

## **GLOBALIZATION OF MONETARY AND FINANCIAL RELATIONS AND ITS IMPACT ON THE ECONOMY OF DEVELOPING COUNTRIES**

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**Abstract:** In this article, the problems of strengthening participation in international economic integration processes and regulation, exchange rates and specific features of Uzbekistan's foreign exchange policy are analyzed, and proposals are made for effective use of the influence of foreign exchange and financial relations on the economy of developing countries.

**Key words:** exchange rate, foreign exchange market, currency policy, revaluation, balance of payments, devaluation, economy of developing countries.

In recent years, the process of globalization has become one of the main factors determining the future development of the world. Today, any country is forced to take into account the manifestation of this process and its consequences when defining its foreign and domestic policy. Everyone knows that money is one of the main levers of the economy and, in a certain sense, it is considered one of the forces that control the economy.

In this respect, currency policy is an important method and factor of currency regulation. Currency policy is a component of monetary policy and one of the main directions of the state's economic regulation policy. Therefore, currency policy is important in preventing inflationary processes from deepening in the country, meeting the economy's demand for funds, increasing the level of use of credits from credit institutions by the population and economic entities, and ensuring the stability of national currency rates. The reason for this is that the mandatory reserve policy is a monetary instrument that directly affects the lending capacity of commercial banks, including the capacity to issue long-term loans.

International finance is a concept that represents the set of international financial resources and their movement. International financial relations represent economic relations in the process of distribution and use of financial resources created at the international level to achieve certain goals. International financial relations include international currency relations, international credit relations, international investment relations, international trade relations, international tax relations, international leasing relations, management of countries' balance of payments, relations with international financial organizations. The process of globalization - the growth of world trade, the specialization and expansion of production, the development of the international flow of capital, the international movement of services and products created the basis for the development of international finance. As such, this situation led to the emergence of world

financial markets, international financial corporations, interstate financial relations and other aspects of international financial activity.

Other important changes in the country's economy had a positive and negative impact on the development of international financial relations. These changes include changes in world and regional currency systems, changes in the principles of the currency system, debt crises. the formation of economic integration associations by countries, the creation of international and regional financial organizations, the expansion of activities of transnational corporations and banks. financial and economic crises that have occurred in the world can be included.

The state is the main entity operating in the field of international finance. Central banks are state-regulated economic bodies, which are assigned the tasks of monopolistically issuing banknotes, money circulation, regulating credit and exchange rates, and maintaining currency reserves. International organizations - they are established on the basis of an international agreement and, having permanent bodies, perform the tasks of assisting the economic and social development of world economic units. International currency-credit and financial organizations are economic organizations established on the basis of interstate agreements to regulate international currency and financial-credit relations in order to stabilize the world economy. The state of its relations with the outside world in the development of the national economy. the country's participation in international financial relations takes an important place. It is important to effectively organize the mechanisms for the implementation of international financial relations in the strengthening of the country's participation in international financial relations..

It should be noted that the subject of international financial relations includes two important components; that is, international financial relations and the mechanism of their implementation. It is known that international financial relations between countries are carried out through a certain mechanism, in which the normative norms established by international organizations, agreements and deals at the international level, and mutually accepted agreements between countries are followed. The objective basis of international financial relations is the international division of labor and the world economy and the system of economic relations in it. The modern world economy is a global economic system consisting of a collection of national economies, which changes in accordance with the objective laws of the market economy, the international division of labor, and the international movement of production and capital.

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