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INCREASING THE FINANCIAL AND INVESTMENT POTENTIAL OF THE REGION TO ENSURE SUSTAINABLE DEVELOPMENT OF THE NATIONAL ECONOMY

Abstract: The article examines the theoretical aspects of the formation of financial potential of the region in terms of sustainable development. The relationship between the financial potential of the region and its financial self-sufficiency and stability has been investigated. The main approaches to the interpretation of the definition "financial potential of the region", which is widely used in the literature, are described. The financial potential of the region is widely interpreted in the context of a systematic and holistic research approach.

Key words: region, financial and investment potential, sustainable development concept, economic modernization, sustainability.

Introduction

One of the strategic tasks of the state in the transition to innovative development in the context of modernization of the economy is to increase the financial capacity, which is the basis for ensuring the sustainability of socio-economic development of the country. In solving this problem, the social, economic, human, innovative and institutional potential of the society is important in the regenerative regions.

At the same time, the socio-economic status of the regions and the reduction of the level of interregional differences in quality of life. Achieving this goal is determined mainly by the possibility of maximizing the economic efficiency of the existing economic space in terms of ensuring sustainable socio-economic development of the region.

The financial and investment potential of the regions of the country is diverse, and the issue of their correct assessment and analysis, accurate forecasting of financial and investment opportunities in the context of financial instability is one of the most pressing issues.

At a time when the inflation rate in the country is two-digit, the regions do not use discounted methods of assessing their financial investment potential and planning for future periods, and insufficient research on these topics realizes the need for research in this area.

The purpose of this article is to develop an author's approach and practical proposals based on the study of various scientific theoretical views on the economic significance of the financial and investment potential of the regions and their assessment.

For this purpose, the following tasks have been identified:

- Disclosure of the economic nature of the financial and investment potential of the region
- scientific substantiation of the need to study the financial potential of the region in terms of a structural-functional approach to the possible use of the region;
- Development of an author's model of financial and investment capacity management;
- identification of the main tools and factors affecting the financial and investment potential;

Literature review

According to a critical analysis of existing definitions of the sustainability of socio-economic systems, no universally accepted concept has been developed in modern science. Here we can distinguish four approaches of foreign economists (Table 1).

Table 1

Approaches to describing the sustainability of socio-economic systems¹

The essence of the approach	Authors
Sustainability of the socio-economic system depends on the security, stability, reliability, integrity and robustness of the system	L.I.Abalkin, A.L.Bobrov, D.V.Gordienko, A.Livshits, T.M.Konoplyanik
Sustainability is the relative invariance of key parameters in a socio-economic system, as the ability of a system to remain unchanged for a certain period of time	A.L.Gaponenko, S.M.Ilyasov, V.D.Kalashnikov, T.G.Krasnova, O.V.Kolomiychenko, V.E.Roxchin, A.G.Shelomentsev
Sustainability is interpreted as the ability of a socio-economic system to maintain dynamic balance	E.S.Bodryashov, V.A.Kretinin, N.V.Chaykovskaya
Sustainability of the socio-economic system depends on the ability of the system to function sustainably, to develop, to continue to move along a defined trajectory, to develop itself	A.I.Drujinin, O.N.Dunaev, B.K.Esekin, M.Yu.Kalinchikov, A.M.Ozina, Sh.Sapargali, L.L.Terexov

One of the economists of the Republic A. Vahobov, A. Sodiqov, B. Valiev, A. Although Islamov and others have studied various aspects of the regional economy, no specific research has been conducted on the financial investment potential.

¹ Compiled by the author based on the results of the study

Analysis of scientific sources leads to the conclusion that typically, the level of economic security is evaluated with indicators. However, these methods do not always correspond to the modern economic environment conditions [9].

In our view, a key element of regional stability is financial stability, which is determined by the balance of financial flows, the availability of funds that allow the region to maintain its activities for a certain period of time.

Research methodology

The methodology of this article consists of deduction, abstraction, classification, generalization, comparative, theoretical interpretation and analytical methods.

Analysis and discussion of results

Today, despite the fact that the category of financial stability of the region is new, it attracts the attention of many economists with its diversity and practical significance. Its content covers almost all objects that study economics - resources, production, social sphere, population, and so on. Research in this area focuses on the problems of financial flow management and the financial condition of the region as a whole, and, as a result, the ability to achieve marginal values of financial stability for the sustainable operation of the region.

Ensuring the financial and economic security of the country requires the cessation of the practice of capital flight, which is one of the most powerful internal threats to the economic security of the country as a whole. The basis of capital flight is an extremely low level of confidence in the national currency with a high level of inflation, the specifics of the economic and political system. Thus, the problem of financial security is linked to a wider complex of problems, caused not only by globalization processes, but also by internal problems of the country [10].

In general, the financial stability of the region is such a socio-economic situation of the region that it improves the quality of life of the population through the effective operation of financial flows within the territorial unit, while maintaining their balance of inflows and outflows. The financial stability of the region is mainly determined by the competitiveness of the economy.

It is known that highly competitive regions have large domestic financial resources, which affects their financial stability. And, conversely, the region will be competitive due to financial stability.

The financial stability of the region means the balance of revenues and expenditures of the region and their proportional changes under the influence of internal and external factors in order to ensure the powers of regional authorities, its current and long-term socio-economic and political development [1].

Describing financial stability, it should be noted that this is, first of all, the ability of the region to pay for its obligations, as well as the state of the economy, which creates conditions for the implementation of expanded reproduction from its own resources. The main criteria for qualitatively assessing the financial stability of the region is its financial capacity.