

The Role of Innovations in the Economy

Rasulova Gulnoza Fayzullayevna¹, Munavvarov Mirsulton Muzaffar o'g'li²

Abstract: This article shows how important innovations are for today's development and progress, as well as the benefits of financing innovative projects, the fact that innovations are becoming one of the most characteristic features of economic development and a factor that accelerates market development.

Key words: innovation, modernization, infrastructure, credit, investment, banking, resource, discovery, financing.

The President of our country, Shavkat Mirziyoyev, in his Address to the Oliy Majlis, stated that "The management system in the economy is outdated, effective mechanisms for supporting innovative ideas have not been introduced on time, and it remains a serious problem. Also, technological backwardness, resource and energy-saving technologies, slow implementation of alternative energy sources are obstacles to economic development" [1].

At this point, it is possible to increase the competitiveness of the national economy and enter the world markets, first of all, at the expense of consistent reform of the economy, ensuring the rapid development of new enterprises and production sectors based on high technologies. In other words, economic competitiveness cannot be achieved without the development of innovation activities. Based on the meaning of the term innovation, it can be said that when any kind of discoveries, new events, services and methods are allowed to spread, then they are recognized by the public. In this case, the introduction of the innovation means the process of using the innovation, and from the moment of acceptance of the innovation for distribution, the new quality becomes an innovation. So, the goal of implementing innovation is to achieve a positive result. From this it can be understood that the field of innovation is closely related to the field of investment. In the context of the development of the national economy, we can see the following as the priority areas of innovation-investment activity:

- modernization of enterprises, further acceleration of technical and technological re-equipment, widespread introduction of modern, flexible technologies;
- implementation of specific measures to support the competitiveness of enterprises producing products for export in foreign markets and creation of additional factors for export promotion;
- increasing the competitiveness of real sector enterprises by encouraging the reduction of production costs and product costs;
- implementation of measures to modernize the electric power system, reduce energy consumption and introduce an effective system of energy saving;
- Support domestic producers by stimulating demand in the domestic market.
- Of course, the role of innovations in modernizing the national economy and increasing its competitiveness is incomparable. However, for the organization and development of innovation activity in the country, the following conditions must be present and fulfilled[2]:
- state innovation policy - development and determination of the goals of the country's innovation strategy and mechanisms for supporting priority innovation programs and projects by the state authorities of the Republic of Uzbekistan;

¹ Senior lecturer of TDTU "Corporate management" department

² TDTU MN-2 group student



- Investment potential - the sum of resources of the state, industry, enterprise and organization in various forms (including material, financial, intellectual, scientific and technical, economic, etc.);
- the field of innovation - the fields of activity of producers and consumers of innovative products (work, services), including the creation and distribution of innovations;
- innovation infrastructure - various institutions that enable and influence the implementation of innovation activities;
- innovation program (enterprise, sector, region, state, region, interstate) - agreed on the resources, executors and deadlines of innovation projects and ensures the effective solution of the tasks of mastering and deploying new types of products a complex of innovative projects and events.

We know that the implementation of effective innovation projects is important in reducing the cost of products in economic sectors, increasing labor productivity, increasing the quality of products and ensuring the competitiveness of the economy as a whole.

In world practice, project financing often refers to a type of financing organization in which the proceeds from the sale of the project are the only source of debt repayment. However, the term "project financing" is interpreted differently in different countries. For example, in the USA, it is understood that financing is organized in such a way that most of the investment projects are financed from the personal funds of the founder, and the income from the sale of the project is the only source of debt repayment. In Europe, this term is used to refer to various options and ways of providing financial resources necessary for the implementation of projects. Later, the term "project financing" refers to a system of financial and commercial operations based on loans provided by banks and instrumental budgetary support, support from various state organizations, investment funds, insurance companies and other interested investors. applied [1]. The interrelationship of the economic situation of Uzbekistan with innovation can be seen in the following main aspects, that is, seeing the impact of innovation activity on the national economy as a whole as a material basis of the state; to look as a separate market entity in the analysis of the impact of innovations on the activity of a particular enterprise; studying the socio-economic results of innovation policy implementation. In the conditions of modernization of the economy in Uzbekistan, innovations are necessary, first of all, for its sustainable growth. Investments in new technologies help to produce competitive, high-demand consumer goods. One of the main means of influencing the country's economy and the business activities of economic entities is the innovation policy, which is considered one of the links of the state economic policy. With the help of the state innovation policy, it can directly affect the increase in the rate of production, the acceleration of scientific and technical progress, the change in the structure of social production, and the solution of social problems. To sum up, in modern enterprises engaged in innovative entrepreneurship and using foreign experience in the production process, innovations were introduced, compared to traditional enterprises, wages increased 2-3 times, productivity increased 2 times, especially the standard of living of workers the fact that the relative quality and well-being is ensured shows the positive aspects of today's innovative economic reforms. But along with the progress being made, there are also problems to be solved. In particular:

- that our entrepreneurs do not have sufficient skills in business management;
- workers' inability to quickly absorb news;
- they cannot adequately assess internal and external risks, the need for innovation, and their position in the world market;
- insufficient attention is paid to the development of enterprises, increasing competitiveness;
- There are also many problems in the organization of the business environment and the development of the innovation promotion structure.

We consider the following suggestions and recommendations appropriate for solving these problems:

- it is necessary to increase the role of private business in the process of financing scientific research, which will give an impetus to increase the efficiency of investments in research and development;



- it is necessary to increase the level of investments necessary for innovation and strengthen competition

References:

1. Address of President Shavkat Mirziyoyev to the Oliy Majlis of December 28, 2018. <http://uza.uz>.
2. Olimov, Shirinboy Sharofovich. "THE INNOVATION PROCESS IS A PRIORITY IN THE DEVELOPMENT OF PEDAGOGICAL SCIENCES." (2021).
3. Botirov, J. S., Bakaev, S. S., Avliyakov, M. M., Shirinov, A. L., & Abdullaev, S. S. (2021). The same goes for art classes in private schools specific properties. *Journal of Contemporary Issues in Business and Government*, 27(2), 1643-1650.
4. Rasulova Gulnoza Faizullayevna, Karimova Ziyoda Abduvasitovna . *Entrepreneurship and Management in Construction. American Journal of Science and Learning for Development*. ISSN 2835-2157. No. 5, April-2023. Journal Homepage.
5. Ziyoda Abduvasitovna Karimova, Gulnoza Faizullayevna Rasulova. The Most Important Factors in Ensuring Food Security. Vol. 2 No. 3 (2022): *EJBSOS* ISSN: 2795-9228. *European Journal of Business Startups and Open Society* 15.

