

THE IMPORTANCE OF INVESTMENTS IN ENSURING THE ECONOMIC SECURITY OF THE COUNTRY

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ABSTRACT:

In this article, the issues of attracting investments to the economy of our country and their role in the field of foreign trade, as well as the economic essence of investments and foreign economic activity, an important factor in ensuring sustainable economic growth and state management in the implementation of its active investment policy, including Information about investment processes in the economy of Uzbekistan is provided.

Keywords: Investments, economic security, attracting investments, state investments, foreign investments, private investments, financial (Portfolio) investments, real investments, foreign trade turnover.

Introduction

In the conditions of modernization of the economy, investment activities are of great importance. The level of development of each country, that is, the development and economic growth of the economy, largely depends on the investment processes in the country. Sustainable economic development of any society cannot be imagined without investments. It is especially evident today that the future growth of any country depends on the state of investment attraction.

We all know that when reforms and innovations are implemented on their own, the end result may not be as expected or the expected result may be achieved later. That's why all sectors will be supported by the government to the required extent in the development of new economic system and relations, which will guarantee the effectiveness of the ongoing reforms. The gradual implementation of economic reforms and renewals in our country, and the role of the state as the main reformer in this process, is a special impetus for the country's transition to a market economy. This process requires making many new and important decisions for the economy of our country regarding attracting investments and regulating their management.

"Increasing the effectiveness of attracting foreign direct investments to the economy of the republic, informing foreign investors about the opportunities and potential of our country, improving the coordination of the activities of state and economic management bodies, local executive authorities in the field of attracting and developing foreign investments, as well as in 2017-2021 Uzbekistan A lot of work is being done in order to fulfill the tasks defined in the State Program on the implementation of the Strategy of Actions on the five priority directions of the Republic's development in the "Year of Active Investments and Social Development" [2].

Today, Uzbekistan has all the economic, political and legal grounds to become one of the countries receiving large foreign investments. But this does not mean that everything has been done to attract foreign investors in Uzbekistan. Now, based on these principles, there are issues of improving the

mechanisms of investment attraction. World experience shows that strategic investors direct a large amount of funds, first of all, to a country whose economy is developing stably and consistently based on its internal capabilities. It is only in such countries that the invested funds can be saved and aimed at receiving stable profits. Domestic and foreign investors are primarily interested in favorable and favorable prospects in business, not minimum tax benefits.

Analysis of the Literature on the Topic:

There are different views and opinions among economists about the economic nature and content of investments. This word can be used both in a broad sense and in a narrow sense. The meaning of the concept of "investment" has not yet been given a final definition, and different definitions are given in different fields of economic science based on the purpose, tasks, source, characteristics of the areas and objects of investment.

Russian economist L. Igoshina defined it as "Investment is defined as any instrument that can be used to save money, increase it or provide a positive amount of income" [5].

Professor A. Neshitoy, the author of the "Инвестиции" textbook, describes the content of investments as follows: "... money directed to the implementation of entrepreneurial projects, socio-economic programs, and innovation projects in various sectors of one's own or another country in order to gain profit or achieve other results. is to invest funds (capital) for the long term" [4].

Research Methodology:

Statistical, analytical, comparative, observational, inductive, deductive, logical, monitoring, express-evaluation and other analysis methods were used in the research process. As a result of the studied literature, the topic was fully covered. Reforms carried out in cooperation with foreign countries were reviewed. Tables were formulated and compared accordingly.

Analysis and Results:

Since the years of independence, our country has been following a unique economic development path of transition to a market economy. Investment policy is very important in this way. Because investments stimulate the implementation of structural changes in the economy, technical and technological updates, and the reconstruction of enterprises, it creates an opportunity to increase the country's export and import potential. In this regard, the state of Uzbekistan is conducting its structural investment policy [3].

Investment policy is a set of mechanisms and methods aimed at developing and supporting priority sectors of the economy, transitioning from a centralized investment process to a decentralized investment process, and supporting priority investment projects. In the implementation of the state investment policy, more priority is aimed at establishing small business entities, enterprises with foreign investment, as well as eliminating existing shortcomings, quickly solving problems, and thus creating a favorable economic and investment environment for investment participants to be able to move freely. State investment policy consists of regional, sector and enterprise investment policy, and they are interrelated. Regional investment policy is a set of measures carried out in the region, which allows for effective use of investment, taking into account the interests of the population, the region and investors. Network investment policy is to support the development of the country's economy, export industrial products, establish import-substituting production, and support science and technology development through investment.

Investment (Latin: investio — "wrapping") is a long-term investment of capital in various industries, socio-economic programs, innovation, business projects in one's country or abroad in order to develop the economy. According to the theory of the time value of money, investment is putting funds in order to get benefits in the future. Investment means to commit or reserve capital for a certain period of time. The main purpose of this is to maintain the capital value or, if not, to increase the capital value over time. In terms of economic content, investment reflects tangible and intangible assets mobilized for various activities and the rights to them. Investments include money, securities (shares, bonds, certificates, promissory notes), assets such as land, buildings, structures, intellectual property scientific discoveries, inventions, etc. is used. Investors can be the state, company, enterprise, foreign citizens, residents and others.

It has the following types:

state investment - made at the expense of the state budget and financial sources; foreign investment - made by foreign countries, banks, companies, entrepreneurs; private investment is made at the expense of private, corporate enterprises and organizations, citizens' funds, including personal and attracted funds. Depending on the form of investment, it is divided into financial (portfolio) and real (production) investment. Financial (portfolio) investment — shares, bonds, etc. investment in the purchase of securities; real investment is carried out in the form of long-term investments in material production (industry, agriculture, construction, etc.), material activities. In the world experience, investment financing is carried out in various ways and forms, including joint ventures and placement of shares, budget funds, bank loans, leasing, foreign direct investments, mortgages, off-budget special funds, depreciation and other funds of economic entities.

In the next period, investment cooperation developed in international economic relations. Such cooperation has real, financial, intellectual forms (granting licenses, know-how, spending money on collaborative scientific developments, etc.).




Investment cooperation serves to solve global and national problems. Direct investment in the world is growing actively: in the mid-1980s, the total annual investment volume worldwide was 450 billion dollars, and by the mid-1990s, the investment volume exceeded 2 trillion dollars.

In the period of transition to a market economy in the Republic of Uzbekistan, investment is being used effectively in implementing structural changes in the republic's economy. In the Republic of Uzbekistan, since 1996, the government of the Republic of Uzbekistan has implemented a State Investment program, which consists of capital investment limits, foreign investments and government-guaranteed loans, as well as a program of constructions with direct foreign investment and loans. accepts the program. State budget funds, foreign investments, own funds of enterprises and population savings participate in making investments in the republic's economy. In the republic, a network of privatization investment funds (XIF) and companies that implement collective investment of the population in securities has developed. In 2000, about 700 billion soums, including 810 million US dollars, were invested in the country's economy from the total sources of financing. 30.3% of it comes from the republic budget, 39.1% from the funds of enterprises and residents, 7.5% from bank loans, etc. debt funds, 21.7% foreign investments and loans, 1.4% extra-budgetary funds. "On Foreign Investments and Guarantees of Foreign Investors' Activities" (May 5, 1995), "On Investment Activities" (December 12, 1998), "Guarantees of Foreign Investors' Rights and Their Protection" in creating the legal basis for investment activities in the Republic "On Measures" (April 30, 1998), "On Foreign Investments" (April 30, 1998), "On Leasing" (April 14, 1999), "On Protection of Investors' Rights in the Stock Market " (August 30, 2001) laws were of great importance. In investing, investors face many risks related to the investment environment in each country. Therefore, it is important to insure investments, especially

foreign investments. "Uzbekinvest" national export-import insurance company established in 1994 operates in the field of insurance of foreign investments in Uzbekistan[1].

Today, Uzbekistan has trade relations with more than 170 countries of the world. A relatively significant share of TSA is the Russian Federation (16.7 percent), the People's Republic of China (16.6 percent), Kazakhstan (8.3 percent), the Republic of Korea (7.4 percent), Turkey (5.6 percent), It was recorded in the Kyrgyz Republic (2.0 percent) and Germany (2.0 percent).

Countries with the highest foreign trade turnover with the Republic of Uzbekistan. (January - December 2020, USD)

(Top 5) Countries	Foreign trade turnover	Export	Import
 China Republic	4610,4 mln	1371,5 mln	3239,0 mln
 Russia Federation	4,5 bln	1,2 bln	3,3 bln
 Kazakhstan	2,3 bln	729,4 mln	1,5 mln
 Corean Republic	1,8 bln	38,4 mln	1735,1 mln
 Turkey	1654,8 mln	785,8 mln	869 n

Among the 20 largest partners in foreign economic activity, an active foreign trade balance was observed in six countries, in particular, Afghanistan (213.7 million rubles). US dollars), Kyrgyz Republic (138.8 million. US Dollars), Tajikistan (93.7 million. US dollars), Turkey(42.8 million. US dollars), France(23,6 million. US dollars) and Iran(8,0 million. US dollars) are among them. A passive foreign trade balance remains with the remaining 14 states [3].

The ultimate result of the reforms carried out in the field of foreign economic activity of the country, in particular, in the field of foreign trade, has a direct impact on the growth of the standard of living of the population.

In January-December 2020, the share of the states of the Commonwealth of Independent States (CIS) in the foreign trade turnover of Uzbekistan amounted to 32.6%, the share of the states of the Eurasian Economic Union (EAEU) - 27.1%.

The volume of exports in foreign trade turnover is 13.3 billion. dollars, and imports-16.7 billion. made up the dollar. At the same time, exports of goods amounted to 5.9 billion. having reached the dollar, the largest part of them corresponded to industrial goods. And imports of goods totaled 15.7 billion. the dollar was 37.8 percent of which was occupied by machines and transport equipment. Over the past period, the largest trading partner of Uzbekistan has been the people's Republic of China. The total volume of foreign trade turnover between the two countries is 5.1 billion. so 1.57 billion dollars. export in dollars,3.5 billion. and the dollar corresponds to imports. According to SSC, an active foreign trade balance has been observed in five countries from among 20 major foreign economic activity partners. In particular, Afghanistan (607.7 million. dollar), Kyrgyzstan(508.4 million. dollar), Tajikistan (242.3

million. and Iran (40.9 million dollars). dollar) is one of these. A passive foreign trade balance remains with the remaining 16 states [3].

In conclusion, it should be noted that the implementation of investment projects, foreign investment in the state, the implementation of fundamental changes in the economy by attracting new foreign equipment and technologies to our country, including industrial production and service, and this is a guarantee of the establishment of new jobs in the economy, an improvement in the standard of living of the citizens, the stability of the economy, as well as the provision of state economic security.

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