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Increasing the Competitiveness of Products Based on the Integrated Development of the Cocoon Industry of Uzbekistan

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Abstract: The thesis of the article analyzes the theoretical aspects of the development of integration and increasing competitiveness in the cocoon industry, as well as cluster concepts, and offers a conceptual model of the formation of organizational and economic mechanisms in integrated structures.

Keywords: integration, concept, competitiveness, cluster, organizational-economic mechanism, market weight, strategy, synergistic effect, model.

Introduction. One of the most important tasks of the economic reforms being carried out in the cocoon industry of Uzbekistan is the formation of a competitive economy based on innovative processes. The establishment of a new innovative and competitive economy requires the improvement of mutual cooperation and integration relations between the industry and enterprises that produce silk products, and the effective use of existing intellectual and innovative resources. The development of these resources is reflected in the concepts of integration relations and cluster development, which are more widely used in the experiences of developed foreign countries in recent years. Due to this, the concept of innovative development to increase the competitiveness of the economy has been adopted and implemented by the Organization for Economic Co-operation and Development (OECD), the European Union countries, the USA, China and many countries of the European Union. One of the significant steps in this regard is the "Lisbon Strategy" adopted by the EU countries in 2000. This strategic document, based on the economy of knowledge, was the basis for the development of the innovation policy of the Union, and the initial comprehensive measures developed under this strategy were aimed at stimulating the creation of production clusters by combining the potential of all participants of the integration and innovation processes.

The cluster concept of increasing the competitiveness of economic systems and industries is to unify the actions of all market entities for the purpose of increasing innovative activity, developing human capital, and improving marketing, that is, directing them towards one goal, mutual development, improving economic relations, between state administration bodies and business entities (public-private on the basis of partnership) envisages the establishment of relations.

There are different approaches to this issue, as the analysis of the experiences of foreign countries in developing the concept of cluster development and increasing competitiveness shows. According to the data of the Organization for Economic Co-operation and Development (OESR), the processes of conducting cluster policy and building a competitive economy are different in different countries, and first of all, they directly depend on the content of the cluster concepts developed by them and the level of economic development. From this, it can be concluded that the studied problem is extremely



complex in its own way, which means that agricultural economists have not been sufficiently researched scientifically and practically.

Purpose. The importance of this issue for the economy of the Republic of Uzbekistan, especially for the cocoon industry, is explained by the fact that the development and competitiveness of this industry is of state importance in the following years, and a number of presidential decrees and decisions have been adopted on the development of integration processes in the industry based on the cluster approach.

For example, the world market conjuncture is rapidly changing, the increasing demands of consumers, as well as the increasing demand for silk products produced in Uzbekistan in foreign markets, the consistent implementation of measures for the development of the cocoon industry, the deepening of the reforms implemented in the industry, the rapid development and diversification of the industry. PQ No. 4411 of the President of the Republic of July 31, 2019 "On additional measures for the development of deep processing in the cocoon industry" in order to create favorable conditions for the wide implementation of the cluster method of production organization, to establish the production of high-added-value silk products According to the decision No. "Types of economic activity of enterprises in the establishment of clusters in the cocooning network of the republic, the list of enterprises within the association "Obekipaksanoat" that organizes clusters in the cocooning network was announced. Based on this list, it is planned to establish 52 cocooning clusters in the Republic of Karakalpakstan and regions. According to this decision, "...measures for the further development of the cocooning industry include: organization of the specified types of economic activity in the cocooning clusters, identification of entities engaged in cocooning and industrial crafts in the regions and inclusion in the cocooning clusters, attracting investments to enterprises of the cocooning network, exporting raw materials exemption from profit tax of the profit corresponding to the volume of silk and silk wool products, provision of compensations to cover interest on bank loans allocated for financing investment projects of the enterprises that are part of the association, up to 50% of the cost of air and railway transportation in the export of silk products. a number of benefits such as allocating subsidies for compensation from the funds of the budget, compensating the costs of participation of clusters producing silk products in international exhibitions" [1].

Based on the above-mentioned circumstances, it can be said that the issue of increasing the competitiveness of silk and silk products based on the integrated development of the cocoon industry in our republic is being supported by the state. Because the integration of Uzbekistan into the world economy system based on the strengthening of foreign economic relations in accordance with the international division of labor, the integration processes, which have been widely and successfully used in the world practice in recent years, and the cluster method of developing and managing competitiveness in agriculture, including the silk industry, have the unique aspects of our national economy and its branches. Takes into account. In our opinion, this process creates the need for indepth research of the scientific and methodological aspects of the problem and the development of appropriate recommendations. Because the improvement of the organizational and economic foundations of the agro-industrial complex based on the cluster approach is one of the scientific and practical problems that have been little studied in Uzbekistan compared to new and developed foreign countries.

Method. The status and level of interaction and relations between the agro-industrial complex and the integrated entities in its branches directly depends on the scientific basis and methodical support of this issue. Until now, the scientific and research works devoted to the cluster method, which is an organizational-economic form of management of integration and competitiveness in the agrarian sector, are mainly descriptive in nature, and it is precisely the agrarian economic policy, national mentality, farming culture, and the conceptual development of the agricultural and cocooning industry carried out in our republic directions are taken into account, and of course, precise and economically based methodological approaches to formation based on modern market requirements have not been fully developed.

The analysis of available foreign information and scientific sources in this regard also shows that the conceptual foundations of integrated development and their effectiveness of increasing competitiveness have paid great attention to the improvement of the methodological foundations of



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research based on a multi-factor (level) approach. In particular, the conceptual foundations of integrated development in developed foreign countries are implemented in direct connection with the cluster concessions of increasing competitiveness, and are distinguished by the diversity of the set goals and methods, the ways of analyzing the activities of clusters aimed at ensuring the direct competitive advantage, and different approaches are used in this. For example, in Austria and Spain, members of the Organization for Economic Co-operation and Development (OECD), the concept of integrated development focuses on increasing the innovative activity of clusters and researching their innovative needs, while in countries such as Hungary, Poland, the Czech Republic and Romania, the concepts of integration processes and cluster development are territorial that is, more emphasis is placed on increasing the competitiveness of the national economy and its industries. Therefore, in the concepts of integrative development and development of clusters in these countries, by identifying sectors and regions with a relatively high competitive advantage in domestic and foreign markets in their economies, those who gave priority to research directions for the development of conceptual strategies for the development of these sectors.

Based on the essence of the two mentioned approaches, it can be concluded from the countries that emphasize the innovative basis and their geography that they have reached the stage of stable economic development and have a significant share in the respective markets. Therefore, it is natural that they choose innovative development methods in order to maintain and strengthen their position in domestic and foreign markets.

It can be noted that the countries that chose the second approach are the countries of the former socialist system, and their main goal is to gain their place in the domestic and foreign markets by rationally using the competitive advantages of the relevant industries, and they have set the integration into the world economy as a strategic goal.

In our opinion, it is appropriate to use the second approach, that is, the experience and methods of Eastern European countries, to increase the competitiveness of the agricultural economy in Uzbekistan. For this reason, from the first stages of economic reforms, great attention has been paid to the development of the agrarian sector, the organization of market relations in the network, and the strengthening of the material and technical base of agricultural enterprises.

However, it cannot be said that the measures implemented in Uzbekistan in this regard during the past period fully ensured the achievement of the expected results. Because, first, it will not be correct to talk about the modernization of agriculture, its development on an innovative basis without fully implementing the material, technical and technological support of the network. Secondly, despite the fact that the cocoon sector is a strategically important sector, along with other sectors of agriculture such as cotton and fruit and vegetable production, silk and silk products grown in our republic do not have a strong position in foreign markets. That is, the level of competitiveness of such products is somewhat low.

Results and conclusions. To date, in most developed countries, including in some sectors of the economy of our republic, the organizational and economic basis of organizing the activities of integrated structures, especially in the context of the reform of the cocoon industry, which is one of the main structural units of agriculture and its structural units, is the development of integration relations, the mechanisms of internal price formation, taxation, increasing competitiveness, etc. the organizational and economic aspects of the directions have been developed. However, it can be said that the organizational and economic mechanisms of increasing the effectiveness of integrated structures have not been fully developed.

Therefore, within the scope of the goals and tasks of our research work, there was a need to initially study the theoretical aspects of this issue and make relevant conclusions.

Because the formation of a scientifically based organizational and economic mechanism of the activity of integrated structures regardless of any branch of the agrarian sector, the development and justification of conceptual models based on its methodological support requires the implementation of multi-level scientific and practical research. Based on the above arguments, in our opinion, it is necessary to develop a separate model by summarizing the conceptual bases (states) of integrated

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structures. According to the results of the research, such a model is proposed to have the following content and form, in our opinion. (Figure 1).

First, it is necessary to define the conceptual foundations (resource base) and goals of the proposed model, as well as the ways to achieve these goals. Also, the task of organizing mutual cooperation relations between integration subjects on the basis of a systematic approach is solved.

Secondly, it is known that the modeling process requires the formation of a scientific-methodical subsystem. Therefore, in the process of research, the theoretical and methodological foundations of agro-industry integration, the assessment of its efficiency, and the organizational and economic foundations of the activities of integrated structures are developed.

Thirdly, in order to develop an organizational and economic mechanism, it is necessary to take into account the specific aspects of integrated relations in ASM and its branches, that is, a supply system is formed.

Fourthly, decisions and solutions to ensure the efficiency of integration relations in ASM networks are scientifically and methodologically based and require an appropriate integration mechanism. Therefore, the organization of internal structures

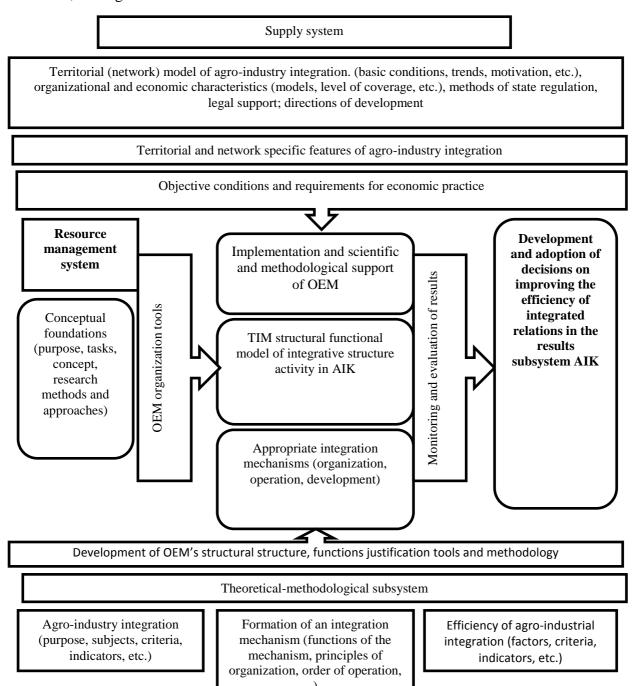


Figure-1. Conceptual model of formation of organizational-economic mechanism (TIM) in integrated structures in AIK

We can see from the given picture that the Republic is forming such a model in the cocoon complex based on the principles of their operation, the organizational and economic mechanism of establishing effective relations of production structures with each other and with the external environment is developed.

The composition of this organizational-economic mechanism consists of separate mechanisms (organization, operation, development) and the means influencing them (systemic and internal system), the controlling subsystem (management modules), the controlled subsystem (production modules) directly and inversely based on connections. Formation of the organizational mechanism as a whole; mechanism of operation - ensuring the achievement of internal efficiency by establishing mutual cooperation relations of elements of management subsystems; and the mechanism of development is to achieve external efficiency by increasing competitiveness through external environment and innovative development.

In conclusion, the practical use of the recommended developments in the AIK system will improve the efficiency and competitiveness indicators of production and technologically closely related entities, as well as optimize production relations, identify efficiency reserves, increase synergistic efficiency and expand the possibilities of adapting to the external environment.

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