

Membership in the World Trade Organization is a Promising Stability for New Uzbekistan

Nurboyev Jaloliddin Mamadievich

Economics, Denov Institute of Entrepreneurship and Pedagogy Independent Researcher

DSc, Email: j.nurboyev@dtpi.uz

Resume: This article examines the emergence, development, and role of the World Trade Organization in the globalizing world economy.

Key words: World Trade Organization, total exports, international trade, export volume, Export, Import, trade turnover, World Bank.



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Introduction:

Uzbekistan's aspiration to become a full member of the World Trade Organization is supported by a five-year project funded by the European Union. The project aims to support Uzbekistan's development plans for economic modernization and to help create a trade regime in Uzbekistan in line with these.

WTO membership opens up new prospects for Uzbekistan, and the country is working towards this goal. National officials, agricultural producers, and others should also study the implications of WTO membership for Uzbekistan, paying particular attention to possible reforms in the field of trade and domestic support policies.

Literature review:

Taking advantage of WTO membership also requires, where necessary, updating the regulatory framework and taking measures to increase the overall competitiveness of the agricultural sector.[1]

Eight of the 12 CIS countries are WTO members: Armenia, Georgia, Kazakhstan, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, and Ukraine. It is useful to learn from these countries how they have addressed agricultural issues during their accession process and how they have aligned their agricultural and trade policies with WTO requirements.[2]

The WTO agreements, which resulted from the trade negotiations held in Uruguay in 1986-1994, provide many opportunities for developing countries to achieve progress.[3] Further liberalization through the Doha Round negotiations aims to improve opportunities.

The benefits include export opportunities. These include:[4]

- fundamental reforms in agricultural trade;
- the gradual elimination of quotas on textile and clothing exports by developing countries;
- reduction in tariffs on industrial products;
- tariff rates make it difficult to increase tariffs by expanding the number of products "bound" within the WTO;
- elimination of bilateral agreements to limit the quantity of certain goods traded these are "gray area" measures (voluntary export restrictions) that are not really recognized under the GATT-WTO framework.

In addition, liberalization within the WTO framework increases global GDP and stimulates world demand for developing country exports.[5]

Discussion:

In particular, they complain that they still face high tariffs on selected products in important markets ("tariff peaks") that continue to hinder important exports. Examples include the highest price levels for textiles, clothing, and fish and fish products. In the Uruguay Round, industrial countries have reduced their tariffs slightly on products exported by developing countries (37%) compared to the average for all imports (40%). At the same time, the ability of developing countries to trade with each other is also hampered by the fact that the highest tariffs are sometimes imposed by developing countries themselves. But the increasing share of trade covered by "bindings" (mandatory ceilings that are difficult to remove) has added security to developing countries' exports.

A related issue is "tariff escalation", where an importing country protects its processing or manufacturing industry by imposing lower tariffs on imports of raw materials and components and higher tariffs on finished goods. Tariff increases have remained since the Uruguay Round, but they are less severe, as a number of developed countries are eliminating escalation on selected products. The Doha agenda should now focus on tariff ceilings and escalation, so that they can be significantly reduced.

The concern for developing countries is that these preferences will disappear, as special tariff preferences granted by developed countries to imports from certain developing countries will become less significant if the normal tariff rates are reduced, as the difference between the normal and preferential rates is reduced.

Conclusion:

The extent to which these preferences are significant is a matter of debate. Unlike normal WTO tariff obligations, they are not "hard-coded" under WTO agreements and can therefore be easily changed. They are often granted unilaterally, at the initiative of the importing country. This makes trade under preferential rates less predictable than under simple mandatory rates, which cannot be easily increased. Ultimately, countries benefit more than they would from normal tariff rates.

However, some countries and some companies have benefited from the preferences. The benefits vary from product to product and depend on whether producers are able to adapt to remain competitive after the preferences are removed.

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