FOREIGN EXPERIENCE OF DEVELOPMENT OF THE REGIONAL EXPORT POTENTIAL

Abstract: In this article have been discussed issues of increasing the export potential of the region. In particular, the author has studied the experience of developing the export potential of a number of countries, such as: Russia, the USA, Germany, Japan, Malaysia and others. In the second part of the article, the efficiency of the export-oriented model of foreign countries is analyzed.

Key words: export, export potential, small business, strategy, economics.

Language: English

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Introduction

As a result of measures taken on the basis of organization of work in Uzbekistan, focused on a specific result, the rate of economic growth in 2017 was 5.5 percent, while exports increased by almost 15 percent. In 2018, the overall financial performance of exports is expected to reach $ 12.1 billion.

The meeting noted that over the past year, in order to support the export activities of entrepreneurs, a number of decrees and decrees were adopted that abolished the export of products on the basis of prepayments, compulsory sale of foreign exchange earnings, issue extra permits, and also expanded the use of tax incentives for participants in export activities.

At the same time, during the video-selector meeting, the priorities for expanding exports in 2018, identified in the Message of the President of the Republic of Uzbekistan to the Oliy Majlis, were again touched upon. It is necessary to ensure timely and high-quality implementation of the road maps for the implementation of the agreements reached during top-level visits to the Central Asian states, as well as to China, Russia, South Korea, the United States, Turkey and other countries that are our major partners. [14] It is also necessary to introduce a system of warning about the threat to security during the passage of customs inspection by business entities, to cancel out unnecessary licenses and permits issued by customs authorities that do not meet modern requirements. It is advisable to develop and implement a strategy to bring the annual export of fruits and vegetables up to 10 billion dollars. The meeting heard and discussed the reports of the heads of the complexes of the Cabinet of Ministers, ministries, departments, business associations and regions of the country. The irresponsibility and lack of initiative of the leaders of some industries and regions were seriously criticized, as a result of which there were omissions in the implementation of export programs.

Directions of development of non-primary export potential of the Russian economy

The export potential of the state is associated with the competitiveness of products, since only on a competitively tough international market can goods and services of the best quality and the best price be kept [10]. However, this statement is not fair in all cases without exception, since there are states and regions whose economy is based on the export of a
single strategic resource or product, that is, it is for the most part a mono-cultural export-oriented economy.

In the historical perspective, such a tactic of targeting the economy to export a unique resource can be justified [11]. The majority of states and regions, striving to bring the most competitive goods and services to foreign markets, are aimed at diversifying their exports, fearing excessive dependence on any single exported resource. Such dependence dramatically increases the vulnerability of the economy when a cheaper product or substitute service is consumed by other countries for economic reasons, or a substitute product or service with a comparable price or even more expensive, but widely consumed for political reasons. world markets [13].

Diversification of production, however, is not the predominant form for the development of the institute of sustainable development. Each of the parameters to expand the representation of goods and resources of origin of Russia should be based on the depth of processing and the formation of surplus value within the country’s territory [12].

The most significant sector of export of services are tourism services rendered to foreign citizens and organizations, or by firms providing services to foreign citizens, including those outside of it. Traditionally, great attention is paid to the growth of inbound tourism: funds are invested in the tourism infrastructure, hotels for foreign tourists are being modernized, new tourist routes are being formed, not only recreational, but also cultural and entertainment, as well as ecological, including agritourism.

A feature of service exports is the possibility of their relatively rapid development and relatively low investment in their infrastructure, since it relies on the existing one. The experience of some foreign countries demonstrates the high efficiency of service exports, some of which form up to 70% of their GDP through the export of services. Accordingly, this sector and its development are a powerful reserve in relation to the growth of the export potential of the Russian Federation.

The problem of increasing the export potential of the Russian Federation in modern reading means increasing competitiveness to the level of demand for the bulk of the product being produced on world markets, verified by the ability to sell selected commodity items that are similar in their parameters to product positions sold on domestic markets [12].

Currently, most of the commodity and service positions produced in the Russian Federation cannot be sold on foreign markets without significant discount and effort, which is explained, on the one hand, by the discrepancy between the quality parameters of the produced and sold products to generally accepted world requirements, and, on the other hand, attitude to the quality of product and service positions from the prospective foreign partners.

It should be noted that the implementation of trade relations in the global economy implies the adoption of common qualitative parameters of products produced in any region of the world, with the main criterion of compliance being the possibility of selling manufactured products and their sufficient liquidity and relevance. Such an attitude to competitiveness means that the goods and services produced must either be quoted on the main world markets along with the goods sold there from other regions, or cause such interest from counterparties by their uniqueness that they will be ready to accept them with incomplete compliance with their barter processes quality parameters.

Accordingly, the task is formulating a number of conditions based on international experience, which allow to change the organizational and economic processes for the production of goods and services so that their quality parameters and price positions do not diverge to a large extent with those currently accepted at the main world economic platforms.

The characteristic features of the modern non-oil export potential of the Russian economy are:

- positioning strategy aimed at creating in the minds of target consumers a separate positive image of a product, service or brand;
- export commodity structure, where the largest item is “Mineral Products” is of the same type. At the same time, as is known, world prices for raw materials are less stable than for finished products;
- use of outdated forms of organization of work on the foreign market, coupled with the same type of development of foreign trade relations with their foreign partners;
- monopolization of foreign trade operations within a limited number of enterprises, a fall in the rates of foreign trade turnover of high-added products and a loss of positions in this field of activity in the international market;
- an increase in the volume of tolling operations that are associated with the processing of foreign raw materials with the subsequent export of finished products. In Russia, this type of operation is usually common in the aluminum and light industry. These and other facts indicate insufficient use of non-oil export potential of the economic structures of the Russian economy.

In connection with the increased production dependence of the Russian economy on imports and forced import substitution, we emphasize that the problem of the Russian industry should be considered not its dependence on imports as such and not the involvement of Russian industry in the system of international division of labor. It is a matter of technological backwardness of Russian production chains, which are forcibly interrupted by

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manufacturers of products potentially in demand on the market, directly using high-quality imported raw materials, materials and components. The possibilities of import substitution and the weakening of production dependence on imports are determined by the modernization of production, that is, a radical activation of investment and business activities in the Russian economy.

As it was said, the main problem of the modern stage of the formation of the Russian economy is the reorientation of the economy from the raw type to the innovative type. The main means acting as the means of implementation for the innovation Russian policy are: concepts, legislative base and target programs, concepts. To select instruments that influence innovation development, it is necessary to take into account the difference in the adaptation period to innovations in the market, which are determined by factors of the economy, politics and various institutions [1].

Personnel problems, the lack of an own economic base for the production of innovative products, the technological nature of the differentiation of regions have a significant impact. The “vector” of development of the modern Russian economy suggests that for the complete assimilation and exploitation of the existing potential in the science and technology sector, it is necessary to purposefully form in Russia innovative systems and infrastructure of the elements of this system [11].

The economy of Russia, within the framework of the conducted economic structure, is an extremely complex complex of industries, of which industry occupies a special place. Industry is the main and leading branch of material production, the basis of production in economic terms. The industrial sector is constantly for itself and other sectors of the market, constantly generating means of production. In order to maintain the competitiveness of the domestic industry, one must clearly be able to determine the basic principles of innovation policy [10].

Political conditions for the development of industry should stimulate innovation, turn it into a source of economic development, a tool to increase production efficiency. One of the main principles of development and stimulation of innovation activity is the formation of an innovation infrastructure, that is, a set of subjects and objects of activity. The formation of the innovation infrastructure is the path to well-being in the economic and social terms for the Russian regions [10]. 90% of industrial enterprises that form the basis of industry are geographically located in the regions. This fact entails a number of problems for the implementation of the formation of the economy on the “innovation rails”. Let us highlight the main factors of problems in the implementation of innovation policy in industry:

1. Strategic factor. The problem is in methodological support and problems in the development strategy of an innovative economy. The combination of a full-fledged innovation program and its infrastructure, the presence of national economic traditions, world experience in the development of an innovative economy;

2. Lack of measures taken to ensure state support. Insufficient organization and financing, low level of use of the existing scientific and technical potential. As a result, the systematic deterioration of the innovation climate, infrastructure and the innovation system as a whole;

3. Legal factor. Economic development requires the introduction of a new "innovation" legislation on taxes at the federal level;

4. The lack of interest of the owners of enterprises in the development of innovative activities due to the passivity of industrialists to innovative activities, due to possible risk and other constraining factors.

To ensure the growing dynamics in the system and for individual elements of the economy, key factors may be innovations in organization, management, production, technology and other processes that are being implemented as leading ones. At the same time, the effectiveness of innovation development in the economic sector is influenced by the most popular methods of regulating innovation activity, including:

1. State support as a method of direct regulation of the activities of individual entities through the provision of preferential conditions, administration, or through investment support;

2. Synthesis of public and private partnerships as a tool for the implementation of innovative activity within the framework of business entities that are owned by the state;

3. Partnership of private organizations and the state as a tool for the development of innovations within the framework of business entities that are privately owned, with the condition that the state authorities can regulate the process;

4. Stimulation of innovation activity of economic entities, through the formation of mechanisms that allow private organizations to reduce the costs of innovation development.

The choice of the method of regulating the development of innovations and the choice of the type of the most effective for the formation of innovations is determined by the priority methods of managing innovative development, taking into account the individual characteristics of the region. These conditions allow to increase the level of investment attractiveness of the region.

Thus, the author has formulated directions for the development of non-oil export potential of the Russian economy. The main areas are: the development of tourism and educational clusters, the

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development of innovation-active enterprises, based on state support, which will increase the volume of non-oil export trade in financial terms.

Efficiency of the export-oriented model in foreign practice

In world practice, as a rule, countries are developing proposals for reforming the economy in terms of creating favorable conditions for the growth of export potential. Solving this problem is key to achieving and implementing the overall and intermediate goals of economic reform. The most important factor determining the country's export potential is the presence of comparative advantages in the country. If at the early stages such factors of production as land, labor, capital came to the fore, at the present stage of development the decisive role is played by the country's ability to create the necessary conditions for economic development that stimulate the development of the missing factors. For example, Kazakhstan is characterized by a number of comparative advantages such as land and cheap labor, a lack of such a factor as capital. Another comparative advantage is cheap labor with a high level of education and training. However, experience shows that this comparative advantage is not used effectively enough. Therefore, in our opinion, it is necessary to study the experience of regulating foreign economic activity (FEA) in the countries of the world. The basis of legal regulation of regional foreign economic activity and the participation of regional entities in foreign economic relations (WEC) in most cases are based on the principles of federalism. In the United States, states are granted the right to create additional incentives to attract foreign investment by introducing appropriate tax breaks and simplifying the procedure for registering enterprises (corporations). States are also required to help finance exports from their territory. To this end, they are entitled to develop export development projects for small and medium businesses, assisting in obtaining export financing through the relevant state and private bodies. However, the states encourage and stimulate the development of barter, countertrade. Direct participants of foreign trade activities are provided with subsidies. Among other rights of the states are the creation of their foreign commercial missions that provide consulting and marketing services, participation in the formation and development of the regime of foreign trade zones formed on their territory, in regional programs for the development of local trade. In this case, the state can act as a direct participant in foreign trade relations and regulate its relations with foreign partners accordingly. In Germany, the so-called residual principle is enshrined in the regulation of foreign trade. In accordance with it, all legislative rights that are not assigned to the federation by the Constitution belong to the lands. At differentiation, the spheres of exclusive and competing law competence are fully formed. From the point of view of regulating foreign economic activity, the federation has exclusive rights to ensure the customs, currency and trade unity of the territory, freedom of commodity circulation, to sign trade and shipping agreements, and to make payment settlements with foreign countries. When concluding international treaties, if the latter affect the special situation of any land, its legal representatives should be heard in time and their opinion taken into account. Land governments are given the right to directly enter into agreements with subjects of foreign federations and relevant administrative-territorial units of foreign states, to assist corporations and firms in the development of their WES.

One of the main areas of participation of most countries of the world economy in the international division of labor is currently export orientation. The economic growth of many countries in Western Europe and Asia is a vivid example of integration into the world economy. Many countries have passed the path of restructuring the export structure. As the factors that determine the membership of countries for export orientation, is a number of ways of reproduction structures in their course to industrialization. A kind of mechanism for connecting to economic reform was in the industrialized new states, where the stakes were made on exports, state regulation of foreign trade, initially support for large businesses. [1]. Turning to the reforms of developing countries, the following features of their market development models can be highlighted. According to a number of theories, the economic difficulties of the peripheral countries were directly linked to participation in the international division of labor. In those countries where the course was set for maximum self-sufficiency in industrial goods, isolation from the world market began, almost no other sectors of the economy — agriculture and exports — developed. The lack of a diversified export base for backward agriculture has led to a sharp economic downturn (Brazil, India, Chile). At the same time, another group of states, which more correctly defined their economic development strategy, was able to adapt and survive in an unfavorable situation (Thailand, Singapore, Malaysia). Foreign experience shows that the efficiency of the export-oriented model is ensured by a dynamic change in the branches of export specialization, since the renewal of exports determines the increase in export of various products (raw materials, production and technological, science-intensive, information, services) in order to assert their positions in the world market and the nature of the forms of international cooperation. Thus, the United States, focusing on the development of the export base in the late XIX century. started with the export of cotton, wheat and other.

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agricultural products. By the beginning of the First World War, this country mainly exported finished products, while remaining a major supplier of raw materials. As already mentioned, the practice of developed countries shows that the efficiency of the export-oriented economy is achieved by creating products based on the country’s competitive advantages. The theory of competitive advantage highlights the differences between countries and between national characters. Thus, analyzing the economies of industrialized countries, one can find large discrepancies in the models of national competitive advantages. Germany has a long-established position as a leader in the chemical industry, many types of manufacturing and processing machinery, the production of high-end machines and printing equipment. The United States in the production of detergents, medical equipment, airplanes, computers and computer software, and Japan in the production of transport equipment and the associated engineering, high-quality home appliances and printing equipment. In this case, a competitive advantage is created and maintained in close connection with local (regional) conditions: in the output of products; by territorial and geographical features; climatic signs; natural features; other features that differ from the specifics of other regions.

Therefore, the endowment of the country with some traditional factors no longer determines its competitive advantage. This is really confirmed by the new industrial countries like Hong Kong, Taiwan, the Philippines, Malaysia, Thailand, China, etc., where there is a rapid increase in production and high growth rates of foreign trade. The Japanese government, using a selective approach, used the following methodological techniques: – all industries were broken down by priority; – developed a scale of priorities, identifying four groups of industries that provide maximum, high, neutral, and negative priorities; metallurgy, the production of agricultural fertilizers, electricity. The second priority was provided by such industries as mining of iron ore, oil refining, asbestos, textiles and dyes, sea transport. The third group consisted of other industries, and such industries as silk, furniture, cosmetics, etc., came out with a negative priority. As is known, the Japanese government, from the beginning of the reforms of the 50s, paid close attention to the development of foreign trade. And in the late 70s, purposefully focused on the full encouragement of export efforts of companies, systems of measures to concentrate resources in relevant industries, restrictions on the development of other forms of foreign economic relations.

For this, the state provided preferential credit and tax regimes to export companies, helped them in creating foreign trade infrastructure abroad, and contributed to the development of a credit and financial support system. The model of export orientation was demonstrated in the newly industrialized countries by fundamental new trends in the behavior of the countries of the developing world, regardless of the sectoral, personnel and other characteristics of the countries. An analysis of trends in the export strategies of the NIS of the Asia-Pacific region makes it possible to highlight the following key positions among them: - the ability to overcome the crisis stage in its development in the early 1980s; - ensuring the balance of the national economy and high rates of economic development dynamism; - the ability to deploy a large-scale export strategy for industry specialization; - sufficient success of the implementation of economic restructuring; - target development of advanced, high-tech industries such as electronics, instrument engineering, electrical engineering through government regulation of the processes of stimulating or restraining the growth rates of production characterized by a high proportion of labor, energy and material costs; - radical reconstruction of traditional industries such as metallurgy, petrochemistry, etc., based on attracting new technologies, equipping with modern equipment, including information technologies, etc. Ultimately, all this contributed to the modification of the economic structure as a whole, not only of the given region, but of the world economy as a whole. Despite the existence of commonality in the penetration strategies of the countries of Southeast Asia to world markets, one can notice certain distinctive features in the process of actively borrowing technologies, their adaptation and improvement, aimed at promptly responding to the demands of a particular market, which reduce costs while improving quality than competitors. This is the key that provides access to the world market and an increase in exports of these countries [2]. Today, “new industrial countries” or “new industrial economies” repeat the achievements of Japan. NIS in East Asia are distinguished by a significant high level of economic development in comparison with the main group of developing countries and higher economic growth than industrialized countries. Similarly, the economic development strategies of Asian NIS relied on export-oriented production, primarily finished products. As a result, in world markets they have become the largest suppliers of footwear, clothing, textiles, consumer electronics, personal computers, cars and other types of high-tech products [3]. With economic prosperity, these countries, which began with the export of labor-intensive products (textiles), gradually switched to the production of material-intensive industries, and then to the production of manufactured goods and high-tech products. As a result, on the political map of the world, the balance of power in the countries of East Asia and Latin America is changing more and more.

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Since the early 80s, the position of the NIS gradually changes not only in world economic relations, where they managed to find their “niche”, but also in the modern world economy. Today, it already makes sense to talk about significant successes in the realization of regional advantages in agriculture. The importance of members of regional integration groups as subjects of agriculture in the international division of labor is determined by the fact that they are monopolists in the production of rubber, copra, palm oil, giving up to of this production, as well as pepper, pineapple. Their role in the production of bananas, rice, cocoa, sugar, tea, coffee, and wood harvesting is significant. It is noteworthy that the NIS countries have become net exporters of agricultural products, i.e. they export them more to the world market than they import. And despite the fact that natural conditions are largely similar in these countries, and their exports consist mainly of products of tropical origin, however, each country has its own specifics, due to both soil-climatic factors and historically prevailing conditions, also a development strategy.

Thus, the economic course aimed at the preferential development of industrial exports constituted an important integral part of the formation and development of the export potential of the countries in question. At the same time, the factor that the export potential is exclusively an object of state regulation played a special significance. However, given the unevenness of territorial proportions, many countries have taken special measures to prevent regional imbalances [5]. It should be noted that consideration of the formation and development of the export potential of the developed countries of the world with its modern features is of practical interest for Kazakhstan. Thus, it must be stated that the model of developing the competitiveness of the economy of any country will only be successful when it is built on the advantages determined by the national determinants of competitiveness and adapted to the impact of the external environment.

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