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## Economic Reforms of the Soviet State in the Years of Reconstruction

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**Abstract.** In the mid-1980s, the Soviet state implemented a program of reforms that went down in history as "reconstruction." The history of this program is connected with the personality of Mikhail Gorbachev, who was elected Secretary General of the Central Committee of the CPSU in March 1985. The election of Mikhail Gorbachev, a young member of the highest political leadership at the time, was a sign that the party apparatus was trying to change the declining totalitarian regime a bit. The beginning of radical reforms in public administration, broad socio-political and economic changes was connected with the decisions of the April plenum of the Central Committee of the CPSU. The leadership sought to develop the state through reforms, taking into account the current crisis in all spheres of the USSR.

Keywords: Perestroika, Gorbachev, CPSU, alcoholism, NATO, trade deficit, China, private sector.

In the mid-1980s, the Soviet state implemented a program of reforms that went down in history as "reconstruction." The history of this program is connected with the personality of Mikhail Gorbachev, who was elected Secretary General of the Central Committee of the CPSU in March 1985. The election of Mikhail Gorbachev, a young member of the highest political leadership at the time, was a sign that the party apparatus was trying to change the declining totalitarian regime a bit. The beginning of radical reforms in public administration, broad socio-political and economic changes was connected with the decisions of the April plenum of the Central Committee of the CPSU. The leadership sought to develop the state through reforms, taking into account the current crisis in all spheres of the USSR.

In his speech at the plenum, Mikhail Gorbachev, "On the tasks related to the convening, preparation and holding of the XXVII Congress of the CPSU," in fact focused on the following aspects of the problem: destiny, the positions of socialism in the present world will depend in many respects on how we will proceed from now on. We must make full use of the achievements of modern science and technology, bring socialist forms of management in line with the current conditions and needs, and achieve a significant acceleration of socio-economic development. There is no other way.

The key issue now is how and at what cost the country can accelerate its economic development. We have considered this issue in the Politburo and unanimously concluded that there are real opportunities for this. The task of accelerating growth can be easily accomplished by focusing only on intensifying the economy and accelerating scientific and technological progress, restructuring management and planning, structural and investment policies, strengthening cohesion and discipline everywhere, and The style needs to be radically improved"<sup>1</sup>.

According to a 1985 survey, economic performance over the past seven years has been very poor. The national economic system was in a state of disrepair and immediately had a detrimental effect on the level of food supply. The first 10 percent decline in industrial production was recorded in 1985<sup>2</sup>.

In the first phase of the "reconstruction", which took place in 1985-1987, it is explained by the fact that administrative and organizational measures were carried out in the traditional way. At this stage, the introduction of scientific and technological advances into production was aimed at accelerating the radical economic development of society and, on this basis, the activation of the human factor. Anti-alcohol reform has taken on a special significance. While this reform has reduced alcoholism to some extent, it has also damaged human health and production, depriving the budget of 200 billion rubles from the sale of

<sup>&</sup>lt;sup>1</sup> Gorbachov.M.S. Tanlangan nutqlar va maqolalar., Tom2. Toshkent. O'zbekiston, 1988. –b. 174. <sup>2</sup>Н.Верт. История советского государства. 1900—1991.М.: Прогресс: Прогресс-Академия, 1992. с-300.

<sup>&</sup>lt;sup>3</sup>H.Kichkilov, M Fayzullaeva. Eng yangi tarix.(1945-2010-yillar) T: «Yangi nashr» 2011.B-361.

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alcohol over the years, which has dealt a severe blow to the country's budget<sup>3</sup>.

In the 1970s and 1980s, military-strategic cooperation was established with the NATO bloc to prevent the Soviet Union from losing its status. The April 23 plenum of the Central Committee of the CPSU adopted a program called "reconstruction and acceleration." At the same time, the government had to increase the picture of national income growth and strengthen social policy. One of the main tasks was to restructure industrial production and transfer it to a new scientific and technological basis.

Accelerating the process of "reconstruction" meant the following reforms: first, to improve product quality, second, to rationalize and mechanize production, and third, to activate the human factor. But these measures had to be introduced within the old system.

The early years of the Reconstruction showed that change was impossible without radical change in the economy and political system. There were two alternatives to this in the USSR. One was to adopt China's extensive experience of economic reform despite the lack of political freedom, and the other was to simultaneously democratize and implement economic reforms. Gorbachev and his closest allies chose the second path.

Mikhail Gorbachev was a far-sighted politician. It was an analysis of the changes taking place on the world stage during this period. In other words, the second hidden goal of the reform was the redistribution of power. It was also important to maintain the main role of the party, and for this purpose the participation in the elections was ensured<sup>4</sup>.

The second phase of the "reconstruction" of 1987-1990 put on the agenda a comprehensive reform of all spheres of society. In particular, in January 1987 and June 1988, these tasks were further clarified, and it was emphasized that its main goal was the full democratization of Soviet society.

Realizing the importance of economic issues, Mikhail Gorbachev convened a Plenum of the Central Committee of the CPSU in June 1987, at which a program of reforms in the economy was proposed. The plenum passed a law on state-owned enterprises, the main novelty of which was that factories were given greater independence. As a result, the personal rights of enterprises and organizations have increased significantly. Now companies can communicate directly with foreign partners. The gradual recovery of the domestic private sector has put an end to the foreign trade monopoly.

This factor allowed the Soviet market to open up to the world market. Restoration of the Soviet market was crucial in carrying out the long-awaited reforms of the economic system. Under these circumstances, the relationship between enterprises required the improvement of their financial deficits, both nationally and economically, without forgetting the national interest. In addition, labor union directors could be elected. The system of corporate self-governance has been improved. It is obvious that given the shortcomings of the existing system in the state, the path of capitalism has been chosen.

Along with other factors, such as the derailment process that led to the collapse of the national economy and the disregard for the social interests of the people, the economic policy of the CPSU, which did not yield the expected results, predetermined the justification of the entire socio-political system<sup>5</sup>.

The next direction of economic reforms was determined in June 1990 by the decision of the Supreme Soviet of the USSR "On the concept of transition to a regulated market economy." The gradual denationalization of property has led to the establishment of joint-stock companies and banks and the development of private entrepreneurship.

The government has implemented reforms that have been very beneficial to society, but these reforms have been inconsistent and not fully taken into account the existing conditions. "Reconstruction" has, in a sense, increased transparency, democracy, and diversity of opinion. However, radical democratic changes and reforms have not been completed in the country. Growing economic tensions, political turmoil, and skepticism about the possibility of achieving social justice through political means<sup>6</sup>.

In short, in the last years of its life, the Soviet leadership tried to save the totalitarian regime, which was in

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<sup>&</sup>lt;sup>4</sup>Н.Верт. История советского государства. 1900—1991.М.: Прогресс:

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<sup>&</sup>lt;sup>5</sup> O'zbekistonning yangi tarixi.2-kitob.O'zbekiston sovet mustamlakachiligi davrida. Toshkent. "Sharq".2000 – B .624.

<sup>&</sup>lt;sup>6</sup> Alimov I, Rajabov Q. O'zbekiston mustaqillik yo'lida. (1985-1991 yillar) O'zbekiston milliy ensiklopediyasi .Toshkent O'zMU nashriyoti, 2006.-B 184.

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crisis and did not justify itself positively in the world experience, through a program of "reconstruction." Unfortunately, this new policy did not lead to positive changes on almost any front, and instead exacerbated socio-economic problems and ruled out the possibility of resisting the disintegration of the state. 15 independent states were formed.

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