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# THE IMPORTANCE OF STATE SUPPORT FOR INNOVATIONS IN THE CONDITIONS OF DEVELOPMENT OF MARKET RELATIONS

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Abstract: This article examines the structural relationships in the "science - production" system; forms and methods of including scientific and technical results in economic circulation; resource provision of the sphere of innovations (including the system of continuous education); organizational, legal and economic forms of innovation.

**Keywords:** Innovation, market, science, budget, competition, export, production, process, resource, sphere.

The development of science in the first half of the XX century. characterized by the strengthening of the regulatory functions of the state through the creation of departmental scientific institutes and laboratories, an increase in the share of budgetary funding. The degree of statehood of science has sharply increased during the period of advances in technology implementation double destination provide high competitiveness, better opportunities for export expansion and obtaining higher profits.

Currently, industrially developed countries are directing efforts to ensure long-term and sustainable economic growth by transitioning to an innovative development path, which consists in ensuring the interaction of science, education, production and the financial and credit sphere. Particular attention is paid to information technology, microprocessor and energy-saving technology, new materials, nano- and biotechnology - all strategic areas that are associated with the use of high technologies.

The developed countries began to use science as a means of producing wealth. The area of innovation policy encompassed structural relationships in the science-production system; forms and methods of including scientific and technical results in economic circulation; resource provision of the sphere of innovations (including the system of continuous education); organizational, legal and economic forms of innovation. The rapidly developing all spheres of public and state life of the country require close support of ongoing reforms based on modern innovative ideas, developments and technologies that ensure a quick and high-quality leap of the country into the ranks of the leaders of world civilization. {1} The creation and implementation of innovations require the combined efforts of various economic and social spheres, an innovative way of development is impossible without state support. For this, three schemes are used:

Direct participation of the state in the implementation of special targeted programs and allocations of regional and local authorities;

creation of large national centers (laboratories), funded by budget and providing the acquired knowledge free of charge to a wide range of potential users;

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Providing subsidies and grants for the implementation of specific projects in the field of science, culture, education.

Today, government support or encouragement of scientific research and development with finances, property or services is a grant. Especially often the grant is used in the event that the results of the work are uncertain or cannot bring a useful result in the near future.

For the acquisition of research and development results that can directly benefit the state, a government contract is concluded. It gives the right to the state representative to control and adjust the progress of the development.

Government subsidies are provided on other terms as well. In some countries, they are allocated with the condition of reimbursing the state's costs only in case of commercial success or up to 50% of the cost of specific projects. Gratuitous grants are given when the author refuses special rights to the knowledge gained - he regularly reports on the progress of research, and all the results obtained are publicly published.

Providing private enterprises and individuals with favorable conditions for scientific and technological development. A variety of tax incentives, government loans and guarantees, and financing through government participation in equity capital are provided to private businesses that invest in research and purchase the equipment required for this.

In some cases, a cooperative agreement is concluded, which, like a grant, does not require a predetermined and immediately useful result. This agreement differs from a grant in that it is a form of joint investment, and then the division of the result between the private and public sectors. The agreement clearly defines the contributions of the parties to the agreement and the rights, including the right of control by the state.

The state should focus its efforts and available free resources on the development of knowledge-intensive industries that are promising for the entire national economy, i.e. such industries that actively influence and contribute to the development of other sectors of the economy. In this regard, government support has become more selective and focuses on specific areas, primarily those that are important for increasing the country's competitiveness in the world market, developing small and medium-sized businesses, improving the infrastructure of research and development.

The development of the knowledge-based economy, the process of globalization of the commodity and financial markets also affect the scientific and technical sphere, which creates new problems for state regulation. According to the OECD, the largest firms in the OECD countries conduct about 20% of their research abroad. This is because firms are attracted by highly skilled foreign workers coupled with cheap labor. Currently, most of the countries in the world are developing their national economies through the development of tourism. Uzbekistan has all the necessary conditions for the formation of tourism that are not inferior to foreign countries, which is the main source of the development of this area.

In the context of globalization, the state is forced to abandon the practice of protectionism and create an environment that stimulates innovation and risk, the inflow of foreign capital into the innovation sphere, while observing the general conditions for the development of national entrepreneurship.

In Uzbekistan, the dominant role of the state remains as a source of funds for scientific and technical research and development. In 2020, most of the spending on R&D in public sector organizations goes to natural sciences (46.4 percent of total costs), in the business sector to technical sciences (64.4 percent), in the higher education sector and in the private non-profit sector to the social sciences (27.2 and 51.1 percent, respectively).

The government approved the gratuitous transfer of rights to the results of scientific and

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technical activities obtained with the involvement of state funds, primarily to the performers of the work, either consumers, or "private investors participating jointly with the state in obtaining these results." The issues of preferential taxation of innovative enterprises at the initial stage of work and the simplification of the tax collection procedure and the differentiation of tax rates were resolved.

Tax preferences will be concentrated primarily in technology parks, technology clusters, innovation and technology centers and in special economic zones.

Innovative products are the result of innovative activities (goods, works, services) intended for sale.

The overall goal of the enterprise's innovation activity is the survival and development of the company by releasing new / improved types of products and improving the methods of its production, delivery and sale.

The policy of the Russian Federation in the development of the innovation system is based on an equal public-private partnership and is aimed at combining the efforts and resources of the state and the business sector of the economy for the development of innovative activities.

Innovative activities in the field of tourism are aimed at creating a new or changing an existing product, improving transport, hotel and other services, developing new markets, introducing advanced information and telecommunication technologies and modern forms of organizational and management activities.

There is still not a sufficient number of companies in Uzbekistan with growth potential and capable of becoming an attractive target for venture capital investment. Almost all operating in our country

funds prefer to invest not at the initial stage of the company's development, but at later stages.

The necessary legal conditions for public-private partnership, transparent and understandable for foreign investors "rules of the game" have appeared in Uzbekistan. By attracting funds from private investors, the state can also use advanced management technologies, human and organizational resources of the business.

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