GLOBAL VALUE CHAINS AS THE MAIN CHARACTERISTICS OF THE MODERN WORLD ECONOMIC POLICY

Shomurodov Tokhir Boymurod ugli
Senior lecturer Fundamental economics department
Tashkent State University of Economics
e-mail: tohirbek0206@gmail.com

It is GVCs that connect the stages of the production (reproduction) cycle geographically scattered around the world into a single industry, and their analysis helps to understand the essence of shifts in world trade (dominance of trade in components) and international production, to understand the interdependence of national economies. Although an insignificant part of experts and politicians still assumes that goods and services are produced domestically and compete with foreign goods, in fact, an ever-increasing share of goods and services is already global in nature, and states compete with each other for the most beneficial role for them in the emerging value chains. Concept shows the role of production networks, global buyers and suppliers. Value chain analysis provides an opportunity to identify companies and economic entities that control and coordinate economic activity in production networks.

The scientific literature offers many definitions of GCDS, but there are no fundamental differences among them. For example, Sturgeon T.J defines GVC as a mechanism for accruing value in the process of creating the final product, including various technological stages of production, as well as design and marketing. This definition reveals the essence of a simple chain. In a broader sense, global value chains are a sustainable mechanism for accumulating added value at different technological stages in the process of creating final goods and services, uniting a number of economic entities that may be located in different national jurisdictions (expanded interpretation). As we noted above, the concept of GCDS is being explored by many scientists, but they are all studying different aspects. Thus, in the works of R. Kaplinsky and G. Gereffi, the authors emphasize the controlled and dynamic nature of GVC and focus on the types of control within GVC.

Volgina N.A. considers the general nature of their functioning. Of these, we highlight the following main aspects, on the basis of which we will further formulate the main theoretical provisions of the dissertation research. M. Porter is called the “progenitor” of GVC. He began to develop this concept since the 1990s. within the framework of the theory of competitive advantages of countries (his approach, according to scientists, turned out to be close to the concept of the “value stream” (value stream) by D. Womack and D. Johnson. M. Porter’s theory has its pros and cons. Plus, in our opinion, is that the sequence of actions of one company allows you to determine its competitive advantages, strategy in the market and its strengths.The downside is that the activity of only one company does not reflect the real situation in the production market. Porter changed the original concept and introduced the

concept of "value-added system." This system included several chains, as it allowed different companies in the same industry to be combined into the process of producing the final product. First, one of the fundamental issues in the GVC concept, we read the uneven creation of value added in the chain. There are many graphic options (Figure 1), but their essence boils down to the fact that different stages correspond to different added value: the maximum is focused on the stages of R&D and brand formation. Since it looks like a smile, it was called that - a smiling curve (Smile Curve or SC curve - its original version was proposed by Stan Shi).

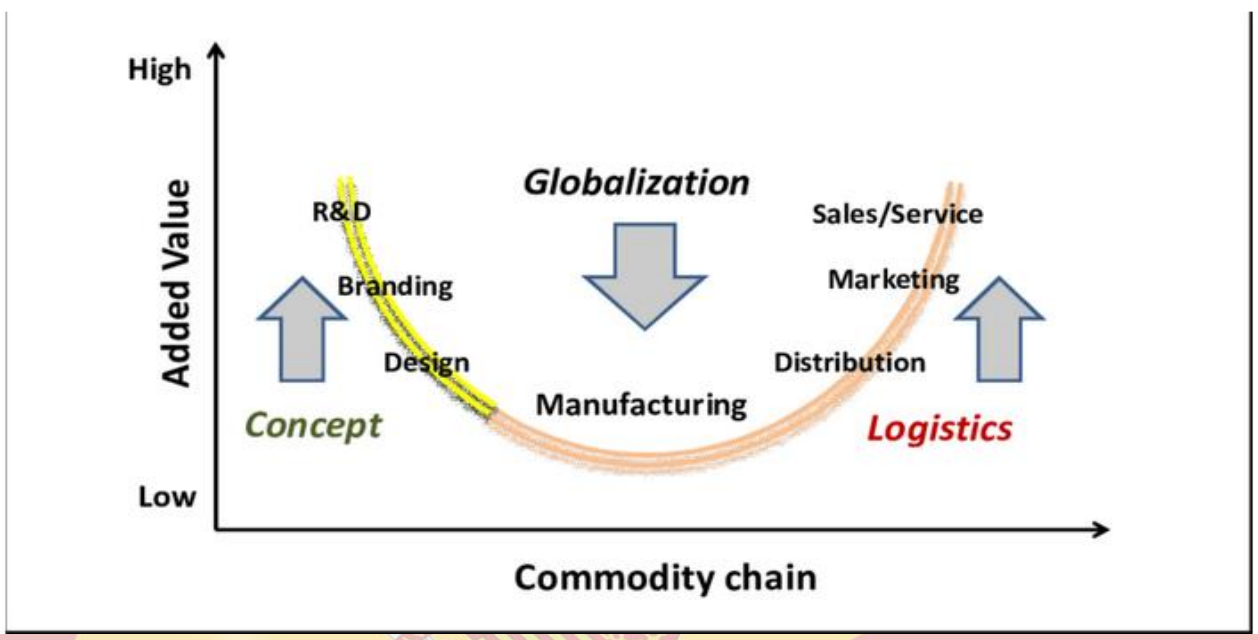

Fig-1. Smiling curve[1]

Secondly, the modern MCS as the external environment of international production is significantly influenced by the change in technological structures, the current stage of which since 2010 (S. A. Tolkachev) is called the fourth industrial revolution, of course, very conditional. Recall that during the period of the third industrial revolution (1960–2010), the automation of individual elements of the mass production system, which was created during the eras of the first and second industrial revolutions, was carried out. As a result of the first three industrial revolutions, a modern industry of mass replication of physical objects with desired properties was built. GVCs served as a link in the system of deepening the division of labor and the complication of cooperative ties between producers scattered in space that had been formed over the previous two centuries. In our opinion, this factor should be considered in detail, since the object of our study is industrial regions. Here we highlight the following significant points.

First. The change in the technological order has already led to the transformation of the activities of companies towards the use of additive technologies, to the restructuring of the system of the international division of labor. According to the authors Tolkachev S.A. and

[1] Yang, Ling & Hou, Jack. (2015). HAVE IMPORTED PRODUCER SERVICES IMPROVED MANUFACTURING IN SHANGHAI?. Zbornik Radova Ekonomskog Fakulteta u Istočnom Sarajevu. 11. 10.7251/ZREFIS1511011Y.

Teplyakova A.Yu., the development of additive technologies leads to a change in the production paradigm from “local design - global production” to “global design - local production”. According to S.A. Tolkachev, the entry of the world economy into the fourth industrial revolution could undermine the century-old guidelines for the organization of industry, formed during the third and second industrial revolutions. Three subsystems of the organization of industry in the era of globalization: mass production, offshoring (an extensive system of value chains spread around the world) and assembly lines are gradually fading into the background. They are replaced by new industrial principles, for example:

- the concept of mass industrial production is being replaced by the concept of customized production, especially in connection with the development of 3D printing technologies;
- the concept of offshoring for the sake of increasing the degree of specialization of labor and reducing production costs is being revised due to many subjective and objective reasons (among the first - the crisis of globalization and the unfolding trade war; among the latter - the revival of the culture of local producers close to the local consumer and able to provide everything in the shortest possible time demand variations)
- assembly lines introduced at the beginning of the twentieth century. Henry Ford, also cease to be the cornerstone of industrial organization in the coming era of digitalization of production.

Under these conditions, the SC-curve changes its configuration in terms of the level of added value in the links, because, for example, the acceleration of the introduction of new products is due to the fact that an increasing part of the product life cycle at the pre-production stage (development, testing, engineering) is shifting into the virtual realm (the first companies that embarked on the path of "digitalization" show a reduction in the delivery time of customized products to the customer by 50%). The essence of the new industrial revolution (neo-industrialization) is the total introduction of electronic devices not only into the processes of financial management of companies (this happened at the previous stage of technological development), but also directly into production and related processes (stages of GVCs) of design, development, distribution and after-sales service of products. This component of neo-industrialization is referred to as the Internet of things, industrial Internet, smart production, digital factory, intelligent production, etc.

In the era of Industry 4.0, each plant will be equipped with an intelligent system that, using sensors, collects data on the functioning of machines and can analyze them. In other words, we are talking about the integration of information and communication technologies into the production process and the connection of successive stages of the movement of added value into a single managed system based on digital platforms.

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