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Experience of Integration Processes in the Financial Sphere: Theory and Practice

Botirov J.E

“Institute of Social and Political Sciences “

Introduction. Integration processes are an integral part of the globalization of the world economy. They represent a qualitatively new form of interstate relations, the ultimate goal of which is to increase the rate of economic growth and ensure the competitiveness of the entire production system. At this stage, regional economic integration is defined as a process (dynamic approach) and a state (dynamic approach) associated with a qualitative improvement in cooperation between countries in a certain area to a new level, strengthening economic ties, exchanging mutual experience and technology, as well as eliminating trade, economic, financial and other barriers within the integration structure can be characterized as a static approach). Integration associations can have several forms in terms of goals and objectives, methods of their implementation, the level of implementation of decisions made within the association, their impact on trade and economic relations with third countries. Integrating countries should choose a specific integration model based on their goals and capabilities. An integration model is a set of common views on the system of relations, which provides for the formation of close relations between the subjects of integration to achieve their goals.

The concept of "integration" comes from the Latin *integratio* - unification, expansion, whole - whole, single and implies the merging of parts into a whole while preserving their properties. The concept of integration is widely used in the context of industries and sectors and in each case acquires a specific meaning. Therefore, different sources give it different definitions. In particular, political integration is the formation of interstate political structures, the formation of common strategic goals and political and legal frameworks, social integration is mutual cooperation of social strata and groups of society, cultural integration is the strengthening of language, customs and intercultural ties. And economic integration is based on the national interests of countries and provides for the establishment of deep and stable mutual cooperation in order to ensure economic development and competitiveness of production based on prudence and rational use of available resources.

Scientists have studied models of integration processes in the world, conditionally divided into four groups. At the moment, there are different approaches to the question of whether the driving force of integration is economic interest or political ideology. In particular, representatives

of the federalist approach emphasize that the political aspect is primary in integration, and characterize it as a process of organizing associations in the form of a federation between states. Neo-federalism, followers of this theory, believe that the goal of integration is the creation of a "political community". According to the functionalist approach, economic interests occupy a primary place in integration processes; states join integration structures to meet their common needs. Theorists of neo-functionalism argue that integration processes lead to countries giving up their sovereignty for the sake of achieving common goals.

The integration model determines the mechanisms and institutional organization of interaction between integrating entities. At this stage, the economic efficiency of the integration model depends, first of all, on the extent to which the main economic entities (large businesses, state corporations, and transnational companies) penetrate the markets of countries cooperating within the framework of integration. In addition, in a market economy, the formation of appropriate organizational mechanisms and structures does not always lead to the fact that business entities carry out their economic activities within the framework of an integrated structure; therefore, they act, first of all, based on their economic interests. At the same time, entities of the economic structure, based on their own interests, can cause damage to other partners due to failure to fulfill their obligations to achieve common goals.

According to the levels of economic integration processes, integration subjects can be states (official level) and business structures (corporate level). Here, formal institutional mechanisms are formed only in the context of interstate economic integration. The depth of economic ties between integration subjects and forms of cooperation are the main factors in choosing institutional mechanisms. Business structures participating in the integration process, in turn, consist of national economic entities and transnational companies (TNCs). The goals of participation in integration processes of the above-mentioned subjects can be conditionally expressed as follows:

- national economic entities: expansion of trade networks and increase in production volumes;
- TNCs: obtaining cheap resources and increasing the level of profit by achieving a monopoly position;
- states: ensuring socio-economic development, satisfying geopolitical and geo-economic interests.

The mutuality of the economic potential of the participating countries is of great importance in the formation of the model of interstate economic integration. In economic terms, the obvious superiority of one country over others in itself prepares the ground for it to play the role of a kind of "locomotive" in this structure. This leads to the fact that other economically weak countries fall under the influence of the leading country within the framework of the integration structure.

The initial stage of interstate economic integration processes involves the conclusion of bilateral and multilateral agreements that provide various advantages in mutual trade. Within the framework of the free trade zone, customs duties and notary barriers in mutual trade are reduced or eliminated, and free transit is ensured. A single customs territory will be formed in the Customs Union, uniform customs tariffs will be established for countries that are not members of it, rules for notary regulation of trade will be established, uniform customs legislation will be in effect, a supranational governing organization will be created, and a common trade policy will be implemented in relation to other countries.

The common market ensures free movement of goods, services, capital and labour, brings national legal norms closer together, develops common principles for regulating government procurement and natural monopolies, and countries pursue mutually agreed policies in important

areas of economic activity. economy. Within the framework of the economic union, member states pursue mutually coordinated macroeconomic policies and develop economic development strategies. Countries entering the economic and monetary union, when creating the conditions for the economic union, pursue a single currency and monetary policy, introduce a single currency and create a common emission centre. The introduction of appropriate institutional mechanisms plays an important role in the effective organisation of the activities of the above-mentioned integrated structures. In particular, within the framework of preferential trade agreements and free trade areas there will be no separate permanent governing bodies.

Working groups will be formed to coordinate the economic and monetary union, consisting of representatives of the member states. At a higher level of integration processes, there is a need to create a special organization with special powers. This body monitors the implementation of decisions that are mandatory for all member states, develops proposals to improve decision-making mechanisms (consensus, various forms of voting), and creates funds to compensate for possible trade imbalances and economic losses. In these integration processes, along with possible economic conflicts between member states, their willingness to limit their sovereignty is one of the main problems. At the same time, some researchers note that the expansion of regional economic ties can be carried out in different directions.

In particular, there are two forms of economic regionalism, which are divided into regional economic cooperation and regional economic integration, and the main difference between them is the limitation or non-limitation of the sovereignty of the cooperating countries. At the same time, the development of economic cooperation between the countries of the region includes processes from concluding preferential trade agreements to reaching agreements on global strategic cooperation and does not limit the sovereignty of states. At present, some additions to traditional forms of integration are observed in the integrating countries in order to strengthen regional economic cooperation without limiting their sovereignty. For example, countries that have formed a free trade zone additionally protect the rights of mutual investors, general regulation of technical standards of goods and services, and by concluding multilateral agreements in other areas not only the free movement of goods, but also strengthening. Issues of mutual capital movement and ensuring the competitiveness of manufactured products are resolved. The effectiveness of any integration structure depends on subjective (measures implemented by member states, the ability of the authorized body of the integration structure to perform its tasks, etc.) and objective (integration potential) factors.

Integration potential is a combination of natural, production, labor, financial, intellectual and other resources of the member states of an integration structure, which is characterized by the fact that their joint use is more effective than their individual use. This factor allows the integrated structure to gain a competitive advantage over other countries and structures on a global scale.

The presence of a common border between member states is important for the effective use of the above-mentioned integration potential. Based on this factor, some scholars classify integrated structures as follows:

- regional (cooperation between countries that have common borders);
- international (cooperation between countries that do not have a common border but are located on the same continent);
- transcontinental (cooperation between countries on different continents).

According to this classification, the presence of a common border in the formation of individual forms of integration structures (customs union, common market) is an important condition for their full functioning. The fact that these factors differ fundamentally from each other

in the context of countries, the desire of countries to protect their geoeconomic and geopolitical interests, political and economic changes occurring on a global scale, show that the processes of regional economic integration in one space can occur at different levels and at different speeds. This, in turn, requires the development of new approaches to the study of economic integration. In this regard, theorists introduce the concept of "Comparative Regionalism". According to this approach, in the processes of regional integration, economic relations with countries outside the region, interdependence in the security sphere, the desire to maintain political stability in countries become more important than the factor of economic interdependence within the region.

At present, global economic integration processes are influenced by various factors and can be conditionally divided into two groups: Factors influencing integration processes.

1. Economic development (characteristics of the regional economy);
2. Specialization of the production structure (development of basic industries);
3. Infrastructure (development of the transport system);
4. Standard of living of the population (level of social development, assessment of the labor force).

Transformational factors.

1. Institutional (the necessary conditions for entrepreneurial activity and investment environment have been formed);
2. Communication (participation of the region in the international division of labor);
3. Innovative (technology transfer, level of expertise of specialists, level of development of fan technologies).

As mentioned above, transformation factors are related to the level of socio-economic development of countries joining regional integration structures, while transaction factors are characterized by the fact that they serve to strengthen the interaction of integration entities. Here, researchers focus on the differences between integration structures created by developed and developing countries. According to them, the idea of maintaining sovereignty and non-interference in internal affairs is promoted as a common value in integration organizations with the participation of developing countries. Based on these considerations, countries facing the question "should we participate in the integration process?" or "should organizations be allowed to limit their sovereignty over the state?" creates an opportunity to look at the answers to questions from a new angle. This means that each country participating in the processes of economic integration in the region can independently determine the level of commitment within the structure and the term of their implementation based on its economic potential, political goals and national interests.

Since the processes of economic integration are of great importance in the socio-economic development and political life of countries, the issue of participation in regional economic integration structures should be resolved, first of all, based on the national interests of states;

- the complex and dynamic nature of the processes of regional economic integration has led to the formation of various scientific approaches to its study, which creates the need for a scientific study of this phenomenon and the development of practical proposals based on the most appropriate theories, taking into account the factor of space and time;
- one of the most pressing issues in the process of economic integration is the problem of transferring some sovereign rights of states to supranational organizations;

Uzbekistan's efforts to further develop trade and economic relations with neighboring countries put on the agenda the issue of developing well-thought-out principles and forms of

cooperation with economic integration structures within the region. This necessitates a detailed study of the theoretical aspects of the problem.

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