

ECONOMIC CONCEPT OF PROPERTY

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Annotation: The article discusses economic concept of ownership. Several approaches to this concept are considered. The concept of ownership is defined and appropriate conclusions are drawn.

Keywords: economic approach, result obtained, realizing property.

The economic approach assumes maintaining a balance of material and social interests in the process of realizing property. According to economic theory, there are 4 main factors of production: labor, capital, land, entrepreneurial talent. The owners of these factors of production may be, respectively, a worker, a banker, a landowner, an entrepreneur. With the legal approach, it is quite possible to allow such a development of events when one of the above-mentioned persons will be able to appropriate all the useful result obtained in the course of realizing property. On the contrary, with the economic approach, it should be assumed that none of the above-mentioned owners of the factors of production should, alone, without taking into account the economic interests of others, fully appropriate all the useful result. Economic relations are built on the basis of economic goods. However, goods themselves do not bring any benefit unless they belong to someone, or rather, are not owned. Ownership is the right of dominion of a person, group of persons, organization, or state over a thing; ownership of things, material or spiritual values by individuals or legal entities, government agencies, etc. The concept of ownership

presupposes the unity of economic and legal content. The economic content of ownership is revealed through the concepts of ownership, management, and control. It is inextricably linked with the components of the legal content of ownership enshrined in law: the right to own, use, and dispose of.

The right of ownership is the right to be nominally (on paper) called the owner of a thing, the right to actually possess an object. For example, a one-year-old child may own a car, or rather, own it. In the documents on ownership, he will be called the owner. Only the child will not be able to use the car. The right of use is the right to extract useful properties from a thing or other object of ownership. For example, a person uses a car for regular trips to his place of work. In this way, he extracts useful properties from his property. The right of disposal is the right to decide the further legal fate of a thing; the ability to change its condition; purpose, ownership. The owner of a car can sell it, bequeath it, give it away, destroy it, etc. This is an example of the right of disposal. Ownership as the initial relation of society determines and permeates all other relations underlying economic categories, which allow us to discover new cause-and-effect relationships between them. Ownership also determines the socio-economic patterns of development of various spheres and sectors of social production and the economy. It is private property that is the cause of the generation of money and capital as economic relations and categories of nascent, or, more precisely, reviving capital. As a nation grows the necessity for well-defined property rights grows as well. This is due to the underlying assumption that within property rights other people must be present in order to have the rights over somebody else. Additionally, property rights are foundational for a capitalist system, allowing for growth and wealth creation. North, Wallis and Weingast argue that property rights originate to facilitate elites' rent-seeking activities. Particularly, the legal and political systems that protect elites' claims on rent revenues form the basis of the so-called "limited access order", in which non-elites are denied access to political power and economic privileges. In a historical study of medieval England, for instance, North and Thomas find that the dramatic development of English land laws in the 13th century resulted from elites' interests in

exploiting rent revenues from land ownership after a sudden rise in land price in the 12th century. In contrast, the modern "open access order", which consists of a democratic political system and a free-market economy, usually features widespread, secure and impersonal property rights. Universal property rights, along with impersonal economic and political competition, downplay the role of rent-seeking and instead favor innovations and productive activities in a modern economy.

During the transition period, denationalization and privatization of state property occurs, as a result of which various types and forms of property arise. The main thing, of course, is the emergence, or rather, the legalization of private property (since private property existed in an illegal form, which served as the main basis for the shadow economy) and its expansion. This allows eliminating the monopoly of state property, which serves as the basis for a rigid command-and-control system of management. The development of private property allows the economy to escape from a dead-end situation and gradually establish production on this basis. The development of "intellectual property" is also associated with the transformation of property, since property operates not only in material production, but also in intellectual production, and above all in the form of the right to the results of intellectual activity. Therefore, in a broad sense, property is not only the appropriation of material but also spiritual goods, and in a specific form. Another point should be taken into account in terms of integrating private and state property. Where necessary and effective, state and private property should be combined to solve specific socio-economic problems. Such a partnership, of course, also affects the quality of business management. State organizations have extensive experience in production management, while private ones are more oriented toward market methods and are less bureaucratic. It is necessary to take all the positive aspects of both management models, especially in terms of increasing efficiency and practical returns. In this case, stimulation and motivation of labor play an important role: "in the context of changing content and nature of labor, transformation of the social structure of society, emergence of new professions, changes in requirements for the employee of the 21st century, the problem of creating a motivational system for the employee is acute."

Therefore, property is, first of all, the material and spiritual potential that a person uses to create property within himself (development of labor and intellectual power) and outside himself (means of production, technology, innovation, etc.), both for himself and for others, and for society as a whole. From the above, it becomes clear that the problem of "property" as an economic category remains one of the complex and important in economic theory. It will continue to be the focus of economists' attention and will require joint creative ideas from various schools and trends with different approaches to the phenomenon of "property". The main thing is that this property "works" effectively and for the benefit of society.

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