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THE IMPACT OF INNOVATION ON THE COMPETITIVENESS OF COUNTRIES AND REGIONS

Abstract. A new type of economic growth is currently actively emerging in the global economy. Its essence lies in systems for the reproduction and use of knowledge, purposefully created with the participation of the state and nationally oriented businesses, and its translation into innovations that ensure the economic and social competitiveness of regions.

Keywords: Country, region, innovation, competitiveness, system.

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ВЛИЯНИЕ ИННОВАЦИЙ НА КОНКУРЕНТОСПОСОБНОСТЬ СТРАН И РЕГИОНОВ

Аннотация. В настоящее время в мировом хозяйстве активно формируется новый тип экономического роста, сутью которого являются целенаправленно создаваемые с участием государства и национально ориентированного бизнеса системы воспроизводства и использования знаний, воплощения их в инновации, обеспечивающие экономическую и социальную конкурентоспособность регионов.

Ключевые слова. Страна, регион, инновация, конкурентоспособность, система.

The task of increasing the competitiveness of regions consists not only in expanding existing and finding new niches in the national and global markets, but also in ensuring an effective structure of market exchanges that do not deplete the natural, material and human capital of the territories, and, in the long term, in

creating the preconditions for equalizing reproductive opportunities across the vast territory of the country.

The innovation component, which ensures the growth of economic competitiveness, has a strong impact on the functioning of the national economy and leads to greater openness, intensification of integration processes, unification of business regulation and market control, uniformity of norms and rules for conducting transactions, standardization of requirements for capital movement, and growth of foreign direct investment. Innovations "infuse" existing economies with new energy and form a competitive sector of the innovation economy, which is due to the widespread use of innovative technologies, increased competition between corporations in developed and developing economies, the development of inter-firm cooperation, and changes in the nature and methods of state regulation of the economy. Currently, we are seeing a steady increase in the competitiveness of the economies of those countries home to leading transnational corporations (TNCs)—leaders in the application of innovative technologies in their industries and economic sectors—a key feature of the modern global economy.

Globalization processes, which intensified in the late 20th century, require the development of a correspondingly competitive economy. Consequently, attention has recently increased not only to competition between countries but also to competition between regions within countries. Regional issues are becoming increasingly relevant and relevant in Uzbekistan, where the country's position in the global economy is increasingly determined by its regions.

The competitiveness of the national economy is largely determined by the heterogeneity of economic space and the interaction of regional economies, and the problem of economic competitiveness has significant specificities in relation to different regions of the country. [1] Ongoing processes are fundamentally changing the role of individual regions in the national and global economies.

The region, as an independent, territorially organized economic system, is gradually becoming not only a separate economic agent within the national

economy but also a participant in global competitive processes. The position and role of territorially organized economic systems depend not only on macroeconomic conditions or the capabilities of the regions themselves, but also on the balance of competitive forces, the mechanisms of competitive interaction between regions, and the region's position within this interaction.

In the country's marketplace, the interests of all regional entities collide, and only the region with a stronger competitive position, largely determined by its industry specialization, gains an advantage.

The problem of interregional competition has been underdeveloped in domestic regional studies. In Uzbekistan, before the onset of market reforms, regions were analyzed primarily from the perspective of resource and production, and were not considered independent economic entities. Consequently, regional economics did not consider regions as subjects of economic relations, bearers of specific interests distinct from those of other regions and the country as a whole. Consequently, a theory of regional competition was lacking.

The intensifying competition among regions for investment in innovative development and meeting the growing needs of the population, occurring at the current stage of economic development, places increased demands on understanding the essence and economic content of regional competitiveness.

The concept of national competitiveness has always attracted the interest of researchers. For example, E. Reinert argues that it is from this perspective that concepts such as "nation's wealth," "good trade" (the export of industrial goods and the import of raw materials), and "productive power" should be considered.[2] Each of these can be considered a precursor to the modern concept of "national competitiveness."

As already noted, regional competitiveness is the driving force behind regional development, leading to the achievement of interregional parity or deepening interregional inequality. Regional competitiveness is determined not so much by the availability of resources as by the efficiency of their use. The core of

regional development is a model aimed at shaping the strategic competitiveness of regions by utilizing existing and creating new resources for their innovative development. Researchers are showing significant interest in considering the stages of regional competitiveness and the specifics of managing innovation and investment activities in the regions when developing strategies. Some scholars believe that the investment stage of competitiveness should precede the innovation stage. [3]

Currently, there is a steady increase in the competitiveness of the economies of countries home to leading transnational corporations that are leaders in the application of innovative technologies in their industries and economic sectors, which is a key distinguishing feature of the modern global economy.

The activities of transnational corporations in the automotive industry (General Motors Uzbekistan, Isuzu, and others) are well-known. As can be seen, various innovative initiatives by large foreign transnational corporations are being implemented in Uzbekistan. This builds on the openness of national economies, as an open economy is formed through a country's more complete integration into international cooperation.

The experience of many foreign countries demonstrates that high innovative potential is a necessary factor for innovative development and economic growth. A modern understanding of regional development views the capacity of regions as a source of self-development. Thus, the importance of researching innovative potential is determined, on the one hand, by the growing role of specific regional assets associated with scientific and technical activities and education, and, on the other, by qualitative shifts caused by the differentiation of knowledge associated with the use of technology and its change. [4]

The concept of "regional innovation potential" is widely used. A region's innovation potential is closely related to the concept of "scientific and technical potential." Some researchers equate scientific and technical potential with innovation potential, believing that these categories are closely linked by the

innovation process, which relies on successive stages of the innovation cycle. Others note their differences, as the institutions that form the regional innovation system ensure the effective application and dissemination of innovation, determine competitiveness, and ultimately, economic growth. [5]

The essence of a region's innovation potential can be defined as a qualitative, integral characteristic of its ability and capability to implement the innovation process within its territory and achieve strategic development goals through an innovative economy. In this interpretation, innovation potential includes other types of regional potential, such as technological, intellectual, informational, innovation market capacity, and others.[6]

Studying the experience of creating NIS in several foreign countries, adapting it, and applying best international practices will optimize the use of Uzbekistan's innovation potential and significantly enhance the competitiveness of the national economy through the construction of an effective national innovation system.

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