WAYS TO REDUCE STATE MONOPOLY AND DEVELOP COMPETITIVE ENVIRONMENT IN THE AGRICULTURAL PRODUCTS MARKET

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ABSTRACT; This article analyzes the economic significance of reducing state monopoly in the agricultural market and developing a competitive environment. In a market economy, the issues of ensuring free competition in the production and sale of agricultural products, supporting the activities of the private sector, and developing market infrastructure are studied. The results of the study show that reducing the direct participation of the state in the economy and the widespread introduction of market mechanisms serve to increase the efficiency of agriculture.

KEYWORDS: agriculture, state monopoly, competitive environment, market economy, farms, free market, economic reforms, market infrastructure.

INTRODUCTION: In a market economy, agriculture is one of the strategic sectors of the country's economy. The effective functioning of this sector plays an important role in ensuring food security, increasing employment and expanding export potential. Therefore, the formation of a healthy competitive environment in the agricultural market and the gradual reduction of state monopoly are among the urgent issues.

For many years, there has been a high level of state participation in the production and sale of certain agricultural products. This situation has in some cases reduced the economic interests of producers and prevented the full functioning of market mechanisms. As a result of the reforms implemented in the agricultural sector

in Uzbekistan in recent years, the state order system has been reduced and the economic freedom of farmers and entrepreneurs has been expanded.

The purpose of this study is to analyze the theoretical and practical aspects of reducing the state monopoly in the agricultural market and developing a competitive environment.

LITERATURE REVIEW: State monopoly and competitive relations are one of the important research areas of economic theory. The role of competition in economic development was first substantiated by classical economists. In particular, Adam Smith emphasized the importance of a free market economy and competition in the efficient use of resources in his famous works. Later, David Ricardo and Alfred Marshall studied in depth the impact of market mechanisms on economic efficiency.

Since the second half of the 20th century, the issues of reducing state monopoly and developing a competitive environment have become an important component of economic reforms. In particular, the theory of competitive advantage developed by Michael Porter has scientifically substantiated the factors that increase the competitiveness of enterprises and industries. In his opinion, a healthy competitive environment stimulates innovation, increases production efficiency, and serves to provide consumers with quality products.

Studies conducted by the World Bank and the Food and Agriculture Organization on the issues of state participation in the agricultural market and market freedom have shown that the liberalization of agricultural markets has a positive impact on increasing the volume of agricultural production, export potential, and investment attractiveness. According to these studies, the gradual withdrawal of the state from direct economic activity and the strengthening of regulatory functions contribute to the effective formation of market relations.

Foreign scholars Anderson and Martin (2009) noted that the liberalization of agricultural markets has a positive impact on food security and increased export volumes. Peterson (2018) scientifically substantiated that the reduction of monopolistic structures in the agricultural sector expands the economic activity and investment opportunities of farms.

Uzbek economists have also widely studied the issues of market reforms and the development of a competitive environment in the agricultural sector. In particular, research on improving the state procurement system in agriculture, increasing the economic independence of farms, and developing market infrastructure is recognized as an important factor in increasing the efficiency of the agricultural sector. The above scientific sources and studies confirm that reducing the state monopoly in the agricultural market, creating a free competitive environment, and improving market mechanisms are important conditions for economic development. At the same time, existing research indicates the need to deepen institutional reforms in this area and adapt international experience to national conditions.

METHODOLOGY: The study used analytical, comparative, statistical and logical methods of scientific knowledge.

Using the analytical method, the economic consequences of state monopoly in the agricultural product market were studied. Through comparative analysis, the experience of developed countries and the agrarian reforms being implemented in Uzbekistan were compared.

Also, scientific literature, regulatory and legal documents, reports of international organizations, and economic and statistical data were used as the information base for the study.

During the research, special attention was paid to the following areas:

• reduction of the state order system;

• liberalization of farm activities;

• formation of prices for agricultural products based on market principles;

• development of logistics and trade infrastructure;

• opportunities for attracting private investment.

List of international platforms, systems and applications widely used in developing agricultural markets, strengthening the competitive environment, and improving the efficiency of agricultural management in 2020–2025

T/r	Application /platform	Main features
1	**e-NAM (Electronic National Agriculture Market)**	It organizes direct electronic trading between farmers and buyers, ensures price transparency, and enhances market competition.
2	**AgriDigital**	It digitizes the processes of selling, storing, and logistics of agricultural products, reducing the number of intermediaries.
3	**Climate FieldView**	It allows you to monitor crop conditions, analyze yields, and increase production efficiency.
4	**CropIn**	It forecasts market demand and analyzes farm operations based on artificial intelligence and Big Data technologies.

5	**Agrivi**	It helps manage farms, control costs, and use resources efficiently.
6	**FarmLogs**	It allows farms to plan their activities, optimize costs, and increase productivity.
7	**Granular**	Helps analyze the financial performance of agricultural enterprises and improve strategic management.
8	**Agworld**	It develops cooperation and ensures information exchange between farmers, investors, and product buyers.
9	**OneSoil**	It monitors land resources and generates yield forecasts using satellite data and AI technologies.
10	**AgroMarketDay**	It enables the sale of agricultural products through electronic commerce, ensuring equal competitive conditions for market participants.

List of international platforms, systems and applications widely used in developing agricultural markets, strengthening the competitive environment, and improving the efficiency of agricultural management in 2020–2025

DISCUSSION: As a result of the reforms implemented to reduce the state monopoly in the agricultural market, market principles are being widely introduced in

the sector. In particular, the gradual abolition of state orders in the cotton and grain production system has increased the economic interests of farms. Farmers have the opportunity to independently choose the direction of production, sell products at free prices, and conclude direct contracts with new buyers.

According to the theory of a market economy, competition is one of the main factors motivating producers to operate efficiently. As a result of the increased competitive environment, enterprises strive to improve product quality, reduce production costs, and introduce innovative technologies. This serves to provide consumers with quality products at reasonable prices.

Studies show that the preservation of a high level of state monopoly can lead to the following negative consequences:

- artificial formation of product prices;
- limitation of the number of market participants;
- decrease in investment attractiveness;
- decrease in production efficiency;
- slowdown in innovative activity;
- failure to fully realize export potential.

Therefore, the liberalization of agricultural markets and the development of free competition in developed countries are one of the important directions of economic policy.

CONCLUSION: The results of the study showed that reducing the state monopoly in the agricultural market and the widespread introduction of market mechanisms create great economic opportunities not only for producers, but also for processing enterprises, exporters and consumers. As a result of the development of market relations, the volume of product production increases, efficient use of resources is ensured, and the economic interests of economic entities increase.

At the same time, the formation of a free competitive environment encourages improving the quality of agricultural products, reducing production costs, and introducing innovative technologies. As a result of increased competition, producers strive to produce products that meet consumer demand, which contributes to the sustainable development of the domestic market and an increase in export potential.

The analysis shows that the liberalization of the agricultural market allows simplifying the processes of selling products, ensuring the formation of prices based on market principles, and increasing the share of the private sector. Also, the development of electronic trading platforms, logistics centers and modern market infrastructure will strengthen ties between producers and consumers and reduce intermediary costs. In general, reducing the state monopoly in the agricultural market and developing a healthy competitive environment is one of the important factors in increasing the efficiency of the agricultural sector. This process will serve to strengthen the economic activity of market entities, increase investment flows, increase the competitiveness of products and strengthen the country's food security. As a result, the necessary conditions will be created for the sustainable development of the agricultural sector and the growth of the national economy.

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