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MODERN MODELS OF CORPORATE GOVERNANCE AND THEIR ROLE IN THE NATIONAL ECONOMY

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Abstract: This article provides a comprehensive analysis of the role of corporate governance in the national economy, advanced models from the experience of foreign countries, in particular the Anglo-American, German, Japanese and family models. The specific features, advantages and weaknesses of each model, as well as the possibilities of their implementation in the conditions of Uzbekistan, are considered.
Keywords: corporate governance, joint-stock company, Anglo-American model, German model, Japanese model, family model, modern management.

Introduction. Corporate governance today plays an important role in ensuring the efficiency of joint-stock companies, strengthening financial stability and increasing investment attractiveness. Corporate governance is understood as a system that manages relations between managers, the board of directors, shareholders and other stakeholders. This system creates the necessary foundations for the long-term sustainable development of the company.
Today, the role of modern corporate governance in joint-stock companies in our national economy is very important, because the principles and models of corporate governance make a huge contribution to the processes of efficiency and high profitability in joint-stock companies. Therefore, our government is developing various resolutions, projects and programs for the development of this sector. By the Decree of the President of the Republic of Uzbekistan No. PF-60 dated January 28, 2022 "On the Development Strategy for the Further Development of the Republic of Uzbekistan", in order to further increase the well-being of our people, transform economic sectors and rapidly develop entrepreneurship, unconditionally ensure human rights and interests, and establish an active civil society, the following was approved: "The Development Strategy for the Development of New Uzbekistan in 2022-2026 in seven priority areas was approved.
Today, the study of mature and modern experience and formed skills in corporate governance practice in the world is one of the pressing issues. There are various models of corporate governance in world practice. Each country forms a corporate governance model based on its own characteristics. All corporate governance models in the world are based on three different models. Corporate governance is such a concept that it includes managers, the board of directors, shareholders and persons interested in managing the company It represents a system of interactions between the founders and the company. Such a system affects not only the founders' income, but also the company's future investments.
Main part. The first model is the Anglo-American or outsider model, a management model of a joint-stock company based on a high level of corporate control over the joint-stock company or the use of external market mechanisms of control over the management of the joint-stock company. Such a management model is typical for countries such as the USA, Great Britain, Canada, New Zealand. In this case, the interests of shareholders are manifested in a large number of investors, which exist in connection with the management of the joint-stock company, which differ from each other.

The actual management of a joint-stock company is carried out by professional managers. The main problem in applying this model is the problem of interaction between the founders of the joint-stock company and the managers involved. In such conditions, of course, the role of the stock market, which plays an important role in exercising control over the management of the joint-stock company, increases even more. The main participants are managers, directors (board of directors) and investors. Also involved are government agencies, stock exchanges, self-regulatory bodies, consulting firms that provide advisory services to corporations and investors on corporate governance and voting trust.

Of the countries implementing the Anglo-American model of corporate governance, the United States demonstrates the most stringent standards of information openness. In other countries that use this model, the level of information disclosure is also high, but in the United States, corporations are required to publish various information once a quarter. Also, the following information must be included in the annual report or annual general meeting of shareholders:

The main principles of the Anglo-American model of corporate governance include:

• separation of property and obligations;
• separation of property rights and control over the corporation;
• a sufficient condition for “increasing the welfare of the joint-stock company” is the behavior of maximizing wealth;
• maximizing the market price of shares is maximizing the wealth of shareholders;
• all shareholders have equal rights;

The outsider (foreign) model is a model of joint-stock company management in the foreign market with a high level of control or corporate control mechanisms.

The continental (German) or insider model is a model of joint-stock company management, implemented with priority given to the use of internal methods of corporate control or self-control methods. “The German model of corporate governance is also characteristic of Central and Western European countries (Germany, the Netherlands, Switzerland, Austria, Norway, Scandinavian countries, Belgium and France). It is based on the principle of social interaction: all interested parties in the activities of a joint-stock company (shareholders, managers, employees, banks, public organizations) have the right to participate in the decision-making process.

The German model is characterized by a weak focus on stock markets and shareholder value in management, since in this case the company itself controls its competitiveness and performance. " "A number of objective and subjective factors influenced the formation of this model. Among them, it is necessary to highlight, first of all, the high level of concentration of share capital, which ensures the leading role of banks in corporate decision-making and is characterized by the placement of a relatively small part of their shares in the hands of private investors. For example, in large companies, more than 40% of the shares are held by the 5 largest shareholders. Accordingly, the stock market in Germany is considered to have somewhat lower liquidity than in the USA and Great Britain. For this reason, the continental model is characterized by a somewhat higher level of ownership concentration and the presence of strategic investors with a blocked share package, in which banks play a major role. In recent years, the influence of foreign investors on management based on the German model has been increasing.

The Anglo-American and German models of corporate governance represent two mutually contradictory systems, reflecting the national characteristics of a particular country and consisting of many options based on the leading priorities of one or another system. The development of a particular model of corporate governance within the framework of the national economy mainly depends on the following three factors: - the mechanism for protecting the rights of shareholders; - the functions and tasks of the board of directors; - the level of information disclosure. The Japanese model of corporate governance emerged in the post-World War II financial and industrial formed on the basis of groups (keiretsu), influenced by the political and economic conditions, culture and traditions of the country, and characterized by a completely closed system based on bank control, which allows to reduce the problems of control of managers. The Japanese model of corporate governance is multifaceted and is formed around the main (leading) bank and the financial and industrial group (network) or keiretsu. “The main bank and keiretsu are two different, but complementary elements of the Japanese model. Practically all Japanese corporations have close relations with their main banks. The bank provides loans to its corporate clients, issues bonds and shares, and provides account management and consulting services. This model is characterized by the accumulation of a large part of the property of companies included in the “keiretsu” in the hands of large and medium-sized shareholders who own shares.

That is, 70% of the shares of joint-stock companies belong to financial institutions, but monitoring of the company's activities is carried out not only by their shareholders, but also by the main bank, which is considered a major creditor. Typically, keiretsu is organized around one large bank that can provide financing for all companies of the financial and industrial group. The composition of the board of directors of Japanese corporations is larger than in the USA, Great Britain or Germany, and consists of an average of 50 members. If the corporation's profits decrease over a certain period of time, the main bank and keiretsu members can dismiss directors and nominate their own candidates can appoint.

Another custom typical for the Japanese state is the inclusion of retired heads of various ministries and departments in the board of directors of a corporation. For example, the Japanese Ministry of Finance may appoint a retired head as a member of the board of directors of a bank. In the Japanese model, the composition of the board of directors depends on the financial condition of the corporation. Due to changes in the legislation in the country in recent years, the Japanese model of corporate governance has begun to have a negative impact on effective development. The reason is that due to the increase in foreign institutional investors in the country, Japanese companies have become more oriented towards the market, shareholders, and, in addition, the Anglo-American model. The family model of corporate governance is distinguished by its widespread distribution in all countries of the world (mainly in Asian and Latin American countries, Canada, Sweden, Italy and France). In this case, the corporation is managed by members of one family. The capital of the corporation is concentrated and distributed through family channels, and control over the movement of the corporation's business and financial resources is completely owned by the family (for example, the Wallenbergs in Sweden, the Anellis in Italy, the Bronfmans in Canada, the Li Kai-shi dynasty in Taiwan are examples of this). In some cases, investors can be attracted to family businesses, but they do not have a majority vote in corporate governance. Such shares can also be issued through listing on a stock exchange. If all the shares of a joint-stock company belong to one voter, then family-owned shares provide additional advantages (for example, exclusive rights in electing members of the board of directors). Such a tool allows you to control the activities of a joint-stock company without having a large shareholding.

According to some researchers, family companies are an outdated way of accumulating capital and are not considered an effective form of doing business. However, data show that in industrialized countries, from 45% to 75% of GDP is accounted for by family companies. In addition, family companies, compared to companies with a large number of owners, operate for a longer period of time. In world practice, the experience of four existing models of corporate governance in joint-stock companies differs from each other in the manifestation of their specific features in practice and the mechanism of their operation. Based on the research conducted, a comparative analysis of the advantages and disadvantages of the use of these models was carried out.

In order to improve the corporate governance system in the conditions of Uzbekistan, it is important to select and adapt foreign best practices. Each model has its advantages, but none of them is a universal solution. Therefore, it is advisable to create hybrid management models, taking into account national economic, legal and cultural factors.

Conclusion. Effective implementation of a corporate governance system not only ensures the financial stability of joint-stock companies, but also contributes to the competitiveness and international integration of the national economy as a whole. Therefore, it is urgent to improve the legislative and institutional framework for corporate governance in Uzbekistan, and to use foreign experience.

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