

# Foreign Experience of Regulation of Socio-Economic Development of Regions in the Context with Recreational-Tourist Industry in the World and With Clusters

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## **Annotation**

*The article is devoted to the analysis of foreign experience of social and economic development of regions. In particular, the experience of Italy in eliminating regional disparities, the key achievements of Italy's regional development policy, the level of development of recreational and tourist activities in developed countries and countries of recreational and tourist orientation, the most visited countries of the world, the rating of the CIS countries on the competitiveness of the tourism sector, the countries that are the main suppliers of international tourism.*

**Keywords:** *underdeveloped regions, total cost, globalization of recreation and tourism, tourism share in GDP, outbound and inbound tourism, the most visited countries in the world, tourism competitiveness rating.*

Today, issues of regional development in Uzbekistan acquire a qualitatively new meaning. Thus, in the "Strategy of Action for the five priority development directions of the Republic of Uzbekistan in 2017-2021", the primary tasks for the integrated and balanced socio-economic development of the regions, optimal and effective use of their potential, by ensuring the integrated and effective use of natural, mineral, raw materials, industrial, agricultural, tourism and labor potential of each region to accelerate social and economic development, increase the level of employment and income of the population, as well as reduce the differentiation of the level of social and economic development of the regions by expanding the scale of modernization and diversification of the economy of the

territories, accelerated development of relatively lagging regions and cities, primarily through building their industrial and export potential.

The country's economic development strategy is impossible without an understanding of its regional dimension. That is why we consider it is necessary to study the experience of foreign countries in eliminating regional imbalances and to improve the level of social and economic development of the region. In this regard, we believe that the experience of carrying out regional reforms in Italy, which has recently become a single state in 1861, can be called exceptional without exaggeration [4].

Indeed, Italy, which never created the spiritual and cultural preconditions for the development of the industrial revolution in Europe, itself embarked on the path of industrialization rather late.

The first wave of industrialization took place from 1896 to 1913. The regional policy during this period was mainly directed to the development of

agriculture, public works and health care. It should be noted that in the suburbs of Naples, several steel fabrics were built, but in general this regional policy lost fiasco. In our opinion, the main reason for this is the low culture of entrepreneurship in the southern regions of the country.

Attempts to eliminate regional imbalances were made in Italy throughout the post-war period. In the beginning, this was the Marshal's plan, then in the early 1950s. There was created a ten-year program to support depressed regions, a special fund was created "Cassa per il Mezzogiorno" (the historical name of the south of Italy) [2]. The program proved to be quite effective, and the fund planned for ten years, functioned until 1986. During this period, quite successful work was carried out to improve the standard of living of the population. Agro production began to develop actively.

However, the hope that the infrastructure base will be sufficient to

stimulate industrial development was not justified.

In addition to the foundation's funds, large state companies invested in the creation of new industrial enterprises in the south, enterprises were established in the metallurgical, chemical, and machine-building industries. However, the effect of attracting industrial giants was unexpected. Local enterprises could not make up for the huge consumer demand created by the huge investments.

Paradoxically, large industrial investments only aggravated the crisis in the south. They allowed the more powerful northern enterprises to rapidly use the cheap infrastructure and resources, a capacious consumer market. Weak sprouts of economic stability were drowned in a stream of gigantic investments that engendered corruption and increased the economic gap.

The subsequent policy of regional development of Italy was called New. The new approach is based on the idea that Italy and its regions should focus on reducing the artificial stimulation of

problem regions. In our opinion, neither subsidies nor financial incentives for enterprises are able to eliminate structural imbalances. They only temporarily compensate for territorial differences, creating tensions between regions.

The new policy of regional development set itself the task of creating "framework conditions", the main of which is institutional building, the creation of regional and local decision-making centers (administrative, public, entrepreneurial), the effort of territorial planning, improving the effectiveness of regional governance, simplifying regional procedures.

In 1997, an inefficient bureaucratic system underwent cardinal simplification, and deregulation processes were launched. As a result, more than 207 administrative procedures were liquidated, in 95% of cases, the licenses replaced the application procedures, and instead of 43 permits one simplified procedure was required for opening a new business [1].

Government and state structures were subjected to serious simplification and decentralization. Therefore, instead of 22 ministers, because of mergers and abolitions, by the year 2016 there are 12. However, the reform of the civil service, according to general opinion, has been and continues to be one of the most vulnerable places of Italian reforms.

One of the key achievements of the policy of regional development in Italy is the development of the recreational and tourist industry as an effective tool for mitigating regional disparities. This area has become increasingly resistant to the impact of economic crises and other negative factors of regional development.

In April 1993, most Italians in a referendum supported the idea to liquidate the Ministry of Tourism, transferring their authority to the regions. In this regard, the European factor plays an important role in the package of regional policy measures in the country.

Italy is the recipient of funds from EU structural funds designed to smooth interregional imbalances, and participates

in a number of joint infrastructure projects. One of them is the currently implemented "pilot project" of the EU aimed at reviving the economy of underdeveloped regions with a rich historical heritage.

Within the framework of this initiative, 43 projects have been selected in Italy that cover 210 municipalities with a population of 2.7 million people, with a total cost of 16.4 trillion lira (half of the funds are intended for the southern regions - Sicily and Campania). The principle of the "pilot project" is to create on the ground a permanent partner network - "round tables" that involve all possible participants in economic and social activities.

This structure independently determines its priorities because of the urgent needs of the given territory and implements the practical coordination of interests and terms of participation of partners implementing the project. The driving branch of the economy of such areas usually becomes tourism, based on which local crafts are revived, cultural

traditions are revived, the housing stock is modernized, many social issues are being resolved, the services sector is being developed, etc.

Indeed, in the context of accelerated growth and development of the economy, the strengthening of the processes of globalization, recreation and tourism have become one of the main branches of the economy that have a significant impact on the structure of the economy, the development and strengthening of international cultural, spiritual and socio-economic ties. This industry in some countries brings the main income and on profitability ranks third in the world after the oil industry and automotive industry.

Tourism and recreation account for 10% of world GDP and 7% of total exports. For example, tourism revenues are in countries such as the Bahamas (53.6%), Seychelles (54.5%), the Maldives (61.3%), Aruba (70%), Anguilla (71%), Antigua and Barbuda (75.8%) and Macao (89.5%), while this figure in Uzbekistan does not exceed 4% of GDP [3].

2016 is the seventh year of sustainable growth in recreation and tourism, 2017 - International Year of Sustainable Tourism Growth. The number of international tourists has grown by 300 million people. The pre-crisis compared with 2008 and 46 million people. in comparison with 2015. In 2016, tourists made 1 billion 235 million international trips. The tourist organizations employ about 100 million employees - tour operators, agencies, hotel workers, excursion bureaus, transport infrastructure workers, translators, etc.

Taleb Rifai, General Secretary of UNWTO, in his speech he noted: "In recent years, tourism has demonstrated extraordinary strength and viability, despite many difficulties, especially those related to security issues. International tourism continues to grow steadily and contribute to creating jobs and the well-being of communities around the world. "

In different countries, the level of development of recreational and tourist

activities is different, which is determined by socio-economic development, political situation, security level, infrastructure of this sector.

The countries that are the main suppliers of international tourism are the countries of Europe - Germany, Great Britain, Belgium, Denmark, as well as the USA and China. The largest share of tourism revenues in the world market falls on such states as the US, China, Spain, France, Italy, Hungary.

China in 2017 ranked first in outbound tourism. The largest number of tourists took the Asia-Pacific region (+ 8%), the countries of the African continent also recorded an increase in recreational activities (+ 8%), positive dynamics for the Americas (+4%), the Middle East, with an unfavorable political situation, there is a certain decline - (-4%).

The difference between the country's revenues from recreational tourism and the total value of imports is the balance of payments. Ten countries of the world are characterized by positive

balance of recreational and tourist activity (RT): USA, France, Spain, Hungary, Austria, Greece, Italy, Turkey, Mexico and Portugal. At the same time, ten countries have a negative balance of the RT balance: Japan, Germany, Canada, Sweden, Denmark, Belgium, the Netherlands, Norway, Finland and the United Kingdom.

According to the information published by the famous guidebook "Lonely Planey", the most visited countries in the world in 2017 are Canada, Colombia, Finland, Dominica, Nepal, Bermuda, Mongolia, Oman, Myanmar, Ethiopia. According to statistics, 1/3 of international tourists prefer to visit the pristine nature, this indicates the growth of recreational needs in the world. For example, ecotourism is the main branch of the economy on the African continent: Kenya, Tanzania, South Africa, and also in countries such as Costa Rica, Ecuador, Nepal, Madagascar, Mauritius, and others.

Many tourists are attracted by the famous French, Bulgarian wines, walks through the vineyards, cheese tours to Holland, Switzerland, Italy, visiting cheese fairs, beer tours to the Czech Republic, Germany, Austria, Belgium, visiting famous breweries, beer bars and festivals.

Our country has a great potential in the field of tourism and recreation, but compared to the growing world trends in tourism and recreation, Uzbekistan is not

included in many World Tourism Ratings, for example, in the annual report, April 5, 2017, "Competitiveness of Tourism and Travel "at the World Economic Forum (WEF) given the index of competitiveness of tourism and travel, which included 136 countries, but unfortunately our country is not included to this register [5].

**Table 1**

**Rating of the CIS countries on the competitiveness of the tourism sector  
2015[3]**

	Countries	Rating of countries on the competitiveness of tourism	The rating of the World Council for Tourism and Travel			
			Tourism in the country's GDP	Use of investment	Population employment in tourism	Tourist arrivals
1	Azerbaijan	84	76	89	70	92
2	Armenia	89	133	149	110	112
3	Georgia	71	97	145	79	75
4	Kazakhstan	85	61	52	71	66
5	Kyrgyzstan	116	165	153	128	139
6	Russia	45	17	22	13	29

7	Uzbekistan	No information	115	103	69	150
8	Tajikistan	119	No information			

One of the problematic aspects of Uzbekistan's non-participation in International Ratings and Analytical Materials is the closure of statistical data on tourism, and the statistical collection "Tourism of Uzbekistan" is published every four years, which also seriously hampers analytical research in this area. Our country joined the World Tourism Organization in 1993. Since 1980, September 27 is celebrated as World Tourism Day.

The development of the recreational and tourist industry is given great attention. Legal, targeted and regional programs on tourism development, modernization of tourist infrastructure were adopted. Special attention paid on the Resolution of the President of Uzbekistan 4861 from December 2, 2016, "On measures to ensure the accelerated development of tourism".

As a result, the number of foreign tourists arriving in Uzbekistan increased compared to 2000 from 1,855,300 people. Up to 2157,7 thousand people, and those who left Uzbekistan outside the republic made up 53,10 thousand people.

Conclusions:

1. Politics of regional development is aimed at mitigating the socio-economic disparities in the regions.
2. Recreational and tourist activities should be an effective mechanism in mitigating regional socio-economic imbalances.
3. Recreational resources are a complex of objects that can be used to meet all the needs of people and promote economic growth.
4. Analysis of the recreational and tourist needs of the regions of Uzbekistan showed that there are contradictions between recreational



needs and the possibilities of recreational resources in the given territory.

5. The Italian experience of regional development has shown that industry can become a factor that increases social and economic disparities in the regions, and recreational and tourist activities, even in the most unsuccessful development scenarios, still serves as a positive factor for economic development.

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