National Economy and Macroeconomics

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A B S T R A C T

The article considers the content of national and macroeconomics, their differences, types and indicators. It develops definitions of the concepts of national economy and macroeconomics, types of national economy on six indicators, macroeconomic indicators and ways to determine them, as well as their interrelationships.

Introduction

In the Address of the President of the Republic of Uzbekistan Shavkat Mirziyoyev to the Oliy Majlis on January 24, 2020, the program and target tasks to be implemented in the economic sphere in 2020 and subsequent years were identified. One of the first tasks mentioned in the appeal was that "ensuring macroeconomic stability and curbing inflation in 2020 is our main task in the process of economic

reforms" [1]. To perform this task, it is necessary to perform the parameters set by the macroeconomic indicators. The main basis of macroeconomics is the national economy.

Literature review

By national economy we mean the economy of a particular country, that is, certain sectors and industries of the national economy. But if it is analyzed theoretically, it has its own definition. If you pay attention to the works of our scientists in this regard, you will see that they have different views. In particular, Sh.Sh. Shodmonov and B.E. Mamarahimov explain the national economy as follows. "The national economy is a holistic economy that includes all sectors and industries, micro and macro economies, functional economies, many infrastructures" [2]. These scholars have argued that the structure of the national economy is the result of the development of the social division of labor. In a textbook for college students published under the direction of MM Muhammedov, he fully supported this definition [3].

T.T. Juraev described the national economy as follows. "The national economy is understood as a whole economy of individual countries, based on different forms of ownership and consisting of industries, sectors and infrastructure interconnected through the division of labor" [4]. Important features of the national economy are the volume of production and consumption of goods and services, the pace of development and the structure of the economy as a whole, individual sectors and industries of the regions.

A.Olmasov and A.Vahabov propose to interpret the national economy as follows. "The national economy is an economic activity that takes place within a particular country, involving firms, households, and the state" [5]. All the above definitions in one way or another reveal the content of the national economy. But there are different approaches. One covers subjects for the national economy, the second covers processes, and the third covers both subjects and processes.

Analysis and results

In fact, the national economy of the country covers all sectors, industries and households belonging to the economic sector. Because in industries and sectors material goods are produced and services are provided. It is consumed directly in the household. Of course, now, with the development of family business, this entity has also begun to carry out production and service processes. In general, labor is the sole creator of the whole process, regardless of whether it is a different industry or a network. The main cell of all forms of this social labor is focused on the production of goods and the provision of services. These are combined into enterprises, organizations, institutions. Taken together, they make up the national economy of Uzbekistan.

The structure of the national economy is characterized by several features. This is reflected in the following figure (Figure 1).

#	Classification features of the classification of the economy	Separate spheres and sectoral types
1.	By form of ownership	Private sector
		Government sector
		Public-private partnership sector

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2.	By sectors of the economy	Industry
		Agriculture
		Transport
		Construction
		Trade
		The entire TB service area
3.	Based on regional zones	All provinces
		Republic of Karakalpakstan
		Tashkent city
		Division by districts in each region, etc.
4.	By industry	Industry
		Service sector
		Consumer goods sector
5.	By the level of the economy	Microeconomics
		Mesoeconomics
		Macroeconomics

Figure 1. Classification of the structure of the national economy

Based on these observations, the national economy in our country can be described. The national economy is a set of economic entities at different levels that carry out economic processes that belong to the country, covering all forms of ownership, industries, regions, industries and all levels of the economy. If we are based on this definition, the economy of each country constitutes the national economy of that country. The bottom line is that if there are more than 200 countries in the world today, then there are as many national economies.

A system of indicators is used to assess each sector of the national economy. If we focus on key macroeconomic indicators, they include the following (Table 1).

Table 1.

Macroeconomic indicators, their content and ways of definition

#	Name of indicators	The content of the indicators	Ways to determine indicators
1.	Gross Domestic Product (GDP)	The market value of all finished products produced over a period of time (usually per year), regardless of whether the manufacturer belongs to any country.	$GDP = \sum_{i=1}^{n} GDPi;$ $GDP = M1 + M2$
2.	Gross National Product (GNP)	The market value of all finished products produced by national economic entities of a given country, regardless of their location.	$GNP = M_2 + M_3;$
3.	Pure domestic (or national) product SIM	The difference between the value of fixed capital consumed in the production process or the amount of annual depreciation from GDP in the current year.	$PD = GDP - Ama;$

4.	National Income	Deduction of indirect taxes from sources of production used during the year.	$NI = PD - ITB;$
5.	Personal Income (PI)	A form of income that remains at the full disposal of households after the payment of individual taxes.	$PI = NI - CP - SSC + CIT + D + ST;$
6.	Disposable income (ID)	It is the personal income of the population that a portion of the personal income can be spent by the population at will. Disposable income is used for consumption and savings.	$DI = PI - PT;$

M_1- domestic products of foreign enterprises.

M_2- product of domestically produced national enterprises.

M_3- products of national enterprises abroad.

Ama-depreciation annual amount.

ITB - indirect taxes on business.

CP - corporate profit.

SSC - social security contributions.

CIT-corporate income tax.

D - dividends.

ST - social transfers.

Studies have shown that key macroeconomic indicators, such as macroeconomic processes, are interrelated. This can also be seen in the following calculations:

GDP is the market value of all finished products produced over a period of time (usually per year). As shown in the table, it consists of a set of several products and services. It was calculated as follows:

$$GDP = \sum_{i=1}^{n} GDPi \ (1)$$

This GDP includes net national product (NNP) or net domestic product (NDP). To determine this indicator, the amount of depreciation (Ama) is deducted from GDP:

$$PD = GDP - Ama \ (2)$$

Net national product also includes a country's national income (NI). To determine this figure, the SIM is deducted indirect business taxes (ITB):

$$NI = PD - ITB \ (3)$$

The next indicator is personal income (PI). To determine this figure, corporate profits (CP), social insurance contributions (SIC) are deducted from a country's national income, and corporate income tax (CIT), dividends (D), and social transfers (ST) are added. The interdependence of these is reflected in the following formula:

$$PI = NI - CP - SSC + CIT + D + ST \ (4)$$

A portion of personal income consists of disposable income (DI). To determine this figure, personal taxes (PT) are deducted from the PT, including mandatory payments:

$$DI \ = \ PI \ - \ PT \ (5)$$

It can be seen that macroeconomic indicators are inextricably linked. This correlation is also reflected in the change in these indicators. The increase or decrease of one will certainly affect the other. As a result, indicators are also evaluated through a system to assess the dialectical interdependence of economic processes.

The structure of the national economy, as noted above, includes macroeconomics. In many literatures, there are those who view the two as the same concepts, with some confusion. The national economy is divided into macroeconomic, mesoeconomic and microeconomic types according to its level. But they are different. Microeconomics is a business entity (such as a firm, enterprise) to which sector it belongs. Meso-economics applies to a single sector, but nationwide. For example, agriculture is a large sector, from the bottom up to the ministry. It's all meso-economics. Now, when it comes to macroeconomics, it covers all sectors and industries and works at the macro level. As a result, macroeconomics differs in size from other economies.

In this regard, different views have been expressed by our scientists. In particular, T. Juraev defines "Macroeconomics is a structure of the economy that unites the national economy, its individual property sectors and production and services at the level of the world economy" [4].

Sh.Sh.Shodmonov and B.E.Mamarahimov explain macroeconomics as follows. "Macroeconomics is a national economic system that unites the sectors, industries, territorial structures of the whole economy, interacting and influencing the whole country" [2]. It was also noted that macroeconomics includes the tangible and intangible sectors of production and services, banking, finance, insurance, tax and customs systems.

It should be noted that there is a special discipline "Macroeconomics", which studies macroeconomics. There are also related disciplines such as Macroeconomic Analysis and Forecasting. Macroeconomics is aimed at studying the activities and development trends of the national economy, as well as the means and methods of its regulation at the macroeconomic level. This science covers sectors, industries and other macroeconomic entities at the macro level. Macroeconomics has its own policy as a separate branch of the economy.

With this in mind, we have also developed a definition of the concept of macroeconomics. We found it expedient to define macroeconomics as a holistic economy of a country that includes all forms of ownership, industries, regions, sectors, and the macro level of the economy. Macroeconomics is implemented through macroeconomic policy.

Macroeconomic policy is the state's influence on the economy as a whole. The main task of macroeconomic policy is to increase the efficiency and social orientation of the market economy. The solution to this problem is to focus the macroeconomic policy of the state on the following main goals.

First, to ensure sustainable and efficient economic growth. Achieving this requires that products and services be of good quality and affordable. Therefore, a competitive environment must be created at this macro level as well.

Second, full employment should be the ultimate goal. Because, the development of society and the well-being of the population directly depends on their employment. The economy should be at such a level that every employed person should be able to meet their needs with ease.

Third, the stability of the overall price level must also be fully ensured. The rise in prices is a sign

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of the backwardness of the economy, the instability of social life. Due to this, it is necessary to strengthen free competition in our country and achieve price stability.

Fourth, social justice and economic security of the disabled must also be ensured. One of the factors of all success, efficiency, is determined by the establishment of social justice. It is no coincidence that the principle of "Power is in justice" has not become the motto of Amir Temur. Even today, the President of our country has identified the issue of adherence to the principle of justice in all spheres as a priority as the only way to please the people.

Fifth, to ensure macroeconomic stability, first of all, it is necessary to ensure the stability of the country's trade and balance of payments. One way to achieve this is for businesses to work honestly without allowing the shadow economy. The balance of payments also plays an important role in solving this problem.

Macroeconomics is mainly regulated and managed through macroeconomic indicators. Macroeconomic indicators are a set of indicators that assess the state, development and prospects of macroeconomics. Generalized values of macroeconomic analysis. Aggregates are indicators of the general level of prices, the level of employment, the total volume of goods and services produced in the national economy, total income, consumption and savings.

By deflator, we mean the coefficient of recalculation of these economic indicators in monetary terms to bring them to the level of prices of the previous period.

Conclusion and recommendations

As a result of the study of the national economy, macroeconomics and macroeconomic indicators, a number of conclusions were reached and recommendations were developed.

First, given that the definition of the national economy is viewed differently among our scholars, by theoretically studying this concept, its definition has been improved and it is recommended that it be expressed as follows: is a set of economic entities at different levels that carry out the existing economic processes.

Second, the national economy is expressed in most literatures as two (macroeconomics and microeconomics). We propose to divide it into groups of macroeconomics, mesoeconomics and microeconomics, adding it to the three divided views. Because macroeconomics is similar to microeconomics in terms of scope. But this economy cannot be added to either.

Third, there are different views among our scientists on the concept of macroeconomics. Some see it as the same concept as the national economy. With this in mind, we have also developed a definition of the concept of macroeconomics. Macroeconomics is defined as the holistic economy of a country that encompasses all forms of ownership, industries, regions, sectors, and the macro level of the economy.

Fourth, groups were developed on the basis of the structure of the national economy and six indicators of classification: by form of ownership, by sectors of the economy, on the basis of territorial zones, by level of the economy by industry.

Fifth, the system of macroeconomic indicators: gross domestic product (GDP), gross national product (GNP), net domestic (or national) product SIM (PD), national income (NI), personal income (PI), disposable income (DI) and their content and ways of identification. The interdependence of these indicators was also assessed.

In short, the application of the results of this research in textbooks and other educational literature will serve to improve the theoretical issues related to national and macroeconomics.

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