

WAYS OF ECONOMIC DEVELOPMENT OF REGIONS: FOREIGN EXPERIENCES AND PRINCIPLES

Toshalieva Saodat Tokhirovna

Associate Professor at Termez State University
of the Republic of Uzbekistan, PhD in Economics

In developed countries, modern social reproduction can be described as innovative processing, the basis of which is new innovative knowledge, advanced information technologies, information services and products. Advanced education and information-technological innovations are a decisive factor in economic growth and increasing competitiveness.

The economic literature provides a detailed description of various forms of competitiveness. It sequentially distinguishes three stages of a developing economy, shows how they are affected by various forms of competitiveness, and distinguishes the corresponding goals of development:

1. Factor - driven economy - an economy driven by factors of production. For this stage of the economic system, competitiveness is mainly ensured by low production costs, which is based on the sufficiency and cheapness of natural and human resources;
2. Investment - driven economy - an economy driven by investments. For this stage, competitiveness is characteristic of competitiveness related to the technical level of production and investments;
3. Innovation - driven economy - an economy driven by innovations. In this economy, the focus shifts from resources to valuable consumption. Here, the creation of something valuable for the consumer becomes the main goal. In an innovative economy, reducing production costs is not the main goal. Here, the amount of costs should not exceed the costs of competitors. The main goal in such economic development is innovation.

According to the United Nations Industrial Development Committee (UNIDO), globalization and economic liberalization cannot solve the problems of the ever-increasing gap in the level of industrial development and competitiveness of developed and developing countries. To correct the situation, the international community and national governments must help developing economies move forward along the path of competitiveness upwards, that is, through the absorption of global knowledge and technologies, as well as through the development of private innovative production. Such a strategy is opposed to the "path of competitiveness downwards", at a time when foreign investors are interested in cheap natural and labor resources. The most developed countries of the world have moved to the third stage, the stage of innovative economic development.

Russia is in the transition from the first stage to the second (the main emphasis is on investments in the search for raw materials and their sale on the world market). However,

today, relying on a model of economic growth based on the involvement of large natural resources in economic turnover and cheap labor means a hopeless loss in competitiveness.

This is becoming increasingly redundant in the dynamically developing countries of the world, both materially and intellectually. In such conditions, competitive goods in developing countries can be produced in the existing world markets for standard goods and services. In this case, competitiveness is achieved by attracting cheap natural and labor resources to production and reducing the costs of standard goods and services produced on the basis of attracting foreign standard technologies.

According to foreign experience, the innovation process in a market economy consists in the continuous implementation of innovations to meet constantly changing needs. This does not mean that there is no problem of "implementation" of innovations, or rather, the problem of acceptance, but on the contrary, it is a central problem. However, its solution begins at the initial stages of the formation of the idea of innovation.

Economic literature has been discussing the essence of innovation processes for decades. Some authors consider the innovation process as a continuous, complex process of creating new knowledge, introducing it into production and distributing it throughout the economy.

Western countries have gone far ahead in mastering and revealing a new global network model of the innovation process. The innovation process has a source of problems and opportunities arising from the internal or external environment of the organization. It includes the following as internal causes: unforeseen circumstances, imbalances, contradictions, production process requirements, market changes.

Globalization of innovation processes is a multifaceted complex phenomenon. It consists of cooperation between countries in implementing innovations, distributing all stages of the innovation process across different countries on the basis of the international division of labor. At the initial stage of globalization, this process included the first stages of the innovation process and was carried out by developed countries and was mainly aimed at the globalization of science.

This connection indicates that the intensification of innovation processes in Uzbekistan is possible through their globalization. Due to its innovative potential, Uzbekistan can claim to participate in the first stages of the innovation process. The following are important as external impulses for innovation: demographic changes, technological changes, new knowledge, etc. One of the strongest external incentives for innovation activity is new knowledge and technologies. When new technologies appear, innovative firms can make high profits by introducing innovations and testing them in new markets. At the same time, other factors have been identified as sources of the innovation process, such as imitation of innovations, training in the experimental base, cooperation and licensing agreements.

According to the experience of a number of countries, agroparks play an important role in the rapid growth of innovative technologies; there are more than 160 of them in the USA, about 20 in Finland, more than 50 in China, and 13 in India. It should also be noted that supporting innovative entrepreneurship and directing investments in large innovative projects has a multiplier effect, as they accelerate the growth of the information and communication technologies sector, as well as contribute to the growth of production efficiency in the economy of Uzbekistan and in regional sectors.

In today's globalization environment, regional economic development is an important factor in ensuring sustainable growth and social well-being of each country. Developed and developing countries are developing various strategies to reduce economic inequalities in their regions, create competitive infrastructure, and create new jobs. In particular:

1. Japan's "Technopark" and "Innovation Cluster" model.

Japan has achieved high results in regional development through the development of technological clusters. For example, on the basis of the Tsukuba Science City model, centers were established where research institutes, universities, and the private sector cooperated. The main features of this model are the creation of an innovative environment, regional specialization, and support for small and medium-sized enterprises.

2. Germany's policy of "Territorial Equality through Federalization".

As a federal state, Germany pays special attention to reducing regional inequality. Through the system of "Länderfinanzausgleich" (territorial financial equalization), richer regions subsidize less developed regions. This ensures that regional infrastructure is developed evenly, the quality of social services is equalized, and migration within the country is balanced.

3. South Korea's "Decentralization and Industrialization" strategy.

South Korea has implemented a policy of "growth poles" to prevent economic development from being concentrated around Seoul. For example, cities such as Ulsan and Gwangju have been transformed into industrial centers, each region has specialized in a specific industry, and internal integration has been strengthened through new transport infrastructure.

The correct choice of strategy allows realizing the potential of resources for economic development and thereby ensuring the effective development of regions in market conditions.

The following features of the approach to the development of regional strategies that adequately respond to current world problems have been formed:

- the formation of a qualitatively new, globally integrated regional strategy that includes innovative, motivational, economic, organizational, administrative and other components;
- strategy is the product of cooperation between representatives of the legislative and executive authorities, large enterprises, banks, business associations, the private sector, universities, research institutes, local communities and non-governmental organizations.

To form a regional strategy, it is necessary to carry out a number of analytical works to prepare an information and analytical base. There are the following types of them:

- "traditional" analysis of regional statistical data; analysis of the historical aspect of regional development;
- retrospective of strategic planning in the region;
- analysis of regional assessments by external experts;
- analysis and assessment of the existing structure of the regional economy;
- analysis of the composition of the gross regional product;
- analysis of the initial conditions for the economic development of the region and assessment of its competitive potential.

The regional development strategy should be viewed as a "social agreement", a means of organizing interactions between authorities, business and society. Therefore, the regional strategy should take into account the interests of various groups of the region's population, aligned and united in the common interests of regional development.

Taking into account the specific features of the current stage of modernization of the national economy, the following development scenarios can be distinguished:

- a traditional socio-economic strategy of the region, limited by administrative borders, preserving the existing structure of the economy and modernizing leading sectors, which is essentially a continuation of development along the previously chosen direction, which is determined by the prevailing trends;
- an innovative strategy that combines economic, organizational, administrative and other components based on existing trends and a certain change in trends into a qualitatively new vector of motivational, social (including taking into account migration, the initiative of the rural population) development.

The main mechanisms for developing an innovative development strategy are:

- a cluster approach to economic development;
- a regional government that contributes to economic growth (criteria for assessing the effectiveness of its activities are identified) and a source of motivation for the private sector;
- an effective administrative resource (administrative reform in the regions, aimed at development).

In the formation of programs and priorities for the socio-economic development of the region, khokimiyats are dependent on republican bodies. Documents that come down from above serve as a guide for khokimiyats, which must be implemented by any means. Khokimiyats do not independently develop strategic problems for the development of the region in a deep and comprehensive manner.

At the same time, the main principles of developing a regional strategy are as follows:

- the strategy for the socio-economic development of regions considers a system of measures aimed at implementing medium-term and long-term tasks of the state's socio-economic development, taking into account the rational contribution of regions to solving problems, determined by the real conditions of these problems and development constraints;
- the strategy for the socio-economic development of the region is a document that determines general goals, objectives, directions of regional development, possible scenarios for the development of extra-regional conditions and mechanisms for their implementation, resulting from an analysis of resource capabilities, the existing socio-economic situation;
- the regional development strategy changes from a system of conditions and factors affecting the goals of the development of society within a single state to the socio-economic situation at a certain stage of development, the relations that arise between the center and the region, and the external economic situation;
- the strategy can never be thought out to the end, and its revision should be a mandatory procedure when external and internal conditions change;
- the strategy is not a "direct action" document, but only serves as the basis for the development of a whole system of documents: strategic plans for the development of districts, cities and villages, individual sectors, complex target programs, long-term programs, current plans for socio-economic development, plans for the activities of state bodies at various levels, legislative initiatives;
- as part of the strategy, a new socio-economic model of poverty reduction will be developed based on the development of motivation, the realization of initiative potential, and incentives for job creation and increasing the income of the rural population.

In conclusion, foreign experience shows that there is no single universal model for the economic development of regions. Each country chooses an approach adapted to its historical, political and economic conditions. For Uzbekistan, the following main areas are important:

- development based on regional specialization;
- increasing infrastructure investments;
- creation of innovation and technology parks;
- support for local initiatives;
- adaptation of foreign experiences to national conditions.

Thus, studying foreign best practices and using them in a unique way will serve the sustainable and consistent development of Uzbekistan's regions.