

Equally beneficial economic cooperation between the United States of America and Uzbekistan

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Annotation. *This article provides a historical overview of the economic relations established between the Republic of Uzbekistan and the United States during the years of independence. The main focus of the article is on major projects implemented with the participation of the two countries, and their significance.*

Key words: *Economic ties, cooperation, joint venture, large-scale projects, implementation, cooperation agreement, "diversified" economy, technical resources, investment climate.*

1. INTRODUCTION

In the first years of Uzbekistan's independence the country's economic situation was very difficult, mainly cotton-growing industries are partially developed and most of the products needed for the daily needs of the population are imported from other parts of the former Soviet Union. Urgent economic measures were needed to rectify the situation. The need to establish economic ties with foreign countries as soon as possible was necessitated by the existing conditions. Our country's first economic ties with the United States were also related to food security. The first American-Uzbek joint venture, Uzbekchicken, was founded on September 15, 1991, and this joint venture was co-founded by America the New York-based firm Agritech International. The company was established to produce turkey and other poultry products[2]. Later, cooperation in this area did not develop, and the main reason for this was the low purchasing power of the population and the high cost of the planned projects.

The economic relations between the two countries do not have a clear advantage in any area, that is, large-scale projects have been implemented in many areas within the framework of economic relations. Economic relations between Uzbekistan and the United States can be divided into two periods, and the chronological boundaries of these periods cover the period from 1992 to 2004 and from 2006 to the present.

2. MAIN PART

Within the framework of economic relations between Uzbekistan and the United States in 1992-2004, a number of large-scale projects were implemented and manufacturing enterprises were established. In particular, on January 15, 1992, the first President of Uzbekistan Islam Karimov met representatives of the Newmont Mining Corporation of the United States, headed by Gordon Parker, President of the Newmont Mining Corporation. During the meeting, the sides discussed issues of cooperation in the mining industry, in particular in gold mining. The positive results of these meetings led to the signing of a document on the establishment of the Uzbek-American joint venture "Zarafshan-Newmont" on 20 February this year in Tashkent. The Zarafshan-Newmont joint venture, with a charter capital of \$ 85 million, had an equal share of the two countries, with 50% owned by the State Committee for Geology and Mineral Resources and the Navoi Mining and Metallurgical Combine, and the remaining 50% by Newmont. The main activity of the company was to extract gold by processing waste from the Muruntau deposit in Central Kyzylkum. The enterprise was launched in 1995 at a cost of \$ 225 million. In the first phase of its operation, it was able to extract 12 tons of pure gold in exchange for processing 13.8 million tons of ore per year[1].

While Uzbekistan has been cooperating with the United States in the economic sphere, there have also been opportunities for cooperation in the provision of mobile services. Because in the first half of the 1990s, the United States became the world's leading provider of mobile services. In Uzbekistan, this service has emerged as a completely new field. The presentation of the Uzbek-American mobile communication company Uzdunrobita on August 20, 1992 was a big practical step in this direction. The significance of this presentation is that the service provided by the joint venture "Uzdunrobita" was one of the leaders not only in our country, but also in the CIS.

When thinking about the development of economic relations between Uzbekistan and the United States, it is necessary to pay special attention to the projects implemented with major US financial institutions, the relationship with them. On September 28, 1993, the first President of Uzbekistan Islam Karimov, who was on an official visit to the United States, visited the head office of JP Morgan Bank, one of the world's largest banks, and held talks with the bank's managers. As a result of these negotiations, a cooperation agreement was signed with the National Bank for Foreign Economic Affairs of Uzbekistan and J.P. Morgan Bank. On the same day, the President of Uzbekistan signed a cooperation agreement between the National Bank and Chemical Bank, which visited the head office of another major bank Chemical Bank. These meetings and the agreements reached were a positive development for the banking and financial system, which is still in its infancy in our country. Because the banks of our country, which have low credit ratings and financial strength in international markets, have benefited in every way from cooperating with well-known banks. In particular, the participation of our banks in the implementation of major projects has increased, and their ability to lend and receive has

improved and their ratings have improved.

In the early years of independence, the United States had a common program of economic cooperation with Central Asian countries, which included large-scale conferences, meetings and seminars for the countries of the region. One such international conference was held on May 5, 1994 in Washington, DC, with the participation of the Uzbek delegation. More than 300 American companies participated in the US-Central Asia: Partnership for Development international conference organized by the US Department of Commerce. Within the framework of the conference, the Uzbek delegation also held a number of important meetings, in particular, the meeting with the US Secretary of Commerce D. Brown. During the meeting, Mr. Brown noted that the US economic relations with Uzbekistan are developing rapidly in the Central Asian republics [3].

The participation of the Uzbek delegation in the international conference "US-Central Asian Republics: Partnership for Development" has become of great practical importance. After the conference, delegations of several American companies visited our country. In particular, on September 10, 1994, a delegation of the insurance company led by the Chairman of the Board of Directors of the American company AIG Maurice Greenberg paid an official visit to Tashkent. The delegation was received by President of the Republic of Uzbekistan Islam Karimov. On the same day, Deputy Prime Minister of Uzbekistan B. Hamidov and Maurice Greenberg signed an agreement on cooperation between the Government of Uzbekistan and AIG and the opening of an official representative office of the company in Tashkent. In addition, on November 1, 1994, a delegation led by the Chairman of the Board of Donavan Enterprise V.B. Donavan visited our country. The American delegation expressed interest in the processing of Uzbek cotton. During the visit, Donavan Enterprise presented its technologies for processing Uzbek cotton from its many years of experience [5. 99].

Initiatives to develop economic relations and trade between Uzbekistan and the United States have been strongly supported by officials of both countries. In particular, the US Department of Commerce has repeatedly organized official delegations to Uzbekistan, which included directors and chairmen of large firms and companies. At the same time, the initiatives of US Senator S. Brownback and Adviser to the Ministry of Commerce Jan Kolinski in developing economic relations with Uzbekistan should be noted. In the first decade of our independence, economic relations between the United States and Uzbekistan developed rapidly, but the implementation of major projects took some time. When we analyze the economic relations between the two countries, we can see that U.S. companies do not pay special attention to any area. That is, they have expressed a desire to cooperate with our country in any field, and this is a positive thing. This, in the language of economists, creates a "diversified" economy.

When studying the economic relations between the United States and Uzbekistan, we can see that mutually beneficial projects have been implemented in the field of agriculture. Major practical work in this area began on June 10, 1998 with the visit of Uzbek farmers to the United States. On the same day, the famous American company KELI Glottal INC, together with the Polytechnic University of California, the Republican Business Incubator and the State Property Committee of the Republic of Uzbekistan, developed a program for young Uzbek farmers to study in the United States. Under this program, 14 young Uzbek farmers have been trained in the United States for 11 months on modern farms in Indiana, Wisconsin, Massachusetts, Maine and Connecticut. During the course, young Uzbek farmers learned how to organize and apply the latest technologies in agricultural production. The Young Farmers Rapid Training Program planned to send more than 100 Uzbek farmers to the United States each year.

Mutually beneficial economic relations between the two countries have been developing rapidly in the field of agriculture. One of the most important agreements reached in this regard was the US-Uzbek Joint Venture Support Program of December 3, 1998, according to the decision of the Cabinet of Ministers of the Republic of Uzbekistan, equipment, material and technical resources, components provided by the American corporation "Keys" as a contribution to the statutory fund of the joint ventures "UzCasemash", "UzCasetractor", "UzCaseservice" and "UzCaseagroleasing" are exempt from all taxes for five years was made. It should be noted that the Uzbek-American joint venture UzCasemash was established on February 11, 1997 [4].

Cooperation between the Government of Uzbekistan and the American company Case New Holland has played an important role in strengthening the technical base of agriculture in our country. In particular, by the end of 2004, the number of Cases in the fleet of agricultural machinery exceeded 5,000. At the same time, 22 new machines were exported. The localization of the components of these machines was 35%. In 2012, as a result of cooperation between UzCasemash, UzCasetractor and other companies, the production of New Holland TL 100, NS135, Case IH 1200 agricultural machinery for farmers was launched in our country [5.127].

3. CONCLUSION

Mutually beneficial cooperation between our country and the United States has been developing rapidly in recent years. The policy of openness pursued by President Mirziyoyev is of great interest to American entrepreneurs and representatives of big business. In particular, Boeing, Cargile, Caterpillar, Kellogg and Neosho Ivey, IBM, Keys, Enron, Cummins, GM, Apple, Chevron, Exxon Mobil, General Electric, Honeywell UOP, Firms and companies such as United Investment Healthcare Group LLC, General Electric Gas Power Services, Silverleaf Capital are interested in investing directly in various sectors of the Uzbek economy and industry. In same time, our government has done a number of things to improve the investment climate in our country, which will serve to further develop existing economic ties with the

United States.

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