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# FOREIGN EXPERIENCE IN THE FORMATION OF A MECHANISM FOR MANAGING ECONOMIC SECURITY

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#### **Abstract**

The article is devoted to the analysis of foreign experience in ensuring economic security, the author pays attention to the identification and analysis of factors affecting national security and providing socio-economic conditions for stable development and support of business structures.

**Keywords:** foreign experience, ensuring economic security, EU, Japan. China, USA.

In the context of strengthening international integration and globalization, with simultaneous strengthening of crisis impacts and instability of national economies, ensuring the economic security of the state and protecting its economic interests is an important condition for the development of both the country as a whole and its business structures. In this regard, the need to review the effectiveness of the economic security management system, taking into account the best world experience and the search for its new models, is being updated.

An analysis of existing foreign approaches to the definition of economic security demonstrates that simultaneously with its theoretical understanding, state economic strategies were developing and the mechanism of public administration was being formed. Depending on the continent, the specifics of economic development, global integration processes and the mentality of the population, as well as the priorities of national interests, the positions of countries in the field of ensuring economic security differ.

At the same time, there is a close relationship between solving problems (neutralizing threats] of socio-economic development, increasing the level of economic growth and consolidating the interests of all sectors of society and economic entities. In order to solve the problems that have arisen in countries in connection with the global financial and economic crisis (a decrease in GDP, unemployment, a decrease in the level of gold and foreign exchange reserves, an increase in the differentiation of incomes of the population] and the management

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of economic security, the governments of a number of foreign countries are taking active measures to regulate the national economy.

The key government authorities, whose powers include ensuring economic security, balanced development of industry, foreign and domestic trade, are in the USA - the Ministry of Commerce, in Japan - the Ministry of Foreign Trade and Industry, in China - the Ministry of Industry and Informatization, in the UK - the Ministry of trade and industry.

It is interesting that in a number of developed countries (USA, Japan, China) ensuring economic security is equated with the protection of national interests and national security in the priority areas of life of citizens. Therefore, the fundamental documents that define key areas in this area are strategies or concepts of national economic security.

An analysis of US strategic documents shows that economic security is seen as the main element of national security. Moreover, in the Strategies of 2010 and 2015, globalization is presented not only as an advantage of economic development, but also as a threat to the internal economic growth of the country and its economic entities. In addition, in the United States, the mechanism for ensuring economic security was based on the measures defined in the Law on urgent measures and the Anti-Crisis Plan.

Regarding the management of economic security in the eastern countries (Japan, China), it is worth noting that initially these countries developed taking into account their specifics and closeness from globalization processes. Moreover, it was in Japan that the issues of economic security and its provision were raised to the national government level [8, p. 121]. Until 2000, unlike Western countries, the security of energy, mineral and food resources and the security of transport routes were called key external threats. Moreover, no attention was paid to internal economic security. However, globalization, strengthening of interethnic relations and the global financial and economic influence on changing the paradigm of economic security towards a pro-American concept, an active financial policy in order to preserve the country's payment system, improve the structure of the economy and protect the environment. cite the Kaifu doctrine based on the American doctrine of the new world order by George W. Bush [3], anti-crisis measures of the Japanese government, program documents of high officials of Japan.

In China, since 2013, the political, military, and economic aspects of security have been considered as a whole. As noted in the White Paper on Defense Issues, the interests that may be under threat include sources of raw materials and energy

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resources, strategic sea lines of communication, the rights of Chinese citizens and organizations abroad [5]. It is the issues of internal economic security that are in the first place in this country.

Interestingly, this document from 2015 describes a potential adversary of China, outlines the course for declaring globalization interests and opportunities, and also understands the issue of national economic interests outside the country. In addition, the leadership of the country outlined as priorities the course for ensuring the sustainable and relatively rapid development of the country's economy (bao zengzhang), defined a "scheme" ("technology"] for solving this problem by accelerating the transition to a new growth model and regulating the structure (tiao jiegou], carrying out reforms at "key links" (tui gaige), increasing the level of openness and improving the life of the population (bao mingsheng) [2, p. 41].

In India, the main measures to ensure economic security are aimed at increasing the liquidity of the financial and banking sector, supporting national producers and exporters, and stimulating domestic consumption. In addition, the adoption of the government plan to reduce the budget deficit allowed in 2012/2013. reduce the budget deficit to 4.1%, change in 2010 to Standard & Poors agency the forecast on long-term and short-term ratings to "stable" and to carry out foreign commercial borrowings for Indian companies.

In addition to the experience of developed countries, such countries as Brunei and Singapore deserve special attention, which managed to ensure the economic growth of the country in a short period of time. Thus, since the 2000s, in Brunei, a distinctive feature of economic activity has been the intensification of entrepreneurial activity by the state and industry. For example, in 2001, the Brunei Economic Development Authority was reformed, the Wawasan Brunei 2035 socio-economic development strategy was developed and adopted, several large projects were identified with the participation of public investments (for example, in industry - petrochemical and renewable energy enterprises, pharmaceutical and food flavoring, in the service sector - information and communication technologies, logistics, in infrastructure - the construction of a new port and the modernization of the airport, a major investment project is being implemented with the participation of the state, centers of industrial development have been created. and, for comparison, it should be noted that 12.1% of all budget allocations are allocated for these purposes, and 13.6% for education over five years.

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In Singapore, economic security is ensured through accelerated industrialization with a focus on the external market and reliance on foreign capital. Moreover, earlier industrialization was carried out at the expense of its own financial resources, without resorting to large borrowings abroad. However, the Strategic Economic Plan determined that Singapore in terms of GDP per capita should reach the level of the Netherlands by 2020, by 2030 the level of the United States. Accordingly, in order to achieve these results, activities aimed at developing human resources, industry and services, increasing international status and international competitiveness, creating a favorable environment for innovation and economic reconstruction, maintaining national unity and reducing the vulnerability of the country are identified as priority areas. In addition, the economic strategy contains measures to stimulate the diversification of national enterprises, increase the level of their technological development and achieve the status of a regional business center.[10]

As a result, the transformation of Singapore into a country with high international ratings and a level of economic security has been achieved through the implementation of a targeted economic strategy of the government focused on solving domestic problems, raising the country's international status, creating a strong and efficient cluster of business structures, and influx of foreign capital to raise the technological level. national production, targeted stimulating tax policy. A similar change in the priorities of domestic policy is taking place in countries such as the United States, Japan, Germany, France, as well as leading companies in the world, which are moving to a new innovative economic policy, to an economy capable of ensuring the universal quality of manufactured products based on a serious development of the knowledge base.[10]

Thus, the United States increased federal budget spending on education in the period 2000-2016. by 50%. Although the global financial and economic crisis has significantly affected the ability of states to improve their economic security, as well as the adoption and implementation of additional anti-crisis measures by the governments of these countries.

It should be noted that the following measures are taken as the main forms of ensuring economic security in foreign countries at the national level [8, p. 256]:

- economic patronage of economic activity, which provides support for key producers and industries;
- economic cooperation, within the framework of which there can be interaction between unrelated industries and areas of production (for example, the financial sector and industry), the joint functioning of national economies and the exchange

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of economic resources between various industries, fields of activity, states and regions;

- economic confrontation, the essence of which is to increase the level of competitiveness, achieve and ensure superiority in a certain field of activity;
- economic regulation of the internal processes of the country's economic development.

At the same time, in connection with the intensification of globalization processes, the increase in threats to economic security and the increase in the types of economic crimes, the role of business structures in ensuring economic security at the micro level is increasing [4, p. 25]. Therefore, under the current conditions, it is interesting to study the experience of developed foreign countries in ensuring the economic security of business structures, the use of tools for leveling illegal actions, as well as issues of combating economic crimes.

For example, in the United States, firstly, there is a program for the prevention and combat of economic crimes in cooperation with the country's law enforcement agencies with public and private institutions, security and detective bureaus, thanks to which programs are developed to combat crime and prevent a wide range of threats to business. Secondly, in order to ensure that the general interests of the business community are protected in the event of dismissal of employees who deserve to be prosecuted for committed economic crimes, companies inform the business community about the personality and behavior of this person. Thirdly, companies create internal security structures, where employees of special state organizations work, or close cooperation with state security services is carried out [6, p. 58]. This experience of the United States in creating a large-scale collective security system for American business allows for regular exchange of information on the most pressing issues of business threats to protect American citizens since the early 90s. under an agreement between the State Department and over 500 US corporations.

In Germany, the competence of the Ministry of Internal Affairs of the country includes the improvement of legislation regulating the procedure for carrying out measures to prevent the leakage of information constituting commercial or industrial secrets of business structures. At the same time, business structures, together with independent and private detective and security agencies, actively cooperate with the national security service and participate in the creation of modern security and safety structures [7, p. 102]. Created on the initiative and with the support of the special services, detective and security firms and agencies, the security services exchange relevant information with the police and

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counterintelligence, in some cases even carry out joint measures to ensure economic security.

In France, the tendency to organize independent private economic security services of industrial and commercial firms and financial institutions, engaged in the prevention of trademark abuse, the detection of facts of unfair competition, industrial espionage and counterintelligence, security in the banking system, etc., has been actively developed. A prerequisite for the formation of these institutions is that only persons with French or European Union citizenship can act as their founders. Former members of the French police can take on such functions only with the written permission of the Minister of the Interior of the country.

With regard to ensuring the internal security of business structures, it is worth noting that in the United States and Great Britain, companies carry out preventive activities with employees whose behavior raises suspicions of unlawful

Word to young scientists of behavior or the presence of economic interests that could be detrimental to the firm. In addition, employees of companies are selected, screened and tested when they are hired to ensure internal security.

In general, it should be noted that foreign countries pay attention not only to declaring national threats and tasks in the field of economic security, but also to creating favorable conditions for the development of business structures and attracting foreign investment. At the same time, it is important to ensure economic security within industrial and commercial firms, their close cooperation with law enforcement agencies and independent organizations providing services in this area. In addition, in the current conditions of globalization, there has been a clear tendency for foreign countries to focus on the management of economic security through state regulation of the economy.

Thus, we can conclude that the creation of an appropriate institutional structure, organizational and methodological reference documentation, the definition of a mechanism and tools for managing economic security, as well as the involvement of stakeholders (government bodies, business structures, citizens] in ensuring the economic security of the country are the main criteria its effectiveness and efficiency in foreign countries.

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