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EXPERIENCE OF FOREIGN COUNTRIES AND CLUSTER MECHANISM OF BUSINESS DEVELOPMENT IN THE HOUSING MARKET

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ABSTRACT

This article examines the role of the construction market in the world economy and its development, the need to build new housing and urban infrastructure. The long-term changes in the world construction market and the development of the construction industry in the national economy are analyzed, and its priorities are revealed based on international experience. In addition, the cluster in the development of entrepreneurship in the housing market, as well as the priorities of small business and private entrepreneurship were analyzed and proposals for further development of the sector were developed.

KEYWORDS: *Housing, Housing Construction Market, Small Business, Cluster, International Experience, Infrastructure, Rating.*

1. INTRODUCTION

The development of the construction market in the world economy will be directly based on the conjuncture of the world market. According to Global Construction Perspectives and Oxford Economics, the global construction market will grow by 85% in 2030 compared to 2016 and total $ 17.5 trillion. USD. This forecast is associated with the ongoing development of industrialization in the economies of Southeast Asian countries (Indonesia, Vietnam, the Philippines, etc.), population growth and the consequent intensification of urbanization, as well as post-crisis development in most developed countries.

Particular attention is paid to the Indian construction market, as this is due to the growing urbanization process and population growth in the country, and to meet this demand in the country will require the construction of at least 170 million homes in the next 15 years. By 2025, the second place in the development of the world construction market may be occupied by African countries, in particular, Nigeria, Ghana, Cameroon, Sudan and others. The reason is that the population of these countries will grow by 40% and reach 1.2 billion. population is expected to be. As a result, increasing demand for urbanization will affect the demand for new housing as well as the construction of urban infrastructure.

According to experts, the opposite situation can be observed in Western European countries, i.e., the construction market is projected to decline. A number of factors are attributed to this situation, including the renovation of most existing industrial buildings in order to bring them into energy-efficient forms and not to pollute the environment. By 2025, the number of able-bodied people may decrease, resulting in a decline in demand for office and warehouse buildings. But at the same time, the construction of social facilities may increase, for example, hospitals, etc., which in turn will depend on changes in social standards. In general, experts predict that in most EU countries there is a high probability of an unstable

demographic situation as the main factor influencing the construction market.

The development of the global construction market is directly influenced by large international construction companies. According to the international ranking, the number of the largest construction companies in the world is 250, and the bulk of their income is formed on the basis of foreign (export) contracts. Seven of the top ten companies are from the European Union, two from China and one from the United States.

According to the analysis, the expected changes in the global construction market in the long run are as follows:

- Increase in the number of joint ventures in the form of construction companies in industrialized and developing countries, especially in Southeast Asia (China, Indonesia, South Korea, etc.);
- As a result of the ongoing competition, the share of companies from Asian countries in the list of the 250 largest companies in the world will increase due to a decrease in the number of companies in Europe;
- The emergence of specialized research centers in the field of construction in developing countries;
- Is actively used in construction in environmentally friendly products and technologies, ie in compliance with the principles of "green" construction.

But at the same time, according to experts, one of the threats that could negatively affect the European construction market is the lack of qualified professionals to develop the industry in the future, one of the main reasons is the low level of attractiveness of the construction industry for young people. not available.

The development of the construction industry in the national economy requires relying on world practice and taking into account the conjuncture of the world market in determining its priorities. Therefore, the state policy aimed at preventing the emergence of a monopoly in the construction industry in Uzbekistan, on the contrary, creating a free competitive environment, resulting in providing the population with affordable and high quality housing, is aimed at attracting small business and private entrepreneurship.

The Decree of the President of the Republic of Uzbekistan No. PF-6119 of 27.11.2020 "Strategy for modernization, accelerated and innovative development of the construction industry of the Republic of Uzbekistan for 2021-2025" was adopted. Paragraph 32 of the Roadmap for the implementation of the Strategy for modernization, accelerated and innovative development of the construction industry of the Republic of Uzbekistan for 2021-2025, approved by Annex 2 to this decree, sets the task of introducing construction clusters based on international experience.

The relevance of the content and essence of this decree is based on the complexity and diversity of products created in the industry. That is, the construction company will be based on cooperative relations with organizations and enterprises in other areas during its operation. Because in the construction industry, no construction and installation organization is able to carry out all the construction processes and create the finished product on its own, for which special organizations in different areas are involved **[1].**

The emergence of construction clusters in the economy will serve to reduce the cost of construction products, which will ensure the competitiveness of the industry. This is because in the traditional form of construction, the structure of cluster mechanisms consists mainly of the following links:

- Supply of raw materials (sand, gravel quarries, etc.);
- Logistics (supply of special transport equipment and supply of construction raw materials);
- Production of construction materials (cement, concrete, brick, metal profiles, etc.). The actual membership of these joints will reduce the cost per square meter of buildings under construction, on the contrary, in particular, none of these joints will be able to achieve such an effect.

All of the above represents the relevance of the research topic.

2. ANALYSIS OF THE RELEVANT LITERATURE

There are many examples of the competitiveness of developed countries in recent years, which has been achieved on the basis of the effective operation of clusters in various fields. In this regard, the study of the experience of EU countries, which have achieved high efficiency in the organization and development of clusters in the construction sector, will allow to identify areas for addressing the tasks set out in the decree.

In particular, the state programs adopted and implemented in the EU countries on the formation and development of clusters, as in many countries, justify the relevance of the approach to the sector. For example, one of the measures taken by the state in the development of clusters in some countries is the formation of this infrastructure, including the National Planning Agency (DATAR) in France, the Cluster Search and Systematization Information System (CASSIS) in Luxembourg and others **[2].**

In total, there are more than 2,000 clusters in the EU, employing more than 38% of the workforce. The cluster mechanism is widely used, especially in Denmark, Finland, Norway and Sweden **[3].**

While the development of clusters in German regions has been carried out without state intervention, since 2003 the government has focused on supporting clusters based on high-tech development, in particular developing links with industry and research institutions and providing funding not only from regional but also federal sources. measures have been taken. As a result of these reforms, the Ruhr area of Germany specializes in heavy industry, and today it is planned to specialize in information technology. Examples include the high-efficiency automotive cluster in Baden-Württemberg, the medical equipment cluster in Tutlingen, the chip manufacturing cluster in Dresden, and the biotechnology cluster in Berlin-Brandenburg.

Finland’s innovative development and economic policy in the construction sector is based on cluster mechanisms. High efficiency in this area is due to the high level of scientific research and technological cooperation **[4].**

It should be noted that most construction clusters in Europe are focused on the use of environmentally friendly and energy-saving technologies in the creation of construction sites and in the process of commissioning after commissioning. For example, Portugal has a Sustainable Environment Cluster, Denmark has a Sustainable Construction Cluster, and France has an Energy Saving and Environmental Construction Cluster.

GreenConServe, a system of subsidies and grants, also supports the innovative development of cluster enterprises in the construction sector in countries such as Norway, France and Germany. At the same time, on the basis of public-private partnership, innovative assistance to innovation agencies and companies involved in the construction process of the GreenConServe project will be provided through a two-stage system of vouchers. This

project is funded by the European Commission under the Competitiveness and Innovation Framework Program (CIP).

According to B.A. Skupov, the peculiarity of construction clusters in European countries is that they have a relatively large number of participants. In particular, the clusters include companies producing and supplying construction materials, machinery and equipment, engineering organizations, consulting organizations, design studios, research and training centers **[5].**

Another priority of the state's assistance in the establishment of clusters in the construction industry is that in world practice, construction clusters have proven to play an important role in shaping the innovative economy in the country. Indeed, an effective cluster serves as an important mechanism for establishing links between industrial enterprises, research and educational institutions. Because one of the important aspects of a modern construction cluster is the presence in it of an accredited analytical laboratory for research. This activity requires innovative development of the construction industry.

In turn, the development and efficiency of clusters directly affect the activity of research, scientific potential and research institutes. For example, German professors are often engaged in research activities, and research institutions, in turn, have established relationships with private firms. There is also an opportunity for professors to establish private research centers on the territory of the university with the status of an independent legal entity.

The European Union is in great need of many clusters around the world, said G. Verhudjen, vice-president of the European Commission in charge of business and industrial policy. They play an important role in the innovative development of our companies and the creation of new jobs.

In this regard, in recent years, attention has been paid at the governmental level in most developed countries to the establishment, support and development of clusters in areas prone to innovative development. This process has become more active, especially in developed countries. This is because today in developed countries, a new stage of development of clusters that have survived, developed and become competitive in the struggle for market competition has begun, that is, the stage of formation of innovative clusters. In this regard, the state's strategic goals for the formation and development of an innovative economy have the potential to be realized in existing clusters, and the state's assistance in the formation of existing clusters as innovation clusters will be an important factor in improving the country's competitiveness.

Scientists who have theoretically studied cluster relations in the economy have also acknowledged the important role of clusters in the development of a national innovative economy. In particular, D.Doloreux, R.Shearmur **[6],** Z.Claudio, V.Ricardo **[7]** and others have described clusters as the interdependence of different actors in the production and distribution of innovative products. In their view, these processes provide high competitiveness, which in turn indicates the efficiency of the processes within the cluster.

According to E. Fezer's research, a cluster is a supplier of these products, services, resources (human resources, manufacturing, financial, etc.). An important element in the formation of the "demand" of the cluster is the relationship between education and industry, the process of transfer and commercialization of research and development **[8].**

According to the research of K. Ketels and J. Lindkvist, there should be a center of the cluster and in this center there should be a manufacturing enterprise and around it there should be four important related divisions. They are, research institutions, educational institutions,

sources of capital and public organizations of the state **[9].**

The development of the construction industry in the national economy requires relying on world practice and taking into account the conjuncture of the world market in determining its priorities. It is important to prevent the emergence of a monopoly in the construction industry in Uzbekistan, but to create an environment of free competition, as a result of which the state policy aimed at providing the population with affordable and high quality housing is aimed at attracting small business and private entrepreneurship.

3. RESEARCH METHODOLOGY

Comparative analysis, expert evaluation, analytical comparison, logical analysis, grouping methods and international rating indices were widely used in this study. Researches of foreign and local scientists and official statistics on this topic were also used.

4. ANALYSIS AND RESULTS

It is expedient to introduce a cluster mechanism to achieve higher efficiency than the involvement of small business and private entrepreneurship in the industry, to strengthen the innovative development of the industry. Because in world practice, the important role of construction clusters in the formation of an innovative economy in the country has been proven. Especially today, in developed countries, a new stage of development of developed and competitive clusters, which have survived in the struggle for market competition, has begun, that is, the stage of formation of innovative clusters. In this regard, the state's strategic goals for the formation and development of an innovative economy have the potential to be realized in existing clusters, and the state's assistance in the formation of existing clusters as innovation clusters will be an important factor in improving the country's competitiveness.

Of course, one of the important results of all the reforms in the construction industry in the country is the country's recognition in the world community, the achievement of high results in the world rankings. To this end, from the many and varied ratings available in the world today, the analysis conducted to identify and study the ratings used in the field of housing construction shows that most of the ratings are mainly associated with cities, ie urban construction, urban infrastructure and there are ratings dedicated to attracting investment in urban real estate.

There are also several ratings for the development of individual entrepreneurship, its level of competitiveness and assessment of the competitive environment, including:

- Doing Business Rating - World Bank and International Finance Corporation;
- Active Entrepreneurship Rating (New business density) - World Bank, OESR-Eurostat;
- Global Entrepreneurship Monitoring GEM (Global Entrepreneurship Monitor) - Babson College (USA) and London Business School (UK);
- The Global Competitiveness Index - The World Economic Forum;
- The IMD World Competitiveness Yearbook - Institute of Management (Lausanne);
- Competitive Environment Rating PMR (Product Market Regulation) - World Bank, OESR countries.

According to research by PricewaterhouseCoopers (PwS), the development of cities around the world is based on global trends. The four main trends directly affect the construction and development of cities: urbanization and demographic change; globalization, development of economic relations and mobility of the population; technological development and structural

changes in the economy; increasing scarcity of natural resources and increasing man-made burden on the environment **[10].**

It is known that there are many ratings in the world and the construction of cities is evaluated on the basis of different approaches. For example, one of the international rankings of cities by the most indicators (162 indicators) is made by the Australian company 2thinknow, the Global Ranking of Innovative Cities, the rating of Cities Opportunity 2014 by PricewaterhouseCoopers (PwC). Cushman & Wakefield company will compile a rating of "Cities of the World: the struggle for investment", which will be used to attract investment in urban real estate. Foreign Policy, A.T. Kearney and The Chicago Council on Global Affairs rating is made only on the conditions created on the highways and roads of the city (Table 1).

TABLE 1 RATINGS THAT ANALYZE URBAN PLANNING ACTIVITIES IN THE WORLD

The main indicators of city life	Doing Business rating	Global ranking of innovative cities in the world	Cities Opportunity 2014 rating	Ranking of cities in the world by globalization
Urban construction	+	+	+	+
Economics and Finance	+	+	+	+
Information and communication	-	+	+	+
Transport and logistics	-	+	+	-
Education	-	+	+	+
Legislation and governance	-	+	-	-
Health	-	+	+	-
Culture and sports	-	+	+	+
Catering and trade	-	+	-	+
Population and social conditions	-	+	+	+
Politics and International Relations	+	+	+	+
Natural conditions and resources	-	+	+	+

Based on the analysis of these ratings, it can be concluded that they do not contain ratings directly related to housing construction. However, one of the ratings that combines entrepreneurship and construction is the World Bank's "Doing Business" rating. Because in this rating there is an analysis of the development of entrepreneurial activity in the countries and the conditions created for this, the analysis of the index "Construction Quality". The Doing Business rating consists of 10 rating indicators, which in turn are calculated on the basis of a set of 45 structural indicators.

The Doing Business rating has been maintained by the World Bank since 2002 and is aimed at an objective assessment of the regulatory documents governing business in the country. The analysis is carried out by countries with different levels of economic development. The rating is published annually and a comparative analysis is performed based on the results of the previous year's activities.

In the target indicators for the implementation of the strategy of modernization, accelerated

and innovative development of the construction industry of the Republic of Uzbekistan for 2021-2025, in the International Doing Business Index in 2025 in the direction of "Dealing with Construction Permits" The task is to improve the position of the Republic from the current 61.7 points to 78.2 points **[11].** In order to ensure the fulfillment of this task, it is expedient to conduct a detailed analysis of the situation in Uzbekistan in this rating in recent years.

In an era of modern technology and information technology and the Internet, one of the physiological requirements for human beings is housing, that is, the constant need for security, which confirms the perfection of Maslow's theory of "hierarchy of needs."

Mankind's need for housing, the law of the market economy - lays the foundation for the development of the supply market to meet demand. That is, the formation of an entrepreneur who operates independently in this area, relying on their own knowledge, resources, risk and hard work.

Based on the study of the theoretical foundations of business development in the housing market, it can be concluded that construction is a separate branch of material production, aimed at the commissioning, repair and technical equipment of existing, reconstructed facilities not adapted to production or production.

Most importantly, today, in general, the construction sector directly affects the country's economic development processes, as construction companies form complex economic systems and participate in the processes of production, distribution, exchange and consumption in the national economy. Ultimately, scientists have scientifically substantiated that the development of the construction industry has a direct positive impact on the economic development of the country, ie GDP, and, conversely, a negative impact on underdevelopment.

Based on the analysis of the scientific literature on the organization and development of entrepreneurial activity in the construction industry, various restrictions and barriers to entrepreneurial activity in the field were identified and divided into three main systems:

- General economic restrictions - at the level of the country's economy;
- General intersectoral restrictions - restrictions that apply to the entire construction industry;
- Special restrictions - restrictions related to entrepreneurial activity in the construction industry.

Based on the analysis of the structure of these restrictions, it can be concluded that special types of restrictions are directly based on problems related to the laws of a market economy, and their positive solution serves to eliminate general economic and interdisciplinary restrictions.

5. CONCLUSIONS

Based on the analysis of the situation with the organization and development of clusters in the EU countries as the experience of foreign countries in the development of entrepreneurship in the housing market, the following conclusions can be drawn:

The construction sector is primarily an activity for the domestic market, the development of the sector in the economy on the basis of cluster mechanisms can be a growth point of domestic market development. This, in turn, increases the social efficiency of clusters in construction, which can stimulate the population's ability to purchase housing, in particular, the presence of a financial service bank in the cluster expands access to affordable mortgages

for the population.

It is known from the theoretical foundations of economics that the formation and development of clusters is a free economic process, the prospects of which are based on market laws, and government intervention in these processes (especially in developed countries) is minimal. However, practice shows that the development of clusters has become an important part of the national economy, the following areas of support for clusters by the state are widely used: financial assistance; creating cluster infrastructure; creation of conditions for access to information through the creation and development of information and communication systems; assistance in the education system, such as training, retraining and advanced training of cluster staff, etc. **[12]**

In developed economies, a new stage of development of clusters that have survived in the struggle for market competition and become competitive has begun, that is, the stage of formation into innovative clusters. In this regard, the strategic goals of the state in the formation and development of an innovative economy have the potential to be realized in existing clusters, and the state's assistance in the formation of existing clusters as innovative clusters will serve as an important factor in further strengthening the industry and the country.

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