



 Research Article

SPECIFIC ASPECTS OF THE SOURCES OF ECONOMIC AND FINANCIAL LAW OF UZBEKISTAN

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ABSTRACT

The article offers an in-depth analysis of the diverse sources that constitute the economic and financial legal framework of Uzbekistan. It highlights the evolution of these laws from the Soviet era to the present, emphasizing the transition from a centrally planned economy to a market-oriented system. Key sources discussed include the Constitution, legislative acts, presidential decrees, regulatory frameworks, and judicial decisions, each playing a vital role in shaping the legal landscape. The article also explores the influence of international treaties and customary law on Uzbekistan's economic and financial regulations. It underscores the challenges of harmonizing domestic laws with international standards and the importance of legal reforms to support economic growth and stability. The unique combination of these sources reflects Uzbekistan's efforts to create a comprehensive legal system that fosters economic development while ensuring social equity and legal certainty.

KEYWORDS

Economic law, financial law, Uzbekistan, legal framework, legislative acts, regulatory frameworks, international treaties, judicial decisions, legal reform, market economy.

INTRODUCTION

Uzbekistan, located in Central Asia, has experienced significant economic and legal transformations since gaining independence from the Soviet Union in 1991. The development of a robust legal framework governing economic and financial matters has been crucial for the country's economic stability and growth. Economic and financial law in Uzbekistan encompasses a wide array of regulations, including those related to business activities, banking, taxation, and investment. This article explores the specific aspects of the sources of economic and financial law in Uzbekistan, highlighting the legislative, regulatory, and customary foundations that shape the legal landscape.

Historical Context of Economic and Financial Law. During the Soviet era, Uzbekistan's economic and financial systems were centrally planned, with legal frameworks reflecting socialist principles. Economic activities were primarily controlled by the state, with limited scope for private enterprise and market dynamics. The dissolution of the Soviet Union marked the beginning of a transition to a market-oriented economy, necessitating the creation of new legal structures to support economic liberalization and growth.[1]

Following independence, Uzbekistan embarked on a comprehensive process of economic reform. The government introduced a series of legislative measures aimed at creating a market economy, encouraging foreign investment, and fostering private enterprise. These reforms included the establishment of property rights, the

development of a financial sector, and the liberalization of trade and investment policies. The evolution of economic and financial law during this period was guided by the need to balance rapid economic transformation with social stability and state control.[2]

The Constitution of Uzbekistan, adopted in 1992, serves as the supreme legal document of the country and lays the foundation for economic and financial law. It enshrines the principles of economic sovereignty, property rights, and the rule of law, providing a framework for the legal regulation of economic activities. Key constitutional provisions relevant to economic and financial law include the protection of private property, the promotion of free enterprise, and the prohibition of monopolistic practices. The basis of the economy of Uzbekistan, evolving to enhance the well-being of citizens, shall be a property in its various forms. The State shall create the conditions for the development of market relations and fair competition, and guarantee the freedom of economic activity, enterprise and labour, taking into account the priority of consumer rights.

Equality and legal protection of all forms of property shall be ensured in Uzbekistan.

Private property shall be inviolable. An owner may not be deprived of his or her property except in the cases and according to the procedure prescribed by law and on the basis of a court decision.[3]

The legislative framework for economic and financial law in Uzbekistan is primarily composed



of laws enacted by the Oliy Majlis (Supreme Assembly). These laws regulate various aspects of economic activity, including corporate governance, banking and finance, taxation, and trade. Significant legislative acts include:

- Civil Code of Uzbekistan (1997): This comprehensive code governs contractual relations, property rights, and commercial activities. It provides the legal basis for business operations and private enterprise in the country. Article 164. The concept of property rights. The right to property is the ownership, use and disposal of property owned by a person at his own will and for his own interests, as well as his right to property, consists of the right to demand the elimination of any violation by whoever. Property rights are indefinite.[4]

- Tax Code of Uzbekistan (2007, revised 2019): The Tax Code outlines the principles and procedures for taxation, including income tax, value-added tax, and customs duties. It aims to create a transparent and efficient tax system to support economic development. (Article 16. Taxes and fees. A tax is defined in this Code as a compulsory non-discriminatory payment paid to the State budget of the Republic of Uzbekistan or the state special fund (hereinafter referred to as the budget system). Fee means a mandatory payment to the budget system specified in this Code or other legal documents, the payment of this fee is the implementation of legally significant actions by the authorized body or its official against the person who pays it, including, it will be one of the conditions for granting him certain rights or permitting documents.)[5]

- Law on Investment Activity (1998): This law regulates foreign and domestic investment, providing guarantees and incentives to investors. It aims to create a favorable investment climate and promote economic growth through capital inflows.

- Law on Banks and Banking Activity (1996, revised 2015): This law governs the banking sector, establishing the legal framework for the operation of banks and other financial institutions. It aims to ensure the stability and integrity of the financial system.

Presidential Decrees and Resolutions. Presidential decrees and resolutions play a significant role in shaping economic and financial law in Uzbekistan. The President of Uzbekistan has the authority to issue decrees and resolutions that have the force of law, particularly in areas requiring urgent economic and financial reforms. These instruments often address specific economic challenges, implement policy changes, and provide guidance for the development of legislation.[6]

Examples include:

- Decree on the Strategy of Actions for the Further Development of Uzbekistan (2017): This decree outlines the strategic priorities for economic development, including reforms in the banking sector, improvement of the business environment, and promotion of foreign investment.

- Resolution on Measures for the Development of Digital Economy (2018): This resolution sets the



framework for the digital transformation of the economy, promoting the use of digital technologies in financial services and economic activities.

Secondary Sources of Economic and Financial Law. Economic and financial law in Uzbekistan is also shaped by various regulatory frameworks established by government agencies and regulatory bodies. These regulations provide detailed rules and guidelines for the implementation of legislative acts, ensuring compliance and facilitating the effective functioning of the economy.[7]

Key regulatory bodies include:

- Central Bank of Uzbekistan: Responsible for monetary policy, regulation of financial institutions, and oversight of the banking sector. The Central Bank issues regulations on banking operations, currency control, and financial stability.
- State Tax Committee: Oversees tax administration and enforcement. The committee issues regulations and guidelines on tax compliance, auditing, and dispute resolution.
- State Committee for Investment: Promotes and regulates investment activities. The committee provides guidelines for investment procedures, investor protection, and incentives.

Judicial Decisions. Judicial decisions, particularly those of the Constitutional Court and the Supreme Court, contribute to the interpretation and application of economic and financial law in

Uzbekistan. Court rulings provide legal precedents and clarify the scope and meaning of legislative provisions, enhancing legal certainty and predictability for businesses and individuals.

Customary Law. In some regions of Uzbekistan, customary law continues to play a role in economic and financial matters, particularly in rural areas where traditional practices and community norms influence business and financial transactions. While customary law is not formally codified, it can impact the interpretation and enforcement of legal rights and obligations.[8]

International Agreements and Standards. Uzbekistan's economic and financial law is also influenced by international agreements and standards. The country is a member of various international organizations, including the World Trade Organization (WTO) and the International Monetary Fund (IMF). These memberships require compliance with international trade and financial standards, which in turn shape domestic legal frameworks. International treaties and agreements on investment, trade, and finance provide additional sources of law that guide the development of Uzbekistan's economic and financial regulations.[9]

Legal Harmonization and Modernization. One of the key challenges facing Uzbekistan is the need to harmonize and modernize its economic and financial laws to align with international standards and best practices. This requires ongoing legal reforms, capacity building, and the

development of a transparent and efficient legal system.

Enhancing Legal Awareness and Compliance. Promoting legal awareness and compliance is crucial for the effective implementation of economic and financial laws. Efforts to educate businesses and individuals about their legal rights and obligations can enhance compliance and reduce the risk of legal disputes.[10]

Balancing Economic Growth and Social Equity. As Uzbekistan continues to develop its economic and financial laws, it must balance the goals of economic growth with the need for social equity and inclusion. Legal frameworks should support sustainable development, protect vulnerable populations, and promote fair economic opportunities for all citizens.[11]

CONCLUSION

The development of economic and financial law in Uzbekistan reflects the country's journey from a centrally planned economy to a market-oriented system. The legal framework is shaped by a combination of constitutional principles, legislative acts, regulatory guidelines, and international influences. As Uzbekistan continues to reform and modernize its legal system, addressing challenges and seizing opportunities will be essential for fostering a stable, inclusive, and dynamic economy. The specific aspects of economic and financial law in Uzbekistan underscore the importance of a comprehensive and adaptive legal framework that supports economic growth, ensures legal certainty, and

promotes social well-being. As the country navigates the complexities of the global economy, the continued development of robust legal structures will be crucial for achieving long-term prosperity and stability.

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