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**Szabolcs Veres**

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Csaba Moldicz

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# Uzbek economy after the constitutional amendment and elections

## Szabolcs Veres

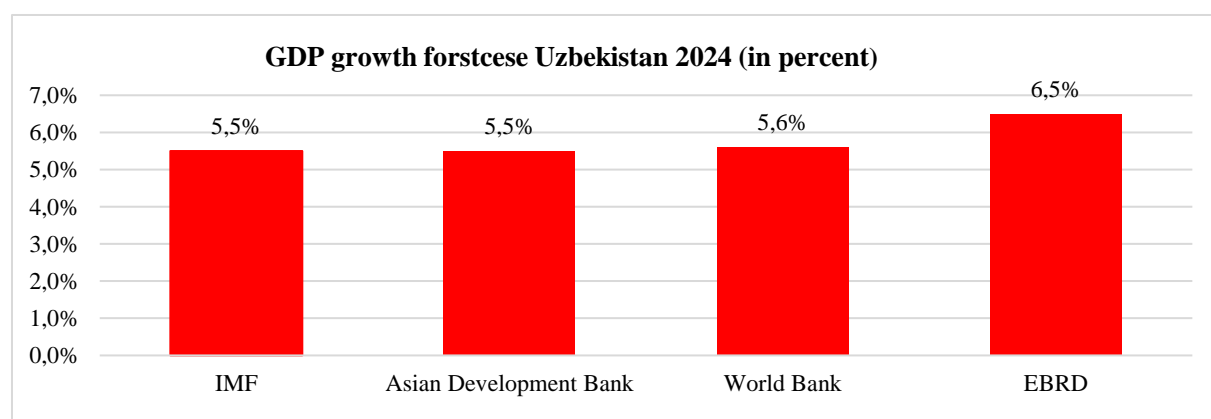
### Abstract

With around USD 49.7 billion in 2010, Uzbekistan's gross domestic product (GDP) followed a steady upward trajectory until 2017. While in 2017, the real GDP increased by 4.4 percent, the nominal GDP in USD decreased from USD 86 billion to USD 61.8 billion as in 2017 Uzbekistan moved from a fixed to a floating exchange rate. Like many other countries, Uzbekistan's economy was adversely affected by the COVID-19 pandemic in 2020. Lockdowns and disruptions in trade had an impact on various sectors. Despite global challenges, Uzbekistan's economy increased slightly by 2 percent. In 2021, Uzbekistan's economy had a growth rate of 7.4 percent as the country tried to manage the impact of the pandemic, followed by a 5.7 percent increase in 2022. The positive trend continued in 2023 and the annual growth rate in Uzbekistan was 6 percent. During 2010-2023, the trajectory of GDP per capita in Uzbekistan reflected that of the overall GDP. In 2023, GDP per capita in Uzbekistan amounted USD 2 495 at current prices, showing a growth of 3.8 percent from 2022.

**Keywords:** Uzbekistan, economy, inflation, trade

### Introduction

The 2024 budget [forecast](#) of the Uzbek Ministry of Economy and Finance assumes a further increase in economic growth in Uzbekistan. Against the background of the current global political and economic situation, the growth rate of the Uzbek economy in 2023-2024 is expected to be between 5.6 percent and 5.8 percent. In 2025-2026, the country's economic growth is expected to increase by 6.2-6.4 percent. The [IMF](#), the [World Bank](#) and the Asian Development Bank forecast steady growth of between 5.5 percent and 5.8 percent, which is in line with national forecasts.



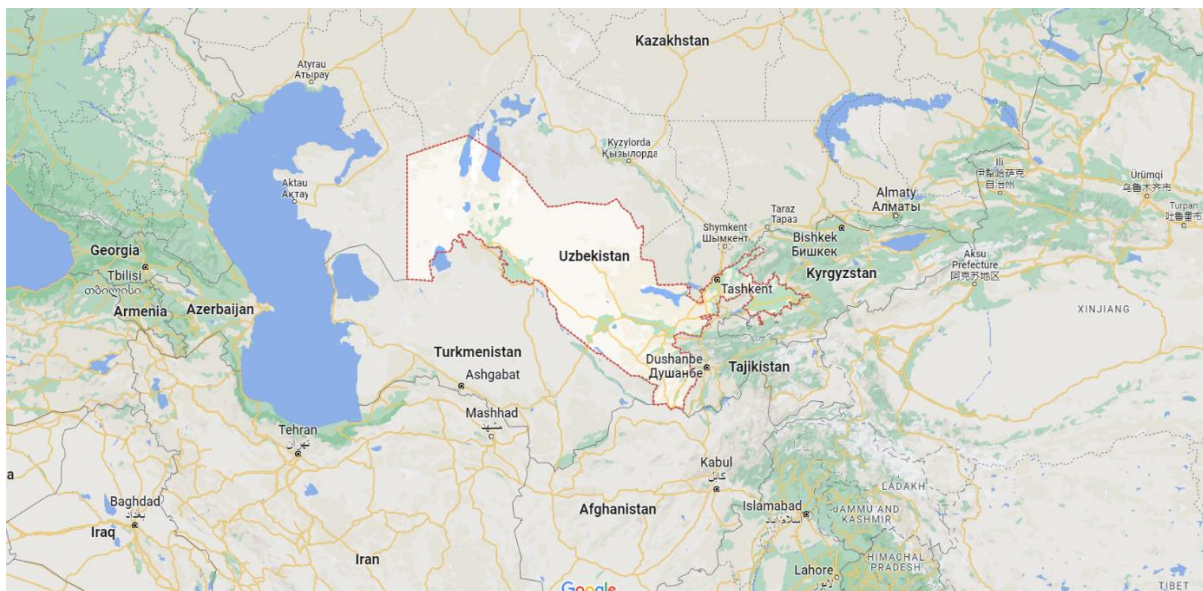
Source: own compilation based on the IMF, World Bank, Asian Development Bank and EBRD data

In 2022, the inflation rate in Uzbekistan was 12.3 percent. However, the government is actively working to curb inflation which is expected to fall to around 9 percent by 2023, creating a more stable economic environment for businesses and citizens alike.

## Brief overview

With nearly 35 million [population](#), Uzbekistan is one of the most populous and militarily powerful states in the post-Soviet and Central Asian region. Both in tsarist Russia and in the Soviet era, Tashkent was one of the most important administrative and logistical centers of Central Asia. Along with Kazakhstan, Uzbekistan is the most important economic, political and security player in the Central Asian region.

## Geographical position of Uzbekistan



Source: Google Maps

Uzbekistan, officially the Republic of Uzbekistan (Uzbek: O‘zbekiston Respublikasi) is a landlocked country in Central Asia, bordering all Central Asian states. It borders Kazakhstan to the north, Kyrgyzstan to the northeast, Tajikistan to the southeast, Afghanistan to the south, and Turkmenistan to the southwest. The capital and largest city of the country is Tashkent. In the country, [Uzbek](#) is the language spoken by the majority<sup>1</sup>, while Russian is widely spoken and [used](#) as a kind of lingua franca in everyday communication with each other. In addition to the two languages mentioned above, Tajik is spoken as a minority language primarily in Samarkand and its region and in (and around) Bukhara. Islam is the [predominant religion](#) in the country, with most Uzbek Muslims being Sunni.

Since 1990, Uzbekistan has been ruled by Islam Karimov until his death in 2016. In December

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<sup>1</sup> In the Karakalpak Autonomous Republic, both the Karakalpak language and Uzbek have official status.

1991, Uzbekistan became a member of the Commonwealth of Independent States (CIS). On August 31, 1991, the country declared its independence.

Uzbekistan is one of the few countries that is not yet a member of the World Trade Organization (WTO), but accession negotiations [are underway](#). At the regional level, the country [currently](#) has observer status in the Eurasian Economic Union (EAEU); however, in 2012 it withdrew from the defense cooperation of the Collective Security Treaty Organization (CSTO).

During the first two and a half decades of Uzbekistan's independence, under the presidency of [Islam Karimov](#), the country's potential remained untapped. Mainly because Uzbekistan was a repressive police state under Karimov's government. At the time, it was considered one of the most repressive political dictatorships in the world. Domestically, the country was characterized by strict policies and a closed foreign policy. It sought to distance itself from regional integration, preferring bilateral intergovernmental relations to multilateral cooperation.

By the mid-2010s, Uzbekistan was largely isolated internationally. Its relations with major powers deteriorated, and it plunged economically into recession. One of the reasons for this is the decades-long practice of forcing Uzbek farmers to grow cotton instead of traditional livestock and shifting cultivation and selling it to the government at a set low price.

Relations with the United States began to deteriorate spectacularly in 2005 after the [Andijan massacre](#).<sup>2</sup> Relations with Russia also deteriorated in 2012, when Uzbekistan withdrew<sup>3</sup> from the Collective Security Treaty Organization because the leadership at the time believed it could achieve more with U.S. support. In addition, Tashkent has had strained relations with almost all neighbors, particularly Kyrgyzstan and Tajikistan (primarily due to [disputes](#) over water sharing and border disputes). It is worth noting that Uzbekistan and Kyrgyzstan have now reached a peaceful [agreement](#) over border disputes between the two countries.

Since 2016, the country has been ruled by the Mirziyoyev government, which has taken a new direction in Uzbekistan's development. It has also made timely progress in economic liberalization. In September 2017, the sum (the national currency of Uzbekistan) became convertible. However, this led to a massive devaluation of the currency. The sudden increase in demand for money was not easy for the Uzbek banking system to cope with. Above all, [the](#)

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<sup>2</sup> In May 2005, unrest broke out in the eastern city after authorities sentenced 23 local businessmen to prison for alleged links to extremist Islamist groups. According to official figures, the crackdown claimed 173 lives, while nongovernmental organizations put the death toll at 500-1 000. There are three narratives of what happened, and to this day it is not clear what happened.

<sup>3</sup> It is worth noting that despite the withdrawal, Uzbekistan continues to maintain defense ties with Russia, including joint military exercises and cooperation with defense industries; it also maintains defense ties with other regional countries, including India, Pakistan, and Türkiye.

[currency reform](#) was severe [blow to the black market](#). Today, however, the longer-term consequences of this step are already being felt. In June 2019, Uzbekistan received a \$500 million loan from the World Bank, conditional on ending widespread [forced labor](#) in the [cotton sector](#), which is the foundation of the Uzbek economy. Due to the spectacular results of liberalization, [The Economist](#) magazine named Uzbekistan the country of "the year most advanced in political and economic reforms in its 2019 annual report. In addition, Uzbekistan is a member of the Commonwealth of Independent States (CIS), the United Nations (UN) and the Shanghai Cooperation Organization (SCO).

### General economic characteristics of Uzbekistan

Since independence in September 1991, Uzbekistan has largely maintained a Soviet-style managed economy (a form of economy similar to a planned economy). In addition, however, the government in Tashkent has attempted to diversify the Uzbek economy over the years. Thanks to this, Uzbekistan rose to become the world's fifth-largest cotton exporter and [seventh-largest](#) cotton producer in the late 2010s and now [ranks sixth](#) in cotton production. In addition to cotton production, a huge part of the Central Asian country's foreign exchange revenues come from natural gas and gold exports, and together with its giant Soviet-era power generation facilities, Uzbekistan has become one of the largest electricity producers in Central Asia.

Besides cotton, the main agricultural products of Uzbek agriculture are rice, grapes, fruits, vegetables, wheat, corn, and potatoes. Karaku sheep are raised in the mountainous regions, and silkworm breeding is characteristic of the Fergana Basin. The country's industry is based on the traditional textile, cotton, and food processing industries, as well as the chemical and engineering industries. The country's main exports include cotton, natural gas, gold, electricity, fertilizers, metals, textiles and foodstuffs. Uzbekistan's [main trading](#) partners are China, Russia, South Korea, Kazakhstan, Türkiye and Germany.

Uzbekistan's TOP 10 important trading partners between January 2023 and January 2024 (in percentage)	
<b>China</b>	27.2%
<b>Russia</b>	18.3%
<b>Kazakhstan</b>	6.5%
<b>Türkiye</b>	5.1%
<b>South Korea</b>	4.3%
<b>Germany</b>	2.3%
<b>Japan</b>	2.2%
<b>France</b>	1,9%
<b>India</b>	1,6%
<b>Czechia</b>	1,5%

Source: <https://stat.uz/ru/press-tsentr/novosti-goskomstata/51142-vneshnetorgovjy-oborot-respubliki-uzbekistan-za-yanvar-2024-g>

Since reforms began in the Central Asian country in 2017, Uzbekistan has taken significant steps to reduce administrative barriers to international trade. [In 2020](#), Tashkent resumed the process of WTO accession negotiations. In 2021, Uzbekistan [joined](#) GSP+, the European Union's scheme of generalized tariff preferences, which exempts the export of 6200 products to the EU from customs duties.

The country's foreign trade turnover reached USD 50 billion in [2022](#) (+18.6 percent compared to 2021), of which exports amounted to USD 19.3 billion (+15.9 percent compared to 2021) and imports to USD 30.7 billion (+20.4 percent compared to 2021).

Uzbekistan's most important import partners in 2023 (in percentage)		Uzbekistan's most important export partners in 2023 (in percentage)	
<b>China</b>	29.2%	<b>Russia</b>	13.5%
<b>Russia</b>	17.2%	<b>China</b>	10.1%
<b>Kazakhstan</b>	8%	<b>Kazakhstan</b>	5.6%
<b>South Korea</b>	6.1%	<b>Türkiye</b>	5.1%
<b>Türkiye</b>	4.9%	<b>Afghanistan</b>	3.5%
<b>Others</b>	34.7%	<b>Kyrgyzstan</b>	2.6%

Source: Statistics Agency under the President of the Republic of Uzbekistan (UzStat)

Between 2018 and 2023, the country received [BB-](#) ratings from both Standard and Poor (S&P) and Fitch Ratings. In addition, according to [some research institutes](#), the Central Asian country has significant liquid assets, high economic growth, low public debt and low GDP per capita.

Uzbekistan's main export products in the period January-December 2023 (in percentage)	
<b>Gold</b>	25.7%
<b>Food</b>	11.9%
<b>Chemical products and articles thereof</b>	9.8%
<b>Non-ferrous metals</b>	9.8%
<b>Energy and oil products</b>	8.6%
<b>Cars and equipment</b>	6.5%
<b>Others</b>	27.7%

Source: UzStat

## The Uzbek labor market

Cheap labor is the basis of Uzbek competitiveness. Uzbekistan is the most populous country in Central Asia (35 million people) with an annual population growth of about [2](#) percent and an [average age of 29 years](#) (67 percent of the population is between 15 and 64 years old). The level



of urbanization is currently 50 percent, and the rest of the population lives in villages, where agriculture is the main economic activity. The agricultural sector accounts for 26 percent of GDP. According to the World Bank, Uzbekistan is a low-income country. The [minimum wage](#) in Uzbekistan is 980 000 Uzbek sums (about USD 85) per month (2023).

### **Priorities of economic development**

After Shavkat Mirziyoyev became president of Uzbekistan in 2016, the Central Asian country started to implement ambitious reforms to make its economy more effective, create new jobs, and strengthen key sectors of the Uzbek economy.

In his speech (December 20, 2022) the Uzbek President [identified](#) six priority areas of economic development: (1) implementing public administration reform; (2) further strengthening the "welfare state" (more on this later) by putting people at the center of state action; (3) ensuring the protection of human rights and freedoms as a constitutional obligation of the state; (4) strengthening the protection of natural resources, including water resources; (5) improving the business environment through free market mechanisms; (6) ensuring healthy competition and the inviolability of private property; and promoting entrepreneurship, attracting investment, and privatizing the largest public enterprises and banks.

### **Key sector one: mineral resources and mining**

Considering the ongoing reform and constitutional change processes in Uzbekistan, key sectors of the Uzbek economy are mineral resources and mining, energy, textiles, and education. Mining in Uzbekistan is one of the industries of strategic importance for the country. Mining companies account for 50-60 percent of the GDP. Uzbekistan in the world in terms of mining. Uzbekistan is the 5th largest producer of uranium, 8th of gold and 11th of natural gas in the world. Uzbekistan is the 4th largest producer of gold in the world and the 7th in the world. The country has the largest reserves of uranium.

### **Key sector two: Energy**

Uzbekistan's economic reforms were extended to the energy sector in 2019. The reform aimed to diversify the country's energy mix, while natural gas continues to dominate Uzbekistan's energy market. [According to reports](#), Uzbekistan's economy is one of the most energy-intensive in the world and has immense potential to improve energy efficiency. [Uzbekistan's energy mix](#) is largely dominated by natural gas ([85-90 percent](#) of the country's electricity is generated with natural gas). As for the energy system in Uzbekistan, the government in Tashkent is planning to modernize current power plants that generate electricity and are quite outdated and inefficient. In addition, Uzbekistan has an enormous potential in the field of renewable energy, especially solar energy (thanks to [300-320 sunny days a year](#)), wind energy and hydropower.

### **Key sector three: Textiles**

Uzbekistan is the 6th largest producer of cotton and the third largest exporter of cotton. Cotton accounts for about 30 percent of Uzbekistan's total agricultural land. In parallel, the textile industry is a strategic sector of the Uzbek economy. In recent years, Uzbekistan has tried to reduce exports of unprocessed raw cotton and focus more on higher value-added cotton products. Today, almost 100 percent of cotton is processed into yarn. In Uzbekistan, there are about [7 000 textile enterprises](#) (440 000 employees), which generated exports worth USD 3 billion in 2021.

### **Key sector four: Education**

Education spending is [4.9 percent of GDP](#) (2020), higher than in countries with a similar level of development. In Uzbekistan, public education is compulsory for 11 years. Each year, about 35 000 students go abroad to study, mainly to Russia, Germany and Türkiye.

The number of higher education institutions and graduates is constantly growing. The number of higher education institutions increased from 70 in 2016 to [162](#) by 2022 (including private, public and foreign universities). [In 2020](#), a total of 83 900 students will graduate from higher education institutions in the Central Asian country (53 300 in 1991).

### **A special sector in the Uzbek economy**

In the Central Asian region, Kazakhstan is leading in the creative industries sector (ranked 81st in the world and 3rd in the region). The center for Kazakhstan's creative industries is Almati, a city known for its strong IT and game development sectors.

Uzbekistan, on the other hand, has been focusing on encouraging start-ups and business projects as part of the reform [initiatives](#), in recent years. In the creative industries sector Uzbekistan ranked 82nd in the world. In recent years, support for business start-ups and enterprise projects in Uzbekistan has formed the basis of Uzbekistan's reforms. One of the most critical areas has been the further development of human capital, the development of creative skills, innovative entrepreneurship and innovation. According to the “Uzbekistan 2030 strategy”, the country plans to set up one creative park in each region as part of the reforms in youth policies. The first such parks will be opened soon in Tashkent. Uzbekistan has, confirmed its commitment to support the creative industries by hosting the 4th Uzbekistan Creative Industries Conference in 2024.

### **Resilience and Growth**

Despite recent global challenges, Uzbekistan's economy has [demonstrated](#) remarkable resilience. Despite the influx of migrants and a surge in remittances in 2022, following

geopolitical shocks, the economy had a robust 5.7 percent real GDP growth. Next year, a sizable fiscal expansion, high wage growth, and increased exports are expected to sustain this growth at the same rate.

Selected Economic Indicators 2020-2024					
	2020	2021	2022	2023	2024
<b>National income</b>					
<b>Real GDP growth (percent change)</b>	2.0	7.4	n.a.	5.7	5.2
<b>GDP per capita (in dollars)</b>	1,776	2,014	2,301	2,499	2,668
<b>Population (in millions)</b>	33.9	34.6	35.3	35.0	36.7
<b>Prices</b>			(Percent change)		
<b>Consumer price inflation (end of period)</b>	11.2	10.0	12.3	9.0	11.0
<b>GDP deflator</b>	11.4	13.5	14.9	12.1	10.0
<b>External sector</b>			(Percent of GDP)		
<b>Current account balance</b>	-5.0	-7.0	-0.8	-4.7	-5.2
<b>External debt</b>	56.8	57.8	53.1	53.3	51.4
			(Level)		
<b>Exchange rate (in sums per U.S. dollar; end of period)</b>	10,477	10,838	11,225		

Source: UzStat and IMF data

Despite the positive outlook, Uzbekistan faces challenges and risks that require careful attention. The external current account deficit is expected to rise due to strong imports and declining remittances. External risks stem from potential economic slowdowns in key trading partners such as China and Russia, as well as tightening external financial conditions. Domestically, contingent liabilities from state-owned enterprises (SOEs) and public-private partnerships (PPPs) pose risks.

	2022	2023	2024
<b>Government finances</b>	Percent GDP		
<b>Consolidated budget revenues</b>	32.0	31.4	32.1
<b>Consolidated budget expenditures</b>	35.9	36.9	36.1
<b>Consolidated budget balance</b>	-3.9	-5.5	-4.0
<b>Adjusted revenues 2/</b>	30.5	30.3	30.5
<b>Adjusted expenditures 2/</b>	34.7	34.9	34.1
<b>Adjusted fiscal balance</b>	-4.2	-4.6	-3.6

<b>Policy-based lending</b>	-0.1	1.2	0.6
<b>Overall fiscal balance 2/</b>	-4.1	-5.8	-4.2
<b>Public debt</b>	33.9	35.8	34.8

Source: UzStat, ADB and IMF data

## Economic reforms in Uzbekistan

President Shavkat Mirziyoyev has not continued his predecessor's austere domestic policies or his isolationist foreign policy course. In 1996, the Karimov regime artificially intervened in Uzbekistan's economic development by misdirecting agriculture and industry and shifting to a policy of import substitution. All this turned out to be a wrong decision, because of the misguided economic policy, the economic efficiency of the Central Asian country was extremely low, economic growth slowed down, unemployment and labor migration became high, and corruption also reached extraordinary levels in the country.

As a result of the flawed economic policy, it was only a matter of time before systemic and consistent reforms became necessary in Uzbekistan. And that is what happened [in 2016](#). The country's newly elected president, Shavkat Mirziyoyev<sup>4</sup>, almost immediately began reforming Uzbekistan's economy, earning him the name "reformer." As part of Mirziyoyev's [reforms](#), Uzbekistan began unifying exchange rates and liberalizing the foreign exchange market (summer-autumn 2017), significantly reducing tariffs on products imported into Uzbekistan from abroad (2017-18), reducing administrative costs associated with doing business, and introducing a new tax reform (2019).

## From action strategy to development strategy

Presidential elections were held in Uzbekistan on October 24, 2021. Mirziyoyev's victory allowed him to continue and deepen the economic reforms that began in 2016. During his election campaign, he toured the country promising to narrow the gap between rich and poor. As a result, he also pledged to gradually decentralize decision-making by giving certain powers

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<sup>4</sup> It was the sixth presidential election for Uzbekistan, since independence from the Soviet Union in 1991 and recognition by the international community. Surprisingly, the Central Asian country has had only two presidents in that time. One of them is the dictatorial [Islam Karimov](#), who was succeeded by Shavkat Mirziyoyev after his death [in 2016](#). Since 2016, the new president has introduced a completely different approach to Uzbek domestic and foreign policy, as well as to the economy and trade, than his predecessor. In the 2021 presidential election, Mirziyoyev received [80.1 percent of the vote](#) thanks to his image in favor of liberalization, despite the global economic problems caused by the Covid 19 pandemic and the withdrawal of US troops from Afghanistan, meaning that Mirziyoyev is already serving his second five-year term at the helm of the Central Asian country.

to vilajeti (district councils). After his election, Mirziyoyev stated that during his second presidency, economic development would be one of the government's priorities. Against this backdrop, he intends to continue the monetary policy started in 2016 and develop a new economic development strategy to maintain the country's competitiveness.

After his official inauguration on November 6, 2021, Shavkat Mirziyoyev presented [the Development Strategy for the New Uzbekistan 2022-2026](#) on the very day of the inauguration ceremony, which contained the main economic priorities for the next five years.

The strategy presented by President Mirziyoyev is a consistent and inseparable continuation of the most important developments related to the future of Uzbekistan and is an integral part of the [Uzbekistan Action Strategy](#) adopted five years ago, under which the reforms of the previous presidential term were implemented.

### **The main goal is to increase GDP per capita**

The new Uzbekistan Development Strategy 2022-2026 envisions the achievement of 100 stated goals and 398 actions with a strong focus on increasing the country's GDP per capita. This is particularly important because the strategies adopted in the past five years under the Action Plan implemented in 2017-2021, were focused on the development of the leading industries (textile, electrical, automotive, building materials, chemical and petrochemical, agricultural machinery, and energy), which the Uzbek government expected to increase the efficiency of economic production. At the same time, it enabled the introduction of market principles that ensured free competition, for example, by abolishing state regulation of cotton and grain production.<sup>5</sup>

The main goals of the 2022-2026 development strategy, in summary, are as follows:

- Achieving GDP of USD 100 billion by 2026 (USD 80 billion in 2022).
- Reaching USD 2800 GDP per capita by 2026 and USD 4000 by 2030 (USD 2255 in 2022).
- Attracting USD 70 billion in foreign direct investment.
- Increasing exports to USD 30 billion (compared to USD 19.3 billion in 2022).

### **Foreign investments projections in first month 2024**

Uzbekistan, the second largest economy in Central Asia, plans to implement coming from abroad USD 78.6 billion of investment projects in Q1 2024. According to the information reflected in the investment [program](#), the focus will be on infrastructure and green energy

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<sup>5</sup> Several experts point out that Uzbekistan has not been severely affected by the grain shortage caused by the Ukrainian-Russian war only because state regulation of grain cultivation has already been abolished. Had this not happened, the grain shortage would probably have hit Uzbekistan the hardest among Central Asian countries.

projects. Many of the projects were initiated years prior with many others set to begin in Q1 2024.

<b>Uzbekistan 2024 foreign investment projections (in billion USD)</b>	
<b>China</b>	19,98
<b>Switzerland and Cyprus</b>	11,48
<b>Germany</b>	5,68
<b>Türkiye</b>	2,79
<b>Russia</b>	2,22
<b>United Arab Emirates</b>	2,03
<b>Saudi Arabia</b>	1,97
<b>The Netherlands</b>	1,65
<b>Singapore</b>	1,41
<b>Great Britain</b>	1

Source: UzStat data

China is a leading investor in the country with USD 19.98 billion, accounting for 24.14 percent of the total, underscoring its significant economic influence and strategic interests in Uzbekistan. The unique partnership between Switzerland and Cyprus<sup>6</sup> follows, contributing \$11.48bn or 14.61 percent, highlighting the collaborative investment efforts and their substantial stake in the region's development. Germany, with a 7.22% share amounting to \$5.68bn.

The investments span a range of sectors, from infrastructure and energy to technology and healthcare. Smaller investments from countries such as the UK, France, Qatar, Japan, Egypt, and Kazakhstan, although contributing less than USD 1 billion on country basis, cumulatively play a role in diversifying the investment portfolio of Uzbekistan. The participation of other countries, including Italy, South Korea, and Hungary, further shows the international interest in Uzbekistan's market and the opportunities it presents for global investors.

**Summary**

Uzbekistan, under President Shavkat Mirziyoyev's leadership since 2016, has undergone a notable transformation. Despite the optimistic economic outlook, Uzbekistan faces hurdles such

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<sup>6</sup> Economic cooperation between Switzerland and Cyprus is regulated in a bilateral agreement between Switzerland and the EU. The balance of trade between the two countries falls in favour of Switzerland, which mainly exports pharmaceuticals, chemicals, machinery and watches, and mainly imports chemicals, precious metals, agricultural produce and machinery. They are focused on economic, scientific and cultural contacts and projects within the framework in Uzbekistan.

as dependency on commodity exports, the need for foreign investment, and regional water resource management issues. Addressing these effectively requires strategic policymaking and international cooperation.

Uzbekistan's greatest advantage – similar Hungary – in its own region is its political and economic continuity. Mirziyoyev's initiatives have also improved its human rights record, notably ending the embargo on textile and cotton product exports, but democracy remains stunted as the president keeps all power and the opposition is largely non-existent.

With his election campaign, Shavkat Mirziyoyev has outlined an overly complex program for Uzbek society. The successful constitutional amendment at the end of April and the early elections he won have consolidated the old-new president, who is starting his third term in office, in office and thus ensured a kind of political and economic stability for Uzbekistan. And since his election campaign and the promises made in it build on the work and program of previous years (New Uzbekistan), the reforms have already begun, and any further planned reforms or legislative proposals can be continued without any problems. However, the early Uzbek presidential election has also made it clear that Mirziyoyev is the only significant political figure in the Central Asian country. With Mirziyoyev's re-election, the priority of Uzbekistan's foreign policy, the development of relations with the countries of Central Asia, will probably remain, as will the lasting, long-term economic relations with China and Russia and with the countries with which Moscow is in conflict (Ukraine, the Baltic States, the United States and the European Union).

The excellent results of the early Uzbek presidential elections and the referendum on amending the Uzbek constitution at the end of April and the high voter turnout (according to unofficial figures, it was around 70% in the presidential elections and 84.5 in the referendum on amending the constitution) indicate that the Uzbek population supports the course and direction of the reforms announced and implemented by President Mirziyoyev.

Incomes remain a fifth of those in neighboring oil-rich Kazakhstan, but nominal wages have been rising since Mirziyoyev took office, and as inflation falls real incomes are rising too, to create the beginnings of a middle class that is fueling both consumption and manufacturing.

The population has welcomed these changes and Mirziyoyev remains universally popular despite the lack of a pluralistic political system. Uzbekistan has one of the youngest and fastest-growing populations in the Former Soviet Union, and the government is fully focused on job creation and has implemented extensive education reforms and industrial policies to enhance added value. The outlook for 2024 is positive, with the continuation of these policies expected to support Uzbekistan's robust economic growth in recent years.