



The principles and advantages of interregional socio-economic relations: current conditions and perspectives

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Abstract. The article discusses about the interregional socio-economic cooperation of Fergana, Namangan and Adijan (Fergana valley) regions of Uzbekistan.

The purpose of the study is to analyze and give recommendations based on facing issues on socio-economic cooperation, the level of interdependence, innovation and technologies for business people and government officers of the country.

Scientific novelty of the research: in Uzbekistan in terms of regional cooperation, the establishment of the following economic regions is recommended:

- Tashkent economic region (Tashkent city and Tashkent region);
- Syrdarya - Jizzakh economic region (Syrdarya and Jizzakh provinces);
- Central Economic Region (Samarkand, Navoi, Bukhara and Kashkadarya regions);
- Quyamudarya economic region (Republic of Karakalpakstan and Khorezm region);
- Southern Economic Region (Surkhandarya region);
- Fergana economic region (Fergana, Andijan and Namangan provinces)¹

Practically, the two economic regions have their own priorities in formation of the regional cooperation. They are Fergana and Kuiyamudarya

¹ Soliev A.S. Regional Economy Tashkent, 2003, 141 p.



economic districts.

Keywords: interregional cooperation, economic regions, scientific and analytical stages, information base, socio-economic issues, trade and services, labor resources, road map and regional policy.

Introduction

In Uzbekistan great attention is paid to the complex and balanced socio-economic development of the regions as an important factor for sustainable economic growth. In his address to the Oliy Majlis President Shavkat Mirziyoyev stated: "To accelerate the process of urbanization, complex development of the regions the creation of suitable living conditions for the population"².

The organization of inter-regional cooperation as one of the main ways of complex development of territories is distinguished by its necessity. The proper organization of interregional economic cooperation:

- further sustainable development of the consumer market;
- to provide producers with raw materials and components;
- expand the domestic market on demand;
- meeting the needs of the population in various goods and services;
- raising the level of competitiveness of enterprises;
- reduction of transport costs and prices for products (services);
- effective use of existing natural and economic potentials;
- removes barriers to the free movement of interregional production, investment and labor resources.

The need to develop inter-regional socio-economic cooperation is mentioned by all foreign and domestic scientists. Is the development of scientific and methodological basis is very important in case of Uzbekistan?

Assessing the level of socio-economic interregional cooperation between the regions of the Fergana Valley and the other regions, further

² O'zbekiston Respublikasi Prezidenti Shavkat Mirziyoevni Oliy Majlisga murojaati. Toshkent, 24 yanvar 2020 yil.



strengthening existing ties by identifying systemic problems is considered very relevant and important. Because, until these days any research projects has not been conducted in this area, the necessary information base to assess the level of cooperation has not been formed. Official state statistics do not contain information on import and export of goods (services) in each regions in the Fergana Valley. Through a number of available indicators can be used to get a general idea of a certain condition part of the collaboration.

Research methodology

Scientific abstraction, analysis and synthesis methods were effectively used in this research paper. In particular, I studied using the method of scientific abstraction and the institutional activities of interregional socio-economic cooperation in case of economic developed societies. The method of analysis and synthesis as well as presentation of directions and separating the regions for socio-economic cooperation zones of Uzbekistan was mentioned for better design of conclusion and recommendations.

Results and Figures. The famous scientist Lesh A. proposed the concept of economic landscape, on it's basis trade zones will be established economic regions for focusing on maximizing profits³. Kolosovskiy N.N., Bandman M.K. and other scholars argue that strengthening interregional economic cooperation will increase the region's competitiveness, increase specialization, and the efficiency of cooperation and agglomeration⁴. According to mentioned above scholars, the main factors of interregional interdependence are:

- a proper labor distribution in regions and territories;
- distribution of resources and growing competition in the regional economy;
- direct correlation between the efficiency of production and labor

3 Blaug M. Ekonomicheskaya misl v retrospektive. –M, Delo, 1996,-720 s.

4 Savelev Yu.V. Teoriticheskie osnovi sovremennoy mejregionalnoy konkurentsii. Jurnal ekonomicheskoy teorii. 2010. N2. 86-93s.



productivity.

During the years of independence in Uzbekistan research works almost have not been conducted on interregional cooperation of regional policy management. In particular, it is important the establishment and development of inter-regional socio-economic cooperation between the regions, the industry to a new level, and a new model of cooperation.

It should be noted that the role of human capital, innovation and digital technologies in the formation of interregional cooperation, along with the specialization location of productive forces, natural and geographical conditions has grown significantly.

Demographic processes and social factors are considered important on development of interregional cooperation in case of Uzbekistan. Analysis of scientific works and articles on interregional cooperation shows that, it has different forms, each of them has its own characteristics.

High-level regional socio-economic cooperation includes the territory of Uzbekistan and foreign countries, the member countries of various international organizations and the countries of Central Asia and Afghanistan.(Figure 1.1)

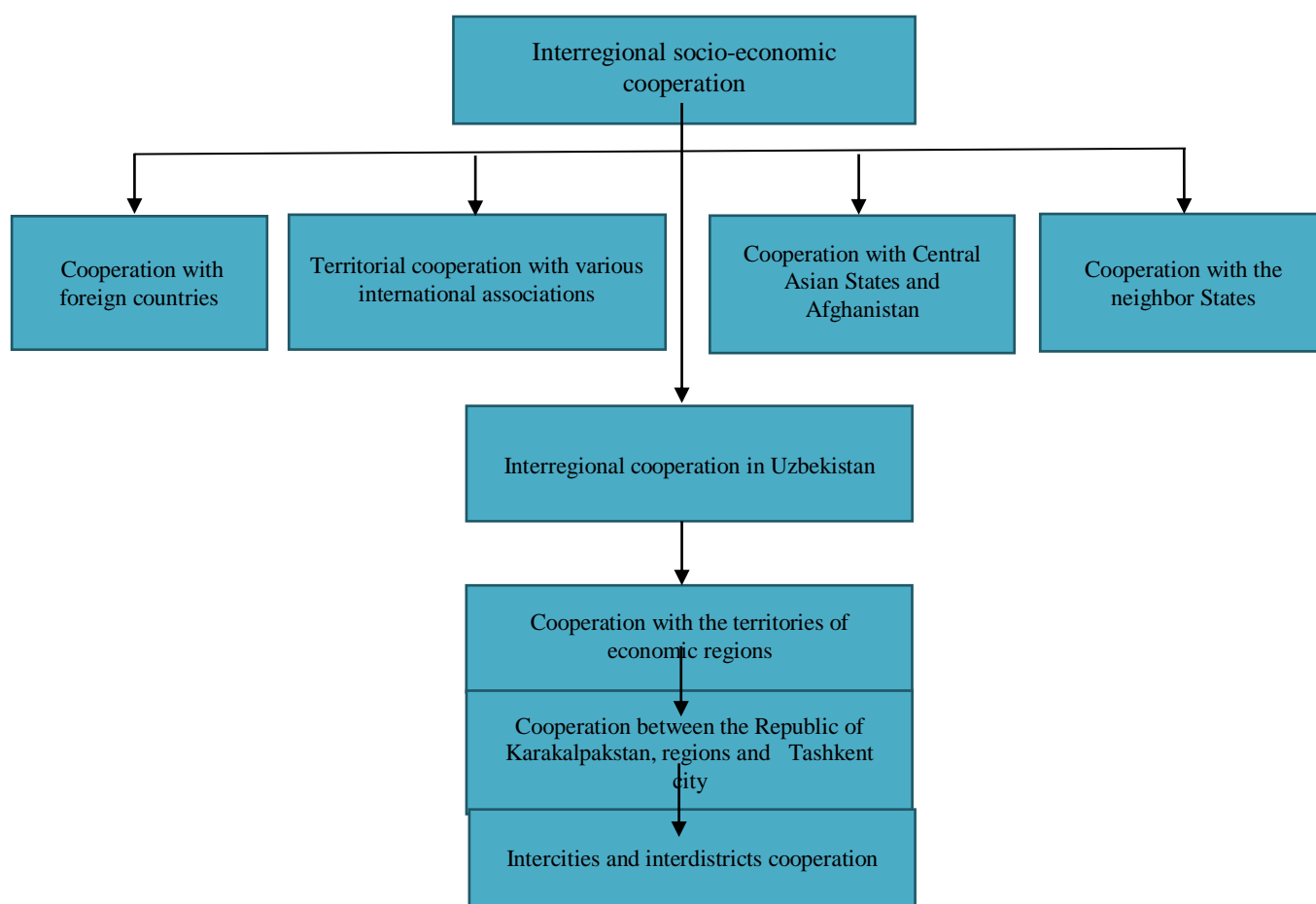
Cooperation between the regions of Uzbekistan which are the object of the research can be divided into different levels. They include inter-city and inter-district cooperation between the regions that make up the economic regions, the Republic of Karakalpakstan, the provinces and the city of Tashkent.

The level of socio-economic dependence among the members of developed system of interregional cooperation is different, the main factors are the labor distribution, the level of effective use of natural and economic resources of each region and competitive advantages. One of the most important areas of regional cooperation is how to implement it. The views of scientists and experts on forms of cooperation is different. In our opinion, in case of Uzbekistan inter-regional forms of socio-economic cooperation should be aimed at solving existing problems, increasing production



efficiency, ensuring sustainable economic growth and improving the living standards of the population. (Figure 1.2)

The proposed grouping forms of interregional cooperation is reflected as following:



1.1 Figure. System of formation of interregional cooperation in Uzbekistan.⁵

First, production, including the location and development of industrial enterprises, effective cooperation as well as the formation of a cluster system.

Second, effective cooperation in the social sphere, the use of labor resources, trade, education, health care, tourism and recreation, science

⁵ Developed by author.



and innovation, training of highly qualified personnel.

Third, the creation of a suitable business and investment climate, the implementation of investment programs and projects.

Fourth, in the formation of a market economy the development of market infrastructure, ensuring the effective functioning of the banking and financial systems.

Fifth, environmental protection, implementation of environmental programs, rational use of natural, land and water resources. It is worth to note that a number of key areas of interregional relations and economic cooperation between neighbors regions are:

- Interrelation with production;
- interdependence in finance and banking;
- interdependence in the tax system;
- connection with transport infrastructure;
- interconnection between energy systems;
- interdependence in the field of trade and services;
- dependence on the use of labor resources;
- dependence on the use of water and land resources;
- interdependence in the use of information resources and the digital economy;
- dependence on the social sphere and growth of human capital;
- dependence on the use of innovative achievements.

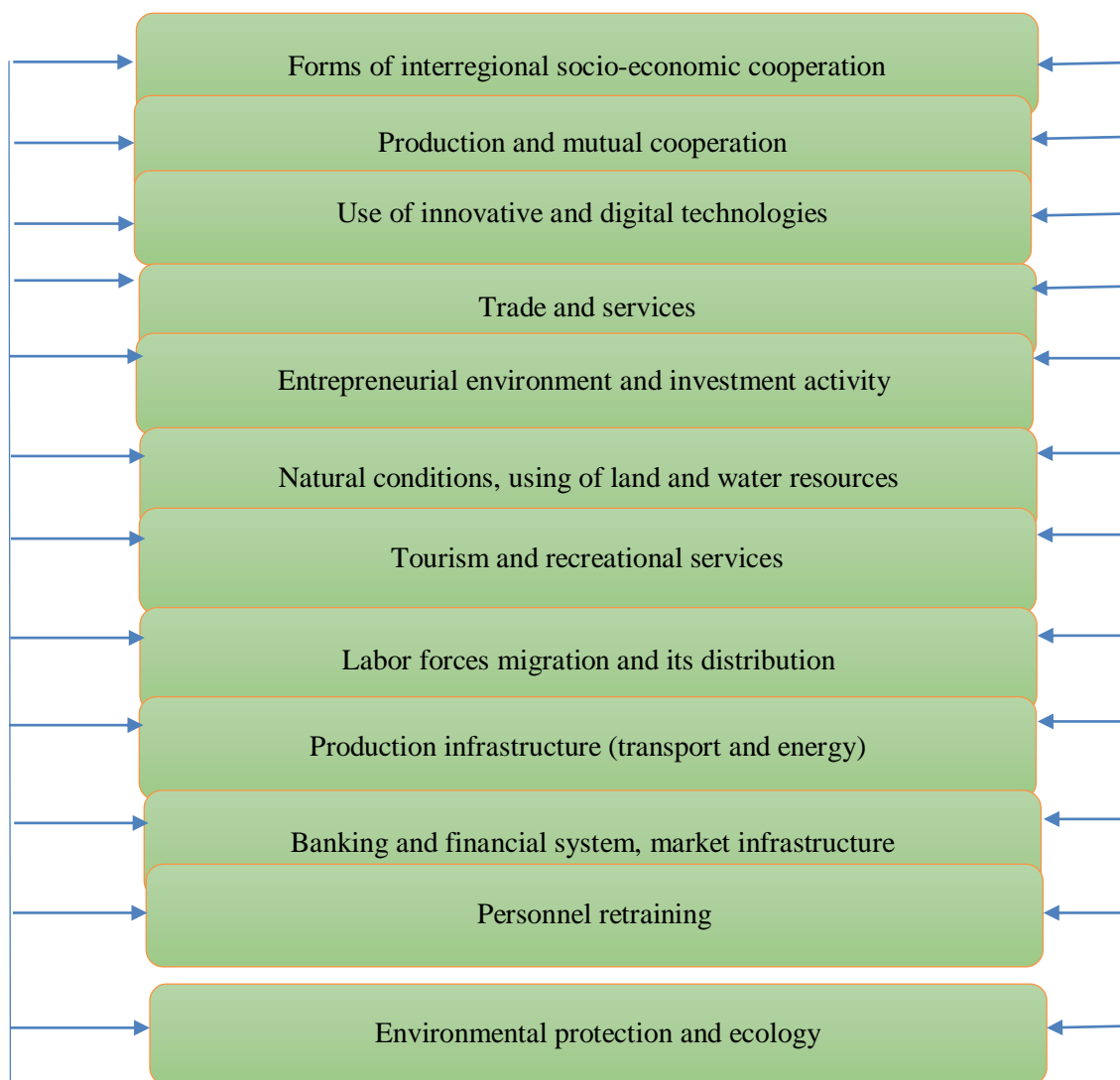
The relationship between regions can be characterized by the flow of cargo. They include manufactured and consumer goods, semi-finished products transmissions in the power systems and more. The deeply study and analyse of commodity flows across regions will help to determine the optimal level of socio-economic cooperation between them.

One of the most important stages is the formation of information base that is not available in official statistics. Including trade between regions, the



volume of goods and services imported or exported from other regions to each other and so on.

However, good neighborliness, common natural and climatic conditions, the availability of integrated infrastructure, mutual trade with neighboring regions, implementation of joint investment projects and it is expedient to provide additional economic growth by fully satisfying the needs and requirements of the population. They can be identified through monographic studies and diagnostic assessment methods provided by experts.



1.2 Figure. Forms of interregional socio-economic cooperation.

The study of markets of goods (services) in regions determines the demand and supply of products (services) produced in regions, to other regions and abroad.

Research-analytical stage, the current socio-economic situation in each region, the formation of the market products (services), competitive advantages, level of specialization, production, social and market infrastructure of interregional cooperation and existing problems and

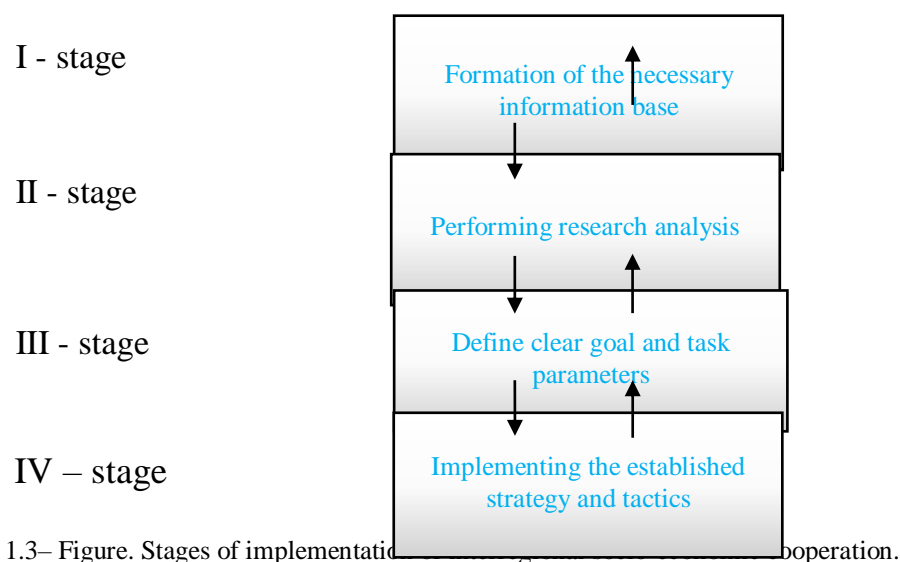


disparities will be determined.

At the third stage, the goals and objectives of interregional socio-economic cooperation, specific parameters will be identified and a system of measures will be developed. The activation of interregional socio-economic cooperation should consist of several interrelated stages.

At the final stage, it is necessary to prepare specific proposals on the regulatory, legal, institutional and organizational, economic and financial mechanisms for the implementation of the "Road Map" system of measures.

It should be noted that for formation of an effective market economy each region can establish cooperation with all regions of the country, depending on the goals and objectives the parameters of sustainable development the advantages of existing natural and economic potentials.



Conclusion and recommendation

Based on the above mentioned, it remains important that regional economic cooperation serves as an inseparable part of the ongoing regional policy to prove its scientific and practical basis to develop



mechanisms for its implementation.

It is especially important to establish and intensify full-fledged socio-economic cooperation in case of Fergana Valley regions which is the object of the study. Substantiating the effectiveness of socio-economic cooperation in case of the Fergana Valley can be used as a study guide for other regions of Uzbekistan.

In particular, the effective use of materials and intellectual potentials in intensification of the economy including the organization of cooperation between the regions on the basis of digital technologies remains very important in preventing various modern threats. These are related to the establishment of an interregional cluster system, innovation centers, technology platforms and shared innovation centers. Radical change of interregional socio-economic cooperation should be one of the important priorities of the ongoing reforms in Uzbekistan and effective use of its resources as a new factor on ensuring economic growth of the country. The most difficult task here is to form the organizational and economic mechanisms of organization interregional cooperation. Therefore, it remains important and relevant to assess the level and opportunities of regional cooperation, scientifically substantiate the strategy and methods of its development.

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