



**ON ECONOMIC COOPERATION OF THE REPUBLIC OF UZBEKISTAN
MECHANISMS OF ENSURING**

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Abstract: This article describes the essence, importance and theoretical foundations of international economic integration. In addition, the article presents the stages of development of international economic integration and its impact on the economy of countries are described, Second, reach regional investment agreements that increase the investment attractiveness of Central Asia for foreign entrepreneurs. Countries should adopt uniform investment conditions to remove internal barriers, reduce bureaucracy, and create tax-free zones and territories.

Key words: integration, free trade, common market, globalization, development strategy, international economic.

Today, the modern world is developing through integration processes. In different regions of the world, integration is formalized in the form of trade, economic, currency, customs and political unions. This is an objective and natural process. Integration processes are deepening, improving and strengthening on the scale of our planet. Integration processes, first of all, are manifested in the formation of many international and non-governmental organizations. On the one hand, this process occurs under the influence of globalization, on the other hand, this reality directly brings global economic changes to a higher level. In such conditions, each country is required to develop its economy, pursuing national interests and at the same time, on the basis of mutually beneficial cooperation with other countries, to be an active participant in integration groups. Implementation of cooperation through international economic integration primarily presupposes the effective use of economic opportunities, and therefore means a joint solution to problems that may arise in this process.

In the development strategy of the new Uzbekistan for 2022-2026: to increase the volume of the republic's exports to 30 billion US dollars in 2026 by increasing the export potential of the republic; to increase the export potential of the republic by actively continuing the system of support for the activities of exporting enterprises; further development of the export potential of local industry while fully using existing opportunities; introduction of standards that meet foreign market and international requirements and attraction of well-known brands; increase the share of the private sector in exports to 60%; improvement of the system of organizational and financial assistance to exporting enterprises; increase the volume of finished and semi-finished products in exports by 3.3 times, selection of 200 exporters based on the idea of "New Uzbekistan - a country of competitive products" on the basis of an open competition, turning them into leading exporters and ensuring comprehensive support; Particular attention is paid to such issues as the creation of free trade zones in border areas with neighboring countries.

The relevance of international economic integration lies in the fact that in the modern world economy no country can fully and completely develop without economic integration with other countries. Therefore, an in-depth study of integration processes in the world is a requirement of the modern era. Therefore, the purpose of the research work is to describe the theoretical aspects

of international economic integration and analyze its current trends. It should be noted that the main theories of integration were formed directly within the framework of Western European integration. In the middle of the 20th century, scientific concepts of the integration process were built around the idea of creating a single space based on the unity of the institutional system, cultural symbols and economic complex. To significantly improve economic indicators on such issues as mutual trade, interregional investments and joint regional industrial cooperation of the Central Asian countries, it is necessary to create a basis for practical steps. Central Asia, with a population of more than 70 million people, still does not fully use its economic, transport and energy potential.

In this regard, it is important to:

First, conclude bilateral and multilateral trade agreements that remove any barriers to the movement of goods, services and people. These agreements should address a range of issues, including trade in goods, trade in services, investment, intellectual property, rules of origin, dispute resolution mechanisms, etc.

Second, reach regional investment agreements that increase the investment attractiveness of Central Asia for foreign entrepreneurs. Countries should adopt uniform investment conditions to remove internal barriers, reduce bureaucracy, and create tax-free zones and territories.

Third, create joint infrastructure projects that ensure and facilitate economic interaction between people in the region. Create joint ventures and participate in the production of goods and services that have export potential outside the region.

Finally, launch cross-border infrastructure projects for business communities and the population, reducing border crossing time and increasing the efficiency of the border customs service.

These issues have been frequently addressed in President Mirziyoyev's speeches. However, since these issues cannot be resolved unilaterally, joint work at the state level is needed to advance them. In addition, it is important to remember that significant economic changes do not happen overnight, and trying to create all these economic conditions at once can be very difficult. Therefore, it is advisable for states to focus on addressing these issues in stages, allowing sufficient time for their adoption at both the regional and national levels.

“The general trend of power change has influenced the improvement of regional cooperation after a long period of stagnation in bilateral and regional relations”

At the domestic level, the potential benefits, costs and challenges of an economic alliance need to be explored and assessed. This stage may involve consultations with stakeholders, including businesses, governments and civil society. States should then hold preliminary consultations at the regional level to determine interests, discuss priorities and identify common areas of agreement. In addition, regional trade agreements involve addressing a range of issues, including trade in goods, trade in services, investment, intellectual property, rules of origin and dispute resolution mechanisms.

The final stage is the creation of mechanisms for control and monitoring of compliance by the participating countries with the terms of the agreement, which imply the existence of a dispute resolution mechanism. When systematizing the set of concepts, theories and approaches in the study of integration, researchers usually rely on the classification methodology of modern economic and political sciences. Currently, the following schools are distinguished in the classification of integration concepts and theories in economic literature: federalism, functionalism, market-institutional (neoliberalism), structural, dirigisme (neo-Keynesianism), neofunctionalism, communicative, etc. The school of federalism seeks to reveal the essence of

European integration. Inspired by dreams of European unification, European federalism is the most widespread concept of integration. Federalists who criticized the nation state argued that citizens no longer felt economic and political security within the existing national structures. Most authors understand federalism as a concept of the state apparatus, which implies constitutionally formed power and its division into a number of levels. In particular, federalism is defined as the existence of political systems in which there is a division of power between central and regional authorities. Spinelli, Albertini, Forsyth are representatives of the idea of federalism.

In his work, the “existing system of the world” Mitreni put forward the idea that the unifying principle in the world community should be a function, not a state. Mitreni considered federalism as a mechanical distribution of actions, he emphasized that the states should be combined on the basis of general problems (poverty, close cooperation between the states in solving the problem). Functionalism is based on the continuity of actions, that is, on the fact that a system of interdependence is created in stages and problems are solved together. The main principle of functionalism is a clear separation of functional areas, minimizing conflicts between states through rational regulation. Functional cooperation begins with economic and social plans and tasks, and not political, such as managing common resources, the fight against unemployment and healthcare. In functionalism, the main step is the creation of international organizations to resolve issues of interest between two or more countries. The logic of integration in the framework of neo-functionalism was first developed and analyzed by Haas.

As a stage in the development of functionalism, the neofunctionalist school developed the theory of institutionalism and became the basis for the political economy of European integration. The ideas of Mitrany and Haas found practical expression in the construction of the European Economic Community. Unlike functionalism, neofunctionalism recognized the need for a political factor in the integration process. Haas divided politics into “lower” and “higher”. “Low” politics assumes purely pragmatic goals related to increasing welfare and economic growth. “High” politics implies a foreign policy strategy, protecting national interests and supporting the international reputation of the state. Thus, the “lower subjects” of the integration process are interest groups and political parties, and the “higher” ones are transnational structures.

In addition to the above, there are a number of schools in the theory of economic integration that differ in their assessments of the integration mechanism. These are the schools of neoliberalism, corporatism, structuralism, neo-Keynesianism and dirigisme. The first representatives of neoliberalism - the Swiss economist Ropke and the Frenchman Maurice - understood the creation of a single market space based on the influence of spontaneous market forces and free competition on the scale of several countries, regardless of the economic policies of states and existing national and international legal documents. In their opinion, state intervention in the sphere of international economic relations leads to such negative phenomena as inflation, imbalance of international trade. However, the development of international economic integration, the formation of regional interstate unions with the active participation of states have shown the inconsistency of the original neoliberal views.

Balassa, an American economist of Hungarian origin, who was among the supporters of the next stage of neoliberalism, was the first to evaluate integration from two sides, that is, from the side of the process and the state. Considering integration as a process developing from simple to complex forms allowed systematization of the stages of the integration process. Balassa approached the problem of integration from a slightly different direction, that is, he focused on the extent to which economic integration leads to more active participation of the state in economic affairs. Much attention was paid to the evolution of integration, which occurs on the basis of economic and political processes.

Representatives of structuralism, Swedish economist Myrdal Streeten and Perroux criticized the idea of complete liberalization of the movement of goods, capital and labor in the integration space, believing that the free functioning of the market mechanism leads to imbalances in the development and deployment of production and deepens income inequality. Economic integration was considered by them as a deep process of structural changes in the economy of the integrated countries, as a result of which a qualitatively new integrated space, a more perfect economic organism, is created. In their opinion, the poles of integration development are large firms, industrial companies and the entire industrial sector.

In the development of the modern world economy, two parallel and interconnected processes are clearly observed, namely, on the one hand, regional economic integration and, on the other hand, deepening globalization. In other words, regionalization and globalization are considered the main process of development of countries of the world. The phenomenon of international economic integration is presented as the interaction of two economic trends - regionalization and globalization. The history of world integration dates back to early states and has deep roots. For many centuries, there has been a process of gradual rapprochement of countries and peoples of the world. Today, this process has generally accelerated significantly and is applicable to all industries. Judging by modern international economic relations and legal doctrine, regional economic integration began in the second half of the 20th century and is currently developing in almost all countries of the world. Integration, which first appeared in the economic sphere, has now covered a number of areas and directly led to the development of globalization. Globalization is a new phase and generalization of relations between the countries of the world and all societies.

There are more than 150 regional trade and economic unions in the world (most of them were created in the second half of the 1990s and later), which differ in the level of economic integration, the number of countries included in this group, the methods of integration and the areas of joint activities of the participants. At least 2/3 of the total volume of world trade is accounted for by interregional trade and economic ties (Kheifets, 2022). Globalization and regional economic integration are concepts that require each other, and at the same time, according to some scientists, in some respects they are contradictory concepts. But both trends - globalization and regionalization - successfully coexist in different parts of the planet. International economic integration is rather regional integration than globalization or economic globalization. At the moment, regional integration is closely related to the concepts of internationalization and globalization. All this is aimed at strengthening economic, political, cultural, military ties between individual countries and societies. Over the past decades, many scientific studies have been carried out on the theoretical and practical study of the concepts of regional economic integration and globalization. It is necessary to consider some theoretical foundations accumulated in the world community in order to reveal the content, nature, significance and features of the development of international economic integration and globalization.

Russian scientist Ignatiev (2018) stated that the term "Integration" was first expressed in the 1930s in the works of German scientists Kelsen, Schmitt and Schindler, who considered integration as an analysis of social relations that bring people (states) into a certain socio-political situation of those who intend to unite. They saw integration only on a global scale, without applying it to more specific ones, such as national economies. Since the development of the international community, especially in the field of economic relations, at that time the necessary conditions for the implementation of integration ideas had not yet been created. Their ideas were further developed in the works of the German lawyer and political scientist Carl Schmitt. According to his theory, the economic development of a country from a certain point ensures quantitative and qualitative growth and expansion of territory. In this case, annexation or military invasion is not required, since the formation of a large space occurs on the basis of other

laws, that is, on the basis of the adoption of uniform religious or socio-cultural forms by several states or peoples. Definitions, explanations, classifications and descriptions of international economic integration, groupings have been developing since the Second World War. This happened directly against the background of the practice of economic integration of Western European countries. The definitions that developed during this period are largely based on the ideas of neoliberalism. American scientist Balassa defines economic integration as a "process and state". As a process, economic integration consists of measures aimed at eliminating discrimination between economic units belonging to different nations (states). An example is the absence of various forms of discrimination between countries.

Based on the current situation, on the one hand, the integrity of the world economy and its globalization are increasing, which, in turn, is associated with the development of economic ties between countries, trade liberalization, the creation of modern communication and information systems, as well as the introduction of uniform technical standards and norms in the world. This process is especially evident through the activities of transnational corporations (TNCs). On the other hand, at the regional level, economic convergence and relationships between countries are deepening, large regional integration structures are being formed, creating relatively independent centers of the world economy. International economic integration has become a means of rapid development of the regional economy and increasing the competitiveness of member countries of integration associations in the world market. International economic integration is a process that involves the unification of the economies of neighboring countries into a single economic complex based on stable economic relations between economic entities. One of the important aspects of this process is the economy, since the main motive for such associations is economic interests.

In a narrow sense, integration is a process of activating relations and voluntary rapprochement of states based on general characteristics (political, economic, cultural, etc.). International economic integration is the highest level of internationalization, at which the unification of national economies occurs on the basis of deep stable ties and division of labor, as well as a common space for coordinating a single currency, finance, legal system and economic policy of countries. States are created.

Various definitions of the concepts of "integration" in the modern scientific literature can be explained, firstly, by the existence of many models and types of integration processes that differ in goals and functions, and secondly, there are differences in national interests pursued by individual states or groups of states. Nevertheless, we can see economic, political goals, principles, role and significance of regional or international integration in the following:

expansion of economic space and the development of internationalization of economic life; Internationalization of capital; creation of more favorable conditions for the effective placement of productive forces; increase the efficiency and competitiveness of production;

structural restructuring of economic systems using the experience of partner countries with a high level of development; strengthening the "scale" production by deepening specialization; deepening the regional and international division of labor based on comparative advantages; a complete or partial association of national economies of different countries;

the formation and improvement of the base of cooperation in the scientific, technical and production fields;

Improving the level of openness of national economies and trade liberalization; increase the economic prosperity of member countries by reducing production costs and, as a result, reducing prices for goods and services;

elimination of obstacles in the movement of goods, services, resources, capital, labor; the formation of common markets between different countries;

acceleration of the movement of goods and services by creating a favorable environment in the transport and logistics direction; acceleration of the rate of economic development; strengthening mutual understanding and cooperation between countries in political, social, cultural and other non-economic spheres;

strengthen good neighborly relations between countries in all directions. Avoiding conflicts. Creation and maintenance of a favorable foreign policy environment; The unification of the efforts of the participating countries to solve problems in the socio-economic sphere and the development of foreign economic policy in relation to third countries.

To integrate countries with each other, a number of conditions are necessary. The main conditions for the creation and effective functioning of integrated associations between countries are:

Similarity in the proximity of conditions of economic development and the level of maturity of market relations;

the presence of a common border or at least geographical proximity;

commonality of economic and other problems;

the presence of historical ties between countries and peoples;

political will of the participating countries;

“the effect of demonstrating superiority” for other integration associations;

The success of the integration blocs will encourage other countries to join the organization. The demonstration effect of the European Union has prompted 13 countries in Central and Eastern Europe to apply for EU membership. In addition, integration groups have been formed in different parts of the world directly under the demonstration effect of the European Union. ▪ “Domino effect”. Since integration has led to the orientation of economic relations of the participating countries towards interregional cooperation, other countries that are not part of the association face some difficulties in trading with the countries in the group. As a result, they are also forced to join the integration. Integration studies have been actively conducted since the middle of the 20th century. Currently, a number of scientific concepts, ideas and concepts concerning integration relations have been formed abroad and in our country. International economic integration is the highest point on the path to deepening economic ties. As a result of the international economy, integrated economic complexes characteristic of this integrated region will be formed, within the framework of which a single currency, single interstate and international governing bodies will be introduced, a common infrastructure will be created, and joint financial funds will be formed. Before a full-fledged integration process occurs, the interested countries will have to go through a number of stages. The economic model of each integrated group is the result of a long historical process, during which the interdependence of the elements that make up the regional economic complex is built, and the mechanism of their interaction is strengthened here. Therefore, each regional economic system is unique, and it is ineffective to mechanically obtain its experience. At the same time, a comparative analysis of existing trade and economic groups shows that there are certain general patterns of development of regional integration, the sequential passage of a number of special stages and specific features of each stage, the presence of different levels of intensity, depth and scale of integration. (Mutual Trade Agreement, Free Trade Zone, Customs Union, Common Market, Single Currency,

Economic Union).

At present, the Republic of Uzbekistan is increasingly expanding its foreign economic activity and is actively involved in various regional and international organizations of economic integration. This means the need for a detailed study of theoretical aspects in this direction.

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