



Article

Scientific and Theoretical Approaches to the Term "Investments"

Shermatov Ahror Abdhakimovich¹, Mamadaliyeva Marjona Shavkat qizi²

1. Lecturer at the Samarkand Institute of Economics and Service
 2. 2nd course of Samarkand Institute of Economics and Service
- *Correspondence: marjonamamadaliyeva@gmail.com

Abstract: This article analyzes the concept of investment and its economic essence. Various definitions of investment, approaches of foreign and national economists are analyzed. Investment is a long-term, long-term capital investment in various sectors, socio-economic programs, innovation, entrepreneurial projects in one's own country or abroad for the purpose of developing the economy, that is, investment is an investment with the aim of obtaining future profit. Investment affects economic growth and foreign trade development, its environment, and its prospects are studied on the example of Uzbekistan. The results of the study include recommendations for improving investment strategies and attracting foreign investment.

Keywords: Investment, economic growth, economic development, money, investment environment, investor, profit, enterprises.

Citation: Abdhakimovich S. A., Shavkat qizi M. M. Scientific and Theoretical Approaches to the Term "Investments". Central Asian Journal of Innovations on Tourism Management and Finance 2026, 7(3), 160-164.

Received: 10th Feb 2026
Revised: 11th Mar 2026
Accepted: 19th Apr 2026
Published: 23th May 2026



Copyright: © 2026 by the authors. Submitted for open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>)

Introduction

At the present qualitative stage of reforms, particular importance is attached to the implementation of the Development Strategy for the Five Priority Areas of the New Uzbekistan until 2030 under conditions of structural transformation of the economy. The Law of the Republic of Uzbekistan "On Investment Activity" dated December 9, 2014, in its new edition, defines investments as follows [1]: "Investments are tangible and intangible assets invested in objects of entrepreneurial activity and other activities not prohibited by legislation, as well as rights thereto, including intellectual property rights." Based on this definition, investments are understood as all types of property, financial, and intellectual assets invested or allocated by investors into various sectors and spheres of the economy within the framework of the law for the purpose of obtaining future income or achieving social benefits [2]. Consequently, investments are regarded as economic relations arising within the system of investment financing at the current stage of development [3].

The term "investment" originates from the Latin word invest, meaning "to invest" or "to allocate." Investments represent a combination of monetary resources, property, and intellectual assets directed toward the implementation of various industrial, commercial, social, scientific, cultural, and other programs and projects aimed at generating profit (income) or achieving social and economic benefits. In a broader sense, investments are manifested as the mobilization of resources and capital for future growth and the

attainment of economic advantages or other planned outcomes, including social and environmental benefits [4].

The investment climate and the factors influencing it, the formation of the state investment program, the procedures for the implementation and financing of capital construction projects, the assessment of investment project efficiency, the sources of financing investment activities, and the dynamics of attracting budgetary, banking, and other financial resources into these processes, together with the acquisition of practical and theoretical knowledge in these areas, continue to be improved [5].

One of the essential conditions for developing investment policy, improving the investment climate, and ensuring stable rates of macroeconomic growth is regarded as the core content of the national development strategy. The invaluable role of investments in determining the specific direction of Uzbekistan's economic development necessitates a scientific study of ways to enhance the role of investments in sustainable development [6].

An important direction in the study of this issue is the development of scientific proposals aimed at resolving problems associated with strengthening the role of investments in the sustainable development of the national economy. This involves analyzing the views of scholars concerning the comprehensive study of the economic and social essence and content of investments. Indeed, economists hold diverse perspectives regarding the economic nature and essence of investments, and their contributions play a significant role in systematizing these approaches [7].

The fact that the concept of investment, one of the fundamental categories of a market economy, is rapidly and extensively entering modern life demonstrates the necessity of understanding its essence and significance. The growing number of newly established enterprises with foreign investment is a direct result of the close attention paid by the state to this sphere and the opportunities created for its development [8]. Therefore, providing economic incentives for enterprises attracting foreign investment into the country and creating the necessary conditions for their operation remain among the most important priorities. Investments represent the introduction of material, financial, and intangible assets into economic circulation with the aim of generating income and allocating them to the most profitable sectors and branches of the economy [9].

Literature review and Methodology

Foreign economists such as William F. Sharpe, Klas Eklund, Campbell R. McConnell, Stanley L. Brue and others have provided various interpretations of the essence of investments. In particular, Nobel Prize laureate in Economics (1990) William F. Sharpe stated that "investment is the sacrifice of a certain value in the present for the sake of obtaining a possibly uncertain value in the future." These scholars interpret the meaning of the term "investment" as "parting with money today in order to obtain profit in the future," emphasizing that funds may be invested in real and financial assets. According to their approach, investments imply the refusal of present financial resources for the purpose of generating future returns.

According to the Swedish economist Klas Eklund, "Investments are resources set aside for the future in order to ensure greater opportunities for consumption in the long term. Part of these consists of consumer goods not used at present and reserved for future needs, while another part comprises resources directed toward the expansion of production." Several other foreign scholars have also defined investments in different ways. Russian economist I. Yu. Tkachenko states that "the term investment may be defined as the placement of capital in various forms with the aim of its future growth." American economist Paul Samuelson considered investments as "the refusal of current consumption for the purpose of increasing future returns."

British economist John Maynard Keynes argued that "investment is the current increase in the value of capital assets arising during the production period; it is the part of

income that has not been used for consumption.” Another Russian economist, A. M. Margolin, defined investments as “capital allocations in the form of money, targeted bank deposits, securities, technologies, machinery, fixed assets, and other property, as well as the introduction of property and non-property rights having monetary value into production and other activities for the achievement of investors’ strategic goals.” Under conditions of economic modernization, investment flows serve as a stable financial source for the implementation of the country’s long-term strategic plans.

Campbell R. McConnell and Stanley L. Brue define investments as “the increase of material reserves, the accumulation of means of production, and the reduction of production costs.” However, this definition does not fully reflect the objectives and directions of investment activity. Lukinov V. A. offers a more comprehensive interpretation, stating that “investments are long-term financial allocations of state and private capital into various sectors of the national economy domestically and abroad for the purpose of generating profit.” Russian economists A. Yu. Andrianov and S. V. Valdaytsev provide a similar definition, describing investments as “long-term financial allocations of public and private capital into the economy of a foreign state with the aim of obtaining profit.”

Investments represent allocations directed toward various sectors, socio-economic programs, innovations, and entrepreneurial projects both domestically and internationally for the purpose of economic development. Long-term capital investments, therefore, constitute the placement of resources with the expectation of obtaining future benefits. The concept and essence of investments have likewise been extensively interpreted by domestic economists.

Results and Discussion

Domestic scholars have defined the term “investment” as long-term capital allocation directed toward various sectors, socio-economic programs, innovations, and entrepreneurial projects both domestically and abroad for the purpose of economic development. In this sense, investments are understood as the allocation of resources aimed at obtaining future benefits [10].

Furthermore, Professor B. Yu. Khodiev and Professor Sh. Sh. Shodmonov define investments as “the monetary expression of expenditures directed toward the restoration and expansion of fixed and working capital, as well as the enlargement of production capacities.” In this definition, investments are interpreted as expenditures associated with the renewal and increase of enterprises’ fixed and circulating assets, together with the expansion of production capabilities.

N. G. Karimov has studied processes related to the implementation of a stable tax legislation system and the formation of programs for attracting foreign investment into the economy, taking into account macroeconomic, legislative, and administrative conditions and opportunities for enterprises with foreign participation [11]. In his scholarly works, D. G. Gozibekov interpreted the essence of investments as a financial category and defined it as follows: “The essence of investments lies in obtaining resources from transparent and reliable sources, their rational mobilization, maintaining the value of capital while considering the level of risk, and achieving the desired result.” Professor N. H. Haydarov defines investments as “the allocation of funds by individuals and legal entities engaged in entrepreneurial activity, regardless of ownership form, as well as by the state, into any object of economic activity within the framework of the law for the purpose of obtaining economic and social benefits [12].”

In the scientific studies of R. H. Bozorov, particular attention is devoted to the factors and characteristics of the investment environment, as well as to the direct relationship between the attraction of foreign investment and the participation of the national economy

in international indices. Several domestic scholars have also provided different interpretations of investments [13, 14]. According to one definition, “investments are monetary resources, targeted bank deposits, shares, other securities, technologies, machinery, equipment, licenses, loans, any other property or property rights, and intellectual property invested in entrepreneurial and other activities for the purpose of obtaining profit and achieving positive social outcomes.” Similarly, N. H. Haydarov defines investments as “the expenditure of funds by individuals and legal entities engaged in entrepreneurial activity, regardless of ownership form, or by the state, on any object of entrepreneurial activity within the framework of the law in order to obtain economic and social results [15, 16].”

Conclusion

Although investments are interpreted differently by scholars, their essential content may be summarized as the long-term allocation of capital, financial resources, and intellectual assets into various sectors for the purpose of obtaining future profit. In economically developed countries, the investment process largely depends on market conditions, sources of investment financing, and the volume of investment resources. Studies conducted by P. Michaela, A. Vacara, and H. Helian examine the institutional mechanisms for attracting foreign investment into the national economy. According to the results of their research, qualitative institutional changes within a country’s economy have a direct positive impact on the system of attracting foreign investment. These studies demonstrate that the effectiveness of the investment process depends on the institutional environment of the country, the stability of the legal and fiscal systems, and the conditions for conducting business activities. In this regard, tax incentives, the reduction of bureaucratic barriers, and the creation of favorable conditions for investors by the state play a significant role in increasing the inflow of foreign investment. In the modern global economy, investments are no longer limited solely to capital allocation, but are also regarded as an instrument for attracting innovative technologies and knowledge. Therefore, the further improvement of the investment climate for the modernization of the national economy and the enhancement of its competitiveness remains one of the strategic priorities of economic development.

REFERENCES

- [1] R. Kh. Bozorov, “Ensuring Uzbekistan’s Broad Participation in Global Indices as an Important Factor in Increasing the Attractiveness of the Investment Environment,” *International Finance and Accounting Scientific Electronic Journal*, no. 4–5, Aug.–Oct. 2018.
- [2] N. Kh. Haydarov, “Issues of Improving Financial and Tax Relations in Enterprise Investment Activities under Economic Liberalization,” Ph.D. dissertation, Tashkent, Uzbekistan, 2003, p. 29.
- [3] N. G. Karimov, *Issues of Implementing Market Mechanisms for Financing Investment Activities under Conditions of Economic Integration*. Tashkent, Uzbekistan: Science and Technology, 2007, p. 240.
- [4] M. Peres, W. Ameer, and H. Xu, “The Impact of Institutional Quality on Foreign Direct Investment Inflows: Evidence for Developed and Developing Countries,” *Economic Research-Ekonomiska Istraživanja*, vol. 31, no. 1, pp. 626–644, 2018, doi: 10.1080/1331677X.2018.1438906.
- [5] S. Gutkevych, “Investment Attractiveness of Industries: Features and Trends,” *Baltic Journal of Economic Studies*, vol. 5, no. 3, p. 9, 2019.
- [6] A. V. Vaxabov, Sh. X. Xajibakiyev, and N. G. Muminov, *Foreign Investments*. Tashkent, Uzbekistan: Moliya, 2010, p. 303.
- [7] B. Y. Khodiyev and Sh. Sh. Shodmonov, *Economic Theory*. Tashkent, Uzbekistan, 2017, p. 454.
- [8] A. Yu. Andrianov, S. V. Valdaytsev, P. V. Vorobyev et al., *Investments*, 2nd ed. Moscow, Russia: TK Velbi, Prospekt Publishing House, 2008, p. 58.

-
- [9] J. M. Keynes, *The General Theory of Employment, Interest and Money*, trans. from English. Moscow, Russia: Getos ARV, 1999, p. 352.
- [10] K. Eklund, *Efficient Economy: The Swedish Model*. Moscow, Russia: Economics Publishing House, 1991, p. 96.
- [11] V. A. Lukinov, *Problems of Stabilization and Development of the Investment and Construction Sector*. Moscow, Russia, 1998, p. 228.
- [12] A. M. Margolin, *Investments*. Moscow, Russia: RAGS, 2006, p. 464.
- [13] C. R. McConnell and S. L. Brue, *Economics: Principles, Problems and Policies*, vol. 2. Moscow, Russia: Respublika, 1992, p. 388.
- [14] P. A. Samuelson, *Economics*, trans. from English. Moscow, Russia: BINOM, 1997, p. 783.
- [15] O. Sinitsin, "Investment Analysis: Theory of Choice," *Investments in Russia*, no. 1–2, 2007.
- [16] W. Sharpe, G. Alexander, and J. Bailey, *Investments*, trans. from English. Moscow, Russia: Infra-M, 1997, pp. 16–979.