



## NATIONAL ECONOMIES AND THEIR FEATURES

SolievbodullokhonIsmatullaevich

Head of the Department of Economics of Namangan State University, candidate of Economic Sciences  
Associate Professor

1195

### ANNOTATION

The implementation of innovative processes at the modern level and the dynamic development of the national economy on this basis today are impossible without the intensive attraction of foreign investment. The volume of foreign investment is one of the indicators characterizing the degree of integration of the country into the world community and depends on the attractiveness of the investment object. The following article is devoted to the ways of attracting foreign investment in national economy.

**Key words:** raising and developing production, political instability restrains, effectiveness of investments, import and export operations

**DOI Number:** 10.48047/NQ.2022.20.20.NQ109122

**NeuroQuantology2022;20(20): 1195-1198**

### INTRODUCTION

Investments are designed to overcome the economic crisis for the state. Investments are intended for raising and developing production, increasing its capacity, technological level. A lot has already been said about investment: all Russian politicians have long been inclining this word in different ways, realizing that Russian production cannot survive without investment, but until recently the political situation in our country was not the best, political instability restrained the flows of investment ready to pour into a new, and therefore profitable, market.

The problem of investments in our country is so urgent that talk about them does not subside; this is due to the fact that you can make a huge fortune on investments in Russia, but at the same time, the fear of losing the invested funds stops investors. The Russian market is one of the most attractive for foreign investors, but it is also one of the most unpredictable, and foreign investors are rushing from side to side, trying not to miss their piece of the Russian market and, at the same time, not to lose their money. At the same time,

foreign investors are guided primarily by the investment climate of Russia, which is determined by independent experts and serves to indicate the effectiveness of investments in a particular country.

The state investment policy is now aimed precisely at providing investors with all the necessary conditions for working on the Russian market, and therefore, in the future, the Russian economy can count on a change in the situation for the better.

### MATERIALS AND METHODS

The main feature of free economic zones for the country's economy are specially designated territories with clearly defined administrative borders and separate legal ones procedures designed to attract internal and external capital, promising technologies and management experience for the rapid socio-economic development of the region. Free economic zones, as an important part of the world economy, have demonstrated a positive effect in many countries in attracting foreign investment. Free economic zones are available in different countries in different ways, which is



largely a feature privileged conditions introduced in these regions. This favorable environment is one of the most effective ways to attract foreign investment. Free economic zones are one of the main factors of integration and globalization processes; since free economic zones are economic zones can lead to the internationalization of capital by attracting foreign investors and the integration of multinational companies to a higher level.

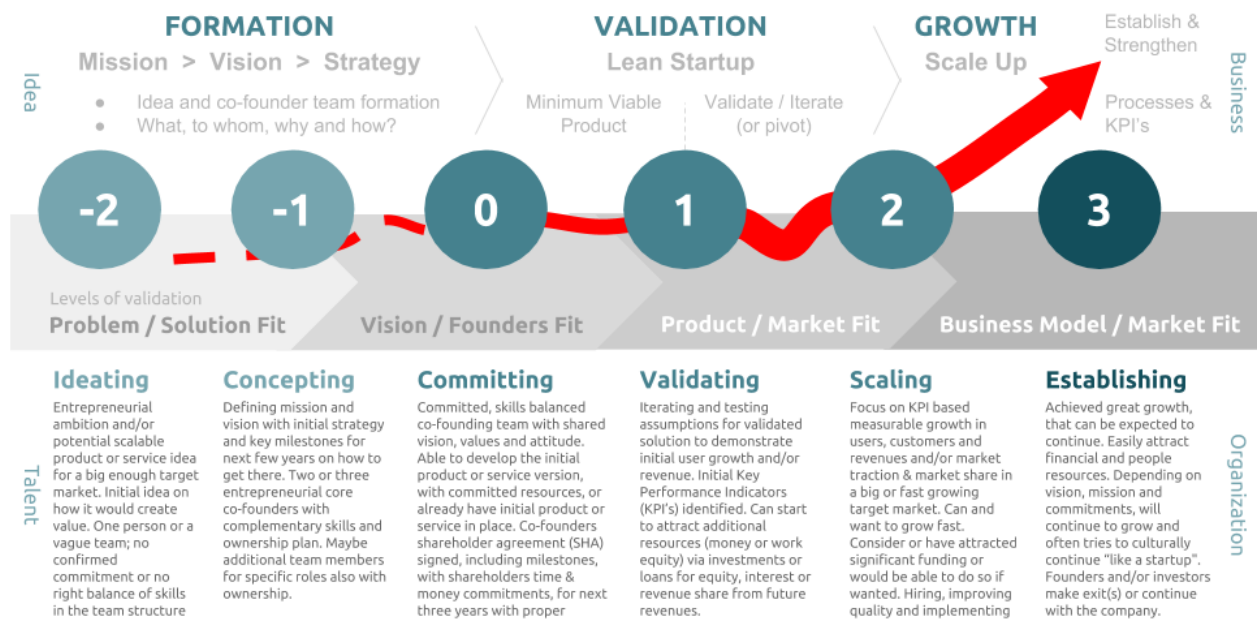
In the context of the integration of the economy of Uzbekistan into the global economic system, the implementation of the export-oriented policy of economic development in our country, the development of export - oriented products, export abroad and the use of free economic zones, as well as the experience of the foreign policy of developed countries, especially fast-growing economies, in our country the world, including China, Germany, France, Japan, South Korea, Singapore and other countries, in implementation of the "open door policy" and attracting foreign investors is effective the use of this product will have a positive impact on the development of our national economy.

Accordingly, the issue of increasing the country's foreign trade and export potential by liberalization of foreign economic activity in the formation of the national economy, taking into account features of the transition to a market economy in our country, especially those that have accumulated in the world It requires the need to further

improve the methods of organizing and regulating free economic zones in our country in accordance with the laws. One of the most important issues of today the effective use of the experience and methods of foreign countries in the organization and functioning of free economic zones.

In particular, in the third direction of the Decree of the President of the Republic of Uzbekistan Sh. M. Mirziyoyev "On the strategy of actions for the further development of the Republic of Uzbekistan", which is called "Further development and liberalization of the economy", it is important to ensure the stability of the national economy, the introduction of modern technologies for the production of competitive products, export-oriented products and materials, the introduction of modern principles and mechanisms of transport and logistics infrastructure, the introduction of modern principles and mechanisms for the development of entrepreneurship and attracting investment for foreign investors will be promote the activities of free economic zones and the effectiveness of attracting foreign investments. Each state has its own system of prices for resources, tax policy and legislative framework, different levels of development of industries and, accordingly, there are differences in the profitability of subjects and objects of investment. Import and export operations on the movement of capital are also associated with political stability and the level of trade on the international market.





Attracting foreign investments on a large scale into the state economy pursues long-term strategic goals of creating a civilized, socially oriented society characterized by a high quality of life of the population, which is based on an economy that assumes not only the joint effective functioning of various forms of ownership, but also the internationalization of the market of goods, labor and capital.

Investments are cash, targeted bank deposits, shares, shares and other securities, technologies, machinery, equipment, licenses, including for trademarks, loans, any other property or property rights, intellectual property invested in objects of entrepreneurial and other types of activity in order to make a profit and achieve a positive social effect. In world practice, there are three main forms of investment:

- direct or real investments;
- portfolio, or financial, investments;
- medium-and long-term international loans and loans of loan capital to industrial and commercial corporations, banks and other financial institutions. Direct investments can provide investing corporations with either full ownership of the invested company, or allow them to establish actual control over it. Portfolio investments are the main source of funds for financing shares issued by enterprises,

large corporations and private banks. In the post-war period, the volume of such investments is growing, which indicates an increase in the number of private investors. The intermediaries in foreign portfolio investments are mainly investment banks.

Currently, the international loan capital market is divided into the money market and the capital market itself.

**DISCUSSION AND RESULTS**

Money market – the market of short-term loans (up to one year). With their help, corporations and banks replenish the temporary shortage of working capital. The capital market is the market of medium-term bank loans and long-term loans, which are provided mainly during the issuance and acquisition of securities. In recent years, non-traditional forms of long-term financing have been used on the international market, for example, project financing, which consists in providing large loans for specific industrial projects of enterprises. Thus, this form of long-term lending is approaching direct investment. To attract foreign investors in each country, the following measures are mandatory:

- a number of income tax benefits;
- exemption from taxes and duties of materials, components, equipment imported for the



development of production; accounting for exchange rate changes in taxation;

five-year delay for the application of the provisions of the new Russian laws that worsen the conditions for the activities of foreign investors;

exemption from customs duties and value-added tax on the import of goods that are the contribution of a foreign investor to the authorized capital during the period of its formation, exemption from export customs duties of goods of own production;

Replacement of taxes, fees and mandatory payments by the distribution of production products between the investor and the subjects;

Determination of the basics of economic activity of free economic zones and the provision of benefits in export production zones. In the implementation of a comprehensive program to stimulate domestic and foreign investment, an important place is occupied by the creation and improvement of the legislative framework for investment activities in Ukraine. Carrying out the necessary organizational measures. The main ones are:

- Stability of legislation on financial, currency, tax, tariff and non-tariff regulation of investments;
- informing entrepreneurs in advance about the planned changes in legal norms;
- Development of procedures and mechanisms that protect investors from illegal actions of management bodies.

## CONCLUSION

In my conclusion foreign capital can bring achievements of scientific and technological progress and advanced management experience to Ukraine. Therefore, the inclusion of Ukraine in the world economy and the attraction of foreign capital is a necessary condition for building a modern civil society in the country. Attracting foreign capital to material production is much more profitable than obtaining loans for the purchase of necessary goods, which are still being spent haphazardly and only multiply government debts. The inflow of investments, both foreign and national, is also vital for achieving medium-term goals – overcoming the current socio-economic crisis, overcoming the decline in production and the deterioration of the quality of life of people.

## REFERENCE

1. www.mft.uz -website of the Ministry of Foreign Affairs of the Republic of Uzbekistan
2. Decree of the President of the Republic of Uzbekistan Sh. M. Mirziyoyev on the Strategy of Actions for further Development of the Republic of Uzbekistan, February 7, 2017
3. President of the Republic of Uzbekistan Sh. M. Mirziyoyev resolution " On additional measures to activation and expansion of free economic zones", October 26, 2017.
4. Makhmudov E. R. Modern economic systems. 134th Tashkent-2013.

