THE SIGNIFICANCE AND ROLE OF HOUSEHOLD FINANCE IN THE COUNTRY'S ECONOMY

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Abstract: The importance and importance of household finance and its place in the economy, and the monetary relations that arise in the process of formation, distribution and use of target funds with the participation of households and their individual members.

Keywords: households, income, economic category, work, financial attitude.

Аннотация: Рассмотрены значение и значимость финансов домашних хозяйств и их место в экономике, а также денежные отношения, возникающие в процессе формирования, распределения и использования целевых фондов с участием домашних хозяйств и их отдельных членов.

Ключевые слова: домохозяйства, доходы, экономическая категория, работа, финансовое отношение.

Household finance is an integral part of the state financial system. At the same time, households accumulate part of the gross income of the society, participate in the creation of financial reserves by purchasing real and financial assets, and play an important role in the formation of the centralized financial funds of the state through tax payments. The modern international model (standard) of the System of National Accounts (SNA) recommended by the United Nations (UN) defines a household living together in a single living space, contributing all or part of its income and wealth to a common fund, and providing certain goods and services. , mainly defined as a small group of people who consume housing and consumer goods in a common way (together).

Household finance is an important element of the financial system. As an economic category, it consists of a set of economic relations in households for the formation, distribution and use of funds for consumer goals and savings. With this in mind, the finances of households can be defined as follows: economic and financial relations related to the formation, distribution and use of funds for consumer goals and savings in households the set is called household finance.

In every household, it is important to know how to make economic decisions together (in cooperation), such as how to correctly distribute the general budget, think about the expected expenses according to the sources of income.

When managing household finances, it is important to understand how to avoid or reduce excess expenses and how to increase income in this area. For example, what is the monthly (quarterly, annual) income of the household? And what is the level of importance of the sectors where those revenues are spent?

Thus, by analyzing household finances, it helps to make wise financial decisions and to understand why those household members need to make those decisions.

Financial relations between the state and households are also built on the basis of direct (direct) and return (again returnable) relations, and they represent relations in the formation and use of budget and non-budget funds. Incomes and property of households appear as objects of taxation. So, the budget system is a structural element of the income base. At the same time, through taxes and pension system transfers, the state redistributes financial flows among different groups of households. In the process of implementing financial relations between households and the state, a secondary redistribution of national income occurs.

This area of financial relations is the least regulated by the state. The reason for this is that households are independent in making decisions about the necessity, method and purpose of forming money funds, the size and time of their spending. At the same time, the state is able to influence the size (scale) of household income and final consumption. This can be done through actions such as tax regulation, determination of payment rates for labor, regulation of prices of products of primary necessity.

Financial relations between households (inter-households) are considered as relations that arise during the movement of financial resources within the household sector. Here, this process is not always clear and weakly regulated.

Interactions of households with financial institutions represent a separate group of financial relations. Their relationship with credit institutions is to fill the deficit of the household budget (with the help of consumer loans), to place idle funds in bank accounts or to put them in other financial assets for the purpose of saving and accumulating them. is manifested through The relations of households with insurance companies are embodied in the process of forming and using insurance funds of various types.

Income formation factors and the level of prices act here as restrictions (constraints), that is, they determine (determine) the set of permissible options of consumer choice. From this point of view, the consumption fund of households can be classified into minimum and rational consumption budgets, or in a more detailed way, the minimum living budget, the minimum consumption budget, the optimal consumption budget.

From the point of view of macroeconomic approach, household finance is considered as an object and instrument of economy regulation by the state. By regulating household finances, the state, first of all:

• reduces the severity of the problem of income differentiation (stratification) inherent in market relations;

• forms trends in the structural structure and dynamics (changes) of the source of population income;

• regulates (regulates) the minimum (minimum) level of consumption;

• affects the investment potential (competence) of households.

From the point of view of the microeconomic approach, the household economy is based on a sufficiently complex set of relationships between its various participants. These relationships are determined by differences in age, character traits, people's actions, their incomes and different levels of needs. At the same time, healthy (normal) development of households can occur only if its participants have mutual understanding (unanimity) in making economic (financial) decisions.

The stimulating function of household finance is implemented by creating a stimulating financial mechanism (financial mechanism) based on the development of the production process and effective budget policy aimed at increasing the real income of the population.

Under the conditions of a market economy, ownership relations are the basis for making financial decisions on the formation of household incomes. Ownership of factors of production determines the primary distribution of income and serves as an economic basis for the growth of household financial potential. At the same time, the functional distribution of income requires its real distribution among citizens only in the conditions where the social status of the wage earner and the owner of capital are identically identified. Because the unique feature of modern economic systems is characterized by the mixing of social status.

According to him, hired workers can acquire various forms of securities, become owners of capital, own real estate, and organize their own business. In other words, financial decisions on the formation of income at the household level depend on the availability of property and the possibility of its use (in the form of goods or money), the distribution of the working time fund of household participants - household a' the number of household workers, their jobs, working hours, the initiative, activity and use of human capital of household members, the external environment in which the household operates.

The amount of money available to households in a certain period is called their income. Such incomes appear in different forms, are measured by a system of quantitative and qualitative indicators, and are composed (organized) from different sources according to their economic content.

In general, the share of natural income in the total income of households is not very large. Despite this distribution, its level (weight) may vary according to traditions, priorities, preferences, demographic and social characteristics of individual households. In this regard, it should be noted that the weight of natural income is traditionally relatively higher among the poor and rural population. At the same time, the naturalization of the household is also considered a mechanism of adaptation to unfavorable conditions of the external environment (for example, during wars, systemic transformation processes, etc.).

The monetary expression of the income that remains at the disposal of the household after paying taxes and other mandatory payments is called the disposable income of the household. This income is intended for final consumption and savings. Total disposable income equals the corresponding share of GDP that goes to the population. The increase in household incomes potentially expands the financial capabilities of the population, activates market mechanisms for stimulating production. In developed countries, the share of household income in GDP is 70 percent.

As a result of the intensive development of the insurance market, the expansion of consumer credit and related operations in the practice of banking services, in the future these areas of household budget expenses can only have an upward trend.

The recovery (normalization) of the accumulation process is inextricably linked with balancing the development of the economy and social sphere and ensuring their stability. This, in turn, emphasizes the need to eliminate existing imbalances (disproportions) in the spheres of production and consumption, income distribution and their use, finance and money circulation.

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