

FACTORS OF PRODUCTION AND ITS COMPOSITION.

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Annotation: *One of the major issues facing economists around the world today is undoubtedly meeting the endless needs of people. Therefore, today, not to mention every corner of the world, there is a growing demand for products that can be used by a wide variety of people. A lot of work is being done in this direction, including in our country, Uzbekistan. In this article, we have focused on the basic economic concepts and economic laws related to production, consumption, organization and management of the economy.*

Keywords: *Brand, Resource, capital, labor, objects of labor, ecology, information, efficiency.*

Today, the world's population has reached about 7 billion. And this figure is growing day by day.

Although the material goods necessary for the development of human society and human existence exist in nature, they must be prepared, cultivated, produced and processed in accordance with human needs, turning them into finished consumer goods. To do this, first of all, it is necessary to have the necessary elements for production, to form their interconnection. So we need to organize production. Then you need to understand the purpose, essence, function and results of production. Once the goal is clear, ensuring production continuity, increasing efficiency, and delivering directly to consumers becomes a priority.

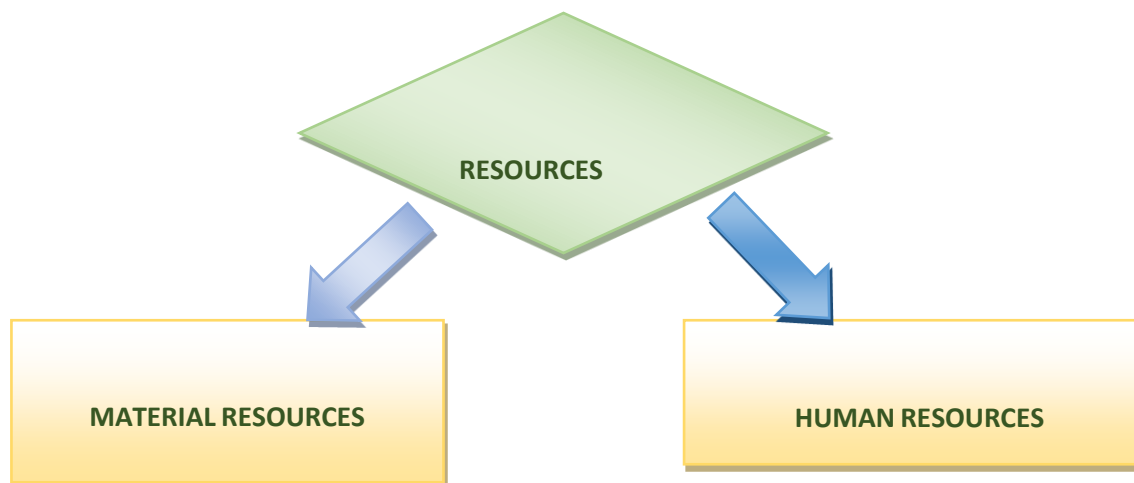
Of course, in order to produce a product, we need different resources. The resources involved in production are considered not only as a source, a resource, but also as a factor that drives and influences it. Therefore, the resources involved in production are called in other words - factors of production.

Economic resources, on the other hand, are goods, services, that is, all resources created by nature, man, and man-made, which are used to produce goods.

Resources are divided into the following types:

Material resources - land, capital;

Human resources are the ability to work and be entrepreneurial.



There are different forms of management and ownership in society, but the elements (elements, economic categories) involved in the organization of production in the spheres related to production are the same. They consist of the following elements.

That is:

1. Labor (labor force);
2. Mehnat subjects;
3. Labor tools
4. Means of labor.

These four elements are called factors of production. We will give each of them a different concept and definition.

Labor (labor force) is an economic category, a set of physical and mental abilities of each able-bodied subject in the pursuit of goals. For example, the Republic of Uzbekistan currently has a population of more than 34 million, of which 51.6% are able-bodied workers. The rest are the elderly, the young and the disabled.

Winter-focused and labor-intensive things are called labor items. For example, land and its products, raw materials, metals, water, various materials and so on.

The objects of labor that affect human labor and nature are called tools of labor. That is, all kinds of machines, tools, weapons, lathes, and so on. For example, a person can attach his labor to a saw, which is a tool of labor, and cut down forest products, make doors, and so on.

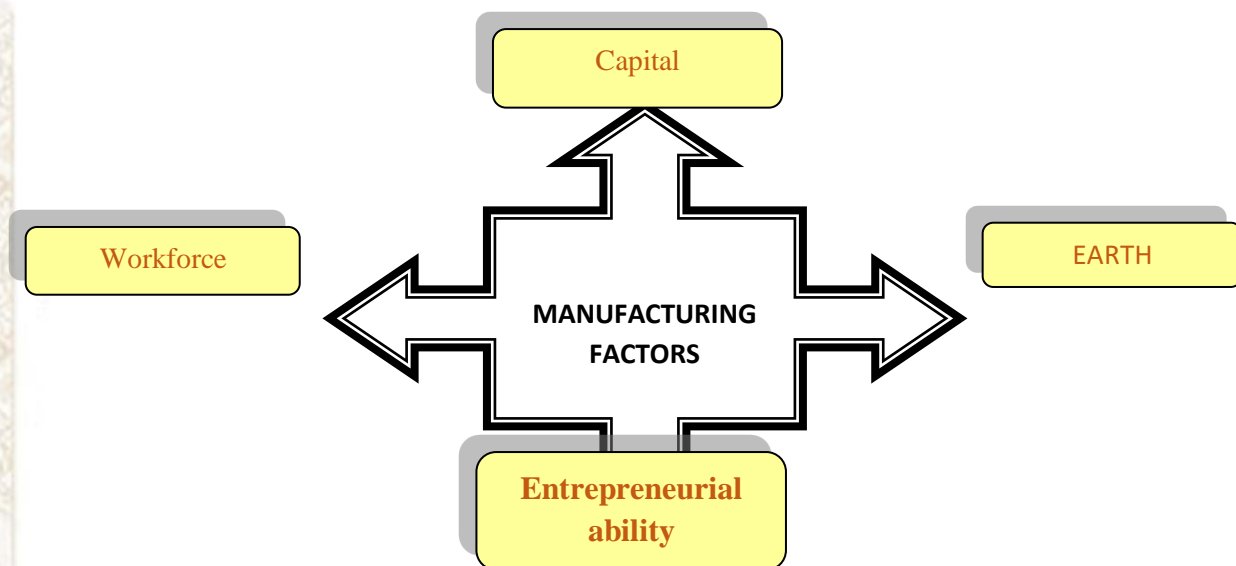
Things that do not directly participate in production, but contribute to it, are called tools of labor.

For example, bridges, canals, railways, and so on. But modern economists have studied various aspects of the factors of production and compiled them in a modern and convenient way.

Earth; labor; capital; entrepreneurial ability; information; ecology.

As we can see, there are concepts of entrepreneurship, information and ecology.

Factors of production.



Land is a natural factor of production. It is not the result of human activity, but a gift of nature. For the agricultural producer, land is the main and main means of production, and it has a number of characteristics: the land can be both natural and artificial;

Earth is a gift of nature that cannot be reproduced on a free basis; the human impact on land productivity cannot be infinite, as the law of diminishing returns also applies in this area.

Production efficiency largely depends on the quality of capital, which is the generality of the equipment, machinery, structures used in the production process. Human knowledge, skills, and health are also valued in the economy as human capital. Information is a system of knowledge about the proper organization and management of production. In an evolving market environment, information is becoming increasingly important.

The environmental factor of production acts as a driving or limiting force for economic growth.

Entrepreneurship and entrepreneurial activity play an important role in the system of factors of production. Entrepreneurial ability is seen as the most effective mixing factor of production. An entrepreneur is a person who effectively organizes his economic activity in a certain direction of the national economy, industry enterprises or service institutions. According to the Law of the Republic of Uzbekistan "On Guarantees of Entrepreneurial Activity": "Entrepreneurship is the economic activity of business entities at the risk of profit and on the basis of civil liability, within the framework of the adopted laws." In order to better explain the essence of entrepreneurship and entrepreneurial activity, it is appropriate to quote the following words of the first President of the Republic of Uzbekistan: "... to enjoy the achievements of science and technology, innovations, technologies, telecommunications and space communications of other countries of the Commonwealth, to purchase the necessary raw materials and finished products, including consumer goods at world prices, as well as It is necessary to use the existence of a large market to sell its products "

(IA Karimov "Uzbekistan for a Great Future" T. "Uzbekistan" 1998, p. 27) The implementation of reforms to comprehensively support and develop entrepreneurship in the

national economy is a key factor in the economic development of our country. It is important to understand that

Entrepreneurial skills and abilities are one of the most important factors in the decision-making process of a socially oriented market economy. For decades, in the republic, the decisions made at the Center, where the scenario is long, have been implemented, "companies" have been held. The real interests of Uzbekistan, its unique conditions and opportunities were ignored. As a result, the economy has a flawed, one-sided structure of raw materials. The republic is forced to import certain types of raw materials, not only fuel equipment and technology, but also vital foodstuffs and consumer goods. (IA Karimov, "Uzbekistan for a Great Future", T. "Uzbekistan", p. 36, 1998).

We will now explain the process of merging the six factors. Due to the combination of these six factors, production is organized. The main factor is the human factor and its abilities. The production process is considered to be the result of the following sums.

That is,

$$I / ch = A + V + S + D + E + F.$$

In this case: I / ch - production,

A - land, V - capital, C - human labor (labor force),

D - entrepreneurship, E - information, F - ecology.

As we can see, efficiency and high profit can be achieved only when all of the above factors are involved in joint production.

It is known that the needs of the winter are multifaceted, and it is endless to depend on the level of development of the production and service sectors. That's why production has a purpose and a content. Production produces material and spiritual goods, but it is done with limited economic resources. Due to the limited resources, the goal of using them sparingly is to meet people's daily and subsequent material and spiritual needs, ensuring their efficient use. That should be the goal and content of the production. The basis of production is human labor. Labor creates production, labor produces goods and services.

Therefore, as economists point out, labor is the basis of human life. In general, human labor affects nature, that is, it creates new techniques and technologies with labor to change the substances of nature. he increases his knowledge and skills.

In today's market economy, our main task is to radically change the structure of our economy, the transition from the supply of raw materials to the production of finished products, not only to bring its quality and competitiveness to world market demand, but also to supply them to consumers. At the same time, structural changes are aimed at ensuring economic independence in the development of the most important sectors for the country, including fuel and energy and grain complexes, as well as these changes, which are a priority for the economy, rich in natural resources, labor. It is necessary to focus on the rapid growth of production based on natural resources and ensuring the strong position of Uzbekistan in the international and interstate division of labor and the world market in the future. An important task is to expand the production of world-class products, increase their competitiveness.

To this end, equip enterprises with modern advanced technology, the latest equipment, especially compact equipment for small and medium enterprises, develop a concept and

national program of small, compact technology that will produce the product needed to fill the domestic market the idea of necessity is put forward. The development and implementation of such a program is a priority of the second phase of economic reforms.

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