

## INNOVATIVE SIGNIFICANCE IN THE ECONOMY

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### ABSTRACT

*This article discusses the issues of stimulating and developing innovative activities in the Republic of Uzbekistan, the role of innovations in the national economy and achieving a positive result from the introduction of innovations in the economic activity of society. The president of Uzbekistan Shavkat Mirziyoyev in his address to the oliymajlis noted that “the outdated management system in the economy and the untimely introduction of effective mechanisms to support innovative ideas remain a serious problem. Technological backwardness, resources and energy-saving technologies, the slowness of the introduction of alternative energy sources are also an obstacle to economic development”;*

**KEYWORDS:** *Economics, Efficiency, Modernization of The Economy, Innovations, Products, Services, Competitiveness, Marketing.*

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### INTRODUCTION

The president of Uzbekistan Shavkat Mirziyoyev in his address to the oliymajlis noted that “the outdated management system in the economy and the untimely introduction of effective mechanisms to support innovative ideas remain a serious problem. Technological backwardness, resources and energy-saving technologies, the slowness of the introduction of alternative energy sources are also an obstacle to economic development” [1];

Currently, innovations are an active link in all spheres of society. It is impossible to imagine the modern world without innovations that have already taken place and become familiar, and without future ones that contribute to further evolution. Most scientists agree that innovation has become the main driving force of economic and social development. Innovative activity has led the world community to a new, higher level of development. the concept of "innovation" is used almost everywhere, it is a topic of conversation both at the everyday and at the professional level, including at the level of heads of state, international organizations, etc. innovation can be understood as the end result of innovative activity, embodied in the form of a new or improved product introduced on the market, a new or improved technological process used in practice, a new approach to social problems.<sup>1</sup>

The European Bank for Reconstruction and Development, in its report “Regional Economic Prospects”, predicts that the economy of Uzbekistan with the participation of driver industries will grow by 5.6 percent in 2021 and by 6 percent in 2022. It is also expected that personal consumption and investment will increase in the coming years.

Regionally, economies are projected to be able to record growth of 4.5 percent in 2021-2022, driven by rising commodity prices and thus positive export performance, as well as a recovery in remittances.

At the same time, increasing the competitiveness of the national economy and its entry into world markets can be carried out, first of all, through consistent reform of the economy, ensuring the dynamic development of new enterprises and industries based on high technologies. In other words, the competitiveness of the economy cannot be achieved without the development of innovative activity. Based on the content of the term innovation, we can say that whenever any discoveries, new events, types of services and methods are accepted for distribution, then they receive public recognition. At the same time, the introduction of innovation means the process of practical application of this innovation, from the moment the innovation is adopted and until which the manufactured product acquires a new quality (modification).

Thus, the goal of introducing innovations into life is to get some positive result. From this it can be understood that the innovation sphere itself is closely related to the investment sphere. The following can be considered as priority areas of innovation and investment activities in the context of the development of the national economy:

- Further acceleration of modernization, technical and technological re-equipment of enterprises, wide introduction of modern, flexible technologies;
- Implementation of specific measures to maintain the competitiveness of enterprises producing products for export to foreign markets and the creation of additional factors to stimulate exports;
- Increasing the competitiveness of enterprises in the real sector by stimulating the reduction of production costs and production costs;
- Implementation of measures to modernize the electric power system, reduce energy consumption and introduce an efficient energy saving system;
- Support for domestic producers by stimulating demand in the domestic market.
- Undoubtedly, the role of innovation in modernizing the national economy and increasing its competitiveness is invaluable. However, for the organization and development of innovative activity in the country, the following conditions must be present and fulfilled [2]:
- State innovation policy - development and determination by the state authorities of the Republic of Uzbekistan of the goals of the country's innovation strategy and mechanisms for supporting priority innovation programs and projects;
- Investment potential - a set of resources of the state, industries, enterprises and organizations in various forms (including material, financial, intellectual, scientific, technical, economic, etc.) investment activities;
- Innovation sphere - the sphere of activity of producers and consumers of innovative products (works, services), covering the creation and dissemination of innovations;
- innovative infrastructure - various institutions that have an impact, allowing to carry out innovative activities;
- Innovative program (corporate, sectoral, territorial, state, regional, interstate) - a set of innovative projects and activities agreed on resources, executors and terms of implementation of innovative projects and providing an effective solution to the problems of development and placement of new types of products.

In addition to the radical improvement of products and services, innovation is also associated with a process that includes the collection and processing of ideas and their implementation. Innovation refers to the introduction of a new or greatly improved product, service, process, a new marketing method into internal or external business organizations, or a new organizational method into

business practice. In today's economy, organizations that understand the new rules of marketing develop relationships directly with consumers. The main goal of marketing innovation is to improve the process of identification and useful satisfaction of customer needs.

In conclusion, we will briefly highlight a number of major works and a set of measures to stimulate and further develop the innovative economy in the Republic of Uzbekistan:

- Study all technological knowledge and innovations, based on the real experience of developed countries, and gradually introduce them into sectors of the economy, based on national interests;
- Attracting investors and foreign capital to innovative projects of key importance;
- Create a knowledge base dedicated to technological innovations and make it available to all citizens through an Internet portal;
- Ensuring reliable protection of intellectual property in order to further transform achievements in this area into high value-added products.

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