

The Chinese Experience of Increasing the Competitiveness of the National Economy and the Possibilities of Effective use it in the Economy of Uzbekistan

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Abstract: The article examines the processes related to the foreign experience of increasing the competitiveness of the national economy and the possibilities of its effective use. The role of the conditions and factors of the implementation of competitiveness of the fragmented business environment within the countries is substantiated. A scientific proposal and practical recommendations for improving the system of ensuring competitiveness in the conditions of integrated relations have been formulated.

Keywords: competitiveness of the national economy, open economy, economic policy, innovative development, economic integration, business environment, sustainable economic growth.

Introduction

In the context of globalization, the process of increasing the competitiveness of the national economy is one of the urgent problems facing every country integrated into the world community, and the formation of an effective solution to this problem requires the formation of an effective solution to the economic obstacles faced by the participants of foreign economic activity. The absence of barriers for foreign economic activity subjects within countries serves to turn the world market into a field of free competition. The main goals of this competitive struggle are the entry of each country into the global competition and it based on a strategic approach based on the formation of a system of efficient use of economic resources by maintaining its place among economically developed countries and ensuring high productivity of production factors.

The strategy based on ensuring the country's competitive advantage is based on the structural composition of the branches and sectors of the country's economy and its determining factors, the business environment created for business entities and the competitive environment created between market entities and the mechanism of its effective implementation.

The long-term perspective of the competitiveness of the national economy has an effective effect on the achievement of sustainable economic growth and the creation of activities of internal economic structures that are flexible to changes in demand in world markets. In addition, it serves to ensure that the quality of life of the country's population grows in a satisfactory manner. In terms of competitiveness, such a number of priorities and their manifestations are reflected in the effective distribution of available resources (labor,

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natural resources, capital) in the national economy, as well as ensuring sustainable economic growth by coordinating the activities of relevant structures.

The current stage of Uzbekistan's integration into the world economy requires the effective implementation of the mechanism of forming an open economy in the context of transformation into integrated relations. The President of the Republic of Uzbekistan Sh.M. Mirziyoev spoke about the complex basis of these processes as follows: "...in the period of the fourth industrial revolution, achieving international competitiveness should consist of finding new solutions to accumulated problems, as well as solving controversial issues arising due to globalization" [1].

The above series of cases show that it is of urgent importance to carry out researches based on foreign experience of increasing competitiveness in systematization of existing opportunities and conditions for increasing the competitiveness of the economy of Uzbekistan and to implement scientific researches on the implementation of their effective results in the national economy.

Literature review

The processes of studying the theoretical and methodological foundations of the competitiveness of the national economy are one of the most controversial researches in the world economy. Among the foreign economists in the researches in this regard, the role of corporations in ensuring the international competitiveness of countries has been studied through the processes related to the creation of new jobs and the impact on the satisfaction of domestic needs in the A.J.Ali's research is of particular importance[2]. In the studies carried out by G.Kharlamova, O.Vertelieva, the phenomenon of national economy competitiveness is interpreted as an economic category, and the correlation of the factors that increase the potential opportunities of competitiveness is substantiated by analyzing the factors affecting the level of competitiveness [3]. In accordance with the results of the scientific research carried out by O.A.Klochko, the cases related to the management of the country's competitiveness, the influence of business on ensuring the technical and technological development of production, and its role in the provision of innovative development in the period of modern globalization have been scientifically and methodologically substantiated [4].

L.Shaulska, S.Kovalenko, Sh.Allayarov, O.Sydorenko, A.Sukhanova through scientific research it is recommended to develop a long-term action plan related to the adaptation of enterprises to foreign market conditions in order to increase the competitiveness of the country in the world market[5]. J.B.Smagulova, K.A. Utegenova, A.E.Mukhanova based on the results of scientific research, it is recommended to group the indicators that have a negative impact on the country's international competitiveness rating, and form the economic policy of the state related to the elimination of these indicators in the future [6]. Through the researches of B.Bobojonov, L.Mingishov, proposals were developed on the effective use of import substitution products and opportunities within the framework of the import substitution program to increase the country's competitiveness [7]. Competitiveness of the national economy.

In the above studies on the possibilities of effective use of foreign experience in coordinating the existing opportunities and conditions for increasing the competitiveness of the national economy, the process of increasing competitiveness is characterized by the orientation to certain branches or sectors of the economy.

Research methodology

The article summarizes the processes of ensuring the country's competitiveness and the conditions of its development through the method of scientific abstraction. The factors of ensuring competitiveness within the countries are highlighted through research methods such as systematic analysis, induction and

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deduction. Also, the impact of the business environment created within countries on the formation of a competitive economy was assessed through statistical analysis.

Analysis and discussion of results

The competitiveness of the national economy is a decisive factor in the development of the country's export potential. In the conditions of the globalization of the country's economy, the possibilities of effective use of the export potential cause the complexity of the integration relations between competing enterprises and countries. The practical expression of this complex process requires the research of the forms of concentration relations and the directions of its systematic development related to the factors of ensuring the competitiveness of the national economy. For this reason, theoretical and methodological research related to the evaluation of the competitiveness of the national economy is carried out at the micro, meso and macro levels. In turn, the relationship between these levels of competitiveness is manifested through the country's integration into the world economy.

China's experience is of particular importance in the implementation of systematic development directions for increasing the competitiveness of the national economy and the purposeful use of its existing opportunities. In most of the international competitiveness rankings, China's competitiveness at the macroeconomic level is highly rated. In particular, according to the competitiveness rating of the International Institute for Management Development, China's economy is one of the 20 most competitive countries in the world.

In the second half of the 20th century, taking into account the effective implementation of economic reforms related to the development of socialist market relations in the Chinese economy, the government's activities in the field of scientific research and experimental construction, encouraging the development of the state's technological infrastructure, training personnel for high-tech industries, and creating special zones provided an opportunity to increase competitiveness at the macroeconomic level. The effectiveness of the modernization of the economy under the influence of the open economic reforms that began in 1978 helped China to take a leading position on the world stage.

The main directions of development of productive forces and ensuring high economic growth strategy in the Chinese economy of the 20th century are as follows:

- under the influence of agrarian reforms, farmers were given additional rights, including the right to manage the economy in land-related processes, to sell the produced products;
- transition to the market factor of encouraging small and medium-sized businesses in the trade and service sector;
- establishment of special export zones with advanced production infrastructure and tax incentives in order to attract foreign capital and develop export production;
- establishment of state control over social security, finance, large industrial enterprises, transport, communication and communication system.

Under the influence of more than three decades of economic reforms, China has been encouraged to seek ways of sustainable economic development based on the use of economic and geographical advantages. As a result, during the global economic crisis of 2008-2012, China, unlike other leading countries in the world, managed to maintain high rates of economic growth. According to the National Bureau of Statistics of the People's Republic of China, in 2009, the country's gross domestic product increased by 8.7% compared to 2008 and reached 4.91 trillion US dollars, making China's economy one of the four largest

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economies in the world, along with the United States, Japan and Germany made up 6 percent of the world GDP.

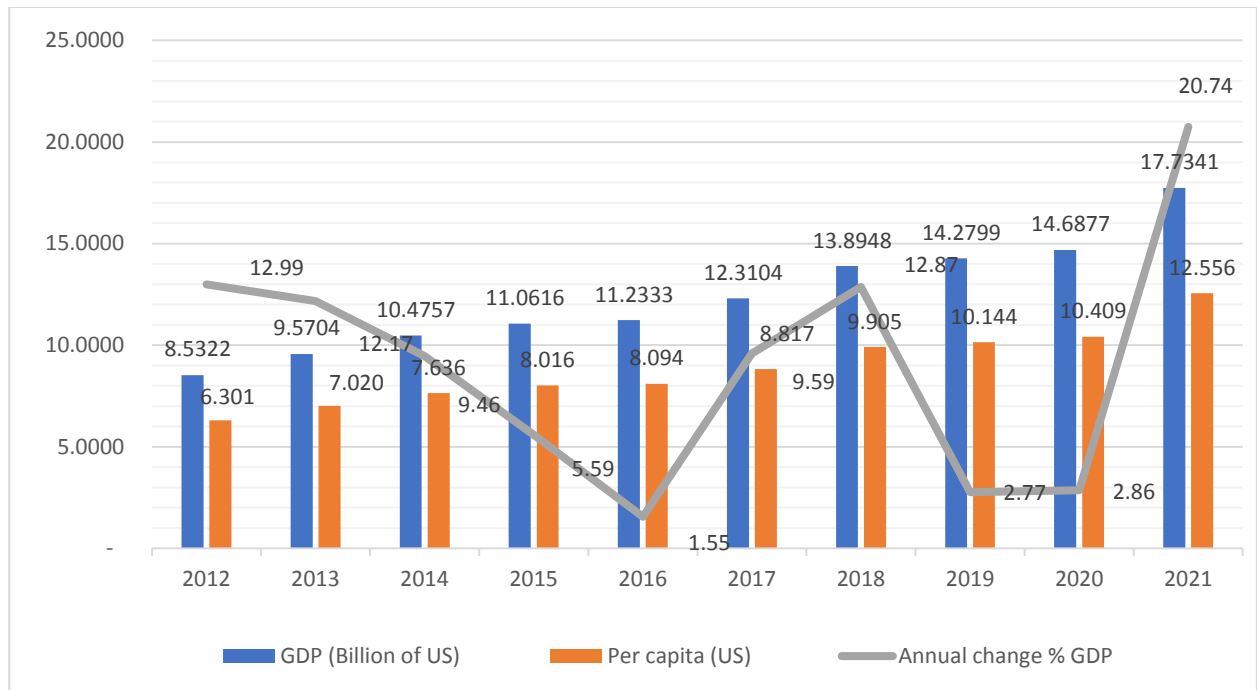


Figure 1. The dynamics of GDP change in the People's Republic of China in 2012-2021[9]

In 2012-2021, there will be sharp qualitative changes in the dynamics of GDP in the People's Republic of China. In particular, the absolute volume of GDP in 2012 was 8,532 23 trillion. US dollars, the distribution of GDP per capita was 6,301 thousand US dollars. By 2013, the total volume of GDP increased by 12.17% to 9, 57041 trillion. US dollars, and per capita increased by 11.4% to 7,020 thousand US dollars. In 2014, GDP increased by an additional 9.46% to 10,47568 trillion. If it was US dollars, the distribution of GDP per capita reached 7,636 thousand US dollars. Since 2015, as a result of the implementation of active economic reforms in the Chinese economy in the direction of wide attraction of foreign investment and technologies, it has given an opportunity to raise the development of the personnel training system to the quality stage, along with the wide implementation of innovative research developments in the development of industrial production. For this reason, the growth rate of GDP in 2015 compared to 2014 was 5.59 percent, and the absolute volume was 11,06155 trillion. US dollars, and per capita is 8,016 thousand US dollars, providing an additional growth rate of about 5 percent. In 2016, the total volume of China's GDP was 11.23328 trillion. US dollars, and per capita was 8,094 thousand US dollars. In 2017, the total volume of GDP increased by an additional 1.55 percent to 12.31041 trillion US dollars. By 2018, the absolute volume of GDP in China increased by an additional 12.87% to 13.89482 trillion US dollars compared to 2017. Total GDP per capita amounted to USD 9,905,000, and the growth rate increased by 12.3%. In the distribution of GDP per capita, an additional growth indicator of 2.4 % was provided, which is 10,144 thousand US dollars. In 2020, the volume of GDP will increase by 2.86%, and in 2021 by 20.74% to 17.73406 trillion US dollars. In 2020, the distribution of GDP per capita was 10,409 thousand US dollars, and in 2021, this indicator increased by 23.7% to 12,566 thousand US dollars (Figure 1).

In our opinion, along with the role of the economic reforms recognized above, the role of the accumulated experience in the coordination of innovation processes is important in increasing the competitiveness of the Chinese economy.

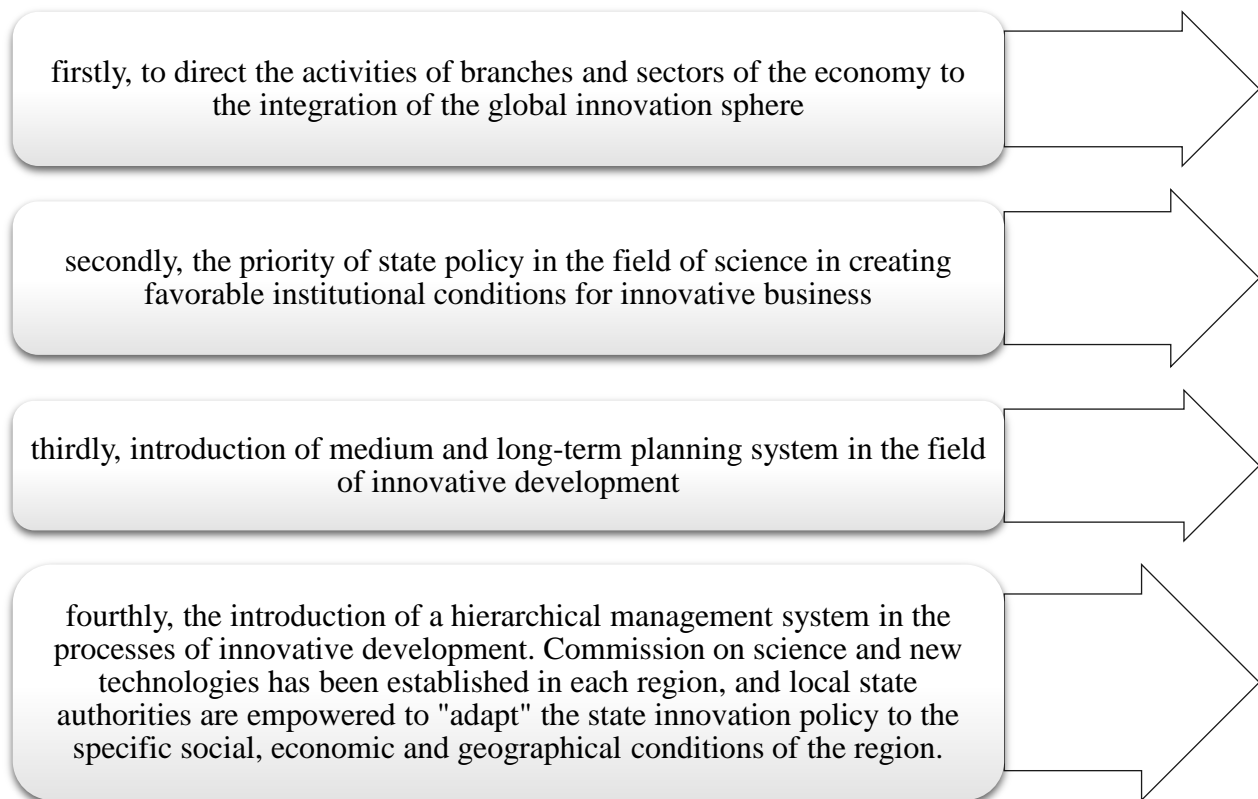


Figure 2. Innovative development model of Chinese economy*

** Formed by the author according to the research results*

In the People's Republic of China, financing of innovative activities is carried out by the federal government and local authorities. Also, there is a system of state procurement in innovative activities, according to which the state covers only a certain part of the costs incurred for the production of innovative products in enterprises. The system of subsidies and preferential financing is used within the framework of the innovation fund to support the innovative activities of small businesses.

The science and education financing system is implemented entirely through international and national grants, and a controlled cost account is formed. Also, in terms of financing, the amount of funds allocated by the scientific foundation, special purpose funds, including private donations, especially venture capital, has a high indicator.

Technological development zones and industrial parks play a leading role in the implementation of the system of rapid commercialization of new knowledge and technologies in the field of industrial production. On the basis of the public-private partnership system, the state-business-science and education integration has been established in the innovative development of economic sector structures, and the process of technical and technological exchange between industrial enterprises is effective through this integrated system.

Conclusions and suggestions

In conclusion, it can be said that the driving force of the international competitiveness of the Chinese economy is the quantity and quality indicators of the export potential, which is successfully implemented through the active development of productive forces and foreign trade mechanisms. In order to strengthen its international competitive position, the country widely applies the policy of constantly increasing the share of manufactured products and high technologies. In its place, this situation serves to improve the product composition of exports.

The textile and steel industries are the engines of China's export competitiveness, and the electronics and automotive industries have an increasing chance of becoming highly competitive industries in the near future. Especially today, these conditions are one of the main positive factors of foreign trade competitiveness. China's significant price advantage in the textile and electronics industry in the world market is provided by cheap labor.

Foreign investments entering the country are currently serving as the main source of new technologies, and foreign direct investments are the main mechanism for increasing the country's international competitiveness.

In China, the national innovation system is considered one of the mechanisms that increase the real competitiveness of the country and serves as a guarantee basis for increasing the strategic competitiveness of the economy in the future.

In our opinion, the Chinese experience of increasing the competitiveness of the national economy and its effective use in the economy of Uzbekistan should focus on technologies, the main factor affecting the sharp difference in the industrial production process between regions. First of all, this process has a positive effect on the quantitative and qualitative indicators of the development of industrial production in regions with the possibility of free exchange of technologies. In the rest of the regions, the opposite is observed. For this reason, it is recommended to form a "technology exchange platform" within the republic in order to increase the efficiency of the system of diversification of industrial production and innovative development of regional economy in Uzbekistan. The basis of the technological platform: based on the integrated relationship between science - the state - business subjects-consumers (enterprises and organizations), this technological platform creates a number of opportunities for the creation of innovations, the procedure for using innovations, the system and procedure for their exchange.

The formation of the "technology exchange platform" aimed at increasing the efficiency of the system of innovative development of the regional economy and diversification of industrial production increases the efficiency of the system of using the existing industrial potential in the regions. It affects the formation of a free information exchange system in terms of providing industrial production with the necessary technologies.

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