

Improving Efficient Use of State Budget Expenditures

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Abstract:

This article presents the essence of budget expenditures, principles of financing budget expenditures, analysis of the current situation and factors affecting budget expenditures. It also provides conclusions and recommendations on the rational use of budget expenditures.

Keywords: *budget, expenditure, budget system, principle, social sphere.*

Introduction

Today, despite the provision of all legal bases in the budget system of our Republic, the formulation of budget expenditures based on targeted programs, the development of indicators and criteria for evaluating the effectiveness of targeted programs, the implementation of indicators and criteria for evaluating the effectiveness of budget planning, and ensuring the final effectiveness of funds allocated from the budget are among the biggest unfinished problems.

Given that the budget is the main financial document of the country, the issue of rational use of budget expenditures is always raised as a cross-cutting issue. In this regard, the President of Uzbekistan states as follows: "It is necessary to further strengthen the control over the purposeful and rational spending of budget funds" [1].

Based on the current trends in the world economy, as well as the strategy of economic and social development of our country in the future, the first priority in Uzbekistan is the need to increase the competitiveness of the economy. The relevance and importance of this goal is primarily determined by the fact that in the medium-term perspective, we have set ourselves the main strategic task at the current stage of bringing our economy to the level of developed democracies.

Literature review

The effectiveness of budget expenditures is a broad concept that reflects economic, social and political evaluations. Therefore, concepts such as cost and benefit cannot be measured by quantitative indicators [2].

Prof. N.H. Haydarov emphasizes that the budget funds should be used only to provide financial resources for the needs that cannot be delayed, first of all, the social sphere, new structural directions of the budget [3].

Reflecting Ukrainian scientist Yu.D. Radionov states that the regulation of the effective use of budget expenditures accelerates the processes of socio-economic development of the state, affects the quality of structural changes in the economy, increases the efficiency of the tax-budget policy, and serves to ensure the stability of the country's financial system [4].

X. Nguyen emphasizes the state budget expenditure as an important factor affecting economic growth, and shows that each component of the budget expenditure differs depending on its economic nature and purpose [5].

Research methodology

Scientific observation, abstract-logical thinking, comparative analysis, data grouping methods were used in the article.

Analysis and results

Based on a number of literatures and the Budget Code of the Republic of Uzbekistan, it should be noted that the financing of budget expenditures is based on a clear principle and forms of providing budget funds. They include:

- 1) Achieving the maximum result through the minimum cost. In this case, it is possible to achieve the maximum result if the budget expenses are reduced;
- 2) Purposeful use of budget funds. In this case, budget funds are used only for directly controlled, predetermined goals;
- 3) Use of budget funds based on results. In this case, if the financial authorities allow to establish effective control over the activities of budget organizations. On the other hand, it shows that the budget funds are limited;
- 4) Non-return of budget funds. In this case, budget expenditures are made without guarantees of return to the budget.

On the basis of the above-mentioned principles, budget expenditures should be carried out on each component and have a positive effect on economic growth.

The increase of the state budget expenses compared to the approved plan for the implementation of 2024, the gradual increase of the amount of remuneration for the work of social workers and other professionals, the change in the prices and tariffs of fuel and energy resources, and the state support and social protection of the underprivileged sections of the population. additional funds from the budget are allocated to the account (diagram 1).

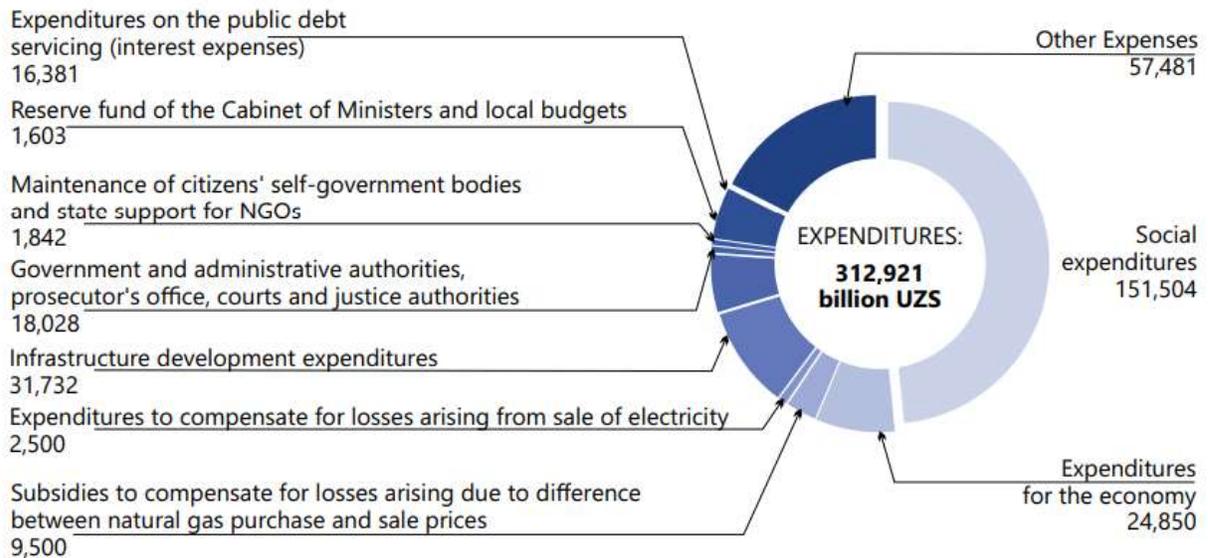


Diagram 1. Structure of the state budget expenditures, forecast for 2024*

* https://api.mf.uz/media/document_files/Citizens_Budget_for_2024.pdf

The basis of the use of budget funds is primarily the development of the social sphere and the provision of funds for priority tasks. Effective use of financial resources is important in this regard. Social sector spending in 2024 is shown in diagram 2.

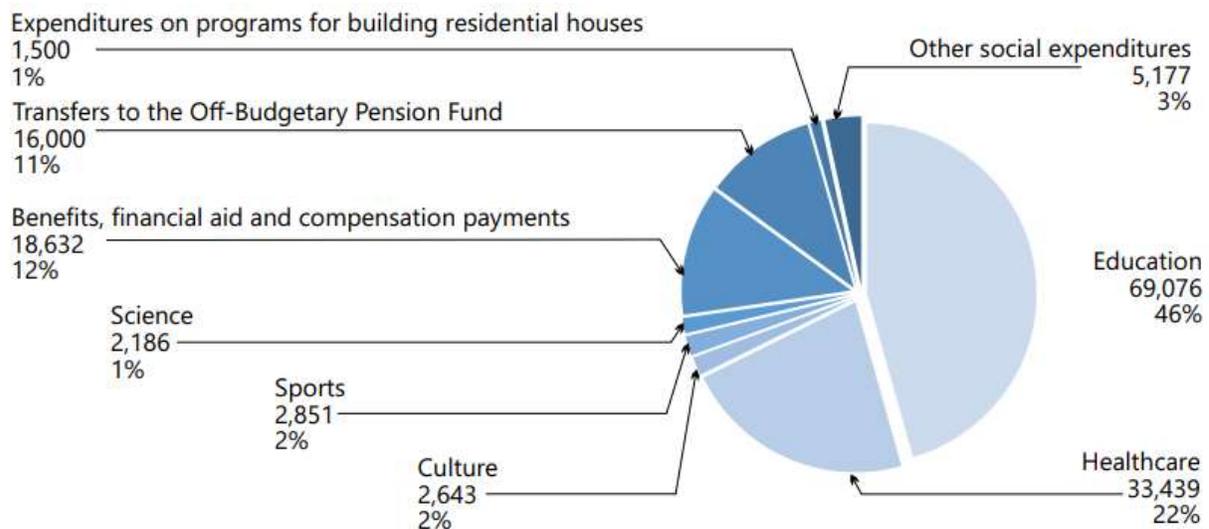


Diagram 2. The share of social sector expenditures within the state budget expenditures

* https://api.mf.uz/media/document_files/Citizens_Budget_for_2024.pdf

In the implementation of the above task, in our opinion, increasing the efficiency of the use of budget funds has a special place. From this point of view, it is necessary to take appropriate measures for the effective use of budget expenditures in order to properly plan the budget expenditures, increase the competitiveness of our national economy, and ensure the socio-economic development of the regions. Implementation of budget expenditures of regions should be developed based on various factors.

These are:

- the nature and characteristics of the area;
- level of socio-economic development;
- dependence on the national economy;

- state administrative territorial structure; and etc.

The combination of these factors creates a single budget system in any region at a certain stage of socio-economic development. The necessity of local budget expenditures is that local authorities and funds at their disposal serve to meet the needs of the region. In this regard, A. Premchand thinks: "In order to improve the cost system of the region, first of all, it starts with a thorough study and analysis of the existing problems. Not limiting regional expenses to a certain extent means that there will be no development in this area, while limiting expenses in a small amount means that it is possible to create opportunities for high growth and development in the area" [6].

Today, in order to increase the efficiency of budget expenditures, an electronic passport of budget organizations has been established to improve the quality of budget spending planning, and it is ensured that all information is entered in the electronic program according to regions and types of budget organizations. This legal basis, building, structure and land areas, existing material and technical base and condition and other similar information are reflected, and it is a database for financial authorities to analyze the reasonable planning of estimates of budget organizations.

The increase in the weight of social expenses in the structure of the expenses of the state budget of our republic is explained by the formation of a socially oriented market economy in our country. In this, the main attention is focused on social support of the needy classes of society members, timely and full financing of social sectors such as public education and medical services. The state creates all the necessary conditions for the formation of a market economy in the country, develops measures to attract foreign investments to the country, and monitors the sectoral and regional structure of capital expenditures. With the development of market relations, the scope of the state's intervention in the economy is narrowing. This leads to a sharp decrease in the amount of the state budget's economic expenses.

Conclusion

In the implementation of these near-term reforms, it is necessary to pay attention to some of the following principled issues:

First, in the conditions of the current system of budget planning, it is not possible to determine the budget policy strategy for the long and near future. This situation abstracts the role of the state budget in the implementation of the economic policy intended for the long and near future. Therefore, it is appropriate to introduce a medium-term planning system in budget planning.

Secondly, as the main criterion of the financing efficiency of budget expenditures is based on the results of the socio-economic description, then the main task at the moment requires the development of the criteria and mechanism for evaluating the socio-economic results of these expenditures. Evaluating and managing results is complex, but is a key factor in determining the effectiveness of budget expenditures.

Thirdly, it is desirable that the main goal in these processes should be aimed at improving the management system, not at evaluating the results that represent socio-economic efficiency.

In the future, the above measures will increase the effectiveness of the state budget expenditures, and will ultimately create opportunities to further deepen the socio-economic reforms implemented in our country.

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