

THE MAIN DIRECTIONS OF EVALUATING THE EFFICIENCY OF FOREIGN TRADE TURNOVER AND THE NETWORK COMPOSITION OF ENTERPRISES

Aydaniyazova Baxtigul Abilkasimovna

Researcher of Karakalpak State University

e-mail: utepbergenovasamatdin@gmail.com

Telephone: [+99 891 304 43 33](tel:+998913044333)

Amaniyazov Rinat Bayniyazovich

Researcher of Karakalpak State University

e-mail: rinat_1212@bk.ru

Telephone: [+99 891 304 43 33](tel:+998913044333)

Annotatsiya. *Tashqi iqtisodiy aloqalarni samarali tashkil etish va amalga oshirish mamlakat iqtisodiy tizimining faoliyatiga sezilarli ta'sir ko'rsatadi. Tashqi iqtisodiy aloqalarni samarali tashkil etish ham xalqaro mehnat taqsimoti, milliy iqtisodiyotning tashqi iqtisodiy aloqalar tizimi afzalliklarini amalga oshirish vositasidir.*

Kalit so'zlar. *Integratsiya, tashqi iqtisodiy aloqalar, iqtisodiy samaradorlik, baholash.*

Аннотация. *Эффективная организация и осуществление внешнеэкономических связей оказывает существенное влияние на функционирование экономической системы страны. Эффективная организация внешнеэкономических связей является также средством реализации преимуществ международного разделения труда, системы внешнеэкономических связей национальной экономики.*

Ключевые слова. *Интеграция, внешнеэкономические связи, экономическая эффективность, оценка.*

Abstract. *Effective organization and implementation of foreign economic relations has a significant impact on the functioning of the country's economic system. Effective organization of foreign economic relations is also a means of realizing the benefits of international division of labor, the system of external economic relations of the national economy.*

Keywords. *Integration, foreign economic relations, economic efficiency, assessment.*

Since the 1st and 2nd group of these indicators are directly related to foreign economic relations, we consider it important to interpret them in detail. The parameters included in the third group were analyzed in the studies on other economic problems

from the point of view of efficiency and are observed very quickly in the economic literature [1]. The efficiency of foreign trade turnover is expressed in the ratio of public labor savings to export costs:

$$S_{xtt} = (M_{ximp} - M_{xexp}) / M_{xexp}$$

M_{ximp} - National costs required for the production of imported products or their substitutes, M_{xexp} - actual national costs incurred in the production and export of products and S_{xtt} - is the efficiency of the trade turnover.

This indicator indicates the level of direct savings of public labor or the savings amount per unit of labor cost. In practice [2], they often perceive this indicator as the ratio of costs incurred on imported products or their substitutes to the cost incurred on exported products.

$$S_{xtt} - M_{ximp}$$

It is clear that this indicator characterizes the volume of saved labor. As it seems, if $S_{xtt} > 1$, the absolute saving of public labor occurs in the country, and if $S_{xtt} < 1$ on the contrary, public labor is lost in the country.

The indicator of the efficiency of the trade turnover can characterize efficiency in individual concrete transactions. In addition, this indicator can be assessed both absolute and relative.

As we noted, the direct savings of public labor depends on the difference between the national and international values of exported and imported products. These values are mainly determined by the amount of work time spent on production of products, so the indicators of efficiency of export and import are characterized by labor savings [3].

The economic efficiency of export is calculated as the ratio of foreign exchange earnings from the sale of exported goods, i.e. its international value to the domestic value of the goods, i.e. the cost of its production for export:

$$S_{exp} = Q_{exp} / M_{exp}$$

S_{exp} - efficiency of the product export, Q_{exp} - profit from the product export (international value), M_{exp} - labor consumption for production and export of the product (national value)

The economic efficiency of imports is calculated as the ratio of the value of the imported product or its substitutes to the volume of the international value expressed in currency costs.

$$S_{imp} = M_{ximp} / V_{imp}$$

S_{imp} - the economic efficiency of imports, M_{ximp} - the volume of labor expenditure on the production of imported goods or its substitutes (national value), V_{imp} - the volume of currency spent on import (international value).

Obviously, the currency gain and expense used in this formula as an international value may not coincide fully with the fact. However, such a comparison is important to calculate the direct effect.

It should be noted that by means of these formulas, it is possible to calculate the efficiency of both the whole import-export and the import-export of individual products [4]. Thus, if the import-export net-balance condition is set ($Q_{imp} - V_{imp}$), that is, all export earnings are spent on imports, then the efficiency of export performance on imports is an indication of the overall trade turnover efficiency:

$$S_{exp} \times S_{imp} = (Q_{exp}/M_{xexp}) (M_{ximp}/V_{imp}) = S_{xtt} = M_{ximp} / M_{xexp}$$

This equality shows that to detect the pros and cons of import and export, the efficiency of trade turnover is equal to the production efficiency of export and import, so high-efficiency imports can cover less efficient export and vice versa. Therefore, to determine the effectiveness of foreign trade, it is necessary to separately calculate the efficiency of imports and exports.

It seems that the calculation of the direct efficiency of foreign economic relations is associated with a number of methodological difficulties. Some of these difficulties are due to the multifaceted nature of the process, the tendency of various economic parameters to develop without a price, etc., the other part is related to the collection of preliminary data for the conduct of reports. In addition, the above parameters are more important for determining the perspective development of cost relations in the first place.

At the same time, such indicators include, first of all, the profitability and efficiency of foreign economic relations, including foreign trade [5].

Indicators of profitability of foreign trade are calculated both on the total trade turnover and on imports and exports, as well as on individual goods.

The profitability of the turnover of goods is determined by the ratio of pure money received from imports as a whole to all the expenses spent on production. The net monetary income of imports includes the rest after the sale of imported goods at domestic prices, after subtraction of domestic transportation and other additional costs.

The formula for calculating profitability is as follows:

$$R_{fer} = (P_{imp}/P_{exp}) * 100\%$$

P_{imp} -net cash income from the sale of imported goods; P_{exp} -the full cost of export. Both parameters involved in this ratio are measured in the same monetary unit, which is calculated by the domestic prices of the countries. Therefore, in this case, there is no additional difficulty in calculating profitability. However, when calculating the profitability of exports and imports separately and on individual goods, there is a problem of reconciling prices and monetary units [6]. In such cases, the profitability of export is calculated as the ratio of the net income from export to the expenditure of money spent on export:

$$P_{ixr} = (G_{exp}/P_{exp}) * 100\%$$

Gexp - net export income (the rest after deducting additional costs from income in foreign exchange)

The profitability of imports is calculated as the ratio of the net monetary income from the sale of imported goods across the country to the full cost of purchasing and transporting the goods to the border of the importing country:

$$R_{imp} = P_{imp} / X_{imp}$$

It should be noted that the indicators of profitability should be interpreted depending on the calculation of levels of their country, area, enterprise, etc. Because, since these indicators are of relative nature [7], you should consider them virtually based on existing domestic prices currency efficiency.

Speaking about the effectiveness of foreign economic relations, one can not only be satisfied with the efficiency indicators of the trade turnover. At present, many forms and types of foreign economic relations are relevant in the world experience. Each of these forms can be put on the issue of efficiency, depending on its logical characteristics and purposefulness. It is clear that the concept of economic efficiency for the spheres of concrete activity may differ from each other more or less in terms of forms of expression and manifestation. However, these forms can be divided into several large groups, including [8]: international specialization and cooperative relations of production: joint cooperation within the country; joint cooperation in a foreign country; joint ventures; scientific and technical cooperation; association, trading houses, exchanges, etc. For each of these forms, as mentioned above, efficiency can be put in place.

Determining specific effectiveness formulas requires special research as it depends on the purpose, tasks, conditions and conditions of the relationship to be investigated. In other words, it is not always enough to determine the degree of effectiveness of the relationship in terms of formal criteria.

Therefore, it is necessary to look at the issue of expediency of foreign economic activity in a broader sense in the sense of assessing its contribution to the improvement of the work of the economic system. It is this view that, as we mentioned earlier, constitutes the second important aspect of studying economic relations. The fact that the problem is very complicated and requires a lot of complicated calculations. Therefore, an important direction of scientific research creates the need to apply economic and mathematical methods. At present, we have experience in this field. Taking into account the importance, relative independence and character of this scientific apparatus, we considered it expedient to give its interpretation in the next research.

LITERATURE

1. Akhmedov A.L. Theoretical and methodological problems of foreign economic relations. Baku, Elm. 1999, 167 pp.

2. Madatov M.A., “World Trade Organization and Protection of the Domestic Market”, Baku 2008;
3. Gubad Ibadoglu, Azer Mehtiyev, Rashad Aliyev “Azerbaijan and World Trade Organization” , Baku 2006;
4. Vugar Bayramov, “Azerbaijan's WTO Membership Process Assessment Document”, 2010;
5. R.B.Atakishiyev, E.A.Mikayilov “Membership of Azerbaijan in the WTO and the private sector: Analytical report of the research results”, 2008;
6. Adalat J. Muradov “Azerbaijan and the WTO: Services”, Baku 2006;
7. A. Shakaraliyev "Economic Policy of the State: Realities and Prospects", Baku 2009;
8. Damirov Y.R. The role of foreign investment in the economic development of Azerbaijan and the analysis of the current situation. Scientific News of Azerbaijan State University of Economics. Issue 5, April-June, 2017. pp.231-243.