

## Economic Security” and its Theoretical Fundamentals

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**Annotation:** This article defines the concept of "economic security" in a broad and narrow sense. There is also a general description. It also lists the types of economic security. An economic analysis of the national economic interests of the Republic of Uzbekistan and the types of threats to it. The forms and means of protecting national economic interests in a market economy have been studied. What are the factors of economic security? Priorities for economic security have been identified.

**Keywords:** economic security, risk, types of economic security, national economic interests, economic security factors, security, priorities.

### What is the concept and types of “economic security”?

The concept of "economic security" is new in the lexicon of the Uzbek economy. It is a preconceived notion for the practice of foreign government and is widely interpreted. In particular, economic security is one of the main links in the national security of the state, a set of views based on the ways, means and methods of ensuring the economic needs of the country. Conceptually, it is based on an analysis of the main factors of economic risk arising from the state of the country's economic potential. A weak and inefficient economy cannot ensure national security. This is especially true in a society full of social strife. Because "economic security" and "social security" are interrelated concepts and complement each other.

At the heart of economic security are those who create an environment that is conducive to growth and sustainable development. There can be no economic development without development. Sustainability is the ability of a society to recover from emergencies and to serve its own interests.

The concept of "economic security" first appears at a time when the issue of resource constraints is acute. There are many definitions of economic security. Taken together, economic security is the gradual and sustainable development of the country's economic system, which affects the economic system at the lowest cost, on the basis of which the national interests are most important for the full realization of the potential of society. is a set of conditions and factors (internal and external) that allow it to be expressed, as well as the ability of the state to withstand various risks and losses.

### What are the national economic interests of the Republic of Uzbekistan and what are the threats to it?

Uzbekistan is the center of ancient civilization. Thousands of archeological and architectural monuments have been preserved in its territory. Scientific centers and museums have a large number of manuscripts and artifacts that testify to the country's centuries-old history.

Attitudes toward the past, national history, ancient values and traditions have changed dramatically in recent years. An in-depth and objective study of the history and economy of the people of Uzbekistan, based on primary sources, has begun. People's holidays and ceremonies are being revived, and freedom of religion is being fully restored. The national identity and dignity of more than a hundred nations and peoples living in Uzbekistan are being restored.

Uzbekistan's path to true independence is based on the interests of the republic's economic development, taking into account its specific conditions. First of all, it is based on the national-historical life of the population, the way of thinking, folk traditions and customs.

It is important to take into account the religious "Islamic factor" in the development and implementation of domestic and foreign policy. At the same time, since the early 1990s, the problem of economic interests in the country has become acute and urgent. This is due to the complexity of the concept of "economic security". Traditional approaches and methods fail to fully describe economic security, predict the level of economic

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relations, and show practical ways to maintain stability.

Economic security is one of the main components of national security, a set of views based on the ways, means and methods of ensuring the economic needs of the country. Conceptually, it is based on an analysis of the main factors of economic risk arising from the state of economic potential of the state. In order to develop a state strategy of economic security, it is necessary to comprehensively examine any risks and, in particular, economic risks.

National interests are the sum of vital interests of an individual, community and state that represent the needs of the country's development. In other words, national interests - the national interests of Uzbekistan - are the citizens of each country, arising from the features of its socio-economic and political structure, level of economic development, historical place in the international division of labor, specialization of geographical location, national and cultural traditions. , from the needs of community and public buildings.

The personal and national interests of the people of the country have a very complex system. It can be classified according to various characteristics.

For security entities, interests are vital and secondary, depending on the level of social significance. Depending on the duration of the effect, they are divided into permanent and temporary. For man, first and foremost, their consumption is of particular importance as a set of vital needs that ensure their satisfaction and the development opportunities and existence of every citizen, community, and state. Interests that are not related to living problems are of secondary importance.

The vital interests of the main security structures are part of the national interests that cannot be achieved without the stability of the state and society, as well as the normal development of the country as an independent and free subject of international relations. The content of economic security of the Republic of Uzbekistan and the conditions for its sustainable development is the state of guaranteed protection of vital interests from external and internal threats.

Important and vital economic interests of a person are:

- ensuring personal and property security;
- creation of effective market mechanisms for full activation of human strength and abilities;
- ensuring the subsistence minimum and increasing human well-being;
- meeting the needs of the place of residence;
- Establishment of a system of storage of personal funds of citizens, etc.

The vital interests of the state are:

- ensuring socio-economic stability;
- Achieving effective socio-economic reforms aimed at building a democratic and legal competitive national economy;
- guaranteeing the rights and freedoms of the owner, protection of private property and support of entrepreneurship;
- creation of stable and dynamic conditions for economic growth, increase of welfare of the population;
- Ensuring a high level of scientific and technological development in priority sectors of the economy; to establish an effective system of economic security, to include Uzbekistan in the regional and global system of collective security and to establish cooperation with this system.

In terms of the type of interaction, interests are divided into confrontational, diffuse, parallel, and combined.

Confrontational interests are directly conflicting, mutually exclusive interests that are the source of antagonistic conflicts.

Distributed interests intersect, but do not lose each other. They are aimed at achieving different goals, but do not endanger the lives of others.

Parallel interests are interests without antagonisms. Independent parties who pursue the same goals that are close to each other, seeking to carry out their actions without coordination with the other party.

Indeed, the current state of Uzbekistan in the world economic system, the level of economic development, the characteristics of natural and climatic conditions, the assessment and analysis of national mentality and historical heritage identify the following key factors of threat to economic security.

a) External risks:

- Preservation of the Republic of Uzbekistan as a raw material base and a market for low-quality, non-competitive products;
- preventing access to foreign markets, participation in international financial and economic and trade regulation mechanisms, access to new technologies;
- impeding the world economic system and economic integration in the Central Asian region;
- underdeveloped system of external transport, information and scientific and technical communications;

b) Internal risks:

- The raw material base and deep processing of the economy left over from the totalitarian salt, sectoral and regional disproportions;
- limited land, water and some important mineral resources;
- high demographic pressure on the economy, especially in some regions (Fergana Valley);
- low technical level, which leads to high production costs in many areas and the production of non-competitive products;
- The formation of a new legal framework in the field of economy and the lack of mechanisms for its implementation;
- Preservation of the methods of administration and the recurrence of economically outdated thinking, insufficient understanding of the market principles and mechanisms of economic activity by some departments;
- Differences in the level and dynamism of market changes in different sectors and industries of the economy, as well as between urban and rural areas;
- underdeveloped market infrastructure;
- the risk of instability of money circulation in the financial, banking and currency systems;
- The spread of crime in the economic sphere, the imperfection of the mechanism of legal protection of economic entities.

The main directions of ensuring national economic security in Uzbekistan are determined in accordance with the priorities of national interests, real and potential threats and include:

- Consistent implementation of economic reforms aimed at the formation of a market economy, the formation of a class of real owners to increase its power;
- Encouraging the development of private entrepreneurship, small and medium business;
- formation of practical and legal mechanisms to protect the rights of owners and private property, to ensure freedom of economic activity;
- Achieving economic independence of the country through the intensification of investment activities, the organization of modern production of competitive products in world markets;
- Ensuring macroeconomic stability, financial, monetary and credit systems, strengthening the national currency;
- ensuring the sustainable operation of the economy in emergencies;

- overcoming the shortcomings of the system of governance at all levels, which hinders the path of economic and democratic renewal;
- Deepening administrative reforms, improving the management system of the economy, etc.

#### **What are the forms and means of protecting national economic interests in a market economy?**

The protection of the interests of the state, society and the individual is carried out through a system of protection of economic interests and security of the state.

The system of protection of economic interests and security of the Republic of Uzbekistan is described below.

One way or another to protect national economic interests is used to eliminate or prevent potential threats. They include measures to eliminate or reduce the impact of aggression

Methods of protecting the economic interests of the state include available resources and methods of their use. The state uses economic, legal, informational, intellectual and other resources to protect and ensure the interests of itself, society and the individual. Depending on the level of aggression of the threat, forms of protection such as compromise, intimidation, resistance, rape or coercion are used.

Because society and the individual have little opportunity to defend their interests, they rely heavily on state protection. There is also a non-governmental system that protects the vital interests of society and the individual.

Independent Uzbekistan is taking completely new measures in this direction. Speaking about independence, protection of national economic interests, which is a great blessing for every citizen of Uzbekistan, the President of our country called it the basis of social development, the condition of our current and long-term development, the essence of all our reforms. zone, and finally called the general principle that applies to all of us. Independence, which is the core of the nation's activity, constantly sets new goals for the members of the society and demands that they be achieved. "Every stage of development means problems and new tasks to solve them," the head of state said. The experience of nations and states, as well as the international community, shows that delays in solving problems can be costly. After all, any problem poses a number of other dangers, which, in turn, significantly complicates the development of any state. This means that the structure of government, which is responsible for the fate of the country, can not allow indifference in this regard, it must always be vigilant and active.

The bodies of economic security and management in the Republic of Uzbekistan include:

- President of the Republic of Uzbekistan;
- Oliy Majlis;
- Cabinet of Ministers;
- Institute for Strategic and Interregional Studies under the President of the Republic of Uzbekistan;
- Security Council of the Republic of Uzbekistan;
- State Security Service;
- Ministry of Economy;
- -Effective economic policy center;

- Ministry of Finance;
- Ministry of Internal Affairs;
- National Guard;
- State Tax Committee;
- State Customs Committee;
- State Property Committee;
- Agency for Foreign Economic Relations;
- Academy of Sciences of the Republic of Uzbekistan and others.

### **What are the factors of economic security?**

Economic security research focuses on identifying and classifying internal and external risk indicators through the collection and conceptualization of available information. In doing so, researchers select the most important factors influencing economic security.

The theory of economic security uses the method of factor analysis, which determines the cause of an event that causes a natural or social phenomenon, in finding and collecting information about the security of the individual, society and the state. The concept of "factor" is defined in the literature as the cause, the driving force of an event, the aspects that determine the nature of events.

Economic security cannot be studied without a factor analysis, because economic security is a system that is associated with a number of variable events.

Many factors are interrelated and are interchangeable. However, there are also indirect effects of some factors on economic security.

Factors in the study of economic security are related to indicators (indicators) called factor matrices. The factor matrix determines the degree of correlation between the factors and indicators identified during the analysis. The main purpose of factor analysis is the development of general rules to ensure the economic security of the individual, society and the state, and their links with the shortcomings in the development of the economy and social sphere of the country and the measures taken in these areas. is to ensure that Positive results are being achieved in the country in strengthening macroeconomic and financial stability, improving payment discipline, taking into account the key factors of economic security.

### **Economic security priorities**

Structural change is one of the important goals of Uzbekistan's economic policy in the transition period. The need for structural changes in the process of transformation of the economic system is due to the backwardness and disproportions of the technical base inherited from the planned economy.

The main goal of our state in the transition period is to create effective institutions and mechanisms of a market economy. Without achieving this goal, sustainable market-based economic growth will not be possible, which is the ultimate goal of structural policy. Market reforms and structural policies (provided they are successfully implemented) will help enterprises to adapt to the new economic environment, in the broadest sense, to modernize technology economically. It includes:

- changes in the structure of the economy;
- Improving the territorial structure of the economy;
- renewal of fixed capital (including through the state investment policy);
- Implementation of ITT achievements, technological re-equipment of production;
- Improving human capital (training and skills of new staff
- increase);
- Improving production and market infrastructure;

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➤ formation and improvement of mechanisms to stimulate and support economic growth.

Structural policies are usually designed to create the conditions for sustainable economic growth. It involves the redistribution of material, labor and financial resources between different sectors of the economy. The main sources of funding for its implementation are:

1. private funds and investments;
2. public funds and investments;
3. foreign direct investment;
4. Foreign investment and foreign loans.

In the implementation of structural policies in the context of developed market relations, the state usually uses indirect methods of influence, such as taxes, duties, monetary incentives, and so on.

In the context of underdevelopment of the private sector and market institutions, as well as the rapid implementation of reforms, the state uses administrative methods of redistribution of resources. Bunda:

- reduction of purchase prices for raw materials and export goods;
- use of different exchange rates;
- protectionist barriers;
- The assets of commercial banks are used to finance priorities, etc.

Structural investment policy in Uzbekistan is aimed at addressing complex issues. Among them are the following.

support for local producers, assistance to enterprises in the transition to market relations;

development of a number of promising sectors of the economy (import substitution and export support policies), creation of new industries;

Encourage technological re-equipment of production.

The main tools of structural policy in Uzbekistan are:

Public investment;

Credit policy;

Monetary policy;

Attracting foreign investment.

The main sources of funding for structural reforms include:

tax revenues in the budget;

required reserves of commercial banks (they are used for centralized loans);

government orders (primarily for the agricultural and industrial extractive industries);

compulsory conversion of exporters' foreign exchange earnings (or part of it) at the official exchange rate.

The main result of the structural policy pursued in Uzbekistan is less economic depression in the CIS than in other countries.

Implementation of structural policy requires huge material, labor and financial resources. The underdevelopment of the private sector makes the state the main economic entity. Market reforms, on the other hand, involve the transfer of state investment and economic functions to private enterprises.

The transfer of financial resources to the public sector weakens the private sector. If the increase in public spending displaces private spending, the squeezing effect will be realized.

Accelerating the shortage of financial resources will "soften" public policy, exacerbating problems such as

inflation and defaults. In the face of strong inflation and financial disproportion, speculative transactions are more profitable than investment in production. Second, market mechanisms for the formation of funds and their conversion into production investments will not work.

The above should be taken into account when planning and implementing structural policies in a transition economy. According to the medium-term forecast of development of the republic until 2005, the priorities of structural changes in the economy are:

accelerating the development of key industries;

Strengthening export potential and import substitution:

restricting the focus on exports of raw materials;

development of production, financial and market infrastructure, development of the stock market, taking into account modern communication systems and media;

filling the market with goods from local producers, ensuring product security of the country;

strong social policies, poverty reduction, job creation, real incomes.

The following indicators are projected to be achieved in Uzbekistan by 2005 after the structural changes:

The average annual growth of YalM is around 6-7%;

growth of industrial production by 8-10%;

export growth 12-14% and so on.

Tax and budgetary policy of the Republic of Uzbekistan plays an important role in achieving economic security and includes:

implementation of a tight fiscal policy, minimization of the state budget deficit, gradual reduction of subsidies and all types of budget subsidies;

to follow the path of distribution of budget funds only after the receipt of income, to allocate funds from the budget only for the first, best public needs;

to abandon the practice of providing non-refundable funds from the budget for the development of individual sectors of the economy. Extensive use of investment loans for these purposes;

Improving the tax system, pursuing a sound tax policy that ensures the stable replenishment of budget revenues, encourages the development of small and private enterprises, joint ventures with foreign capital, processing of agricultural products .

## **Conclusions and recommendations**

We know that economic development is based on economic security and the factors that create an environment similar to the environment that ensures development and sustainable development. National and economic security consists of the following classes: political-military information, economic and socio-economic security. The main priorities of economic security are determined by national interests, real and potential threats.

Based on these considerations, the following conclusions can be drawn from this article:

The basis of economic and national security, which is the basis of the basic interests of the national economy and the most important strategic task of reform, is to ensure socio-economic stability, personal and property inviolability; subsistence minimum; human well-being and so on.

A brief analysis of economic security has shown positive results in strengthening macroeconomic and financial stability in the country, improving payment discipline, taking into account the key factors of economic security.

Internal factors of economic security are the natural landscape and the presence of snow-capped mountains, wetlands and completely wet rivers and completely wetlands; Existence of security issues in the widespread

use of the Internet.

The system of economic security of the state, the policy of gradual renewal and development, the measures taken to ensure economic security in the most important areas of economic and social development of the country;

A key factor in national security is the implementation of security, budget, finance, tax and agrarian policy priorities at all levels with a clear plan in mind.

One of the main ways to ensure the security of the republic is to combat the threats posed by the transition economy, the widespread use of international and legal barriers and liberalization in the fight against corruption.

Interference of state and legal representatives in corruption is a very dangerous situation. It will eventually lead to instability in the country and so on.

Based on the above conclusions and recommendations, it is important to keep in mind the need to improve economic security in a transition economy.

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