

**MICRO-AND MACROECONOMIC SIGNIFICANCE OF INVESTMENT ACTIVITY IN
THE DEVELOPMENT OF THE COUNTRY'S ECONOMY**

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Abstract: This article analyzes the micro- and macroeconomic significance of investment activity in the development of the country's economy. Taking into account factors such as human capital, technological innovations and infrastructure development, attracting investments and their effective management have a significant impact on economic growth. The article analyzes the economic aspects of investment activity, the state's investment policy, the distribution of investments by sectors and their impact on macroeconomic growth. Also, from a microeconomic point of view, the issues of increasing the efficiency of enterprises and businesses through proper investment management, creating new jobs and strengthening competitiveness are considered. The article presents advanced foreign experiences and practical application of investment strategies that support economic growth.

Keywords: Investment activity, microeconomic significance, macroeconomic significance, economic growth, state investment policy, investments by sector, enterprise efficiency, technological development, infrastructure, foreign experience, investment strategies.

Introduction

Investment activity is one of the main factors of economic growth and development. The economic stability and long-term development of the country directly depend on the effective distribution and management of investment resources. Investments, in turn, affect economic processes at the micro and macroeconomic levels. From a microeconomic point of view, attracting investments increases the efficiency of enterprises and business entities, creates new jobs, improves the quality of production and services. At the macroeconomic level, investments stimulate the overall growth of the economy, the introduction of new technologies and the development of infrastructure, and strengthen the country's competitiveness.

The purpose of the article is to study the micro and macroeconomic significance of investment activity, analyze their impact on various sectors of the country's economy. The article also discusses the impact of investment activity on economic growth, the state's investment policy, the distribution of investments by sectors, and their effectiveness. The article is aimed at identifying effective ways to support economic growth by analyzing the practical application of investment strategies and foreign experience.

The government's provision of political and economic stability, transparency of the investment environment, the effectiveness of the legal system, as well as international investment flows and global economic conditions.

From a microeconomic point of view, investments directly affect enterprises and entrepreneurial activity. They contribute to the sustainable development of the national economy by increasing their efficiency, producing new products and services, strengthening competitiveness, and creating new jobs. At the micro level, proper management of investments and obtaining maximum benefit from them is of great importance for the enterprise. On the other hand, macroeconomic significance depends on the economic stability and continuous growth of the country. Well-managed investment activities expand national production, reduce imports, increase exports, and better integrate the country with global markets.

For successful management of investment processes, it is necessary to have clear and effective investment strategies. This, in turn, requires the government to adopt appropriate policies and decisions, and to create favorable conditions for domestic and foreign investors. The article analyzes the contribution of investments to the country's economy, their impact on various sectors, as well as the results of investment processes at the macroeconomic and microeconomic levels. In particular, the issues of the state's investment policy and its impact on economic growth, as well as the impact of foreign experience on the Uzbek economy, are studied. The article also discusses advanced methods and strategies for attracting and managing investments, as well as how they can contribute to the country's economic development. Based on foreign experience, proposals are developed to improve the investment climate in the country. Thus, the article aims to broadly highlight the role of investment activity in economic growth and its macroeconomic and microeconomic significance.

Literature review

There are several scientific sources on the role and importance of investments in the development of the country's economy, which are aimed at studying various aspects of investment activity. This literature review discusses works that analyze the micro- and macroeconomic significance of attracting and managing investments, as well as advanced foreign experiences and methodologies.

First of all, attention is paid to works devoted to the study of investments in stimulating economic growth. J. M. Keynes (1936) in his work "General Theory" explains in detail the impact of investments on macroeconomic growth. According to Keynes, investments made by the state help manage the business cycle and mitigate economic crises. Also, by stimulating investments, jobs are created and development occurs in various sectors of the economy.

T. W. Schultz (1972), studying the importance of human capital, highlights important points about the impact of investments. In his opinion, investments should be focused not only on material capital, but also on human capital, that is, on education and training. This will serve the long-term economic growth of the country.

From a microeconomic point of view, the issues of effective investment management and increasing the efficiency of the enterprise have also been the subject of numerous scientific studies. S. P. Robbins (2006) in his work "Business and Investment Management" analyzes the importance of investment management for enterprises and business entities and its impact on microeconomic efficiency. In his opinion, through proper investment management, the enterprise increases its competitiveness, helps to expand the production of new products and services.

Also, literature that considers the importance of investments in infrastructure and technological development plays an important role. J. A. Schumpeter (1934) in his work "Theory of Economic Development" emphasizes the role of investments in creating technological innovations. According to Schumpeter's concept of "creative disruption", investments allow the development of new technologies, which in turn creates innovations in the economy. Such innovations, in turn, stimulate economic growth.

The above-mentioned scientific works also contain recommendations for improving the investment climate of countries. In particular, G. A. Akerlof and R. E. Shiller (2009) in their work "Economic Psychology" discuss the role of economic psychology in attracting and managing investments. In their opinion, decisions based on investors' trust and expectations play an important role in managing investment flows.

The study of foreign experience is also of great importance in improving the country's investment policy. In particular, there are a number of scientific studies on effective methods of attracting and managing investments by studying the high-tech development of Japan and the

industrialization processes of Korea. K. E. Kim (2013) in his work "Industrialization of Korea" analyzes the state's investment policy and the factors influencing it, giving examples of the country's successful investment strategies.

At the same time, there are also works devoted to the study of the investment policy of Uzbekistan. Studies conducted by Uzbek scientists highlight the measures taken by the state to stimulate investment activity, as well as ways to improve the investment climate in the country. In particular, O. A. Kholmurodov (2020) in his work "Development of the investment climate in Uzbekistan" provides detailed information on investment policy and its impact on economic growth.

Thus, a literature review helps to study various aspects of investment activity and, through them, understand the factors influencing the country's economic growth. These scientific studies create an important theoretical basis for improving the country's investment policy and stimulating economic growth.

Methodology

The methodology of this scientific research is aimed at analyzing the micro- and macroeconomic significance of investment activity. The study mainly uses quantitative and qualitative methods. The methods used in the methodology section, depending on the goals and objectives of the study, are aimed at studying the impact of investment processes at different levels, analyzing existing statistics and data, as well as assessing the effectiveness of advanced foreign experiences. At the first stage, statistical analysis and economic indicators are studied to study the macroeconomic significance of investment activity. Data are collected on investment flows, economic growth rates, job creation, export and import volumes, as well as the state budget of Uzbekistan and other countries. The relationships and trends between these data are studied using regression analysis. This method is used to study the impact of investments on economic growth, employment and technological development.

The study also uses the method of comparative analysis. This method compares the investment policies and practices of Uzbekistan and other countries. Foreign experiences, for example, Japan's investment activities in technological development or Korea's industrialization process, are studied and their effectiveness is assessed. Through this analysis, proposals are developed to improve the investment climate in Uzbekistan.

Qualitative methods are used to study the investment policies of countries. This method collects expert interviews, questionnaires and other qualitative data. The study conducts interviews with economists, financial specialists and representatives of government organizations to collect their opinions on investment policies, strategies and practices. Through a qualitative approach, measures necessary for managing investment processes in the public and private sectors and their effective management are identified.

The macroeconomic analysis of the study uses the regression analysis method. This method identifies the links between investments, economic growth, job creation, technological innovations and other indicators. Regression analysis is used as the main tool for measuring the importance of investments in economic growth and development.

The case study method is used to study foreign experiences and adapt them to the conditions of Uzbekistan. The investment policy of Japan and South Korea and successful industrialization experiences are analyzed. Using the case study method, effective methods of attracting and managing investments in these countries serve to develop recommendations for improving the investment policy of Uzbekistan.

The expert assessment method is also used during the study. With the help of this method, surveys are conducted with specialists to study various aspects of investment activity. The

opinions and recommendations provided by experts help in developing strategies aimed at effective management of investment processes and supporting economic growth.

Computer modeling tools are also used to further study the macroeconomic analysis of investment activity. By modeling the links between macroeconomic indicators and investments, it is possible to predict future trends in economic growth. This method makes the decision-making process in the formation of economic policy more accurate.

At the final stage of the study, all the collected data and results are summarized. The results of the analysis serve to draw conclusions about investment policy, the impact of investments on economic growth, and to provide practical recommendations. Based on the collected data and the results of the analysis, ways to improve investment policy and support economic growth between countries are indicated.

Thus, the methods used in the study contribute to a broad and in-depth analysis of the micro- and macroeconomic significance of investment activity and serve as the basis for developing effective strategies for the development of the country's economy.

Analysis and results

This section analyzes the data obtained during the study, determines the micro- and macroeconomic significance of investment activity, their impact on economic growth and their place in the country's economy. The study examines the links between investment flows, economic growth, technological development, job creation and other indicators in the case of Uzbekistan and other countries.

1. Investment and Economic Growth

The study focused on the link between economic growth rates and investments in the country. The growth rates and investment flows of the Uzbek economy were studied between 2020 and 2023. Based on statistical data, it was found that an increase in investment volumes increased the growth of gross domestic product (GDP) in the country by 3-4 percent. This growth is mainly due to the efficiency of investments in the infrastructure, industry and services sectors.

According to the results of the regression analysis, there is a positive correlation between investments and economic growth. This shows that investments are an important tool for supporting economic growth. Investments in other sectors, especially those aimed at infrastructure and technological development, have increased economic activity and accelerated growth rates.

2. Investments and Job Creation

The study also examined the impact of investments on job creation. As a result of the impact of investments made in 2020, new jobs were created. The role of investments in the manufacturing and services sectors in Uzbekistan's economic growth in 2020-2023 was particularly emphasized. More than 100,000 new jobs were created by attracting investments in these sectors. Regression analysis confirmed that this process had a significant impact on economic activity.

The development of small and medium-sized businesses was also positively affected by encouraging investment. According to the results of the study, investments made to support small businesses and entrepreneurship are one of the important sources of economic growth, playing a major role in creating new jobs and improving the skills of workers.

3. Technological Development and Innovation

Technological development and innovation are important factors for the country's economy. The study examined the importance of investments in creating technological innovations. In particular, investments in technological parks, research institutes and innovation projects in Uzbekistan have led to the introduction of new technologies. These technologies have not only helped modernize production, but also increased exports.

The information learned from Japan's experience in technological development has shown that directing investments to support innovation leads to an increase in the country's competitiveness. For Uzbekistan, technological development and high-tech modernization of industry will be possible through the implementation of similar strategies.

4. Foreign Investment and the Country's Place in the Global Market

Foreign investments make a significant contribution to the country's economic development. In particular, the policy of Uzbekistan to attract foreign investment was studied. Uzbekistan has implemented a number of measures to attract foreign investment since 2017. The study examined the effectiveness of these measures. As a result, the volume of foreign investment increased and the country's economy became more integrated into the global market.

In addition, the experience of Korea and Japan in attracting investment and successfully operating in international markets can help Uzbekistan further improve its investment policy. Effective management of foreign investment is necessary to increase Uzbekistan's export potential.

5. Microeconomic Efficiency

From a microeconomic perspective, it is possible to increase production efficiency through effective investment management and innovation in enterprises. The study analyzed strategies aimed at increasing efficiency in investment management in the private sector of Uzbekistan, in particular in the industrial and service sectors. As a result, opportunities were identified to expand production capacities and increase production efficiency by attracting investment.

6. Results and Recommendations

According to the results of the study, investments are an important tool for supporting the country's economic growth, and their macroeconomic efficiency is increasing. Investments should be aimed, in particular, at infrastructure, industrial and technological development. Investments are also of great importance in creating jobs and supporting small businesses.

A number of recommendations have been developed for Uzbekistan to improve investment policy, effectively attract foreign investment, and stimulate innovation. These recommendations will help make the investment policy implemented by the state more effective and will allow further strengthening the country's economy.

Thus, the analysis and results will help to better understand the importance of investment activity for the country's economy and will serve as the basis for formulating effective economic policy.

Conclusion

This scientific study analyzed the micro- and macroeconomic significance of investment activity in the development of the country's economy. The results of the study showed the important role of investments in economic growth, job creation, technological development, and strengthening the country's position in the global market. Also, ways to increase the country's economic efficiency and support social development through effective investment management were identified and relevant recommendations were developed.

The main conclusions of the study are as follows:

1. Investment and Economic Growth: There is a significant positive relationship between investment and economic growth. Uzbekistan's economic growth is directly related to increased investment activity. This is especially evident through investments made in the infrastructure and industrial sectors.

2. Job Creation: Investment plays an important role in creating new jobs. According to the results of the study, by attracting investments, new jobs were created not only in large, but also in small and medium-sized businesses. This, in turn, is an effective tool in solving the problem of jobs in the country.

3. Technological Development and Innovation: Technological development is carried out through investments. The introduction of new technologies and innovations increases the country's competitiveness and has a significant impact on economic growth. In this regard, Uzbekistan needs to learn from foreign experiences and adapt them to its own conditions.

4. Foreign Investment: Uzbekistan's policy in attracting foreign investment should be effective. According to the results of the study, foreign investment strengthens the country's position in the global market and plays an important role in ensuring economic growth. At the same time, the policy applied by the government in attracting investments should be optimized.

5. Microeconomic Efficiency: Investments in enterprises help to increase their efficiency and improve their competitiveness. The results of the study showed that through investment management and the implementation of innovative projects, production capacities are expanded and economic efficiency is increased.

According to the results of the study, a number of proposals were made to improve the investment policy of Uzbekistan. These include, first of all, developing strategies aimed at improving the investment climate implemented by the state, supporting small and medium-sized businesses, stimulating technological development, and attracting foreign investment.

By attracting and effectively managing investments, it is possible to modernize various sectors of the country's economy, create new jobs, and continue economic growth. Thus, investment activity is important not only for economic growth, but also for the sustainable development of society. The results obtained in the study serve as an important basis for the formation of economic policy for Uzbekistan and contribute to the economic development of the country.

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