



ANTI-INFLATION POLICY

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Abstract: *Controlling inflation is one of the constant problems of the economy. Nowadays, many countries have their own political way to fight against it. This article explores several ways to combat inflation.*

Key words: *Inflation, deflation, income, anti-inflation.*

Introduction

Inflation is a constant general increase in prices, in which money of all personal savings kept in the form or in accounts real value decreases. The increase in prices, of course, these savings reduces the mass of products that owners can buy. First of all, constant and nominal income with the onset of inflation recipients, including budget sector employees and pensioners incomes are decreasing. As well as inflation population savings can reduce Creditors and debtors through inflation income is redistributed, among which the debtor is in a winning position. Inflation affects every person, every strata of society and every market can affect the level of well-being of the sectors. There is a concept of private inflation, which is a certain type of product occurs in the form of an increase in price. Inflation is also common possible, in which the risk is manifested for the entire economy.

Inflation The main indicator is the slowness of the person's income compared to the price of the product growth. Decrease in current real consumption costs with inflation, living decrease in level is observed. This is indexing and population protection related to other methods, they cannot adapt to the new dynamics. In economies with a progressive system of income taxation the effect of inflationary investments that it exhibits will also be disastrous. She is to cause social stratification, property inequality of society capable of deepening. In times of inflation, incomes are redistributed it is unfair. The essence of anti-inflation policy. State anti-inflation policy fight against inflation through monetary reforms by the authorities is a measure. The methods of implementation of monetary reforms are as follows:

- cancellation, that is, the removal of obsolete currency units and new ones announcement of the introduction of units.
- devaluation, i.e. a decrease in the gold content of monetary units or national decrease in exchange rates of gold, foreign currency, and silver.
- denomination, that is, the method of cutting off zeros. Method of old banknote monetary unit in the form of exchange according to the ratio established for the new one consists of magnification. In the same proportion, prices, tariffs, wages, bank recalculating cash balances in accounts, balance sheets of organizations will be released.

The main part

Anti-inflation policy - in the field of state regulation is a set of measures aimed at suppressing



inflationary processes. Anti-inflationary policies are often implemented in two ways:

- deflationary policy
- income policy

Deflationary policy reduces the demand for money through money, credit, tax mechanism regulates. He is reducing public spending, interest on loans increasing rates, increasing the tax burden while limiting the money supply is done through Deflationary policy in any economic system leading to a slowdown in economic growth. Income policy is a complete freeze of prices and wages or their growth is carried out in the process of parallel control by setting the limit. The implementation of income policy often causes social contradictions causes. The main focus of this policy is price control directed. These policies include:

- Offered to the market by oligopolies or monopolies long-term and targeted prices of certain groups of goods and services control;
- Management of discretionary income. In this case, the state is the employer and the employee as a mediator in matters of wages and working conditions does.
- The last type of policy is the currency policy of the national currency helps to strengthen. Key measures against inflation consists of:
- Explanation policy, its purpose is public finance and its political activity is to establish the most reliable relations with society. This is politics carried out through mass media;
- Establishment of the Stabilization Fund, its purpose is the path of interventions support of the national currency, as well as cyclicity in the economy minimization of the fine;
- Formation of a stable exchange rate, as well as currency and foreign economic introducing certain restrictions to the policy;
- Increase exports to strengthen the position of the national currency and reduce imports.

In addition to those mentioned above, monetary reform and institutional methods is one of the methods of regulating the level of inflation. The unique basis of positive anti-inflation policy is institutional methods. This implies the stabilization of market institutions.

If the market mechanism is modern, powerful, efficient and developed, it is from him It is a strong condition for ensuring economic interests, entering into investments serves to come. This, in turn, implements the anti-inflation policy is a favorable factor for increase. Anti-inflationary policy instruments. Regulate inflation in our country The main means of settlement include credit and monetary policy, through which The government of the Russian Federation influenced the money supply in the 90s. However, there are several negative consequences as a result of these measures. Work in the state non-payment, debts owed by customers to suppliers and arrears, consisting of budget debts, appear in large volumes. In such conditions, an increase in the money supply can lead to hyperinflation. For example, when there is a budget deficit, the Russian Federation In order to pay public expenses from the government, they have to borrow money from the market and tax on organizations that do not have working capital for economic needs they apply to increase the load. Another way is external debt, including foreign debt and interest on foreign debt. Anti-inflation policy to suppress inflation by state regulation of the economy includes a set of targeted measures. Define demand-regulating deflationary monetary policy. This is society and reducing government spending, increasing the discount bank rate, loans reducing demand and increasing savings, budget by limiting the demand for money through taxation to increase their income is done. required reserve ratio and constant income sale



of government securities by the central bank.

Conclusion

Another weapon of anti-inflationary policy is income policy, wages and means parallel control over price increases. This in the process they are frozen or limits are set for their growth. The indexation policy of the money of economic entities impairment losses are indexed. Government of Uzbekistan stipends, allowances, pensions, salary amounts periodically indexing. However, due to lack of funds, this indexation, the timely increase of prices, the amount of reimbursed expenses is carried out without necessary connection with. Therefore, the implemented indexation is always to the standard of living may not have a significant effect. All of the fight against inflation methods are represented by anti-inflation policy. Therefore, to inflation choosing a policy against the situation in the country, its economy and social depending on the situation.

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