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INVESTING WORKING CAPITAL IN FOREIGN ENTERPRISES IS A PROGRESSIVE FORM OF INTERNATIONAL ECONOMIC RELATIONS AND HIGH PROFIT

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ABSTRACT

This article discusses the concept of investment in economic theory and its theoretical foundations. When Western literature expresses an opinion on the term investment, the first attention is paid to stock markets and exchanges, since in the leading developed countries investments are mainly carried out in the form of securities. It is much more difficult to give a unique and complete target the concept of investment. Below are several definitions of the term "investing" with reference to the existing literature. Opinions were also expressed on the content of investments in economic sciences and on various aspects of practical activity, as well as their specifics.

Keywords: investments, economic activity, fixed capital, working capital, intangible investments

INTRODUCTION

Having achieved the status of an independent state, the Republic of Uzbekistan determined its direction taking into account various features of the formation and development of the country's economy and continues its economic development along this path. Currently, a developed and improving investment activity has been established. In the Law of the Republic of Uzbekistan "On investments and investment activities" dated December 25, 2019, the concept of "investments" is explained as follows: investments are tangible and intangible benefits and rights to them, including intellectual property objects that an investor invests in social sphere, entrepreneurship, scientific and other activities with the purpose of making a profit rights, as well as reinvestment [2]. Thus,"investments" can be understood as all types of property, financial and intellectual benefits that are invested in various sectors of the economy or by the state in accordance with the procedure established by law in order to obtain an effective result in the future or receive social benefits. All these riches are considered important in the formation of investments, exerting their influence on their overall condition.

And the formation of wealth shows the effect of economic reforms carried out in the country, and serves to further improve their results.

METHODOLOGY

The traditional economy is a historical system through which almost all countries have passed. It still exists today in some economically underdeveloped countries, where it is practiced through economic processes based on traditions, customs, traditions. In the traditional economy, natural or small-scale commodity is economy prevails.

The system opposite to the market economy is the administrative-command economy. This system is characterized by the dominance of social, or rather, state ownership of almost all material resources and centralized economic decision-making by administrative bodies. All important decisions concerning issues such as the amount of resources used, the composition and distribution of products, and the organization of production are made by central management bodies. The system that is considered an important milestone in economic development is the system of a market economy. The market economy system has basically two stages. The first is a classical market economy based on free competition, which in some literatures is also called Pure Capitalism. The second is a modern developed market economy, also called a mixed economic system [1].

A market economy is based on free competition is characterized by private ownership of resources, freedom of economic activity and entrepreneurship, and the use of a market mechanism to streamline and harmonize economic processes. In such a system, the behavior of each economic entity is based on its private benefit.

Modern market economy. Currently, the market economy in real life combines elements of a purely market mechanism and a planned economy. There will be different forms of ownership, different directions of entrepreneurship, in which planning, forecasting, and social protection of the population will increase. For example, the US economy is now significantly different from the previous free market economy. These differences manifest themselves in:

1. part of the property is in the hands of the state, which plays an active role in the economy. This manifests itself in creating conditions for stability and economic growth, in providing certain goods and services that the market system does not produce in sufficient quantities or does not supply at all, in changing the distribution of income, etc.;
2. Unlike pure capitalism, the US economy has powerful economic organizations in the form of large corporations and strong trade unions.

All resources directly used in the production process are called factors of production. Regardless of the system and form of the economy, there must be three factors: labor, tools and objects of labor. From this it can be seen that the factors of production, unlike economic resources, include only those elements that are directly involved in the production and service process. For example, monetary resources, which are considered one of the most important components of an economic resource, cannot be a factor of production, since they are not used directly in the production process. For a broader understanding of the essence of the factors of production, we will consider each of them separately.

Labor force is the sum of a person's mental and physical abilities to work. The labor force is typical for people with working capacity. But the labor force is not the person himself and not his work, but his abilities.

Tools of labor are those means by which a person influences nature, objects of labor. Examples include machines, machine tools, tractors, devices, equipment, etc. Literature analysis and methods in this article, in the process of writing, such methods of analysis as statistical, analytical, comparative, observational, inductive, deductive, logical, monitoring were used. Also R.X. Karlibaeva ”organization and financing of investments", N.M.Makhmudov, Sh.A.Mazhidov theoretically used textbooks”organization and financing of investments".

RESULTS AND DISCUSSIONS

Continuing our thought, investment is the introduction into circulation and the direction of financial, property and intellectual assets of various forms of ownership to achieve economic and social efficiency. In economic theory, investments as an economic category can be characterized as follows: - the purpose of capital enrichment is to attract, redirect and inject funds into almost all business objects; - projects can also be considered as economic relations that arise between participants in investment activities in the process of their implementation.

Investments in fixed assets can be carried out mainly in the form of capital investments, and also represent a set of costs for new construction, expansion, reconstruction and technical re-equipment of existing enterprises, purchase of equipment necessary for the raw materials project. In economic sciences and practice, it is repeatedly emphasized that the terms “investments” and “capital investments” are not synonyms, that is, synonyms. It is proved that investment is a concept that has a much broader meaning than capital investment. In Western literature, when mentioning the term investments, the first attention is paid to stock markets and exchanges, since in the leading developed countries investments are carried out mainly in this form, mainly in the form of securities. It is considered quite difficult to give an unambiguous and complete definition of the concept of investment. In economic sciences and in various aspects of practical activity, both the content of investments and their specifics are considered.

In the economy, investments consist of the costs of production and maintenance of new machinery and equipment, buildings, as well as the costs of increasing the volume of tangible and intangible stocks, and can also manifest themselves as part of the total costs.

Investments are a part of the gross domestic product that is not consumed in a certain period and will be consumed in the future, which contributes to an increase in capital investments in the economy. On the other hand, in production theory and macroeconomics, investment is the process of creating, forming new capital, as well as increasing existing capital.

The economic essence of an investment is the investment of fixed and working capital in the organization, reconstruction or technical re–equipment of an enterprise; under financial investment is an investment in stocks, bonds, bank deposits and other securities using the investor's instruments in order to increase his financial capital. Investments are carried out in a broad sense, which is explained by the current state of the process of evolution of the financial system in the territory, region or country in the process of investment. The word "investing" is used in developed European countries (USA, Canada, UK, Japan), where more attention is paid to stock markets and the understanding that investing is carried out using securities. In other words, portfolio investment is a word. The volume of investments is also strongly influenced by the rate of inflation. When this figure is high, the investor's future income depreciates, and the factors that stimulate investment also decrease. Investments will be made in various forms, which will allow them to be analyzed, distributed in directions, taking into account individual planning features. First, we will analyze investments by investment object into real and financial investments. Real investments are financial resources allocated to tangible and intangible assets on the company's account. On the other hand, material investments are the acquisition of certain parts of the main fund involved in investment projects and innovative investments. Depending on the types of financial resources, investments take the following forms: — personal funds, deposits, shares, shares, bonds and other securities; — movable (equipment and other tangible assets) and immovable (buildings, structures, communications and other benefits) property;-copyright, nuhau and other (mental) wealth; — rights to use land, natural resources and other property (value of intangible assets) [2;6]. The above points relate to the main types of equity investments, and it is here that ideas arise about what it would be like if we invest in an enterprise not only fixed capital, but also working capital. For example, the "cotton cluster" in this industry currently has a lot of cotton fiber, but there are foreign enterprises that need this fiber, and not cotton fiber as raw materials at a time when it is not possible to produce it in the form of 100% finished products. provided that the corresponding part of the profit of the relevant enterprise is received. I think that if this were done until our country is able to produce finished products from cotton fiber, it would also lead to a progressive form of international economic relations and high profits.

CONCLUSION

Summarizing the opinions and considerations on the concept of attracting and managing investments as a result of these approaches, it should be said that each conceptual approach lays the foundation for the recovery of the country's economy and its further development.
The summary of opinions and considerations on attracting and managing investments through various conceptual approaches emphasizes their collective role in laying the foundation for a country's economic recovery and further development:
1. Diversification of Investment Sources: Reduces reliance on singular investment types, mitigating risks and creating a stable economy.
2. Regulatory Framework and Policy Making: Establishes clear, transparent regulations, attracting investors through certainty and incentives.
3. Building Human Capital: Enhances workforce skills, attracting higher-quality investments for sustainable growth.
4. Innovation and Technology Adoption: Positions a country as a hub for cutting-edge industries, attracting investments in high-value sectors.
5. Public-Private Partnerships (PPPs): Leverages strengths of both sectors, fostering significant infrastructure and service investments.
6. Market Accessibility and Global Integration: Opens global markets, attracting foreign investment and expanding domestic companies' reach.

7. Sustainable and Socially Responsible Investments: Prioritizes long-term stability and aligns with global sustainability trends, attracting conscientious investors.

In essence, these approaches collectively contribute to economic stability and growth, each offering unique strategies that, when combined, form a comprehensive framework for economic development.

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