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## The Role of Public Fiscal and Monetary Policy in Ensuring Economic Activity

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**Abstract:** In the article, the scientific-theoretical and conceptual foundations of directions for increasing the role of the state's fiscal and monetary policy in ensuring economic activity were researched.

**Key words:** economy, monetary, monetary policy, fiscal system.

The 3.1 percent growth of the world economy in 2023 will be maintained in 2024, and the growth will be 3.2 percent by 2025. The limited level of monetary policy and budget support by countries, the low rate of general production efficiency is the historical average of 2000-20019. It was predicted to fall short of the 3.8 percent growth rate. Also, in order to further revive economic activity in the world economy, it is necessary to strengthen the financial-budgetary and monetary policy, expand cross-border trade and financial flows, improve the quality of institutions, and improve the investment climate. special attention is paid to ensuring economic activity through the economic levers of fiscal and monetary policy.

International organizations such as the World Bank, the International Monetary Fund, the United Nations Development Program and the International Financial Institutions, which are considered to be influential financial institutions in global practice, create economic policy programs aimed at economic activity in the budget-tax and monetary credit spheres, and encourage investment requirements in order to achieve economic activity and favorable taxation. special attention is paid to scientific works aimed at improving methodological recommendations for the creation of benefits . These studies were developed by prestigious scientific and research centers and made it possible to improve the mechanisms aimed at increasing the country's economic activity in the future based on the requirements of the target program through monetary and credit and budget-tax instruments defined in international standards. However, due to the severe complications of the global pandemic observed in the world economy, the problems related to the fundamental improvement of the monetary and fiscal approaches carried out by a number of countries and the harmonization of effective levers for economic activity in a new direction, the development and improvement of the economic policy that can withstand modern unforeseen circumstances, have not lost their relevance yet. .

In order to alleviate the complicated situation in the world economy in the Republic of Uzbekistan, in the "New Development Strategy of Uzbekistan for 2022-2026" development of the forecast of the main macroeconomic indicators for 2023-2025, the economic growth rate will be above 6.5% on average, the inflation target will be 5% from 2024. keep on the level; task of mutual coordination of monetary and credit, budget and tax policies and structural reforms. This, in turn, is defined as one of the necessary conditions for further strengthening of macroeconomic stability and stable maintenance of high economic growth rates by improving monetary policy using levers used in modern international practical experience. It is necessary to analyze different - views on the economic content of the fiscal policy, justify the specific economic and social system conditions and the features of its implementation, as well as the state's effective influence on the economy, and determine the specific economic principles of the priorities in ensuring the balance

of the national economy. Because, with the emergence of the state, fiscal policy has become one of the necessary components of the regulation of various economic relations in the society and one of the requirements that the development of the society objectively requires. The forms of the state structure and the levers of society, including financial policy, have been constantly changing and improving. The concept of "fiscal policy" entered through the English version of the word is interpreted differently in the economic literature of our country and abroad, in many cases it is referred to as "budget - tax", "finance - tax" and "financial policy".

The idea of using fiscal policy as a lever to regulate the economy and ensure the balance of the economy belongs to the English economist D. M. Keynes.

He distinguished 3 groups of factors that affect the level of development of society, and the first group is the initial factors: the level and quantity of the workforce, the number and quality of available equipment, the applied technology, the level of competition, the tastes and habits of the consumer, the burden of work at different speeds, control and production. It is the basis of the organization of production, as well as the positive structure of society. D. Keynes believed that the task of state intervention is to influence independent variable factors, and through them, employment and national income. It shows that the decisive condition is the promotion of investments by means of fiscal and monetary credit policy. At the same time, they have paid particular attention to expressing feasible fiscal policies as stimulating and inhibiting policies based on their tasks to stabilize the economy. "The main goal of fiscal policy," they write, is to end unemployment and inflation. In times of recession, the issue of stimulative fiscal policy appears on the agenda. It involves: (1) an increase in government spending or (2) a decrease in taxes, or a combination of (1) and (2). Conversely, if inflation occurs in the economy due to excess demand, a fiscal policy that prevents this is appropriate. Discretionary fiscal policy involves: (1) reductions in government spending or (2) increases in taxes, or a combination of (1) and (2). Fiscal policy should rely on a positive balance of the government budget if the economy faces the problem of controlling inflation.

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