

INSTITUTIONAL CHANGES IN AGRICULTURERISKS ON THE BASIS OF STATE SUPPORT IN CONDITIONS INSURANCE

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ABSTRACT

The need for a new approach to the methodology of risk insurance on the basis of state support, the main directions of which have been studied. The advantages and peculiarities of the insurance system in risk management in agriculture are scientifically substantiated. The possibilities of its application in agriculture of the Republic of Uzbekistan have been studied and recommendations have been developed.

KEYWORDS: Agriculture, farming, risks, loss, insurance, agro insurance, insurance products, risk management, credit, stock exchange, hedging, contract.

INTRODUCTION

During the years of independence, along with other sectors of the economy, changes in the forms of ownership in the agricultural system, the formation of a sense of ownership of land among farmers, the market that serves the system. Significant work has been done to build the infrastructure. These measures will improve the living standards of the rural population, solve the problem of unemployment, as well as improve the quality of rural and domestic markets aimed at providing agricultural products.

Institutional changes in the agricultural sector in the current situation and ensuring that the industry is up-to-date, the production of products produced by major agricultural producers.

Measures are being taken to ensure a worthy place in the world market and to ensure food security [1]. In this regard, the reduction of areas under cotton and cereals identified in the Action Strategy for the five priority areas of development of the Republic of Uzbekistan for 2017-2021, the introduction of potatoes, vegetables, planting of fodder and oilseeds, as well as the creation of new intensive orchards and vineyards, the creation of favorable conditions for the development and stimulation of diversified farms, agriculture establishment of agro-industrial enterprises specializing in deep processing of products, storage, transportation and sale of agricultural products, agrochemistry, tasks such as further expansion of the provision of modern market services based on financial and other advanced technologies [2].

The development of the concept of integrated socio-economic development of the Republic of Uzbekistan until 2030 is one of the five priorities for the development of the Republic of Uzbekistan in 2017-2021 related to the Action Strategy, reforming all aspects of the Government's financial and economic relations, increasing the economic potential of sectors and regions, and addressing social issues based on the decisions made. The need to develop a concept is to address existing socio-economic problems, risks and threats that limit the sustainable development of the economy in the long run.

As well as setting goals and priorities for the transition from the current state of the economy and the social sphere to sustainable development and improving the living standards of the population [3]. Implement institutional reforms that provide a favorable environment for the country's economy to enter a sustainable trajectory of development.

An important condition for achieving the creation of an effective system of economic relations based on agricultural market mechanisms is to ensure food security of the country, liberalize the allocation of resources and pricing in agriculture, the introduction of effective land use mechanisms. Insurance and insurance system creates the need to make extensive use of its capabilities.

The insurance provides effective management of risks associated with the use of new technologies in the industry, risks in the use of credit resources, risks arising during the sale of agricultural products through the exchange system (spot, forward, futures). Development of quality insurance services and government programs in this area are agricultural products to ensure the financial stability of producers, the state budget expenditures to support the agricultural sector shortens.

Theoretical and methodological issues of risk insurance on the basis of state support in the context of institutional changes in agriculture in Uzbekistan and the fact that its practical aspects have not been sufficiently studied as a specific, independent object of research determines the relevance and scientific-practical significance of the topic of this scientific article.

ANALYSIS OF THE RELEVANT LITERATURE

R.X. Adukov noted that from the point of view of managing the process of agrarian reform, no classical interpretation of the concept of "institution" is complete, and in this regard, the concept of "institution" is interdependent and complementary - "institutional factors" (property, state, firm, market institutions, etc.), "institutional mechanisms" (regulations, programs, plans, guidelines, contracts, etc.) and "institutional conditions" "(Traditions and customs, values, positive examples)" [7].

In the analysis of the institutional agrarian component, some statistical researchers, including P.I. Dugin, V.N. Galin "emphasizes the need to distinguish three categories of farms: large - agricultural organizations, medium farmer farms and small households and country houses" [14].

According to Gaiduk, "institutions in the field of agriculture - in different legal forms in the form of different property (private, public, state, local, etc.) (Production cooperatives, unitary enterprises, joint stock companies, etc.) Business entities with or without the establishment of a legal entity (personal subsidiary farms, farms, sole proprietors, etc.), which are simple and complex, ie a number of simple organizations (association, holding, cluster, etc.)" [12].

1. Institutional form. It is the organizational and legal basis of a legal entity or a form of farm (peasant) and personal subsidiary plot;
2. Institutional norm, a set of procedures of economic entities operating in an integrated relationship in the institutional environment" [13].

The study of risk management in the CIS countries became extremely active at the end of the last century. In particular, IT Balabanov in his research on the content and organization of risk management, methods, directions and strategies for risk reduction, their insurance [8], K.V Baldin risks Methodological, organizational and technological bases of management decisions in the conditions of [9], S.M. Vasin and V. S. Shutov, risks in business activity and their classification, methods of risk identification and analysis.

Researchers of our country M. Sharifkhodjaev and Y. Abdullaev studied risk management, types of risk and risk management and their management [20], Sh. Zaynutdinov, A. Shermammedov in the management process.

Incoming risks and their analysis, types of risks and forms of management [16], A. Abdullaev, H. Aybeshov, K. Rustamov, U. Mustafaev. Scientific and theoretical bases of farms [5], A. Abduganiev conducted research on agriculture and its role in the economy, its importance, increasing its efficiency [6]. These authors study the issues of various forms of management in agricultural production, including the effective operation of farms and the objective need for state participation in this process.

However, they do not address the issue of widespread use of modern forms and effective means of agro-insurance. It is these topical aspects that have been the subject of our study.

RESEARCH METHODOLOGY

The article presents a systematic approach to the study of "institutional changes in agriculture" and "methodology of risk insurance in agriculture on the basis of state support", on the basis of state support in agriculture from the method of comparative analysis and logical approach to the coverage of the basic principles, forms and organizational models of risk insurance and the laws of development and methods such as qualitative analysis.

ANALYSIS AND RESULTS

In the context of institutional changes in agriculture, the need to improve the risk management insurance practice is as follows reflects:

- The fact that agricultural production as a specific type of economic activity is associated with high levels of risk;
- In most cases, agricultural enterprises are not able to independently compensate for natural disasters or production losses;
- Guarantee of insurance coverage to cover losses associated with adverse events and to ensure sustainable development of the agricultural sector.

In practice, various strategies have been developed to manage risks in agriculture, but agro-insurance is an effective means of protection against various risks and unforeseen losses in agriculture remains.

Agro insurance is not only a tried and tested mechanism for managing all types of agricultural risks, but also the most optimal way to combine the interests of all participants in the insurance market.

The development of modern models of insurance in the agricultural sector requires an innovative approach to it. Recently, special attention has been paid to the use of land by farms: "Land plots of farms and other agricultural enterprises in optimization, their activities for the last three years are fully analyzed. If the size of the land plots of agricultural enterprises is less than the above amounts, they are optimized.

Preference will be given to diversified farms, cotton and textile clusters, exporting and processing enterprises with direct investment, good financial condition and agricultural machinery "[4]. The expansion of economic reforms in agriculture, the creation of favorable conditions for the effective operation of farms and dehkans can be assessed as a positive development. Long-term lease of land to agricultural producers on a tender basis and taking into account various factors, in particular, the availability of relevant information and machinery by farmers, the efficient use of land will ultimately serve to increase productivity.

At the same time, it should be borne in mind that the successful operation of farms and dehkans is not determined only by the above factors. The steady development of the agricultural sector and practical experience also shows that this cannot be achieved by adequate adherence to agronomic rules. The fact is that favorable weather conditions, moderate rainfall and similar natural conditions have a significant impact on the growth of production in the industry, and, consequently, on the increase in productivity.

It should be noted that insurance plays an important role in covering the losses of agricultural producers, primarily farmers and dehkans, as a result of natural disasters and other unforeseen natural disasters. After all, insurance is a reliable tool to protect the property interests of all businesses and the population. Despite the current high level of development of science and technology, many countries around the world are serious about agricultural crops in the agricultural sector.

They often face problems associated with the escalation of destructive natural-climatic and economic risks, and such problems are becoming increasingly global in nature. At the same time, an analysis of international practice on these issues shows that insurance is the most effective way to manage risks in ensuring the continuity and financial stability of agricultural production.

The high level of dependence on natural climatic conditions necessitates the extensive use of insurance and insurance system opportunities in risk management in agricultural production. Insurance risks associated with the use of new technologies in the network, risks in the use of credit resources, risks arising during the sale of agricultural products through the exchange system (spot, forward, futures) provides effective management. Development of quality insurance services and government programs in this area will ensure the financial stability of agricultural producers, and reduce state budget expenditures to support the sector.

The market of agricultural insurance services has been operating in the country for more than twenty years in order to organize insurance coverage of losses of agricultural enterprises, including farms and dehkans due to natural disasters and other risks, and to fully meet the needs of agricultural producers in insurance services. However, despite the positive work being done to insure the property interests of farmers and dehkans, there is no denying that there are still problems to be solved. In particular, market

mechanisms for the agricultural insurance system the degree to which they are fully covered by insurance coverage is satisfactory. In the absence of the case, the rate of loss on crop insurance is high.

The preservation of agricultural crops depends on the producer; the principle of tradition prevails in property and livestock insurance; risks associated with the entrepreneurial activities of farms insurance, non-traditional insurance in the protection of their property interests that the provision of services is not at the level of demand, and so on.

In this area the following urgent measures are necessary to solve the problems positively: insurance covering various risks in the activities of farms; expansion and improvement of services; agriculture to the agro-insurance market of insurance companies of various forms of ownership in insurance to attract, to create a healthy competitive environment among them; private property in agricultural production by insurance companies in the form of the offer of insurance services on risk insurance by the state to encourage; production of diversified farms; development of new risk insurance mechanisms; limited to agricultural insurance in risk management in agriculture without, risk management at all levels of network management; improving the mechanism; insurance events in the field of agriculture.

Center for Plant Protection in the examination and detection of damage ensuring participation, the possibility of an objective assessment of agricultural risks. Improving the system of indicators and the agricultural sector use in their management through the development of basic industries; public-private partnership in the field of agricultural insurance; further expansion of relations, based on public-private partnership; effective models of agricultural risk insurance; development; considering the insurance claim in the event of an insured event; simplification and transparency of exit practices; insured event in case of non-occurrence, a part of insurance premiums is paid to the insured; introduction of return practices, etc.

CONCLUSIONS AND SUGGESTIONS

Risks in the sustainable development of the agricultural sector management is an important task. The state in the context of institutional changes in agriculture a new approach to risk insurance methodology based on support allows you to:

"Institutional changes in agriculture" on the basis of a systematic approach and "risk insurance in agriculture with state support methodology" is given a new interpretation and improved terminological apparatus is developed;

- Institutional changes in agriculture of the Republic of Uzbekistan new to the methodology of risk insurance on the basis of state support. The factors that determine the need for an approach are analyzed scientifically and the effective management measures are substantiated;

- Basic risk insurance in agriculture on the basis of state support principles, forms and features of organizational models as well as effective from opportunities determined by development laws risk insurance in agriculture in order to determine its use evaluate the process taking into account its factorial and outcome aspects methodology is developed;

- Fundamentals of agricultural institutions, institutional the financial basis of the agreements and the effectiveness of the institutional environment are complex systematic assessment of factors and in some cases with taking into account coefficients methodology for insuring risks in agriculture through research recommendations are given;

- state support in the context of institutional changes in agriculture priorities for the effective organization of risk insurance on the basis of development prospects and its economic growth methodology for impact assessment will be developed;

- A new conceptual study of the interrelationship of various factors agricultural insurance in the Republic of Uzbekistan on the basis of the scheme development strategies will be developed and agro-insurance will be improved.

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