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INNOVATIVE APPROACHES TO ACHIEVING SUSTAINABLE DEVELOPMENT

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Abstract: *This paper analyzes the role of innovation, investment, economic analysis and taxation in achieving sustainable development. The study examines the experience of developed countries and provides practical recommendations for the development of the economy of Uzbekistan. It highlights ways to increase economic efficiency through the integration of innovation and taxation systems.*

Keywords: *sustainable development, innovations, investments, economic analysis, tax system, sustainable economic growth.*

Introduction

Sustainable development has become one of the main goals of humanity and society in the 21st century. The economic growth of each country depends not only on its resources, but also through the introduction of innovations, attracting investments, and increasing economic efficiency. The term "sustainable development" refers to ensuring the growth of society in the economic, social and environmental spheres in the long term. Today, such important factors as innovative methods, efficient allocation of resources and the taxation system are important for the stability of economic growth.

Special attention is paid to the role of innovation, economic analysis and taxation in ensuring sustainable development. Innovation increases production efficiency through the development and implementation of new technologies, and attracting investment accelerates economic growth. The tax system, as the main instrument for implementing the state's economic policy, serves as a determining factor in supporting innovation processes and achieving sustainable growth. The purpose of the article is to analyze the role of innovation, investment, economic analysis and taxation in sustainable development and to develop practical proposals for the economy of Uzbekistan. At the same time, the article is aimed at studying the strategies necessary to develop innovations, increase economic efficiency and create an effective tax system.

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In the modern world, innovation is recognized as one of the main driving forces of economic development. Innovation not only influences economic growth, but also plays an important role in increasing the competitiveness of countries. Each new technology, new management method or product contributes to the effective organization of economic processes. On the other hand, investments are the main instrument for financing innovation and play an important role in ensuring the sustainability of economic growth.

Innovation affects the economy in three main ways:

1.Improving production efficiency: New technologies and methods allow for more efficient use of resources in production processes. For example, automation and digitalization accelerate production and increase labor productivity. 2. Product and service quality: Innovation creates new types of products and services, which increases market demand. For example, artificial intelligence technology opens up new opportunities in areas such as financial services, healthcare, and education. 3.Sustainable economic development: Innovation also plays an important role in ensuring environmental sustainability. For example, investments in renewable energy sources not only eliminate environmental problems, but also increase economic efficiency. According to World Bank reports, in countries where technological innovations are being introduced, economic growth rates will be higher by an average of 2-3%. Here, special attention is paid to the experience of countries such as South Korea and Germany. These countries have built their economies on an innovation-based development model and have become leading technology centers.

There are several methods of attracting investments and financing innovations such as private sector investment, public investment, international financial organizations and investors.The following practical experience is used to finance innovations in developed countries:

In South Korea, close cooperation has been established between the public and private sectors to develop innovative technologies. At the same time, small and medium-sized businesses are provided with tax benefits. In Japan, government spending on scientific research and technological development to create an innovative ecosystem accounts for 3-4% of the country's GDP. Uzbekistan also has great potential for innovation development. Large labor resources and creative opportunities of young people create favorable conditions for the development of the startup ecosystem in the country. Production efficiency can be improved through the introduction of innovative technologies in industry and agriculture. For example, projects such as intelligent agriculture and increasing yields through artificial intelligence are being successfully implemented.

Economic analysis is a scientific method aimed at a comprehensive study of a country's economy or the activities of individual industries and its optimization.

Today, the importance of economic analysis is increasing even more, as it is one of the main tools for the efficient use of resources, the right direction of investments and ensuring overall economic stability. Conducting a proper economic analysis in conditions of limited resources helps to maximize the economic potential of the country. With the help of economic analysis, it is possible to make optimal use of the resources available in the production process. For example, with proper allocation of raw materials, capital, and labor, economic efficiency increases and overhead costs decrease. According to an analysis conducted in the Uzbek industry, as a result of the introduction of innovative technologies, labor productivity may increase by 20-25%. This clearly shows the effectiveness of strategic decisions developed as a result of economic analysis.

The tax system is one of the main pillars of each country's economy and plays an important role in financing the socio-economic activities of the state, ensuring sustainable economic growth and maintaining economic order. A properly organized and efficient tax system promotes economic growth and improves the investment climate in the country. Taxes are the main source of the state budget. The budget allocates funds to social programs, infrastructure projects, and strategic areas such as education and healthcare. A stable tax system allows for the smooth implementation of state economic policy. Stimulating economic growth with proper organization of tax policy, it serves as a means of supporting business and accelerating economic growth. Tax incentives are especially important for the development of small and medium-sized businesses, as well as for financing innovative projects.

Income and wealth are redistributed through the taxation system. With the introduction of progressive tax rates, high-income citizens and businesses will contribute to greater budget replenishment, which will reduce social inequality. Funds allocated for R&D (R&D) can be tax-exempt or reduced. This gives entrepreneurs and businesses an incentive to invest in innovation. And it is important that tax incentives are introduced for the development of environmentally friendly technologies. It serves to increase economic efficiency while ensuring environmental sustainability.

The reform of the tax system in Uzbekistan can have a positive impact on economic growth. It is necessary to improve tax policy in the following areas:

- Optimization of tax rates - moderate setting of tax rates stimulates economic activity and prevents illegal economy.
- Increasing the transparency of tax collections - taxpayers need to simplify the processes of calculating and paying taxes. Digitization helps a lot in this regard.
- Reducing the tax burden and stimulating investment - the provision of separate tax incentives to local and foreign investors contributes to the influx of new investments into the economy.

- Improving tax administration - the system can be made more efficient by automating the tax collection system and introducing digital technologies.

Practical proposals for sustainable development:

Innovation development strategies ensure economic growth through the introduction of innovative technologies and the development of new products in various sectors of the economy. First of all, effective policies and practical measures are needed to promote innovation. The government should provide financial and legal incentives to support innovation. Sustainable development can be achieved through the harmonization of economic analysis and taxes. Through economic analysis, resources are efficiently allocated, and taxes are applied to stimulate innovation. Combining these two factors ensures sustainable economic growth.

Conclusion

Innovation, investment, economic analysis, and taxes are all crucial factors in ensuring sustainable development. Their interconnectedness and joint work serve to increase the economic potential of the country. Thanks to the development of innovations, attracting investments, effective economic analysis and improving the tax system, it is possible to ensure the stability of economic growth. Based on the proposals and analysis presented in the article, the ways to achieve sustainable development for the economy of Uzbekistan were identified. However, these processes require effective public policy, good governance, and consideration of international experience.

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