

ECONOMIC NATURE OF INVESTMENTS AND INVESTMENT PROCESSES AND MODERN FINANCIAL MECHANISMS OF THEIR IMPLEMENTATION

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Abstract. This article comprehensively analyzes the economic essence, cost aspects of investments and investment processes, as well as modern financial mechanisms for their implementation. The study interprets the concept of investment not only as funds spent on material assets, but also as a broad economic category that includes innovative development, human capital, and intellectual potential. Innovative activity is considered as a strategic driver of investment processes, revealing its role in technological innovation of production, increasing competitiveness, and ensuring sustainable economic growth. The article examines the financial mechanisms of investment processes from the perspective of resource attraction, diversification, risk minimization, stimulation of infrastructure investments, and institutional and fiscal coherence. The results of the study are of practical importance in deepening the relationship between investment and innovation, improving investment policy, and ensuring sustainable economic growth in the national economy.

Key words: investments, investment processes, investment value, financial mechanisms, innovative activity, investment policy, capital investments, investment risks, diversification, infrastructural investments, economic growth, competitiveness.

Introduction

In the modern economy, market competition is deepening, the decisive factor in the efficient use of resources, bringing production to a new technological level, and strengthening the leading position of economic entities is the interaction of innovative activity and investment processes. In the modern economic environment, investment is not only funds spent on material assets, but also a complex category that includes scientific and technical potential, human capital, and intellectual development factors.

The existence of innovative activity in a separate space and time in the economic system requires its consideration as a strategic economic resource. This requires the introduction of new content and new financial mechanisms into investment processes. Innovation, as a driver of the investment process, ensures technological renewal of production, increases the competitiveness of enterprises and becomes a sustainable source of economic growth.

Innovation is a special economic activity aimed at developing and updating the material and technical base of economic entities, associated with the creation, research and implementation of scientific ideas and developments. Its essence is that it serves to increase the efficiency of the use of labor resources, ensure resource efficiency in production, and strengthen economic potential.

At the same time, the economic literature does not sufficiently clearly and comprehensively cover the content and classification of innovative activity as an economic category. In particular, scientific approaches to the mechanisms of real reflection of innovations in accounting and financial reporting, as well as the criteria for their assessment and classification, have not been systematically formed. This creates certain gaps in ensuring the financial accuracy of investment processes, targeted allocation of resources, and the effective organization of a system of state incentives.

Innovative activity, as an integral part of investment processes, includes the following areas: creation and introduction of new product types; organization of new technological processes and forms of production; modernization of management processes and introduction of new approaches to socio-economic problems; improvement of financial support and organizational structures.

In this approach, the value of investment processes is determined not only by the amount of financial assets, but also by their economic return, the potential for innovative development, and the level of economic transformation in society. Financial mechanisms for investment processes — advanced means of attracting, distributing, and using resources — are a central element of today's economic policy.

Analysis of literature on the topic

The process of studying modern investment management theories in foreign countries is moving beyond the framework of traditional state investment policy and gradually merging with theories of state investment management, investment security, and effective investment growth. This, in practice, means a transition to new scientific directions in ensuring the attractiveness of the investment environment.

A number of scientists have come to important theoretical conclusions in research in this direction. In particular, O.A. Biyakov, A.G. Granberg, S.M. Drobishevsky* such authors have scientifically analyzed the evolutionary changes in the state investment policy, the institutional and methodological foundations that serve to increase the efficiency of investment processes.

Their theoretical and practical views suggest that the role of the state in investment policy is not limited to the allocation of resources, but also:

- ensuring the attractiveness of the investment environment,
- strengthening state investment security,
- shows that it is manifested in areas such as the application of modern science and management mechanisms that ensure the stability of economic growth.

Thus, scientific research in near foreign countries confirms that the theories of investment processes are at the stage of transformation, that is, they are in the process of transition from the traditional state investment policy research to the modern state investment management and security paradigm.

*Biyakov O. A. Investitsionnaya deyatelnost i ekonomichesky rost regiona. — Novosibirsk: IEOPP SO RAN, 2007. — 268 p.; Granberg A. G. Osnovy regionalnoy ekonomiki: uchebnik dlya vuzov. — M. : GU VShE, 2004. — 495 p.; Drobyshevsky S. M. Faktory ekonomicheskogo rosta v regionax Rossii. — M. : Institute Gaidara, 2011. — 248 p.

Ensuring the attractiveness of the investment climate in Uzbekistan and its effective management is a relatively new area of economic research. Scientific research conducted in this area makes a significant contribution to the development of the national economic school and the practical application of modern investment theories.

A number of scientists have developed important theoretical and practical conclusions in the field of national investment policy and regional economy. In particular, K. Abirkulov, N. Kuzieva, N. Karimov[†] and others' scientific works serve as a theoretical and methodological basis for researching ways to ensure the attractiveness of the investment environment and effective management in our country.

The following aspects are of priority in these studies:

- national model of investment attraction and efficient distribution;
- improvement of public investment policy and private capital cooperation;
- mobilization of investment resources in regional economic development;
- the role of investment in innovation capacity and renewal of production capacities.

Thus, the scientific results achieved by national scientists serve as an important scientific source and practical program for research in the direction of ensuring the attractiveness of the investment environment in our country, effective use of capital investments and introduction of modern management methods.

The scientific work of national scientists serves as an important theoretical and methodological basis for improving investment policy in the Uzbek economy, effectively using foreign investments, and regulating regional economic development.

Analysis and discussion of results

Financial mechanisms of modern investment activities are important for ensuring economic growth, infrastructure development and increasing competitiveness. They are aimed at stimulating the capital recovery of citizens and legal entities, attracting funds to innovative projects and ensuring effective resource allocation in the economic system. Financial mechanisms of investment processes consist of the following components:

1. Targeted financing and resource diversification ensure the allocation of investments in accordance with strategic and tactical goals. This mechanism is primarily aimed at managing economic activity with high efficiency. Diversification of resources, that is, directing investments to various assets, increases the stability of the portfolio, while reducing the level of risks. Also, the diversification mechanism allows you to maintain the right balance between interrelated sectors of production or financing, which serves to further develop investment.

2. It is important to create reliable financial instruments to minimize investment risk. The reliability of financial instruments increases the trust between investors and creditors, which facilitates the investment process. This mechanism, in turn, plays an important role in stimulating economic development for organizations and countries based on financial stability.

[†]Abirkulov K. Issues of improving national investment policy. — T. : Fan, 2018. — 212 p.; Kuzieva N. Directions of improving the financial and credit mechanism for stimulating the activities of enterprises with foreign investment. — Tashkent.: Iqtisod-moliya, 2008. — 216 p.; Karimov N. Regional investment policy and economic efficiency. — T. : Fan, 2016. — 230 p.

3. Another financial mechanism for investment activity is the attraction of infrastructure investments. This mechanism stimulates investment in new production facilities, road infrastructure, energy sources, and information and communication technologies. Infrastructure investments create the basic conditions necessary for innovative projects, accelerate the solution of economic problems, and facilitate the exchange of technologies.

4. The introduction of digital models of financial management in the modern economic system increases efficiency in resource allocation and investment management. Digital technologies, in particular data analysis, automation and modeling, accelerate economic processes and increase accuracy in analysis. This mechanism allows countries and companies to create a stable and competitive environment for investors.

5. The harmony of institutional and fiscal mechanisms has a positive impact on the investment climate. This mechanism helps to stimulate interaction between the public and private sectors. Maintaining a balance between institutional and fiscal mechanisms, ensuring their renewal and complementarity, serves to develop economic growth through tax incentives, financial incentives and stabilization of legislation. This, in turn, ensures the effective implementation of investments and the rise of the country's economy to a new level.

As a result, investment processes, which are closely linked to innovative activity, increase the competitiveness of the economy, ensure technological innovation, and strengthen national economic security.

Thus, taking into account the most favorable levels of innovation implementation, innovative activity can be defined and characterized on the basis of the following systemic model. Here, innovative processes are effectively implemented through targeted financing, incentives for infrastructure investments, institutional and fiscal coherence, in close connection with financial mechanisms. This approach forms a stable and strategic basis for innovative development.

The final result of innovative activity is an innovative product. This product or technology significantly increases the production potential of the enterprise in terms of volume, power and functional capabilities. This process ensures the efficient use of resources through the introduction of new technologies, expands production capacity and strengthens competitive advantage.

Thus, innovation is an active factor of economic development, an important component of investment processes and a strategic driver of technological progress. In the scientific approach, such models involve not only introducing innovation, but also shaping it as a sustainable institution in the economic system.

A step-by-step approach to the organization of innovative activities is an important part of the institutional system. This approach ensures systematicity and efficiency in the process of turning innovative ideas into practical results.



Figure 1. Implementation of innovative processes functional stages[‡]

Thus, domestic investment activity is a broader economic category than innovation activity in terms of content, and innovation activity constitutes a purposeful, innovation-oriented area of the investment process. Funds directed to innovation activity are the part of

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The main directions and stages of innovative activity[§]

T/p	Direction and stages of innovative activity	Scientific explanation and content of tasks
1.	Scientific research, development and technological work aimed at creating new or improved products and technological processes for practical use	Transforming new scientific ideas into practical solutions, driving technological progress
2.	Preparation of production, technological re-equipment for the introduction of new products and technological processes	Improving product quality and reducing costs by updating production processes
3.	Innovation testing and evaluation processes	Assessing the practical effectiveness of new solutions, identifying risks and opportunities
4.	Practical application of innovative processes and production of new products before economic results are formed	Testing of innovative products and determining the market positioning strategy
5.	Marketing and commercialization of an innovative product	Commercialize products, capture new market segments, and increase competitiveness
6.	Creation and improvement of innovative infrastructure	Forming a modern infrastructure and creating a stable environment for innovative activities
7.	Training, retraining and upgrading of personnel performing innovative activities	Training, retraining and raising the level of knowledge of personnel with innovative potential
8.	Granting or purchasing the right to use industrial property objects and scientific and technical information	Strengthening the legal basis for the use of innovations and protection of scientific results

[‡]Developed by the author.

[§]Developed by the author.

9.	Provision of expertise, advice, information, legal and other services related to the implementation of innovative processes	Improving the quality of decision-making through expertise and consulting services
10.	Organization of the system of financing innovative activities and attracting resources	Effective attraction of financial resources, improvement of the investment environment

The theoretical and methodological foundations of innovative activity are being studied in depth and comprehensively by economists and scientists as one of the independent and strategic directions of economic science. Research in this area is primarily aimed at determining the economic nature of innovation processes, their management mechanisms and conditions of systematic development.

Conclusion

It can be concluded from the scientific researches that now in our country, researches related to the organization of innovative activities on a scientific and practical basis, effective management of innovative processes and increase of their economic effectiveness are formed within the framework of three priority areas:

Studying the life cycle of innovative activity and analyzing its factors, conditions and problems. Research in this area covers the full life cycle of innovation, from the idea stage to the process of commercialization and achieving economic efficiency. At the same time, the institutional and financial factors, organizational environment and risks that ensure the development of innovation are assessed.

To study the theoretical and practical bases and perspectives of innovative management. This direction focuses on creating effective models of innovative activity management, improving strategic decision-making mechanisms and ensuring competitive advantage in the innovative environment.

Increasing the effectiveness of corporate social responsibility in innovative development. Research in this direction is aimed at studying the possibilities of harmonizing social and economic tasks of the corporate sector in innovative processes, strengthening responsibility to society and ensuring sustainable innovative development.

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