



THE ECONOMIC NATURE AND OBJECTIVE NECESSITY OF PLANNING AND FORECASTING IN A MARKET ECONOMY

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Annotation: *This article provides insights and reflections on the economic nature and objective necessity of planning and forecasting in a market economy.*

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In the modern literature and manuals on economics, it is defined as a system of measures that provides for the timing, order, and sequence of work to be planned or the execution of a particular action. Everyone plans how to spend their work day, weekend, holidays, summer vacation, wedding and other events. Through precise planning and forecasting, enterprises solve a number of issues, such as what, for whom, when and how many products to produce, which partners or partners to contract or develop cooperation, to create the necessary inventory.

After the transition to market relations, planning was somewhat forgotten. There has even been speculation that the planning does not conform to the market mechanism of management or contradicts market planning.

Planning, which sets “top-down” directive tasks, control numbers, strict norms and limits for almost every enterprise, does not really fit into the market mechanism and undermines the independence of enterprises. Therefore, the legislation of the Republic of Uzbekistan on the activities of enterprises states that enterprises can independently choose their activities in terms of consumer demand, profit or income and determine the prospects for the development of production.

Planning cannot be abandoned altogether by rejecting centralized planning, which existed in the previous management system.

Only through planning do enterprises choose the most convenient options for the organization of production and technology, perform the task of timely provision of resources, determine the need for fixed and circulating assets, determine the channels and methods of product sales. In addition, planning allows for maximum use of production resources and competitive advantages, awareness of new trends in the economy, elimination of shortcomings in the operation of the enterprise and reduction of various risks. The establishment and operation of any enterprise begins with planning.

Planning as a regulatory process represents the promotion, justification, definition and interpretation of the activities of the enterprise in the near and long term. In the latter case, it may be a matter of forecasting the activities of the enterprise. Forecasting can be seen as the beginning of planning and a continuation of long-term planning. Planning and forecasting are two interrelated processes that involve conducting business on the basis of previously performed calculations, the lowest risk and the highest results.

Planning The tasks performed by the enterprise are reflected in the defined plans. In a market economy, because the plan is perceived as an “alien element” or a “command from above,” current business uses concepts called indicative planning and forecasting, but in essence confirm the objective necessity of planning in all cases. Hence, planning, including indicative planning and

forecasting, is the creation of favorable conditions for the economic activity of enterprises associated with the use of all factors for the production and sale of products and the timely preparation.

Understanding the difference between planning and scheduling is important. If planning is the process of developing plans, such as an indicative plan or forecast, a plan represents a document that reflects the technical and economic performance of the enterprise over a period of time. In other words, a plan is a materialized form of planning that defines the target functions of an enterprise and the ways in which they are implemented.

Thus, planning does not contradict the market and the market mechanism, but rather helps to determine the optimal direction of production, use unused resources and opportunities, formulate a reasonable pricing policy of the enterprise and establish effective forms of economic relations. With the help of planning and forecasting, consumer demand in the domestic and foreign markets is determined, the external economic activity of the enterprise is strengthened.

However, the mobilization of planning opportunities is not expressed in planning alone. Since planning is carried out primarily by professionals, the implementation of any plan or forecast depends in large part on the qualifications of economists, their knowledge of the methodological basis of planning, as well as production plans taking into account market requirements and the enterprise's intended profit. The more justified the development of the plan, the higher its validity and relevance to the situation in the economy.

In addition to planning, forecasting also plays a big role in business activities and the economy. Forecasting is the ability of a business entity to anticipate a situation that may occur in the future on a scientific basis. It is based on the assessment and analysis of economic, scientific, technical and social conditions that are occurring or may occur in the future, and allows the selection of alternative solutions.

Under the conditions of the previous administrative-command system, for many years the long-term prospects of scientific and technological progress and its socio-economic consequences have been developed. On its basis, individual sectors of the economy, as well as the prospects for the development of productive forces in the republics were formed. However, these predictions were not always reliable and, most importantly, were not always put into practice. This, among other reasons, led to an economic crisis in the late 1980s. In other words, economic practice did not take full advantage of the advantages of planning and forecasting. Therefore, it is important to study the world experience in the development and application of forecasts of economic activity and apply its specific features in the context of production and emerging market relations in our country.

Forecasting is reflected in the description of planning: strategic planning of production and other aspects of economic life of the enterprise is developed on the basis of medium and long-term forecasts, and current planning is developed on the basis of short-term forecasts. Both of these directions are inextricably linked, linking the production strategy with the development of science and technology and the realities of life.

The purpose of the forecast is to study the factors affecting the market, including the general state of the economy, structural shifts, investment activity, the impact of scientific and technological progress on consumers and producers, the production of "pioneer" (new) products that lead to stability and competitiveness. in determining the circumstances that may arise in the future. It is important for enterprises to forecast demand, which predetermines changes in the type and quantity of products produced. In general, forecasting is the scientific basis of planning.

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