

ISSUES OF ENSURING ECONOMIC STABILITY IN THE TEXTILE INDUSTRIES

ABDULLAEVA SEVARAKHON KHASANOVNA,
Doctoral Student of Fergana Polytechnic Institute
e-mail: sevarikabdullayeva@mail.ru

ABSTRACT:

The article describes the issues of ensuring economic stability in industrial enterprises, especially in the textile industry, in particular, the content, essence and importance of the concept of "economic stability" and the factors influencing it.

KEYWORDS: stability, economic stability, stability of the system, economic factors, social factors, environmental mobility.

INTRODUCTION:

Today, the textile and sewing knitting industry (clothing industry) is one of the leading and dynamically developing sectors in Uzbekistan. Systematic work has been carried out in order to further deepening the structural reorganization aimed at creating new high-tech jobs through the implementation of strategically important technical and technological modernization projects of enterprises, to introduce an advanced "cluster model" which ensures high and stable growth rates in the textile and clothing industry of the Republic, to attract direct foreign investment and to achieve production and export of competitive products. Despite all of these achievements, comprehensive analysis of the development of the textile industry and the changing conjuncture of the world market in the conditions of fierce competition, state support for the industry, development and implementation of more stable and rapid development goals are required. This, in turn, argues that ensuring the economic stability of textile enterprises is one of the most pressing issues. Because, economically stable enterprises

will have the ability not only to continue their economic activity, but also to increase competitiveness on the basis of further expansion of production, maintaining its place in the changing conditions of the market conjuncture.

In our opinion, it is important to consider economic stability in terms of the influence of market factors in the conditions of Uzbekistan, namely, price formation in global raw materials markets, dependence on imports, the level of development of national production and consumption, money and financial markets and the effectiveness of their capacities.

ANALYSIS OF THE RELEVANT LITERATURE:

It is known that the economic stability of enterprises of the textile industry is of great social importance, since their activities provide employment, economic standard of living and social stability. At present, the global changes in the world economy, the interdependence of states in the world community, the subordination of socio-economic problems are making it necessary to reconsider the category of "economic system stability".

The concept of "economic stability" is defined differently by different economists. In particular, the concept of "economic stability" is interpreted on the basis of the systematization of scientific approaches, formed by scientists and practitioners and applied in industrial enterprises. In the scientific research work of A.Vald, P. Samuelson, L.Velras, A. A.Bogdanov, V.S. Rappoportova and other scientists modern approaches to the stability of the enterprise was formed. The concept "stability", for the first

time, was considered as an economic system by them. Particularly, the balance of the market and the factors affecting it, as well as the conditions for achieving equilibrium have been studied to formulate key results in the field of stability [1].

A.A. Bogdanov, L.I. Yevenko, T. Parson, V.S. Rapport and others have made a significant contribution to the formation of a modern approach to the term enterprise sustainability by forming the basis of the theory of the general organization [1]. According to the results of scientific research:

- The relationship between the efficiency of enterprises and sustainability is substantiated;
- The differences between the concepts of financial and economic stability have been clarified;
- The concepts of stability and development have been substantiated as the most basic and important descriptions of the economic system;
- The compatibility of social and economic systems cannot be assessed by technical systems.

Additionally, stability is systematized several times, taking into account the specific signs, indicators and types of stability of enterprises in scientific research carried out by economist scientists.

“System stability” was divided into the following types by R.A. Popov:

- Factor stability, which characterizes the situation, especially under the influence of external factors;
- Structural stability representing the state of internal elements [5].

In our opinion, in addition to the above-mentioned features, it is necessary to further expand the stability, taking into account the specific features of each industry, the factors that characterize the areas of activity. The changes that result from scientific and technical development and innovative development are the factors that characterize the specific

characteristics of the sectors and cause structural changes in the enterprises of the real sector. Accordingly, this factor can be determined by correctly assessing the directions of innovative development and its impact and consequences for the network under analysis.

Taking into account the above-described definitions, in our opinion, in the formulation of a definition that expresses the concept of “economic stability” of industrial enterprises, it is also necessary to take into account the following:

- Economic stability expresses the fact that the enterprise not only keeps the state of economic equilibrium, but also continues its development under the influence of external processes;
- Economic stability at the same time represents both a state of economic equilibrium and a stable development. Therefore, the economic stability of enterprises varies with the change in conditions and represents the ability to adapt to the change that has occurred;
- It is possible to determine the level of economic stability of an enterprise on the basis of the sum of the quantities of economic indicators that represent value and quality.

Therefore, it is necessary to understand under the concept of economic stability of textile industry enterprises the ability of enterprises to maintain a certain level of economic indicators, having the opportunity to adapt to the new influences of the internal and external factors affecting their economic activity in order to sustainable developing and profitable operating.

RESEARCH METHODOLOGY:

In the article, methods of scientific abstraction, logical thinking, comparative analysis, study in dynamics, data grouping, and comparison were used.

ANALYSIS AND RESULTS:

The issue of ensuring economic stability of economic entities in modern conditions remains more relevant. Because its stable economic activity creates conditions for covering initially spent costs and achieving acceptable profit, as well as maintaining its position among competitors. In our view, the factors influencing economic stability can be broadly divided into five groups (chart 1).

Illustration-1. Factors affecting economic stability

Economic factors	The presence of an increasing trend of the difference between the spiritual and physical depreciation of textile equipment
	Rapid change in consumer demand for textile products
	The decline in interest of financial institutions in the introduction of capital investments in production
	Increased competitiveness and export potential of textile products
Social factors	Creation of new jobs in the densely populated regions of the Republic's labor resources
	Improving the living standards of the population by increasing their purchasing power
Legal factors	Development of fundamental principles of legislation
	Implementation of normative documents on industrial development
Financial factors	Availability of financial institutions, the state of financial markets
	Increasing the level of capitalization of financial institutions
Organizational factors	Increase of knowledge and skills of specialists of textile enterprises
	The level of information provision of employees of textile enterprises

The followings can be attributed to the economic group factors:

- The presence of a tendency to increase the difference between the spiritual and physical depreciation of textile equipment. Nowadays, the level of moral obsolescence of equipment in textile enterprises is higher than that of physical

obsolescence. This is based on the fact that service life and cost of textile equipment are high. This in turn generates the need for the modernization of equipment in the enterprise.

- Expansion of the range of textile equipment in the market of means of production. The desire of enterprises to increase their export potential and the need to expand the range of products allows textile enterprises to choose equipment in the market of means of production.

- The decline in interest of financial institutions in the introduction of capital investments in production. The long service life of textile equipment as well as the high cost of equipment reduce the interest of financial institutions in the introduction of capital investments. Such a situation is affected by a high level of risk, as well as the exceeding period of repayment of capital investments.

- Increased competitiveness and export potential of textile products. In the conditions of free market relations, the economic and financial stability of the enterprise depends on its level of production of competitive products. Expanding the volume of competitive and export-oriented products will bring about the need for techniques and technology that will ensure the high consumer characteristics of the product. This, in turn, will bring about the need to introduce new equipment into the production processes and will enable investment processes [3].

Social group factors can include the followings:

- Creation of new jobs in the densely populated regions of the Republic's labor resources. The main goal of the socially oriented economy is to increase the well-being of the country on the basis of full and productive employment. To do this, the creation of new jobs on the basis of the construction of industrial enterprises based on modern techniques and technology will come out on the field as the main task. Employment will improve the ability to pay and increase living standards by increasing income of

population. The creation of new jobs, in particular the construction of textile enterprises in densely populated regions, is resolved on the basis of the use of cluster methods.

The following can be attributed to the factors of the legal group:

- Development of fundamental principles of legislation. Reliable legal provision of the activities of textile enterprises is the guarantee of successful development of textile production. Uncertainty in the relations of textile subjects and their lack of protection, on the contrary, increases the level of risk, hinders development. Improvement of the legislative base regulating the implementation of textile production in the Republic of Uzbekistan will be the basis for the development of this sphere. In particular, the following are the legal framework for this area:

1. Decree of the President of the Republic of Uzbekistan "On measures to further deepen the reform of the textile and sewing-knitting industry and expand its export potential" PD-4186 on February 12, 2019.

2. Decree of the President of the Republic of Uzbekistan "On measures for Organization of production of sewing and knitting products in the regions of the Republic and ensuring employment" PD-4341 on May 28, 2019.

3. Decree of the President of the Republic of Uzbekistan "On measures to promote the further development of light industry and the production of totally ready products" PD-4453 of September 16, 2019.

The financial group factors include:

- Availability of financial institutions, circumstance of financial markets. The creation of favorable conditions for the development of leasing relations in the country will increase competition in the financial services market. The implementation of leasing services leads to a reduction in the cost of financing. Foreign experience shows that leasing is an alternative type of lending by the bank in the medium-term financing market. But this does not mean that

the importance of banks in Uzbekistan is reduced. The banking system, which plays a leading role in financing the real sector of the economy, will be able to expand the volume of its investments and increase its efficiency.

As for the factors of the organizational group, the followings are included:

-Improving the knowledge and skills of specialists of the textile industry. The fact that textile production specialists have the skills to produce products that meet the requirements expressed by consumers in the world markets, the effective use of equipment, in-depth knowledge of production technologies are an important factor in the continuous formation and development of the production process.

- The level of information provided to the employees of textile enterprises.

The factors listed above are the main ones. Their commonality is that the validity of any economic process or phenomenon traditionally depends on economic-social, financial, organizational and legal conditions, but these conditions are manifested in different areas depending on its specific characteristics. Therefore, all the factors noted can be expressed not only in the activity of the textile industry, but also in the characteristics inherent in other areas of activity.

In our opinion, in addition to the above-mentioned factors, it is necessary to include the factor of the external environment. The results of the activity of the enterprise are determined mainly by its external environment. Therefore, it is necessary to know the environment and be able to respond to its changes as well as to examine the impact of the changing environment on the internal structures of the enterprise. The enterprise itself, as an open system, is fully dependent on the external environment in matters such as the supply of resources, energy, manpower and also the introduction of relations with consumers. Enterprises are forced to adapt to this

environment in order to survive, maintain their efficiency and competitiveness. One of the main features of the external environment is the interdependence, complexity, mobility and uncertainty of factors. The interdependence of environmental factors is understood as the degree of influence, that is, the change of one factor directly affects the change of other external environmental factors. Taking into account this, it is necessary to study the external factors not individually, but together with all other factors, taking into account the dynamics of their change, in a coherent way.

When called the complexity of the external environment, the number of factors that the production system must react to in order to maintain its operation, as well as the degree of change of each factor is understood. The mobility or dynamics of the environment is the speed at which changes occur in the external environment of the enterprise [4]. Uncertainty of the external environment is a function, which in turn depends on the amount of information belonging to a particular external factor of the enterprise, as well as on the accuracy and reliability of the available information. The more uncertain the external environment is, the more complex it will be to make a certain effective decision in the economic activity of the enterprise. In our opinion, it is worthwhile to divide the above-mentioned general factors into the following groups:

- Factors that directly affect;
- Factors that influence indirectly.

CONCLUSION:

Economic stability of textile industry enterprises means the ability of enterprises to maintain a certain level of economic performance even when internal and external factors affecting their economic activity as well as managing to change its activity to be able to adapt to the new effects of factors to achieve

sustainable development and profitable operation.

Economic stability is influenced by a number of factors. Taking into account certain signs of these factors, they are attached to economic, social, legal, financial, organizational group factors. In addition to the above-mentioned factors, it is necessary to add an external environmental factor. The results of the activity of the enterprise are determined mainly by its external environment. Therefore, it is necessary to know environment and be able to respond to its changes as well as to examine the impact of the changing environment on the internal structures of the enterprise.

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