"DIRECTIONS OF REDUCTION OF STATE PARTICIPATION THROUGH DEVELOPMENT OF THE COMPETITIVE ENVIRONMENT IN THE ECONOMY OF UZBEKISTAN"

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Abstract.
The experience of developed countries shows that competition arises on the basis of economic development. Therefore, the formation of a competitive environment is a vital necessity for every country that has transitioned to market relations, because it is impossible to form market relations without allowing healthy competition and developing competitive relations in the economy. I.A. Karimov stated that "Liberalization of the economy is inextricably linked with the formation of a real competitive environment. Without competition, a market economy cannot be established. Competition is the main condition of the market, it can be said that it is its law." The law of competition is such an economic law of the market system that according to this, the mutual struggle of economic subjects towards their goals is inevitable, this struggle is carried out in market-specific ways and causes subjects to be selected from an economic point of view . Therefore, the competitive environment is the driving force of the market economy, it allows the economical use of economic resources, the production of goods and services that are numerous, high-quality and cheap. it encourages market participants to innovate, and it ensures sustainable economic growth.
Keywords: circulation, commodity, financial market, profitable price, favorable condition, demand (consumption);

Competition is a struggle between independent producers (enterprises) to produce goods under favorable conditions and sell them at a profitable price, to strengthen their position in the economy as a whole. [1] It represents complex relations between all market subjects.

Competing for manufacturers to take their place in the market, goods sell according to share increase and constant It is an economic mechanism that represents being in motion . The Law of the Republic of Uzbekistan "On Competition" defines that "Competition is the competition of economic entities (competitors), in which their independent actions exclude or limit the possibility of each of them to unilaterally influence the general conditions of commodity circulation in the commodity or financial market." [2]

Competition is a multifaceted economic phenomenon that represents complex relations between all market entities. Competition is a conflict of economic interests of market entities, which means a struggle between them for higher profits and greater productivity. Competition is a necessary phenomenon when supply exceeds demand, and this is usually

[1] Uzbekistan national encyclopedia . Own . M. _ En . T. 2006.8 j . 265 b .

[2] Uzbekistan Republic of "Competition about". the law People the word 2012 year 7 january Number 5 .

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between goods, not between firms.

The function of competition arises from the fact that the same demand can be satisfied in different ways, and they are:

1) *regulatory task;*
2) *task of deploying resources;*
3) *innovative task;*
4) *matching task;*
5) *distribution function;*
6) *control task.*

The regulatory task of competition is to influence supply in order to coordinate production with demand (consumption); the task of placing resources is to rationally place the factors of production in enterprises, territories and regions where they will be most effective; and the task of innovation is the introduction of various types of innovations based on the achievements of scientific and technical development and requiring the development of market economy subjects ; the task of adaptation is aimed at the rational adaptation of enterprises (firms) to internal and external environmental conditions; the task of distribution directly and indirectly affects the distribution of the gross volume of goods produced among consumers; finally, the task of controlling competition is aimed at preventing some participants in the market from establishing monopolistic dominance over other participants.

Competition forms

of free competition, there are a large number of enterprises in the network producing the same product, which can freely enter and leave the network. Also, there will be no legal, technological, financial and other serious economic obstacles for them to sell their products on the market.

In a pure monopoly, since the industry consists of one firm, it is the only producer of the available product (service) and monopolization is formed.

Monopolistic competition includes elements of both monopoly and competition. In this case, dozens of producers of the same type of product in the network compete with each other to achieve a favorable price and production volume.

Oligopoly is the presence and dominance of a small number of firms in a network. This is the most important sign of oligopoly. An industry in which a relatively small number of producers dominate the market for goods and services is an oligopolistic industry.

At this point, it is appropriate to dwell on the theory of monopoly and monopolistic activity.

Monopoly - exclusive rule in one area of the economy; form of market organization. In such markets, the only seller operates with his goods, there is no substitute for such goods in other sectors [3]. Monopoly - a monopoly is a group of large enterprises that dominate industries, markets, and the overall macro-economy in order to set high prices and obtain high

[3] Uzbekistan national encyclopedia. Oz.M.En.T.2006.7 j. 77 b.

profits. Monopolistic competition is a process in which, under conditions of imperfect competition, market entities consisting of a minority are limited in a limited way and in various ways.

The main characteristics of a pure monopoly are manifested by:

1. The presence of a single seller in the network.
2. Non-availability of close substitute products and services.

The main reason for the emergence of a pure monopoly is the absence of good and close substitutes for its product. As a result, there is no choice for the buyer, and if he does not buy this product from the monopolist, he will have to give it up altogether.

If the manufacturer in the conditions of pure competition at the existing prices

forced to "acclimatize", in a pure monopoly the producer has complete control over the price because he determines the entire supply volume.

The absence of competitors for a pure monopolist is explained by the imposition of certain economic, technical, legal and other types of barriers to entering the network. These barriers are manifested in the following forms:

1) the emergence of savings as a result of the increase in the scale of production.
2) natural monopolies in the form of public use and enterprise.
3) disclosure barriers in the form of patents and licenses.
4) establishment of ownership of important types of raw materials.
5) fierce competition.

An oligopolistic industry can produce a uniform or differentiated product. Most industrial products: steel, copper, aluminum, lead, iron, etc., are considered to be one type of product in the physical sense and are produced under oligopoly conditions. Industries that produce consumer goods: automobiles, detergents, cigarettes, household electrical appliances, and the like are classified as oligopolies.

In an oligopoly, competition between enterprises is mutual. In an oligopolistic industry, no firm can independently change its price policy. Each of the forms of competition that we have looked at does not occur in the national economy separately, that is, in a pure state. A detailed study of economic sectors shows that it is difficult to find two identical industries in the presence of an infinite number of different competitive situations.

Currently, with the development of various levels of monopolistic structures, the forms of competition between them are also appearing in different forms. In particular, the following types of competition can be distinguished according to the existence between structures with different levels of monopolization :

1) competition between non-monopolized enterprises;
2) competition between monopolies and producers who are not part of monopolistic associations;
3) competition between different monopolies;
4) competition within monopolistic associations.

Competition is divided into two types according to its scale - intra-industry and inter-industry competition.

Intra-industry competition takes place between enterprises of the same industry in order to have more favorable conditions for production and sales, and to obtain additional profits. Interindustry competition is a struggle between enterprises of different industries to obtain the highest rate of profit. Such competition causes the flow of capital from industries with a low rate of profit to industries with a higher rate of profit. New capitals tend to the more profitable sectors, which leads to the expansion of production, increase in supply. In this case, prices and, accordingly, profits begin to fall to the norm. The outflow of capital from less profitable industries leads to the opposite result: here the volume of production changes, the demand for goods exceeds their supply, as a result of which prices rise, and at the same time the rate of profit increases. As a result, inter-industry competition objectively creates some kind of dynamic equilibrium. This balance ensures the pursuit of equal return for equal capital regardless of where the capital is invested. Therefore, inter-sectoral competition "equalizes" the profit norms of the same sector to the average profit norm, regardless of which sector the capital is invested in.

Also, in the economic literature, fair and honest competition methods are distinguished. Unfair competition is the use of uneconomic methods, illegal competition. Fair competition is based on rules recognized by the society, such as the use of economic methods in the struggle for competition, and the avoidance of situations that are contrary to the interests of the general society in achieving one's own goals and interests.

There are two types of competition: price competition and non-price competition.

The main method of struggle in price competition is the lowering of the price of the goods by the producers compared to the price of such products of other producers. Price is the most important tool of competition. Manufacturers can use price reduction method to beat their competitors. Therefore, the price adjustment method is widely used in competition.

Non-price competition is characterized by the fact that the main factor of competition is not the price of goods, but their quality, service, reputation of the manufacturing company. This applies in the current global economy and its theoretical and scientific foundations are expanding and manifesting in various forms.

The emergence of non-price competition methods is solved by marketing, which consists of a system of activities that adapts the process of production and sale to demand. In the conditions of the market economy, enterprises that have studied the demand well and are able to fully satisfy the needs of consumers always win in the competition .

Large producers reduce the supply of goods by reducing the use of their production capacity to change the market situation. Therefore, the price remains stable even in periods of economic instability.

The main tool of competition is demand formation and sales promotion. The buyer needs to give preference to any product, so he should be practically sure of his choice. Necessary information is obtained from the manufacturer through advertising.

The buyer is interested in the usefulness of this item, that is, the consumer value. In order for the buyer to be sure of the consumer value, it is necessary to try the goods, often for this purpose it is given to "try on".

Illegal method of competitors - appropriation of goods, production of similar products of much lower quality.

If you don't know how to influence your competitors' opportunity and market situation, you can't hope to succeed in the competition.

The role of anti-monopoly legislation in limiting monopoly power, including issues of state regulation of natural monopolies, is considered important, and special attention is paid to this issue in the anti-monopoly legislation of the Republic of Uzbekistan.

Competition did not play an important role in economic life when commodity economy was just developing. Because there were non-economic restrictions in that society, closed areas for competition. For competition to be valid, certain conditions must be met. Competition is possible only in the environment of market economy. Because only then it becomes a necessity. Competition is an objective necessity only for the market system. With the emergence of market economy, competition is formed at the same time.

Competition and its theory are being researched by many economists in the world, and its scientific theoretical foundations are being created and improved.

M. Porter, one of the founders of the theory of competition, is known as the popularizer of the concept of economic cluster, who showed that the competitiveness of the company is largely related to its economic environment. He argued that the economic environment, in turn, is determined by the basic conditions (common resources) and intra-cluster competition. M. Porter developed a recognized method of analyzing competitiveness, and also described the stages of growth of the competitiveness of the national economy (from the stage of "primary factors" such as cheap labor, to competition based on innovation and the last stage - competition based on wealth). According to M. Porter, the more developed the competition within the country and the higher the demands of buyers, the higher the probability of success of the companies of this country in the international market, and on the contrary, the weakening of competition in the national market, as a rule, leads to the loss of competitive advantages.

From a theoretical point of view, competition, which A.Smith described as the "invisible hand" of the market, was considered as a factor of equalizing profit norms for the purpose of coordinating private and social interests and optimal distribution of labor and capital in his "Research on the nature and causes of the wealth of nations". According to his tariff, the pursuit of profits and competition are considered activities that benefit society as a whole.

Pierre Buagelberg argued that the real value in the goods market and the economy will be balanced only in the case of "free competition". The main work of the scientist is related to this idea and shows that it is related to the spontaneous formation of free competition as an important condition for ensuring "moderation of market prices or optimal prices".

F. Kene put forward the concept of "Natural order" and approved the concept of capitalism emerging and strengthening in his time.

The above theoretical views have confirmed that market relations are a means of ensuring its development if they are based on free competition.

The classical way of the formation of the market economy is in the Western countries, where the competitive environment has occurred spontaneously over many years, without the participation of the state. In this way, free competition appeared. However, with the emergence of monopolization tendencies in the economy, free competition has been limited, so the state also participates in creating a healthy competitive environment. The reason is the competitive environment, according to the theory of A. Smith and other scientists, the market economy is formed and developed only when there is an environment of free competition in the country. We can see this in the antimonopoly policy of the state. This policy is not aimed at creating a new environment of free competition, but at preserving it, restoring it when the time comes, and settling the cultured methods of competition. State measures aimed at limiting private monopolies are the "Sherman Act" adopted in the USA in 1890, which is historically known as the "antitrust" law.

A monopoly situation can arise on the basis of capturing a significant part of production in the network, sharing markets and secret and open agreements on price levels, creating artificial shortages, and other conditions. Accordingly, in the developed countries of the United States and Europe, efforts aimed at introducing certain restrictions on the negative forces of monopoly began to intensify at the end of the 19th century.

As a relatively perfect antimonopoly legislation, it is possible to point out the legislation of the USA, which consists of 3 main laws:

1. Sherman Act (1890). This law prohibits secret monopolization of trade, acquisition of sole control in one or another industry, agreements on price.
2. Clayton Act (1914). This law prohibits certain restrictions on sales, price discrimination, certain types of mergers, and cross-functional directorships.
3. Robinson-Patman Act (1936). Trade restrictions,

"price scissors", prohibiting price discrimination.

In 1950, the Seller-Kefover Amendment to the Clayton Act was introduced: the concept of illegal association was clarified. For example, mergers through the purchase of assets were prohibited. While the Clayton Act limited horizontal mergers of large firms, the Seller-Kefover Amendment put an end to vertical mergers.

State agencies implementing antimonopoly legislation can be based on 2 approaches: - strictly following the requirements of the law, through the principle of "reasonable approach". For example, as required by the Sherman Act, the conduct of any two partners in a joint practice may be prosecuted.
Only unreasonable restrictions on trade can be prosecuted through the "reasonable approach".

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