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**FUNDAMENTALS OF
THE DEVELOPMENT
OF ISLAMIC FINANCE
IN CENTRAL ASIA**

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**ACADEMY OF THE MINISTRY OF INTERNAL AFFAIRS OF THE
REPUBLIC OF UZBEKISTAN**

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Ruziyeva D.S. Fundamentals of the development of Islamic finance in Central Asia. Monograph.

The monograph investigates the objective necessity, significance and fundamental (underlying) basis (problem) of using the ancestral heritage in the improvement of modern financial relations, analyses some sources that play an important role in their improvement, and gives an interpretation of the appeal to the heritage of our ancestors, who achieved great success in their practical activities - as the first step of using the heritage of our ancestors in the improvement of modern financial relations.

The monograph is intended for applicants, doctoral students, professors and researchers conducting research in the direction of improving modern financial relations. It may also appeal to all readers interested in this topic.

INTRODUCTION

The growing globalization in the world and its negative consequences have begun to fuel the need for a sustainable financial system that is resilient to financial crises. At a time when the countries of the world are experiencing very complex financial processes, the increase in crisis risks is becoming more and more deeply felt. According to the International Monetary Fund, the negative consequences of the global financial crisis, such as a slowdown in economic growth and an increase in public debt, still persist. According to the World Bank, “while global economic growth has declined regularly, reaching 3.2 percent in 2017, 3.0 percent in 2018 and an average of 2.3 percent in 2019, the emergence of the COVID-19 crisis and shock in the global economy further undermined financial stability and led to GDP growth in 2020. by 3.6%.”¹.

High unemployment in world practice, a decrease in business activity caused heavy burdens on the state budget. “By 2020, the volume of income from labor activity decreased by 8.3 percent worldwide or amounted to 4.4 percent of GDP”². “The growth of cases of timely failure of debt obligations by companies and households caused a high risk of bank capital profitability and its indicators”³. This situation suggests that economic growth is in a downward trend due to the crises taking place in the world economy, and that it is generating several negative consequences that derail financial stability. In the national programs of countries aimed at overcoming the crisis, serious attention is paid to the application of measures aimed at restoring the economy (for example, reform of the unified tax policy in the Eurozone, lowering the budget deficit and stabilizing budget policy). Nevertheless, the growing unemployment, poverty and income inequality in the world and the ongoing crisis indicate that the problems of improving financial relations have not found a positive solution of their own.

1 GDP growth (annual %). World Bank national accounts data, and OECD National Accounts data files. // <https://data.worldbank.org> › NY.GDP.MKTP.KD.ZG

2 Bulletin of the ILO: COVID-19 and the sphere of work. See: https://www.ilo.org/wcmsp5/groups/public/---europe/--ro-geneva/---sro-moscow/documents/briefingnote/wcms_767671.pdf

³ Analytical Summary of the International Monetary Fund: The Path to Recovery. See: <https://blogs.imf.org/insights-and-analysis-on-economics-&finance>

Reforms implemented in Uzbekistan in recent years have identified a number of tasks, including the development of the economy of our country, including further improvement of tax, budget, monetary policy, increasing the capitalization level of banks, strengthening their financial stability as priorities for liberalization of the economy. However, in our reforms on the implementation of these tasks, the main focus is on studying the advanced experiences of many progressive foreign countries and, unfortunately, efforts are being made to apply them to Yoppa in the conditions of Uzbekistan. This situation is explained, Firstly, by the fact that the improvement of financial relations in our country has not yet come to an end, and secondly, insufficient attention has been paid to the research of the heritage of our ancestors in this regard so far. Some economic relations and tax practices of ancestral heritage have been historically researched by scientists of our country. In most cases, however, the relevance of the study of the heritage of our ancestors and its modern significance is only due to the research of representatives of the field of religion as immunity to foreign ideas. But experiments on the theory and practices of this heritage related to financial relations have not been sufficiently formed. Focusing on the heritage of our ancestors in this direction and its use in solving problems related to improving economic relations existing in our country, developing modern financial relations on the basis of national experiences and traditions determines the relevance of the chosen topic of research.

The monograph consists of an introduction, three chapters, a conclusion, a list of references and appendices.

Chapter 1. SCIENTIFIC-THEORETICAL FOUNDATIONS OF THE USE OF THE HERITAGE OF OUR ANCESTORS IN THE IMPROVEMENT OF MODERN FINANCIAL RELATIONS

1.1. The objective need and importance of using the heritage of our ancestors in improving modern financial relations

It has been more than 30 years since our country, as well as in several countries of the world, abandoned the planned economy, which dominated for a certain period of time (more than 70 years), and turned to a market economy. During this period, Uzbekistan pays special attention to the formation, development and improvement of modern market relations aimed primarily at ensuring the well-being of the population and the prosperity of the country. Certain results or successes have been achieved in this direction. In general, it is simpler and shorter, first: a) the sole domination of cotton has been eliminated; b) large-scale privatization processes have been carried out; c) new industries have been built; d) our national currency (sum) has been put into circulation; e) the shortage of certain products (goods) has been eliminated; f) the role of localization of production has been increased; g) the export potential of our country has been strengthened; h) the foreign exchange market has been liberalized; i) market mechanisms have been formed, etc.

Such positive changes occurred in all aspects of the socio-economic life of Uzbekistan. Of particular note is the work carried out in this direction, especially in the last five years.

However, despite this, the work carried out in this direction cannot be considered adequate. The relatively low welfare of the population of Uzbekistan and the poverty of a certain part of the population, insufficient economic competitiveness of the country, the presence of imbalances in economic development (dysproportions), relatively low economic growth rates, insufficient population income, low profitability of individual sectors and enterprises of the economy, high levels of depreciation of the national currency (som), the fact that mutual receivables and creditor debts constitute a large amount, etc., fully confirms that our above view is correct.

- **firstly**, instability is characteristic of changes in the volume of Uzbekistan's GDP over the past 30 years, for the first 15 years of its existence (1991-2015), significant volatility is not characteristic (except, to some extent, only the 1999 indicator). One more logical conclusion can be drawn from this, among other things. It has the following form and content: financial relations in the economic development of our country, which operated during the first 15 years of the last 30 years, could not have a positive impact on a significant change in the size of its GDP (all other things being equal, of course). Uzbekistan's GDP during this period amounted to \$14.0 billion and fluctuates around the US dollar;

- **secondly**, the 2002-2016 period is characterized by a special situation with changes in the country's GDP, characterized by the fact that during this period it has the character of continuous growth from year to year. For example, Uzbekistan's GDP in 2002 amounted to \$9.7 billion. In US dollars, the level of this indicator in 2015-2016 amounted to almost 82.0 billion US dollars (in 2015 - 81.9 billion US dollars, and in 2016 - 81.8 billion US dollars), that is, it increased almost 8.2 times over the same period. Of course, such a positive change is also unthinkable, including without the special service of financial relations that operated at that time;

-**thirdly**, the last 5 years (2016-2020) have occupied a special place in the economic development of Uzbekistan. It is also characteristic of this period that it was revolutionary in a certain sense, including economic reforms. And they, in turn, do not remain without influence, in particular, on the change in GDP. For 2016-2018, this period is characterized by a decrease in GDP: accordingly, the GDP level in 2016 amounted to 81.8 billion US dollars. Its exchange rate in 2017 amounted to 59.2 billion US dollars (by 72.7% compared to 2018) and 50.4 billion US dollars in 2018 (61.6% compared to 2018 and 85.1% compared to 2017). Over the past two years (2018-2019), the situation has changed somewhat for the better, and the level of Uzbekistan's GDP over these years amounted to 57.9 and 57.7 billion US dollars. In the emergence of such a situation in relation to the country's GDP, of course, it was not without the influence of financial relations that developed in these years;

- **fourth**, taken in pure theory, financial relations should serve to continuously increase GDP, which is considered one of the general indicators that characterize the economic development of the country during the period under study.

Although indirectly, the number of economic entities in Uzbekistan dynamics also play a certain role in describing the level of economic development of the country.

If we look at the information that characterizes this indicator from the point of view of improving the financial relations formed in our country, then they indicate that there are also problems here, and we can express them as follows in the form of brief conclusions:

- **firstly**, the fact that not all registered enterprises and organizations are fully functioning;

- **secondly**, that they are divided into active and inactive parts of one part;

- **thirdly**, at one time, the fact that one part of enterprises is being created anew, and another part is being liquidated, in the end, also goes back to the state of financial relations that are currently formed in Uzbekistan.

Now let's focus on getting acquainted with the situation in the tax system, which is decisive in describing the situation of existing financial relations in Uzbekistan. We consider it sufficient for now to determine how the situation in this system affects the financial relations that are formed in the country, including the clarification of how the rates set against the most important taxes in the years of independence have changed.

Data on the changes in rates on Value Added Tax (VAT), tax levied on the profits of legal entities, single tax payment, tax levied on the income of individuals (at the maximum rate) and single social payment, which are decisive in the formation of income of the state budget of our country, are provided for the period from 1992 to 2021. They show that generality is not inherent in the change in rates for each of these types of taxes cited. Among this the change in relation to the rate of the tax levied on the profits of legal entities is distinguished by originality. This rate has a tendency of decline during 1992-2014, with a rate of 38.0% in 1992, compared to 7.5% in 2014, a decrease of more than 5.0 times. In the next year (2015), on the

contrary, it increased by more than 2.0 times and was equal to 15.5%. For the following years, it is not particularly complicated to determine whether instability is characteristic of this tax rate change: it initially fell, from 15.5% to 12.0%, and in the last 2021, its rate rose and was another 15.0%.

VAT, one of the most basic taxes on the composition of the financial relations prevailing in our country, also has a specific effect. How it affects these processes is also manifested, above all, directly through changes in the rate of this tax. It is typical for the tax rate to fall from 30.0% (in 1992-2021) initially to 18.0% (in 1995), then to 20.0% (in 2000-2019) and rise slightly to gain stability and fall to 15.0% during 2019-2021.

For the single tax rate, which is intended to play an important role in stimulating the activities of entrepreneurship and, in particular, small business entities, a continuous decline in the period from 1992 to 2021 is typical, while its level in 1992 was 15.2%, while this level in 2021, only 4.0% (decreased by almost 4.0%), is not at all.

While the maximum rate of income tax levied on individuals is at 60.0% in 1992, over the following years it also has a downward trend, with its 2019-2021 rate being 12.0% (down 5.0%).

The social Tax (single social payment) rate, on the other hand, was initially set at 40.0%, which was then reduced to 33.0%, followed by 25.0%, and is 12.0% in the last 3 years (2019-2021).

In general, above we have analyzed and found that our country is decisive in the formation of state budget revenues.

It is characteristic that, out of the five taxes, four have a continuous decrease in rates. Despite this, we would say that, in practice, our country's taxes successfully fulfill each of the two functions - fiscal and stimulating - to which they are assigned. However, we do not believe there are sufficient grounds for this.

Finally, let us focus on the information presented in Appendix 3. Apparently, the structural structure of the revenues of the state budget of the Republic of Uzbekistan, which is affected by the last four, namely the 2017-2020s, is deliberately brought in it.

This is because, comparing them themselves, we can determine that for the last four years there has been a significant change in the structure of the state budget revenue. They occurred on the following scales:

a) the balance of indirect taxes in the structural structure of the revenues of the state budget of the Republic of Uzbekistan in 2017-2018 51.0-52.0%, while the rate of this indicator in 2019-2020 was equal to 41.0% and 35.0%, respectively, i.e. 17.0 f.p. relegated to;

b) and vice versa, while in 2017 the balance of direct taxes in the structure of the state budget revenues of the Republic of Uzbekistan was 22.0%, the level of this indicator reached 34.0% in 2020, that is, increased to 12.0 f.p;

c) likewise, in 2017, when the balance of property taxes and resource payments in the structure of the revenues of the state budget of the Republic of Uzbekistan was 14.0%, the level of this indicator reached 16.0% in 2020, that is, rised to 2.0 f.p.

The main goal of noting this situation, which really happened in the practice of our country, is to note the fact that it has not yet come to an end in improving financial relations and the presence of experiments taking place in this direction. At the same time, this is due to the fact that in real practice it is rare for such drastic changes to occur, and it is also explained by the formation of financial relations, which cannot adequately respond to the demands of the times.

Of course, there are numerous subjective and objective reasons in our country for the occurrence of such economic situations, including the direction of financial policies. Various opinions may be expressed about how these situations arise. Many scientific studies have been conducted on this topic over a long period of time.

However, there is another important reason why the above situation has arisen that there is still not enough attention to its research. We are talking about the fact that in these places, the heritage of our ancestors in this direction is practically ignored in improving the economic relations that exist in our country. However, considering that it is extremely difficult to analyze the entire system of economic relations within the framework of the implementation of a single monographic study intended to obtain the degree of Doctor of philosophy in economic sciences, we limit ourselves only to researching the issues of

using the heritage of our ancestors in improving financial relations within the framework of our scientific research. To do this, first of all, we need to form our own firm position on the objective necessity and importance of using the heritage of our ancestors in improving such relationships.

To be honest, the issue of benefits from the heritage of our ancestors has not been systematically established in Uzbekistan in order to ensure the well-being of the population and the prosperity of the country in the current complex conditions. Scientific research aimed at raising this problem is also practically non-existent. Despite this, in later years one can notice that his early “sparks” are emerging. For this reason, it should be enough to pay attention to the few thoughts of Sh.M.Mirziyoyev, which are presented below, and their development without comment:

1. “It is more important than ever to focus on spirituality and Enlightenment, moral education, youth pursuit of learning, maturity today, when the world is changing rapidly and various new threats and dangers are emerging that promote stability and the strong development of peoples.

It is education and enlightenment that are considered the main factors in the well-being of mankind...

The names of Imam Bukhari, Burhoniddin Marghinani, Isa and Hakim Termizi, Mahmud Zamakhshari, Muhammad Qaffol Shoshiy, Bahauddin Naqshband, Hoja Ahror Wali, Muhammad Khwarazmiy, Ahmad Farghani, Abu Rayhon Beruniy, Abu Ali Ibn Sino, Mirza Ulughbek, Alisher Navoi and many other geniuses are not only Islamic, at the same time rightly finished in gold letters in the history of world civilization...

Nothing in great history goes without a trace. It is stored in the blood of peoples, in their historical memory and is manifested in their practical work. That is why he is powerful. Preserving, studying and leaving historical heritage from generation to generation is one of the most important priorities of our state policy (as stated by author).

This is an extremely important issue in the current globalized world, where **new threats are emerging, including the potential danger of “mass culture” and the decline of traditional values.** The author emphasizes that the loss of moral values is

a real concern. Today, societies and civilizations are primarily competing with social values and educational systems.

From this perspective, **it is particularly important to thoroughly study, understand, and widely disseminate the works of thinkers from the Islamic world who are our great predecessors and their invaluable contributions to the development of world civilization as a whole** ⁴ (emphasizes the author);

2. “In the future, as I visit the places and get to know the life of our regions more closely, I am convinced of such an idea that **we have not yet fully studied our country, its unique history, culture, great scientists and scholars, and our priceless spiritual heritage** (stated the author) ...

It is well known that our region, Uzbekistan, is one of the oldest centers of Islamic science and culture, and it has been a place of learning and inspiration for many generations.

In order to comprehensively study such a rich history, scientific and traditional heritage of our people, to introduce it to the world public, and most importantly, to deeply reveal the true humanitarian essence of Islam, we decided to establish the Center of Islamic Culture in Uzbekistan in our beloved capital, Tashkent”.

3. “Here we are building the International Research Center named after Imam Bukhari in Samarkand, and the center of Islamic civilization in Tashkent. We are not doing these things for bragging to someone. Our goal is to instill in the minds of our children the true humanitarian essence of Islam. On this path, **about what great deeds our great ancestors carried out** (as mentioned by the author), they will come to such places and acquire the knowledge and visions that are necessary and important for them. The main thing is that in their hearts a rich history, a sense of pride in our cultural heritage is matured.”

4. “Great thinker Alisher Navoi” the weaving, joy of the people of the universe is primarily from the work of selfless people who sow seeds on the ground and grow priceless flirtations,” the peasants service was greatly appreciated.

⁴Mirziyoyev Sh.M. Continuing our path to national development with determination, taking it to a new level. I book. – Tashkent: “Uzbekistan”, 2019. 27-28;33;35-pages.

5. “It is known that thousands of scholars and scribes, great thinkers and poets, Saints-Saints grew up in the Middle Ages from the land of our country, a crossroads of ancient cultures and civilizations. Their invaluable legacy in the field of Exact Sciences and religious sciences is the spiritual property of all mankind.

Currently, more than 100,000 manuscript works are held in the book funds of Uzbekistan. Unfortunately, these rare books have not yet been fully studied, they are waiting for scientists and their readers. **In these unique works, one can find answers to a huge number of pressing problems that today’s era puts in the middle”** (stated by the author);

6. “Today Uzbekistan is developing rapidly. We are following the wisdom traditions of our ancestors, realizing and implementing strict reforms, following the path of forming a new image of our country.

It should be noted that the invaluable contribution of many bright manifestations of the Central Asian Renaissance to Islam and world civilization.

One such great ancestor, Imam Bukhari, is recognized all over the world as the author of “Sahihi Bukhari”, which in its importance is considered the post-Karim bible of the Quran in the Islamic religion.

In order to preserve and study the rich heritage of this great breed, to spread the doctrine of enlightened Islam, we decided to establish an international research center named after Imam Bukhari in the city of Samarkand ⁵.

7. “Many great predecessors and saints, such as Imam Bukhari, Imam Termiziy, Imam Moturidi, Abu Muin Nasafi, Burhoniddin Marghinani, Bahauddin Naqshband, have matured from this sahatli land. The Muslim renaissance, a unique phenomenon in the history of mankind, was permeated with the noble ideas of these great ancestors about religious tolerance and humanity. These ideas are gaining in our time, in the years of independence of Uzbekistan, a special, more thoughtful meaning.”

⁵Mirziyoyev Sh.M. The consent of the people is the highest assessment given to our activities. II book. – Tashkent: “Uzbekistan”, 2020. 253-p.

8. “It is necessary that we develop a national idea that will be a source of strength for us in carrying out the enormous tasks we have set for us.... We must pay special attention to instill in the minds of young people the courage of our great alloma and Saints, the invaluable heritage of our Saints, the light-mas sarkarda and our figures, to strengthen the feelings of national pride and pride in them.”

9. “It is not for nothing that our great – Grandfather Amir Temur wrote the wise words” Justice is the basis of the state and the motto of the rulers” on the pedestal. This grandiose idea became the foundation of our practical efforts to raise human dignity to a higher level.

Alisher Navoi said that “do not oppress, be honest, “the castle of justice” for the people, that is, “build a fortress of justice”,” there is a deep meaning in the words of our grandfather.”

We all need to understand one thing: to live well, it is necessary first of all to work well, to have a deep sense of responsibility, in addition to rights and freedom. To achieve this, however, it depends only on us.

No matter how high and laborious our goals are, we have every chance of reaching them. The heritage of our ancestors, the scientific and creative potential of our people and the entrepreneurial qualities serve us as an incomparable source of strength in this way.”

10. “The unique scientific and educational heritage left by many of our great grandparents, such as Imam Bukhari and Ibn Moja, Imam Termiziy and Ibn Khaldun, who lived and worked in the land of Movarounnahr and Egypt, boasts to all of us that it is an invaluable asset of the entire Muslim community”⁶.

11. “It should be noted that the Islamic world has the full right to be proud of its outstanding contribution to the World, World Science and civilization.

In particular, the territory of Central Asia as one of the major centers of the Eastern Renaissance was known and popular all over the world.

⁶Mirziyoyev Sh.M. The work of a people with a great intention will be great, their life will be bright and their future will be prosperous. III book. – Tashkent, “Uzbekistan”, 2019. 58, 60, 85 pages.

Stating about this, first of all, we respectfully mention the names of our great compatriots – Muhammad Kharazmiy, founder of the algorithm, scientist Ahmad Farghani, Abu Rayhon Beruniy, who made an outstanding contribution to the development of Geodetic and mineralogical Sciences, Ibn Sina, known in the west as Avicenna, statesman and great astronomy Mirzo Ulugbek.

The importance of the precious heritage left by our great ancestors in ensuring progress and social stability in today’s turbulent and threatening times, the spiritual wealth of all mankind, is invaluable.”

Thus, above, we have cited more than a dozen opinions of the head of our country, including those that indicate how objectively necessary and significant the appeal to the heritage of our ancestors and their creative use is in the formation, development and improvement of modern financial relations. While we carefully analyze each of them, although the phrase “the formation, development and improvement of modern financial relations” has never been used in exactly the same way, it is not at all possible to consider any of these expressed thoughts to apply to “the objective necessity and importance of benefiting from the heritage of our ancestors in improving modern financial relations.” On the contrary, we believe that any of them serves to prove the opposite.

For example, let us pay attention to the opinion that the place and importance of an invaluable heritage, the spiritual wealth of all mankind, which is left by our great ancestors in ensuring progress and social stability in today’s turbulent and threatening times”⁷, - to say that this, including” the objective necessity and importance of using the heritage of our ancestors in improving modern financial relations”,

“In these rare works,” which are presented at the end of Paragraph 5 of the same sequence, one can find answers to the many pressing problems that today’s era faces, “our President’s thoughts cannot be called” the objective necessity and importance of using the heritage of our ancestors in improving modern financial relations.”⁸

⁷ Mirziyoyev Sh.M. The work of a people with a great intention will be great, their life will be bright and their future will be prosperous. III book. – Tashkent, “Uzbekistan”, 2019. Page 204.

⁸ Mirziyoyev Sh.M. The consent of the people is the highest assessment given to our activities. II book. – Tashkent: “Uzbekistan”, 2020. 82-p.

Likewise, the above sequences are quoted at the end of paragraph 9, and “we have every chance of reaching them, no matter how high and strenuous our goals are. The heritage of our ancestors, the scientific and creative potential of our people and the virtue of entrepreneurship serve us as an incomparable source of strength in this way” expressed in the content of our President Sh.M.Mirziyoyev. All the evidence is enough to consider Mirziyoyev’s thoughts as directly related to the “objective necessity and importance of using the heritage of our ancestors in improving modern financial relations.”

When it comes to the objective necessity and importance of using the heritage of our ancestors in the evolution of modern financial relations, it is also necessary to pay serious attention to another aspect of the issue, which is still brought in this direction without attention, which is unacceptable and put opposite to each other. In order to understand what is going on in this place, it is necessary to pay attention to the deliberately cited quote, albeit at a very high risk⁸, on our side below, in order to understand what is going on: “every person in his life is constantly exposed to and directly participates in financial transactions by the way of life. The same relationship encompasses much of human time and activity. Because it is clear that if these treats are not regulated, without their established rules, there will be an increase in disagreements among people. In financial relations, the issue of mainly halal and haram is considered very necessary, and it is questioned whether this or that case is halal or haram.”⁹

Thus, in the context of the first paragraph of the first chapter of our monograph, we have reached a conclusion regarding the objective necessity and significance of utilizing our ancestors’ legacy in improving modern financial relationships. We have been able to draw a significant conclusion which is profoundly significant or fundamental, and justify it within the bounds of our abilities, namely that in the establishment, development, and enhancement of an optimal alternative for modern financial arrangements, it is imperative to utilize the legacy of our forebears. Now, the next stage for us is to articulate our position (view) regarding the crucial issues related to utilizing the legacy of our ancestors in

promoting modern financial interactions. In this regard, we intend to address these concerns within the following paragraph of this chapter in our monograph.

1.2. In improving modern financial relations the fundamental use of the heritage of our ancestors' basics

Presently, we are living in the 21st century. Humanity is going through the processes of globalization. In any area, the struggle of mutual competition between the countries of the world is growing. To win it, each country is launching all the reserves that it has.

Uzbekistan is one of the countries participating in such struggles. It is a state with a rich nature and a large number of labor resources. Its national economy is also developing at a certain pace. Especially in the years of independence, great success was achieved in these directions. However, despite this, it is no secret that there is still much more to say that the prosperity of the country and the well-being of the population have been ensured. We can also make the same point about our country joining the ranks of progressive countries⁹.

The economic relations that have been formed in our country so far do not create conditions at a sufficient level for the highest efficiency of all participants in it (we have cited some cases confirming this in Paragraph 1 of this chapter). Distinguish the same points in relation to financial relations, which are considered the most important component of this relationship-masonry is impossible.

Representing in the most general and very short way, it seems to us that the financial relations that have so far formed in the economic life of our country:

- a) to the efficient and rational expenditure of financial resources
- b) to the full and timely fulfillment of financial obligations.
- c) to ensure fair and fair competition.
- d) to a steady increase in labor productivity.
- e) a decrease in the cost of manufactured products and services provided.
- f) to strengthen the level of profitability of economic entities.

⁹ In the following places, we will try to focus our attention only on such relations.

g) to ensure sufficient material and financial interest for the participants in the process, and not showing enough positive effects of its own.

Obviously, there is always an effort to solve these problems on the scale of the state, administrative regions, individual sectors of the economy and separately acquired enterprises. In particular, various ways to solve them are being sought. As one of these ways, it is being chosen to turn to advanced foreign experience.

The experiences of many of the world's progressive countries are being studied in order to achieve the desired goals (solving problems). Measures are being taken to adapt them in the conditions of Uzbekistan. Despite this, they do not give the intended results sufficiently. That is why the achievement of prosperity and people's well-being of the motherland, which is the ultimate goal, is becoming more and more complicated, aggravated and increasing in duration.

As noted in the previous paragraph of this chapter of this monograph work, there are many objective and subjective reasons for this, of course. But one of its main reasons can also be traced to the insufficient use of the heritage of our ancestors in the work done in order to ensure the prosperity of the motherland and the well-being of the people. This applies equally to the fact that the heritage of our ancestors is not used to the same extent in improving modern financial relations in Uzbekistan.

There are several reasons and complications for this, and below we will try to dwell on the most important of them.

Firstly, the question of the more active use of the heritage of our ancestors in improving financial relations has hardly been studied by Uzbek economist and, including, financier scientists, specifically or as a separate object of research. Regrettably, it can be noted that both at the moment and in the previous times, Uzbek Economist scientists A.Smith, W.Petty, D.Ricardo, Co.Fourier, S.Simon et al.k.well aware of the Economic (Financial) views of the S. But the legacy of our ancestors in this regard still remains an unsolved puzzle for so many of them.

Secondly, there are also historical reasons why the issue of using the heritage of our ancestors in improving financial relations has not been studied. Initially, the occupation of the peoples of Central Asia by Tsarist Russia in the second half of the

XIX century, and then their inclusion in the former USSR at the beginning of the XX century, and the fact that the communist regime lasted more than 70 years, did not have its impact on the issues of whether these problems were studied or not. It would not have been possible to imagine that this issue would be put on the agenda, especially as a result of the continuation of the unified and centralized financial policy on the entire USSR during the days of the Soviets.

Thirdly, although our independence is also 30 years old, scientists from the Uzbekistan economist-financier still agree without serious attention to the study of this issue (except in some cases that occur or are rare). It is still important in their scientific and practical research to rely on and prioritize the opinions or views of Western scholars. For some reason, it is preferable to use the ideas of ready-made and pre-known Western scientists in this matter, instead of studying the heritage of ancestors and using them creatively.

Fourth, the specificity and extreme complexity of applying to the heritage of our ancestors in improving financial relations is also the reason why our ancestors' heritage is not used in improving modern financial relations in our country. Such specificity and extreme complexity go back, above all, to the problems associated with language and the alphabet. There is no doubt that the use of the Arabic alphabet, the Latin alphabet, the Cyrillic alphabet in relation to the Uzbek language and the return to the Latin alphabet again will dramatically complicate scientific research on the topic of using the heritage of our ancestors in improving financial relations.

Fifth, the lack of confidence in the appropriateness of the use of the heritage of our ancestors in improving modern financial relations in scientific circles related to the field of Finance is also hindering the conduct of scientific research in this direction. Although there have been no formal or overt performances on the subject, in some cases "the view and the work done by our ancestors on financial relations have been necessary and correct for their time. How correct would it be to pay attention to them at the moment after so many years or centuries have passed?" We can also face tribal opinions.

It seems to us that such views do not have a sufficient level of logic of their own. After all, even now, the progress of mathematics cannot be imagined without the thoughts embodied in Al-Khwarazmi's "Al-jabr val-muqobala". Even on the basis of the development of modern medical science lay the ideas put forward in the works of Ibn Sina, in particular, in the "laws of Tib", etc. Surprisingly, continuing this list even further, it can be understood that in the legacy of our ancestors, the work "Hidoya" created the same rules and theories about economics and Finance, which did not lose their scientific significance even for today's times. "So why is it still coming without the use of the heritage of our ancestors in improving modern financial relations?", the statement in which the question arises.

Sixth, one of the reasons why the current situation arose in the issue of using the heritage of our ancestors in improving modern financial relations is also explained by the lack of a sufficient level of competence among economist-financier scientists in addressing this problem. Unfortunately, "without historical memory-no future!" or "it is good to act according to Moses," although we are not tired of repeatedly and repeatedly noting that for some reason our own non - observance of it seems, at least, more incomprehensible.

Seventh, another of the reasons why the question of the use of the heritage of our ancestors in improving modern financial relations is not taken seriously, it is necessary that the study of this topic is considered extremely complex and requires a lot of work. In fact, touching on this topic requires a huge amount of strength, patience, knowledge, and confidence to draw results from the researcher. Scientific research on such a topic cannot be carried out by analyzing the results (numbers) obtained over the next few years, placing them in a table and various illustrative form (formalization), conducting experiments, conducting various questionnaires in a question-and-answer manner, or performing different combinations of several monographic works on the same topic. To do this, it will be necessary to carefully study at least, including several centuries-old manuscripts. It is necessary to master the Arabic language perfectly, allowing them to learn. It is assumed to diligently

study the dust-pressing documents in various archives, and to this, not everyone who wants to make a scientific search are ready;

Eighth, Western ancestry was counted, e.g. A.Smith, U.Petty, D.Ricardo, Co.Fourier, S.Simon et al. it is easy to refer to the scientific heritage, although relatively easy. For this, in the conditions of Uzbekistan, you do not even need to know their native language (English, German, French or any other language). To do this, it is enough to know the Russian language. Because the main part of the works of all the authors named above is translated into Russian, and those who know this language (and among those who claim knowledge, there are no people who do not know this language) can use them as much as they want.

Ninth, it is clear in advance who should refer to the heritage of Western ancestors when it comes to improving modern financial relations-the use of the heritage of our ancestors in Rish. Unfortunately for our ancestors, such an opinion cannot be expressed in advance. As our president noted, “the names of Imam Bukhari, Burhoniddin Marghinani, Isa and Hakim Termiziy, Mahmud Zamakhshari, Muhammad Qaffol Shoshiy, Bahauddin Naqshband, Hoja Ahror Wali, Muhammad Khwarazmi, Ahmad Farghani, Abu Rayhon Beruniy, Abu Ali Ibn Sino, Mirza Ulugbek, Alisher Navoi and many other geniuses are not only Islamic, although it is also true that at the same time in the history of world civilization is rightfully finished in gold letters”¹⁰In this matter, even if it is approximate or risky, it is a saying that it is extremely important to refer to their heritage. It is absolutely clear that such perseverance, which is extremely difficult for us to bring to our eyes or imagine, does not exist in everyone.

Tenth, in this place, despite the fact that it is relatively early, it is worthwhile to cite the following points of professor O.O.Olimzhanov: “before talking about the contributions of our thinkers (mentioned by the author) to the science of Finance (**formation, development and improvement of financial relations** – as stated the author), it will be logical for us to admit that even in our “Qur’an Karim” there is

¹⁰ Mirziyoyev Sh.M. We will resolutely continue our path of national development and raise it to a new level. Book I. - Tashkent: “Uzbekistan”, 2019. Page 27.

widespread attention to finance and tax issues. The “Qur’an” was not created by man, it is a great work that was drawn by the Lord to us, Muslims! For us, the most important thing in this regard is that even in this Bible, special attention is paid to finance, especially tax and taxation issues. The “Qur’an Karim” gives a comprehensive view of the amount, payment order, time, tax collectors of the main types of Islamic taxes, khiroj, ushr, zakat and other taxes.

The hadiths also extensively reflected on issues concerning finance. For example, the exact answers of such issues as zakat, its payers, the amount of payment are described in the hadiths”¹¹.

Despite the fact that in our country we are talking about the use of the heritage of our ancestors in improving modern financial relations, we do not need to complicate or sharpen the problem so much as at the above levels. In order to successfully fulfill the task, set before us and achieve our intended goal (prosperity of the motherland and the well-being of the people), it is necessary, first of all, to turn to the heritage of those who have ancestors, it is not so complicated to find the answer to the question. To do this, it is only necessary to keep up with logic again and again or to approach it logically.

If we approach the solution to this problem logically, we must first of all have a clear answer to the following question: Which of the great ancestors-people are engaged in their lives and activities, including successfully solving financial issues? The answer to this question can be given by any of the scientists, even without special preparation. And in this case, the answer to the question should also be, first, as follows, natural: Amir Temur; Alisher Navoi and Zahiriddin Muhammad Babur.

Certainly, it is not for nothing or unreasonable that the answer to the mentioned question was first given by our ancestors, whose names were mentioned above. After all, there is an aspect for each of them that has something in common. If it is too, it is the fact that each of our ancestors has been busy throughout their lives, including public affairs. In general, and simple terms, it is no secret that, in

¹¹ Malikov T.S., Olimjonov O.O. Finance. Textbook. - T.: “Finance-Economics” Publishing House, 2019. Pages 36-37. Despite the reference to the co-authored textbook, it turned out that these ideas were written by prof. Since it belongs to O. O. Olimdzhanov, this is how it was described in the text.

particular, Amir Temur was the ruler, leader of the state, Alisher Navoi and Husayn Baikarah were the Prime Ministers of the state, and Zahiriddin Muhammad Babur was the king and poet. In turn, not every person who is engaged in public affairs can have financial problems during their activities and solve them. Therefore, when we talk about the use of the heritage of our ancestors in improving modern financial relations in our country, without taking risks, we believe that it has its logical meaning and basis, first, to prioritize the appeal to the heritage of our great and great ancestors, Amir Temur, Alisher Navoi and Zahiriddin Muhammad Babur.

However, it should not be forgotten or overlooked that such an approach in this process, on the one hand, also has aspects of lightness to a certain extent and, on the other, complexity. Its relief is that each of these ancestors left a certain artifact as a legacy from themselves. In this context, at least, we can cite the names of Amir Temur's "Temur Tuzuk", Zahiriddin Muhammad Babur's "Boburnoma", and Alisher Navoi's "Khamsa" and countless other works. Undoubtedly, all the works left by these ancestors, although not directly, can serve as an invaluable resource in the use of the heritage of our ancestors in improving modern financial relations in our country.

In turn, the complexity of the approach that we have already noted above, despite the fact that they left various works, is determined by the fact that these ancestors did not pay special attention to financial issues in their works. Therefore, the search for such points and their special emphasis is one of the main tasks of every scientific study carried out for this purpose.

However, in improving modern financial relations in our country, there is little to achieve the intended goal of limiting the use of the heritage of our ancestors to act in this way. Indeed, in this matter, it is not enough just to study their works and draw the appropriate conclusions. To do this, it is necessary to pay close attention to the results of their practical activities and what decisions they made in this direction, since each of them, at one time or another, are also statesmen. To do this, however, it is necessary that the periods in which they operate are studied or researched in detail based on different sources.

We can also be helped in the implementation of these works by the results of scientific research of some of our country's economist (financer) scientists, despite the fact that there are very few. One of them is an economist, doctor of Economic Sciences, professor H.R.Sobirov.

We can note with pleasure that prof. H.R.Sobirov is one of the few economist (financer) scientists who during his scientific career paid special attention to the historical aspects of the emergence and development of financial relations and managed to draw relevant conclusions. To provide his services in this direction, it is enough to cite the names of scientific works published by the scientist.

At one point, prof. H.R. Sobirov in his scientific research did not particularly emphasize, bluntly say, or highlight the question of the use of the heritage of our ancestors in improving modern financial relations (the time at that time did not allow it, he assumed that such was the policy), each of his actions and searches in this direction should be considered

And at the moment this issue, that is, the question of the use of the heritage of our ancestors in the improvement of modern financial relations prof. O.Olimzhonov and prof.T.S.Malikov scientific research results taken separately and in some cases in cooperation, are visible only.

Thus, in Chapter 1 of this monograph on the issues of using the heritage of ancestors in improving modern financial relations in Uzbekistan, we, at first, after its objective necessity and importance, touched on fundamental issues, tried to form our position in relation to them and managed to do so. Now the next task before us is to analyze them in several aspects, showing the possibilities of using the heritage of our ancestors in improving modern financial relations in our country.

Since, in the framework of a single monographic study, it is not advisable to cover all the aspects of using our ancestors' heritage in the development of modern financial institutions in practice, let alone being able to do so, we believe that, taking into account certain other objective reasons, this should initially begin by introducing the analysis of certain aspects. In turn, we plan to do this along two lines so far. (A) The financial views of Ibn Sina, Nizam al-Mulk, and Farabi and the

analysis of Islamic finance civilization in Central Asia. (B) The analysis of the interpretation of financial matters in Burkhuniddin Marganini's "Hidoya". Therefore, the next chapter in our monograph will focus on these aspects. And now, we will limit ourselves to presenting the conclusions reached under Chapter 1 of our monograph.

Based on our research in Chapter 1 of our monograph, the following conclusions can be drawn:

1. In order to achieve the good goals aimed at ensuring the prosperity and well-being of Uzbekistan, it is necessary to form, develop, and improve financial relations, including those that are modern and innovative. However, this cannot be fully accomplished by relying solely on the experiences of advanced foreign countries and the legacy of their financial systems, as historical progress, practical experience, and logical thinking all show that these systems have achieved success in achieving their goals.

2. Given the national mentality, history of Uzbek state-building, achievements, and opportunities, the use of the legacy of our ancestors is an objective necessity and has an incomparable historical significance. This is because the successes of our predecessors, who used their heritage to achieve tremendous results, serve as an inspiration for us to continue striving for the same goals.

3. The improvement of modern financial relations within our country - the use of our ancestors' legacy in Resurrection - is a highly complex issue that requires special preparation on the part of the individual seeking to learn more about it (at least having the opportunity to read and analyze sources written in the Arabic script independently and draw meaningful conclusions from them).

4. After conducting a number of research projects, it is still impossible to solve the issue of utilizing our ancestors' heritage in order to improve the financial relations between Zamir Navi and Uzbekistan. This process requires a specific, systematic, and multi-step approach as well as a significant amount of time.

5. Considering the current stage of our country's development, it becomes necessary to pay particular attention to the utilization of our ancestors'

accomplishments in order to enhance our modern financial relationships. This should be done by first studying the achievements of our predecessors who have demonstrated great success through their practical endeavors.

6. Enhancing modern financial relations in our country - the first to use the legacy of our ancestors for the resurrection, we are considered great ancestors. This includes the work done by Amir Temur (leader of a huge state) and Alisher Navoiy (prime minister), as well as Zahiridin Muhammad Babur (the founder of a great dynasty that lasted for several centuries). It is necessary to heed the views expressed by these individuals.

Chapter 2. ANALYSIS OF SOME SOURCES OF OUR ANCESTORS, WHICH PLAYED AN IMPORTANT ROLE IN IMPROVING MODERN FINANCIAL RELATIONS

2.1. Ibn Sina, Nizam ul-Mulk and Farabi's finances views and analysis of the civilization of Islamic finance in Central Asia

The processes of globalization and its negative consequences, which have become increasingly acute in recent years, are increasing the need to form a stable financial system that is resistant to financial crises. In this context, many countries in the world are focusing on developing new methods and national programs to protect their national financial systems from external globalization threats. Uzbekistan is not an exception. At the same time, the country's economic management models are gradually adapting to the market economy model. However, in the initial stages of market relations, many theories did not meet the current demands of the market, especially when there were financial crises. As a result, researchers started paying more attention to specific aspects of using money.

In recent years, the program of reforms has been adopted with the aim of ensuring financial stability and integrating our country into one of the active economic countries in Central Asia, taking advantage of modern practices used globally. This naturally led to the need to develop scientific and theoretical programs that take into account the financial changes taking place globally and their direct negative impact on the national financial system.

First of all this need to re-examine the essence of financial relations from the perspective of globalization. Secondly, the success of anti-crisis programs aimed at restoring financial stability in foreign countries depends on the financial experience of these countries, their conditions and the specificity of their financial traditions. Therefore, approaches taken into account in these programs cannot be equally effective for all countries, requiring the development of unique national programs.

If we take into account the above, it is not difficult to determine that the process of rethinking the philosophical essence of finance, which has been brought

up in modern theories of finance proposed in the context of crisis conditions, is necessary for a better understanding of the economic nature and essence of finance. These processes, in turn, indicate the need to pay attention not only to classical and neoclassical theories of finance that have become familiar to the field of finance, but also to the financial views of Eastern scholars. In this regard, if we speak briefly and more precisely, we are discussing the issue of using the heritage of our ancestors in improving modern financial relations in Uzbekistan.

Based on these points, we intend to focus on the issues of utilizing our traditional solutions within the framework of the first paragraph of our monograph, as well as selecting a suitable path for the financial system in crisis situations, including utilizing the legacy of our ancestors in improving contemporary financial relationships (including the improvement of the existing financial system).

Initially, with this intention, we consider it advisable to refer to the legacy of Abu Ali Ibn Sina, one of our great ancestors. In this regard, it is worth noting that we want to pay attention to the financial views expressed in the “treatise on home economics”, which is considered the result of the work of the great encyclopedic scholar of Central Asia Ibn Sina (980-1037 bc) as Minister of state, and which are also relevant for today’s time.

This treatise contains the socio-political teachings of the scientist on the right to build a righteous state, and according to the financial views presented in it, the most important condition for the development and functioning of society is the requirement of proportionality of income and expenses. One of the hallmarks of just statehood is the fact that everyone is able to ensure that they can work for their own benefit, that is, for their own benefit. The state must determine the place of each person in society and organize how they will function, especially in the case of Immortals (teak-eaters) in the state, who at the expense of others cannot be allowed to be day-seers, Ibn Sina singled out.

The state should also eliminate the occurrence of unprecedented wealth and terrible poverty in society at a time by properly distributing interests. Therefore, in his treatise, The Scientist pays special attention to the formation of income and

expenses in the financial system initially on the scale of families, and then on the scale of the city and the state. Individuals must generate their income in exchange for honest labor and the organization of honest commerce, and increase the wealth of their country.

In Ibn Sina's vision, which is distinguished from the illusory dreams of Plato, Aristotle and Pharaoh, confidence in the possibilities and abilities of man as a crown of nature leads. He believed that, unlike Plato and Aristotle, it was necessary to assign a certain amount of state benefits to incapacitated citizens and those with a flawed physique¹².

It is necessary that the state formulates the balance of income and expenses taking into account the orientation of funds to education, the creation of natural disasters or war reserves¹³.

From Ibn Sina's above socio-political and financial views, we conclude that in the conditions of the still-ongoing world financial crisis and the current crisis caused by COVID-19, the state is reluctant to focus on creating jobs in private networks or creating new jobs in areas that generate new value and achieve high labor productivity. This in itself increases the importance of private networking and household finance.

Nizam ul-Mulk (born 1018 or 1019/1020-1092 in Tus), Minister of the Ghaznavid state, also pays special attention to the cost of the Treasury and the importance of tax policy in drought or war conditions in his work "Politico". In his opinion, the fact that tax collectors demand from the people more than the norms established by law of taxes does not lead to replenishment of the Treasury. Explaining this by the events of King Bahrom Gour, the King indicates that the minister forbade the replenishment of the Treasury reserves at the expense of heavy taxes other than the legitimate hiroj, while the minister, acting in contrast, ultimately neither the Treasury was full nor funds were charged to maintain the army, and neither the people remained in place, and the country,

¹² Asimov M.S. The Greatness of Avicenna // The Triumph of Reason. - Dushanbe: Donish, 1988. - 3-18-b.

¹³ Boltaev M.N. Abu Ali Ibn Sina is a great thinker, a learned encyclopedist of the medieval East. – Moscow: Sampo, 2002. -p.334.

Nizam ul-Mulk believes that the tax system that oppresses the people will make raiyat poor and ruin the country. The minister of state noted that the impact of the human factor, and not only the introduction of heavy tax burdens, is great in the occurrence of the system of taxation on the people. Therefore, it is necessary to always control the work of tax collectors. An unfair tax system occurs when tax collectors begin to absorb the taxes levied, while wealthier individuals and officials avoid paying taxes. The fact that factors (tax collectors) demand taxes ahead of schedule or more than established by law leads to the fact that the crop is sold at half price before full maturity, causing people to see little income¹⁴.

If someone from the people is in a difficult situation due to the need for water or seeds, it is necessary to relieve the burden on him, lend him the necessary things so that he does not leave his home and wander around. In the conditions of crisis caused by drought, state measures should be aimed at preventing people from leaving lands that could not be harvested from drought. In this case, it is not allowed to raise tax rates until a certain period, while the expenses of the state treasury are aimed at preventing their abandonment of these lands by providing food to the population impoverished by the crisis.

It seems to us that in regions with a high need for water under such conditions, the fact that residents leave their homes leads to a reduction in the tax base. Therefore, the fiscal goals of the state are aimed at social protection of the population and lowering the tax burden. With this, the expansion of the tax base will be achieved in the future by creating conditions for the population.

It is known that many thinkers who lived on the territory of the Muslim world in the Middle Ages attached great importance to the study of the political (as well as socio-economic and financial) life of society through observations. The harmony of the financial views formed during this period with the household-related views advanced in the periods when the Zoroastrian statutes were written, firstly, indicates that our ancestors intended the existence of a rational financial system on the basis

¹⁴ Zakhoder B.N. Siasetname. A book about the reign of the wazir of the 16th century, Nizam al-mulk. Translation, introduction to the study of the monument and notes by Prof. B.N. Zakhoder; ed. USSR Academy of Sciences, Moscow-Leningrad, 1949. 22-p.

of building a prosperous society, and secondly, after the spread of Islam to Central Asia, further enriches our ideas that For example, scholars point out that Zoroastrianism's third book, "Vandidot", contains views on "household management", "administrative management of the state", and "public administration". The general essence of the teachings in this regard is that the household provides a comfortable life for people. The household will be the basis for the creation of the state economy¹⁵. Hence, the financial system that exists in ancestral heritage evaluates "household finance" as the ground of Public Finance, in contrast to the approaches advanced in today's financial models.

For example, Farabi's (870s-950s) harmonious view of these doctrines of distribution is also led by the ideas of people's property relations and rational management of finances. According to him, it is preferable that a person lives rich above all, rather than poverty. There is not much risk in acquiring property (goods), but it is difficult to keep it careful. In such a case, "undesirability occurs" if the divided funds, which have to live, are not properly distributed, there is no norm in expenses. This is the hardest job to manage. There is a tremendous loss when people do not put property at their disposal into circulation to make a profit. The work of the distribution is very difficult, but very necessary work."¹⁶

These views of Pharoah on the ability or experience of individuals to manage their own funds represent that the essence of Finance in eastern Financial views is focused on making a profit through the rational management of income and expenses. In financial relations formed in the East, the transformation of property and funds into a not profitable treasure should always be avoided. When a person's funds are in constant motion to make a profit through rational and effective management, then these funds will be useful to the interests of other people as well.

We will more fully reveal these ideas through the ancient national essence of the term "finance". Our economists (prof.T.S.Malikov, A.V.Vahobovs)" finance "is

¹⁵ Abduazizova N. History of national journalism. Tashkent: Main editorial office of the publishing and printing company "Sharq", 2012.

¹⁶ Muftaydinov Q., Yoldoshev Q. History of Eastern economic teachings. Tashkent: Publishing House of People's Heritage named after Abdulla Qadiri, 2002. p. 56.

derived from the Arabic word for” money “in Uzbek, derived from this essence from Arabic” property”, meaning” wealth, property, money fund”, as well as” finance”, meaning” money funds”; those who have argued that tax words are also subject to finance ¹⁷.

We further develop these ideas in the heritage of ancestors, relying on scientific sources related to the field of Finance. For example, in the work “Hidoya” (12th century) by the central Persian scholar Burkhaniddin Marghinani, the author gives a translation of the word “mol” in his dictionary of Arabic jurisprudence attached to the work. The word has been used, according to modern transcription, as “cattle” – property: in the grazier Arabs – “money”, “wealth”, in the Bedouins (nomadic Arabs) – “camel”, “herd”¹⁸;

The second scholarly source, which embodies the concept of taxation in the word” property”, is Mirzo Badi-Devon’s” Majmua ul-arqom “ (1798). This work is written directly as an official guide to finance and land-tax accounting for the officials of the Khan devankhoush, in which the term “mol” is used in the following content: “let the mill (tax) of each village be recorded by the name of this village”.

Hence, the stem of the word “Finance” is formed from the words “property” – “money”, “tax” or “funds”. With the loading of the suffix “-iya” into this word, the word “finance” or “finance”[finance – in-unit] means “total works on funds” or “monetary work”, managing funds (resources) or doing such work¹⁹.

In Eastern financial relations, the validity of the term “finance” from long periods and the fact that the financial and economic sphere has its own fund of ancient national terms (for example, Treasury, Treasury, tax, own names of several types of taxes)²⁰, firstly, makes it possible to more accurately understand its essence, and secondly, it serves to form a scientific idea

¹⁷ Vahobov AV, Malikov TS Finance. Textbook. Tashkent: “Noshir”, 2012. p. 3.

¹⁸ Burkhaniddin Marghinani Khidoya. Commentaries on Muslim law. In two parts, four volumes, part 2 Volumes I-II, Translation from English edited by N.I. Grodekova, rep. ed., author preface, intro. Art. and scientific comm. prof. Saidov. - M.: V. Kluver, 2010. -808 p.

¹⁹“ Finance” means “work”, “management”. The lexical analysis of the word was carried out with the help of experts from the Islamic University of the Republic of Uzbekistan.

²⁰ Abdullaeva Sh.N. Treasury as a sphere of use of financial and economic terms (based on the material of the Uzbek, English, Russian languages). See: <http://journals.rudn.ru/semioticssemantics>

So, the essence of Finance, which began to be studied as a “science of resource management” from the point of view of today’s modern financial relations, has already expressed the meaning of rational management of funds in the legacy of our ancestors. For this reason, the ideas for the development of private network and household finance led not only in the financial views of eastern scientists, but also in state reforms.

For example, this can also be seen in the formation of the principle of “one neighborhood – one profession” in Central Asia as early as the 10th century. This principle also strengthened the legal framework of private network Finance, and can be seen in the development of the Charter of workshops (sex) – “brochure”, which acts on the basis of the distribution of orders. According to the style of work organized in it, at the beginning of the workshop stood an elder with dignity and his own sphere of influence. Its main task was to study the problems associated with the economic and domestic life of workshop members, take orders, distribute large orders to small family workshops, regulate the relationship between owners and hired Masters - khalfas, who are considered workshop owners. It is up to the dallols to bring the products produced by the workshops to the market and to issue the market price of the product. To do this, intermediary was credited with one tenth of the profit²¹.

Ironically, we can observe that German enterprises today operate in a similar system, that is, in this system, national business and national social democracy have created cooperation between labor and capital. In this system, professional managers provide day-to-day technical and economic guidance to the work managed by the company’s departments. In two thousand or more companies, half of the supervisory board consists of representatives of the labor team and half of representatives of owners and interested parties (often the state, banks, consumer associations,

²¹Niyazova M. Organization of craft and socio-economic status of artisans jewelers in late medieval Bukhara, a classical example of the form of life of jewelers of the early periods. From the history of the cultural heritage of Bukhara (issue 10). Bukhara State Museum-Reserve: ed. “Bukhoro”, 2006. p-38.

suppliers of orders). This system is considered to be resilient to today's crisis conditions with high employment rates and low income inequality²².

The products created in the system of production based on "home (household) industry" established in Central Asia, combined with small manufactories, entered the domestic and foreign markets. The participants of foreign markets are mainly small manufactories - factories, which do not have large factories like in Europe²³.

We think that this is exactly the "conveyor" method of production, which at the same time served to ensure the employment of many, generated a very large trade turnover in both domestic and foreign markets. Therefore, in the 1840s and 1850s, the volume of turnover on fabrics made from cotton alone, which entered the Russian market from the countries of Central Asia, was more than three times the volume of such goods that Russia issued abroad.

According to the information provided by the Russian ethnographer, historian and economist P.I. Nebolsin (1817-1893) based on the correspondence of Russian tourists who were sent to this region in order to study the secret of the commercial success of Central Asia, commercial work in Central Asia is primarily the personal interest of the businessman, not the state (benefit). In this case, the government collected only customs duties and taxes from local commercial representatives on goods imported from different countries. Foreigners (Indians, Armenians, Jews) who stayed here for more than a year paid a tax of 2 coins per person and ran their businesses freely²⁴.

Commercial work in such a method shows that the "home industry" is tied to world markets through small manufactures, through the means of traders and funds manager-traders. Sales based on debt (credit) relations (by borrowing profits from the sale of goods from producers on the condition that they be proportionately shared between the parties, in accordance with the principles of modern Islamic banking) have created the movement of inter-market goods and financial funds.

²² Zveriaikov M.I. In search of a way out of the crisis. "Economy of Ukraine". No. 8. 2013. pp-4-21

²³ Nebolsin P.I. Essays on Russia's trade with the countries of Central Asia, Khiva, Bukhara and Kokan: (from the Orenburg line). St. Petersburg 1856. 26-p.

²⁴ Budrin. Russians in Bukhara in 1820: (Notes from eyewitnesses) // Reference book of the Orenburg region for 1871. - Orenburg, 1871.p.1-45..

These practices show that in the periods we are researching, there were no banking institutions, but intermediaries-dallols and commercial traders who performed the functions of modern banks-bought products from manufacturers on credit (Commodity Credit) and organized sales in foreign markets.

At this point, a reasonable question arises, what factors caused the failure or total oblivion of the national financial system that successfully operated in Central Asia a hundred or two hundred years ago? To our questions in this regard, the views of Islamic scholar A. Razzokov are as follows: “Globalism. Globalization, which took place in the world in the last hundred or two hundred years, had an impact on the national systems and economy of the countries, including the financial system. Until then, Central Asian countries had their own economic and financial systems²⁵.

Based on this, if we think about it, the factors associated with the negative impact of the factors of economic integration and financial globalization on the national financial system prevail in the collapse of these states, rather than military factors.

It is known that the initial stage of the financial globalization processes, which arose due to the increase in the flow of capital around the world (corresponding to the second half of the 17th century and the beginning of the 19th century), was characterized by the fact that the amount of capital for European countries was not so large and only investments were made inside the country²⁶. During the same period, the Khanates of Central Asia were active participants in the Western and Eastern markets, operating as active participants in the international exchange sphere.

Plans to strengthen the political and economic integration of the Central Asian countries began to emerge from the middle of the 18th century, when the Russian government began to understand the markets of Central Asia as a promising capital market for Western countries. Accordingly, the Russian government granted legal

²⁵ Abdugaffar Razzakov. Head of the Mir Arab Higher Madrasa; author of scientific works on Sufism, Islamic scholar.

²⁶ Le V.H. Financial integration in South-Eastern Asia and the first ASEAN: mechanism and policy development. Dis. blood economic science. Moscow. 2017

status to Central Asian businessmen to conduct free commercial activities on the territory of Russia, in the hope that they would be given alternative benefits and concessions by the Central Asian nobility. However, after the request of the Russian government, which hoped for the abolition of the Juzya tax on foreign merchants based on the rules of Muslimism in the markets of Central Asia, was rejected, they decided to solve this problem by alternating economic methods (sanctions) and military actions²⁷.

As a result, the increase of military taxes in some economic trade centers of Central Asia and the cutting off of local merchants from the trade routes increased the sympathy of large local merchants with their sphere of influence to the Russians and changed their commercial style.

We consider the impact of such integration processes on the national financial system of countries. The introduction of banking infrastructure to Central Asia from the beginning of the last century began to strengthen the influence of globalization on the national system. The spread of Russian financial capital through banks to Central Asia has started to popularize the practice of loans that finance not only large merchants, but also farmers with interest loans.

In this regard, according to A.S. Sodikov, a major researcher of the economy of Khiva: “The activity of financial capital did not change the characteristics of the roots of commodity-money and credit relations that existed in Khiva in previous periods, but created a certain hierarchy in the subordination of almost all producers (through intermediaries) to bank capital”²⁸.

Banks began to provide financing for the purchase of cotton or other raw materials to local intermediaries (weighers and lessees) at an annual interest rate of 12 percent. Local intermediaries began to buy raw materials from farmers on credit or loan by distributing these funds to small traders²⁹.

²⁷ Pochekaeva R. Yu. Russian factor of legal development of Central Asia: 1717-1917 Legal aspects of frontier modernization. Moscow: ed. Higher School of Economics National Research University. 2020. 326-p.

²⁸ Alimdzhanov B. A. History of the Bukhara branch of the Azov-Don Commercial Bank. Bulletin REU im. Plekhanov. No. 5 (10). 2018.

²⁹ Mikhailova G. A. Uzbekistan in the 18th – first half of the 19th century. Craft, trade and duties (according to SA RU.f. 3, op.1 d. 247, l. 321, 382, d. 165. L. 101). Tashkent: “Fan”, 1991.

It can be understood from this that the new credit relations based on usury, which entered Central Asia in this way, soon replaced the debt relations based on Muslim rules. These relations, especially in the middle class of the population, increased their level of indebtedness, and later the banks declared themselves bankrupt and left Central Asia, which led to the withdrawal of the money accumulated in the banks by the owners of large funds³⁰.

In our opinion, precisely for this reason, a number of scholars (scholars of the union and former union) consider the banks that entered Central Asia during this period as a tool of colonialism. For example, Z.D. Kastelskaya wrote: “Russian capitalism has formed a network of banks in Turkestan to ensure the exploitation of the local economy.”³¹.

According to some studies aimed at studying the activities and functions of banks that entered Central Asia during this period, the modernization of the economy of Central Asia through banks consisted of financing exports and organizing cooperation between metropolises and remote countries. However, although the “colonial” countries, at first glance, seemed to be an attractive area for obtaining high profits and investments, the rise of speculation in the Turkestan economy had a negative impact on the normal development of banks. As a result, it slowed down the economic modernization of Central Asia and paved the way for the experience of the unions.

At first glance, it seems that the national financial system of the Central Asian countries could not withstand the processes of globalization. But if we take into account the fact that the financial system of Central Asia operated stably and successfully carried out commercial work in the first stage of integration, in our opinion, the national financial system could not withstand the processes of globalization, but usury.

³⁰ The negative consequences of this can be clearly understood from S. Ainyi’s work “Death of Usurer”.

³¹ Alimdzhanov B.A. History of the Bukhara branch of the Azov-Don Commercial Bank. Bulletin REU im. Plekhanov. No. 5 (10). 2018.

From this point of view, we should pay attention to another aspect of the issue, that a number of modern scientists (I.V. Larionova, Ye.I. Meshkova) based on the theories of O.I. Lavrushin, the conflicting effect of credit on economic development, especially excessive credit expansion, is a factor in causing a crisis in the economy. researched as the main cause of the global financial crisis in 2008-2009³².

Also, in order to more clearly understand the scale and consequences of usurious loans spread in Central Asia and what conclusions can be drawn from it in today's modern conditions, we will dwell on the following thoughts of P. Krugman, the winner of the Nobel Prize, who announced the causes of the crisis and its solutions in several of his scientific works: "What did I do wrong? The scale of the tragedy. I saw the housing bubble, which I knew would have negative consequences later, but I had no idea how negative it would be. I was so ignorant of the growth of shadow banking that I didn't even think about household debt or the imbalances in the euro area"³³.

It can be concluded from these points that even in the current conditions of the formation of modern financial relations, economic and cultural capital expansion or simply credit expansion, that is, the development of debt relations based on usury, is considered as a negative effect of globalization on the financial system of countries, and is one of the main factors that continue to cause financial crises. can be seen as

Some of the practical mechanisms that we considered above show that, firstly, the development of financial relations in Central Asia, although it did not constitute a large-scale financial infrastructural development of today's level, is typical of today's free market principles, and the state's intervention in the economy was carried out only through taxes. Secondly, the theoretical views of Eastern thinkers are aimed at coordinating the economy and financial relations with the orientation

³² Larionova I.V., Meshkova E.I. The influence of credit expansion on the development of the crisis. Money and credit. Scientific Life, No. 9 2016. 71-p.

³³ Krugman P. 10 years later. What I was right and wrong about // independent newspaper. Moscow 101000, GSP. 2015. p.3

of the state's financial policy to ensure an effective and fair tax system, to encourage taxpayers and expand the tax base, and to ensure social minimums.

Now, in order to use the legacy of our ancestors to improve modern financial relations, let's focus our research on the issues related to the role of Eastern scholars in the development of the civilization of Islamic finance in Central Asia. In this regard, it should be noted that today we are looking for ways out of the crisis during the global financial crisis, which is exhausting the world's countries and scientists. Therefore, it is not for nothing that there is a need to study any financial theory and scientific views that exist in history.

The process of our research shows that in the history of our country's statehood, there are such perfect mechanisms, peculiarities, and certainties related to financial practices that many elements of these mechanisms seem to be the same term for today's globalization conditions. Our research raised the question of what doctrines or theories can be based on the foundations of financial practices in Central Asia. The reason is that no financial mechanism will work with such precision unless any fundamental science is created in this field.

In this matter, prof. G.Navrozova expresses such thoughts: "our country is a secular country, and at the same time one of the countries of the East. Central Asia, including Uzbekistan, is considered one of the countries that have brought the teachings of Islam and its theories to prosperity. Islamic theories played an important role in the political, economic and social life of the country. Scientists have made it their task to coordinate their views and scientific potential under Sharia law all the time"³⁴.

However, we do not come across financial issues covered in our modern scientific literature on finance, holy books or in general the works of Eastern scholars of our past (except, of course, such cases that appear in recent times). In fact, in the process of studying the heritage of ancestors, only the sciences of prayer have been theoretically deeply analyzed. We did not dwell on the later parts of the inheritance that our ancestors have been observing, we did not understand its financial importance. To this day, these

³⁴ Lecturer, doctor of Philosophy, professor, Institute of food and light industry technologies of Bukhara

sciences, which are a vital and financial issue, are directed to general history according to the opinion of some intellectuals, and are not included in the scope of research in the field of financial sciences.

As a result, while we have been studying western theories within the framework of modern financial sciences, now we are turning our attention to the financial theories of Muslim countries based on Islamic finance in order to eliminate inflationary processes related to tax burden and loans in our country.

In this regard, A. Ahmedov, one of the experts in the modern financial and banking sector, expresses the following opinion: “We are representatives of such a generation that deeply studied and mastered the economic and financial theories of Western scientists, that in our time it was unimaginable to be aware of such a legacy”³⁵.

Modern scientific researches show that in any country where basic sciences are founded and these sciences are thoroughly taught, that country will certainly achieve progress. Germany, France, England, Russia, and partially the USA are the countries with their own fundamental sciences in the world. Part of the reason we say that is because the US attracts scientists from different countries and works on their new ideas.

So, what role does the development of fundamental sciences play in the economic and financial development of the world? In a word, such sciences allow countries to achieve consistent progress and form the basis of their financial development.

When it comes to fundamental sciences, the whole world is witness to the fact that secular sciences were created in Central Asia by our ancestors several centuries ago. However, we still do not have a clear idea about the existence of sources for the formation of finance as a science among these disciplines.

In the course of our research, under the influence of the arrival of Islam in Central Asia and the harmonization of financial practices based on Islamic ideas, it is possible to witness the development of secular sciences and the systematization

³⁵ Specialist of Agrobank ATB Bukhara Regional Office

of financial sciences in their own complexity. For example, in the system of financial sciences, there is “Faroiz science” related to inheritance, and its financial importance was to serve the proper management of people’s property and income.

In practice, these scientific theories formed such a system that cash funds inherited by people were kept by “economic depositors” or these funds participated in circulation through merchants. Real estates, on the other hand, brought profit through rent. In addition, inheritance was a source of income for the treasury.

In the country, the management of inheritance and its practices was the responsibility of the courts. 12 specialists - “tarakachi” - were engaged in heritage work in the archives. According to these practices, on the third day of the deceased person’s death, the cashier registers all the property and heirs under the testimony of the neighborhood elder, the most respected person of the Guzar, and two or three neighbors and heirs. According to the rule, every household furniture inherited from a deceased person, movable and immovable property, money is distributed to the heirs of the deceased person³⁶.

Inheritance is distributed not only to whoever he wants, but to every heir who has a right to it, based on the norm established by the testator’s will.

This distribution of inheritance is based on the Islamic rules that one should leave one’s children rich and not need someone. Inheritance distribution is divided in shares such as half, one-third, one-sixth, one-eighth. Half of the inheritance is given to the wife of the testator, if the woman has a child, one-eighth of the inheritance to this woman, one-sixth share to the daughters and one-third share to the sons, and a “letter of inheritance” is drawn up in this place and confirmed with a seal. If the testator does not have an heir, the remaining inheritance is transferred to the state treasury.

These practices, in turn, show that in Central Asia, first of all, an excellent network of financial jurisprudence was founded. It is clear from this that the

³⁶ Yusupov M.S. Court in Bukhara. Judicial system and legal proceedings in the Bukhara Emirate in the 19th - early 20th centuries. Text and introductory article: U. Abdurasulov and P. Sartori. Tashkent-Vienna, 2016. 25-p.

development of fundamental sciences develops harmoniously with the structure of countries, worldviews of peoples, socio-economic life and well-being.

According to Islamic scholar A. Razzokov, the USA and European countries are based on the ideas and views of their leading scientists in the development of the economy, while our scientists created the foundations of worldly sciences as jurists in the past.

In particular, R. I. Bekkin, who was considered one of the major researchers of the Islamic economy also believes that when the Fiqh, a Muslim legal doctrine, was formed, the faqhs began to actively engage in legal analysis of the regulation of economic and financial circulation of people. They considered separate economics and financial problems in Sharia interpretation³⁷.

When Islamic norms began to enter Central Asia, jurists, that is, scholars who know religious rules, adjusted the various attitudes of the local population to the Islamic norms, taking into account local customs and traditions. In particular, these processes created a unique system that regulates the economic and financial relations of people. In this system, jurists, that is, scholars, wrote fatwa books in response to people's appeals, and thus financial rules and theories were initially formed in such books and served to regulate the subsequent financial relations between people.

Ahmed ibn Hafis is the founder and scientist of the first school in Central Asia, who paved the way for the emergence of Islamic financial views and sciences in the direction of Hanafism, taking into account national traditions. The first madrasahs in Central Asia were established by the efforts of this scientist, which formed the basis for the formation of the Mavoraunnahr school. The number of madrasahs was increased to 40, in which kullias (faculties) were formed, education was divided into fields, classes were created and fiqh sciences were systematized³⁸.

All Oriental scholars recognized the Mavoraunnahr school as the third school after the Iraqi and Khurasan schools that arose in the territory of the Arab kingdom.

³⁷Bekkin R.I. Islamic economic model and modernity. Responsible editor Fituni L.L., Moscow: Publishing House Mardzhani, 2009. 16-p.

³⁸ Asrorova L.Q. Abu Hafis Kabr Bukhari and Hanafi jurisprudence. Tashkent Islamic University, 2014.

Ahmad ibn Hafs Abu Yusuf and Imam Muhammad ibn Hassan Shaibani were considered to be students, and the issue that attracted our attention in this regard is the recognition of these scholars as the conceptual founders of today's modern Islamic finance theories.

Abu Hafs Kabir Bukhari's *Fatwai Abu Hafs* is considered the first fatwa book in this regard. But this book has not reached us. However, later scholars gave information about *Fatwai Abu Hafs* in their fatwa books and noted that the fatwas in it were widely used³⁹.

For example, the researches about the book of fatwas in the heritage of our ancestors confirm that the collection of fatwas "Fatvoi Qazi Khan" and "Fatvoi Hindiya", which include tax (zakat) and financial rulings, are largely based on the fatwas of the scholar. In the course of our research, we also witnessed that Marginani widely used the opinions of Qazi Khan, a jurisprudent scholar who established the rules of zakat and other transactions, in his work "Hidaya" to improve the views of Arab scholars.

These evidences show that the scholar Abu Hafs Kabir Bukhari had a great influence on the further development of financial views. In particular, the scientist's rule, ***"If they buy, increase (add, increase), if they don't buy, reduce"***⁴⁰, is often mentioned in the works of later scientists as the main criterion for regulating prices in the conditions of a crisis related to the cost of living.

We clearly understand that the economic essence of this refers to increasing or decreasing the volume or price of a product according to supply and demand. But in order to understand why this phrase was used in crisis conditions, we will try to reveal its importance by clarifying the nature of the crisis event in the national financial system that was in effect during the time of our ancestors.

³⁹ Yoldoshev N. Hojat Baror Imam Abu Hafz Kabir Bukhari. Bukhara-1994

⁴⁰"Risolai Sultani" (manuscript), as well as in "Saloti Maqsudi", theoretical views of the scientist in Persian: "Haran zam kun, nakharan kam kun" can be found. Manuscript fund of the Institute of Oriental Studies of the Russian Academy of Sciences.

In the course of our research, our study of many sources and observations of people's financial views and traditions show that in the financial system of the period we are studying, the concepts of "scarcity", "valuation", and "crisis" existed.

A "starvation" (or famine) phenomenon is often characterized by famine caused by war or plague. In this case, people have money, but they cannot find food to buy. The events that cause "costliness" are mainly related to climatic events (drought, rainfall, crop failure). In this case, money can buy things, but at very high prices (for example, the decrease in the carrot harvest due to the unfavorable weather conditions observed in our country this year affected the increase in its price. Farmers of agricultural products did not get enough harvest from the second crop due to lack of water. Carrot prices instead of the analysis of such factors, incorrect approaches were observed in social networks that negatively affect the image of our country). When people do not buy anything, it will be associated with a "crisis" phenomenon.

According to the law of the modern market economy, the first phenomenon is the presence of demand, but the absence of supply; the second phenomenon is represented by high demand and low supply affecting the price level, and in the third phenomenon, "saturated demand" occurs. Depending on the factors that caused this crisis, the production of products in saturated demand will be reduced, and the price of unsold products will be reduced.

In "Salati Maqsudi", the information given by Abu Hafis Kabir Bukhari⁴¹ about the measures used in the conditions of scarcity reveals how the above phrase was applied in this event of the crisis: during the time of the scholar, there was scarcity in the country due to drought. Using this, some nobles increased one harvar of grain in their reserves to 100 coins. The Khoja called the treasurers, sold all the goods at his disposal and ordered to buy wheat with his money. When the crisis reached the people, Khoja ordered the treasurer to open the warehouses and sell a bushel of wheat for 90 coins. The population buys wheat for 90 coins. Thus, wheat

⁴¹ Hamidov O.Kh., Rahimov K.R. "Qubbat ul-Islam" scholar of Bukhara. Scientific journal "Scientific Information of Bukhara State University", 2019/2 (74). p. 168

worth 100 coins is settled at the price of 90 coins. When the khoja took more wheat and filled the warehouses, he ordered to sell it for 80 coins. This process continues until the price of wheat reaches 10 coins. Then Khoja called the treasurer and said, “Let’s see how much profit we have made.” When the treasurer replied: “Wheat worth 100 coins cost 10 coins, but the treasury was empty”, Khoja said: “You don’t know, a little treasure is good for this raiyat”⁴², indicating that the prices have stabilized and the crisis is over.

Chief’s measures to overcome the crisis in his time are used as a solution to the global financial crisis caused by the rise of speculative futures in the world financial markets, as the main principle of prohibiting the holding of what has been purchased in order to increase the price.

It can be seen from this that, although it is believed that such scientists of Central Asia led the political, legal and social life of the country mainly with religious teachings, in fact, they were able to put forward advanced financial ideas and views in regulating the socio-economic and financial relations of the society.

In this regard, we will again refer to the views of Islamic scholar A. Razzokov: “In Islamic jurisprudence, finance is studied as “transaction”, i.e., “the science of trade”. From a religious point of view, the rules of such sciences come from holy books. It is said that the Messenger of Allah was commanded to interpret them. But from a scientific point of view, it is up to people to think about the meaning of comments, and people are required to act only based on the criterion of justice.

For example, in the 44th verse of Surah Nahl, it is addressed (to his messenger): “We have sent down this reminder, that is, the Qur’an, so that you may explain what has been revealed to people, i.e., the rulings of the Sharia, and that they may reflect.” The conclusion is that, along with many sciences, finance is given to thought, that is, to human thought.

The continuous movement of development creates new issues. For this reason, contemplation is given a wide place in Islamic theology. That’s why the honest conduct of trade science, compulsory taxation to ensure social equality are

⁴² K. Rahimov. Abu Hafis Kabir Bukhari is a great Islamic theologian. www.IslamRF.ru // 2013

mentioned in holy books, and its criteria, norms and principles of fair practice are solved by human thinking. This work is entrusted to scientists.

Therefore, it is important to understand the philosophy of the creation of economic laws and financial theories created through the thinking of scientists produced by Islamic civilization. Because an important feature of Islamic economic and financial thinking in the Muslim East is that most of the works related to economic and financial problems were written by jurists, scholars and thinkers.

First, with the passage of time and the increase in the number of Muslim countries, the emergence of problems in society that do not have an exact answer in the holy books, formed a school of scholars who developed their own method and system as a solution to modern problems from the time of the Abbasid rule. In this school, he founded and developed the science of “*usul ul-fiqh*”, which is based on finding evidence through the method of “*qiyas*” and passing judgment on issues that have arisen due to new conditions (political and economic life of non-Arab countries) and there is no evidence in the holy books and the Sunnah.

New local conditions, customs and, of course, socio-economic issues that differ from the simple life of the people of Arabia and the rivers, fields and their special tax system in this area began to require special financial laws. developed the customs and traditions (“Norms of custom”⁴³) in harmony with Sharia rules and formed two major branches of Mavoraunnahr school. They are presented in the following picture:

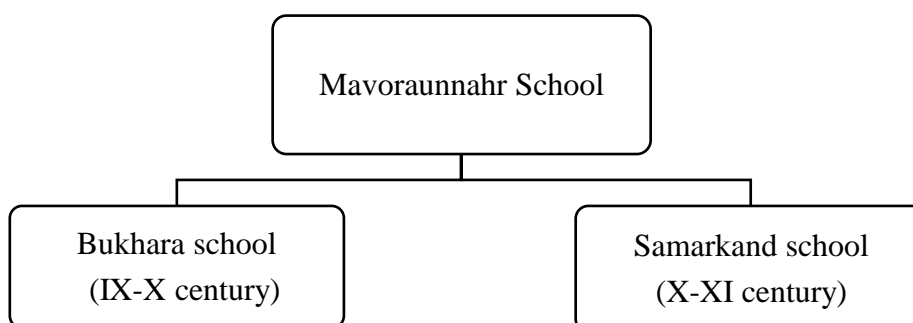


Figure 2.1.1. Networks of Mavoraunnahr School

⁴³ Belov V. A., Syukiyainen L. R. and others. Large legal dictionary. edited by V.Y.Sukhareva. 2nd ed. Infra-M. M.2000, 703 pp.

The “Kitabul Bay “(“Book of Bay”), meaning “Book of trade”, detailing financial transactions, their rules and legal framework, was the first to be created by the Iraqi scholar Imam Hanifa. This book’s inclusion of precisely the economic and financial Masas can also be understood from the following views of Shayh Muhammad Sadiq Muhammad Yusuf: “the ancient fuqahs called the chapter on economic issues in society a “trade book”.

It can also be called “financial transactions” with the current invasion of scribes ⁴⁴.

The “book of Bay “ was taken from Imam Hanifa and inscribed. The second book of the same name was written by the Iraqi scholar Muhammad ibn Hasan Shaybani, meaning that the scholar in his book” Mabsut “divided the issues of prayer into separate and trade issues into separate chapters, and summed up the trade issues and developed the” Kitabul-Bay’ ⁴⁵.

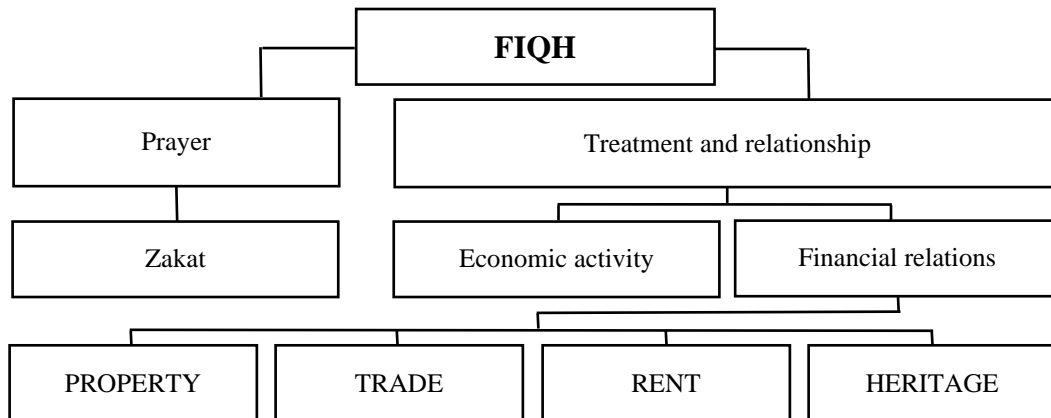
These sciences entered Mawarounnahr through Ahmad ibn Hafs. Abu Abdullah Saghir (Jr.) was scientifically coordinated by Bukhari⁴⁶ on the issues in the “Bay ‘ Book”, including the rules regarding financial relations, and was put into the manual.

Ahmad ibn Hafs’s services in regulating trade relations based on Islamic principles were an ideological and scientific basis for the fatwa works of later scholars, as well as the further development of trade and property and inheritance relations. The emergence of mujdahits, scholars who can decipher the meaning of verses and hadiths with their own thinking became the basis for the systematization of financial relations sciences. In particular, relations related to trade, property, and inheritance were studied scientifically by Central Asian scientists and began to be developed at the scientific level. The systematization of reliable hadiths by the Central Asian scientist Imam Ismail al-Bukhari (810-870 AD) contributed to the further development of financial sciences by classifying a number of social issues as well as economic and financial relations (see Figure 2.1.2).

⁴⁴ Sheikh Muhammad Sadiq Muhammad Yusuf: The Way of Perfect Happiness, Sharq, T. -2012

⁴⁵ Sheikh Muhammad Sadiq. Books of the Hanafi sect. See: <https://islom.uz>

⁴⁶ Son and disciple of Ahmad ibn Hafs (died 875).



2.1.2. The teaching system of financial Sciences in the field of Fiqh in Central Asian madrasas ⁴⁷

The great representative of the Samarkand school, jurist and chief judge Abu Zayd Dabusi, created ways of using narrative narrations (extracting logical rulings from the Holy Qur'an, hadiths, fatwas and other sources) as well as intellectual narrations in making judgments. It was achieved through deep study and analysis of the essence of events and problems. The scientist's interpretation of each rule with practical issues served to divide sciences into more specific fields, especially financial sciences, to form secular sciences from religious sciences. In this regard, scholars studying Muslim economics (including A.Yu. Zhuravlyov) note that Muslim jurists tried to separate legal norms from religious rules and, as a result, started to create their own schools.

Thus, within the framework of paragraph 1 of this chapter of our monograph, which is devoted to the analysis of some sources that play an important role in the improvement of modern financial relations, we carried out an analysis of the financial views of our ancestors, including Ibn Sina, Nizam ul-Mulk and Farabi, and the civilization of Islamic finance in Central Asia, and made relevant conclusions. We tried to form. Now, we will try to pay special attention to the analysis of the interpretation of financial issues in Burkhaniddin Marginani's work "Hidaya", which can be of great importance in improving modern financial relations.

⁴⁷ It was developed by the author based on the information provided by A. Razzokov, head of the Mir Arab higher madrasa, Islamic scholar, about the order and systematization of subjects in madrasas.

2.2. Analysis of the interpretation of financial issues in Burkhaniddin

Marginani's work "Hidaya"

According to the results of our research, in 1178 Burkhaniddin Marginani, a Central Asian scientist, jurist and chief judge, based on Dabusi's "scientific method" (the scientist himself proudly wrote that he used this method) "Hidaya fi furu al-fiqh" - "Hidaya. The creation of the work "Commentaries on Muslim Law" led to the formation of an independent legal, theoretical-scientific and practical basis of finance in Central Asia. Many orientalists, as well as Western scholars studying Muslim economics, consider this work as the "chromathy" of Eastern Muslim jurisprudence.

From this period, "Hidaya" was used as the main source for regulating financial relations in all areas, and fatwa books were used as auxiliary sources. As a result of the formation and development of comparative jurisprudence as a separate discipline in the second half of the 20th century, the foundations of today's modern Islamic finance model were developed in world science.

"Hidaya" consists of 57 books (chapters). These books are divided into two areas and systematized according to the diagram we provided in Figure 2.1.2 of paragraph 1 of this chapter. At first glance, the work seems too complex or incomprehensible for the modern reader, and some of the mechanisms are outdated. However, if the scientific rules and theories presented in the work are explained on the example of the mechanisms used in the financial practices of Central Asia, we think that it will serve to create a clear picture of the structure of the financial system used in the time of our ancestors.

The first book of "Hidaya" on zakat (tax) contains the views and rules of the eastern world on taxes, and it defines zakat as follows: Based on its original meaning, the word "zakat" means donating part of the property to the needy and the rest to the owner of the property. because it is left in itself, it means "purification"⁴⁸.

⁴⁸ Sheikh ul-Islam Burkhaniddin Ali ibn. Commentary on Hidayat ul al-Muqtum. Cairo. Alexandria: Doris Salam Publishing House. 4th edition. "Kitab ul Zakat" (Book of Zakat). Volume 1, tahqiq-tahrij - Muhammad Tamsir, 2016. The tariff and rules of zakat presented in this work were translated from Arabic by J. Soburov, head of the Mir Arab secondary special Islamic educational institution.

In fact, in the early stages of Muslim history, *ihsan* and *zakat* were considered synonymous concepts. This interpretation of the essence of *zakat* caused it not to be seen as a source of income for the treasury for a long time in the Arab lands. Later, Caliph Umar reformed the system of tax collection and distribution of *zakat*, but it was not yet formed as a perfect tax system and was not considered as a source of income for the treasury.

When Caliph Umar was sent one-third of the charity collected in his province by Mu'az ibn Jabal, governor of Yemen, the caliph reminded him that the governor's duty was to collect *zakat* from the rich and distribute it among the poor. During the reign of Caliph Umar ibn Abdulaziz, when no needy people were found to distribute the *zakat* funds collected from the conquered lands, the governors were at a loss as to what to do with these *zakats*. They even sent evangelists and looked for the needy. In the early days of Islam, *zakat* was collected from people and distributed to the needy, the poor, the widows, and the orphans. Later, the caliph ordered the distribution of funds for construction of rest areas on trade routes, housing the needy. During the Ummavi period in 661-750, when the caliphate became a "secular state" rather than a public one, the small amount of *zakat* left for the needy was included in the state treasury. And it gradually became a tax⁴⁹.

There was no need to make trade a science in Arabia. Because they mainly had sheep, camels, horses, i.e. livestock, gold and a little cultivated land. The main part of the country consists of desert, Caliph Umar I (634-644) introduced *zakat* collection from horses, and his great-grandfather Umar II introduced *zakat* collection from all minerals. Despite this, such taxes did not become significant in filling the country's budget⁵⁰.

Khiroj is a land tax that existed before the Muslim era and was considered one of the main sources of treasury income. It was a very large amount in the countries of Iraq, Egypt, and Cyprus, and it was also practiced in the lands of Central Asia under the influence of the Sassanids. In this way, the practices were harmonized, and

⁴⁹ Bekkin R.I. Islamic economic model and modernity. Responsible editor Fituni L.L., -M.: Publishing House Mardzhani, 2009. -337 pages.

⁵⁰ Zobova I.Yu. Taxes and taxation in countries with Islamic economies. Tutorial. Kazan, 2012. 55-p.

in the tax system non-Muslims received *juzya* and *khiraj*, and Muslims paid *zakat* and *ushr*.

Today's scholars of the world mention the Islamic tax system, first of all, by combining it with *zakat*. However, in many studies aimed at researching the Islamic financial system, both in the approaches to revealing the essence of *zakat* and in the tax practices of Muslim countries, recognition of its charitable nature prevails rather than its tax essence. Accordingly, according to Western scholars, Islam did not have a formal tax system.

A number of Islamic scholars prove the different and similar aspects of *zakat* from tax and pay more attention to its importance of charity in modern conditions. Because according to them, *zakat* is considered fulfilled only when it is transferred from hand to hand, i.e. it reaches the hands of a real poor person. That is why the people of our country pay attention to the nature of charity based on this feature of *zakat*. Since they consider themselves to be Muslims, they consider giving charity from their property as *zakat*. Through such concepts, *zakat* did not retain its tax significance. The consequence of such an interpretation of *zakat*, in our opinion, is to ignore the essence of scientific views on tax in ancestral inheritance.

In the time of our forefathers, *zakat* was obligatory, which ensured that it was collected from the state treasury by law. In *Hidaya*, *zakat* is considered as a tax, and its characteristics and principles are developed as follows:

- paying *zakat* is the duty of every adult and sane person. *Zakat* is a religious document, and non-Muslims cannot fulfill this obligation⁵¹. This gives us the conclusion that *zakat*, like taxes, implies the principles of equality and justice for all and is an obligation for citizens. This represents *the obligatory principle of zakat*;
- “in the language of the law, every free-born, sane, adult person who has the right to moveable or immovable property that has reached “*nisab*”, that is, the

⁵¹ Sheikh ul-Islam Burkhaniddin Ali ibn. Commentary on *Hidayat ul al-Muqtum*. Cairo. Alexandria: Doris Salam Publishing House. 4th edition. “*Kitab ul Zakat*” (Book of *Zakat*); Volume 1, *tahqiq-tahrij* - Muhammad Tamsir, 2016. The tariff and rules of *zakat* presented in this work were translated from Arabic by J. Soburov, head of the Mir Arab secondary special Islamic educational institution.

taxable amount, and has owned it for a full year, is obliged to pay zakat (tax). It follows that zakat, like modern taxes, had its principle of certainty;

- the optimal period of zakat payment is one year. This period originates from the four seasons of the year. Because the reason why the tax period is not determined in a certain season is the increase or decrease of the goods in a certain season (for example, cattle) and the price and, accordingly, the income is different in different seasons of the year. This feature of zakat shows its convenience principle.

Based on the above principles, we perform a comparative analysis of zakat and tax:

Table 2.2.1 Differences and Similarities of Zakat and Tax ⁵²

<i>Tax</i>	<i>Zakat</i>
It does not always fulfill the function of providing for those who in need	Performs the function of providing for those in need
Redistributed through the treasury for social purposes	Property must pass from hand to hand without the participation of a third party
A liability is a financial category.	Zakat is obligatory. The opposite of charity.

The first and second functions of zakat require the fair operation of the tax system. In fact, the second and third functions of zakat create several controversial situations. However, in Hidayah, the mandatory function of zakat prevails over the first and second functions, and the state undertakes the implementation of the principle of obligation of zakat, and thereby also assumes the obligation to ensure the protection of property. The state relies on justice and assumes its fair distribution. “Modern countries also strive for such a fair tax system, which requires all private companies and individuals to pay their tax payments for the stable operation of the democratic system. Because such a system is an effective means of fighting against inequality and poverty in society.

⁵²The author conducted a comparative analysis based on the characteristics of zakat from Hidayah.

As a result of the author's analytical and critical study of the views of other (Arab) scholars, the rules of views on zakat were formed in "Hidaya" along with many other issues. For example, according to Abu Yusuf, paying zakat is obligatory even for a mad person. According to the scholar, this comes from a year that includes 4 periods of zakat payment period. Taking into account that a demented person may be sane during any of the seasons in a year, and the income earned at that time can be the basis of zakat, if a person is in a state of insanity for a full year, then it is not permissible to receive zakat.

However, Burkhaniddin al-Marginani, relying on the opinions of his compatriot teachers before him, said that "minors and insane people do not pay zakat, because in its essence, zakat (tax) which originated as a help to the needy is a document of piety. And the feeling of piety is a product of a healthy mind. Such consciousness does not exist in the mentally retarded. However, such a method is not applied to the land property tax (khiraj), because it is emphasized that the land tax is levied in order to cover state expenses. Therefore, it is obligatory to pay the land tax regardless of whether the person has a mental defect or not⁵³. So, according to the eastern philosophy, only a madman does not pay taxes, and the tax obligation to the state must be fulfilled without exception, that is, it ensures the principle of equality of taxation.

It is natural that such provisions also determine the responsibility of individuals to pay taxes on tax evasion issues, but the second aspect of the issue, i.e., encourages consideration of how tax-related benefits apply. This can be understood even more clearly from the later views of "Hidoya" "on debtors' tax obligations. According to the rules presented in this regard, zakat is not levied on insolvent debtors. Zakat payments are not mandatory for people who owe a sum equal to the value of their property or exceeding its value. However, Imam Shafi proves that such people should also pay zakat if the property of the debtor allows the income to increase (hence, we are talking about creditworthiness).

⁵³Grodekov N.I. Burhanuddin Marginani Hidoya; Commentaries on Muslim Law; In two parts, four volumes Part 1 Volumes I—II (translation from English), responsible editor A.Kh. Saidov. - M.: V. Kluver, 2010. -808 p.

However, the presence of the minimum amount (nisob) for the collection of taxes by our scientists does not mean that there is also an opportunity to be able to own it, that is, this amount (income) can be fully directed to the repayment of debt. It is not permissible for this case to receive zakat from the income spent to cover the debt, just as it is undesirable to spend water for purification, intended for drinking in a caravan that has set out in the desert. But if the amount of the value of the property that exceeds the value of the debt reaches the taxable ratio and the debt burden does not fall on this amount, then the debtor pays zakat from the part of the property (property) that exceeds the amount of the debt. Such a debt category does not include debts of the quality of a vow or compensation, and such debts do not cancel the obligation to pay zakat. From this rule, it can be understood that making a donation to the people does not save the Zakat payer from his obligation. It can also be understood that Zakat, like the current tax, was considered a strictly defined type of tax, and the obligation to pay it always prevailed.

The rules and views advanced by our past scholars above show that when Islam and its rules spread to Mavoraunnahr, the economic theories developed by arab scholars based on the interpretation of Islamic rules were not as assimilated, but rather, given the conditions of the territory, amendments were made to these theories and developed in a specific way to the conditions. There is such a peculiarity of this that, as soon as the Arabs began to expand their land, they also created their own tax procedures and theories in terms of the point of levying taxes from the occupied huddu and enriching their treasures. Perhaps, because of such aspects, our scientists began to form economic procedures and views that strictly protect the interests of the country and the people.

Thus, the fact that zakat is fard has made it mandatory, and this feature has become the basis for considering zakat as a source of wealth. For this reason, in the Middle Ages, more precisely, during the period when “Hidaya” was written, the tax object in Central Asia expanded a lot, formed as a separate tax system and formed the main source of income of the treasury.

It follows from the above that the principle of fairness in tax rates is followed, that is, not everyone can pay tax at the same rate, and the principle of equality of tax means that everyone is obliged to pay tax. The provision of property protection and other similar principles in these tax laws indicate that the tax system is aimed at ensuring that it has an incentive nature.

The financial issues covered in Hidayat's "Transactions and Relationships" section include several types of property and financial relationships and their mechanisms, as well as issues of taxation in these relationships. This creates an idea about the forms and mechanisms of financial relations practiced in the time of ancestors, and also creates a clear idea about taxes and benefits (in the case of endowments) in these relations.

In the past, partnership-specific transactions have developed capital profit transactions by bringing individuals together their mutual interests in trade (commerce). The essence of these practices can be better understood through Imam Bukhari's activities to profit from circulating capital. According to scientific sources, since Imam Bukhari's fathers were rich people, the scientist inherited a huge wealth. It was these goods that made a great profit by competing in the markets. According to Ibn Abi Hotim, who recorded what he heard from him, Imam Bukhari said, "every month I will make a profit of 500 dirhams and spend it all on the demand of science". Records have also been made of five thousand dirhams of profits in a single sale. The income received was spent on the recipients of knowledge, was shared in construction, repair work ⁵⁴.

The property relations of people are established to be carried out on the basis of various types of transactions, depending on the nature of trading activities for profit through the management of funds. The main provisions of these partnership rules are embodied in the "company or partnership book" of "Hidayat"-resurrected. The company is considered an agreement of the nature of this partnership, it is not understood that in such a type of partnership two or more individuals operate by only combining some type of property or financial, but, when the legal language is called

⁵⁴ Mamadaliyev S. Definition of Imam Bukhari. Treatise. Tashkent: Cholpon publishing house, 1996. p. 40.

a company, a partnership agreement is understood that is concluded between two or more individuals in order to achieve a single goal. The subject of these transactions can be any type of property, activity and labor, as well as goods (financial funds).

The first type of property partnership mainly includes activities related to the purchase and sale of movable and immovable property by forming a partnership. Partnership in property rights can be mandatory or voluntary. Voluntary property partnership occurs when two persons purchase something, receive it as a reward, or voluntarily transfer the right to own it to them, and benefit from its ownership and management in partnership.

Compulsory partnership occurs when the property of two persons is inherited by them, not by mutual agreement of the parties. In this type of partnership, neither party can enter into a transaction with the other party's share in this property for profit without the permission of the other party, that is, for example, it is forbidden to rent out the inherited real estate without the permission of the other party. But it is legal for the parties to sell their inheritance shares to each other in all cases.

The second type of partnership deals, however, involves transactions related to the management of finances, and this now corresponds to capital gains operas. Based on almost all the financial products currently offered by Islamic banks, this is the rule of the above partnership agreements. We quote their essence one by one.

Partnership by agreement (aqid company). This type of partnership agreement is concluded by Proposal and consent. For example, if a person says: "I made you my partner in such a kind of property"; in response, the second party says: "I accepted", the transaction will enter into legal force. In this type of transaction, the right of ownership of the property is not allowed to pass to the second party, but it will be necessary to ensure that both parties are able to participate in the transaction equally. This means that the right to own financial funds remains with its owner, the right to manage it is given to the partner, and the profit from managing the Goods (Financial funds) is evenly distributed.

Subsidiary company - mutual partnership agreement. In this type of transaction, two people who are equal in property terms and in the right to own the privilege conclude a mutual partnership agreement. This type of transaction represents universality in all transactions by the parties involved in it entrusting the proceedings to the other party without any restrictions or legal restrictions.

A mutual partnership agreement requires equality between partners in property relations. Based on the meaning of the word “mufawazat” as “equality”, equity in investment and the rights to own and manage it are strictly adhered to. This equality assumes that the financial asset that is the subject of the transaction is valid in high-value cash (dirhams and dinars). Such transactions are made only in cash (i.e. they involve the distribution of profits in cash), such as dirham (silver), dinar (gold), and fuls (copper), whose value fluctuates. In this case, both parties invest an equal amount in the middle and share the profit from its conversion in a pre-agreed ratio.

Today, thanks to Islamic finance, these types of transaction rules are no longer new to us. For example, in modern Islamic banking, the type of partnership is implemented in the form of “Musharaka” transactions. In a musharak transaction, partners pool their capital into a common fund and all musharak assets are distributed in proportion to their investments.

Also, “Mudaraba” transactions are valid in modern Islamic banking. In these transactions, the bank participates as a manager and manages the clients’ financial funds, simply put, these products are an alternative to deposits, and on the one hand, the bank’s failure to guarantee the return of funds to the client determines (makes it appear) that these types of products have a very high risk.

However, studying the nature of the guaranty conditions related to these transactions in “Hidaya” shows the existence of some different aspects. For example, in mutual partnership transactions, one of the parties can be a guarantor for a third party unrelated to the transaction at the expense of his own property (investment). According to the requirements of the Arab scholars in terms of guaranty, one of the parties being a guarantor for a third person at the expense of his own investment

does not impose an obligation on the second participant of the transaction. However, in accordance with the rule established in this regard in Hidayat, the debt received by one of the participants of the mutual partnership agreement obliges both parties to pay it.

In mutual guaranty relations, it is assumed that the third party demands repayment of the debt or the obligation of guarantee is imposed on both parties. In this case, the guaranty document is considered as a transaction related to trade as a document of exchange, in this case, lending money is equivalent to lending goods or movable property, based on this, since such a trade belongs to both parties, the obligation to guarantee the debt is also considered to belong to both parties. .

The importance of this rule is that it is of great importance in solving the problems of guaranty in debt relations established on the basis of the principles of Islamic finance in our country today.

An increase in the funds (property) of one of the participants of the mufovazat transaction compared to the funds (property) of the other party due to the gift or inheritance left to him turns the mutual partnership transaction known as mufavazat into a shirkati-inon, that is, a partnership transaction in trade. The main feature of this partnership agreement is that in the partnership activities based on such an agreement, the parties' investment inequality is allowed, and based on this, their profit from the transaction is distributed in the appropriate proportion depending on the parties' share in the investment. Also, if the parties have an equal share in the investment, the fact that one of the parties is more capable and experienced in commercial work than the other requires that the profit be distributed proportionally rather than equally. Because in this type of transactions, a person who has no knowledge of trade works with an experienced person in this business through his investment. These partnership deals are similar to negotiation deals, meaning you get to profit by managing your partner's investment. In these cases, the partnership agreement is similar to the negotiation agreement, but the difference between the negotiation agreement and the partnership agreement is that in the negotiation agreement, the owner of the investment hands over his funds to the manager, that is,

the muzarib, and the muzarib receives his reward or his share of the profit from the investment as payment for his work (service fee).

The rules of the negotiation agreement are detailed in Hidayat's "Book of Negotiations" and it is called "Partnership in profit from goods (financial resources) and labor". Muzoraba is derived from the word "zirrib" which means "to walk on the earth". In the language of the law, muzorab means a partnership agreement of the owner (or chairman of the property - the owner of the property) who receives the right to profit by providing financial funds on the one hand, and the muzorib (or business owner) who receives the right to profit from this work with his own labor on the other hand. Profit sharing is the most important aspect of this transaction. Therefore, it is impossible to enter into a negotiation contract without participation in profit (parties), because if all the profit is for the benefit of the owner of the financial means (investment), then such a contract is understood as a "bazaar" (investment) private partnership concluded with equal investment by both parties. and if all the profit goes directly to the employer, then we would consider it a debt.

In a group of modern Islamic banks, a negotiation agreement is concluded only on the condition that the parties share the profit. In some banks, in addition to the distribution of profit by the participants of the transaction, commission payments are also required by the bank.

In Hidayat, the conditions for the profit share of the participants in the transaction, in particular, the participation of the negotiator in a certain part of the profit or the payment of a fee (commission) for his work, are as follows: a) the negotiator does not intend to borrow money or buy something, but only participates at the request of the owner of the funds. and the amount handed over to the trustee is considered a deposit for him; b) the trustee is the representative of the owner of the funds in the use of the funds, therefore he acts only on the instructions of the investor; c) imposition of rights and obligations in such a manner, as well as profit being the result of the joint action of the funds of one party and the labor of the other party, ensures the joint participation of the owner of funds and the operator in the

profit, that is, if the terms of the contract are strictly observed, according to the relevant rule, the profit agreed in the contract belongs to itself gets its share.

Such conditions of the muzorab agreement determine in which case the muzarib has the right to profit and in which case he receives a fee (currently called a commission) for his work. If the negotiation contract is void, in this case, the negotiator will receive a payment for his work (commission provided for in modern Islamic banking) instead of profit.

One of the most problematic issues faced by modern Islamic banking in the practice of lending to customers is the funds entrusted to the people of our country on the basis of partnership agreements. For example, the bank and the client are interested in the terms of distribution of such losses as a result of the client's indiscipline, irresponsibility, or intentional damage, diverting funds for other purposes, and not seeing profit as a result. For example, if a bank, as the owner of an investment, transfers its funds to a client (for financing a project) and in accordance with the terms of the contract stipulates that "we are partners in both profit and loss", and at the end of the transaction, if the client comes out with a loss, then can liability be determined, or just the bank (or, on the contrary, the client) will remain a partner in the loss. In this case, Hidayat stipulates that the profit will be divided between the owner of the investment and the debtor, and if the investment is damaged by the debtor and the damage is suffered, then the liability for this damage will be assigned to the defendant.

In addition, one of the conditions of the negotiation agreement is the right to freely manage the funds (except for prohibited purposes) by handing over the funds to the negotiator. In this case, the negotiator must be free in the management of funds, otherwise the intervention of the owner of funds in the management of the capital will invalidate the negotiation contract. The establishment of these rules also consisted in clarifying who has a share in the loss at the end of the transaction. Also, it was noted that giving the property of minors to be managed by the owner of the property and making another person a partner in managing it violates the contract of the property.

In these practices, it is also possible for the owner of the property to prohibit certain types of transactions for the muzarib, for example, the muzarib cannot lend the funds received under the negotiation to another person, because the owner of the financial means has represented the muzarib in commerce. Debt, by its essence, is not related to commerce and is not considered a document that can demand profit in return. However, the negotiator may act by adding his own funds to the financial funds received on the basis of the negotiation agreement.

If, based on the instructions of the owner of the property, the debtor is told to engage in some type of business and such business involves risk, the debtor has the right not to engage in this commercial business in order to save financial resources, that is, to avoid risk. One such danger is that the muzarib is instructed to engage in “expenditure” commerce with money changers.

The word “Sarrof” is derived from the word “sarf” and means pure trade, and in this type of trade operations, only operations related to currency exchange or sale of currency are understood. In these types of transactions, the risk is high or, in many cases, certain groups of persons are restricted from engaging in such commercial work. Therefore, failure of the negotiators to comply with such instructions did not invalidate the negotiation agreement.

Negotiating agreements are not concluded only between the owner of the fund and its manager, but it is also allowed for one negotiator to participate in such transactions together with another negotiator.

The occurrence of such type of negotiated deals is related to the conditions imposed by the owner of large funds. Also, these types of negotiated deals are characterized by risks associated with funds and the distribution of profits and losses accordingly.

When a creditor transfers the funds entrusted to him to another creditor, all responsibility for the profit from the funds is assigned to the first creditor, that is, the first creditor is liable to the owner of the funds and the profit from it.

Financial responsibility: as long as the first party makes the second party a partner for the purpose of profit, in this case the second party is responsible for the

capital. However, if the first contractor gives the capital to the second contractor, and the parties do not intend to share the profits, but only pay the second contractor a fee (commission), then the first contractor is responsible for the capital, because he is a sharer in the profits, and the second contractor moves as an employee.

Distribution of profit: If the owner of the funds tells the muzarib, “I gave you this property, and regardless of how much profit you get from it, it should be divided equally between us” and allows the muzarib to give the property to the second muzarib under the condition of equal distribution of the profit, then the second half of the profit will go to the benefit of the muzarib and this second half of the profit is divided between the two parties.

In this case, with the consent of the owner of the property, based on the condition set in the negotiation agreement, equal half of the total profit will be given to the owner of the property - Rabbul-Mal; one-third share to the 1st sufferer; one-sixth share is distributed to the 2nd muzarib. But based on the decision of the 1st muzarib, it is more legal that one-third of the second half of the profit should be distributed to the 2nd muzarib, who actually worked for the capital, and he would keep one-sixth of the profit⁵⁵.

It is known from the rules of negotiation in *Hidaya* that the parties involved in the transaction agree to share the profit in advance, and if the transaction is successfully implemented and the investment is effectively managed and profit is achieved, the other party, that is, the negotiator, will have the right to receive a part of the profit. On the other hand, if the intended profit is not achieved due to the fault of the muzarib, the muzarib is limited to receiving a fee for his work. Based on this, in modern Islamic banking practices, for financing operations based on negotiation contracts, only a part of the profit, and in cases of loss, only commission is in accordance with the rules of negotiation agreements.

Procedures for collection of tax on competitive transactions. Banks participating as negotiators in conducting financing operations under *muroba*

⁵⁵ Grodekov N.I. Burhanuddin Marginani *Hidaya*; Commentaries on Muslim Law; In two parts, four volumes Part 3 Volumes I—II (translation from English), responsible editor A.Kh. Saidov. - M.: V. Kluver, 2010. -808 p.

transactions raise controversial questions about the distribution of profits and losses, and the burden of tax payment obligations on which of the parties in this process. The tax issues related to muzorab are mentioned in the book of zakat of Hidayah in the rules of payment of zakat of the debtor and the rules of zakat collectors.

The payment of zakat from the profit made under muzorab contracts depends on whether or not the owner of the property assigns authority to the muzorab. According to the "Rules on Zakat Collectors", the muzarib does not pay zakat from the "base property", that is, from the invested property or from the goods (funds) given on the basis of a negotiated agreement, because the real owner of the property did not give such authority to the muzarib. However, based on the specific nature of the muzarab contract, if the property (amount) given to the muzarib as an investment reaches a share equal to the nisab, that is, if a profit is seen from it, then the muzarib pays zakat from his share of the profit received from the investment as the real owner of this share.

Therefore, the obligation to pay zakat from the financial funds entrusted to the muzarib remains with the owner of the funds, because he is the real owner of the capital. The beneficiary who managed the fund and gained income, before paying taxes on it, the income is divided between the parties. After that, the muzarib pays zakat from his share as the real owner of a part of his income from this transaction. On the contrary, if the owner of the funds has given the authority to pay zakat from the income, then the profit will be divided between the parties, not the income.

According to the strictly defined preliminary rules (Arab scholars), negotiation agreements are not included in property partnership agreements in trade. But in most cases, the owner of excess funds preferred to entrust a person with certain business experience and capabilities (muzarib) to use his funds effectively. Based on this need, in accordance with Hidayah's negotiation rules, each of the participants of the partnership agreement in trade could manage their share in the main investment through negotiation by a special manager - a negotiator. An authorized person (muzarib) is a representative in the transaction, participates in the pledge, keeps or rents the cargo; can use the funds through a partnership or

partnership (company), as well as by adding another person's property. All of the above-mentioned actions will not be dependent on the nature of the trade turnover and are mainly a means of obtaining profit, accordingly, these actions will be carried out on the basis of negotiated agreements.

During the time of our ancestors, mubaraba was considered the most common form of commercial financing. In addition to commercial work, partnership agreements in horticulture are also called "Musokaat agreements", but in reality, the mechanisms of negotiation agreements were applied on the basis of such agreements, and the harvest was distributed between the parties depending on their contributions to the work. By making some changes to its structural structure, the rules of negotiation were developed by our scientists and were practically used in our practices until the 19th century. The essence of Muzorib deals is to bring together those who, even if they have financial resources, are not able to use them skillfully, and on the contrary, they have not property, but the art of skillful management of funds. With this feature, such transactions are considered legal. This comes from the need to unite the interests of the rich and the poor, the skilled and the unskilled.

Murobakha transactions combine the interests of people who have no experience in buying something, that is, in trade, with skilled businessmen who have experience in trading. Such a transaction is also called a transaction for profit. The need for experienced businessmen in such matters by people who do not have a certain experience in trade, but have financial resources, created the need for "Murobakha" transactions. It is for this reason that such transactions related to profit from capital have been made halal.

Murobakha deals are brought in the "Kitabul-Bay" "section of" Hidoya", and unlike ordinary buy-and-sell transactions, in which the investment is profited by its participation in circulation. In the murobakha agreement, it is understood by the seller that the goods are resold to the buyer who ordered the receipt of the goods by adding a certain amount of his profit to the previously purchased (initial) price⁵⁶. In

⁵⁶ Sheikh ul-Islam Burkhaniddin Ali ibn. Commentary on Hidayat ul al-Muqtum. Cairo. Alexandria: Doris Salam Publishing House, 4th edition. "Kitab ul buyo" (Book of Trades); Volume 3, research and analysis - Muhammad Tamsir, 2016. p. 939. The rules related to trade agreements were translated from Arabic by J. Soburov, the head of

order to avoid usury in this transaction, the profit of the intermediary seller is calculated in relation to the initial price of the goods. The price added to the initial price of the goods includes the costs incurred for the goods. For example, travel costs, cargo storage (in a ship's warehouse, another city warehouse) and other similar costs. Transactions of this type are trading transactions, that is, trading operations are considered effective financing operations.

We will consider the mechanisms of murobakha agreements, which were used in the past, as an example of "murobakha agreements concluded between the owner of the goods (funds) and the business operator". According to the rule established in Hidayah, if someone gives ten dirhams to another person on the basis of a murabahah contract, and they agree that the future profits from this amount will be divided equally between them, and in this way the muzarib (business manager) assigned to this work buys cloth with this money and if the owner sells it for 15 dirhams, if the owner wants to sell the purchased goods, he cannot sell it for more than 12.5 dirhams. Here the profit of the owner of the goods is 2.5 dirhams. Because they got half of the profit. 10 dirhams, given in advance (or it is possible to agree on a loan)⁵⁷. Such methods of profiting from capital are developing the practices of borrowing goods based on murobakha transactions in today's Islamic finance.

Based on the purpose of the mutual partnership agreements concluded between the parties, the second type of agreement on agricultural products is "greeting trade". According to the author of Hidayah, the legitimacy of such transactions comes from the fact that poor people have a need for such transactions: they can sell their products in advance and purchase the necessary means to deliver them. Based on this essence, salam sale is defined in the legal language as a sales transaction in which the price is paid in advance and the delayed delivery of the goods is allowed. The shortest term of such type of transactions is one month. Some have even specified up to three days.

the Mir Arab secondary special Islamic educational institution, and the modern content of the rules (based on the modern transcription of the words) was given for their comprehensibility.

⁵⁷ Grodekov N.I. Burhanuddin Marginani Hidoaya; Commentaries on Muslim Law; In two parts, four volumes Part 2 Volumes I—II (translation from English), responsible editor A.Kh. Saidov. - M.: V. Kluver, 2010. -808 p.

Arab scholars (Abu Yusuf) considered it illegal to conclude trade agreements with respect to products limited to cultivation in a certain place. For example, it is illegal to conclude a salam contract regarding the grain of a certain village or the fruit of a certain garden, otherwise, disaster will not make it possible to deliver to these places. From this condition, methods of protection against risks that may arise in salam contracts are provided. However, our scientists have enriched the terms of the agreement by including the terms of quality requirements such as “kishmaran wheat” of Bukhara or “botakozi” of Fergana and developed its wide application in our practices.

A partnership agreement in an art or craft is a partnership or mutual agreement. Compared to other Muslim countries, Central Asia was more widely used in trade practice. In the simplest form of this type of transaction, a partnership is formed when two tailors and two dyers agree to work together and share their profits (earned) as in a partnership agreement.

According to the preliminary rules of the agreement (Imam Zufar, Imam Shafi), such a partnership agreement, which provides for the above actions, is not legal, because the purpose of the partnership agreement is that both partners share in the profits. In the transaction under consideration, first of all, there is no capital investment for the fulfillment of the partnership transaction requirement. Profit sharing in the partnership is based on the investment participation in the partnership and the profit is generated from the increased part of the investment. If there is no capital, there will be no profit; secondly, a partnership agreement requires that the parties to the agreement engage in the same type of craft in the same enterprise in the same place. The fact that one of the participants of the transaction is engaged in different crafts (different processes of preparing one type of product) in different places, such as painting, and the other sewing, will damage the enterprise due to lack of knowledge and will not be able to achieve the ultimate goal of the partnership.

Scientists objected to these rules and developed them with local conditions and experiences by improving the rules of such a deal. According to them, the ultimate goal of the transaction in question represents the purchase of property based

on the mutual trust of the participants of the transaction, and based on this, the trust expressed by one of the parties to the other in relation to the distribution of the intended profit between the parties (as well as with the owner) determines the partnership. The contracting party to the partnership agreement stipulates that they can independently perform some process of a type of craft product, if this is not possible, to attract someone who can do it, and to conduct work on the basis of order. In this transaction, on the one hand, labor and on the other hand, property (machinery and raw materials) participate as investments, and accordingly, the profit is distributed proportionally.

On the basis of these rules, developed cooperative agreements created a unique method of production and combined the interests of the families by ordering the delivery of raw cotton to one of the families, the spinning of it to another, the weaving of cloth from the spun thread to the third, and the dyeing of the fabric to the fourth. Each neighborhood is specialized in a separate production industry (we have given this in Chapter 1 of our work as an example of the rules of the “Workshop Regulation”). The Sina company agreements created trade practices that were harmonized with the vujoh company agreements, and the development of products in partnership was established on the basis of the sina company (partnership in crafts and art), and their sales were carried out by the vujox company (partnership in personal credit (debt)) agreements.

This partnership agreement allows two persons, without owning any financial funds, that is, without pooling their financial investments, trusting their reputation and experience, each other as a guarantor, to borrow a voluntary type of goods (goods) and sell it together, and the parties participating in the transaction is a partnership agreement concluded for the purpose of distribution between. If the profit received is divided equally between the parties according to the terms of the pre-agreed transaction, then the transaction is legal. In this case, the rule of equality does not refer to investment, but it is based on the fact that one of the participants in the transaction owns the goods by purchasing them and the ability of the other to skillfully manage these goods.

Trade work based on mutual partnership agreements has well developed production. The information recorded by Russian tourists, who began to learn the secret of such production, shows the level of harmonious development of these partnership agreements: merchants who borrowed goods for trade in Russian cities received 1,000 from its owner on the condition that they paid 30.0% of the purchase price of the goods (the price of goods set by the manufacturer). After borrowing a coin on trust, bought it back in Russia, and paid 1300 coins to the owner of the goods who lent the goods. The manufacturers themselves were the lenders of the goods. No costs are imposed on the person who entrusted the goods. Except for accidents (fire, theft of goods), all expenses related to road and tolls are fully borne by the merchant who borrowed the goods. In addition to merchants who borrow goods, there are also fund managers-traders who borrow goods and do not pay 30.0% to creditors, but share both profit and loss equally with the lender-creditor. In both cases, the settlements with the creditor were made after the merchants had received goods from the sales of goods in Russia, sold them on the local market, and made their profit.⁵⁸ Such loan agreements are concluded only with businessmen who are known by many in the society, have their own reputation and work experience.

Partnership agreements have well-developed practices of partnership agreements in agriculture with the participation of land on the one hand and labor on the other (sina company) as an investment. For example, the landowners distributed $\frac{1}{2}$, $\frac{1}{3}$ or $\frac{1}{4}$ of the harvest to them on the basis of profit sharing with the manual laborers on their land, and the landowner paid “dahyak” i.e. $\frac{1}{10}$ of the harvest tax from the remaining share of the harvest. Therefore, concepts such as “nisfkor” - half of the harvest, “chorikor” - workers agreeing to receive a quarter of the harvest, arose due to the practice of partnership agreements. In most cases, such agreements were implemented through oral agreements. As transactions aimed at the creation, development and strengthening of the legal basis of the wage system of

⁵⁸Mixalova G.A. Uzbekistan in the 18th – first half of the 19th century. Craft, trade and duties. Tashkent: “Fan”, 1991. (according to SA RU.f. 3, op.1 d. 247, l. 321, 382, d. 165. L. 101), 71-b..

such a population, lease agreements were considered one of the most comprehensive and widely used types of transactions in the time of our ancestors.

Rent, in its simplest form, means the “sale of use” of a certain type, that is, the sale of a certain type of use in exchange for a salary or fee (rent). In the language of the law, it is called a contract of use in return for a reward (salary and rent). This type of transaction is also legal because people have a need for it⁵⁹. The basis of the transaction is “usage”, and hence rental contracts ranged from simple hired laborers to the rental practices of houses, land, shops, draft and working animals, and other movable and immovable property.

Table 2.2.3 Types of rent in Central Asian financial practices⁶⁰

	<i>Types of rent</i>	<i>Form of use</i>	<i>Award</i>	<i>Term</i>
1	Jobs and services (by hiring)	- people’s work and service: tailors, doctors, cooks, bakers, bricklayers, gardeners, housekeepers, etc. - the use of animals for transporting heavy loads or traveling a certain distance (horses, camels).	salary	short
2	Immovable and movable properties	- land; - house, shop, etc	rent	short (up to three years) or long (more than three years)
3	Subsidized rent (usually unpaid)	- house, mosque, madrasa, field yard, garden, cultivated fields, black cattle (working and milking domestic animal)	income from property management (growing and selling land products).	short

Payment of wages to those hired for the use of work and services and determination of the term arose from the nature of work and service. In particular, late payment is not allowed. In this regard, our ancestors worked strictly following the rule that it is necessary to pay a hired worker without breaking a sweat. If a person hired only for one type of work or service performs his service in excess, it is also envisaged to pay him an additional reward. When renting houses or shops

⁵⁹Grodekov N.I. Burhanuddin Marginani Hidoya; Commentaries on Muslim Law; In two parts, four volumes Part 3 Volumes I—II (translation from English), responsible editor A.Kh. Saidov. - M.: V. Kluver, 2010. -808 p.

⁶⁰ It was developed by the author based on Hidayat’s rental rules.

and the like, its payment terms depend on the type of work or service. According to it, the lessor could set a daily, monthly or annual rent payment.

In general, financial relations established on the basis of rental contracts have developed from such a simple rental relationship to such a level of development that it has given rise to practices similar to mortgage loans among people. In order to avoid usury, people started to conduct debt relations on the basis of rental practices. Unfortunately, we do not yet have accurate information about the extent to which these practices were developed at the time the *Hidaya* was written⁶¹.

Lease contracts have a mandatory term to ensure that the leased property does not pass to the lessee. In particular, only a short term is provided for renting properties to those in need, so that it is not allowed to be appropriated by the renter for a long period of time. Based on these conditions, in the examples given above, the lease agreement was executed for a certain period of time, and within this period, the property's selling price was paid through the fixed rent, the lease was terminated, and the first owner of the property repurchased his property.

Perhaps, for these reasons, scholars who study Islamic economics believe that there is usury in this method. Because *riba*, which creates usury, occurs by calculating an addition (interest or premium) to the body of the debt⁶².

⁶¹ However, in the 19th century, in the practice of courthouses, the following were the most formalized transactions compared to other transactions:

[169] KD-317: On the 13th of the month of Safar, 1327, Tashpolatbek Doudbek, son of Kara Khoji Yoldoshkhan, son of Doudbek, was allowed by sharia to buy his own house located in Orta Chovloq, on the bank of a public ditch, adjacent to the heirs of Abdusamadboy from the north, Joraboys from the east, and Abdukarimboy from the south. He sold it completely according to the "permissible" conditions. The address is known. Sold for 1000 coins minted and in circulation. The exchange has been made. Then it was rented on a monthly basis of 15 coins

Stamp _____ Judge

[167] KD-33 ⁶¹: On the 13th of Dhul-Hijjah 1325, I sold my ¾ tanob of land located in Orta Chovlaq on the banks of a public stream to Abdulvahidboy, son of Kara Khoji Yoldoshkhan, Abdulvahidboy, son of Abdulhamidboy, according to the terms of the "bay-i-joiz" allowed by Sharia, for 300 coins in circulation and the exchange was made. Then I rented and every month accepted from me. A payment of 4 coins and 32 fuls (1/4 coin) was demanded.

Stamp _____ deputy of the judges, Mir Badriddin Mulla Mir Muhsin Khoja Mirokhir

⁶² Sheikh ul-Islam Burkhaniddin Ali ibn. Commentary on *Hidayat ul al-Muqtum*. Cairo. Alexandria: Doris Salam Publishing House, 4th edition. "Kitab ul Ijara" (Book of Rent); Volume 3, research - Muhammad Tamsir, 2016.

Types of rents provided as assistance to those in need arose through the leasing of foundation properties. Such works were directed by the mirzos of the quarries, who carried out the rental work. According to today's concepts, the Waqfs are interpreted in the past as land granted to people of religion, ulama or religious institutions, madrasas for free use by owners and not subject to taxation. However, the legal framework of the Waqf in "Hidoya" suggests that the Waqfs actually developed as a major institution implementing a specific social policy of the state, covering religion, medicine, education, and other areas of the like, focusing on supporting the needy segment of the population, as well as orphans and the homeless.

According to its original meaning, "Waqf" means "holding", "stopping". In fact, waqf practices were practiced in Central Asia even before Islam as the third form of ownership of land after the private, collective forms of "vagnze", that is, belonging to temples (Zoroastrianism)⁶³. By the medieval, it was possible to develop the capabilities of this institution.

The laws of waqf envisage giving only the right to use the property to the needy for charity purposes, while preserving the ownership rights of the person giving the waqf. The property used in this way includes land and buildings, houses, as well as movable property related to them (for example, mosque utensils for public use). The condition that determines the unique characteristic of waqf institutions is that the income from the property converted into a waqf is left with the persons who have the right to use this property. The income of the waqf property (harvest waqf⁶⁴) was used to build and repair buildings, pay wages to workers, and pay taxes. 1/10 khiroj (in some documents the term ushr or dahyak is used) was mainly paid from the income of the waqf property. Such rules of waqf were not limited to the formation of the source of supply of religious institutions or madrasahs and the

⁶³ Otakhojayev A. Turko-Sughd relations in the early medieval Central Asian civilization. Tashkent: "ART-FLEX" publishing house, 2010. p. 67.

⁶⁴ from Persian "endowment income". See: From the history of the cultural heritage of Bukhara, Ministry of Culture of the Uzbek SSR BGAH Museum-Reserve, ed. E.V. Rtveldze, T.: "Uzbekistan", 1990. 66-p.

housing of the homeless poor, but also served the development of abandoned or neglected lands and the development of new areas.

For example, after the invasion of Chingiz, the princes of him carried out special “tax reforms”, registered the population one by one and imposed taxes from 1 dinar to 11 dinars per capita. In addition, they began to take people’s property from their homes as a tax. As a result of such harsh reforms, villages were emptied, many artisans were taken away or they themselves left their lands, and the country became a ruin.

By the end of the 13th century, the country experienced revival for the first time, and there was an increase in trade and money circulation. Russian orientalist who have studied the documents of the 13th century endowment connect the country’s recovery from the crisis in this period with the role of endowment institutions. Because by this time, the big nobles bought the villages in the suburbs of the city with everything that belonged to them: cultivated land, mills, mosques, weaving workshops, turned them into endowments, and began to move to these places with their heirs⁶⁵.

Soon, in such areas, the revival of crafts, the construction of new weaving workshops, the development of lands and gardens, the establishment of vineyards, the construction of mills, settlements and mosques were observed, new villages began to appear, and economic and social growth took place in the country.

In the 16th century, the owner of large waqf properties, Khoja Ahror Vali, united the lands of peasants who were suffering from increased tax burdens into his own property, leaving the right to use them, and carried out a unique tax reform. As a result, residents with tax benefits paid only 1/10 of the tax, and their living conditions improved.

Also, it can be seen in the documents of the endowment of the 17th-19th centuries that the heirs started to make a profit by renting the properties officially given to them as an endowment.

⁶⁵ Bukhara waqf of the 13th century. Facsimile edition of the text, translation from Arabic and Persian, introduction and commentary by A.K. Arends, A.B. Khalidov, O.D. Chekhovich. M. 1979

Therefore, waqf institutions are not just charity institutions, they have many functions, and these functions are considered to be an institution that encourages the population to work, creates living standards, and, of course, provides tax benefits and expands the tax base. We think that a separate study of waqf institutions with such characteristics will be a topical topic of modern finance.

Thus, on the basis of the scientific research carried out within the framework of the 2nd chapter of the monographic research, the specific features of the financial relations practiced in the time of our ancestors in Central Asia were determined and the most important of them are the following:

1. In the 10th-12th centuries, Central Asian scientists founded not only their economic schools. In their works, **they put forward financial views about the factors that bring the country into crisis and ways to get out of it by balancing household income, distribution function, treasury income and expenses depending on the conditions (severe climatic conditions, cholera)**, establishing a fair tax system and expanding the tax base. At a time when the economy of countries is threatened by global climate problems, it is necessary to **take measures for agricultural production in drought conditions**, to mitigate the negative impact of the pandemic on the financial well-being of countries, to prevent the expected “famine” in the world, for this purpose not only the formation of state (financial) reserves, but also creation of household (citizen’s) reserves, creation of small family industry in agriculture to eliminate the growing number of unemployed and increasing migratory processes, increasing the number of jobs in the economy is a factor of expansion of the tax base.

2. If the ancient national essence of the term “Finance” is considered to be “money business”, or “money management” or “funds management”, the essence of finance in the formation of modern financial relations is determined by rational management of funds, abandonment of dependence on the budget. At this point, Farabi’s scientific theory of distribution is of particular importance.

3. In the financial relations formed in the East, avoiding the transformation of funds into a non-profitable treasure, striving to achieve profit by

striving to keep the funds in constant motion. We think that we should combine the interests of society and develop financial relations based on partnerships that do not allow social inequality, including increasing the attractiveness of bank deposits and attracting funds to banks.

4. Using the mechanisms of production organization that worked on the principle of “one neighborhood - one profession”, which was in practice in Central Asia since the 10th century, development of home industry in modern conditions, development of household production, improvement of the system of assistance to them through the mediation of interested parties (such as German enterprises), financial institutions fit for purpose;

5. New credit relations based on usury involving foreign capital had a negative impact on the national financial systems of the Central Asian countries from the middle of the 19th century. As a result, the national system collapsed. Studying this as a factor that has caused the rise of indebtedness in the middle class of the population today (P. Krugman’s opinion in this regard is also worth noting) is very important in the search for measures to prevent high-interest credit relations from dragging the low or middle-income population into its trap.

6. The work of inheritance practiced during the time of the ancestors always intended to achieve the correct organization of the state financial policy by managing and controlling the financial resources of ordinary citizens, including orphans. Studying this system of effective management of citizens’ incomes and its legal basis can have a positive effect on the creation of a system of rational management of citizens’ incomes in modern financial relations.

7. The essence of the Islamic financial views, moderate theories and practices of the scholars of Movarounnahr school:

a) the views of our scientists who evaluate economic categories such as wealth, money, and capital through Islamic moral values are valid even in the current conditions where resources are limited and human needs are increasing.

b) In the conditions of the development of Islamic finance in our country, it is appropriate to compare the theories of other Muslim countries in this regard with the

real Islamic theories. This leads to the abandonment of credit resources, where today's Libor rates are involved. In the approaches of some scientific articles, extreme methods were used in order to educate people's thinking and start them on the right path in the early days when Islamic theories were not yet formed at the level of science. This is extremely important in denying some negative aspects and choosing or forming the right financial mechanisms in this regard.

8. Zakat is based on social equality. It is important that the property for which zakat is paid is under state protection. Due to the heavy tax burden, it is necessary to prevent it from being damaged and destroyed, and to ensure the fair application of taxes. This allows for positive use in creating a clear, logically fair and understandable tax system, forming civilized taxpayers, expanding the tax base and avoiding high tax burden; Also, it is appropriate to use the zakat period (once a year) to set the income tax period of individually organized business entities (trade stores, public catering).

9. Lease agreements are considered based on the principle of "paying the employee without breaking a sweat" for the use of work and services. Based on this, it is planned to regulate agricultural laborers, various domestic services, nurses providing medical services, tailors and other similar services by registering them as self-employed persons, creating a legal basis for generating their income, establishing a procedure for formalizing their income. is caught. This eliminates the current registration of the population of Uzbekistan as unemployed in the official statistics of the World Bank;

10. It is necessary to regulate the work of hired workers on farms, improve the system of payment for labor, especially the problems related to excessive delay of payments (including those working in the cluster system are not excluded).

11. It is important to study the management mechanisms of the endowment income, to control the correct direction of donation funds in modern conditions, and to use them effectively. It is possible to positively assess the growth of donations, which have been forming as a socio-cultural factor in Uzbekistan in recent years. But at the same time, monitoring of appropriate institutions' appropriation of such

funds or their use for foreign purposes (for example, for terrorism in foreign countries) creates a need for a control system for proper spending of such funds. We believe that the correct understanding of the nature of this institution will have a positive effect on the optimization of budget spending for the relevant institutions (religious institutions, nursing homes, orphanages, etc.).

Chapter 3. GREAT ACHIEVEMENTS IN PRACTICAL ACTIVITIES APPEAL TO THE HERITAGE OF OUR ANCESTORS ACHIEVED – AS THE FIRST STEP IN USING THE HERITAGE OF OUR ANCESTORS IN IMPROVING MODERN FINANCIAL RELATIONS

3.1. The layout of the Great Timur with a financial character, the practical results obtained by observing them and the possibilities of their use in Uzbekistan

In the matter of using the legacy of our ancestors in the improvement of modern financial relations, we should first of all follow logic, without paying attention to transient or secondary things. The question here is whether we should pay attention or give priority to learning and using the heritage of some of our ancestors in this matter. Taking into account some objective circumstances and looking at the results of his practical services in our history and historical development, we believe that it is necessary to start this work by referring to the legacy of our great grandfather Temur. After all, it is impossible to compare the place of this breed in the history of Uzbek statehood with the same place of our other great ancestors. In this work, it is useful for us, first of all, to study and draw appropriate conclusions, paying special attention to the ideas reflected in the “Temur Tuzuklari”. Also, in these processes, we will certainly try to approach the issue from the point of view of the extent to which the legacy of our Grandfather Temur can be used to improve modern financial relations.

Based on a logical analysis of the above and a comparison with the current situation, the following conclusions can be drawn regarding the use of our ancestors’ heritage to improve modern spiritual financial relations:

1. It is inappropriate to consider this quote from “Temur’s Constitutions” as referring to the formation of financial relations related to the formation of the salary fund in the military sector, if these ideas are expressed in modern language, paying attention only to its title. On the contrary, these opinions can serve as an important

source of inheritance in determining the salaries of all employees working in the public sector;

2. Here, first of all, they have:

a) determining the salary according to the service position and how big the difference between them should be;

b) determination of the fee “on the condition of fulfilling one’s duty”;

c) the salary of those with special abilities (specialists) is determined to be 2 to 4 times higher than that of ordinary people;

g) reduction by 10.0% of the monthly salary of those who made mistakes in the performance of official duties (“made mistakes in war work”);

d) setting the salary of certain categories (assistant managers, supervisors) according to the service rendered (“...let it be commensurate with their services”);

e) receiving remuneration of lower-level leaders with the approval of higher-level leaders (“the head of the tenth head of the hundred..., the head of the head of the thousandth..., the head of the thousandth head of the emirs...”, “the head of the emir receives his salary with the approval of the devanbegi and ministers”), etc. deserves attention;

3. That the salaries of heads of administrative regions (for example, governors) and ministers should be several times higher than those of their subordinates (“... the salary of the emirs should be ten times more than that of his subordinates. ... and the salaries of the devanbegi and ministers should be ten times more than those of the emirs be”) has not lost its importance even today;

4. In relation to certain sections of the population (“...let them assign duties, duties and salaries to sayyids, scientists, scholars, judges, healers, astrologers, storytellers, messengers, historians, depending on their circumstances”) even in our current conditions, it requires detailed study and taking appropriate measures to apply it to life (practice);

5. It is necessary to have the highest level of control over the monthly salary set and given by the state (“Devanbegi and ministers should first tell me the full details of all the salaries set by the state and then give them the salaries”). Also, here “...

each of the soldiers should be given a salary receipt. The amount of money given to them should be written on the back of this label”- style also serves to rationally solve problems related to salary.

At this point, it is modern and moral to develop and implement an effective and efficient procedure for determining and paying wages, forming a wage fund and using its funds, which will effectively affect all aspects of our social and economic life, and can serve to achieve the development of the Motherland and the well-being of the people. we need to recognize that it is one of the central issues of improving financial relations. In order to solve it rationally, fairly and effectively, it can be seen from the conclusions presented above that it is possible to use the legacy of our grandfather Great Temur. In particular, in this direction, it should be determined a) the salary according to the service position and how (big) the difference between them should be; b) determination of the fee “on the condition of fulfilling one’s duty”; c) the salary of those with special abilities (evaluators) is determined to be 2 to 4 times higher than that of ordinary people; g) reduction by 10.0% of the salary of those who made mistakes in the performance of official duties; d) setting the salary of certain categories (assistant managers, supervisors) according to the service rendered; e) receiving remuneration of lower-level leaders with the approval of higher-level leaders, etc. deserve special attention; or) that the salaries of heads of administrative regions and ministers should be several times that of their subordinates; j) determination of duties and salaries for some sections of the population “according to their circumstances”; z) the presence of the highest level (even up to the level of the President) control over monthly salaries set and provided by the state; i) handing over a salary slip to each employee, etc. the use of such heritage can contribute to the improvement of modern financial relations. These things, we believe, are especially important when viewed from the perspective of drastically reducing poverty and corruption, which are among the most pressing problems of our time.

Analyzing the above, as a result, it will be known to what extent some of them are used in the formation of modern financial relations in the conditions of

Uzbekistan, and to what extent it is necessary to use some of them in the improvement of these relations.

At this point, it is important to pay attention to the views of some of our economists-scientists in this direction. In particular, at first, it is believed that the beliefs expressed by professor O. Olimdzhanov are worthy of attention. He noted that “Great Temur also made a great contribution to the theory and practice of finance and tax science. He worked for fair taxes all his life. In order to understand the correctness of this opinion, it is necessary to refer to his work” Temur’s Constitutions” and the reforms he carried out in the activity of the ruler. Jahangir paid a lot of attention to the issues of finance, taxes and taxation in his work “Temur Tuzuklari”. In the countries under his control, he established a strict procedure for taxation, its amount and proper collection.

Now, let’s try to explain some of the above-mentioned ideas of our Great Grandfather Temur, which are not known to all of our economists-scientists and practical experts, and sometimes they are known, but their content and essence are not paid enough attention until In particular, our Great Grandfather said: “I ordered that when collecting tribute from the raiyat, it is necessary to avoid putting him in a difficult situation or impoverishing the country, because destroying the raiyat’s house leads to the alienation of the treasury. The alienation of the treasure causes the dispersal of the army. The dispersal of the Sipoh, in turn, will lead to the weakening of the kingdom ⁶⁶.

On the face of it, these thoughts of our Grandfather Temur seem to be focused only on taxes and taxation. However, if it is considered that taxes and taxation issues, regardless of their form, are a component of financial issues and are of decisive importance in their solution, then this viewpoint cannot fail to have its effect in improving any financial relationship of various forms. absolutely clear. Therefore, we think that the above-mentioned opinion on the issue of using the heritage of our ancestors in the improvement of modern financial relations serves as a basis for drawing the following conclusions:

⁶⁶ “Tuzuklari Temur”.- T.: Publishing House of Literature and Art named after G. Ghulam, 1996, pp. 122-123.

1. In the improvement of any financial relationship, first of all, it is necessary to avoid putting the participants in this relationship “in a difficult situation or impoverishing”. On the other hand, if we note in the most general way, the participants of financial relations are, on the one hand, individuals (inhabitants) and legal entities, and on the other hand, it is the state. Therefore, both of them should not fall into “...a dire situation” or become “...impoverished” as a result of the formation or establishment of financial relations. This situation should apply equally to both of them, that is, to the state and subjects. Also, since the establishment of financial relations (formation, development and improvement) depends more on the activity of the state, it is necessary to focus on it.

Unfortunately, when we look at the different stages of our historical development, we realize that it is not so difficult to determine that we have not always been able to make full or reasonable use of this legacy of our great grandfather Temur. Also, the optimal performance of this task remains difficult even now. Therefore, in the improvement of modern financial relations for the current stage and future stages of our historical development, first of all, it is necessary to take into consideration the words of our Grandfather Temur, which should be accepted in the manner of “...it is necessary to avoid putting the participants in a difficult situation or making them poor” the need to use hereditary training does not lose its importance;

2. In improving modern financial relations, it is particularly important to take into account the opinion of our Grandfather Great Temir that “...destroying the raiyat leads to the alienation of the treasury”. However, at present and in the near future, it is sufficient to limit and interpret this view by saying that “Destroying the people, residents or taxpayers will lead to the “alienation” or inability of the state budget of our country, and act accordingly. it’s not. After all, at the present time (actually even at that time) the “expropriation of the treasury”, that is, the state budget falling into a helpless state, does not depend only on how the issues of taxes and taxation are solved. That is, they also depend on how the Treasury (State budget) funds are used (how they are spent).

Therefore, in fact, it is not only a matter of forming the state's treasury (budget), but also of how to use its funds. Moreover, as mentioned above, tax relations are a part of financial relations, and it is natural that they have a great influence on the nature of financial relations.

Also, according to the words of Grandfather Temur, there should be a proportional relationship between the "alienation of the treasury" (inability of the state budget) and its formation and the condition of those who use it (raiyat), i.e. "...destroying the raiyat is the alienation of the treasury" and vice versa. In the style of "...the prosperity of the raiyat is the strength of the treasure".

We believe that achieving this complex but very necessary balance today and in the near future is the most important task of modern financial relations. We think that it is impossible to imagine its formation, development and improvement without the above educational legacy of our Grandfather Temur;

3. When talking about the need to use the heritage of our ancestors to improve modern financial relations, the above-quoted passage from Great Temur's "Tuzuklari Temur" says, "The alienation of the treasure causes the dispersal of the army", in our opinion, it does not need an explanation. but it is insufficient to interpret it only in this way. Because today the "estrangement of the treasury" (inability of the state budget) is not limited to causing problems in matters related to national defense. The emergence of such a situation can cause serious problems in matters related to the maintenance of the social sphere and the social protection of the population, to which at least 60.0-65.0% of the annual State budget expenditures are directed. Also, the "alienation of the treasury" (inability of the state budget) causes some problems in terms of timely financing of their activities in the economy, implementation of centralized investments, public administration, law enforcement, local self-government bodies, etc. , no doubt.

It is clear from our simple considerations mentioned above that in the end, if our ultimate goal is to achieve the development of the Motherland and the well-being of the people, it will be known that it is impossible to achieve it in the conditions of "alienation of the treasury" (inability of the state budget). In such a situation, it is of

constant importance for our country to achieve continuous and interdependent growth of State budget revenues and expenditures, implementation of the State budget in a surplus manner, rational formation of budget revenues at all levels, and effective spending of budget expenditures at all the same levels. reaches;

4. In the process of using the heritage of our ancestors in the improvement of modern financial relations, the ideas expressed by our grandfather Great Temur in his decrees, “The dispersal of the Sipoh, in turn, leads to the weakening of the kingdom”, have not lost their value. It cannot be interpreted and accepted in a modern way and simply as “the disbandment of the army will undermine the defense power of the country”. After all, today the modern “weakening of the kingdom (of the state - the emphasis is the author’s)” or its strength does not depend only on military potential. Economic or financial potential also plays an important role in determining or ensuring it. In turn, the level of economic or financial potential depends on how such relations, including financial relations, are formed.

Today and in the future, it is natural that everyone who considers himself to be sane does not want Uzbekistan to be weakened. Therefore, if it is taken into account that the formation of financial relations has a special role in strengthening its power, it would be the same if one tries to form financial relations that are suitable and serves it and succeeds in this;

5. The most important and final conclusion to be made here regarding the issue of using the heritage of our ancestors in improving modern financial relations:

a) to prevent the participants of this relationship from being put in a difficult, complicated situation or from being destroyed;

b) To ensure that the state budget does not become helpless and the state becomes powerful;

c) to prevent socio-economic disorder;

g) is to achieve state development and people’s well-being.

Such a conclusion was not made by itself, but by the words of our great grandfather Timur mentioned above and “I ordered that when collecting tribute from the raiyat, it is necessary to avoid putting him in a difficult situation or impoverishing

the country, because destroying the raiyat's house will lead to the alienation of the treasury. The alienation of the treasure causes the dispersal of the army. The dispersal of the army, in turn, will lead to the weakening of the kingdom", - can be achieved by analyzing the words that have the appearance and meaning and giving them a modern and logical tone.

In order to realize that such conclusions are extremely important at the current stage of our development, we need to have an objective and objective answer to the following questions that arise as a logical continuation of our analysis above, that is, in the process of improving modern financial relations:

a) Are the participants in this relationship not falling into a difficult, complicated situation or are some of them not being ruined?;

b) Is the state budget not being allowed to fall into a helpless state and is the state's power not being put in jeopardy?;

c) is socio-economic disorder not allowed?;

g) Is the development of the state ensured and the welfare of the people achieved? we need to find answers to such questions.

Without conducting special scientific research, based on simple observations, the financial relations that are being improved to these questions:

a) puts its participants in a difficult, complicated situation in some cases or causes some of them to be destroyed;

b) in some situations, it makes the state budget vulnerable and undermines the state's power;

c) to a certain extent, it also leads to socio-economic disruptions;

g) it is possible to answer that it does not allow the development of the state and the welfare of the people.

Of course, although some of our answers are considered too harsh, no one can deny that there is a grain of truth in them or that they have found their reflection.

At this point, we consider it appropriate to quote the attitude of Prof. OOOlimjonov to the above mentioned and commented opinion of our Grandfather Timur. He writes: "It is evident that Timur the Great deeply felt the negative

consequences of increasing the tax burden on taxpayers and did not allow it in his reign. “ We fully support that the scientist’s statement is appropriate and correct.

In improving modern financial relations, we think that another idea of a financial nature, reflected in the rules of our great grandfather Temur, deserves special praise. In this place, he said, “...I ordered that whoever improves a field, or builds a cistern (underground ditch), or plants a garden, or improves any waste land, they should not take anything from it in the first year, and in the second year In the first year, they should receive what the raiyat gave with their consent, and in the third year, they should collect taxes according to the law ⁶⁷.

This legacy (thought) left by our great-grandfather Temur should serve as a unique foundation for making one or another decision regarding benefits, which are the most important and fragile part of modern financial (tax) relations. Indeed, “cultivating a wasteland,” “building a koriz,” “planting a garden,” or “cultivating a wasteland” is, at least in its initial stages, beyond the sphere of self-interest. When doing such things, first of all, the interests of the whole nation and the whole state take priority. And this should be noticed and not ignored by the shapers of the financial relations of each era (in particular, the state and its relevant bodies). Otherwise, the intended goal will not be achieved. That’s why during the time of our Grandfather Temur, “deserts were improved”, “koriz (underground ditch) was built”, “gardens were greened” or “ruined lands were improved” ⁶⁸, this is such financial (tax) relations in his time. We believe that (i) is the result of a fair and reasonable policy covering.

Here, there can be a lesson in improving modern financial relations, and it is not difficult to realize that there is a most important point of principle. It has the following essence: first of all, benefits should be given to entrepreneurs working in the interests of the nation and the state. After all, during the time of our Grandfather Temur, the purpose of “improvement of deserts”, “construction of koriz (underground ditch)”, “greening of gardens” or “improvement of derelict lands”

⁶⁷“Tuzuklari Temur”.- T.: Publishing House of Literature and Art named after G. Ghulam, 1996, p. 124.

⁶⁸We will discuss these in detail later.

was, first of all, to serve the interests of the whole people and the whole state. is to do. This is a bold step towards achieving the prosperity of the Motherland and the well-being of the population, which is our ultimate goal.

It should also be noted that the manner in which benefits are presented in this idea, which is of a financial nature, was reflected in his regulations by our grandfather Great Temur, and we can consider that it has not lost its importance even today. Of course, the point here is “...to take nothing from him in the first year, in the second year to take what the raiyat (people, tax payers - the emphasis is the author’s) gave with their consent, and in the third year (and) to collect khiroz according to the law” (tax collection - emphasis is the author’s). It can be seen that this procedure (method) of providing the privilege is unique. We can summarize them as follows:

1. The privilege is usually granted for a period of two years. But each year has its own characteristics: in the first year - nothing is charged (completely exempted); and in the second year - only as much as the payer voluntarily agrees to pay;

2. In this order (method) of providing a privilege, the recipient of the privilege must determine how long it is granted for, in the first year of the period, he must focus all his efforts and resources on achieving the intended goal, and from the second year, he must honestly use a part of his income to meet the needs of the whole state. it is noted that he should try to direct. But here there is a possibility of not paying taxes for the second year as well. After all, the tax payer’s consent is needed to collect it;

3. After the end of the first two years, which includes a full or partial grace period, the taxpayer must now pay taxes in a manner that applies to everyone.

This approach related to the provision of benefits and introduced by our great grandfather Temur has not lost its importance even now, and it differs from benefits intended for long years (for example, even up to 7 years) in terms of its effectiveness (other things being equal, in the current period There is no doubt that there are differences between the efficiency and mobility of those who had privileges for a period of up to 7 years and up to 2 years during the time of Grandfather Temur).

Therefore, it is not surprising that the reasons for the failure to achieve the objectives set by providing benefits in the economy of our country are that they are intended for a very long period of time.

One of the services of Grandfather Temur in the improvement of modern financial relations is the introduction of taxation based on the yield of the crops and the fertility of the land. According to historical sources and the researches of our contemporaries, during the reign of our grandfather Temur, it was strictly forbidden to take wealth from the raiyat before the harvest was ripe. However, such fair principles of taxation were not yet known in most of the European countries ⁶⁹.

The introduction of taxation in agriculture based on the yield and fertility of the land by our great-grandfather Temur at that time is very important in all countries, including Uzbekistan, where agriculture is an important sector of the economy. If we really pay attention, it turns out that this aspect of the issue was somewhat neglected in the formation, development and improvement of financial (tax) relations to agricultural enterprises after several centuries.

In this regard, it is natural to ask the following question: in order to solve the current financial problems, modern financial relations are being improved. We doubt that the answer to this question will be completely positive. Although the procedures for taxation of agricultural enterprises have been continuously improved over the past 30 years, in this process, not enough attention is paid to how our great grandfather Temur solved this issue in his time. After all, aspects such as “crop yield” and “fertility of the land” are still not sufficiently taken into account in matters of taxation of these enterprises, and they have not been reflected until the end.

Our republic should fully use the above-mentioned teachings of Grandfather Temur in the taxation of all economic entities belonging to the agricultural sector, and in this process, including “harvest from the crop” (even how many times it is harvested in a year) and “fertility of the land” “ are fully taken into account, and in

⁶⁹ Olimjonov OO The service of our ancestors in the creation of tax theory. Proceedings of the republican scientific-practical conference “Ways to further improve tax policy in achieving economic development”. Tashkent Financial Institute. - 2006 . Olimjonov OO, Malikov TS. In recognition of the services of our great grandfather Temur in the field of finance... // Financier, April 2019, issue 4 (181). Pages 4-5.

accordance with them, an appropriate taxation procedure is developed and put into practice, this will solve many problems faced by the subjects of the industry (including the relatively low level of profitability of such subjects, operating without financial help during most of the year, money uneven movement of flows, complications in collecting tax sums, difficulties in making advance payments, insufficient level of material and financial interests, relatively low growth rates, etc.) would have contributed to the successful solution.

For example, if the term and frequency of tax collection in the agricultural sector is determined depending on the amount of harvest and how many times it is collected during the year, we think that there should be no complications in the issue of such tax collection. It is true that acting in this way may have a negative impact on the uniform formation of State budget revenues in general and at the national level, and may temporarily cause certain complications in the financing issues of the State budget and its subordinates. But if the implementation of the above procedure and its consequences are taken into account in the processes of budget revenue formation and budget financing, there is no reason for the above difficulties to arise.

In the same way, at present, in the issues of taxation of subjects of the agricultural sector, the point credit of the land and the determination of several zones of different levels cannot solve the problems in this direction to the end, and the main reserve for its solution is “depending on the fertility of the land”, which was emphasized by our grandfather Great Temur in his time. We believe that it is defined.

So, it is clear from our simple comments above that our Grandfather Temur was able to form, develop and improve financial relations that were sufficiently in line with the requirements of the time in his time. This is manifested, first of all, by the development of the most fair tax policy and its implementation in the life of the vast kingdom, which made up a large part of Asia and Europe, and achieved great achievements. Therefore, we have the right to say that our grandfather Great Temur and his theoretical views and practical activities are one of the founders of modern tax policy, which is the most important part of modern financial relations. In particular, his ideas on the formation of state budget revenues and the organization

of tax policy have become extremely relevant today and have not lost their importance. However, Western scientists who are considered to have created the theory of taxation (for example, Adam Smith, William Petty, David Ricardo, Saint-Simon, Charles Fourier, etc.) also used these imitation ideas in a different form and we believe that it is enough to compare their works once to understand what they are expressed by words.

It should be noted that when our great grandfather Temur came to his place, he offered and implemented a fair tax policy to the people to liberate our country from the tyranny of the Mongols and to win the long struggle for the throne with Amir Husayn.

And finally, within the framework of the first paragraph of this chapter of our monographic work, we should briefly touch on the practical results achieved by our Grandfather Temur by forming such financial relations, although it is known (at least to historians). It is enough to express them as follows: Our great grandfather Temur established one of the most powerful and great kingdoms of his time. 27 countries from the continents of Asia, Europe and Africa entered this kingdom. It was one of the largest empires in world history in terms of area, population, economy, and military power. Its area is 4.0 million square kilometers. The borders of Timur's kingdom covered a huge area from India and China to the Black Sea, from the Syr Darya and Aral Seas to the Persian Gulf. In addition, Timur's state included Asia Minor, Syria, Egypt, and the Lower Volga and Don Rivers in the northwest; in the northeast to Lake Balkhash and the Ili River; and in the south-east the countries as far as North India were subject.

As it can be seen from the mentioned short reports, the establishment of a huge state covering such a large area is certainly not spontaneous. Undoubtedly, the formation of financial relations and solutions to existing financial problems contributed to its establishment. As Uzbekistan has set as one of its noble goals the establishment of a great country with a financially strong future aimed at ensuring the development of the Motherland and the well-being of the people, among other things, in every action aimed at improving financial relations in order to achieve its

goal, our Great Grandfather Temur is related to this field. It is possible to make good use of every inheritance.

However, regardless of how remarkable it is, it is not enough to be limited to using the heritage of our Great Grandfather Temur in solving this problem. For this, we should also use the immortal heritage of our great ancestors. One of them is our great poet A. Navoi, who was once recognized as a great statesman. In the next paragraph of this chapter of our monograph, we will try to dwell on the expediency of studying some aspects of his heritage in this direction and using them in the process of improving modern financial relations.

3.2. Interpretation of financial issues in the works of Alisher Navoi and of a financial nature carried out by him practical work

It is known from history that our great grandfather A. Navoi, the Hero of Uzbekistan and the People's Poet A. Oripov, was not only the sultan of poetry and ghazals, "his song echoed around the world", in the words of A. Oripov. He was also the Prime Minister of the country. And the prime minister of the country cannot manage it successfully without financial knowledge. That is why, in our country, when it is decided to use the legacy of our great ancestor A. Navoi in improving modern financial relations, taking into account some objective reasons and based on the real situation, this issue, is divided into two, namely: a) interpretation of financial issues in the works of Alisher Navoi; and b) we consider it appropriate to consider it in terms of practical work of a financial nature carried out by him.

At this stage of our scientific research, conducting it in these two forms and contents has its complications. The first aspect requires a careful reading, analysis and conclusion of all (!!!) works of our great grandfather A. Navoi from a financial point of view, and the second aspect is looking for practical works of a financial nature that were carried out by him and are still almost unknown. demands to be found and treated accordingly. It is clear that both of them are not different from

each other in terms of complexity, and it is impossible to fully implement them, or it is beyond the scope of a single monographic study, there is no doubt. Therefore, it is impossible for us to deviate from the scope of our capabilities (including the time allotted to us as an independent researcher) in carrying out research in this aspect.

First, based on the expediency of using the heritage of our ancestors in improving modern financial relations, let's focus our attention on the research of the interpretation of financial issues in the works of A. Navoi . At the current stage of scientific research in this direction, it is sufficient to refer to any of his works . We have chosen his work "Saddi Iskandarii" here . ⁷⁰Even at the first acquaintance with this work, we can find out that it contains a lot of ideas that can be used as a legacy of our ancestors to improve modern financial relations in today's environment.

It is known that we live in the conditions of innovative economy. In this situation, as in all aspects, further development of the financial system and, accordingly, further improvement of financial relations is required. We believe that it is important to get acquainted with the legacy of our ancestors, including the financial practical work carried out by our grandfather A.Na-voiy, to draw appropriate conclusions as a result of their analysis, and to use them creatively and positively.

In this regard, first of all, we would like to note that calling our grandfather A.Navoi a great thinker, the sultan of poetry or ghazal is an understatement today and in the future. We think that considering him as a great philosopher in his own way is a sign of underestimating his merits. Because, to put it simply, many people know that our grandfather A. Navoi was the Prime Minister of a country that stretches from the Maghreb to the East and has countless riches. No one can deny that. On the contrary, history proves it. The Prime Minister of any country, in turn, before (at all stages of the historical development of mankind) and now, cannot make

⁷⁰Alisher Navoi. "Saddi Iskandari". A perfect collection of works. Twenty roofs. The eleventh roof. - T.: "Science" publishing house of the Academy of Sciences of the Republic of Uzbekistan, 1993.

financial decisions that serve the development of the state and the welfare of the people without having certain financial knowledge and ideas.

However, during the period when our grandfather A. Navoi served as the Prime Minister, a certain economic development was achieved in the state of Husayn Boykara, and the welfare of the population was ensured to a certain extent. These cannot be imagined separately from the macro-level financial decisions made by our grandfather A. Navoi as the Prime Minister of the country.

Moreover, our grandfather A.Navoi did not work only as the Prime Minister of the country during his life. For a certain period of time, he also served as governor of the Astrobad region. Of course, first of all, the role of our grandfather A.Navoi, including the financial decisions made at the micro level and immediately implemented, was incomparable in pacifying the people who rebelled and then in ensuring the peaceful life of the people.

These two objective facts, sealed in the history of the Uzbek statehood and known to everyone, indicate that our grandfather A. Navoi was a person (expert) capable of making successful financial decisions at both the macro and micro levels, if we say in the language of the modern market economy. The existence of such evidence alone , in turn, requires not to look at the heritage of our great grandfather only from a literary and artistic point of view.

Of course, the legacy of one of our great ancestors, A. Navoi, should have been treated in a broad direction, not in a narrow direction as it is now, at least from the first days of our independence. Unfortunately, 30 years later, there are no drastic changes in the approach to this problem. Still, in solving modern financial problems or improving relations, it is still a priority to study and use the heritage of our ancestors, to pay attention to the views of Western thinkers or to turn to advanced foreign experience.

The actions of our grandfather A. Navoi during his practical activities as the Prime Minister of the country and for a certain period of time as the governor of the region, indicate that there are enough reasons to call him a philanthropist and an entrepreneur or a sharp financier at the same time. Moreover, this issue has its

meaning when it is put in the context of using the services of our ancestors in the development of the financial system in the current conditions, that is, in the conditions of the innovative or digital economy. For this, we think it is enough to pay attention to the following arguments presented by academician A. Agzamov at the time:

- a) A. Navoi had an income equal to 75 thousand dinars in 1 day;
- b) spent 15,000 dinars of it on the same day;
- c) the remaining 60,000 dinars were spent on charitable purposes;
- g) the quoted (converted) value of 75 thousand dinars at that time is equal to 11 million 250 thousand US dollars;
- d) in Herat alone, 380 charity buildings were built at the expense of A. Navoi's funds;
- e) about 1,000 sheep were slaughtered and soup distributed throughout the country at the expense of our grandfather's funds every day;
- or) neglected land was purchased and developed;
- j) unpaid workers;
- z) those who lived in the house ...

We believe that each of the above points can be used as a legacy of our ancestors to improve modern financial relations, despite the fact that several centuries have passed. So that it does not become dry, we will try to justify that each of the above can play an important role in improving modern financial relations.

Firstly, the fact that "A. Navoi had an income equal to 75,000 dinars per day" in his time, that is, in the 15th-16th centuries, naturally arouses great interest from the point of view of taking into account the improvement of modern financial relations. For this, first, we need to know how much 75,000 dinars, which were recognized as our grandfather's daily income at that time, are worth today, that is, how much (how much) should be equal to its periodic (quoted, converted) value. According to the calculations of our esteemed academician, this is equivalent to about 11,250,000 US dollars today. If it is concluded that it is appropriate to use the inheritance of a person who had the opportunity to earn an income equal to 75,000

dinars a day at that time and 11,250,000 US dollars today, it is appropriate to use it to improve modern financial relations. .

Moreover, it is difficult to imagine that a person who does not have solid or strong financial knowledge and life experience can manage to have such a daily income. In fact, it is impossible to imagine having such a large amount of income in one day without a person's deep awareness of financial knowledge.

Modern economics (finance), at least at this point, should be used to find answers to the following questions: a) what were the sources of such a daily income?; b) what is the income determined by?; c) what kind of potential a person should have in order to have such an income; g) How much and how much work should a person do to earn such a daily income? Etc

From the mentioned questions, it is clear how big a role they can play in improving modern financial relations. In turn, having a clear and convincing answer from them can really go a long way in improving that relationship;

Secondly, the fact that part of the received income of 75 thousand dinars (15 thousand dinars) was spent immediately (on the same day) and the other large part (60 thousand dinars) was spent on charitable purposes, it is also worthy to be used as a legacy of our ancestors in improving modern financial relations. After all, spending the earned income immediately in different directions, i.e. spending it on expenses and charitable purposes, i.e. the “art of spending” shows that our grandfather A. Navoi was a sharp financier. A person who does not have a good idea of the periodic value of money and does not believe in it in his heart and soul, we think, is not capable of doing such a thing. Unfortunately, we are just beginning to study this theory, which our grandfather was aware of several centuries ago and used in his practice at every step, only after so many centuries.

The use of the approach implemented (applied) by our grandfather A. Navoi to the issue of spending (spending) the received income can be of decisive importance for us in the improvement of modern financial relations. Because it is the fundamental basis of how any subject (person) who has income (money) should be treated in the current conditions. This is a matter of our practice and daily life,

relatively, widespread money in various forms, somehow, to keep (currency, gold, silver and other valuables, property (movable, immovable) etc.) clearly shows how true or how false it is.

In this regard, we should emphasize that the personal example of our grandfather A. Navoi on how to deal with earned income is aimed at once again emphasizing that money (income) should always be in circulation in order to work or serve people. Therefore, it is necessary for all of us to correctly understand and support this behavior and consider it as the first priority program when moving towards the improvement of modern financial relations;

Thirdly, in the above cases, there is another aspect that shows the expediency of using the heritage of our ancestors, in particular A. Navoi, in improving modern financial relations. At this point, we are referring to the relationship between the income earned and the expenses incurred by our grandfather A. Navoi. According to the above source, this ratio is characterized by the equality of 75 (income) : 15 (expenditure) or 15 (expenditure) : 75 (income) in our grandfather A. Navoi. Regardless of how they are expressed, their essence is important in that they are aimed at one thing, that is, minimizing costs and maximizing income. However, this should be the basis of improving any modern financial relations. Moreover, it is especially noteworthy that this ratio in our grandfather A. Navoi is 1:5. If we translate this into our modern language, it means that you should spend one soum and get five soums of income, that is, the rate of return here is equal to 500.0%. However, it is a very difficult task to envisage the spending of expenses that ensure the achievement of such a level of profitability in the current conditions of Uzbekistan.

At this point, we should note that minimizing costs and maximizing income is recognized today as the most reasonable way to solve financial problems. In the conditions of today's market economy, every entity that wants to operate in a healthy way (and their desires are natural, of course) (whether they are a legal entity or a physical person is not of principle importance here) should build their activity, first of all, based on the requirements of this principle. Of course, as a result of this, those

who strive for it and manage to achieve it, to put it simply, are thriving. On the contrary, those who are unable to do this, all other things being equal, are headed for decline or crisis. From this point of view, it is natural that using the heritage of our grandfather A. Navoi in this direction (applying to his experience and learning from it) becomes extremely important for us.

Fourthly, when the received income exceeds the incurred expenses, i.e. when the profit is obtained or when there is a surplus (surplus) of funds, the financial views (approach) of His Holiness A. Navoi are especially commendable and we believe that it should be widely used in the improvement of modern financial relations in our current conditions. Analyzing A. Navoi's actions (deeds) in this direction from the surface, he was not at all satisfied with the increased income. To put it simply, they did not hide the excess of income under the blanket. Especially among the Uzbek people, unfortunately, it is still widespread today, and they did not preserve it, hoping that it would be damaged one day. On the contrary, on that very day, they spent it for charitable purposes without hesitation. It is particularly noteworthy that 1/5 of the daily income is spent, and the remaining 4/5 is spent on charity;

Fifthly, His Holiness Navoi realized in time that one of the ways to achieve a high level of development at the national level is to conduct a strong social policy and support it financially. Those who follow it. They also made a great contribution to the implementation of this policy. Because, as mentioned above, the fact that 380 charity buildings were built in Herat alone at the expense of A. Navoi's funds, and that every day about 1000 sheep were slaughtered and food was distributed across the country due to our grandfather's funds, it is necessary to interpret it in this way. This is only a sign of the fact that the socially oriented model of the formation of the market economy, which we have been talking about for the last quarter of a century, was already discovered and successfully applied by our grandfather at that time;

Sixth, the fact that our grandfather A.Navoi became an entrepreneur, bought and improved abandoned land, can take an important place in the issue of using the heritage of our ancestors in the improvement of modern financial relations. After all, it is no secret that there are lands belonging to this category in our republic. The fact

that they are left unattended is not desirable from the point of view of the need for efficient use of any resources and the modern requirements of the market economy. In such a situation, it is important that our entrepreneurs, who have enough potential, act like our grandfather A. Navoi. The state should create a legal opportunity for this. It can be very useful to use the heritage of our grandfather A. Navoi in this direction;

Seventh, in this place, the scope of the works carried out by our grandfather A. Navoi as an entrepreneur, B. Gates, S. Jobs, M. Zuckerberg, U. Buffett, J. Soros, R. Abramovich, M. Potanin, who are recognized as the biggest entrepreneurs of our time, Let's also emphasize that comparing the scope of work of O. Deripasko and others from some point of view can lead to a very important conclusion. As a result of their entrepreneurship, the above-mentioned people who have become today's oligarchs or billionaires (we do not want to compromise their patronage services) have built charity buildings. It is clear that the decision will be in favor of our grandfather A. Navoi. In such conditions, we are faced with the task of improving modern financial relations , and when we are looking for a solution, it becomes clear whose experience and heritage we should turn to.

We must also take into account the issue of national mentality here. Because we know that not all aspects of "western philosophy" are suitable for us in this matter. At the same time, it is important not to lose sight of the fact that there are aspects of it that do not correspond to us at all or are foreign to us. In such a situation, it is natural that the use of the heritage of our ancestors in the improvement of modern financial relations in the conditions of the innovative or digital economy will once again become extremely important.

3.3. Reasonable solution of financial problems -

The basis of the stability and continuity of the dynasty of Zahiriddin Muhammad Babur

When it comes to using the legacy of our ancestors to improve modern financial relations, we think it is impossible to do it without paying attention to the legacy left by one of our great ancestors, Zahiruddin Muhammad Babur. Because it is well known from history that he founded the kingdom of Babur and the Baburites in this world and left behind a kingdom with great power. The power of this kingdom is also significant because it was founded not in its own country, but in a foreign country, and it lasted for a long period (1526-1858 years), that is, more than three centuries (332 AD). According to the results of previous researches in various directions and the results of our scientific researches, one of the secrets of this lies in the fact that he gave very serious attention and importance to the formation and development of mutual financial relations in his time, including in the territory of his kingdom. Also, this is primarily explained by the incomparable service of financial relations embodying philanthropy, including factors such as not burdening the people with excessive taxes.

At this point, we should note that Babur's implementation of "financial relations embodying national wealth" a few centuries ago deserves special praise. We should preserve this legacy left by our grandfather Babur, appreciate it and give it a relatively wider place in the improvement of modern financial relations. After all, it is absolutely clear that "financial relations embodying philanthropy" will never fail.

Despite this, the question of what is meant by "financial relations embodying philanthropy" is natural. We can find a clear answer to this only if we are aware of the works written by our grandfather Babur and what he did in practice. In this regard, it is worth noting that our grandfather Babur is our ancestor who during his life made a great contribution to the development of economic, including financial thinking. According to the research, his services in this direction were reflected in the works of our grandfather, "Boburnoma", "Mubayyan" and "The Big Book of

Zakat” . ⁷¹In these works, our grandfather Babur’s thoughts on economic, financial and tax policies are described, which cannot be imagined in isolation from financial relations. Also, our grandfather Babur’s behavior as a king, his actions, and the reforms he implemented show that he knew very well the essence of economic laws, the importance of economy in determining the life of the state and society. For the same reason, his economic policy was fair and understandable and moderate for the general public.

At this point, we consider it appropriate to briefly dwell on the work of our grandfather Babur “Mubayyan”, which can be a lesson for us in improving modern financial relations. At the initial stage of getting acquainted with it, the work is a) faith-faith; b) prayer; c) zakat; It turns out that it consists of 5 parts, including g) fasting and d) Hajj books. Even from the name itself, it is clear that one part of this book, i.e. zakat, is directly devoted to the formation of financial relations. However, before concluding that the remaining parts of it are not relevant to our issue, we think it is necessary to think carefully. Because, there is no doubt that the issues of faith, prayer, fasting and hajj play one of the decisive roles in the formation, development and improvement of financial relations ⁷².

It should be noted that the book of zakat gives clear recommendations on all issues related to zakat conditions, zakat goods, cash, livestock and commercial goods, zakat obligations, persons to whom zakat is given, people who do not pay zakat properly, ushr and khiraj ⁷³. It is clear even from their names that all these played an important role in the formation and development of financial relations in the state of Babur and the Baburites. But if we limit ourselves to quoting or recording only this, we will not fully recognize the services of our grandfather in this direction. After all, history shows that the services of our grandfather Babur in the field of finance and taxation were not limited to researching theoretical issues in this regard.

⁷¹Unfortunately, we have not found this book of Babur yet (See: Razzokov A. Confusions of economic thought. -T.: Uzbekistan, 2011. (248 p.) p. 166)

⁷² Unfortunately, paying attention to these aspects of the issue is not within the scope of our research.

⁷³ZM Babur. “Boburnoma”.- T.: Yulduzcha, 1989.- 368 p. “Mubayyan” and prose narration, poetic translation and commentary of “Risalai Volidiyya”. M. Kenjabek, author of the prose description and reviews; responsible editor A. Mansur; - T.: “SHARQ”, 2014. (- 448 p.) pp. 213-238. N. Husanov. Babur’s heritage and “Boburnoma” // Maliyachi, February 2019, issue 2 (179). Pages 1-2.

Because in the matter of forming financial relations in his country, his Majesty was not limited to developing them, but he was engaged in implementing the developments he had developed in the field of finance and taxation in the practice of his kingdom and succeeded in this.

Historical sources, the organization of the treasury of dozens of large and small states that ruled in India before the establishment of the state of our grandfather Babur, the composition of its income, the use of this income, the tax policy, the tax system, the types of taxes used and the procedure for collecting them from the population shows that they are significantly different from each other. Within its own territory, each country has a tax policy that is independent and different from the tax policy of other regions. Despite this, all of them are characterized by the large number of types of taxes, the non-strict procedure of their collection and the huge amount of taxes, all of which, in the end, caused a lot of trouble to the representatives of the local population ⁷⁴.

Turning to the heritage of our ancestors in order to improve modern financial relations, we should note that during the reign of our grandfather Babur in the kingdom of India, he carried out a comprehensive tax reform on the organization of the state treasury based on the principles of justice. This approach to positive problem solving has not lost its importance even now. Why, in the eyes of taxpayers, the fact that the principles of justice are being strictly observed in the formation of the state budget revenues of our country is under great doubt even in the current conditions.

We think there are several reasons for this. First of all, it is necessary to clarify what the original answer to the question “strict adherence to the principles of justice in the formation of state budget revenues” should mean. From a logical point of view, this means that the common interests of taxpayers and the State budget should be achieved at the same time (we emphasized this in the chapter 2 of the dissertation when explaining the nature of zakat). To put it more simply, on the one hand,

⁷⁴See: Razzokov A. Confusions of economic thought. - T.: Uzbekistan, 2011. (248 p.) pp. 164-171.

taxpayers should not have any reasonable objections and protests against the taxes they pay at their own expense, and on the other hand, the same attitude should be formed in the state that collects these tax amounts. Thus, if it follows from the fact that the “principles of justice” in this process should mean such a meaning, we can shed light on the current situation in Uzbekistan.

Moreover, in the eyes of almost all taxpayers in Uzbekistan, the principles of justice are violated in the formation of State budget revenues, in which the priority of budget interests prevails. We can easily prove this by conducting a special survey among Uzbek entrepreneurs. In turn, the official position of state bodies (for example, Ministry of Finance, State Tax Committee, State Customs Committee, etc.) on this issue is completely opposite. They repeatedly stated that their entire behavior in this direction is focused on ensuring strict adherence to the “principles of justice” in the formation of State budget revenues. This is also confirmed by the statements of official circles, including through various mass media. It is evident from these real cases that several centuries ago, during the rule of our grandfather Babur in the kingdom of India, he carried out comprehensive tax reforms to organize the public treasury based on the principles of justice, and despite the fact that it gave its positive effect, this thing remains a problem in our time. This once again shows the need to refer to the heritage of our ancestors in improving modern financial relations in this matter.

The role of our grandfather Babur’s services in the use of the heritage of our ancestors in the improvement of modern financial relations is determined, among other things, by the creation of a unified tax system of the single state and a significant reduction in the amount of taxes. After all, in the past, the taxes and fees collected by each Roja according to its own rules were combined into the taxes and fees collected based on the single Islamic rules and regulations during Babur’s time. In a word, our grandfather Babur introduced a single tax system and a uniform taxation procedure in the territory of his country. He also improved the system of measuring the area of agricultural land, which was an important source of taxation for his country, and made some improvements to it.

Research on Related Sources Taxes such as land tax, trade tax, zakat (for Muslims), jizya (for non-Muslims), tribute, salt tax, one-fifth of the spoils of war, coinage, confiscated property, and gifts during Babur's reign and shows that fees are available ⁷⁵. Also, in addition to those mentioned above, there are taxes used for local needs in this kingdom, which were collected by local authorities and these taxes were called ahabas.

At this point, it is worth noting that our grandfather Babur gave great tax incentives to the poor sections of the population. It is for this purpose that he reduced the amount of taxes to a certain extent, and it is planned to give a certain part of the taxes to the widows, not to be transferred by the rich to the state. First of all, this is in accordance with Islamic rules. After all, according to it, it is determined that the "zakat" tax will be distributed to needy families. Also, our grandfather Babur canceled the "stamp" tax levied on Muslims in this country. All this shows that our grandfather Babur made a great contribution to the development of India's economy and the improvement of its financial and military situation through his many edicts, judgments and practical activities.

Our grandfather Babur paid special attention to the formation of financial relations aimed at the development of international economic relations, and realized in time that this is an important factor in increasing the economic power of the state. His views in this regard are reflected in his famous "Boburnoma". In particular, he is of his time gave great relief and privileges to merchants. In those times, the amount of taxes and levies collected from merchants was distinguished by its moderation, fairness and transparency. In those times, such an arrangement was established in this direction, according to which the increase in the amount of products for sale led to a decrease in the contribution of taxes, and this, in turn, had a very positive effect on the development of trade.

⁷⁵Sharma LP Babur Empire. - T.: "Spirituality", 1998.
Erskine U.. Babur in India. - T.: 1995 .

During the reign of our grandfather Babur, a number of reliefs were provided to merchants from other countries (foreign countries). In particular, if merchants come from Islamic countries, they are required to pay a tax of 5.0% of their income. When such merchants come from non-Muslim countries, the procedure for tax collection is established for them in the same amount as Muslim merchants in their own countries.

According to historical sources, Akbar the Great was able to complete the reforms initiated by our grandfather Babur to develop financial relations, including taxation. He developed a uniform and fair tax policy for all citizens of the Babur kingdom. In particular, according to it, a uniform system of tax offices and a uniform weight and quantity measurement procedure were introduced for the purpose of correct calculation of taxes. He also abolished the jizya tax and the soul tax paid by non-Muslims. At one point, he transferred the land tax, which was previously collected in kind and was equal to one third of the harvest, to the system of collection in money. There is another economic factor that created the economic basis for the sharp development of commodity-money relations and the increase in the rate of economic growth in India, which was the fact that the farmer had to sell his produce in the market in order to pay taxes.

We believe that one more case should be recognized separately. The point here is that during this period the headship of tax collectors was put an end to. This was achieved through the clear definition of their duties, the establishment of a system of single tax offices in which they operate, the implementation of tax collection in the form of money, the accuracy of the amount of tax collections and the accuracy of calculations. All of these activities ultimately led to the creation of a system where tax collectors could not evade taxes.

It should also be emphasized that Great Akbar implemented a policy of not collecting taxes during the period of bad harvest and famine (we discussed this policy in the first paragraph of our previous chapter in Nizam ul-Mulk's tax policy). For this purpose, tax incentives serving these purposes, as well as the procedure for lending money and grain to needy people in necessary cases, have been introduced.

As mentioned above, the Babur dynasty ruled India for a long time due to the fact that it had a fair and relatively light tax policy for all sections of the population compared to the states that existed before them.

At this point, in the context of the changes taking place in the agriculture of Uzbekistan in the next 5-6 years, including the change in the attitude towards the use of land resources, in particular, the increasing number of farms that harvest twice or more from the land, our grandfather Babur's saying "If the earth yields twice, you too pay twice the tax" - the instruction "If the land yields twice - pay the tax twice" and the determination of tax payment terms depending on the number of harvests can play a special role in the improvement of modern financial (tax) relations we should also emphasize.

Thus, our research carried out within the 3rd chapter of the monograph allows us to draw several conclusions. Following the most important of them are:

1. The solution of improving modern financial relations in our country is one of the most complicated problems. It cannot be completely improved only by taking a model from the experience of developed countries or advanced foreign (western) countries. Because not all of them are in accordance with the traditions of national statehood, national economy, national mentality, which have been formed here for several centuries and are still preserved, and do not give the expected result;

2. One of the ways to improve the modern financial relations in Uzbekistan aimed at ensuring the development of the country and the well-being of the people is, first of all, by referring to the legacy of our grandfathers Great Amir Temur, Alisher Navoi and Zahiriddin Muhammad Babur, who were among our ancestors who achieved such results, albeit relatively in their time, and to learn from them creatively. is to use;

3. Our ancestors such as Great Amir Timur, Alisher Navoi and Zahiruddin Muhammad Babur, among other things, made decisions of a financial nature at different times, especially according to the positions they held (for example, king, prime minister and king), and these decisions were in their time. He served to ensure the development of the homeland and the well-being of the people. This is why the heritage of our ancestors is important in the improvement of modern financial relations in our country;

4. At the moment, on the one hand, all entities of the market economy (state, economic entities, tax, bank, insurance and pension systems, investment funds, exchanges, etc.) are represented. k.) in their modern financial relations and, on the other hand, in improving their modern financial relations, which will be the inhabitants of the country, the financial procedures, methods that our ancestors, such as the Great Amir Timur, Alisher Navoi and Zahiriddin Muhammad Babur, used in their time, it is necessary to use the guidelines and principles extensively in practice, taking into account also the changes that have occurred in later periods;

5. The formation and distribution of income, the rational use of funds, the need to constantly use money, the emergence of its periodic value when using money, the provision of cost efficiency, the need to timely fulfill financial obligations, the procedure for benefits and their provision, the feasibility of carrying out strong and influential policies aimed at ensuring social protection of all strata in society, thek.the great Emir Timur, whose ancestors were counted in terms of, The views and opinions of Alisher Navoi and Zahiridin Muhammad Babur have not lost their relevance even today, and their creative use can make its worthy contribution to the improvement of modern financial relations.

CONCLUSION

Taking into account the results of scientific research carried out within the framework of the monograph, the following conclusions can be formed:

1. The solution of improving modern financial relations in our country is one of the most complicated problems. It cannot be completely improved only by taking a model from the experience of developed countries or advanced foreign (western) countries. After all, not all of them are compatible with the national statehood, national economy, national mentality, and other such traditions that have been formed here for several centuries and do not give the expected results;

2. Economic development in the conditions of globalization, at first glance, does not depend on the country's financial experience and the uniqueness of financial traditions. The economic and financial realities that occurred in the history of the country will change according to their nature (the desire for the economic models of developed countries in the world will increase). At this point, in the stable development of modern financial relations, the reference to the heritage of ancestors and its use creates conditions for the successful operation of the national economic or financial system without deviating from its path;

3. In order to successfully perform the task of researching the heritage of ancestors, first of all, the question of whose heritage should be addressed from the ancestors was raised. Secondly, in this matter, some of our experts expressed their opinions: "If scientists like K. Marx, who developed the theory of "Earth rent" did not exist in our heritage, the possibility of successful implementation of the research is almost non-existent." However, the results of our research showed that the land owner's practice of profiting by turning his land into long-term and short-term capital was improved by Burkhaniddin Marginoni, and its legal foundations were developed already in the 12th century;

4. The study of sources related to the heritage of ancestors shows that "Hidaya" was able to influence not only the formation of the financial views of Eastern thinkers, but also later through Babur (including, first of all, due to A. Temur's reforms) the financial developments of Western scientists (for example, M. Olimov "Marx , Engels in his article "About Babur" (1989): "Marx wrote about the information about Babur and "Boburnoma"

in the process of summarizing the work of the Russian scientist M. Kovalevsky “Community zamindorlik”.

5. in Central Asia were written by jurists, scholars and thinkers, and the rules developed based on these views are fully compatible with the principles of market relations. For example, the rule of our jurist Abu Hafis Kabir Bukhari, “*If they buy, increase (add, increase), if they don't buy, decrease*” fully expresses the law of demand and supply of today's market economy;

6. Among our thinkers, Nizam ul-Mulk, Ibn Sina and Al-Farabi developed views on the rational and fair distribution of resources, increased the importance of the incentive function of taxes, and thereby clearly indicated the functions of the state budget, paying serious attention to the development of private sector finance. As a logical continuation of these works, Navoi's services in the regulation of financial relations serve to fully reveal the essence of the principle of sociality of the modern market economy;

7. The tax mechanisms used in the time of the ancestors show that taxes have been an effective means of fighting against social inequality in all times. Although the tax has not lost its importance in the current conditions of modern financial relations, modern countries are not able to effectively use this function of the tax. The issues of taxation and tax collection are more relevant today than ever before;

8. Setting the “minimum amount to be taxed” (zakat) in the taxation of the income of the ancestors, creating civilized taxpayers and fair tax collectors and expanding the tax base with one-time taxation was achieved. It is significant that some of this tax mechanism, which has fully fulfilled its social function, is used in German tax practices today. For example, when residents make a purchase using a plastic card based on their salary, stores do not deduct VAT from this purchase (salary). Through this system, the income of individuals is not allowed to be taxed twice. However, those who make the purchase in cash will pay the full VAT tax.)

9. The incentive function of taxes should be focused on ensuring the protection of income and assets, protecting them from damage due to heavy tax burdens or unfavorable tax periods. For example, in this way, we think that it is appropriate to set the

tax payment period of one year for small business entities in the suburbs or rural areas (for example, shops and restaurants with low income). This increases their profitability.

10. In our heritage, the interests of the rich and the poor are united in debt relations based on partnership agreements. In mutual debt relations, the ultimate goal is to improve the financial situation of the borrower. In this relationship, the profit of the lender is calculated not from the body of the given loan, but from the profit seen by the other party. As the essence of credit relations aimed at economic support of state citizens is not aimed at increasing the indebtedness of the middle and poor class, but at ensuring their economic well-being, this cannot be achieved by multiplying high interest rate loans among the low and middle income class. This increases indebtedness and undermines financial stability.

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