



THE SCIENTIFIC-THEORETICAL AND METHODOLOGICAL FOUNDATIONS OF PRODUCTION COSTS IN THE CONTEXT OF THE DIGITAL ECONOMY

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Abstract:

This article analyzes the scientific-theoretical and methodological foundations of production costs in the digital economy and addresses issues related to cost reduction in farm enterprises.

Keywords: innovative agro-technologies, production, costs, quality, cost price, agriculture, enterprise, economic efficiency.

Introduction:

In the context of the digital economy, the continuous improvement of economic efficiency in existing agricultural enterprises has become an objective necessity. This is due to the rapid growth in population numbers in our country, which demands the efficient use of intensive methods of production. The ultimate result of intensive methods is the creation of competitive products. A competitive product is one that has high quality and low cost.

Main Body:

Several scientific studies have been conducted on improving product quality, and practical results are being achieved. However, reducing the cost price has become a central issue in today's economy. The reason for this is the significant imbalance between the state procurement prices of agricultural products and the rising costs of the resources used to produce these goods. Therefore, optimizing production costs in agriculture, and ensuring the production of the highest quantity and quality of products at the lowest costs, is a key issue for achieving economic efficiency.

During the reform process, various measures have been undertaken by the government in this regard. For example, the President of Uzbekistan, Sh.M. Mirziyoyev, issued a decree in 2020 regarding the strategy for the development of Uzbekistan's agriculture for 2020-2030, which included measures to diversify production, create a favorable agro-business environment, and apply advanced technologies.

On January 28, 2022, the President of Uzbekistan signed the decree "On the Strategy for the Development of New Uzbekistan for 2022-2026," and several related initiatives aimed at improving agricultural productivity and labor efficiency have been introduced. These include measures to introduce market principles in the cotton and wheat industries and optimize the use of agricultural resources.

Based on these initiatives, the subject of this research is highly relevant. The government's measures aim to ensure the sustainability of existing farms by reducing production costs and increasing product quality. Reducing the cost price of agricultural products has been an issue studied by both scholars and practitioners as a critical economic challenge.

Research Methods:

In the composition of production costs, material expenses constitute a significant portion of the overall costs, and effectively managing material costs in farms is crucial for ensuring optimal productivity. The use of material resources in cotton and wheat production under state orders plays a pivotal role in achieving economic efficiency in farm enterprises. The study will focus on practical examples, offering scientifically grounded recommendations aimed at reducing costs and increasing productivity.

Scientific Results:

The findings from this research will lead to the development of scientific and practical recommendations for optimizing costs in agricultural enterprises. The theoretical approaches to assessing factors influencing production costs and economic efficiency will contribute to the development of regional and district programs aimed at enhancing agricultural productivity.

Efficient use of material, labor, and financial resources directly influences the reduction of production waste, increases profitability, and improves overall production organization. However, the mere availability of qualified labor, modern technology, and high-quality raw materials does not automatically lead to the production of usable, profitable goods. Proper organization of production processes, including optimizing labor and ensuring safe working conditions, is essential for achieving high production standards.

The organization of labor within production processes incorporates achievements from various scientific fields such as technology, sociology, and pedagogy. Resources, when used strategically, can be directed towards sectors that yield maximum economic benefit, contributing to the sustainable growth of the nation's economy.

Conclusions: The resource allocation process within production is subject to different time frames, which can be classified into short and long-term periods. Short-term adjustments involve changing the intensity of using fixed production capacities, while long-term strategies focus on more comprehensive structural changes. Production processes have historically been a defining feature of human progress, evolving from primitive tools to modern machinery and complex technologies.

Today, the country's economy produces a wide range of essential goods and services across multiple industries, including agriculture, industry, transport, construction, and communication. The strategic development of sectors that cater to both internal and external demands, while considering limited resources, is crucial for strengthening national defense and fostering international cooperation.

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