

## The State Budget Costs on Social-Cultural Events

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**Abstract:** The budget of any country reflects important economic, social, and political problems in the life of society as a whole and of each individual person. The budget reflects the scale of government activity and at the same time limits it. If, on the one hand, these are funds that come at the full disposal of the state and determine its financial potential, then on the other hand, funds for public use are concentrated in the budget and are not owned, but at the disposal of public authorities. In a market economy, the budget plays the role of a special regulator of socio-economic processes occurring in the republic.

The article examines the sources of funds allocated for social and cultural activities, including costs for the maintenance of cultural and sports institutions at the expense of the state budget and local budgets, state programs, as well as the legislative framework for their implementation and control, formed within the framework of decrees discussed in detail President and decisions of the Cabinet of Ministers. The conclusions and recommendations are based upon scientific literature with high regard to current statistical data.

**Keywords:** state budget, local budgets, expenses, social events, cultural institutions.

### Introduction

In the conditions of social market economy in Uzbekistan, significant budget funds are annually allocated to finance socio-cultural events. These expenses allow the state to maintain, develop and improve the system of socio-cultural support for the population. In addition, state budget expenditures on socio-cultural events have not only social, but also economic significance, because they indirectly affect social production, as they help improve the quality of labor resources, create conditions for increasing labor productivity via the use of its scientific organization and advanced scientific achievements in this field. As a result, the share of funds allocated through the state budget to provide for the social sphere, science and culture is increasing faster than for production sectors.

The relevance of the topic of state budget expenditures for social and cultural events is that further development of the spheres of culture and art, improvement of the material and technical base of cultural institutions and objects "On the development strategy of New Uzbekistan for 2022-2026" 76<sup>th</sup> Decree of the President of the Republic of Uzbekistan<sup>1</sup>, "On creating additional conditions for the further development of tourism, culture, cultural heritage and sports"<sup>2</sup> Decree of the President of the

<sup>1</sup> <https://lex.uz/uz/docs/-5841063>

<sup>2</sup> <https://lex.uz/uz/docs/-5825004>

Republic of Uzbekistan, "Tourism, sports and cultural heritage "On measures to further improve the state administration system in the spheres" is defined in the Decree of the President of the Republic of Uzbekistan. To develop national tourism and promote it in the world markets, to hold cultural-entertainment and mass sports events in order to form a positive image of Uzbekistan in the field of tourism, to increase the flow of tourists to the republic, to promote Uzbek national art to develop, promote and popularize it, to establish creative cooperation with organizations of foreign international music festivals, to support and encourage talented creative young people, to promote international Uzbek art in all directions and to hold republic-wide festivals, pageants and all state events is one of the important issues on the agenda.

### Literature analysis

Information on classification of budget expenses, budget organizations, the order of financing recipients of funds from the budget, the order of organization of treasury execution of budget system budget expenditures is given in the training manual "Budget treasury execution" by D. Tashmukhamedova<sup>3</sup>. Her work additionally reiterates on the importance of unambiguous state budget which is by its nature a complex phenomenon that concurrently affects issues of finance, politics, and law. Therefore, in the scientific literature, the concept of "budget" is usually considered from three different sides or positions: economic, material and legal.

The methods, forms and principles of budget expenditure financing are explained in the textbook "Finance" by T. Malikov and O. Olimdzhanov<sup>4</sup>. Also, they prioritize on the definition of efficiency of budget expenditures as obtaining the maximum result when using available resources or the minimum expenditure of resources to provide services of adequate quality and volume.

Information on the organization of treasury execution of extra-budgetary funds of budget organizations and their grouping is given in the textbook "Treasury" by B. Nurmukhamedova and D. Polatov<sup>5</sup>.

### Results and discussion.

The budget funds allocated to the current expenses in the social and cultural spheres and the organizational expenses of the activities in the sphere have a significant share of the total expenses of the state budget.

In 2022, it is planned to spend 105,503.2 billion soums or 49.1% of the total expenses of the State budget on the expenses of the social sphere and social support of the population, of which 3,376 billion sums will be allocated to the sphere of culture and sports. Table 1 summarizes the rate of funds allocated to the aforementioned sector from 2015 to 2022 financial years <sup>6</sup>.

**Table-1 Budget funds allocated to the sphere of culture and sports**

Year	2015	2016	2017	2018	2019	2020	2021	2022
Bln Uzbek sum	387,5	460,6	750,2	1 345,5	2 417,3	2 340,7	3 609,5	3 376

Respublikada o'tkaziladigan madaniy-ko'ngilochar va ommaviy sport tadbirlarining yagona taqvimini shakllantirish tartibi O'zbekiston Respublikasi Vazirlar Mahkamasining 2018-yil 22-maydagi 385-

<sup>3</sup> D. Tashmukhamedova. "Budjet g'azna ijrosi": O'quv qo'llanma. T.: Iqtisod-Moliya, 2019. 412 bet.

<sup>4</sup> T. Malikov, O. Olimjonov. "Moliya": Darslik. T.: Moliya instituti, 2019. 784 bet

<sup>5</sup> D. Po'latov, B. Nurmukhamedova. "G'aznachilik": Darslik. T.: Moliya instituti, 2014. 333 bet

<sup>6</sup> <https://openbudget.uz/outcomesView> sahifasi ma'lumotlari asosida

sonli qarori asosida belgilab qo'yilgan.<sup>7</sup> Ushbu qarorga ko'ra ushbu turdagi tadbirlariga xalqaro konferensiya, seminar hamda anjumanlar, ko'rgazmalar, konsertlar, sport tadbirlari va musobaqalar, san'at va hunarmandchilik ko'rgazmalari, ommaviy teatr va milliy o'yinlarning namoyishlari, turizm hamda tarixiy-madaniy meros obyektlaridagi tadbirlar va boshqa madaniy-ko'ngilochar tadbirlar kiradi. Bunday tadbirlar xarajatlarini moliyalashtirish tashkilotchilar hamda homiylarning xayriyalari, qonunchilikda ta'qiqlanmagan boshqa turdagi mablag'lar hisobidan tashkil etiladi.

Starting from 2015, the amount of spending on sports and culture has increased almost 8.7 times. The growth rate almost doubled in 2017, 2018 and 2019, and decreased to 4.17% in 2020. In this case, the impact of the restrictions imposed on public events during the coronavirus pandemic was observed, and the spending in 2021 directed at the sector increased by another 54.2 percent. By the end of this year, it is predicted that the expenses of the culture and sports sector will decrease by 6.47% compared to last year and will probably amount to 3,376 billion sums.

The procedure of forming a unified calendar of cultural, entertainment and mass sports events held in the Republic was determined based on the decision of the Cabinet of Ministers of the Republic of Uzbekistan No. 385 of May 22, 2018<sup>8</sup>. According to this decision, these types of events include international conferences, seminars and conventions, exhibitions, concerts, sports events and competitions, art and craft exhibitions, public theater and national games, tourism and historical and cultural heritage encompassing cultural and entertainment events. The financing of the costs of such events is organized at the expense of donations of organizers and sponsors and other types of funds not prohibited by law.

Also, the non-budgetary fund of the Ministry of Culture of the Republic of Uzbekistan, which is considered the main organizer of this type of events, was established by the decision of the Cabinet of Ministers No. 275 of May 20, 2022. According to the text of the decision, the following are defined as the sources of its financing: state budget allocations, 15% of the balance after paying the dividend in the amount of the state-owned shares of the profits of state organizations of the Ministry of Culture system, social organizations organized by state circuses and theaters, concert organizations 10 percent of the income from the organization of events, the income from depositing idle funds in the Fund account, the corresponding part of the income received in the form of public and private business partnerships, by the institutions of the system at the initiative of the Ministry proceeds from the events, allocations from the off-budget account of the "Single Customer Service" at the disposal of the Ministry of Culture, funds formed at the expense of foreign countries, international financial organizations and sponsorship funds, and other sources not prohibited by the law in the form of assistance.

Funds at the disposal of the fund are used to organize the provision of cultural recreation services for the population, to ensure the constant participation of artists in international competitions in the field of art and culture, organized by the Ministry in the republic and abroad financing of various activities, payment of allowances, bonuses and other types of incentive funds for employees of the Ministry's apparatus and institutions operating in the field of culture in the system, financing of the expenses of service trips for employees operating in the Ministry and state cultural institutions in the system, state programs in the field formation of funds for the construction and development of cultural and art infrastructure objects, covering the costs of paying membership fees to international organizations related to the field of organizations directly related to these fields, maintaining and using the buildings of the Ministry and regional institutions, are used for their construction and repair, organization of

<sup>7</sup> <https://lex.uz/docs/-3750092>

<sup>8</sup> <https://lex.uz/docs/-3750092>

other types of activities directly related to the activity of the Ministry, financing of other expenses not prohibited by law.

Furthermore, promotion and popularization of national art, cooperation with organizers of foreign international music and art festivals, assistance to talented artists, organization of regional, republican and international events in various fields of national art. for the purpose of the activity of the Directorate of International Festivals under the Ministry of Culture was established on the basis of the decision of the Cabinet of Ministers of the Republic of Uzbekistan No. 444 dated May 30, 2019<sup>9</sup>.

All socio-cultural events, conferences, concerts and other events organized by this Directorate are financed by the Directorate's income, sponsorship donations and other funds that do not contradict the law. The expenses of the state events are covered by means of the procedure established by the law.

The costs of maintaining the directorate are financed by allocations to it, its own income and other types of income not prohibited by the law, the insufficient funds for these costs are financed by the allocation of the state budget to the Ministry of Culture.

The directorate's income and its sources of financing are income from organizing events, income from business and rental activities, donations from sponsors in the form of individuals and legal entities, grants from international financial institutions and sponsoring organizations, and other sources not prohibited by law.

### **Conclusion**

Thus, the State Budget is a regulator of the economy, reflecting the volumes of financial resources needed by the state, determining specific areas for the use of funds, and directing the financial activities of the state.

The budget influences socio-economic processes by developing budget policy and using the budget mechanism.

In conclusion, it can be said that the amount of funds allocated by the state budget to the socio-cultural sphere and activities in the sphere is increasing year by year. The main reason for this is, firstly, the increase in the amount of the state budget and its general expenses, and secondly, the increasing attention paid to the social sphere, including the spheres of culture and sports.

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<sup>9</sup> <https://lex.uz/ru/docs/-4355654>

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