



NATURE, TYPES AND FACTORS AFFECTING INVESTMENTS

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ABSTRACT

The very fact that the concept of investments, as the main economic concepts of modernization of the economy, has entered our lives today widely and quickly shows its essence and importance, necessity, and creates the need to reveal it. This concept brings with it the discovery of many new concepts and economic knowledge, such as the concept of investment projects, the implementation and financing of investment projects, their technical and economic justification and expertise, project analysis, evaluation and monitoring of the effectiveness of projects, and their discovery in our economic life today. making us realize how important it is.

KEYWORDS

investment, market, capital, capital investment, foreign investment, income.

INTRODUCTION

World experience shows that countries transitioning to a market economy cannot successfully integrate into the world economic community without the formation of a favorable investment climate and the

active attraction of foreign investments to the national economy.

Although "investment" is a relatively clear and widely used term in economic literature and practice, on the other hand, its versatility and contradictions are

characteristic not only of our country, but also of foreign economic literature.

It is appropriate to start defining the essence of the term "investment" by analyzing the definitions widely used in the economic literature.

The concept of "investment" has a number of meanings, which means a short investment. Or it is understood as spending for the purpose of making a profit, buying shares, bonds, buying and producing real assets necessary for the production of goods, as well as intellectual and other material assets, that is, investments are any means that store the value of money. , increases its value, and ensures a positive return.

AG Bogatirev, a Russian scientist who conducted scientific research in the field of investment law, also takes a position close to the above point of view. It is the nature of production and the long-term nature of costs that in most cases cause the authors to equate investments and capital investments.

It should be noted that the European method allows the term "investment" to be applied to long-term investments in securities. But "such capital investment can be an investment only if it represents the ability to manage the corporation."

The American style also equates the terms "Investment" and "capital investment" and gives priority to investments in real estate in its economic content.

Main part. When talking about the term investment, it is appropriate to consider a number of definitions that are widely used in the economic literature of the CIS countries. For example, according to VV Kovalev, a Russian economist-scientist, "Investments are long-term investments in enterprises in various sectors of the national economy (inside the country or abroad) . " It seems that this definition does not reflect the purpose and areas of investment. At the same time, in this definition, investments are equated with long-term capital investments.

Investments are the monetary form of expenditures for the restoration and increase of fixed and working capital, expansion of production capacity. It is implemented in the form of cash, bank loans, shares and other securities.

VA Lukinov gives a somewhat fuller and more precise definition compared to the above definition: "Investments are long-term financial investments of state and private capital in various sectors of the national economy in the country or abroad for the purpose of profit . "

Although this definition indicates the purpose of investment, it does not indicate its role in ensuring social efficiency. Also, the investments are only described as financial investments. However, machines, technologies, licenses can also be investments.

Russian economists A. Yu. Andrianov and SV Valdaytsev give a similar definition of investments:

"Investments are long-term financial investments of state capital and private capital into the domestic or foreign economy for the purpose of profit . " It is clear that this definition does not include the composition of investments, and here too the definition of investments as financial investments has priority.

"Investments consist of a set of money, property and intellectual assets that are included in the implementation of programs and projects of various production, commercial, social, scientific, cultural and other fields in order to obtain profit (income) or to achieve social or economic results. " O. Sinitsyn, a Russian economist who conducted scientific research in the field of investment analysis .

Although this definition is comprehensive, it cannot fully and clearly reveal the nature of investments. It is emphasized that investments consist of a complex of money, property and intellectual assets that are used to implement various programs and projects. Long-term investments in stocks, technology acquisitions, and other important types of investments are neglected.

The following definition equates investments and capital investments: "Investments (capital investments) are material, labor and monetary resources aimed at ensuring expanded reproduction in all sectors of the national economy consists of the sum of costs" .

This definition covers the content of both real and financial types of investments.

Investments can be divided into two types according to the object of investment: financial investments and real investments.

Financial investments are investments in financial assets. Financial investments can take the form of shares, bonds and other securities.

Investments in the form of long-term financial investments mean funds invested in government securities (bonds and other debt obligations), securities of other enterprises and authorized capital, as well as loan funds provided to domestic and foreign enterprises. .

Real investments mean funds invested for the purpose of purchasing non-financial assets of all types (production and non-production). Separation of investments into real and financial types is one of the main signs in their classification. According to the nature of participation in the investment process, investments are divided into direct and indirect investments.

Results oath Discussions . In direct investments, the investor directly participates in the selection of the investment object and the introduction of funds. Direct investments are usually made by specially trained investors who have accurate information about the investment object, are familiar with the investment mechanism, and have extensive experience in this field.

Indirect investments are made through investment or other financial intermediaries. According to the

investment period, investments are divided into short-term and long-term investments.

Short-term investments are capital investments for a period not exceeding one year. For example, short-term deposits, purchase of short-term savings certificates, etc. Long-term investments are capital funds spent on construction, expansion and purchase of assets intended for long-term use, which are not intended for production. According to the form of ownership, investments are divided into the following types: private, state, foreign and joint investments. Private investment is the introduction of funds by citizens and non-state economic entities of ownership. State investments are investments made by central, regional and local governments and management bodies at the expense of budget, extra-budgetary funds and debt funds, as well as by state enterprises at the expense of their own and debt funds.

Foreign investments are a complex of all types of property and intellectual assets that foreign investors invest in business and other activities for the purpose of earning income. Foreign legal entities and individuals, states and international organizations can participate as foreign investors. There are direct, portfolio and other types of foreign investment.

Foreign direct investment is an important category of international investment activity, which reflects the desire of a business unit of one country to have a sustainable impact on an enterprise in another country. Sustained influence means the establishment

of a long-term relationship between the direct investor and the specified enterprise, as well as the significant role of the investor in the management of this enterprise.

Foreign direct investments can be made in the form of contributions to the charter capital, loans and other forms. A direct investment enterprise is defined as a corporate and non-corporate entity. In it, the investor owns at least 10 percent of the common stock or shareholders' votes (for corporate enterprises) or the equivalent of such participation (for non-corporate enterprises).

Therefore, a subsidiary or company in which a resident investor has more than 50 percent of shares or votes in a direct investment enterprise, an associated enterprise with a direct foreign investor's share of 50 percent or less, wholly or partially includes a non-corporate enterprise owned by the investor and directly owned by the investor.

Portfolio foreign investments means investments in shares and other securities. In addition to shares, securities include bonds, bonds, promissory notes, certificates of deposit, bank acceptances and debt instruments.

In order to distinguish between direct and portfolio investments, the following criterion is used in practice: if the investor owns 10 percent or more of ordinary shares, such investments are considered direct investments.

Other foreign investments include types of investments that do not include direct and portfolio investments. For example, trade loans, as well as loans from international financial organizations, bank deposits, etc.

According to the regional symbol, investments are domestic and divided into foreign investments.

The above-mentioned classification reflects the most important features of investments, and can be clarified if necessary and expanded based on scientific, research, and business goals. The level of investment has a significant impact on the size of the gross domestic product, many proportions of the national economy depend on its growth rate. Investments will improve the provision of expanded reproduction at the country level.

The investment multiplier represents the impact of investment on revenue growth. This method was originally proposed by RF Kahn as a multiplier for the use of funds, an idea based on an observation made by this scientist. According to the results of this observation, a certain amount of primary additional use of funds causes secondary forms of their use as a result of the gradual growth of distributed incomes and related costs. This idea was later brought into a system by Keynes and presented in the form of a coefficient - investment multiplier.

Its essence is as follows: additional costs of capital investments create a wave of income. The size of these

incomes is determined by the consumer's propensity to consume.

The application of the investment multiplier makes it possible to distinguish an important trend: the primary investment of capital creates a tendency for the growth of total income. The amount of income will be higher than the amount of distribution related to consumption expenses.

The principle of acceleration together with the concept of multiplier helps to analyze the economic cycles in detail, to reveal the role of capital investments in the uneven movement of the economy. In this case, the multiplier illuminates the activity scheme of investment processes, while the principle of acceleration defines its main conditions.

It is necessary to emphasize the actual aspects of these theoretical views in describing the current situation in the field of investment of Uzbekistan. indeed, in the early period of economic reforms

One of the important reasons for the investment deficit in Uzbekistan is, on the one hand, related to the decrease in the volume of state investments, and on the other hand, the domestic interest in the final product, which negatively affected the provision of the necessary conditions for the flow of private investments. due to a sharp reduction in demand.

In order to improve the investment situation in the country and to improve its management, it is necessary to study the classification and structure of investments. In order to increase the efficiency of

investments, it is necessary to classify them scientifically based classification of investments and their use in all the works that will be carried out will allow to take them into account, will allow to analyze the level of their use from all sides. Currently, the following classification of investments is common in practice.

1. According to the sign of intended use of future objects. It takes into account the placement of investments by economic sectors. Accordingly, there are investments placed in the direction of production and in the direction of non-production.

2. Investments in new construction, expansion and development of existing enterprises, and technical restructuring according to the forms of use of capital funds.

3. Centralized and decentralized according to financial sources.

4. Investments spent on their production and non-production according to the directions of use.

5. Investments are classified into the following groups according to the objects to be placed:

- to buildings;
- devices;
- to machines;
- to material stocks;
- financial investments;
- to intangible investments.

The most effective classification of investments is the classification presented in the work

of NA Balnka. According to it, investments are classified as follows, that is, they are classified according to the following signs:

1. According to the objects to be placed:
2. By nature of participation in investment:
3. By investment period:
3. According to forms of property:

According to the territorial sign

Local investments are divided into domestic facilities and foreign enterprises and organizations.

According to the form of property, investments are divided into:

- A) mixed investments
- B) foreign investments
- C) state investments
- D) private investments

Investments can be placed for long term or short term. According to their participation in the investment process, they are divided into curved and straight investments. Investments are divided into real and financial investments according to the objects to be placed.

Through changes in the production structure of investments, it can be shown that they are changing in a positive or negative direction. A large part of the real investment falls on new buildings, while the part spent on reconstruction and re-equipment decreases accordingly. This can have a negative impact on the technical level of production and the efficiency of investments.

In determining the level of use of investments and the effectiveness of their impact on the economy, the order of investment placement across economic sectors plays an important role. The economic efficiency of investments also depends on their placement across the network and territory.

The network structure of investments means their position in economic sectors. Spending them on sectors considered important for economic development will have a great effect.

Correct planning of the network structure of investments contributes greatly to ensuring uniform development of sectors and regions of the country's economy, accelerating scientific and technical progress, and effective development of the country's economy. In turn, the state can influence the structure of the investment network and contribute to changing it in a progressive direction.

The structure of investments by type of property is determined by their position in each type of property. For example, what is the percentage of the total amount of public investments, private investments, mixed investments. Among economists, there is an opinion that it is more effective to increase the share of private investments. This will have a positive effect on the positive use of investments and the level of development of the country's economy.

The structure of investment financing sources is also of great importance. Such a structure shows the percentage of investments coming from what sources. the distribution of this structure leads to an increase in the amount and contribution of extra-budgetary funds. The real structure of investments shows their placement in groups of main production funds. Both of these structures are of great importance in determining and increasing economic efficiency in enterprises.

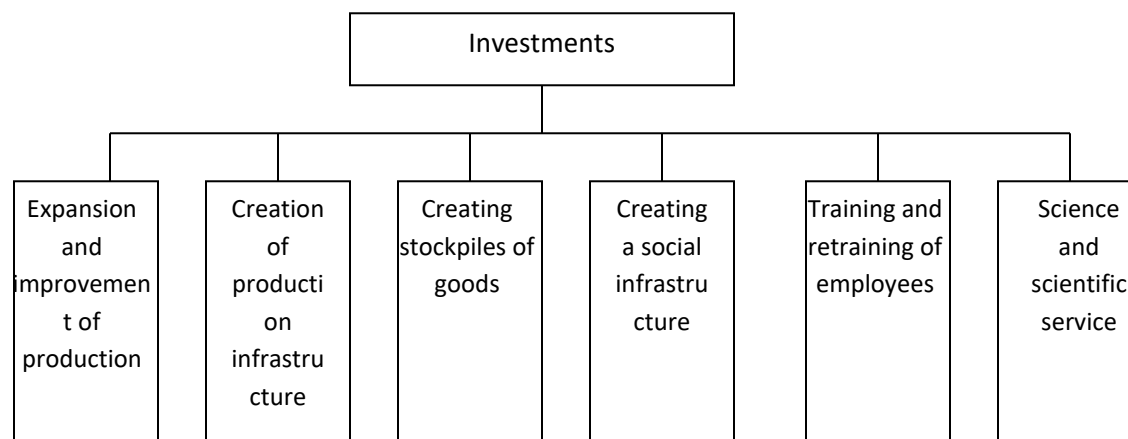
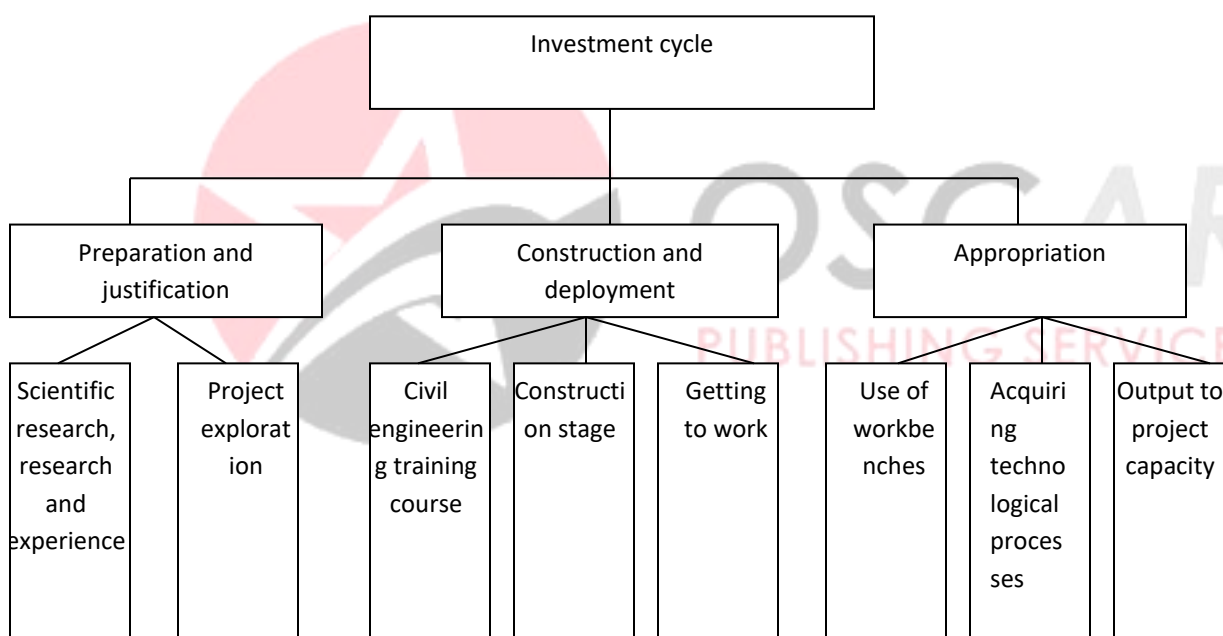


Figure 1. Structure of investments

In many cases, the structure shown in Figure 3 will be more efficient. According to this structure, investments are allocated to expansion or improvement of production, i.e. technical re-equipment, creation of production infrastructure, creation of stockpiles, training and retraining of employees at the enterprise, and provision of scientific and scientific services. When allocating investments to

these sectors, it is necessary to allocate them to current priorities. The more investments are attracted to a sector, the greater the contribution of that sector to the economy. Therefore, investments also perform the function of creating a structure. If we look at real investments, it includes the following stages: scientific creations, it can be described in the following scheme (Fig. 2) investment cycle consists of three stages:



4 . The structure of the investment cycle

1. Preparation and grounding stage.
2. Appearance and placement stage.
3. Mastery stage.

The structure in Figure 4 mainly characterizes investment divrs that are being evaluated for new

views. If the existing enterprise is expanding, equipping or reconstructing the technical floor, this structure will be smaller. There will be no construction and placement stage. The main stages are buying new machine tools, installing a new one instead of the working machine tool, using the machine tool and reaching the specified production capacity.

As a result of investing, the investor aims to make a profit. Depending on the sources of investment, the amount of income may also be different. At the same time, incomes vary depending on the amount of money spent on a certain area. The income from productive investments will be greater than the income from financial investments. Otherwise, the investor does not invest in production, that is, he does not take a risk. Instead, he makes a profit by spending financial investment, buying valuable securities or buying things like gold and silver. Because spending money on production is associated with a certain level of risk. Aiming for a fully guaranteed income in production is a much more difficult task. And with stocks, it's easier, that is, there is no excess movement, and there is no excess risk. Therefore, the investment spent on production should bring a large return.

CONCLUSION

In order to further improve the standard of living of the population in the country and to ensure the future development of the economy, investment activity should be carried out effectively. Local, people, enterprises, organizations, authorities and other objects that can be investors should make effective decisions on the placement of their funds. For this, it is necessary to provide them with the necessary information on a regular basis. They require that the costs of information gathering, analysis and preparation of the investment project be minimal. If costs in this facility increase, the investment volume may decrease. Creating facilities for investors, providing benefits and supporting them will lead to an increase in investment volume.

In the investment programs, the goals intended to be implemented in a certain period, the stages of their implementation and the value of the funds intended to be spent are reflected by wells and sectors. Investment

programs are intended for the long term, in which profit is expressed in terms of measures intended for one year.

Also on technical modernization in our country network programs plans have been developed, and measures such as technical and technological restructuring of the leading sectors of our economy, transition to modern standards of production, and the use of efficient and effective technologies are envisaged.

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