

ECONOMIC SCIENCES

NECESSITY OF MODERNIZATION IN THE ECONOMIC SPHERES FOR INTEGRATION INTO THE WORLD COMMUNITY

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НЕОБХОДИМОСТЬ МОДЕРНИЗАЦИИ В СФЕРАХ ЭКОНОМИКИ ДЛЯ ИНТЕГРАЦИИ В МИРОВОЕ СООБЩЕСТВО

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Аннотация

В статье рассматривается вопрос о необходимости модернизации в сферах экономики для интеграции в мировое сообщество как востребованный процесс на сегодняшний день. Как известно, важным условием ускоренного развития для стран является модернизация общества, экономики, финансовой сферы, внешнеэкономической деятельности. Рассмотрен опыт многих развитых стран где доказывает, что достижение конкурентоспособности выпускаемой продукции и выход на мировые рынки могут быть обеспечены в первую очередь за счет последовательного реформирования, углубления структурных преобразований и диверсификации экономики, опережающего развития новых высокотехнологичных предприятий и производств, ускорения процессов модернизации.

Annotation

The article deals with the issue of the need for modernization in the spheres of the economy for integration into the world community as a process in demand today. As is known, an important condition for accelerated development for countries is the modernization of society, the economy, the financial sector, and foreign economic activity. The experience of many developed countries is considered, where it proves that achieving the competitiveness of manufactured products and entering world markets can be ensured primarily through consistent reform, deepening structural transformations and diversification of the economy, advancing the development of new high-tech enterprises and industries, accelerating modernization processes.

Keywords: modernization, integration, world community, economic policy models, innovation.

Ключевые слова: модернизация, интеграция, мировое сообщество, модели экономической политики, инновация.

Introduction.

Over the past decades, the world economy has undergone major shifts: the innovation economy is coming to the fore, the structure is changing and the quality of products is improving, it is involved highly intelligent human capital, and there are being introduced new technical solutions.

The President of the Republic of Uzbekistan Sh. Mirziyoyev emphasized in his report at the end of the year among the important tasks for the near future: "The key area of work should be the implementation of comprehensive measures to further develop the export potential of the sectors of the economy and territories of the republic ... There are much more serious issues on the agenda. This is the competitiveness of domestic technologies, the development of know-how, the introduction of modern information and communication technologies, that is, the implementation of systemic

measures to ensure the production of high-quality products"¹.

Economists, politicians and practitioners are aware of the need for a theoretical understanding of the concept of "modernization" as an important direction for the renewal of the country, strengthening its economic potential. Become topical the issues of financial and economic support, the processes of modernization of the most important sectors of the national economy in the context of globalization, etc.

Theoretical aspects of the research.

The economic condition of Uzbekistan, sustainable stable high growth rates and macroeconomic balance characterize the country as the main priority, where the task was put forward to continue the policy of structural reforms begun from the first days of independence and the advanced development of high-tech modern industries and industries. The most important

¹ Mirziyoyev Sh.M. Critical analysis, strict discipline and personal responsibility should become the daily norm in the activities of every leader. Report at an expanded meeting of the

Cabinet of Ministers on the results of the country's socio-economic development in 2016 and the most important priority areas of the economic program for 2017, January 14, 2017. - T.: "Uzbekistan", 2017. - p. 66.

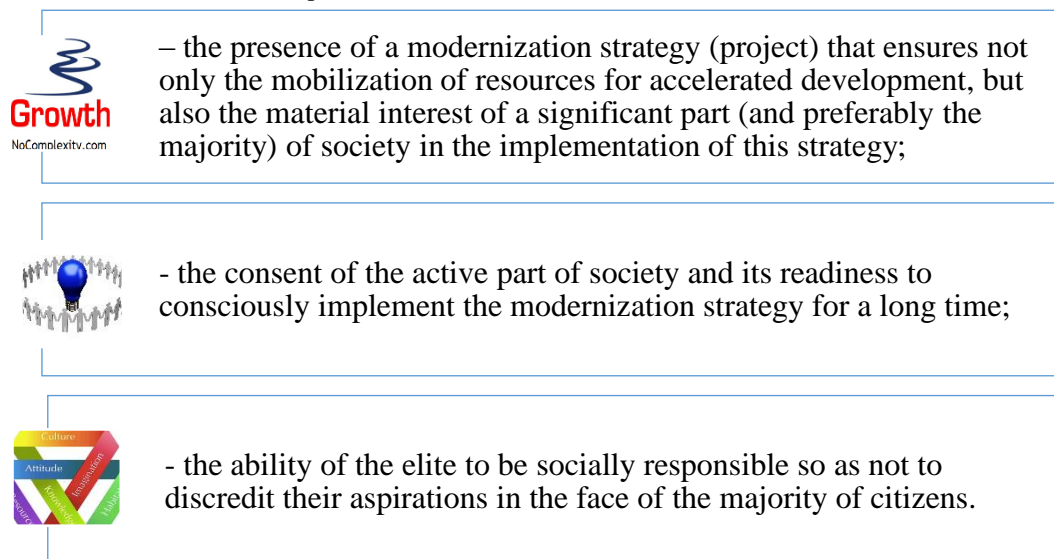
priority continues to be modernization, technical and technological re-equipment of production, accelerated renewal of the leading sectors of the economy, which is aimed at increasing competitiveness and strengthening the position of Uzbekistan in the world market.

Modernization meant the process of improving the economic, political and social mechanisms for the development of society according to the criteria of Western (bourgeois) civilization. The leading position that the countries of Western civilization have occupied in world history has also predetermined the role of development guidelines played by the most developed of them.

To achieve this goal, mechanisms of economic, social, political, ideological and cultural mobilization should be established both for the general population and for the elite. But an alternative outcome may turn out to be possible: putting forward a project of advanced modernization, an attempt to advance to the

frontiers that have not yet been reached by any of the developed countries. Modernization of the national economy requires a comprehensive and consistent approach to its implementation. It should contain a deep analysis of the problems of the development of the country's economy, formulate a reasonable and achievable goal. The central link in the structure of economic modernization should be considered the determination of priorities and structural policy measures aimed at achieving the set goal.

Known examples of modernization indicate the need for more or less profound changes in the existing economic system. We must not lose sight of the fact that modernization should become a national strategy - only in this case will the mobilization and concentration of all the country's resources be ensured to solve its problems. The country should have the following social prerequisites:



Pic.1. Necessity of mobilize and concentrate all the resources of the country

Based on the analysis of approaches to solving this issue, two models of economic policy can be distinguished.

The first model is selective, with the aim of improving the performance of individual industries and industries within the concept of catching up development, based on a combination of sectoral and intersectoral investment projects.

The second model is systemic (integral), providing for a qualitative change in economic policy, a radical modernization of the structure of production, a transition to innovative methods, the implementation of a nationwide project with a clearly defined and justified system of priorities, sources of resources (not only

state, but also corporate, which implies an increase in the norm accumulation in society)².

Post-industrial development and the onset of the era³, often referred to as the era of postmodernity, put developed countries in front of problems that any society that has made a modernization breakthrough to this level of development will inevitably face⁴.

The identified sectoral priorities for renewal and innovative development and the issues of improving the quality of training of personnel, specialists of scientific workers are considered key objects, which should be influenced by measures and mechanisms of structural policy.

² Ясин Е. Модернизация и общество // Вопросы экономики, 2005. №5, С. 8.

³ Колганов А. Проблема социально-экономической определенности эпохи модернити как предпосылка оценки постмодернизма // «Философия хозяйства», альманах Центра общественных наук и экономического факультета МГУ им. М.В. Ломоносова 2004, № 2 (32).

⁴См.: Шансы российской экономики. Вып. 3, Раздел VI; Bell D. The Coming of Post-Industrial Society. - N.Y.: Basic

Books, 1973; Heilbroner R.I. Behind the Veil of Economics: Essays in the Wordly Philosophy. - N.Y.-London: Norton, 1988; Kumar K. From Post-Industrial to Post-Modern Society. New Theories of the Contemporary World. Cambridge: Blackwell Publishers, 1995; Sakaya T. The Knowledge-Value Revolution or a History of the Future. - N.Y.-Tokyo-London: Kodansha International, 1991, etc.

The modernization financing processes associated with the direction of investments in fixed and human capital, providing a new quality in the development of industries and the intellectual potential of society, will largely depend on the effectiveness of the sources of their formation.

It should be noted that the modernization of the country's economy cannot be limited to the "catching up" modernization of physical capital, but may be associated with the transformation in accordance with modern requirements and national priorities, organizational and resource capabilities of the entire system of economic relations that apply to the institutional structure of the economy of individual countries. It is this approach that makes it possible to speak about the acquisition of the characteristics and elements of the innovation development strategy by the strategy of modernization of the economy, ensures the priority of qualitative factors, that is, new technologies, management models. Based on the resource and financial capabilities of the economy in some areas, it is advisable to continue to adhere to the strategy of catching up development while unconditionally ensuring the high innovativeness of the purchased equipment and technologies in others: a strategy of national modernization with the maximum use of its own advanced scientific developments and mass commercialization of innovations.

Analysis and result of the research.

The volume of tasks to be solved in the field of economic modernization is determined by financial constraints, which requires the attraction of external financing, the expansion of budget support, and the strengthening of the resource base of the country's banking system. It is necessary to take into account the criteria of economic security, the state of external debt, the expediency of restricting technological and investment imports in the event of a threatening dynamics in the foreign trade balance and increased tension in the foreign exchange market.

The most important aspect that determines the effectiveness of the measures taken is the choice of sources of financing for the modernization of the national economy.

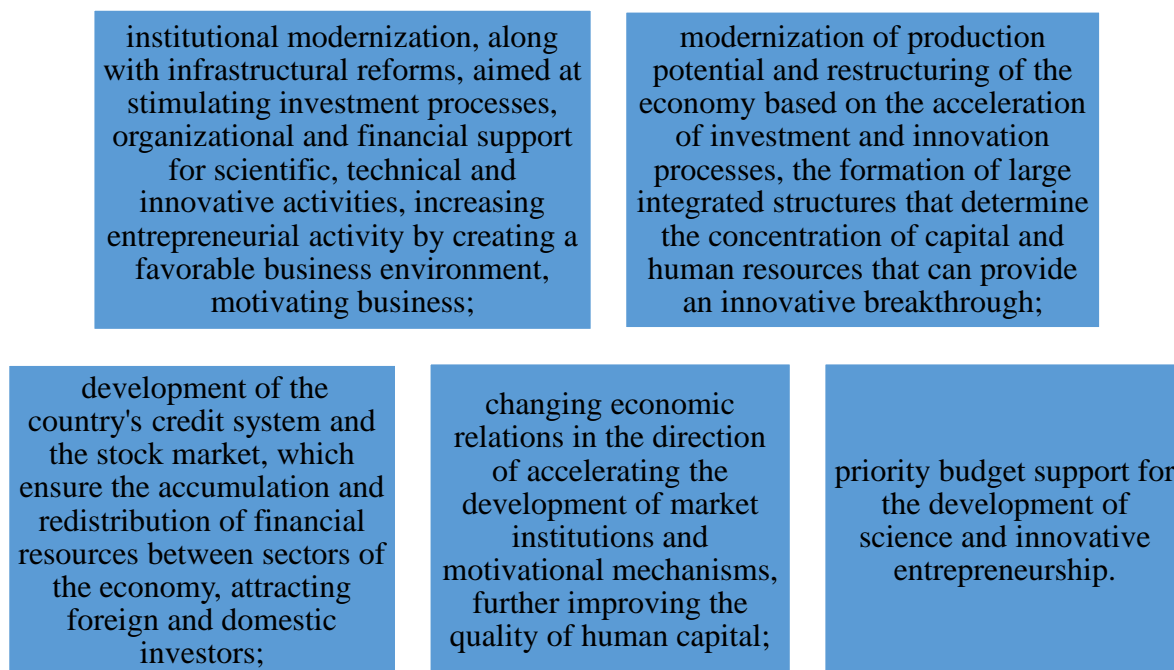
Thus, the solution of the set task involves the formation of sufficient financial resources, the composition and structure of which predetermine the dominance of a certain type of modernization:

- the monetarist approach includes austerity measures to ensure long-term macroeconomic stability and stability of the national currency. Modernization of the economy in the form of renewal of fixed capital, open innovations (acquisition of patents, licenses, etc.) can be carried out mainly at the expense of own funds of business entities, including as part of the activation of the process of attracting direct and portfolio investments; emission support for the economy is practically excluded;

- the investment approach allows for the possibility of significant (mass) budgetary and emission credit support for the sectors of the real sector of the economy and is focused on ensuring the effectiveness of ongoing projects that create new value;

- a balanced approach, provides for exclusively "point" budgetary and emission credit support for effective projects implemented in the real sector of the economy, which have a significant share in gross output, subject to the active search and use of other sources of financing by business entities for technical and technological update.

Financing investments in fixed assets may include an innovative component (commercialization of useful innovations, purchase of new equipment, technologies, patents, etc.) or without innovative equipment upgrades, the effect of using which will not lead to an increase in competitiveness. It is the results of our own scientific research that are the necessary basis for the implementation of projects involving radical innovations. A national modernization strategy capable of yielding positive results necessitates the allocation of the issuance resources of the banking system and foreign investment and, therefore, leads to the need for a combination of a monetarist (direct and portfolio investment) and an investment approach to modernization.



Pic.2. Necessary conditions for the effectiveness of strategies

The processes of globalization, expressed in increased mobility of capital, labor of the economy, free trade and market integration, open up new opportunities for accelerating socio-economic development for all states of the world. As foreign experience shows, those states that are able to produce and supply competitive end-use goods and services to the world market benefit most from globalization processes.

At the same time, it is possible to highlight the problems that hinder the increase in the competitiveness of the economy of Uzbekistan:

1. The industry has not yet realized such a potential as a source of stable economic growth. The share of industry in GDP is significantly lower than the values of the indicator prevailing in the newly industrialized countries.

2. Domestic industry is experiencing a shortage of competitive capacities.

3. The possibility of involving own sources of financing in the development of the raw material base, the expansion of processing capacities and the increase in the potential of energy capacities are reduced.

4. Financing of scientific and innovative support for the processes of modernization, technical and technological renewal of industrial production remains insufficient.

5. Insufficiently active is the renewal of fixed assets, technical and technological re-equipment of production in such industries as mechanical engineering and metalworking, non-ferrous metallurgy, electric power, food, glass, etc.

6. Undeveloped stock market, lack of inflow of long-term financial resources cause high investment risks.

7. Orientation to the raw materials and fuel and energy segments does not allow satisfying non-ferrous metals and processed cotton.

Conclusion.

To upgrade the real sector of the economy, mechanisms were used to increase the resource base of investments that ensure the growth and accumulation of enterprises' own funds. The investment activity of enterprises was supported by measures to stimulate the processes of modernization, technical and technological re-equipment of strategically important industries and sectors of the economy based on the accelerated implementation of target programs for new industries, the construction of industrial infrastructure and the social sphere.

Achieving these results would be impossible without the implementation of state targeted programs for modernizing the economy, technical and technological renewal of its most important sectors, a program of the most important priorities for industrial development in recent years, as well as measures to create a favorable investment climate for domestic and foreign investors.

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THE PROCESS OF FINANCING THE SOCIAL SPHERE IN DIFFERENT COUNTRIES

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Abstract

This article describes in detail the process of financing the social sphere in different countries, as well as directions, models and programs to support the social sphere through the ongoing policy. The purpose of this research is consideration in financing methods of social enterprises for competitiveness in provision of the highest quality services and improvement of living standards.

Keywords: social institutions, modernization, federal programs, benefits, financial safety.

Introduction

At present, both the authorities and society are coming to an understanding that not so much abstract indicators of the economic and technical development of the state as a healthy spiritual, moral, social and physical state of the individual should be the goal and criterion for the correctness of all decisions made. Moreover, in the course of an active discussion about the directions and methods of modernizing the country, it became obvious that, first of all, it is in the labor and creative potential of a person, and not in the quantitative growth of the scale of the economy, that the main opportunities for transforming the whole society for the better live. It is appropriate to rely on the theoretical and methodological foundations of spatial policy developed by local and foreign scientists in order to form and regulate the social infrastructure and solve its problems rationally. The prevalence of socially oriented mixed economy in many industrialized countries made it possible to declare a high level of social protection of citizens, the idea of "welfare for all" as the goals of social development.

Theoretical aspects of research

The social sphere is a complex of networks, institutions, offices and organizations that are directly related to each other and determine the lifestyle, standard of living, welfare and needs of people. The Republic of Uzbekistan was justified by the fact that it is important to expand the scope of social sector financing to become one of the countries with medium-term income by 2030. The state must act as a prerequisite for socio-economic development, with a focus on education, science, health, and culture as the basis for sustained, high-quality and safe economic growth, as the state implements its national interests. Increasing the efficiency of financing in the social sector is primarily a human factor. Social sector financing is a whole set of primary impacts on the development of the national economy⁵.

"The intellectual, spiritual culture of the nation today, more than ever, is becoming the main factor in socio-economic progress. Modernization is impossible without a sufficient general cultural level of the population" – this idea is expressed by Academician O.T. Bogomolov⁶. The approach towards financing of the investment processes in the social sphere has been changing for some time. G.A. Akhinov thinks that the main technology in performing state social functions used to

⁵ <https://ijecm.co.uk/wp-content/uploads/2019/12/71216.pdf>

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