Ways of Effective Use of the Available Authorities in the Development of the Industry in the Region

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Abstract: This article describes the scientific and theoretical basis of effective use of existing potential in industrial enterprises in the region. The functional relationship of factors and criteria of the region's development performance potential was evaluated. The ways of effective use of the existing potential in the industrial sectors of the region were shown, and proposals aimed at increasing the efficiency of the use of the existing potential were given.

Keywords: Potential, regional development efficiency, regional development strategy, natural resource potential of the region, entrepreneurial potential, intellectual potential, economic-financial potential, proposals aimed at increasing the efficiency of using existing potential.

I. INTRODUCTION

Today, one of the main issues facing industrial enterprises in the regions is to increase economic efficiency using existing potential. Competence is the main factor of future development of regions. In the research, it is important to assess the economic potential of the districts lagging behind in terms of industrial development in the Bukhara region and develop measures for their effective use.

On February 26, 2019, the President of the Republic of Uzbekistan Sh. Mirziyoev criticized the fact that the share of industry in thirty-two districts of our country does not reach 3% of the regional indicator at the event on accelerating the development of backward districts of Uzbekistan. Geographical location of these districts, raw material base, opportunities for wide use of labor resources were shown, and it was also emphasized that most projects should be placed in districts with convenient infrastructure, and other regions should not be neglected.

It was emphasized that it is necessary to establish small industrial zones on the basis of cooperation in districts that are behind in industrial development, and place projects on textile, tanning, processing and storage of fruit and vegetable products in them. The task of adopting a program aimed at the development of industrial production and infrastructure in these districts was set.

The internal potential of the region was formed on the basis of its natural resources, intellectual and entrepreneurial potential, and economic base. The assessment of the region's potential serves as a basis for making management decisions on the effective use of existing potential, determining the strengths and weaknesses of the region in terms of resource provision necessary for development.

II. LITERATURE REVIEW

The effective use of resource potential in the development of industry in the region is also directly related to the available reserves. In economic literature and economic activity, "reserves" are different concepts as reserves and as opportunities to increase production efficiency, and the absence of a clear boundary between them leads to terminological complications.1.

Regional reserves are reserves that can be identified and used within a geographical area (local raw materials, fuel, energy resources, auxiliary production resources). Reserves can be divided into groups based on different characteristics. They are primarily divided into internal production and external reserves according to the place of accumulation. They can be divided according to the elements of the production process into such types as reserves for the use of labor, material, fixed funds2.

Industrial development in regions with effective use of resource reserves should be carried out in accordance with the state's industrial policy, the main goal of its implementation should be optimization of resource use by applying the latest innovations in the field of industrial production. From this point of view, the development of industrial sectors serves as the basis for the effective implementation of industrial policy in the country and its

1 Титов В.И. Экономика предприятия. Учебник. - М.: Эксмо, 2008. С.44.
Effective use of the resource potential of the region means the level of resource attraction of the region and the efficiency of the technological processes implemented as a result of the use of these resources. The use of resource potential in the regions is carried out in three stages:

- at the first stage, the resource potential of the region is formed, its composition and the number of organizers are determined;
- in the second stage, resources are directed to the production process;
- in the third stage, resources are used in the production process.

Each stage is characterized by special factors that determine the level of effective use of specific resource potential. These factors can be divided into internal and external factors. Internal factors include the technologies and equipment used, the skill level of workers and managers, innovative activity, the raw materials used, and the products produced. External factors include product service delivery, regional industrial policy, market infrastructure, and technological infrastructure.

The efficiency of the use of each type of resource in the regions is determined based on the characteristics of production. The level of effective use of resource potential in regional industry is determined by increasing the efficiency of resource use, increasing the share of high-quality resources in the used resources, increasing the share of innovation, information and knowledge in the used resources.

The amount of minerals in nature is divided into cultural and non-cultural minerals according to the purpose of use. Liquid and gaseous minerals form a separate group. Mine reserves are divided into 4 categories depending on the level of geological research of mines, geological structures, the level of research on the composition and properties of minerals, the amount and nature of mining operations, and production technology. These are: A, V, Cl, C2. Category A includes deposits of minerals, the types and technological properties of which have been studied. Class V reserves of minerals are calculated by determining the occurrences of ore bodies, natural types and industrial types. Such stocks are sought after and limited. Reserves of minerals included in the C1 category are determined based on the study of technological samples taken from separate sections of the mines, but the types, quality and technological characteristics of the ores are not determined.

The higher the level of armament with technology, the greater the assortment of minerals, and many new types of mineral raw materials are involved in industrial production. For example, from industrially important coal only from the end of the 17th century, from oil from the middle of the 19th century, from aluminum, magnesium, chromium and rare element minerals and potassium salts from the end of the 19th and beginning of the 20th century, and from uranium mines from the middle of the 20th century, is being used.

It is explained by the non-renewability of mineral resources, the need to use them rationally, to reduce destruction during extraction, processing and transportation, as well as to use them as secondary raw materials and to observe the environmental and economic approach in the use of mineral resources.

III. RESEARCH METHODOLOGY

The following functional relationship of the factors and criteria of the development performance potential (HPN) of the region was proposed:

$$ HPN = f(HRS, HRIP, HRTP), $$

in this

**HPN** - effective use of regional potential;

**HRS** - regional development strategy;

**HRIP** - resource potential of the region;

**HRTP** - technological processes implemented as a result of the use of these resources.
HRIP - the internal potential of the region's development;
HRTP is the external potential of the region's development.

The evaluation of the regional development strategy (HRS) was carried out on the basis of the following indicators:
1. Assessment of the socio-economic situation in the region (economic-geographic location of the region, network structure of regional economic activity, investment activity, demographic situation, standard and quality of life, financial situation);
2. Quantitative and qualitative indicators reflecting the effectiveness of the justification and achievement of the strategic goals and tactical tasks of regional development.
3. Evaluation of the effectiveness of the implementation of the socio-economic policy of regional development.

HRIP - the internal potential of the region's development was determined by the region's natural resource potential, entrepreneurial and intellectual potential, and economic base. Natural resource potential depends on the quantity of the relevant resource, its productivity and quality impact on the environment.

\[ TRP = f(Q, P, S) \]  

where, \( Q \) is the amount of relevant resource; 
\( P \) - relevant resource productivity; 
\( S \) is the presence of a useful component that represents the quality of the resource.

The assessment of intellectual potential was carried out on the basis of the following indicators:
- human capital (the number of specialists with higher professional education, the number of junior specialists with secondary specialized education per 10,000 inhabitants of the region; the contribution of additional education and training costs to the total costs of 100 million soums);
- organizational capital (contribution of intangible assets to total assets of 100 million soums; contribution of scientific research expenses to total expenses of 100 million soums; contribution of organizations performing scientific research and development to 100 organizations operating in the region; rate of participation in scientific seminars and exhibitions; innovative developments implementation rate);
- customer capital (the share of repeated contracts in the total contracts in the region; the growth rate of consumers of goods and services in the external business environment; the growth rate of the total number of concluded contracts).

It was proposed to calculate the potential of the region's intellectual capabilities based on the following algorithm:

\[ HIP = \sqrt{\sum_{i=0}^{n} (x_i^2)} \],

where, \( x_i \) are the components forming the intellectual potential of the region.

We suggest evaluating the entrepreneurial potential of the region through the following indicators: the share of small businesses and private enterprises in the region in the number of enterprises in the region; the share of small business and private entrepreneurship of the region in the creation of GNI; the share of employment in small businesses and private enterprises in the region in the total population of the region; the contribution of innovative projects implemented by small business enterprises to innovations in the general region; share of the number of family businesses and national craft enterprises in total small business enterprises.

The entrepreneurial potential of the region was calculated based on the following formula:

\[ HTP = \sqrt{\sum_{i=0}^{n} (x_i^2)} \],

where, \( x_i \) are the components that form the entrepreneurial potential of the region.

The economic potential of the region is traditionally based on property potential and financial potential. We suggest evaluating it based on the following indicators:
- property potential (the share of net assets in the total assets; the share of the value of fixed assets in the total assets; the share of active fixed assets; the coefficient of availability of fixed assets);
...financial potential (the coefficient of financial independence of the region, the level of coverage of regional budget expenses with own taxes and other incomes; the coefficient of providing organizations with their own working capital; the rate of growth of savings of the region's population in commercial banks).

The economic potential of the region was calculated based on the following algorithm:

$$\text{HIMP} = \sqrt{\sum_{i=1}^{n} (x_i^2)}$$  \hspace{1cm} (5)

where, $x_i$ are the components that form the economic and financial potential of the region.

The internal development potential of the region was determined by aggregating its components based on the following algorithm:

$$\text{HRIP} = \sqrt{\text{TRP} \times \text{HIP} \times \text{HTP} \times \text{HIMP}}$$  \hspace{1cm} (6)

HRTP – the external potential of the region's development consists of opportunities that the region can use at the regional level.

It is appropriate to express this potential with the following indicators: level of development of market infrastructure, level of support for small business and entrepreneurship, level of investment attractiveness, international and interregional cooperation, level of economic, economic, socio-political relations and communication system, transit and internal cargo transportation; state of ecology; the general level of scientific and innovative potential, the level of social cooperation, the possibility of increasing various financial assets and monetary instruments of the region, export and import potential, the quality of the organizational structure of management and the effectiveness of management methods, informational potential, the ease of obtaining it, scientific and methodical materials, regulatory quality of legal documents, tax potential.

IV. ANALYSIS AND RESULTS

Based on the above algorithms, the aggregated indicator of HRTP is considered. The total resource potential of the districts of Bukhara region is presented below (Table 1).

<table>
<thead>
<tr>
<th>№</th>
<th>Indicators</th>
<th>Districts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Wobkent</td>
</tr>
<tr>
<td>1</td>
<td>Natural resource potential, (TRP)</td>
<td>601,0</td>
</tr>
<tr>
<td>2</td>
<td>Intellectual potential of the region, (HIP)</td>
<td>30,0</td>
</tr>
<tr>
<td>3</td>
<td>Entrepreneurial potential of the region, (HTP)</td>
<td>282,0</td>
</tr>
<tr>
<td>4</td>
<td>Economic and financial potential</td>
<td>31,0</td>
</tr>
<tr>
<td>5</td>
<td>Economic potential of the region, (HIMP)</td>
<td>30,0</td>
</tr>
<tr>
<td>6</td>
<td>Internal Regional Development Potential, (HRIP)</td>
<td>30,7</td>
</tr>
<tr>
<td>7</td>
<td>Regional Development Strategy, (HRS)</td>
<td>37,3</td>
</tr>
<tr>
<td>8</td>
<td>External Regional Development Potential, (HRTP)</td>
<td>25,0</td>
</tr>
<tr>
<td>9</td>
<td>Efficiency of use of regional potential, (HPN)</td>
<td>123,0</td>
</tr>
</tbody>
</table>

It can be seen from the data of Table 1 that the natural resource potential of the region is higher in Peshko district compared to other districts. The internal potential of this district is also much higher than others. While the external potential was high in Olot district, the strategic potential of the region's development was high in Vobkent district. The effectiveness of using the regional potential was relatively high in Peshko and Olot districts.

Regional development strategy (HRS) and regional external potential (HRTP) indicators are necessary for us to develop decisions for rational management of regional internal potential. Thus, a system for identifying, evaluating and managing internal regional potential in the development of industrial development development

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9 Author's calculations based on the data of Bukhara Region Statistics Department.
programs based on structural changes of districts is proposed in the sequence below (Figure 1).

1- picture Algorithm for assessing the internal potential of districts

Based on the current state of the socio-economic development of these districts and their potential, we recommended our suggestions and conclusions regarding the development of special investment programs aimed at increasing the share of industry in the total production of the districts, and the strategy of targeted investment programs of these districts was developed.

As a result of the implementation of goal-oriented strategic projects in the districts, the following results will be achieved:

- Industrial products are delivered from 2,044,000 to 2,280 soums per capita;
- 2022-2030 9,300 small businesses will be established and their share in the industry will reach 53.5%;
- 20 different types of new import-substituting industrial products are produced;
- 110.0 billion soums of added value will be created by industrial enterprises;
- $85.0 million worth of exports will be made;
- 180.0 billion soums will come to the budget.

In these four districts of the province, special attention will be paid to the development of industry as a priority direction in 2022-2030, and measures will be taken to modernize production, technical and technological renewal.

As a result, the production volume of industrial products in the region will increase by 116.9% in 2030.

Development of new directions of industrial development in Bukhara region, development of textile and food industry, building materials industry, machine building, pharmaceutical production are the main factors that ensure the growth of the economy. The target indicators envisaged in the industry of these districts will be achieved, first of all, by developing measures aimed at ensuring positive changes in enterprises that are allowing the production rate to decrease, assisting them in finding solutions to the problems faced by enterprises, creating new production capacities, and taking measures to localize production.

V. CONCLUSION AND SUGGESTIONS

In 2022-2030, the important development indicators of the industrial sector of the Bukhara region are the production of products that are in high demand in domestic and foreign markets based on the application (mastery, introduction) of innovative technologies in areas of high technological development of the industry.

Taking into account that the republic will join the World Trade Organization in the future, it is necessary to

10 Developed by the author
ensure the stability of the economy and to start the production of products with high added value, meeting the requirements of the world market, competitive and intended for export, based on the processing of local raw materials.

As a result of the implementation of these tasks, meat processing will increase from 4.6% to 12.2%, milk processing will increase from 2.5% to 16.1%, and fruit and vegetable processing will increase from 4.9% to 2021 from 24.8%, leather processing from 2.9% to 28.6% and cotton fiber processing from 25.4% to 100%.

The following proposals were made for the development of districts lagging behind in terms of industrial development in the region based on the effective use of their existing potential:

Peshko district is rich in construction natural reserves, in which it is necessary to pay attention to the development of production of marble, granite, building stones, graphite and mineral paints;

Shafirkon district has high natural resources for the production of sand and gravel materials, and it is necessary to pay more attention to the development of the construction materials industry in the district;

Vobkent district has a high chance of achieving high results in horticulture, and it is necessary to rapidly develop the fruit and vegetable cluster in this district;

Olot district is one of the border regions of our republic, taking into account the high potential for further development of light industry in this district, the establishment of an international transport logistics service center for the export of light industrial products in the district, etc.

REFERENCES

[1] The speech of the President of the Republic of Uzbekistan Sh. Mirziyoev at the February 26 meeting on accelerating the development of backward districts of Uzbekistan. // Folk word. February 28, 2019


