



Characteristics And Main Directions Of The Formation Of Competitive Economy On The Basis Of Innovations

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ABSTRACT

The article highlights the objective necessity of increasing the competitiveness of the national economy and the importance of using innovations in this process. It is emphasized that innovation is a key criterion for building a competitive economy in the context of declining traditional and limited non-renewable economic resources. Priorities for increasing the competitiveness of the national economy through the innovative development of industries are outlined.

KEYWORDS

National economy, competition, competitiveness, competitiveness of national economy, innovation, innovative activity, industry, competitiveness of industries.

INTRODUCTION

At present, the issue of increasing the competitiveness of the world and national economies is becoming extremely important. Because in the current context of the reduction of traditional, limited and non-renewable resources, it is objectively necessary to increase the competitiveness of

the economy under the influence of innovative factors.

The issues of global population growth, environmental degradation, increased investment activity, improving the quality of economic growth, and increasing the

competitiveness of the national economy, requires the transition to an innovative economy based on human capital and the most advanced high technologies.

The growing trends of globalization, the complexity of socio-economic processes and the expansion of diversification of goods and services require an increase in the competitiveness of the national economy with the effective use of innovation. It is important to develop infrastructure that will ensure competitiveness through the widespread introduction of innovations in the production process, the acceleration of innovation in enterprises and the continuous renewal of products and services. Because, at the current time, with the intensification of globalization and integration processes in the world economy, the prospects for its development are determined by the pace of scientific and technological progress, access to capital and human resources. In the world, special attention is paid to achieving more quality indicators through the development of production based on technical progress and innovation, increasing the competitiveness of the economy and ensuring sustainable development.

According to the words of Shavkat Mirziyoyev, President of the Republic of Uzbekistan: “Uzbekistan must be globally competitive in the field of science, intellectual potential, modern personnel, high technologies” [1]. The use of innovations and the development of innovative activities in the formation of a competitive economy in our country since the early years of independence, were identified as priorities with structural changes in the economy, the emergence of

enterprises and associations based on various forms of ownership and management, improvement of management mechanisms, further development of technical rearmament. As a result, concepts such as innovation, innovative activity, innovative process, innovative environment, innovative infrastructure, innovative economy, human capital, knowledge-based economy, innovative potential have entered our daily lives and are gaining popularity.

In the context of globalization, innovation is a key factor in competitiveness. Not only in the example of one enterprise, but also in a particular sector, national and global economy, in the context of limited natural resources, innovative activities are aimed at developing their alternatives, creating resource-saving technologies and reducing environmental damage, gives an opportunity to reduce the cost of products and services, increase sales and profits.

MATERIALS AND METHODS

Innovation is the key to development. Indeed, countries that have developed innovative activities are not only gaining technological leadership, but also achieving economic success and positive dynamics of macroeconomic indicators.

According to international standards, innovation is the result of innovative activity, and is interpreted as one of the following types of the innovative activity's results:

- New or improved products or services launched on the market;
- New or improved technological process;

- New methods of organization of production used in practice.
- Summarizing the approaches considered, the innovations can be sorted as follows:
- Innovative products (new products and services);
- Innovative processes (at the micro level - new ways of organizing production and new technological processes; at the macro level - changing the structure of markets and creating new markets).

Regardless of what field of innovation or what it looks like, there are commonalities that capture their essence.

Firstly, all products, services and processes that are introduced into production or brought to market should be new or significantly improved.

Secondly, the product created must meet the needs of production or personal consumption, and at the same time, innovation must be reflected in a specific product, service or process.

Thirdly, the product should be appropriate to market demand, be commercially viable, and ultimately meet the needs of manufacturers.

Innovation serves as a program to reduce the impact and consequences of periodic financial and economic crises in the economy. This is because efficiency can be achieved by encouraging innovation in the manufacturing process.

It should be noted that all of the above features are equally important for the innovation:

- Scientific and technical novelty;
- Use in production;
- Commercial efficiency.

With the deepening of market relations, the formation of a healthy competitive environment, the production of competitive products becomes an objective necessity. In this case, the technical and technological renewal, modernization of production is important, and, of course, it is expedient to use the achievements of modern science.

The use of modern innovations plays a key role in the efficient use of limited resources. After all, innovation is the main criterion for ensuring the expected results in production.

At a glance of the economic civilization of developed countries, the transition to a market economy has not gone without problems and economic fluctuations. In this regard, it is important to study and analyze the experience of foreign countries and effectively use advanced experience, taking into account the specifics of the national economy of our country.

Increasing the competitiveness of the national economy is inextricably linked with the activation of innovative development processes. These are the introduction of high technologies in production, the expansion of production of innovative products that have the best consumer properties and can successfully compete with similar foreign products in domestic and foreign markets.

Innovative development of the economy means all stages of intellectual potential, creative potential and knowledge of workers, from the creation of a product to its delivery to the consumer. Innovation in these areas is a key resource for the strategic development of the enterprise.

Indeed, in the modern world, a technological economy with high scientific potential, based on innovative, intellectual knowledge and a skilled workforce, is competitive.

Restructuring and diversification, rapid development of new high-tech manufacturing enterprises in the industry, modernization and technical renewal of existing facilities, reduction of energy and material capacity of GDP will serve as an important tool to increase the competitiveness of the national economy. To do this, of course, it is necessary to effectively organize and develop innovative activities in the country.

The progress of industries reflects the multifactorial development conditions of the national economy. At the same time, the development of industry will have a positive impact on the sectoral and regional development of the national economy through a number of priorities, such as increasing employment, the formation of

production infrastructure, improving the intellectual structure of labor potential. In recent years, the regional and sectoral structure of industrial production has radically improved as a result of structural reforms and measures implemented in the industrial structure. High relative growth rates have also been achieved in the formation of industrial enterprises, the implementation of innovative and investment projects in enterprises.

RESULT AND DISCUSSION

Currently, developed countries are working to increase innovation activity, that is,

paid special attention to the development of industrial enterprises through an innovative approach to production. As a result, there is a further increase in innovation activity in certain industries due to the effective implementation of industrial production. This is due to the fact that the creation of innovative products and the expansion of services in industrial enterprises, in turn, will create conditions for the introduction of new areas of the production process, job creation and the expansion of external relations.

Table 1. Analysis of innovative activities of enterprises and organizations

	In 2015	In 2016	In 2017	In 2018
Number of enterprises and organizations that have introduced innovations:				
Technological	894	893	975	982
Marketing	14	20	22	17

Organizational	27	20	26	25
Number of innovations introduced:				
Technological	1737	1816	1946	2482
Marketing	36	51	62	42
Organizational	46	39	38	34
Volume of innovative products (goods, works and services) produced, in billion soums	8023,6	10688,2	18543,3	28871,5
Expenditures on innovations, in billion soums	5528,3	2571,4	4162,3	4707,2

In order to increase the competitiveness of industries and, accordingly, form the priorities of the competitiveness of the national economy, it is necessary to perform the following tasks:

- Forming of an effective competitive environment for industrial enterprises and the gradual reduction of existing monopolies in the market for goods and services;
- Ensuring the competitiveness of industries in foreign markets through the adoption of advanced technologies in the production of fundamentally new products in industries and sectors;
- Developing the concept "Industrial development in the regions", aimed at increasing the effectiveness of regional programs to attract foreign investment in the national economy, increasing investment attractiveness;
- Effective use of the potential of each region through the proportional placement of state and private enterprises

with a share of foreign investment in the territories of the republic;

- Accelerating the use of normative indicators and definitions in order to reduce the dependence of industry development on changes in global conditions;
- Eliminating the shortcomings that hinder the level of localization in the formation and implementation of the financing program for the production of finished products, components and materials, etc.

CONCLUSION

In conclusion, in the context of rapid globalization and integration processes, the issue of increasing the competitiveness of the national economy is becoming more and more urgent. The crisis in the world community as a result of the spread of the COVID-19 pandemic around the world, which is a global phenomenon today, requires increasing the competitiveness of the national economy. In these situations, innovation is a key factor in the formation of a competitive economy.

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