



## THE IMPORTANCE OF THE CLUSTER METHOD IN THE DEVELOPMENT OF THE UZBEKISTAN ECONOMY

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<https://doi.org/10.5281/zenodo.8045556>

**Annotation.** This article discusses the essence and significance of the cluster method in the development of the country's economy. The importance of the cluster in the economy of a developed country is described, the types and features of the cluster are presented, and the main goals and results expected from the introduction and development of innovative clusters in the regions .

**Keywords.** Cluster, informatization, competition, competitiveness, integration, clustering, innovation, capital, economy, investment, industry group, innovation cluster, motivation, entrepreneurship.

In the world, the rapid introduction of informatization processes into economic sectors is considered as the main means of development of integration processes in the economy. Integration processes in the economy contribute to the processes of strengthening and increasing the competitiveness of enterprises, regions and countries as a whole, which unite the sellers, suppliers and consumers of production and services and products by mastering new regional markets and establishing a network of enterprises as a driving force of development.

The economies of developed countries are based on the activities of the largest integrated enterprises, which operate on the basis of strong cooperation with small business structures. Today, the economy of developed countries has moved to an innovative type of development. At the macro level, integration is carried out in the economy of this country through the formation of economic blocs - clusters. Clusters are made up of firms and organizations related to final product production and geographic location. Clusters should be considered as places of concentration of human capital, scientific, innovative and production potential. Clusters will be stable, systematically developed and competitive only when there is such a combination [1]. In foreign countries, clusters have already become a leading system in all sectors of the economy. Clustering serves as a new aspect of world economic development. Clustering covers more than 50% of the economy of leading countries . For example, there are more than 2 thousand clusters in the European Union. They cover 38% of the workforce. This method has been fully implemented in the industries of Denmark, Finland, Norway and Sweden. In the US, 32% of people in the private sector work in clusters, and in Sweden, 39% of working-age citizens work in clusters. More than 60% of the country's exports are produced in Indian clusters[2].

A cluster is a set of economic entities of various interdependent sectors, whose elements are interconnected and interdependent, and which work together towards a specific goal, united in a single organizational structure. The formation of effective technological

chains from several independent business entities is a strategic process, and their implementation primarily requires long-term investments, and a positive indicator is achieved as a result of the conditions created for potential systems and the effective use of existing opportunities. In order to develop the cluster system, it is first necessary to create a system of additional benefits for each of the business entities operating in mutual cooperation, and to create certain incentive mechanisms to form a single activity system that provides a unified system.

It should be noted that the cluster development of the economy is a specific business tool. In an economy based on a market economy, the activities of business entities are shaped by certain rules, laws, relations, the banking sector, support systems and many other infrastructural objects. Therefore, the cluster formed within the framework of these rules will consist of a specially organized space that allows for the successful development of a complex of organizations consisting of large firms, small enterprises, suppliers and service enterprises, infrastructure facilities, scientific centers and universities [3].

Clusters are a set of firms participating in a specific market united on the basis of long-term contracts in order to effectively use resources and existing internal capabilities for the implementation of innovative projects in cooperation [4].

In order to understand the essence of the content of clusters, we will highlight its specific features. According to the research conducted by foreign experts, clusters can be represented by the following indicators: research and development opportunities; workforce skills; development of labor potential; proximity of suppliers; availability of capital; access to specialized services; relationships with equipment suppliers; interconnected structures; intensity of network formation; entrepreneurial spirit; innovation and learning; team thinking and leadership.

A distinctive feature of a cluster is targeted entrepreneurial activity in a certain direction. Within the framework of the cluster, not only production and service enterprises, scientific research centers, universities, but also innovative business, comprehensive management of product quality, and after-sales service enterprises are united. Unification of the efforts of entrepreneurs, state bodies, scientific research centers, universities, investment and innovative activity entities in a certain area gives, above all, significant competitive advantages, rationalization of production and market processes, redistribution of business risks and necessary in rapidly changing conditions in the external environment. helps implement flexible policies.

Today, the use of the cluster approach in the world practice is considered as one of the most effective methods of socio-economic development of regions, activation of investment policy, increase of export potential and expansion of foreign economic relations, development of free entrepreneurship.

The experience of developed countries shows that the task of ensuring the technological competitiveness of enterprises based on combining the resources of high-tech industries with the potential of the scientific-research sector is effectively solved within the framework of clusters [5].

Therefore, during the last decades, the cluster concept of socio-economic development occupies a leading position in the world economy and determines the prospects of increasing the competitiveness of regions.



The introduction and use of the cluster system in the world community is growing rapidly, and clusters are becoming the main component of the socio-economic development plans of countries and regions.

A cluster or industrial group is a group of interrelated companies and related organizations operating in a certain area characterized by common activities and complementing each other[6].

There are three main types of clusters in world practice;

- regional (territorial associations of scientific or industrial centers located in a certain area);
- vertical (associations within a single production process, for example, the "raw material supplier - manufacturer - marketer - customer" chain);
- horizontal (unification of various industries into one megacenter, for example, "Agro-industrial cluster introduced in Uzbekistan").

While clusters were initially used by developed countries to study competitiveness issues, this approach has over time been used to address broader issues, including:

- in the analysis of state, region, industry competitiveness;
- as a basis of national industrial policy;
- in the development of regional development programs;
- as a basis for stimulating innovation;
- began to be used as the basis of mutual relations between large and small enterprises

[7].

As a result, according to international practice, Provard has become a hub or centers that attract residents by specialization, clusters formed around scientific centers and enterprises cooperating with universities.

The conditions for the formation of effectively functioning clusters in practice can be mentioned as follows:

1. Existence of competitive enterprises. The following can be indicated as indicators of competitiveness: relatively high level of productivity of the companies and industries included in the cluster; high level of export of products and services; economic indicators of companies.

2. Availability of competitive advantages in the region for cluster development. For example, convenient geographical location; access to raw materials; availability of specialist personnel, suppliers of components and related services, specialized educational institutions and educational programs, specialized organizations conducting research and development, necessary infrastructure and other factors.

3. Geographic concentration and proximity. Cluster participants are geographically close to each other and have opportunities for active interaction. Geographical location may vary depending on the type and characteristics of the cluster and may cover one or more regions of the country. Various indicators describing the high degree of specialization of a particular area can be seen as indicators of geographic concentration.

4. Availability of a certain number of participants. A cluster may consist of companies that produce final products and services that are usually exported outside the region, suppliers of components, equipment, and services, as well as educational institutions, research centers, universities, and other supporting organizations.



5. Communication and cooperation between cluster members is one of the main success factors. These relationships are formalized relationships between the parent company and suppliers, between suppliers themselves, cooperation with suppliers of equipment and specialized services; it can be in the form of relations between companies, universities and research institutes within the framework of cooperation on the implementation of joint scientific research and educational programs [8].

In practice, a complex combination of competition and cooperation is formed in innovative processes in clusters operating in practice. Taking into account the specific characteristics of the field, the following types of clusters are distinguished[9]:

1. Discrete clusters include enterprises producing products consisting of discrete components, including enterprises of the automobile industry, aviation industry, shipbuilding, engine industry, and other branches of the machine-building complex. As a rule, these clusters consist of small supplier companies developing around assembly plants and construction organizations.

2. Technological clusters are formed by enterprises belonging to so-called technological industries, such as chemical, pulp and paper, metallurgical industry, as well as agriculture, food industry, etc.

3. Innovation clusters are developing in so-called "new sectors" such as information technologies, biotechnologies, new materials, as well as in service areas related to the implementation of creative activities. Innovation clusters include many new companies emerging in the process of commercialization of technologies and results of scientific activities implemented in higher education institutions and research organizations.

4. Tourist clusters are formed on the basis of tourism assets in the area and consist of enterprises of various sectors related to tourism services, for example, tour operators, hotels, catering sector, souvenir manufacturers, transport enterprises, etc.

5. Transport-logistics clusters include a complex of infrastructure and companies specializing in the storage, tracking and delivery of goods and passengers. The cluster may also include organizations providing services to port infrastructure facilities, companies specializing in sea, river, land, air transport, logistics complexes and others. Transport-logistics clusters are developing in areas with great transit potential.

6. Mixed-type clusters can combine features of several types of clusters.

Today, the main feature of the cluster is its innovative direction. A clear example of this is the US experience of supporting and encouraging the formation of innovation clusters - Silicon Valley. The world-famous cluster in the USA called "Silicon Valley" is enviable. It includes 87,000 companies, 40 research centers and dozens of universities. This innovative cluster infrastructure is served by 180 venture firms, 47 investment and 700 commercial banks [10].

There are many companies operating in the field of electronics and information technology in Silicon Valley. It has become a technology hub in Silicon Valley, employing more than 386,000 IT professionals. That's about 40% of IT engineers working in the US.

Innovation clusters can be formed on a regional scale with a high concentration of interconnected industries. At the same time, the direction of the innovative cluster is showing that it is promising for the national economy.

Recently, innovation clusters of enterprises specializing in high-tech industries are developing more rapidly than industrial clusters. The most prominent examples of innovation



clusters are: USA-Silicon Valley, China-National Model Innovation Zone, India-Software Technology Parks of India-STPI, Russia-Skolkovo Innovation Center, Israel-Silicon Wadi, Belarus-High Technology Park[11].

Unlike the industrial cluster, the innovation cluster focuses on the creation and technological application of know-how, and the wide use of knowledge and skills accumulated within the cluster companies. The innovation cluster differs from other forms of economic associations in that the cluster companies do not merge completely, but create a mechanism of mutual cooperation within and outside the cluster, which allows them to retain the status of a legal entity and at the same time cooperate with other enterprises.

The implementation of the cluster method in Uzbekistan is being implemented on the basis of decisions made in recent days. First of all, consistent measures are being taken to reform the agrarian sector in our country using the cluster method, to introduce market mechanisms and modern technologies to it. By the decree of the head of our state dated October 23, 2019, the strategy for the development of agriculture of the Republic of Uzbekistan for 2020-2030 was adopted. In accordance with it, cotton and fruit and vegetable clusters are being organized in order to produce products with high added value[12].

In response to the tasks imposed by the decision of the President of the Republic of Uzbekistan dated May 19, 2017 "On measures to create a modern cotton-textile cluster in Bukhara region" PQ-2978 "Bukhara Cotton Textile" Uzbekistan-British JV, which covers the system from cotton planting to deep processing, further develops textile and light industry, embodies life experience, skills and knowledge of scientists, production specialists, economists from various fields of science and education, "123.1 mln. of Paraglide LTD" JV and "Petromaruz" (Russia). With the introduction of foreign investments in the amount of US dollars, the first innovative "Cotton - textile cluster" complex was launched[13].

A few years ago, clusters were created only in the agricultural sector, but now they are appearing in other sectors as well. In our opinion, the introduction of an innovative cluster is of great importance in the socio-economic development of our country.

An innovation cluster is formed as a collection of innovative activity subjects, consumers of innovative activity results, participating in the creation of innovations in the relevant area, without establishing a legal entity, and the main goal of these subjects, consumers is to provide a share in innovative activities through effective cooperation, joint use of resources, and the exchange of knowledge and skills, as well as the transfer of technologies. will consist of stimulating activity[14].

The main goals expected from the introduction and development of the innovation cluster are as follows:

- Implementation of an innovative cluster for information services and creation of a chain of interested enterprises;
- creation of new innovative services and products;
- to combine the potential of subjects of innovative activity in the field of science, education and production to satisfy market needs;
- training and retraining of personnel related to the activity of innovative clusters;
- formation of a portfolio of orders related to the creation of innovations in information services;

- support the establishment of new industries and enterprises specializing in the production of new or improved developments;
- increase investment attractiveness of regions;
- increase the export potential of the regions for providing information services;
- joint promotion of the results of innovative activities in the market.

Introduction of innovation cluster in the regions, the introduction of cluster technologies to unite enterprises for the purpose of implementing a certain innovation process serves to increase business activity, improve the investment environment in the regions of our country, develop social, economic, information and integration systems, which, in turn, accelerates the development of entrepreneurship, attracting investments and giving more impetus to the economic recovery of the regions.

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