

## Organizational And Economic Mechanisms Of Tourism Development

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### ABSTRACT

The article examines the organizational and economic mechanisms of tourism development. As a result of researching different views, definitions of economic mechanisms and organizational-economic mechanisms in the field of tourism have been developed. The article also elaborates the classification and groups of organizational-economic mechanisms (TEM) in the tourism sector

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**Introduction. Relevance of the topic.** Globally, the tourism industry has become the fastest growing, most promising and driving sector of the world economy, as the current globalization and integration processes of countries have created broad opportunities for the free movement of people around the world. This issue The speech of the President of the Republic of Uzbekistan Shavkat Mirziyoyev at the 25th session of the General Assembly of the World Tourism Organization, held in October 2023, was also highlighted. The report noted that "according to the World Tourism Council, before the coronavirus pandemic, the tourism sector accounted for approximately 10 percent of global GDP and 7 percent of exports."<sup>1</sup>. However, the pandemic has seriously affected the movement of world tourists, especially the tourism sector. As a result, unique tourism export earnings have been significantly reduced, and millions of jobs have been lost around the world as a result of tourist traffic stoppages. This, of course, had a serious impact on the economy of our country.

It is worth noting that after the pandemic, even greater attention has been paid to the tourism sector in our country. In this regard, laws, decrees and resolutions on tourism are being adopted, and previous ones are being improved. In particular, the Law of the Republic of Uzbekistan "On Tourism" was adopted by the Legislative Chamber on April 16, 2019, and approved by the Senate on June 21, 2019. Recently, a number of decrees and resolutions of our President have also been adopted. In particular, the Resolution of the President of the Republic of Uzbekistan No. PP-3514 "On measures to ensure the accelerated development

<sup>1</sup>Speech by the President of the Republic of Uzbekistan Shavkat Mirziyoyev at the 25th session of the General Assembly of the World Tourism Organization. 16.10.2023. // <https://president.uz/uz/lists/view/6763>

of domestic tourism" adopted on February 7, 2018, the Decree of the President of the Republic of Uzbekistan No. PP-6165 "On measures to further develop domestic and pilgrimage tourism in the Republic of Uzbekistan" adopted on February 9, 2021, the Resolution of the President of the Republic of Uzbekistan No. PP-232 "On additional measures to diversify domestic tourism services" adopted on April 30, 2022, the Resolution of the President of the Republic of Uzbekistan No. PP-135 "On additional measures to accelerate the development of the tourism potential of the Republic and further increase the number of local and foreign tourists" adopted on April 26, 2023, and the Resolution of the President of the Republic of Uzbekistan No. PP-135 "On additional measures to accelerate the development of the tourism potential of the Republic and further increase the number of local and foreign tourists" adopted on April 26, 2023, have been adopted, and this sector is being systematically improved. It is very urgent to look at these aspects of the issue scientifically and develop relevant recommendations.

**Research methodology.** In the article, in the process of researching the organizational and economic mechanisms of the development of the tourism sector, such methods as space and time, induction and deduction, form and content, analysis and synthesis, and methods of economic analysis were used. Logical analysis methods are also used in this.

**Analysis and results.** Today, the measures taken in our country to accelerate the development of the tourism sector are ultimately aimed at turning this sector into a driver of the economy. Because the peculiarity of tourism is that the development of this sector leads to the development of other sectors. In particular, when receiving tourists, it is necessary to accommodate them. In this case, services related to their living are provided. Providing them with food is also a necessary type of service. Of course, services such as transport services intended for transporting tourists, trade services provided to them, etc. are closely related to tourism. Therefore, if one new job is created in tourism, 2 more jobs will be created in other related sectors. In this regard, tourism is one of the important factors in ensuring the general well-being of the population of countries and the sustainable development of states. In addition, tourism also acts as a powerful tool that enhances cultural exchanges between the peoples of the world and strengthens the principles of tolerance between nations. All this indicates that tourism is a driver sector.

It can be seen from these that this sector consists of private and public organizations, ranging from ordinary tourist operators, firms to large tourist companies. Therefore, through the development of tourism, it is possible to ensure the stable development of entities operating in all fields. For this purpose, it is necessary to deeply analyze the activities of tourist companies, find relevant opportunities, and develop ways to use them effectively. This objective necessity creates the need to develop organizational and economic mechanisms for the development of this sector and to use them effectively.

Based on this, we will dwell on the concept of an organizational-economic mechanism. The word organizational means organizing a process. The word economic means the circumstances associated with funds to set a process or event in motion. Now, if we pay attention to the word "mechanism", it is often understood as a system of moving means consisting of several parts that set the technique in motion, which are organically interconnected.<sup>2</sup> This word is explained in the "5-volume explanatory dictionary of the Uzbek language" as follows. "Mechanism" is derived from the Greek word mechane, which means "weapon, machine"<sup>3</sup> meanings are noted. This term has also been explained in several literatures accordingly<sup>4</sup>. Regarding these, the above dictionary also mentions the following.

1. Internal, operating parts, internal structure of a machine, tool, apparatus, etc.
- 2 A complex machine that does a job.
- 3 Internal structure system.

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<sup>2</sup>Mamayunus Qarshibaevich Pardaev, Obid Mamayunusovich Pardaev. THEORETICAL ISSUES OF THE CONCEPTS OF ECONOMIC AND ORGANIZATIONAL-ECONOMIC MECHANISMS AND THEIR ROLE IN THE DEVELOPMENT OF SOCIETY.// ISSN 3030-3672: HCSD. – 2024 - volume 10, issue 4 – pages 16-22

<sup>3</sup>"Explanatory Dictionary of the Uzbek Language" More than 80,000 words and word combinations. Vol. II. E-M. – T.: "National Encyclopedia of Uzbekistan" DIN, 2006. – 584 pages.

<sup>4</sup>Mamayunus Qarshibaevich Pardaev, Obid Mamayunusovich Pardaev. THEORETICAL ISSUES OF THE CONCEPTS OF ECONOMIC AND ORGANIZATIONAL-ECONOMIC MECHANISMS AND THEIR ROLE IN THE DEVELOPMENT OF SOCIETY.// ISSN 3030-3672: HCSD. – 2024 - volume 10, issue 4 – pages 16-22.

4. Parts of something that are interconnected and make up a whole"<sup>5</sup>. Based on this, our scientists have defined the economic mechanism as follows. The economic mechanism is understood as a set of various means and methods that set in motion the expanded process of reproduction. The organizational-economic mechanism differs from this concept. This can be explained as follows.

We found it expedient to pay attention to the lexical meaning of the concept of organizational-economic mechanism in order to fully reveal its content and determine its exact difference. The 5-volume explanatory dictionary of the Uzbek language provides relevant information about these concepts. The word "organizational" is explained in the 4th volume of the above dictionary as follows: [pertaining to organization, organization, organization; related to formation, structure]"<sup>6</sup>. It can be seen from these that organization consists of issues of organizing and mobilizing factors affecting it directly to achieve a goal.

Now, if we explain the word "Economic", we will refer to the definition given in the 2nd volume of the same dictionary. The following explanation is given there: "Relating to the economy, economics; related to the economy (economy)"<sup>7</sup>comparisons. Naturally, it is necessary to look at the definition of the word economy. "Economy" comes from the Arabic language and means economic issues; "economy"<sup>8</sup>is shown to mean. Then three comments were given to him: "1. The basis of the social system. 2. Production relations that correspond to the state of the productive forces of the national economy. 3. The science that studies the material and financial aspects of economic sectors"<sup>9</sup>. The essence of the economy consists of production relations that directly correspond to the state of the productive forces. This process includes many aspects. As is recognized in the literature, "As the productive forces improve, the skills of the workers who set them in motion also improve. Accordingly, the production relations between them also improve, characteristic of that process."<sup>10</sup>.

Based on this, a definition of the concept of an organizational and economic mechanism has been developed. It is noted that: "An organizational and economic mechanism is understood as a set of measures aimed at organizing, organizing levers aimed at increasing the efficiency of the economy, improving production relations and legal foundations corresponding to the state of the productive forces and their conditions." This definition is theoretically more developed than other definitions. However, today, when an innovative and digital economy has entered our country, this definition needs to be adapted to it. From this point of view, we found it appropriate to explain this definition as follows. In our opinion, the organizational-economic mechanism of tourism means a set of innovative measures based on the digitalization of the sector, aimed at the organization and organization of levers aimed at the development and increasing the efficiency of various types of tourism economy, its production forces and the corresponding production relations and legal bases. The difference in the definition presented in our recommendation is that all types of tourism economy are presented and It is explained by the adoption of innovative measures based on digitization. In accordance with the content of this definition, its structural structure and classification have been developed (Figure 1).

**Figure 1**

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<sup>5</sup>"Explanatory Dictionary of the Uzbek Language" More than 80,000 words and word combinations. Vol. II. E-M. – T.: "National Encyclopedia of Uzbekistan" DIN, 2006. – 584 pages.

<sup>6</sup>Explanatory dictionary of the Uzbek language: more than 80,000 words and word combinations. J. IY. Editorial board: T. Mirzaev (head) and others; Institute of Language and Literature of the Academy of Sciences of the Republic of Uzbekistan. – T.: "National Encyclopedia of Uzbekistan" DIN, 2008, 22 p.

<sup>7</sup>In that place. - 264 pages.

Explanatory dictionary of the Uzbek language: more than 80,000 words and word combinations. Vol. II. Editorial board: T. Mirzaev (head) and others; Institute of Language and Literature, Academy of Sciences of the Republic of Uzbekistan. – T.: "National Encyclopedia of Uzbekistan" DIN, 2006, 264 p.

<sup>8</sup>In that place. - 264 pages.

<sup>9</sup>In that place. - 264 pages.

<sup>10</sup>Pardaev O.M. Organizational and economic mechanisms for increasing the efficiency of product storage and sales services. Monograph.–T.: "Science and Technology", 2017, pp. 88-89.

**Types of classification and groups of organizational-economic mechanisms (TEM) in the tourism sector<sup>11</sup>**

Names of TEM	Groups of TEM	Elements of organizational and economic mechanisms
Organizational mechanism of the tourism sector	Property relations of the tourism sector	Private property attracted to tourism
		Community property attracted to tourism
		State property attracted to tourism
		Private property attracted to tourism
		Mixed property attracted to tourism, etc.
	Organization of tourist services	Specialization in types of tourism
		Organizing cooperation between tourism and related sectors
		Introduction of division of labor depending on the type of services in tourism
		Such as the organization of multifaceted activities suitable for the types of tourism.
	Structural structures in tourism	Independent tourism organizations and enterprises
		Associations and tourist clusters
		Joint-stock companies related to the industry
		Such as limited liability companies
	Regulatory and legal frameworks related to tourism	Laws on tourism
		Various regulations and guidelines.
		Legislation documents such as rules, regulations on the movement of tourists
		Such as regulations related to the safety of tourists.
Economic mechanism of the tourism sector	Management functions of tourism industry economy	Income and expenditure planning
		Accounting
		Control of financial resources
		Analysis of financial and economic activity
		Such as performance of the plan in terms of income

<sup>11</sup>Author's work, adapted to the tourism sector from the content developed by O.M. Pardaev. O.M. Organizational and economic mechanisms for increasing the efficiency of product storage and sales services. Monograph.–T.: "Science and Technology", 2017, pp. 88-89.

	Financing	and expenditure.
		At the expense of the owner of tourist organizations
		At the expense of domestic and foreign investors
		At the expense of public-private partnership
		Bank loans, etc.
	Encouragement	Financial incentives (rewards) of employees commensurate with the quality of service
		Taking various punitive measures for those who lower the quality of service
		Such as moral incentives based on work results.
	Planning various innovative factors related to digitalization	Adoption of long-term strategic programs for tourism development
		Planning of innovative factors to be implemented in the current period
		General innovative plan for the organization of tourist clusters and their effective use
		Such as planning and summarizing for each branch and division of tourism companies.
	Standardization	Determining the rate of costs for each firm and service type
		Establishing a time frame for tourists to travel
		Such as the rate of natural losses in ecological tourism

As can be seen from the table, in the explanation of the classification and groups of organizational and economic mechanisms (OEMs) in the tourism sector, we have seen that there are two main types (organizational mechanism and economic mechanism). We have also seen that each of these types is divided into several groups. We have also seen that each of these groups consists of many elements. All of these ultimately form the organizational and economic mechanism of the tourism sector. If each of these is used correctly, the effective development of the tourism sector will occur.

**Conclusions and suggestions.** In conclusion, in the current globalized environment, one of the main directions for the development of all types of tourism is to improve the organizational and economic mechanisms used in the sector. The practical application of this measure is of great importance not only in one country or region, but also on a global scale. Therefore, this issue is a cause for wide discussion and specific measures on an international scale. Based on this, we have developed the following recommendations.

**Firstly,** It is desirable to develop and implement the "Road Map" that ensures the introduction of organizational and economic mechanisms aimed at the development of tourism presented in the work to all stages of the tourism sector.

**Secondly**, In regions with developed tourism, it is advisable to increase the number of catering and trade enterprises and organize the sale of national products there, as well as the preparation of national dishes.

**Thirdly**, it is also desirable to organize workshops for the production of national products, various pottery workshops, and exhibitions of devices showing the conditions of hand-weaving carpets in the regions visited by tourists.

**Fourthly**, It is also appropriate to demonstrate the national living conditions of families in rural areas. In this regard, demonstrating situations such as milking, livestock breeding, and household use in natural conditions is also very important, especially for foreign tourists.

Ultimately, the implementation of these recommendations into the practice of tourism organizations will contribute to the successful implementation of the tasks set forth in the "Uzbekistan - 2030" strategy adopted in our country.

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