

Prospects for the Organizational and Economic Development of the Tourism Services Sector in Uzbekistan

Mukhammedov Murod Mukhammedovich

Doctor of Economic Science, professor, Samarkand Institute of Economics and Service

Turabekov Sokhibjon Sherboy ugli

PhD student, Samarkand Institute of Economics and Service

sokhibjon.turabekov@gmail.com

Abstract: The role of tourism services in Uzbekistan in the socio-economic development of the country and its role in the national economy are detailed in the article. Also, a number of suggestions and recommendations were developed regarding the development of tourism services and, on this basis, increasing the employment of the population in the country.

Keywords: Tourism services, pandemic, opportunities for tourism development, employment.

Introduction. Increasing the income of the population in the country, ensuring their well-being and creating a decent lifestyle requires creating new jobs, reducing the unemployment rate, and supporting the needy population in the labor market. Because, by the number of people, Uzbekistan ranks first among Central Asian countries, third among CIS countries (after Russia and Ukraine), and 42nd among the countries of the world. In addition, the average age of the population of Uzbekistan is much higher than that of many countries of the world, and the natural growth rate of the population is also relatively high. One of the unique processes taking place in Uzbekistan in recent years is that the rate of growth of the working population is higher than the rate of population growth. In 2000-2021, the number of permanent residents in Uzbekistan increased by 1.4 times, while the number of working-age population increased by 1.5 times. Effective use of such huge resources, on the one hand, allows to solve the important social problem of ensuring the employment of the population, on the other hand, it creates great opportunities to accelerate the country's economic development and economic growth, and to sharply increase the volume of GDP per capita.

Literature review (analysis) on the topic of research: Many economists have conducted a number of scientific and practical works on the components of the rapid development of the tourism services sector, its role in the socio-economic development of the country, and its role in the development of labor relations.

Many economists have conducted a number of scientific and practical works on the components of the rapid development of the tourism services sector, its role in the socio-economic development of the country, and its role in the development of labor relations. Among the CIS countries' economists, many scientific studies have been conducted in this regard. In particular, G.A. Karpova, T.A. Lavrova[1], I.I.

Opolchenov[2], M.A. Morozov[3], E.A. Titova[4], O.V. Kuropyatnik[5] and others paid great attention to the theoretical and practical aspects of the development of tourism services.

Among the scientists who conducted scientific research on the nature of tourism in Uzbekistan, its role in socio-economic development and issues of its development, N.T. Tukhliev[6], M.M. Mukhammedov[7], M.Q. Pardaev, G'H. Gudratov[8] can be shown. In their scientific research, they studied the theoretical and methodological problems of the development of the tourism sector.

Research methodology. In the process of research, such methods as logical abstraction, induction and deduction, systematic analysis, and statistical analysis were widely used. Based on the dialectical method, priority research areas of scientific and practical importance are formed.

Analysis and results. Investment resources were considered the economic basis for the implementation of the strategy of turning tourism into a highly developed, strong and leading branch of the national economy, and its main tool. No sector or industry can be developed without adequate investment resources, and the tourism services sector is no exception. Without investments, it is not possible to achieve the set goals, to attract modern equipment and technologies, qualified and knowledgeable personnel to the industry.

The analysis showed that the growth rate of tourism-oriented investments in Uzbekistan in recent years is significantly lower than the growth rate of gross investments in the national economy (Table №1).

Table №1. Comparative analysis of growth rates of investments in tourism in Uzbekistan in 2016-2021 with indicators of other sectors of the economy¹

Years	Investments in fixed capital in the national economy		Investments in tourism *		
	Volume, billion soums	Growth rate, % (2016=100%)	Volume, billion soums	Growth rate, % (2016=100%)	Investment in tourism s gross investment percentage of
2016	51232,0	100,0	1052,1	100,0	2,0
2017	72155,2	140,8	1428,3	135,7	2,0
2018	124231,3	242,4	1956,1	185,9	1,6
2019	195927,3	382,4	1741,6	165,5	0,9
2020	210195,1	410,2	1801,2	171,1	0,9
2021	239552,6	467,5	1845,8	175,4	0,8

*<https://wttc.org/Research/Economic-Impact>.

According to Table №1, the volume of investments in tourism increased by 1.7 times during 2016-2021, while in the national economy it increased by almost 4.8 times. Nevertheless, the share of tourism investments in gross investments in the economy decreased from 2.0 percent (2016) to 0.8 percent (2021) during the analyzed years. The conclusion is that while there is a trend of growth in the volume of investment in fixed capital in the tourism sector, its growth rate is not proportional to the growth rate of investment in fixed capital in the national economy. That is, although the value of both of these indicators has increased over the years, the volume of investments in the tourism sector has decreased compared to other sectors. This trend, which has occurred in the investment activities of the tourism sector over the

¹ Completed by the author based on the data of the State Statistics Committee of the Republic of Uzbekistan for 2000-2021.

following years, is contrary to its essence, to the strategy of its superior development within the framework of large-scale reforms

In addition, although the share of tourism-oriented investments in gross investments has been decreasing in recent years, analysis has shown that its efficiency level is much lower than the level of demand. When evaluating the level of efficiency of sector-oriented investments, we found it appropriate to analyze its impact on the export of tourist services and the export of tourist services per sum of investment (Table №2).

Table №2. The dynamics of changes in the export of tourist services and investments in tourism in Uzbekistan in 2016-2021²

Years	Export of tourist services			Tourism-oriented investments*		
	Volume, thousand US dollars	Growth rate, %		Volume, billion soums	Growth rates, %	
		Compared to 2016	Compared to the previous year		Compared to 2016	Compared to the previous year
2016	430 746,18	100,0	121,0	1 075,87	100,0	114,3
2017	531 022,41	123,2	123,2	1 659,56	154,2	154,2
2018	1 041 088,60	241,6	196,0	3 354,2	311,7	202,1
2019	1 313 032,30	304,8	126,1	5 290,03	491,6	157,7
2020	260 987,39	60,5	19,8	5 254,87	488,4	99,3
2021	422 100,00	97,9	161,7	6 900,00	641,3	131,3

*<https://wtcc.org/Research/Economic-Impact>.

The analysis showed that the growth rate of export of tourist services was somewhat lower than the growth rate of investments in tourism in the years under study. For example, the volume of investments in tourism in 2016 was 1075.87 billion. amounted to 6,900 billion soms (6.4 times increase) in 2021, growing rapidly from year to year. In the same period, the export of tourism services amounted to 430,746.18 US dollars in 2016, and by 2021 it was 422,100 US dollars (down by 2.1%)

Therefore, the conclusion is that the export of tourist services did not show a corresponding growth trend in 2016-2021 as the volume of investments in the sector increased, which indicates that the investments in the sector are ineffective. In our opinion, the volume of export of tourist services should increase over the years compared to the volume of investments directed to tourism.

Also, the inconsistency between the export of tourist services in the country and the volume of investments in the sector can be clearly seen in the continuous decrease of the volume of export of tourist services per sum of investment during this period (Table №3). In particular, in 2016, the export of tourist services per sum of investment in the country amounted to 4.4 thousand US dollars, and in 2021 it amounted to 0.6 thousand US dollars, which indicates a decrease of 86.4% during this period.

² Completed by the author based on the data of the State Statistics Committee of the Republic of Uzbekistan for 2000-2021.

Table №3. The dynamics of changes in the export of tourism services of Uzbekistan and the export of services per soum of investment in 2016-2021³

Years	Export of tourist services			Export of services per soum of investment		
	Volume, thousand US dollars	growth rates, %		Volume, thousand US dollars	growth rates, %	
		compared to 2016	compared to the previous year		compared to 2016	compared to the previous year
2016	430 746,18	100,0	121,0	4,4	100,0	67,3
2017	531 022,41	123,2	123,2	3,5	79,5	79,5
2018	1 041 088,60	241,6	196,0	3,4	77,2	97,1
2019	1 313 032,30	304,8	126,1	2,7	61,3	79,4
2020	260 987,39	60,5	19,8	0,5	11,3	18,5
2021	422 100,00	97,9	161,7	0,6	13,6	120,0

From the above analysis, we can come to a reasonable conclusion that the efficiency of work in attracting and developing tourism-oriented investments in Uzbekistan is very low. As a proof of our opinion that insufficient investment resources attracted to tourism in Uzbekistan may create major obstacles in the implementation of the strategy of superior development of the industry, which is very important for the future and prospects of our country, Uzbekistan was among 185 countries in the international ranking of the share of tourism-oriented investments in the gross investments. We would like to provide information about the 180th place⁴.

In our opinion, the volume of tourism-oriented investments should grow at a higher rate compared to the volume of gross investments in the national economy, and ultimately its share in the composition of gross investments should increase. Only then will tourism be able to fully fulfill the important tasks assigned to it by the state and society in terms of gross product production, increasing the income and employment of the population, and playing a leading role in the development of the national economy.

The level of employment in the field is another important indicator that represents the state and development trends of tourism services in the country. Because the level of employment is considered as a factor that directly affects the state of the industry and performance indicators. Therefore, during the research, we found it appropriate to evaluate the position of Uzbekistan's tourism services sector in the country's labor market and employment indicators in the sector.

The analysis showed that the share of tourism services in the total employed population increased significantly, although the employment rate in Uzbekistan decreased somewhat in 2016-2021 (Table №4).

³ Completed by the author.

⁴ Concept of development strategy of the Republic of Uzbekistan until 2035. [Electronic resource]. – Link: <https://uzbekistan2035.uz>

Table №4. Dynamics of indicators representing the level of employment in Uzbekistan in 2016-2021⁵

№	Indicators	Years					2021	Change in 2021 compared to 2016, %
		2016	2017	2018	2019	2020		
1	Number of employed population, thousand	13298,4	13520,3	13273,1	13541,1	13236,4	13538,8	101,8
2	Employment rate, per-centage	68,7	69,2	67,4	68,1	66,0	66,9	97,3
3	Number of people employed in tourism, thousand	170,9	187,6	201,0	260,1	201,3	203,0	118,7
4	The share of tourism in the employed population, %	1,2	1,3	1,5	1,9	1,5	1,5	125,0

In particular, during this period, the employment rate in the country decreased by 2.7 percent and reached 66.9 percent in 2021 (in 2016, this figure was 68.7 percent). In the same period, the share of the tourism services sector in the total employed population increased by 25 percent and reached 1.5 percent in 2021 (in 2016, this figure was 1.2 percent). However, although it is possible to positively assess the rapid growth of tourism services within the total employed population during the studied period, it is necessary to recognize that this indicator is much lower than the level of developed countries. For example, this indicator is on average 5-7% in the USA and European countries, on average it is 3% in the Russian Federation and 3.2% in neighboring Kazakhstan. Also, it can be clearly seen that the share of the tourism services sector in the total employed population in Uzbekistan is not at a satisfactory level, considering the number of people employed in the tourism services sector per one worker.

In our opinion, the only way to quickly eliminate the problems and shortcomings that hinder the development of the field of tourism services of Uzbekistan and to fulfill the priority tasks set for the rapid development of the field in the future is to manage the field on the basis of a clear system and program. The effective implementation of the priority tasks and its effectiveness depend to a large extent on the systematic approach. If the tasks are implemented on the basis of a specific system and program, the efficiency of achieving the expected result will be higher.

Conclusion. The analyzes showed that it is necessary to bring the state's systematic approach to the management of the sector to a new level in order to return the sector of tourism services to the active state before the pandemic in Uzbekistan and to carry out a consistent policy on the rapid development of the sector in the future. The reason is that the priority tasks and directions for achieving the intended goals set in the Concept of the development of the sector partially lost their efficiency and effectiveness as a result of the sudden occurrence of the pandemic, as shown in Table 3.1. Therefore, as a result of scientific research, a systematic model of rapid development of the field of tourism services in Uzbekistan and rational management of it from an organizational and economic point of view was developed (Figure №1).

⁵ Compiled by the author based on the information of the State Statistics Committee of the Republic of Uzbekistan and the Ministry of Tourism and Sports.

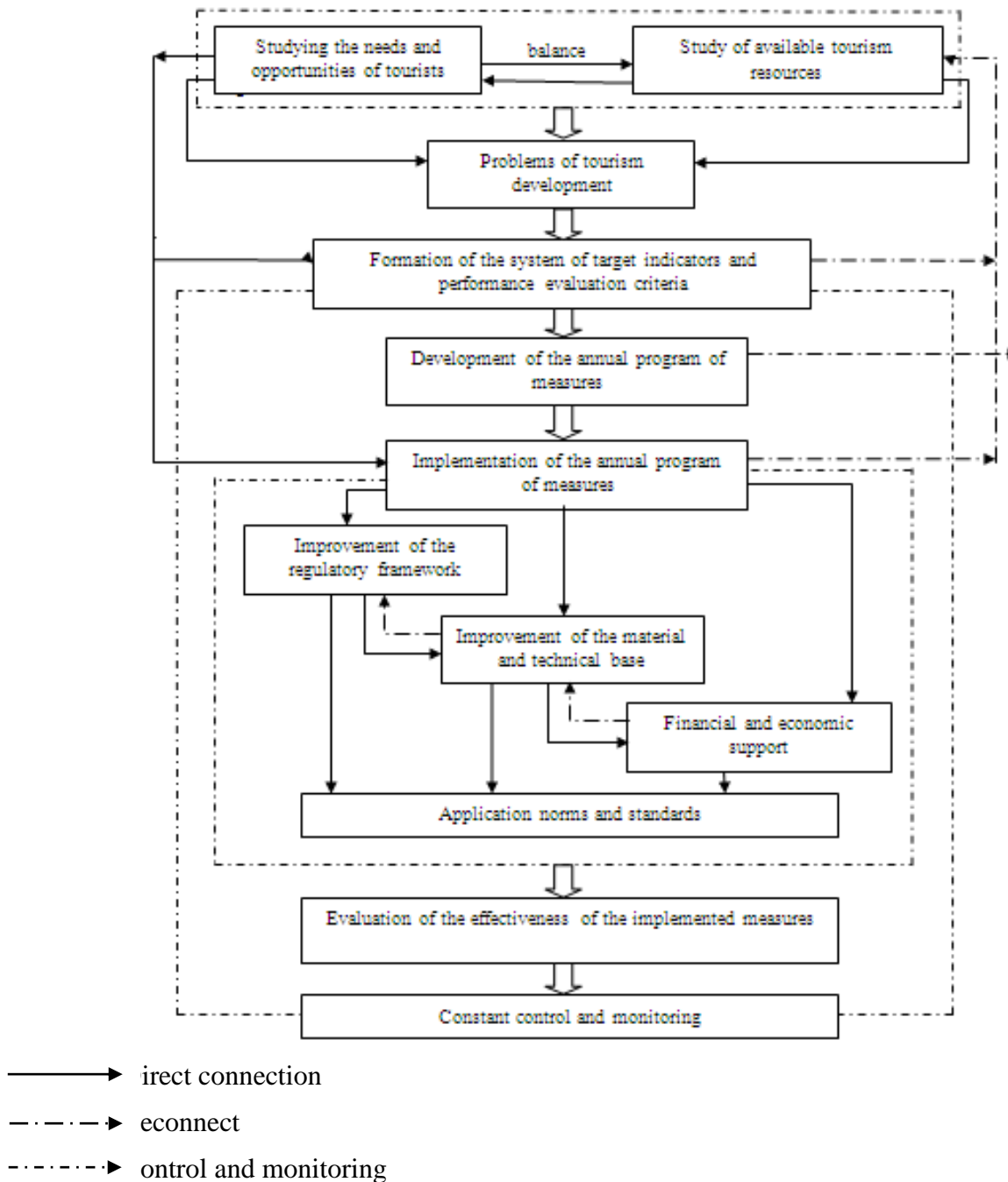


Figure №1. Organizational-economic model of tourism development⁶

According to this model, in the future, the rapid development of the field of tourism services in Uzbekistan, the implementation of the set tasks and goals, and the elimination of socio-economic problems in the field, first of all, the implementation of the measures determined in the annual target programs should be carried out in accordance with the country's tourism needs and opportunities, as well as the existing tourism implementation based on the analysis of the balance of resources is considered important. The reason is that this analysis makes it possible to identify specific problems and

⁶ Муаллиф томонидан ишлаб чиқилган.

shortcomings that hinder the development of tourism in the area (due to insufficient tourism resources to meet the needs of visitors or an increase in the flow of tourists).

List of used literature:

1. Karpova G. A., Lavrova T. A. Osobennosti razvitiya turizma i issledovanie turistskogo potentsiala Sankt-Peterburga. Monograph. - SPb., 2007.
2. Opolchenov I.I. Marketing and tourism: Description of market position: Ucheb.Posobie. - M.: Sovetsky sport, 2003. -192p.
3. Morozov M.A. Economy tourism: uchebnik / M.A. Morozov, N.S. Morozova, G.A. Karpova, L.V. Khoreva. - M. : Federal agency for tourism, 2014. - 320 p.
4. Titova E.A. Professionalism in the sphere of tourist service and post-industrial economic conditions // Turizm i kulturnoe nasledie: Meyvuz. Sat. nauch.tr. - Saratov: Izd-vo Sarat.un-ta, 2007. Vyp.4
5. Kuropyatnik O.V. Sovremennye tendentsii i prognoz razvitiya mejdunarodnogo turizma // Geografiya i ekologiya: nauchnoe tvorchestvo, mejdistiplinarnost, obrazovatelnye tehnologii: materialy Mejdunarodnoy nauchno-prakticheskoy nauki. M.: Izdatelstvo Moskovskogo gosudarstvennogo oblastnogo universiteta, 2017. S. 85-89.
6. Tukhliev I.S., Gudratov G'.Kh., Pardaev M.Q. Textbook for tourism education students/Samarkand Institute of Economics and Service. - T.: Economy-Finance, 2010.-260 pages.
7. Mukhammedov M.M. and others. Theoretical foundations of service industry and tourism development. Monograph. "Zarafshon" publishing house, 2017. - 300 p.
8. Pardaev M.Q. and others. Development of service, service and tourism industries: problems and their solutions. Monograph. - Tashkent: Economics and Finance, 2008. - 260 p.;