

**ECONOMIC DIVERSITY AND THE DEVELOPMENT STRATEGY OF THE NEW  
UZBEKISTAN**

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**Abstract:** *As you know, the importance of innovation in any market economy is very high. Therefore, a number of works in this direction are being carried out in our republic. It is necessary to realize the importance of innovations and a deep understanding that they are the basis for the development of the national economy. Because in our country, a number of tasks have been outlined to accelerate financial and economic processes aimed at innovative activity. It is these tasks that determine the relevance of the topic of the article.*

**Keywords:** *innovation, national economy, knowledge economy, innovation infrastructure, innovation fund.*

## **INTRODUCTION**

Today our society has entered a new stage of development. At a spiritually new stage of the socio-political and economic life of the country, the highest goals are the welfare of the people, human rights and values. This requires the formation of a completely new spiritual space, a society based on enlightenment. "What is a new spiritual space? In my opinion, this is an enlightened society, which vividly reflects the spiritual image of the new Uzbekistan, which we dream of, which our people strive for and where our country lives happily.

The action strategy adopted by the President of Uzbekistan and the new development strategy of Uzbekistan are five-year roadmaps for the implementation of the UN Sustainable Development Goals. In June 2021, an international forum "Global interparliamentary cooperation in achieving Sustainable Development Goals" was held in Bukhara together with the Interparliamentary Union. Active work is underway to adopt our initiative "enhancing the role of parliaments in achieving Sustainable Development Goals and ensuring human rights" by the UN General Assembly in the form of a resolution.

Uzbekistan was the first Central Asian State to establish a system of national human rights institutions. This system includes the Parliamentary Ombudsman, the Children's Ombudsman, the Business Ombudsman and the National Human Rights Center.

In the context of the deepening process of globalization in the world and the growing digitalization of the economy, special attention is paid to the accelerated development of the service sectors. "With the average value of this sector in global GDP at 65%, this figure is 80% in the United States and 70-75% in the European Union." According to the practice of developed countries such as the USA, Germany, Great Britain, Japan, South Korea, marketing strategies are effectively used in investment conditions where human development is considered as one of the promising goals. This, in turn, indicates the relevance of the large-scale use of marketing activities, especially marketing strategies, in the practice of ensuring a high level of socio-economic development.

In the context of the rapid development of the digital economy in the world, special attention is paid to scientific research aimed at improving marketing strategies to ensure the competitiveness of the production and service sectors, especially in terms of targeted and differentiated implementation of service activities. Within the framework of the research, the priority areas of scientific research are to increase the level of consumer habituation to the quality of services by increasing the diversification of commodity types, widespread introduction of innovative technologies into marketing approaches, conducting marketing research aimed at diversifying types of services and ensuring their competitiveness.

In the process of formation of the new Uzbekistan, special attention is paid to the development of the service sector as one of the most important areas of socio-economic development and improving the standard of living of the population. "The service sector is one of the largest reserves in providing employment for the population. ...It is estimated that at least 160 thousand additional jobs can be created in this direction. In the context of each district and city, the tasks of developing a program for the development of the service sector, as well as regulating the network, bringing methodology and statistical data in line with international standards are defined."

In this regard, it is necessary to radically expand the scope of the service sector and improve product quality, ensure the long-term development of enterprises in the face of internal and external factors, ensure competitive advantage, take into account short-term changes in consumer conditions, as well as marketing coordination of types of services by region, priority implementation of scientific research aimed at effectively using the potential of the services market as a point socio-economic growth is advisable.

The extent to which the problem is being addressed

Scientific, theoretical and methodological problems of the development of the service sector, including the activities of service enterprises, were developed by foreign scientists Aaker D., Avanesova G.A., Ansoff I., Baksh K., Balaeva O.N., Beredin I.S., Best R., Gembl P., Jordan M., Janster P., Doyle P., Dictl E., Kotler F., Keller K.L., Lovelock K., Lamben J.J., Minette S., Owen R. et al.

And also from scientists from the CIS countries, B.P.Gamayunov, E.P.Golubkov, A.S.Morunov, M.Nedyakin, S.M.Perminov, O.N.Romanenkova, I.N. In the scientific works of Sinyaeva and others.

Scientific papers devoted to the use of marketing strategy at service enterprises in our country in recent years have been published. Abdurakhmanov, G.N.Akhunova, A. Sh. Bekmurodov, M.R.Boltabaev, M.A.Ikramov, M.M.Ziyaeva, D.X.Nabiev, M.K.Pardaev, I.S.Tukhliev, A.A.Fattakhov, Z.A.Ergashkhodzhayeva, M.S.K., osimova, M. In scientific research of Yusupov et al.

At the same time, it should be noted that in our republic, specialists and scientists do not pay due attention to issues related to the systematic introduction of services, the development of a marketing strategy for solving social problems, ensuring employment of the population, displacement from poverty, satisfaction of its growing material and spiritual needs. This circumstance determines the need for scientific research in this area.

Methods of research.

The study used methods of grouping, abstract-logical thinking, monographic, comparative, comparative analysis, expert assessment, survey, economic-mathematical, statistical, cluster analysis, STEP analysis.

#### **DISCUSSION AND RESULTS**

The main idea of the strategy is to strengthen the role of civil society institutions, protect human rights, reduce poverty, provide everyone with a guaranteed source of income and achieve sustainable environmental development.

The new development strategy of Uzbekistan differs from the action strategy in that it covers seven priority areas, one of which, in fact, defines the issue of ensuring spiritual progress and bringing the industry to a new level. Therefore, it is advisable to talk about the goals and objectives related to ensuring spiritual progress, defined in this historical document.

"If the body of public life is the economy, then the soul and soul are spirituality. While we decide to build a new Uzbekistan, we rely on two solid pillars. The first is a strong economy based on market principles. Secondly, the rich heritage of our ancestors and a strong spirituality based on national values."

These thoughts and the significance of the speech of the head of our state at this meeting were subsequently reflected in the new development strategy of Uzbekistan.

The new development strategy of Uzbekistan consists of "100 goals for human dignity", of which 8, i.e. goals 71-78, directly relate to issues of ensuring spiritual development. The state program for the implementation of the Development Strategy for 2022 contains 398 points, of which 29, that is, paragraphs 257-285, are precisely measures in the field of spirituality.<sup>4</sup>

Within the framework of the National Human Rights Strategy, specific measures have been taken to ensure gender equality, freedom of speech and religion, and the development of civil society institutions, including:

And the Concept of Civil Society development for 2021-2025 has been approved;

A new law on freedom of conscience and religious organizations has been adopted;

The strategy for achieving gender equality in the Republic of Uzbekistan until 2030 has been approved;

A A parliamentary commission on compliance with the international obligations of the Republic of Uzbekistan in the field of human rights has been established;

By 2025, Uzbekistan will implement a concept for the development of the state's youth policy based on the principle of "working with youth in the interests of youth", set out in the UN Youth 2030 Strategy.

Civil society institutions are actively involved in the implementation of the National Human Rights Strategy. In the field of human rights, work is underway to strengthen the responsibility of the business community, including through the development of a National Action Plan "Business and human rights".

Uzbekistan supports intergovernmental processes to strengthen the UN human rights treaty body system and strives to develop State accountability, as well as to implement the views of the treaty bodies. The Republic of Uzbekistan submits its national reports (41 reports) to the UN treaty bodies in a timely manner. In particular, in February of this year, the Committee on Overcoming Discrimination against Women heard the sixth periodic lecture of Uzbekistan, and the Committee on Economic, Social and Cultural Rights heard the third periodic lecture.

Based on this strategy, President Mirziyoyev outlined new directions for foreign economic relations and domestic economic policy. The locations are well chosen: the adoption of currency controls and the high costs of international trade were two disadvantages in the economy.

The most important reform occurred in September 2017, when the central bank of Uzbekistan restructured the exchange rates of Uzbekistan, and President Mirziyoyev promised free-floating exchange rates set by the market for the future. At the same time, restrictions on currency conversion to legal entities and individuals were lifted. As a result of the currency reform, activity in foreign financial markets has increased. This included deals with Deutsche Bank, Commerzbank and ettb worth more than \$1 billion.

During Mirziyoyev's first year in office, mutual foreign visits broke out, which allowed the new president to establish contacts with the heads of neighboring states and major economic powers. Mirziyoyev's dialogue with Uzbekistan's neighbors testified to a change in policy and priorities, and meetings with the leaders of Turkmenistan, Kazakhstan and Tajikistan emphasized interdependence, and therefore the reintegration of Uzbekistan into the regional economic sphere. This began to produce results such as new direct flights connecting Tashkent with Dushanbe and Kabul, significant travel facilitation, as well as an increase in sales figures.

Uzbekistan is taking steps to reform public administration and public services, influencing the lives of ordinary citizens and facilitating business activities. As a result of

these reforms, the country rose to 74th place in the World Bank's Doing Business ranking, from 87th place in 2015 and 146th place in 2013.

The reforms also affected the cotton sector. The cotton harvest ban on child labor was expanded to include education and health workers, and in September 2017, the government ordered all forced labor to be sent home. From now on, wage increases can make cotton harvesting more attractive for voluntary labor, while mechanization is also being considered. This reform policy has been positively assessed by many international institutions, including the IMF and other international financial institutions.

Looking ahead, Uzbekistan should work to overcome the contradictions regarding exports left over from previous years. South Korea did this in 1964 after a decade of easy import substitution, demonstrating that it could be done successfully. There are already positive signs: exports grew by more than 15 percent, and the country signed export deals worth \$11 billion in 2017.

The experience of 2017 is encouraging, but the reforms being carried out in Uzbekistan are at an early stage, an important question is how successful Mirziyoyev's administration is in implementing these systemic reforms. The first steps have not yet created free prices and competition for fuel, as the centralized management and pricing system remains in place. This example highlights multifaceted needs (for example, business reform and institutional changes, as well as price liberalization) if market mechanisms are to work well. In general, economic reforms rarely bring immediate benefits and require some degree of patience.

Due to the revival of Continental Trade linking Europe and Asia through Central Asia, the time of the Tashkent reforms is also favorable. Uzbekistan, located in the center of Asia, can serve as a transit hub for goods from China, India, Pakistan, Afghanistan and even Southeast Asian countries. China's Belt and Road initiative gives a great impetus to the development of infrastructure in the region. Other regional initiatives were put forward in favor of Uzbekistan, including the launch of the Baku-Tbilisi-Kars railway, Turkmenistan's interest in this project and the lapis lazuli corridor connecting Central Asia with Afghanistan. The prospects for the development of Continental trade with Uzbekistan, which is an active participant in these processes, have significantly improved.

### **CONCLUSION**

Summing up, it can be said that for almost 18 months, President Mirziyoyev has outlined a very ambitious reform agenda and has begun to implement it. He drew up an exhaustive schedule of trips and meetings to restore the country's international ties, in particular, to restore Uzbekistan's damaged relations with its neighbors in Central Asia. He removed the millstones from the Uzbek economy by consolidating the exchange rate and liberalizing access to the currency. Although it is too early to draw definitive conclusions, these steps seem to have been the harbingers of a shift from economic control to trust in market mechanisms. The completion of negotiations on joining the World Trade Organization (WTO) will be an important sign that Uzbekistan is open for business. On

March 13, 2018, the Government of Uzbekistan received representatives of the World Bank, the Asian Development Bank, USAID and other donor organizations and discussed in detail the 34-point roadmap for Uzbekistan's accession to the WTO, according to which a final decision was made on joining the rules-based international trading system.

Thanks to ongoing reforms and undervalued economic assets, Uzbekistan is creating an attractive opportunity for foreign direct investment. The government is creating a number of incentives in the fields of agribusiness, energy and tourism, and as liberalization continues, Uzbekistan can become a magnet for investment from around the world, leading to the creation of much-needed jobs, managerial and technological jobs.

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