

A NEW THEORY OF ECONOMIC GROWTH: AN EVOLUTIONARY APPROACH*Jumayeva Z.B.**Asia international university*

Annotation: This article presents a new theory of economic growth. It integrates technological innovation, knowledge diffusion, institutional adaptability, sustainability, digital transformation and human capital development. It explores how economic policies can be adjusted to ensure long-term development in the contemporary world. It also provides additional insights on regulatory frameworks, global integration and financial system resilience.

Keywords: economic growth, innovation, knowledge diffusion, institutional adaptability, sustainability, digital transformation, entrepreneurship, policy-making, global integration, technological progress, human capital, financial resilience, infrastructure development.

Economic growth is a fundamental concern for economists, policymakers, and researchers. Traditional models, such as those proposed by Adam Smith, Robert Solow, and Paul Romer, have laid the groundwork for understanding how economies expand. However, with rapid technological advancements, globalisation, and shifting market dynamics, a new theory of economic growth is needed to reflect contemporary economic realities.

1. The New Theory's Core Principles

The new theory of economic growth integrates complexity science, institutional economics and technological innovation. It emphasises endogenous innovation cycles. This theory challenges traditional models that view technological progress as exogenous. It posits that innovation is cyclical and arises from systemic interactions between firms, governments and consumers. These cycles create self-reinforcing mechanisms that sustain economic expansion over time.

2. Knowledge Diffusion and Network Effects

Economic growth depends on the speed at which knowledge spreads across industries and nations. Technological knowledge, when effectively diffused, leads to exponential productivity gains and enhanced global competitiveness.

3. Institutional Adaptability

Strong institutions that can evolve with market changes are critical to sustaining growth. Governments and regulatory bodies must maintain flexible policies that support technological advancement, entrepreneurship and financial stability.

4. Sustainability and Inclusive Development

Modern economies must consider environmental constraints and social equity when fostering long-term growth. Sustainable development requires integrating environmental policies with economic strategies to ensure balanced progress.

5. Digital Transformation as a Catalyst

The role of artificial intelligence, blockchain, big data, and other digital technologies is fundamental in accelerating productivity and economic expansion. Digitalization reduces transaction costs, enhances efficiency, and creates new markets.

6. Human Capital Development

Education, skills development and lifelong learning are vital for a competitive workforce. Investing in human capital leads to more resilient and sustainable economic growth.

Implications for Policy and Practice

1. Invest in education and R&D. Governments and private enterprises must fund research, education and skill development to sustain innovation. Invest in STEM education, vocational training and research institutions.
2. Regulatory Frameworks for Emerging Industries
It is essential that policymakers create flexible regulations that adapt to technological breakthroughs. Regulatory sandboxes and innovation-friendly policies must be implemented to ensure that new industries can flourish without excessive constraints.
3. Encouraging Entrepreneurial Ecosystems
It is vital to support startups and SMEs through financial incentives, business incubators, and infrastructure development. Reducing barriers to market entry is key to fostering creativity and economic diversification.
4. Sustainability-Oriented Policies
Economic models must integrate green technologies, renewable energy sources and circular economy principles to ensure long-term viability. Climate policies must align with economic growth strategies.
5. Global Economic Integration
Enhancing international cooperation in knowledge-sharing, trade and technological exchange is vital for more resilient growth patterns. Participation in global supply chains and innovation networks strengthens economic competitiveness.
6. Invest in high-quality infrastructure. This means investing in transportation, telecommunications and digital connectivity. This is essential for enhancing economic productivity and innovation.
7. Make the financial system resilient. A well-functioning financial system is necessary for economic stability. It is vital to balance financial innovation with risk management. This will prevent crises while fostering economic dynamism.

Conclusion

The new theory of economic growth is clear: it shifts the focus from purely capital accumulation and productivity increases to a more holistic approach. This approach incorporates innovation, institutional adaptability, sustainability, and human capital development. By understanding and implementing these principles, economies can achieve robust and resilient long-term growth. The role of technology and policy coordination is vital in shaping a future where economic progress benefits all.

References:

1. Алимова, Ш. А. (2025). ВЛИЯНИЕ МЕЖДУНАРОДНЫХ САНКЦИЙ НА ЭКОНОМИКУ УЗБЕКИСТАНА В 2023-2024 ГОДАХ: АНАЛИЗ И ПРОГНОЗЫ. MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS, 1(6), 97-103.
2. Алимова, Ш. А., & Тошов, М. Х. (2025). ЭКОНОМИЧЕСКОЕ ЗНАЧЕНИЕ РАЗВИТИЯ ТУРИЗМА В УЗБЕКИСТАНЕ: АНАЛИЗ СОВРЕМЕННОГО СОСТОЯНИЯ И ПЕРСПЕКТИВ. STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS, 1(4), 137-144.
3. Алимова, Ш. А., & Тошов, М. Х. (2025). ЦИФРОВИЗАЦИЯ КАК ФАКТОР РАЗВИТИЯ ТУРИЗМА В УЗБЕКИСТАНЕ. MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS, 1(4), 259-266.

4. Алимова, Ш. А., & Тошов, М. Х. (2025). РОЛЬ ТРАНСПОРТНОЙ ИНФРАСТРУКТУРЫ В РАЗВИТИИ ТУРИЗМА В УЗБЕКИСТАНЕ. MODERN EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS, 1(5), 180-186.
5. Bahodirovich, X. B., & Mahmudovna, Q. G. (2025). TIJORAT BANKLARINING MOLIYAVIY XIZMATLARI. STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS, 1(4), 223-230.
6. Azimov, B. F., & Qudratova, G. M. (2025). INNOVATSIYALARNI QO 'LLAB-QUVVATLASHNING TASHKILIY TUZILMALARI: INFRATUZILMAVIY TASHKILOTLAR. ANALYSIS OF MODERN SCIENCE AND INNOVATION, 1(5), 25-34.
7. Azimov, B. F., Maksudovich, A. Z., & Qudratova, G. M. (2025). INNOVATIVE ACTIVITY AS A FACTOR IN ECONOMIC DEVELOPMENT. Ethiopian International Journal of Multidisciplinary Research, 12(01), 453-459.
8. To'rayevna, O. M., & To'rayevna, S. N. (2025). KORXONALARNI STRATEGIK RIVOJLANISHIDA XODIMLAR VA MEHNAT MOTIVATSIYASI TIZIMI. MODERN EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS, 1(7), 6-14.
9. Bobojonova, M. J., & Sodiqova, N. T. (2025). YASHIL IQTISODIYOTGA O 'TISH VA BARQAROR TEXNOLOGIK O 'ZGARISHLAR. ANALYSIS OF MODERN SCIENCE AND INNOVATION, 1(5), 183-194.
10. Bahodirovich, X. B., & To'rayevna, S. N. (2025). COMPANIES' FINANCIAL STATEMENT: CONCEPTS AND PRINCIPLES. THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD, 1(3), 281-289.
11. Bahodirovich, K. B., & To'rayevna, S. N. (2025). PORTFOLIO RISK MANAGEMENT. MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS, 1(4), 380-387.
12. Bahodirovich, X. B. (2025). MOLIYAVIY NAZORAT TURLARI, SHAKLLARI VA METODLARI. THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD, 1(4), 68-78.
13. Bahodirovich, X. B. (2025). BYUDJETDAN TASHQARI FONDLAR-UMUMDAVLAT MOLIYASINING BO 'G 'INI SIFATIDA. MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS, 1(5), 97-105.
14. Hakimovich, T. M. (2025). HUDUDLARNI STRATEGIK REJALASHTIRISH VA BOSHQARISHNING ASOSIY BOSQICHLARI. ANALYSIS OF MODERN SCIENCE AND INNOVATION, 1(4), 225-232.
15. Hakimovich, T. M. (2025). HUDUDLAR IQTISODIYOTINI RIVOJLANTIRISH STRATEGIYASINI SHAKLLANTIRISHNING AHAMIYATI. THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD, 1(3), 157-166.
16. EI, I. JAHON SAVDO KO 'RSATKICHLARI ISTIQBOLI VA BUNDA O 'ZBEKISTON EKSPORTCHI KORXONALARI UCHUN IMKONIYATLAR.
17. EI, I. (2025). THEORETICAL AND CONCEPTUAL FOUNDATIONS OF TAX BURDEN OPTIMIZATION. Ethiopian International Journal of Multidisciplinary Research, 12(01), 355-358.
18. Ibdulloevich, I. E. (2025). DEVELOPMENT DIRECTIONS OF INNOVATIVE ENTREPRENEURSHIP IN UZBEKISTAN. SHOKH LIBRARY.

19. Raxmonqulova, N. O. (2025). DEVELOPMENT OF THE DIGITAL ECONOMY ON A GLOBAL SCALE AND THE EXPERIENCE OF COUNTRIES. SHOKH LIBRARY.
20. Raxmonqulova, N. O. (2025). TASHKILOTNING XALQARO BOZORDA MUVAFFAQIYATLI FAOLIYAT YURITISH USULLARI. The latest pedagogical and psychological innovations in education, 2(1), 8-14.
21. Azimov, B. F. (2025). INNOVATSIYALARNI QO 'LLAB-QUVVATLASH XIZMATLARI: SPANIYA, POLSHA VA BOLGARIYA TAJRIBALARI. THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD, 1(4), 12-23.
22. Azimov, B. F. (2025). THE IMPORTANCE OF INNOVATION SUPPORT AND DEVELOPMENT OF INDUSTRIAL PARKS, ITS EVOLUTION. International journal of advanced research in education, technology and management, 4(1), 333-347.
23. Azimov, B. F. (2025). INNOVATSIYALARNI QO 'LLAB-QUVVATLASH VA RIVOJLANTIRISHDA TEXNOPARKLARNING EVOLYUTSIYASI. ANALYSIS OF MODERN SCIENCE AND INNOVATION, 1(5), 45-54.
24. Shadiyev, A. X. (2025). METHODS OF TEACHING THE "ECONOMIC THEORY". SHOKH LIBRARY.
25. Shadiyev, A. X. (2025). DEVELOPMENT OF THE CURRICULUM FOR ECONOMIC DISCIPLINES IN PRIVATE UNIVERSITIES. FARS International Journal of Education, Social Science & Humanities., 13(1), 389-396.
26. Akbarovna, N. N. (2025). PROBLEMS OF INCREASING INVESTMENT ACTIVITY IN THE CONTEXT OF GLOBALIZATION. SHOKH LIBRARY.
27. Akbarovna, N. N. (2025). BYUDJET TIZIMINI ISLOH QILISHNING ASOSIY YO 'NALISHLARI. MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS, 1(5), 80-86.
28. Akbarovna, N. N. (2025). MENEJER FAOLIYATINING FUNKSIONAL VAZIFALARI VA UNING MADANIYATINING AHAMIYATI. MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS, 1(4), 354-362.
29. Bazarova, M. (2023). EFFECTIVENESS OF USING PR-ADVERTISING SERVICES IN THE PROCESS OF PRODUCT DELIVERY ON THE EXAMPLE OF BUKHARA REGION. Modern Science and Research, 2(12), 506-512.
30. Supiyevna, B. M. (2025). INSON SALOHİYATINI MEHNAT POTENSIALI RIVOJLANTIRISHNING MOHIYATI. ANALYSIS OF MODERN SCIENCE AND INNOVATION, 1(6), 197-204.
31. Supiyevna, B. M. (2025). O'ZBEKISTON RESPUBLIKASIDA KICHIK BIZNES VA XUSUSIY TADBIRKORLIK RIVOJLANTIRISH TENDENSIYALARI. MODERN EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS, 1(7), 315-322.
32. Supiyevna, B. M. (2025). O 'ZBEKISTON IQTISODIYOTINI BARQAROR O 'SISHINI TA'MINLOVCHI OMILLAR. THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD, 1(5), 142-151.
33. Bostonovna, D. Z. (2023). CONCEPTUAL BASIS OF IMPROVEMENT OF BANK AUDIT IN COMMERCIAL BANKS. IMRAS, 6(6), 118-124.
34. Bustonovna, J. Z. (2024). IQTISODIYOTNI TARTIBGA SOLISHDA DAVLATNING ROLI.
35. Bustonovna, J. Z. (2024). IQTISODIYOTNI MODERNIZATSIYALASH SHAROITIDA MEHNATNI SAMARALI TASHKIL QILISHNING ASOSIY YO'LLARI.

36. Jumayeva, Z. (2024). IMPORTANCE OF INDUSTRIAL NETWORKS IN THE SUSTAINABLE GROWTH OF THE ECONOMY OF UZBEKISTAN. *Modern Science and Research*, 3(2), 257-262.
37. Bobojonova, M. J., & Toshev, M. H. (2025). INKLYUZIV YASHIL IQTISODIYOT VA UNING HOZIRGI KUNDAGI HOLATI TAHLILI. *MODERN EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS*, 1(6), 197-205.
38. Bobojonova, M. J., & Toshev, M. H. (2025). YASHIL TRANSFORMATSIYA: BARQARORLIKNING YANGI DAVRI. *STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS*, 1(5), 102-110.
39. Bobojonova, M. J., & Toshev, M. H. (2025). YASHIL IQTISODIYOTDA BIOXILMAXILLIK VA BIOXILMA XILLIKNING AFZALLIK TOMONLARI. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS*, 1(5), 170-178.
40. Jumayeva, Z. Q., & Gulyamova, N. G. (2025). O 'ZBEKISTONDA MINTAQANI KOMPLEKS RIVOJLANTIRISHNI DAVLAT TOMONIDAN TARTIBGA SOLISH. *THEORY OF SCIENTIFIC RESEARCHES OF WHOLE WORLD*, 1(5), 152-159.
41. Жумаева, З. К., & Ахмедова, Ф. Р. (2025). РОЛЬ ТОРГОВОЙ ПОЛИТИКИ В ОБЕСПЕЧЕНИИ КОНКУРЕНТОСПОСОБНОСТИ НАЦИОНАЛЬНОЙ ЭКОНОМИКИ: СОВРЕМЕННЫЕ ПОДХОДЫ. *MODERN EDUCATIONAL SYSTEM AND INNOVATIVE TEACHING SOLUTIONS*, 1(7), 323-330.
42. Jumayeva, Z. Q., & Matkarimov, G. (2025). MINTAQADA FAOL INVESTITSIYA SIYOSATINI IQTISODIYOT TARMOQLARINI O 'SISHIGA TA'SIRI. *ANALYSIS OF MODERN SCIENCE AND INNOVATION*, 1(6), 205-212.
43. Жумаева, З. К. (2024). Мобильный Маркетинг Как Эффективное Средство Стимулирования Сбыта Товаров И Услуг. *Miasto Przyszłości*, 54, 697-702.
44. To'rayevich, I. A., & AD, S. (2025). MILLIY IQTISODIYOTGA XORIJIY INVESTITSIYANI JALB QILISH. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS*, 1(5), 29-38.
45. To'rayevich, I. A., & AD, S. (2025). INVESTITSIYALARNI JALB QILISH VA BOSHQARISHNING XORIJIY TA'JIRIBASI. *STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS*, 1(5), 12-22.
46. To'rayevich, I. A., & AD, S. (2025). O 'ZBEKISTON RESPUBLIKASIDA MOLIYA TIZIMI VA UNING IQTISODIYOTIDA TUTGAN O 'RNI. *MODERN PROBLEMS IN EDUCATION AND THEIR SCIENTIFIC SOLUTIONS*, 1(5), 64-75.
47. Sadilloeyvna, D. M. (2025). Prospects for Investments in Modernization of the Economy in the Agricultural Sector. *Ethiopian International Journal of Multidisciplinary Research*, 12(01), 217-222.
48. Джураева, М. С., & Алимова, Ш. А. (2025). АНАЛИЗ ТОЧКИ БЕЗУБЫТОЧНОСТИ И МАРЖИНАЛЬНОЙ ПРИБЫЛИ. *STUDYING THE PROGRESS OF SCIENCE AND ITS SHORTCOMINGS*, 1(4), 88-94.
49. Мусаева, Ж. К. "Факторы развития наукоемкой цифровой экономики.«Проблемы и перспективы занятости в условиях развития цифровой экономики». *Международная научно-практическая конференция. Самарканд, октябрь, 2021.*" 505-509.
50. Мусаева, Ж. К. "Роль и значение экономических знаний в произведениях Алишера Навои." *FORMAT*: 98.