

**PROBLEMS ARISING IN TRADE COOPERATION BETWEEN UZBEKISTAN AND
CHINA**

Qian Yida

doctor of philosophy (PhD), University of World Economy and Diplomacy

Lecturer at the Inner Mongolia University of Finance and Economics

Despite the great prospects for trade cooperation between Uzbekistan and China, there are some problems and challenges that may slow down the development of economic ties between these two countries:

Unequal balance of trade. China is the world's largest exporter, while Uzbekistan is a small importer. Currently, Uzbekistan has a negative trade balance with China, and at the same time, Uzbekistan exports mainly raw materials and imports finished products from China. Such dependence on the Chinese market may be unfavorable for the economy of Uzbekistan in the long term.

To solve this problem, Uzbekistan can use the following strategies. First, Uzbek companies can improve their production processes to reduce labor and raw material costs and become more competitive in global markets. Secondly, Uzbek and Chinese companies can cooperate in the field of production to jointly develop new technologies and reduce production costs. Finally, Uzbek companies can focus on creating quality products that can compete with Chinese ones on the basis of quality rather than price.

China is the largest exporter of many goods, making it Uzbekistan's main competitor in world markets. This could have a negative impact on Uzbek export industries such as textiles and agriculture. In addition, Chinese goods can compete with Uzbek ones in the domestic market.

Comparative advantage in competition with China can be achieved by Uzbekistan through various strategies, including:

1. Development of unique product groups: Uzbekistan can focus on the development of unique product groups that can be competitive in world markets. For example, Uzbekistan can develop the export of high-quality cotton, fruits, nuts and other agricultural products. These goods may be of high value to foreign consumers, and Uzbek companies may gain a comparative advantage in producing and exporting these goods.
2. Investment in infrastructure: Uzbekistan can invest in developing its transport infrastructure to improve access to global markets. For example, the construction of new railway lines and port development can help reduce transport costs and improve the competitiveness of Uzbek goods in world markets.
3. Development of high-tech industries: Uzbekistan can focus on the development of high-tech industries such as information technology, electronics and biotechnology. The development of these industries can create new opportunities for the export of high-tech products and services.
4. Improving the quality of products: Uzbekistan can improve the quality of its products to compete with Chinese ones on the basis of quality. Uzbek companies can introduce modern technologies and quality standards to create high-quality products that can compete with Chinese counterparts.

5. Improving the business environment: Uzbekistan can focus on improving the business environment in the country to attract more foreign investment and create an enabling environment for business development. For example, simplifying business registration procedures, improving the tax system, protecting intellectual property rights and fighting corruption can improve the business environment and attract more foreign investors.
6. Cooperation with China: Uzbekistan can cooperate with China in various fields, including manufacturing, trade, science and technology. China is Uzbekistan's largest trading partner, and cooperation with China could lead to the creation of new opportunities for Uzbek companies and the development of economic relations between the countries.
7. Development of small and medium-sized businesses: Uzbekistan can focus on the development of small and medium-sized businesses, which are the engine of economic growth. Small and medium-sized enterprises can create new jobs, improve product quality and increase the competitiveness of Uzbek goods in world markets.
8. In general, comparative advantage in competition with China can be achieved by Uzbekistan through various strategies, including the development of unique product groups, investment in infrastructure, development of high-tech industries, improvement of product quality, improvement of the business environment, cooperation with China and development of small and medium-sized businesses . All these measures can improve the competitiveness of Uzbek goods on world markets and contribute to the development of economic relations between Uzbekistan and China.