assessment of the economic efficiency of agricultural production.

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