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Article

Analysis of the Factors and Economic Mechanisms of Creative Economy Development in Uzbekistan

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Abstract: Sustainable tourism has become a central focus of contemporary research as destinations seek to balance economic growth, social inclusion, and environmental conservation. This study explores how the diversification of tourist products and services contributes to sustainable tourism development. Through an examination of the scientific literature and case studies, the article demonstrates that diversification enhances destination resilience, drives innovation and maximises equitable returns for host communities. The research claims that diversification is not an economic model, but a complete approach that backs the preservation of culture, ecological sustainability and long term competitiveness. The linkages between sustainable tourism development, and destination management Sustainable tourism development refers to the ongoing process of improving or innovating to make tourism more sustainable.

Keywords: creative economy, creative industries, intellectual property, innovative development, post-industrial society, creative performance, human capital, scientific research, GDP, copyright, scientific potential, infrastructure.

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1. Introduction

As In the context of New Uzbekistan, state programs aimed at economic development are characterized by a focus on increasing the efficiency of utilizing the development potential of national economic sectors. In this process, a national development model is being formed that ensures the coherence and balance of such theories as innovative development, knowledge-based economy, digital economy, green economy, and creative economy. In particular, the statement of the President of the Republic of Uzbekistan, Sh. M. Mirziyoyev, that "...if we set the goal of transforming Uzbekistan into a developed country, we can achieve this only through rapid reforms, science, education, and innovation"[1] indicates that the country's economic development strategy is aimed at enhancing the effectiveness of utilizing the advantages of various development approaches.

The characteristics of economic development achieved to date demonstrate that, as a result of increased innovative activity across national economic sectors, there has emerged a necessity to form a creative economy based on freedom of scientific, technical, and artistic creativity [2]. Therefore, in assessing trends in the development of the creative economy in

the country, it was considered appropriate to analyze global trends specific to Uzbekistan using the database of the World Intellectual Property Organization (WIPO), which evaluates trends in the development of innovative and creative economic relations at the international level. To reveal the essence of the creative economy, this study analyzes the transformational processes in the economy that emerged as a result of the formation of post-industrialism, including the general characteristics and phenomena of the post-industrialism concept as discussed by various scholars.

The founder of the modern form of the concept, D. Bell, at a conference in Salzburg in 1959, defined post-industrial society as "a system in which, under the influence of growing technological progress, the industrial sector is enjoying its leading role, science is becoming the main productive force, the potential of such a society is measured by the amount of information and knowledge it has, but in this system, man is not excluded from the production process.[3] "

Scholarly views on the creative economy, which occupies an important place in the development of post-industrial society, became widely disseminated in economic science in the late twentieth and early twenty-first centuries, with the number of studies in this field increasing year by year. According to analytical assessments, in 2001 **John Howkins** was among the first scholars to introduce and substantiate the concept of the "creative economy" in economic science, addressing its content, essence, and necessity. In his view, the creative economy represents a systematized set of activities based on intellectual property, in which creative ideas are commercialized [4]. According to the concept developed by the scholar, the creative economy functions as a system of relations grounded in value creation based on ideas generated through human creative activity, and these processes may operate at the level of the national economy.

By 2005, the development of the "creative class" concept by **Richard Florida** led to the recognition of certain social groups engaged in creative activity—such as designers, researchers, artists, engineers, and other professionals whose occupations are directly associated with creative approaches and creative thinking—as key driving forces of the socio-economic development of the system of economic relations [5]. According to the developed concept, representatives of the "creative class" organize their professional activities based on the so-called "3T" factors of regional economic development: technology, talent, and tolerance. Each of these elements is necessary but not sufficient on its own; only the simultaneous presence of all three enables creative individuals to generate innovations and stimulate economic growth.

The scholarly views presented above are of fundamental importance for the formation of the theory of the "creative economy," and a comparative analysis of these views makes it possible to identify the key features associated with the development of this theory.

2. Materials and Methods

In the course of the research, the definitions of the concepts of the creative economy, creative industries, and post-industrialism proposed by scholars from Western countries were subjected to comparative analysis in order to clarify their substantive content. Scholarly perspectives devoted to the evolution of the formation of the "creative economy" were also comparatively examined.

In analyzing the factors and economic mechanisms of creative economy development in Uzbekistan, data from the **World Intellectual Property Organization (WIPO)** were used to identify global trends specific to the national context. The research methodology is based on dialectical and systemic approaches, as well as methods of comparison and analysis, and statistical grouping and aggregation, applied to examine theoretical and methodological approaches and their substantive implications.

In the context of New Uzbekistan, state programs aimed at economic development are characterized by their focus on increasing the efficiency of utilizing the development potential of national economic sectors. In this process, a national development model is

being formed that ensures the coherence and complementarity of such concepts as "innovative development," the "knowledge-based economy," the "digital economy," the "green economy," and the "creative economy." In particular, the statement of President **Shavkat Mirziyoyev** that "…if we set the goal of transforming Uzbekistan into a developed country, we can achieve this only through rapid reforms, science and education, and innovation" [6] indicates that the country's economic development strategy is aimed at increasing the effectiveness of utilizing the advantages of various approaches. To date, the characteristics of economic development achieved in the country demonstrate that the growth of innovative activity across national economic sectors has generated the necessity to form a "creative economy based on freedom of scientific, technical, and artistic creativity [7]."

3. Results

Therefore, in assessing trends in the development of the creative economy in the country, we consider it appropriate to analyze global trends specific to the national context by using data from the **World Intellectual Property Organization (WIPO)**, an international institution engaged in evaluating trends in the development of innovative and creative economic relations.

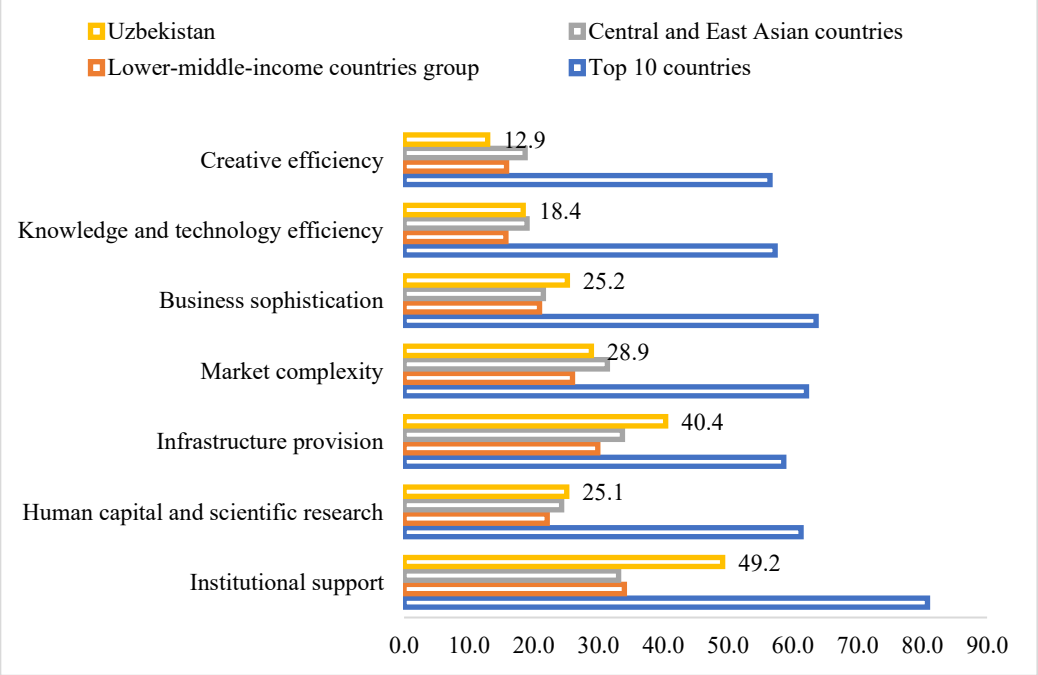


Figure 1. The Position of Uzbekistan's Economic Creativity in the Global Economy (Average Indicators by Groups of Countries, 2024) [8]

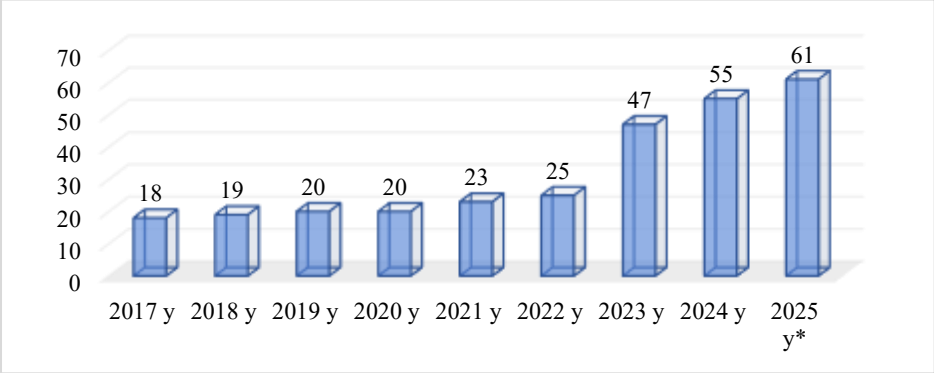
It is worth noting that the system of statistical indicators maintained by WIPO allows us to assess global trends in the country's creative development, as it is aimed at assessing the integral innovation development index, covering scientific, technical and creative areas of activity in the country. According to the analysis, in 2024, Uzbekistan recorded the following results in the system of seven structural indicators included in the "Global Innovation Index"[9] (see Figure 1):

First, in terms of indicators related to the development of creative economic relations—namely institutional and infrastructural support, human capital development, and research and business sophistication—the country has achieved lower-middle-level positions globally, while demonstrating relatively positive results compared to the countries of Central and Eastern Asia. This situation indicates that, within state programs aimed at shaping the creative economy, priority is being given to strengthening sectoral infrastructure and to the training of personnel with creative capacity. At the same time, it

reflects characteristics typical of the preparatory stage of transition toward a system of creative economic relations.

Second, Uzbekistan's aggregated ranking indicators for market sophistication, knowledge and technology outputs, and creative outputs are lower than those of the countries of Central and Eastern Asia. This situation indicates the existence of a need to improve the mechanisms for implementing creative economic relations in the country.

Third, the fact that the country's creative output indicator records lower results compared to those of Central and Eastern Asia as well as lower-middle-income countries indicates that the development potential of the sector is not being sufficiently utilized, while its global competitiveness remains considerably weak. According to the analysis, the system of innovative and creative economic relations in the country tends to develop in an interconnected manner, and in most cases their infrastructural support is characterized by a complementary nature.



* - **Note:** The statistical indicators presented for 2025 are formed based on projects expected to be completed under the investment program.

Figure 2. The State of Infrastructure for Innovative and Creative Development in Uzbekistan (Number of Infrastructure Facilities, Units)

During the period of economic reforms in New Uzbekistan, as a result of regional investment programs implemented to enhance the efficiency of utilizing the economic development potential of the country's regions, the state of infrastructural support for innovative and creative development has improved significantly [10]. In particular, between 2017 and 2024, the number of facilities included in this infrastructure increased by nearly 3.1 times, rising from 18 to 55 units. By the end of 2025, it is planned to increase the number of such facilities by 10.9 percent compared to 2024, reaching a total of 61 units (see Figure 2).

In addition, the country is characterized by relatively favorable results at the global level in terms of human capital and research indicators. The development of creative economic relations requires the training of personnel through the education system who are capable of engaging in creative activity, making sound decisions under conditions of uncertainty and various risks based on creative thinking, and applying their ideas and perspectives in practice to technologically improve production processes, supported by academic knowledge and practical skills that form professional competence. In this context, measures aimed at increasing the efficiency of investment in human capital are implemented through the education system.

In most studies, indicators related to expenditures on financing the education system are used to analyze this dimension. According to the analysis, during the period from 2013 to 2024, the share of expenditures on financing the education system in GDP in the country was nearly at the same level as that of developed countries, averaging 5.4 percent over the period under review (see Figure 3).

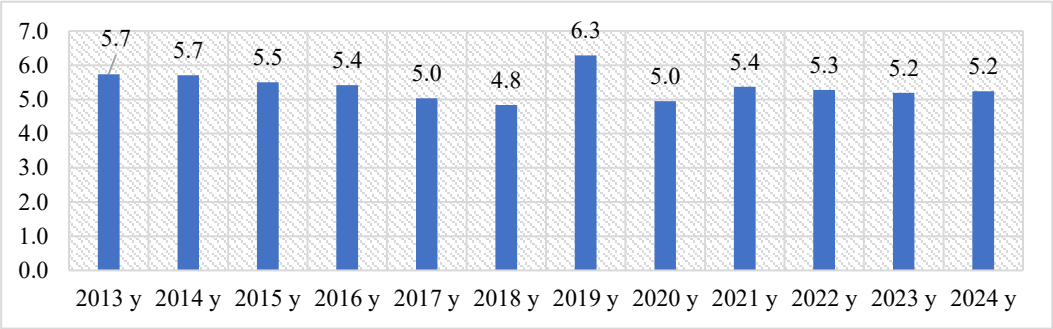


Figure 3. The State of Investment in Human Capital in Uzbekistan (Share of Education Expenditure in GDP, percent)[11]

In the development of creative economic relations, priority should be given to supporting the research sector characterized by creative activity. Research activities are aimed at improving the mechanisms through which any system of economic relations operates, based on the generation of new ideas, creative thinking, and critical analysis. According to the analysis, during the period under review, the share of expenditure on research and development in GDP in the country followed a dynamic upward trend; however, the increase remained marginal, amounting to only 0.02 percentage points (see Figure 4).

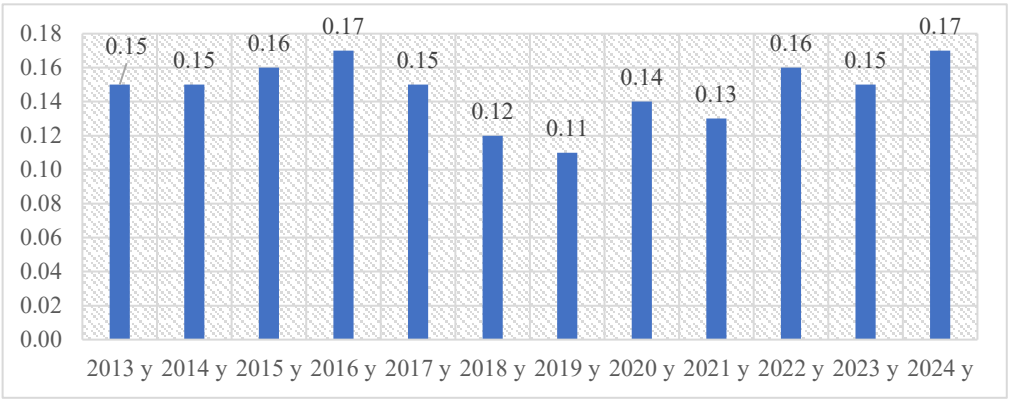


Figure 4. The Volume of Financing for Research and Development in Uzbekistan (Percentage of GDP) [12]

This situation indicates that the volume of financial support for creative activities in the country is not sufficiently ensured. According to an analysis of global practice, taking into account that the implementation of research activities within creative endeavors is a more capital-intensive field compared to other types of creative activities, it is necessary in the coming years to increase the volume of financing for research and development. In particular, there is a need to enhance the effectiveness of financial incentive mechanisms for "creative" groups of the population engaged in creative activity within the research sector.

In addition, an important indicator in the national economy is the amount of working time devoted to creative activities and research and development. At the global level, the assessment of this indicator is based on a standard of 2,080 annual working hours per full-time position. According to the analysis, during the period from 2013 to 2024, this indicator in the country increased by 12.7 percent and, when assessed per 1.0 million population, rose from 510.5 hours to 575.5 hours over the period under review (see Figure 5).

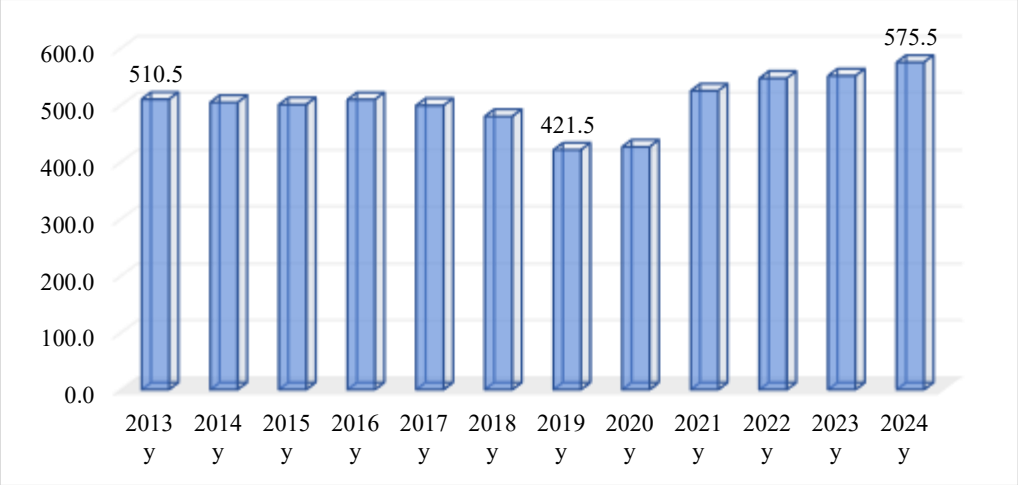


Figure 5. Working Time Devoted to Creative Activities and Research and Development in Uzbekistan (Full-Time Equivalent per 1 Million Population) [13]

It should be emphasized that industrially advanced countries leading the world in the implementation of creative economic relations—such as **United Kingdom**, **Germany**, **Japan**, and **China**—are characterized by a volume of time devoted to creative activities and research and development exceeding 5,000 hours when assessed per 1.0 million population. In this group of countries, such a high allocation of time to creative and research activities is explained by the presence of these types of positions within the employment structure created by private sector actors. In other words, enterprises operating across various sectors create jobs for personnel engaged in creative and research activities at the firm level.

In the context of Uzbekistan, creative activities and research and development are, in most cases, carried out by faculty members of higher education institutions. Therefore, in assessing the effectiveness of creative activities related to creativity and research, it is considered appropriate to conduct the analysis through the indicator of the scientific potential of higher education institutions.

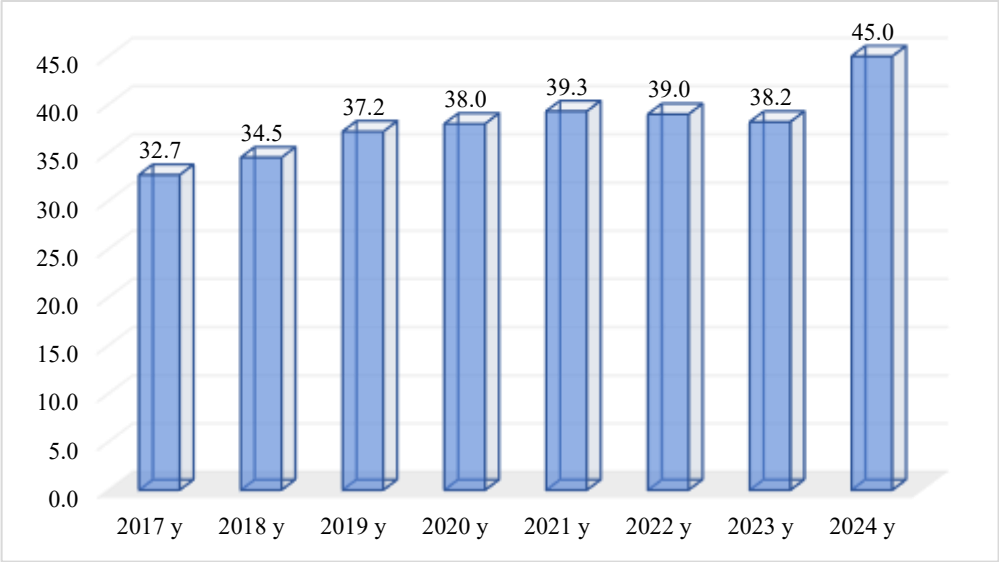


Figure 6. Scientific Capacity Indicators of Higher Education Institutions in the Country (Share of Academic Staff Holding Scientific Degrees, percent)

According to the analysis, during the period from 2017 to 2024, the scientific potential indicator within the national higher education system increased by 12.3

percentage points, rising from 32.7 percent to 45.0 percent (see Figure 6). Moreover, under the framework of the "Uzbekistan–2030" Strategy, setting the target of increasing this indicator to 50 percent demonstrates that priority will be given to creative and research activities in the coming years [14], [15].

The conducted analysis highlights the need to establish a monitoring and control system based on the development of criteria that allow for a comprehensive assessment of the socio-economic effectiveness of state programs aimed at developing the creative economy in the coming years. At the same time, clearly defining the boundaries between innovative and creative economic relations would expand opportunities to enhance the targeting and effectiveness of the state programs being developed.

4. Conclusion

The analyses conducted indicate the need to establish a monitoring and control system based on the development of criteria that enable a comprehensive assessment of the socio-economic effectiveness of state programs aimed at developing the creative economy in the coming years. At the same time, clearly defining the boundaries between innovative and creative economic relations would expand opportunities to enhance the targeting and effectiveness of the state programs being developed.

In addition, it is considered highly relevant to establish mutually beneficial, market-oriented cooperation between higher education institutions and large business entities in Uzbekistan in the areas of human capital development and the financing of research and development activities.

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