



**ACTIVATION OF INVESTMENT PROCESSES AS A FACTOR FOR PROVIDING  
ECONOMIC STABILITY AND GROWTH**

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**Abstract:** The article examines the significance and directions of intensifying investment processes as a factor in maintaining macroeconomic stability and ensuring economic growth in our country.

**Key words:** investments, investment process, economic stability, ensuring growth, investment environment.

It is known that the financial and economic crisis, which has been going on for a long time in the world, is affecting the economy of Uzbekistan in certain directions. The large-scale works carried out in our country served to mitigate and eliminate external influences on the economy of Uzbekistan. The socio-economic basis of sustainable economic development is currently based on the following factors:

- The way of consistent and large-scale implementation of reforms in New Uzbekistan was chosen and followed without deviation;
- to ensure the stable and continuous operation of the financial-economic, budget, banking-credit system, as well as the enterprises and branches of the real sector of the economy, sufficiently strong reserves have been created and there is a base of necessary resources;
- on the basis of expanding economic freedoms in the country and its separate regions, significant measures are being implemented to increase the investment environment and investment attractiveness of the regions;
- the conditions are being created for attracting direct investments to the private sector in attracting foreign investments;
- measures to consistently and preemptively increase wages and incomes of the population and to prevent unjustified growth of the price index in the consumer market;
- implementation of reforms in the social sphere, democratic changes in the socio-political sphere in harmony with economic development.



It should be noted that the contents and directions of the long-term economic strategy carried out in our country in recent years are based on the President Sh. M. Mirziyoev's annual appeals to the Oliy Majlis are deeply substantiated and analyzed.

It is an undeniable fact that today Uzbekistan is an integral part of the international community and the global financial and economic market. This is evident in the fact that the country's relations with the outside world are expanding more and more, in the implementation of programs for the development, modernization, technical and technological re-equipment of economic sectors with the support of leading developed countries, in the integration of Uzbekistan into the international trade system, in the growth of import and export of products and goods, and in other examples. is being confirmed. Therefore, it is a real reality that the global financial crisis and, first of all, its consequences affect the development and efficiency of our economy.

Therefore, solving the tasks defined in the "Uzbekistan - 2030" strategy ensures not only the results of economic development in the current period, but also the successful development of our economy in the coming years. The main directions of the Program for 2023 require consistent implementation of investment processes and are also aimed at activating these processes.

The investment environment formed in our country is the result of the economic policy that has been carried out for many years. In the first years of independence and after that, it was important to abandon short-term speculative loans and attract long-term foreign investments at preferential interest rates. Due to this, it was prevented that the national economy became tightly connected to the conjuncture in the international credit market. The conditions of globalization clearly demonstrate how sensible this path is.

Investment opportunities and real volumes are closely related to the situation in the domestic and foreign markets. As a result of the financial crisis, negative changes are observed in foreign markets, but the domestic market of our country continues to develop steadily.

President of the Republic of Uzbekistan Sh. M. At the video selector meeting held on July 11, 2023, under the chairmanship of Mirziyoev, it was noted that "...in the last six months of this year, 3.6 billion dollars worth of investments have been absorbed in networks. Due to this, a total of 50,000 new jobs and an additional income of 1 trillion soums were created in the mentioned regions. But in some regions and sectors, this indicator is low, the investment environment is unsatisfactory. Additional tasks were set to accelerate 1,500 projects in investment programs and to absorb more than 12 billion dollars of foreign investments.

It is known that the domestic market promotion policy has been consistently implemented in recent years. The constant increase in the number of jobs and wages, the rapid expansion of business income through the development of small businesses serve as factors guaranteeing the stability of demand in the domestic market. The way to expand the privileges and preferences for the ongoing large-scale, far-sighted free entrepreneurship, investments, first of all, the increase and introduction of the volume of foreign investments will ensure the stable growth rates of our economy and its macroeconomic proportionality.



Investments in fixed capital are aimed at creating production capacity that will serve the country for many years, that is, it will ensure the acceleration of economic growth and structural changes in the economy in the future.

Modernization of the economy implemented in our country, first of all, relies on real investment processes and requires a large amount of investment resources. In this case, it will be necessary to efficiently and harmoniously use internal and external sources of investment financing, and at the same time, to ensure the investment activity of business entities and entrepreneurs in every way. In our country, the active policy of expanding real investments in all areas of the economy and the implementation of important measures are giving positive results in this regard.

Investment processes are aimed at increasing the competitiveness of the national economy, increasing production efficiency in regions and enterprises. Currently, it is demanded that high growth of the gross domestic product and high macroeconomic indicators are mainly ensured by serious structural changes and improvement of production efficiency. The economic strategy implemented in the country includes not only setting long-term fundamental goals, but also determining the means and ways to achieve these goals. Among them, it is most important to transfer production to the basis of modern technologies and continuously increase its efficiency.

In the conditions of the coronavirus pandemic, the role of factors of economic development in investment processes in Namangan region is increasing. Strengthening the economic potential of the region, fully satisfying the needs of the population for material and spiritual benefits, and in the future - creating them abundantly, being able to reach the global level in the economic and scientific and technical spheres is directly related to the increase in the effectiveness of investments in the real sector.

Real investments are focused on modernization of production in enterprises, technical and technological renewal. Therefore, the decisions and measures taken in this regard are, by their essence, innovative in nature, because they give the expected results only if they are based on advanced techniques and technologies. The new capacities created will develop the economic, production and sales potential of the region. Stimulation of modernization processes implies unification of the enterprise's technical and investment policy goals and focuses on the production of new types of products and expansion of the assortment.

As a result of the consistent structural policy of implementing the processes of modernization of the leading sectors of the economy in the country, quality shifts are occurring in the structural structure of the economy. Even in the conditions of the impact of the coronavirus pandemic, the positive trends achieved in the economic development and investment processes in Namangan region remain stable and deepen.

5.4 trillion in the region in 2019. 13.3 trillion soums in 2021. Investments in fixed capital were absorbed in the amount of soums, that is, real investment in the region is rapidly expanding, even taking into account the rate of inflation. As a result, more than 50 thousand jobs were created in 2021.

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14.6 trillion by industrial enterprises in the region in 2021. Soum products were produced. This is 117.9 percent compared to 2020.

In the current conditions, it is clear that it is effective to attract foreign investments to the region along with local resources, and through them, development using new knowledge and technologies. At the same time, if the technological and institutional innovations developed in the region or enterprise are recognized and spread internationally, the development will have a creative (creative) character and can bring new income (in the form of rent, royalties).

Foreign investments are showing their economic efficiency. 21.5 million to "Chust textile" and "Ifoda" enterprises established in Namangan free economic zone US dollars were introduced, their annual production capacity is 63.6 mln. is US dollar. The production of ceramic granite slabs is being launched in the "Yuksalish" industrial zone. In the project, it is planned that the cost of 1 square meter of product will be 3 dollars. In such enterprises abroad, this indicator is 8 dollars, although the quality of the product is the same. This is achieved on the basis of the enterprise's use of high-quality raw materials from sources located in Uzbekistan and modern technology. The annual capacity of the enterprise is 1.6 mln. is a square meter. Currently, such products are mainly imported.

Thanks to the results of investment processes, positive changes are taking place in the volume and structure of regional exports. In 2000, the region exported products worth 75.3 million US dollars to foreign markets, and in 2010, this figure was 119.5 million US dollars. In 2017, exports worth 196.6 million US dollars were achieved. In 2020, the volume of export in the region is 494.6 mln. exceeded US dollars. Foreign economic relations of the region are conducted with more than 100 countries.

The following problems faced by national producers in the conditions of a market economy require the modernization of the economy:

- Obsolescence of fixed assets;
- Production equipment has passed its service life and is morally obsolete;
- use of inefficient technologies;
- shortage of qualified personnel in priority industries;
- production of non-competitive products.

It is carried out in order to solve such problems

The main focus of modernization programs is the national economy

level should be focused on the implementation of the following tasks

In the future, in enterprises of the leading sectors of the economy in the management of modernization processes, in our opinion, the following

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it is necessary to introduce mechanisms: first, to develop a single system for managing modernization processes in leading industrial enterprises of the economy or to establish a single link; secondly, the procedure for managing modernization processes in the general management of industrial enterprises and

introduction of principles; thirdly, to strictly manage the timely installation and commissioning of the tools and equipment brought in for the modernization, technical and technological upgrading of enterprises; fourth, continuous audit of enterprises with a high weight of technologically moral and physical obsolete equipment and

strengthening the management role of monitoring organizations; fifth, to develop and put into practice a system for evaluating the effectiveness of management of modernization processes in enterprises of leading sectors of the economy.

From the above, it can be concluded that the economy modernization, technical and

at a time when technological updating processes are accelerating, further improvement of the work management system in this direction and

their implementation serves to ensure the achievement of international competitiveness of the national economy. Our country now has a favorable investment environment for consistent implementation of structural changes. It includes natural conditions, including mineral reserves, labor skills and average wages, economic conditions, domestic market capacity and opportunities to sell goods on the foreign market, credit system, level of taxation, development of production and social infrastructure, it is expressed in the state policy towards foreign capital, the establishment of preferential conditions for it, etc. The strengthening of investment processes in the social sphere, especially the establishment of various social facilities in rural areas, ultimately has a significant impact on the improvement of the level of development and the improvement of the well-being of our people. Thus, facilitation of the investment environment and activation of investment processes in our country serves to protect our economy from the negative effects of the global financial and economic crisis and to ensure stable economic growth.

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