

Economic Factors of Investment Increase in the Context of Globalization

Abdullov Asliddin Junaydullaevich

Associate Professor of Bukhara State University, Uzbekistan

Eshmurodov Adkhamjon Rakhmonjonovich

Master student of Bukhara State University, Uzbekistan

Abstract:

This article discusses the features of improving the investment climate in the country in the current conditions of investment financing, as well as the fact that the socio-economic development of the country depends on the volume and composition of investments in various sectors of the national economy. It is planned to develop discussions and conclusions about special attention to the formation of an attractive environment for attracting investment funds in the region.

Keywords: Investment, Foreign investment, Direct investment, Investment climate, Investment attractiveness, Gross domestic product, Investor, Investment activity and Investment financing.

I. Introduction

The policy of attracting foreign investment for the development of priority sectors of the economy in the Republic of Uzbekistan - the proper use of available funds, time and opportunities, effective management of wealth based on the created conditions and thus boosting the country's economy, encouraging its integration into the world economic system. aimed at active involvement and rational use of them.

The socio-economic development of the country depends on the growth of incomes, improvement of living conditions, mainly on the volume and composition of investment funds attracted to various sectors and industries of the national economy. Therefore, it is inevitable that each state will pay special attention to creating an attractive environment for attracting investment in its territory.

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It is important to study the investment attractiveness of Uzbekistan, which aims to bring the country's socio-economic development of developing countries in the near future, to develop

proposals and recommendations to increase investment on the basis of domestic capital and foreign investment.

II. Literature Review

As for the views of economists on the analysis of sources that provide financial support for investment activities, the theoretical aspects of market mechanisms of financing investment activities have been studied by a number of economists. For example, prof. According to Mirkin, a realistic, promising form of investment financing is to increase the placement of companies' funds in the secondary market in equity, but the source level of investment financing is very low (Mirkin Ya, 2002).

Well-known economist U. Sharp also pays special attention to the mechanism of financing investment activities through the stock market. In his view, a prudent investment strategy that has a direct link between the profitability and risk of securities is the basis for financing investment activities. Financial intermediaries (commercial banks, savings and credit unions, credit unions, insurance companies, mutual aid funds, pension funds) indirectly provide corporations with the opportunity to raise additional funds from the stock market (Sharp Hydr, 2001).

Economist NG Karimov conducted research on "Introduction of market mechanisms for investment financing" aimed at improving the mechanism of financing investment activities through the securities market and commercial banks, as well as the analysis of investment attractiveness of securities (Karimov, 2007).

In our opinion, the opinion of J. Mirkin on the mechanism of financing investment activities through the stock market has a special scientific and practical significance. This is due to the fact that in many CIS countries, a high level of risk in investing in corporate stocks and bonds and low investor confidence are the main reasons that hinder the development of the stock market. According to U.Sharp's opinion on the role of financial intermediaries in the financing of investment activities, they are one of the active subjects of financing investment activities.

In some literatures, the total type of financial, property and intellectual investment in various industries, investment projects for the purpose of developing production, entrepreneurship, profit or other end results is called investment (Melkumov Ya, 2003). According to these authors, investments are resources spent on expanding or renewing production, that is, increasing real capital. But, it should also be noted that investments are not only resources spent on raising real capital, these resources are also spent on tangible, intangible equity, but the source level of investment financing is very low (Mirkin Ya, 2002).

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Uzbek scientists: "Investment is the use of financial, material and intellectual resources at the disposal of individuals and legal entities, regardless of the form of ownership, or any state-owned business in order to obtain economic and social benefits" (Aladyin, 2002). In our opinion, the definitions given by the above authors to the concept of "Investment" are in line with current conditions and the requirements of a market economy.

Materials and methods

This article examines the scientific works of economists from Uzbekistan and abroad on the analysis of sources that provide financial support for the implementation of investments and the attractiveness of the investment environment. Comparative analysis of the literature and methods of substantiation of the hypothesis were used as research methodology.

Discussion and results

It should be noted that at the current stage of development of the world community, no country can achieve socio-economic development without investment. Countries that have not been able to attract investment resources to the national economy in a timely manner and are experiencing cash shortages are likely to lag behind in socio-economic terms. In this case, one of the best solutions to the problem is to attract capital resources from developed countries with surplus funds to the economies of developing countries. The following tasks can be solved with the help of investments.

First, the investment will allow to build new enterprises, create new jobs, which will be in demand in the domestic market, producing products that will replace imported goods.

Second, it expands the production capacity of enterprises operating in the country and increases their private capital.

Third, there will be technological renewal in the national economy, new equipment and modern equipment will be installed at enterprises. As a result, national products that can compete in the world market will be produced.

Fourth, national producers will be able to implement promising projects at the expense of loans.

Fifth, the integration of the national economy into the world economy will take place.

Investors' investment in the national economy largely depends not only on the rating of enterprises or the results of economic activity, but also on the geopolitical location of the country and the domestic policy pursued by the state. Investors choose the most stable countries to invest in. That is why all countries of the world try to do their best to reduce investment risk as much as possible. In

our country, a number of measures are being taken to increase the attractiveness of the investment climate in the national economy.

Uzbekistan has the following conditions for attracting foreign investors:

- political stability;
- formation of the legal framework for the protection of private property and competition;
- construction of infrastructure to support the investment process;
- favorable geographical location of the country;
- high potential for the development of the agroindustrial sector and the richness of the country's mineral resources;
- availability of highly qualified labor resources;
- sufficient width of the domestic market for trade.

In order to increase the volume of investments in the national economy on the basis of domestic investments, the following work should be done:

- improving the existing mechanism for converting funds into investments
- attracting by banks the monetary resources available to the population, whether in national or foreign currency, and providing them to businesses as loans
- attracting funds collected by the population to the investment process through the Tashkent Stock Exchange, etc.

It is obvious that more intensive attraction of domestic investment in the national economy requires a step towards improving the mechanism of directing available capital resources in the country to the economy.

An alternative to domestic investment in increasing the volume of investment in the national economy is only foreign investment and credit. Therefore, today it is necessary to study and review all available resources and reserves related to attracting foreign investment to the national economy, to work on improving the mechanism for directing foreign capital to national enterprises.

Conclusion.

In conclusion, it should be noted that the development of investment in the economy is carried out through an active investment policy. Investment policy serves to achieve the strategic goals set as part of the state economic policy and to fulfill the short-term and long-term objectives of economic policy. In this regard, it represents a set of targeted measures aimed at developing investment activities in the country by creating favorable economic conditions for economic entities in order to increase production efficiency, boost the economy and solve social problems. Its main goal is to further develop investment activities aimed at developing the national economy and increase the efficiency of society's production.

It is possible to determine the extent to which the development of sectors and regions of the economy, as well as the financing of investment projects implemented in them, depends on the sources and status of investment attraction.

Improving the development of the investment climate in the financing of investment activities is directly related to the effectiveness of reforms for the following purposes:

- Creation of necessary conditions for radical improvement of open economy, healthy competition, business and investment environment;
- Reduction of state participation in the economy, creation of new jobs through the rapid development of the private sector;
- Ensuring high economic growth through modernization and diversification of the economy, increasing labor productivity;
- The fight against the "hidden" economy, a sharp reduction in its size;
- Consistent continuation of the policy of currency liberalization, implementation of a stable monetary policy;
- It is expedient to train qualified personnel capable of carrying out strategic tasks for the development of the economy.

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