



## The Role of Innovative Activity in An Active Economy

**Turdimuratova Aziza  
Alisherovna**

Termiz Agrotechnologies and Innovative Development Institute,  
Teacher of the department of agribusiness, accounting and digital  
technologies

### ABSTRACT

This article talks about the role of innovative activity in the active economy. The author characterizes the role of innovation in the development of modern civilization. Particular attention is paid to global statistics, thereby focusing on the factors that limit innovation activity in Uzbekistan. According to the author, it is intangible assets and intellectual capital that can provide maximum capitalization of the market value of enterprises, as well as attract additional sources of funds to finance innovation.

### Keywords:

Economy, innovation, intangible assets, intellectual capital, innovative activity, competitiveness, human capital, knowledge, information.

The basis of the economic policy of each state is to ensure the security of its national economy. In the context of globalization, this is the basis for ensuring the interests of the state, strengthening the economic potential and maintaining the country's defense capability. Before the national economy of the country, formed in the context of globalization and the end of the transition to market relations, one of the main problems is to ensure competitiveness in world markets through strengthening economic strength and security. The main factor ensuring the development of our national economy is innovation based on the application of new ideas, scientific knowledge, technologies and products in various areas of production and management of society.

The development of innovative activity, the wide dissemination of innovative technologies, products and services is a key direction for achieving economic growth and improving the quality of life of the population in the modern world.

*The preponderance of intelligence.* At present, in developed countries, 70–85% of the

growth in gross domestic product is accounted for by new knowledge embodied in innovative production and management technologies.

This allows sociologists to draw a conclusion about the formation of a society based on knowledge. Knowledge, embodied in innovative products, becomes the main capital in society at the post-industrial stage of development. Therefore, they speak of the emerging new civilization as a civilization of innovations.

Investors are now paying much more attention to innovation than to mergers and acquisitions, changes in management style, the search for new opportunities and cost reduction. A modern enterprise cannot and should not exist without innovation.

Nowadays, innovation activity is an indicator of the movement of an enterprise towards the formation of competitive advantages, since it is the implementation of innovations in a rapidly changing external world and limited resources that determines the further development of the company. Innovative activity is an important

characteristic of management when analyzing the activities of an enterprise.

There are a number of indicators that testify to the transition of the world economy to an innovation base. Unlike the earlier stages of handicraft production and capitalism based on machine production and finance, the new economic system is increasingly based on its own intellectual capital.

At the present stage of development of the world economy, there is an obvious tendency to move from an industrial type of economy to a post-industrial one, or, as it is also called, an innovative economy, which is based on the use of information, science-intensive technologies, as well as the results of intellectual activity.

World financial crises of the late XX - early XXI centuries. necessitated a new look at the current system of economic relations between the subjects of world economic relations.

The turbulence of the economy and the "new normal" caused by the corona crisis have deepened the problem of finding new sources of development and ensuring the economic security of national economies and the world economy as a whole.

Trends in the development of economic systems of developed and large developing economies of the world are increasingly focused on the development and use of intellectual resources, such as high-risk, venture capital, innovative clusters, innovative entrepreneurship and others, which are factors in the sustainable, balanced development of national economies and the world economy as a whole. Together, this ensures the sustainable development of the economy and its improvement.

An analysis of the world practice of innovative development is due to increased competition between innovation-oriented enterprises, which, in turn, increases the uncertainty of the competitive space and increases the risks of innovative entrepreneurship, including at the system level.

*Materials and methods of research.* An analysis of the practice of developed countries shows a steady trend towards an increase in

the role of knowledge, education and technology in the economy, which leads to an increase in their competitiveness, as well as to an improvement in economic, technical and other product indicators.

The economic systems of countries with developed economies have long been focused on innovative entrepreneurship, the creation of innovative structures and the commercialization of R&D results.

Creation of innovative structures. These areas of activity form the basis of the development strategy of both firms and the economic system as a whole. They are leaders in innovative entrepreneurship and control the markets for innovative technologies. The main task is the growth of innovations in the country's economy.

At present, the development of the economy with the use of innovations is becoming the most important for the socio-economic development of countries. It is easy to see that many countries, such as the USA, Japan, China and others, ensured the growth of their economy through the development and implementation of innovations.

#### *Research results and discussion.*

The term "innovation" (innovation from English) was borrowed by economists from culturologists and introduced into terminological circulation at the beginning of the 20th century.

The popularization of the term began after the economist Joseph Alois Schumpeter (1911) considered innovation as a means of entrepreneurship that provided high profits for profit.

In the work "The Theory of Economic Development" J. Schumpeter considered innovation as a means of entrepreneurship for profit. "Economic entities whose function is just the implementation of new combinations and which act as its active element" Schumpeter attributed to innovative entrepreneurship. In modern economic studies, "innovation" is defined as the implementation of the achievements of scientific and technical progress into a real new product and technology.

Innovation is the result of scientific, intellectual activity, the application of which leads to significant changes in organizational, administrative and production-technological relations in production.

The concept of innovative products (innovative product) in economics is debatable, since the result of innovative activity is associated not only with a material form, but also with ideal products of creative activity.

It is important to note that activities with innovation are initially associated with the enterprise.

The first stage most often begins with capital investment or investment. The result of this activity is, of course, associated with the profit from its invention or use. That is why in the modern economy it is necessary to prepare the conditions for research and development and the practical implementation of their results in production.

Innovative technologies involve significant capital investments, without which innovation cannot exist. Consequently, the financial strategy for the development of an enterprise, especially in a crisis economy, is of particular importance in the process of managing its development.

Innovative activity determines strategic planning, development of a plan for the development of the organization for the future in order to protect the reduction of the risks of external influence and ensure its economic security.

The essence of operational measures in a crisis and recession is most often to reduce current costs, increase the efficiency of using the internal reserves of the enterprise and obtain the necessary resources. The choice of an enterprise development strategy depends primarily on its financial condition and long-term goals of its activities and of course, many other factors.

It is safe to say that it is important for any company to increase its competitiveness in the market, improve its image, expand its capabilities and increase cash flow.

At the moment, it is difficult to imagine development without the help of science, as it allows you to increase the potential of the

company, accelerate its development, and much more.

The famous American inventor Elon Musk illustrates well the possibility of innovative technologies in business and economics. Now his projects show excellent results in a variety of areas. Elon is known for being the founder, head of high-tech companies.

PayPal - an online payment platform - the first innovative project of Elon Musk, which brought him worldwide fame and significant income. Independent implementation of the Internet site did not provide reliable data transmission protection, which is a very important factor.

However, PayPal's collaboration with Confinity allowed them to significantly outperform the competition and deliver superior results. Subsequently, the well-known eBay auction, which conducted its operations through the PayPal platform, buys it out.

In Uzbekistan, the field of information technology is currently being mastered much less than in many developed countries of the world. This hinders the further development of the Uzbek economy. The significance of innovation activity for the country's economy is as significant as the conditions created by the state for the development of innovation.

Innovations are a complex economic and organizational-technological process, which relies on the use of two types of potential - scientific (the latest technologies and techniques) and intellectual, associated with the ability to introduce innovations at all stages of the reproduction activities of organizations. Investment security is one of the important elements of this process. This is manifested in the rational use of funds. Therefore, attracting investments from various fields and from various sources significantly reduces risks and leads to the effective development of activities with innovation. It can be concluded from the experience of many countries that the transition to an innovative model of the economy is possible only with a real perception of innovation. Moreover, it is important to note that it is necessary to regulate the intervention of the state in this matter as an investor and regulator.

Technological and innovative development of Uzbekistan is determined by the economic and geographical factor.

The geographical and economic situation explains the existence of technological diversity in Uzbekistan. For example, a large number of minerals used in industry, as well as a large amount of labor (population). Fundamental innovations usually occur in the basic research process.

Innovations are one of the main reasons for the emergence of new industries, industries, which leads to the gradual withering away of existing ones; innovative activity even changes the economic organization of society, namely, new social institutions and economic organizations and the relationship between them appear. There are important changes in the ownership structure. Technologies in the field of management are also being improved not only in private organizations, but also in the state.

Many inventions, technical breakthroughs were indeed discovered and originated in Uzbekistan, but after that they were widely used by foreign companies abroad. In our time, many examples can be cited even in theoretical studies. An example is the development of principles for the interaction of new aircraft energy with the environment. For their implementation, special federal programs have been developed.

However, this is a complex, lengthy and multifaceted process that affects the interests of a large number of regions, enterprises and organizations employing a huge number of specialists. Only a protectionist policy on the part of the state, strict state regulation, combined with the mechanism of a civilized market, will help to implement such a complex set of socio-economic programs.

At present, the development in the field of innovation in Uzbekistan is as opposite as possible to other countries. This is explained by the fact that private business was given the opportunity to finance the fundamental sciences, and the state was exclusively given the opportunity to introduce these innovations in various areas. It is precisely because of this that it is unprofitable for private investors to

invest their own money in innovation, which, as a result, leads to their low activity in this kind of activity. Thus, in the modern economy, the innovation process can be financed not only by the state, but also by private individuals. In a crisis situation, the state should finance extremely important innovative projects that affect the development of the economy as a whole. Perhaps this can be done if a separate body dedicated exclusively to innovations is created, and its activities will be aimed at financing only high-impact innovations.

The innovative economy is the economy of the future. The development and implementation of innovation policy and the formation of an innovation economy should be the most important integral part of the long-term socio-economic development of the country. For the successful development of an innovative economy, state regulation of innovative processes is important. There is a need to coordinate the activities of the participants in this process, using all possible levers, such as increasing the share of private investment, lowering lending rates, supporting innovative entrepreneurship in industry, etc.

Borrowing foreign experience of innovative entrepreneurship is an important factor in the economic growth of enterprises and the national economy as a whole.

## References

1. Abrameshin A.E. etc. Innovation management: Textbook for universities. - M.: European Center for Quality, 2003.
2. Mingaleva Zh.A. Management of innovative competitiveness. - Yekaterinburg: Institute of Economics of the Ural Branch of the Russian Academy of Sciences. 2008.
3. Influence of innovation policy on the international competitiveness of the state. //www.stra.teg.ru/lenta/innovation.
4. Mutalimov V.A., Gustova K.V. The role of innovative activity in the modern economic system // Scientific Review. Economic sciences. - 2021. - No. 2. - P. 29-33;