

ECONOMIC SECURITY OF FERROUS METALLURGY

HASHIMOVA SALIMA NIGMATULLAEVNA

Candidate of Economic Sciences,
Associate Professor of Tashkent State Technical University

IBRAGIMOVA SAODAT ABDUMUMINOVNA

Candidate of Economic Sciences,
Associate Professor of Tashkent State Technical University

ABSTRACT:

The article analyzes the economic security of ferrous metallurgy on the example of enterprises of the APO "Uzmetkombinat", reveals the meaning of the concept of economic security of ferrous metallurgy, identifies the main threats affecting its functioning, and also shows their relationship with the definition of functional components of the economic security of ferrous metallurgy

KEYWORDS: ferrous metallurgy, steel production, threats, algorithm, development priorities.

INTRODUCTION:

Industry is one of the leading sectors of the national economy, which has a significant impact on the level of economic development of the country, since more than 30% of the gross domestic product is created in the industrial sector. An important role in industrial production is played by metallurgy, the contribution of metallurgy to the GDP of Uzbekistan is 7.6%, the volume of exports of metals is 8.2% of the total volume of exports. (1). which is based on ferrous metallurgy.

Ferrous metallurgy is the basis for the development of leading sectors of the economy not only of our state, but of the whole world, since it provides such industries as construction, mechanical engineering, energy and defense with the necessary products.

Metallurgical companies, like any companies, in modern market conditions play a fundamental role in the development of the state's economy, since it is in them that the main economic processes take place, the state's "margin of safety" is created and increased, the national income is formed, and the solution of social problems and industrial relations are formed. Therefore, the need to ensure a state of economic security is especially important.

Economic security is the material basis of national security. She acts as the guarantor of sustainable stable development of the country of its independence.

According to the author, the essence of ensuring economic security in the real sector of the economy is defined as the purposeful activity of business entities to achieve such a state of organized, industrial and legal relations, material and intellectual resources, which ensures the stability of functioning, financial and commercial success, progressive scientific and technical development basic sectors of the economy. The content of the economic security of the real sector, the economy can be defined as the state of protection of its interests from internal and external threats, suggesting the ability to provide the required amount of natural and cost elements of expanded reproduction of the finished product.

According to the proposed algorithm, the problems of economic security in the activities of the real sector of the economy should be considered in the system: needs, interests,

threats, indicators, threshold values, protection. The author's approach is shown in Fig. 2 (5)

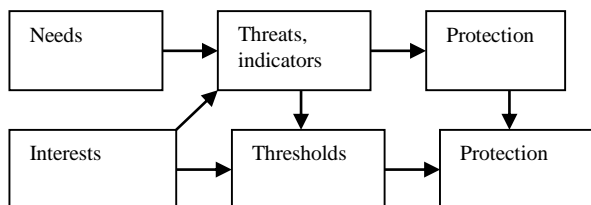


Fig 1. Algorithm for ensuring economic security in the real sector

As the key national interests of Uzbekistan in the metallurgical industry and in the real sector in general, this article highlights: economic independence, stability, stability, and the ability to self-development and progress.

1. Economic independence. It is not of an absolute character because specialization and social division of labor makes isolated commodity producers interdependent on each other (for example, ferrous metallurgy and mechanical engineering, mechanical engineering and the need for agricultural machinery, etc.). Economic independence means the ability to control production resources, the achievement of such a level of production, efficiency and quality of products, which ensures competitiveness and allows you to participate on an equal footing in domestic and world trade, cooperation and exchange of scientific and technological achievements.

2. Stability and sustainability of real sector enterprises. These elements presuppose the protection of all forms of ownership, the creation of reliable conditions and guarantees for entrepreneurial activity, the containment of factors capable of destabilizing the situation (the fight against criminal structures in the economy, the prevention of significant industry differentiation in the distribution of income, the prevention of the artificial creation of insolvency and bankruptcy states).

3. Ability for self-development and progress.

Creation of a favorable climate for investment and innovation, constant modernization of production, improving the quality of vocational education and the general cultural level of the work collective are becoming necessary and mandatory conditions for the sustainability and self-preservation of enterprises in the real sector, including industry, agriculture, communications, trade and public catering.

The main complex of threats and the main reasons for the current disadvantage of many enterprises in the real sector of the economy of Uzbekistan lie in:

- Shortcomings in providing raw materials for products that are in demand in the domestic and foreign markets, in their insufficient competitiveness;
- Limited investment resources, increased inflation and costs of the current system of taxation of commodity producers;
- Failure of the state to fulfill its obligations to pay for orders for its needs;
- Ineffective methods of institutional transformations, entailed by the fragmentation of production complexes into smaller ones, and, as a consequence, an increase in transaction costs.
- Customs and currency barriers at the borders of the CIS countries, which destroyed their once common economic space, and other table1. (5)

Table 1. Direct and indirect threats to security in the steel industry

Real sector security threats [5.]	
Direct threats	Proxy threats
1	2
1. High rates of production growth 2. High age level of fixed assets 3. Lack of innovation potential. 4. Excess of material and energy consumption of products in comparison with the norms.	1. Low level of provision of the country in metal products. 2. The industry's dependence on raw materials. 3. Dependence on imports of equipment and technology

Of all the possible types of threats to economic security by a ferrous metallurgy enterprise - catastrophic (natural and man-made), informational, competitive, criminal, associated with the incompetence of the owner in production, financial and institutional issues, organizational and a number of others, one should single out and consider those that are directly aimed at destruction or weakening of the potential of the real sector under the influence of external, (exogenous) factors determined by the shortcomings of scientific and industrial policy, the state in the real sector of the economy.

The economic damage inflicted on an entity may be associated with its inability to resist competition and be the result of its internal (endogenous) factors, for example, poor management.

Modern threats to economic security in the iron and steel industry are manifested in two main areas.

- The use of state property when it not only does not generate income, but is also an object of corruption and crime;

- Management of joint-stock corporate property and its dynamics damages society and the state by the emergence of social tensions, as well as the withdrawal of property from taxation and control.

For one of the basic sectors of the real sector - metallurgy, which is in the stage of major structural transformations, one of the key issues remains the problem of ownership:

First, the forms of ownership are associated with the formation of a complex complex of commodity-money relations that determine the development of the economic system.

Secondly, property relations have a major impact on the formation of the socio-political system of society and the structure of its local bodies, which determine the stability of the entire state system.

Thirdly, property relations, their validity, well-functioning play an exceptional role in a market economy, in increasing its competitiveness through the mechanism of assimilating new forms of investment and innovation management.

The main enterprise of ferrous metallurgy in Uzbekistan is the Joint-Stock Production Association (APO) Uzbek Metallurgical Plant in the city of Bekabad, transformed from a state-owned plant into a joint-stock company. Currently, special attention is required to the issue of raw materials supply for the production of metal products in the process of denationalization of the industry, it is necessary to take into account the fact that the law, analysis of its division into separate powers, which, in different combinations, form the specific content of the property of individual owners for a certain subject. (No.)

Metal products are widely used in solving the most important issues in the social sphere, in particular to provide the communal and household sector with cold and hot water supply, sewerage, gas, etc.

Therefore, the state must take control over the prevention of man-made and social disasters. Which may occur in the absence of investment in the real sector. In particular, the following threats to national security are highly likely:

- Critical deterioration of the infrastructure of many cities and towns, the crisis state of the municipal economy, due to the deterioration of the production apparatus in the electric power industry and other branches of the fuel and energy complex (FEC).

- Deterioration in the work of transport due to wear of tracks, rolling stock and other vehicles.

The main directions of ensuring economic security at ferrous metallurgy enterprises include: (2)

-Optimal strategy for providing all sectors of the real sector of the economy with metal products;

- Modernization of fixed assets and ensuring technological independence and achieving high competitiveness of the technical potential of the enterprise;

- Accelerated introduction of energy and resource saving technologies, reduction of material costs, and achievement of an optimal and effective organizational structure of enterprise management;

- Achievement of a high level of qualifications of personnel and their intellectual potential;

The implementation of the directions of ensuring the economic security of the enterprise creates conditions not only for the stability of its functioning, but also for increasing the efficiency of its financial and economic activities, and also contributes to increasing the economic potential of the sectors of the economy of Uzbekistan.

Thus, the development and implementation of an integrated system for ensuring the economic security of enterprises, which makes it possible to predict threats to economic security and will make it possible to qualitatively influence the general financial condition of a particular enterprise, which, ultimately, will have a positive effect not only on the activities of the enterprise itself, but will also have an impact on recovery of the country's economy as a whole.

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