

**ЕКОНОМІКА ТА УПРАВЛІННЯ НАЦІОНАЛЬНИМ ГОСПОДАРСТВОМ.
МІЖНАРОДНІ ЕКОНОМІЧНІ ВІДНОСИНИ**

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State and Legal Regulation of the Investment Process

Complex state investment policy, directed towards creation of advantage investment surrounding in the country, its regions and fields of industrial production, essentially grows inflow of investment resources into the economy. Therefore the necessity to optimize the state legal regulation of the investment process is raised on the foreground in this work. It has been substantiated that searching of new state instruments of regulation is necessary in the investment domain. This instrument must form advantage climate for capital investments, which will be adequate to the objects of stimulating savings and cardinal changing of total economical situation. It has been proved that today it is necessary to direct even small savings to the investment domain by protecting marketing principles for solving the most important problems in the sector of private industry.

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Державне та правове регулювання інвестиційного процесу

Комплексна державна інвестиційна політика, спрямована на створення переваг в інвестиційному середовищі країни, її регіонів та сферах промислового виробництва, дозволяє суттєво збільшити приток інвестиційних ресурсів в економіку. Відповідно на перший план в роботі піднімаються питання необхідності оптимізації державного правового регулювання інвестиційного процесу. Обґрунтовано необхідність пошуку нових державних інструментів регулювання в інвестиційній сфері. Ці інструменти мають формувати клімат з перевагами для капітальних вкладень, який має бути адекватним процесам стимулювання заощаджень та кардинальним змінам в загальній економічній ситуації. Доведена необхідність спрямування навіть невеликих заощаджень в інвестиційне середовище на основі захисту ринкових принципів для вирішення найбільш важливих проблем в секторі приватної промисловості.

інвестиції, інвестиційне законодавство, регулювання інвестицій, іноземні інвестиції, інвестиційний бізнес, фінансові інвестиції, інвестиційна політика, інвестиційний ринок, фінансові активи, ресурси, портфельні інвестиції, інвестиційне планування

Statement of the Problem. The fulfilling of the investment work and the development of the investment potential is one of the most serious scientific problems. It is conditioned by the special role that is acted by the investments during their progress. The regulations of the investments relations, making special environment for them, involving correct system of estimating investing process, importing foreign investments and their effective investing, correct functioning of the investment market, creating investing banks and the investigation of other actual subjects would be a serious step in the work of development of the investment in Georgia.

Generally, it is necessary to activate investment business in fulfilling strategical tasks of national economics that requires the state's active participation. The level of state participation is greatly defined by the condition of market mechanism formation. To reach common national interests it is important to have close cooperation among the state, banks and nonfinancial organizations. The effectiveness of this cooperation has great importance to escape from Georgia's economical crisis today. Directions and ways of selection of the state interference require work out of intercommunication forms of real and financial capital, the studying of international practice of industrial investment companies funding.

The goal of clever economical policy is in fluxing of the capital dispersed in the population in the service of the industrial goals. Essentially, such an economical policy is directed, from one side, towards the eradication of resistance between the interests of the shareholders, and from another, to protect the interests of the producers of the capital – the capital recipients.

So, the economical concept of straight and also portfolio investments is essentially total. They both represent a capital, as the movement of self-increasing value. And still, first differs from another by the individual aims and interests and the relations between the participants of the process. Accordingly, the goal of the state is, to let the society get maximum profit from the activities of every participant of the first and as well the second occasions. It must be mentioned that the methods of acting of the state will be different in both occasions.

In the first case, the success of the investor depends upon him/herself, upon the success of grounding the prognosis of the manufacture development, their affords, correctness of the made decisions. The correctness of the legislation passed by the state has not less importance. It must provide minimum expenses of according to the organization and ruling the investor's enterprise (business), also the opportunities of foreseeing the prognoses of the development of the enterprise (business) and also mental substantiation. From the second side, the state must guarantee that the capital investments must not give rise to abolish the balance of the society interests. One of the ways of destroying the concurrent is purchasing the manufacture (business) of the concurrent. The monopolizing of the economy may give rise to the provision of the social interests.

Analysis of Recent Researches and Publications. In spite of the fact that serious works are published about investment activity, theoretical aspects research of investing process, direct and portfolio investment [5; 2; 12; 17; 1 etc]. In our opinion less attention is paid to investment planning and important problems of state regulations. Lawful regulation of direct and portfolio investment requires further studying, related investment planning, featuring explanation of real and financial investment process regulation, its main stages, participation and defining factors formation of their functions, main point of investment planning and definition of periods, etc.

Statement of the Objective. The necessity of the solution of above mentioned problems caused the following requirements to the objectives of this work:

- investigation of the essence of state and lawful regulation of direct and portfolio investment;
- substantiation of main tasks that should be supported by the state while investment regulation;
- selection of fulfilling criteriums of real and financial investment;
- analysis of validity of investing risk factors while fulfilling investment projects;
- review of main kinds of investment risks on the account of specific character of Georgian investing climate.

The Main Material. 1. *Subject – matter of investment process and its main stages.*

According to the said above, the investment process is the successiveness of the stages, motions and operations of the investment business provision. The concrete flow of this process depends on the investment object. Consequently, the division of the investment process into the stages is provoked by the kinds of the investments. We speak, of course about the real and financial investments.

The investment process consists of two main stages; they are (1) making decision about the investments and (2) realization and exploitation of the investments. It is adopted to divide the first stage into several separate phases (under types), which characterize the real and also financial investments. The quantity of these phases may be different, but three of them are the most typical: a) underlining the goals of the investments; b) definition of the investment direction and c) selecting the concrete object of the investments.

In the process of getting decision about the investments different goals are defined and reflected. The ascending goals are the formal ones, which are in the future used as the criteria of selecting investments. The formal goals come from the strategical firmness of the investment.

Working out the strategical direction of the investment business is connected with the defining equality of this or that form of the investments on the concrete stage of the perspective period and also with the definition of the direction of investment business including its branch consisting part. The priority selection of the investment forms at this or that stage by the investor is provoked by a number of inner and outer factors.

The functional direction is the most important from the inner factors, those are the basic kinds of the investor's (manufacture, organization) activities. For example, basic direction of the investment businesses for the institutional investors is investments into the securities. The manufactures of the real sector of the economy, which perform the industrial activities, give priority, as a rule, to the investments into the material and nonmaterial assets.

The financial investment is realized mostly in the form of the manufactures' (as concurrent, so partner ones) participation in ruling purchasing shared securities, or in the form of temporal placement of free money sources for speculative goals.

From other inner factors important role in selecting the investment direction is played by the strategical direction of the operational activity, size of the manufacture (organization), the stage of the investor's vital cycle and others.

From the manufactures and organizations of the real sector of economy the growth of financial investments characterizes, as a rule, large-scale industries, which have more opportunity of finding the sources of placing funds into the investments, and those manufactures, which are at the stage of the so-called "ripeness". More extended form of investments at the earlier stages is the investments in the material and nonmaterial assets.

Among those outer factors, which make an essential influence upon selecting the investment forms the most important are the rate of inflation and the percent rate formed at the financial market.

The formal goals may be the aspiration for increasing profit, widening the scales of the manufacture (activity), obtaining power and prestige in the society; also, solving the social-ecological problems, keeping and increasing the working places and so on.

These goals are not often defined distinctly, are not coordinated according to the priorities or are not verified at the subject of the ability of their realization. That's why, it's necessary to point out the real goal of the investments from the formal goals by establishing concrete purposed showings. For example, the formal goal – increasing profit – must be concretized in a number of showings, for which the definition of the achievement quality will be possible. Concretely, it may be the middle quantity of the profit for several years or the showing of net profit, or those other showings, which characterize the earned profit from the

investment.

Formal goals of the investments make the decision of defining problems about investment directions easier. Mutual connected, independent and alternative (inter excluding) investments may also be among them.

According to the formation of investment portfolio, the investment process becomes importantly easier at the expense of reducing its stages. In the foreign literature dedicated to this problem, they differ following stages of the investment process:

1. Selection of the investment policy;
2. Analyzes of the investment market;
3. Re-inspecting the portfolio of the securities;
4. Estimating the investment effectiveness [5, p. 3-4].

At the first stage they define the investment goals and the volume of the necessary sources for its realization, also the quality of risk and profitability for every financial instrument. Selecting those financial assets of the potential kind, which may be included into the portfolio, fulfills this stage.

At the second stage, they concretize the rate of value of the securities' separate kinds on the foundation of marketing conjuncture formed at the concrete moment and provide the prediction of the share rates' dynamic of the concrete firm. Such kind of approach is called technical analyze. Basing on the got data they conduct fundamental analyzes. Its essence is analyzing the brought value of all those cash money flows, which is expected to get by the owner of the financial asset.

Third stage of the investment includes selecting concrete assets for the investors, also defining the optimal proportions between the assets in the bounds of investment capital. The bases of it are selection, selection during the operations and the diversification of risk according to total profile.

The fourth stage concerns the periodical estimation of the current portfolio according to the changing the investor's goals and its deviation from the optimal portfolio. After this selling of the part of purchased securities and buying new ones become possible.

At the last stage they provide periodical estimation of the factual profitability and the level of risk and their comparing with the existed standards [2, p. 12].

To the circle of main participants of the investments belong: state, regional and local organs of the government, manufactures and physical persons: they can participate in the process of investments from the side of demand and delivering.

In the conditions of the market economy the circle of the participants of investment process is importantly widened. The web of commercial banks, credit-commercial organizations, investment funds of companies and insuring companies have appeared which make independently the investment decisions. But still, the state and governmental regional and local organs define their participation in the process of investments. It is represented by holding investment competitions, by selection and proving the investment projects, by licensing and quoting the production, and also by defining the quantity of the percent rate and taxation. The financial activities of the state, the organs of regional and local government as from the demanding, so the delivering side, influences essentially upon the behavior of the financial institutes and market.

Main distributor of money at the financial market is the population, because it gives much more to the investment process, then takes. Of course, it will not be said about the organs and manufactures of the executing government.

The researches of the foreign scientists U. Sharp, G. Alexander and G. Bailey show, that wholly the state and manufactures are net consumers of the money sources, that is that they use more sources then give [17, p. 10]. More concretely, many large-scale companies for

realizing their long termed aims need enormous quantities of money for building factories, buying furniture, working out new products and so on. Besides, by realization active and difficult strategies of ruling cash masses, they appear to be main purchasers of securities. Such a situation is created on the side of the state, regional and local governmental organs, the activities of which is connected with the capital investments and guaranteeing current expenses.

The organs of executive government fill the insufficiency of the money sources by producing debt commitments and obligations, and companies by producing shares and other securities.

The consistence of the investment project participants and fulfilled functions provided by them, are defined by the following factors:

- the specifics of investment project, its volume, technological hardness and so on;
- compatibility of functions by the participants of the investment project during the realization of the project;
- financial status of the customer, who increases or reduces the in fluxing the financial structures in the realization of the investment project;
- providing the customer with the best material resources, building materials, techniques, furniture and so on;
- selection of the type of ruling the investment project (traditional or progressive).

In the ruling the investment projects with the traditional type they differ its following basic participants: sponsors, constructor, distributor of the furniture, the consultant of insurers, legal adviser, the consultants of the taxation and financial branch, creditors and others.

Let's discuss them in more details.

In a wide understanding, a sponsor is a guarantor; a physical or juridical person, who finances an economical project or a registration of social activities. Also, an orderer, an organizer of a large-scale project or arranger sponsor may be as commercial, so noncommercial structure.

As to the sponsor, as the participant of an investment process, we may call it an orderer, organizer, who connects then activities of every participant of a project, arranges discussions, analyses commercial suggestions of the constructors of financial structures or distributors, realizes marketing researches and selection of the financial partners. In the separate occasions, it becomes responsible for fulfilling such functions of the constructing engineering, as engineer-consulting service, projecting-construction and analytical-calculating works, preparing a technical-economical substantiation, organization and ruling of the manufacture, working out recommendations in the sphere of production realization. These reduce the quantity of the investment process participants.

Project-construction and construction organizations or individuals act the role of a constructor, which is the provider of the work. The constructor can involve other persons in the process of fulfilling the order, who become the sub-renters, and the constructor him/herself becomes the general renter. He appears to be the main fulfiller of the constructive lease agreement and is responsible the before the orderer for the fulfillment total complex of activities established in the agreement.

Distributor of the furniture represents the filial, foster companies or those other firms, which have signed at distributing furniture and providing services. If the manufacture registers an agreement with an orderer for a complex distribution of materials, building techniques and furniture to many of firms, it becomes the general distributor and answers for the whole distribution.

The insuring consultant is invited for displaying the insuring risk and estimating the

quality of the project's safety, also, for working out the appropriate recommendations. The juris-consult provides the preparations of the juridical documentation around the project, discusses wholly agreements and contracts.

The consultant of the branch of taxation questions analyzes the taxation situation existed in the country for realizing the project and also the taxation obligations of every participant, makes recommendations for minimization the taxes.

Financial consultant provides the selection of financial, credit and calculation conditions by combination of the alternative variant for the realization of the project. In the case of influxing foreign investors into the project, he must bring it to the appropriation with the existed international standards. This will make easier the status of the potential investors and creditors.

Creditors, as the participants of the investment process, lend money in different terms and conditions. Under these conditions, the creditor has a right of demanding from the debtor to return credit or fulfill other obligations. A state, bank, manufacture or a physical person, investment funds and others may be the creditors.

A traditional form of ruling the investment project, in the time of which the orderer carries out him/herself the functions of ruling, has several defects. First is that the most part of the orderers is not competent enough in every question connected with the project. It makes the level of the risk stronger during getting the ruling decision that gives rise to a number of expenses. Second one is that, the successful ruling, according to the experiences, requests the leader's systematic participation in the investment process, because the orderer is not always able to do it. And third, this form of ruling the project is characterized by the comparative dispersion of phases and stages as in the time, so in organizing. All these gives rise to the additional problems in the provision of the s' agreement of its every participant.

Overcoming the mentioned imperfection happens at the moment of moving to the progressive form of the investment project ruling. Its essence is that the leader (manager) of the project becomes the basic figure in the organization and ruling the investment businesses. This may be a construction or construction-projecting organizations' especially prepared high-qualified specialist or an experienced leader. He/she provides a general ruling of the project including finances, personnel and the construction works.

2. Planning and selection of objects of investment process

The final phase of the first stage of the investment process is the selection of concrete objects of the investment, which is fulfilled in the process of planning investments. They, as a rule, call the process of investment planning the process of forming such a portfolio (investment program) of the projects, which may be discussed as one of the alternative and mostly desired variant for achieving the investment object [1, p. 57]. Mostly using the mathematical models, which have no ability at all of reflecting every factor of the investment business, provides the planning of investment. That's why the results of modeling don't provide making such straight decisions, which would be the guarantee for the achieving the set object. The manufacture's operative management basing on the results of planning and taking in mind other non-formalized factors provides getting the final decisions about those concrete objects of the investment, which must be included into the investment program of the manufacture.

The investment model is called such a mathematical model, with the help of which it is possible to estimate the effectiveness and resulting of the investments, as towards the set objects, so towards the sources for reaching it [1, p. 60].

We must take into account the fact, that the real investments together with achieving the set objects cease quantitative changes as in the material-technical, so in the financial spheres. As to the financial investments, they are separated and touch mostly upon the

financial side of the manufacture's activities.

The investment business also may be isolated (separated) and interconnected. In the first case, in the process of investment business they discuss only alternative variant. Mutual connected investment planning also takes in mind the alternatives of getting decisions in the spheres of financing and organization. So the subject of isolated planning is working out the investment program. In the second case, the aim of the planning is industrial sphere wholly.

Any planning means distinctive period, during which the fulfillment and realization (exploitation) took place. This period is always reduced. It must be mentioned that the subject of investment planning terms is always conflicting. Basic question of the discussion is the ability of correcting the decisions under the influence of the phenomenon happened after finishing the planning section. Though this is a just demand the definition of the future investment decisions' influence is possible only after these investments are realized.

In the process of investment planning, they divide the terms of planning into the intervals, which are called periods. The realizing decisions of one period are belonged to the beginning of end of the appropriate period. It's important that this is not reflected at the conceptual side of the investment decisions and influences only the numbering of the period. Got results from the realization of the investments are expressed by the taxes, which are divided into delivery (for example, paying off the other industrial subjects by the investor) and incomes (for example, paid fee to the investor by other industrial subject).

The total sum of the payment during the concrete period equals to the sum of the realized delivery and incomes. If their balance is positive – that is the income overcomes the delivery or on the contrary.

The quantity of those periods during which the income-delivery of the sums takes place, is called either the term of the investment exploitation (in the case of the real investments), or the term of action (in the case of financial investments). This portion of time is either defined beforehand, or discussed as alternating quantity (at the time of getting investment decisions). The freed invested sources are called commonly disinvestments.

In the system of investment planning, the goal of the capital investment in this or that period of time may be the growth of property, increasing the income flow, making the investment profitableness higher and other showings, which characterize the ability of getting prolonged profit.

In the investment models of the planning, the volume of capital investment may change in the definite period of time, for which the plan is working out. During getting decisions, the priority is given to those projects, which guarantee the incomes from the realization of the investment in shorter time. Combination of the payments flow in this or that period of time is realized by the discount method.

The isolated planning of investments is realized during the given budget toward the separate investment objects or the separate investment programs. The term of the investment (investment projects) exploitation may be discussed as an alternating or fixed parameters. The market of capital may be improved and also not improved. The separation of these markets is carried out by usage of distinctions between the percent rates of deposits and credits. Number of limitations of the financial resources in the isolated planning system may be belonged to any period of planning.

3. Interconnected planning of investments

The interconnected investment planning is realized in tight relations with planning the industry-financial activities. This relation is based on the complex formation of the cash flow taking in mind the fact, that like every activity the realization of every investment project needs the financial provision. This means that in the process of realization of the investment program, it is important to balance its financial parameters with the industrial and financial

parameters of the manufacture, also, taking in mind the possible reductions. We mean, firstly the potential of own investment resources, the possibility of influxing loan capital, necessity of branch and regional diversification of the investment businesses, also, provision of effective balancing of inner balance, that is profitability, risk and liquidity of investment businesses.

The system of interconnection planning means the existence of many criteria during the selection of investment projects. It is based on ranging the goals and aims of the investment businesses in the system of the goals of business leading, according to either time, or meaning.

The differentiation of the criteria of investment projects' selection takes place, as a rule, in the section of concrete forms of independent, inter-exclusive (alternative), and interconnected investment projects. Ranging of the goals requests the ranging of criteria too. Usually, they use criteria of the net brought values and inner percent rate (inner profitableness) mentioned above, as basic criteria.

During the interconnected investment planning the system of reduction concerns basic and additional reductions. Basic reductions are the most important criteria of the selection. For example, if established basic criteria of the selection of investment projects are the showing of the project's net brought value, the basic reductions may represent concrete meanings of the following showings: inner percent rate, the total risk level of the project, the terms of repurchasing the investment project and so on.

The additional reductions may be: the level of diversification of risk at the expense of regional and branch consistence; the value of the borrowed capital; the terms of realization of the investment projects; the size of the total volume of investment resources; the volume of the production and realization of the product and so on.

The concept of the second and third phases is essentially different from the real and financial investments, and it is stipulated by the peculiarity of their realization.

In the modern conditions the real investment is the foundation of investment businesses of the most manufactures. The realization of the real investment is characterized with a number of peculiarities; we can separate following ones:

1. The real investments are straightly connected with the basic activity of the manufacture, the widening of the assortment of the production and improving its quality with the help of involving the achievements of the scientific-technical progress. In other words, investment business and real investment processes are connected and condition each-other;

2. The real investments, relatively to the financial investments, are followed by bigger economical risks, which, in its turn, mean the ability of providing higher profitableness relatively with the financial investments. Economical risks are connected with the peculiarity of the technological processes, factors of the material wearing out and so on;

3. Real investments are less liquid relatively with the financial ones. The reason for this is a tight purpose of most of the investments in the real industry and very often absence of the abilities of alternative industrial usage. That's why it is extremely difficult to compensate mistakes made during getting decisions about real investments.

Real investments are realized differently by the investments in the in the basic capital, capital investments in the turnover assets and investment in nonmaterial assets. The realization of the capital-investment, in its turn, happens in several forms and, firstly, it is building of new manufactures, reconstruction of the existed ones, modernization, technical re-equipment, and also, purchasing total prosperity complexes.

Purchasing total prosperity complexes is the prerogative of the largest companies with such a policy, which is directed towards increasing its influence at different markets. Real investments of this kind guarantee growth of the total value of the manufacture's assets,

which is conditioned by the growth of abilities of financial potential and joint usage of the system of materials, reducing the level of the manufacture expenses and so on.

New building, usually, is connected with the investments in such modern manufactures, which increases the labour production and satisfies the request of the ecological security, also, means the building of new objects.

Reconstruction in the most cases requests moving to the modern technologies of the industry taking in mind the achievements of scientific-technical progress. As a rule, it is connected with the involving of the resource economizing technologies, moving of the production to the modern standards of the quality and so on. The reconstruction may touch upon the building of new objects.

Modernization mostly is connected with bringing to conformity the active part of the basic funds to the modern requests of realization the technological processes.

Technical re-equipment touches upon the changing and purchasing new furniture, mechanisms and basic complexes of the technical system for effective realization of the technological processes. It is not always possible to put a sharp boundary between technical re-equipment and modernization.

Investments in the turnover assets as a rule, serves for widening the turnover funds used by the manufacture. In the most cases it is realized following the capital-investment realization and this essentially is the result of realization capital-investments.

Investments in nonmaterial assets generally mean innovational investments and realized in two basic forms:

- ready scientific – in the form of given patents of technical production, scientific achievements, inventions, commodity marks and so on;
- with the help of independent machining of the scientific-technical production.

Most part of the real investment forms and kinds – the turnover assets, excluding the innovations of separate kind of the furniture, mechanisms and so on, - are realized in the face of real investments having appropriate business-plans. In the business-plans of the investment projects together with the traditional section the subjects of providing the needed level of liquidity of the real investment objects and minimizing the level of investment risks must be worked out and shown.

For preparing the organization and realization of every needed plan documents, as a rule the leader is appointed. The most important plan documents are the calendar plans of the projects and their capital budgets.

The calendar plans are made for definite period of time – year, quarter, month or decade. The data of terms and volume of the realization the separate kinds of activities foreseen by the investment project are represented in them. The terms and character of the activities define the quality of detailing the calendar plans.

Fulfillment of the calendar plan is straightly connected with financing the activities of the investment project. For this purpose, the financial plan is worked out, which, usually is called “the capital budget of the investment project”. The volumes, terms and sources of the financing any kind of activities considered by the project in the section of separate phase of the calendar plan are substantiated and established in it.

Capital budget consists of two sections: capital expenses of the projects and influxing the needed sources for its realization. The capital expenses are the specified estimation of initial volume of the investment expenses taking into account the reserve of those financial sources, which are needed for recovering unexpected expenses according to the calendar plan.

The section of the “source influx” of the capital budget is the specification of volume of the investment needed resources for the project realization in the section of own sources of the investor, influxed sharing capital, leasing, banking credits and so on.

The synchrony of the income of the sources and the volume of investment expenses must be provided in the capital budget for realizing the works foreseen in the calendar plan.

4. *The kinds of investment risks*

An important element of the project's calendar plans and systems of sustaining capital budget taking into account the factors of the investment risk and working out the activities for their neutralization. The investment risk, as a rule, is discussed in the prism of possibility for getting unprofitable financial result. The forms of its displaying may be losing the planned investment income or shortage for vagueness in the realization of investment projects. The investment project risk is a complex concept and units those various kind of risks, which are connected with the realization of investment projects.

Every stage of the realization of investments is characterized specific kinds of risks. That's why estimation of whole risk of the project is provided on the foundation of aggregated facts according to the separate stages.

The realization of any investment project is in its essence a unique phenomenon for even one-typed projects. This circumstance makes the individual approach necessary, taking into account the specific information, which is connected with objective and subjective factors of occurring risks during the realization of the investment processes. The long is term of the project realization; the bigger is the vagueness of final results of its realization and, consequently – level of the risk.

We must take into account the planned size of the cash incomes to get from the investment project depends on future status of appropriate segment of commodity market and effectiveness of commercial activity of the manufacture. It means that the investment risks are greatly conditioned by the commercial risks of a manufacture. In other words, there is a straight connection between the length of the vital cycle of the project and level of the investment-projecting risk. The completeness and trustworthy of the gathered information about every stage of the project's realization, the level of qualification of the investing management defines greatly the substantiation of taking into account the various factors of the different types of risks.

Let's name the basic kinds of the risks of investment projecting taking into account the specific conditions in Georgia [9, p. 649-651].

The risk of inability of paying is in important connection with fulfillment of state obligations of the partners in the business, also, lowering the level of liquidity of the turnover sources.

The risk of financial provision of the project is connected with the late influx of the investment resources from the separate sources, the danger of incomplete financing because of increasing the value of the capital, which is needed for the realization of the project. It is in a straight correlation with the risks of inability of paying and inflation.

The risk of financial infirmity of the manufacture. It is characterized by the flow of invested own and borrowed capital and the incomes conditioned by the investment project and unbalancing of the flow of payments. This risk, together with the risk of the inability of paying is one of the most provoking reasons for bankruptcy of the manufacture.

The risk of inflation is connected with the possibility of devaluation of the expected incomes from the investment project and raising the value of capital expenses expressed by the nominal price. In the modern conditions the risk of inflation has permanent character and touches upon most parts of the operations of the project's realization. Solving the problem of its taking into account and softening neutralizes this permanency.

The percent risk is related with the risk of inflation. It has own specific in Georgia, which is conditioned by the peculiarity of formation of the financial market and its being not developed.

The marketing risk is the risk of getting incomplete income from the investments on the stage of the project's realization conditioned by the active circumstances at the expense of the volume and exploitation of the realization. The longer are the terms of the project's realization, the higher is the possibility of this kind of risk.

The criminal risk is conditioned, at the first place, by the absence of the appropriate defense of the rights of the investor's privacy that appears in the economic of our country the most often.

For neutralization of the possible negative results of the investment projecting risks various measures and arrangement are worked out, which are grouped into the inner and outer measures. Inner measures of the neutralization of the risks concern the foundation of the various insurance and financial funds (reserves) and working out such measures, which will suppress possibility of raising this or that risk. This may be refusing using the low-liquidated assets and the borrowed capital of the important volume, also the mechanism of transferring the risks following the separate operations to the partners.

Foundation of the insurance and financial funds means the reservation of one part of the investment resources for getting over those unexpected negative results, which are not related with the actions of personnel and contractors of the manufacture. Of course, wasting of the part of the own sources of a manufacture, or, more concretely, "freezing", makes important getting the loan at the market of finances for filling it, that makes the dependence on the outer sources of financing the investment projects stronger.

The outer methods of the neutralizing the projecting risks, in the first place, is insuring the project risks of separate kinds and guaranteeing by the third person. The object of the insuring is the property of the manufacture, which is used in the process of investment process; the responsibility of the manufacture and its personnel towards the third persons; insurance of the participants of the investment project's realization. The mechanism of guaranteeing is oriented firstly towards the protection of the investors' rights in case of changing the investor's conditions.

5. The peculiarities of realization the financial investment

For the manufactures, which are not institutional investors, the basic direction of the investment business is the realization of the real investments. Herewith, when the conjuncture of the financial market gives the ability of getting significantly higher level of profitability at the invested capital, then the operation activity at the commodity market (the formed situation at the market of securities in Russia in 1995-1996 is a good example of this). Also, in case of existence of temporary free financial resources, the manufactures actively invest sources into the high liquidate financial instruments. Except this, the manufactures invest own capital other manufactures' regulation funds for diversification and ruling other companies and organizations.

From the economical point of view, the financial investments are such instruments, with the help of with the solving the strategical and operative problems of effective placement of the capital in the country and abroad. The financial investments are mostly realized in the manufactures in the time of having free money sources. They appear in the face of outer investments (except the occasions, when the manufactures expiate their own securities, for example shares) [17, p. 115].

The most part of the manufactures realize the financial investments for the purpose of getting additional investment income (speculative income) from the usage of the free money sources. The concrete choice of the concrete instruments of the financial investments is wide enough even in the conditions of already formed market.

The level of profitability received from producing the investments into this or that instrument is in the straight relation with the level of risk. Higher is profitability, the higher is

the risk of financial set-back.

In the purpose of getting the desired level of profitability of the financial investments and the diversification of risks, the enterprises (investors) purchase financial instruments with different levels of profitability and risk, that is, in other words, they create the portfolio of financial instruments of specific character.

For the changing character of the conjuncture of the financial market, the process of getting desired level of the profitableness requests permanent monitoring of the various instruments' profitability, risk and liquidity and also making the appropriate ruling decisions related with changing the portfolio of finances; it means the reducing or increasing the share of this or that financial instruments. Such kind of correcting is called "the restructuring of the portfolio". It is the basic concept of the financial instruments' operative ruling in the manufactures.

Basic financial instruments of the speculative portfolio of the finances the shared and debt securities, also, deposits and the currency valuables. During the monitoring process, depending on the type of the financial instruments, they take into account and analyze a lot of factors, which influence upon the levels of their profitability, liquidity and risk. From the factors which negatively influence upon the profitability of the shared financial instruments, the most important are:

- growing the level of taxation of the manufactures' investment profit;
- the conjuncture changing of the volume of emitent companies' selling (it especially touches upon the oil companies);
- reducing the level of dividends for reducing the volume of the profit;
- reducing the price of net assets of the emitent manufactures;
- speculative games of the participants of stock market.

The growth of the percent middle rate at the market; increasing the level of inflation; increasing the level of taxation of emitent manufacture's investment profit; degradation of the level of financial firmness of the manufacture; degradation of the pay ability of emitent manufacture belong to the factors, which reduce the level of liquidity of the debt securities. The level of registration rate of the central bank; the firmness of the national currency; financial stability of the institutions of the deposit kind; changing of the percent middle rate at the financial market make and essential influence upon the profitability, risk and liquidity of the cash instruments [12, p. 54].

According to the results of the investment market monitoring, they display the separate instruments of the speculative investments and also the tendency of the levels of profitability, risk and liquidity of the whole portfolio. Based on the received information, they make decisions about the necessity of the portfolio restructuring and its direction.

The investment resources during realization of the financial and real investments are used as in the cash, so in the natural form. The formation of the investment resources of the manufactures is connected as with the manufacture itself, so with the processes of gathering and keeping, which take place in the whole country. The rates and scales of the keeping and gathering the investment capital are conditioned by the level of the country development and also the level of the population's profitability.

The process of formatting the investment resources in the manufacture is permanently working in the face of the incomes received from the basic activities and the activities not for realization, also by taking loans and others. The concrete quantity of those sources, which are used either for the investments, or the consuming needs, are defined by the finance-industrial plan of the manufacture. it depends greatly upon the values of their influx, the growth of the manufacture's capital and its structure. If a large portion belongs to the sources in the structure, then the abilities of loaning are reduced. At the same time, the value of additional

resources influx increases because of increasing the credit risk.

In the system of effective planning of usage and analyses of the financial resources it is very important to point out those various groups of the investments, which differ in specifics and request the usage of the adequate methods of ruling. They differ several characteristic features, with the help of which the classification of the investment resources takes place.

6. State's role in the direct and portfolio investment regulation

In the process of evolution of the capitalistic relations together with gathering cash capital the investment activity is developed, which becomes part of financial activities at the market of capitals. At the same time, from the point of providing financial services, the diversification of legislative forms of the activities takes place.

It must be mentioned, that the forms of the capital investments which existed earlier did not disappear at all, on the contrary, old and new forms of the investments are in the process of developing, sometimes cross each-other or interlace. For example, purchasing the shares of the manufacture (which is founded as a form of the portfolio investments), are often used for the straight investments and is reached by expiating the control package of the shares, which is provided by confluence and connection of the manufactures.

According to the aforesaid, it is possible to display an economical essence of the concept "investing" and to describe in common features the development of those legislative forms, which guarantee the capital investment. The provided analyzes showed that the developments of legislative forms, which define the investments, were realized in the form of diversification. This gave to the investor an opportunity for defining effective means (ways) of the investment in the concrete occasions, by taking in mind the possible loss of the invested capital (industrial risk in the case of the unsuccessfulness of the manufacture) and the growth of the investor's own income (in the case of success of the manufacture). Herewith, the investor stands in front of the dilemma any way; how to be involved into the process of production: with own participation together with the capital or only by capital investment. The participation of the clerk in the industrial activity guarantees the maximal character of control at the industrial risk: exactly the investor (him/herself or the person empowered to act for him/her) makes the decision or influences upon making decisions about the development of manufacture (business) and appropriately gets income or loses according to the rightness of the made decisions, or the level of substantiation of the worked prognoses.

Very often the clerk doesn't want to participate him/herself in the industrial activities and is bounded only by supplying the free capital. The investor, who takes part in the process of supplying capital, in fact, is not interested in the successfulness or unsuccessfulness of the production. Such investor is interested in the received income from the invested capital, that is by the form of those dividends, which are paid to him, as a shareholder, or this is a positive distinction between the value of the purchased shares by him and their secondary selling price [3, p. 49].

Such investor is less interested in the fortune of the manufacture, the shares of which he/she has purchased. More concretely, he is interested in the fortune of this manufacture from the point of the paid dividends¹ [6, p. 152]. From one side, the founder of the joint-stock

¹ It's necessary to bring the description of the share capital, which is discussed by R. Hilberding: "Share – it is the title on the income. Debt influx to the future manufacture, agreement for co-participation of the profit. As this income is capitalized and this defines the value of the shares, an opinion of existence of the second capital in the form of almost the share prices. This latest is pure fictive. Really, there is only an industrial capital and brought profit by it, though it doesn't prevent "the existence of a fictive capital, as the object of summing out and it must be pointed as the joint-stock capital, really it is not a capital, but the value of income, the ability of which is defined by the fact, that every cash amount in the capitalist society is the profit making that's why, on the contrary, every income is represented in the cash forms" [6, p. 152].

company creates the manufacture not only for him/herself but also for the indefinite masses, the influx of which he is going for participation in the process of production. The interest of the future participants is oriented to get as much income as possible from the manufacture. This has the secondary meaning for the founder. Also, the recipient of the investments after placement of the shares and receiving the investigated investments, after permanent placement of the shares, loses the interest towards further fortune of the shares, which turnover in the market. He is interested in the course of the shares from the point of the perspectives of success in the placements, during further emission.

In such situation, the whole society and the state, as the expressers of the total interests are the mostly interested in satisfaction the interests of investors (the goal of whom is to get maximal income), also manufacture and clerk as the recipient of the investments (the aim of which is the successful industrial activity). The goal of clever economical policy is in influxing of the capital dispersed in the population in the service of the industrial goals. Essentially, such an economical policy is directed, from one side, towards the eradication of resistance between the interests of the shareholders, and from another, to protect the interests of the producers of the capital – the capital recipients.

So, the economical concept of straight and also portfolio investments is essentially total. They both represent a capital, as the movement of self-increasing value. And still, first differs from another by the individual aims and interests and the relations between the participants of the process. Accordingly, the goal of the state is, to let the society get maximum profit from the activities of every participant of the first and as well the second occasions. It must be mentioned that the methods of acting of the state will be different in both occasions.

In the first case, the success of the investor depends upon him/herself, upon the success of grounding the prognosis of the manufacture development, their affords, correctness of the made decisions. The correctness of the legislation passed by the state has not less importance. It must provide minimum expenses of according to the organization and ruling the investor's enterprise (business), also the opportunities of foreseeing the prognoses of the development of the enterprise (business) and also mental substantiation. From the second side, the state must guarantee that the capital investments must not give rise to abolish the balance of the society interests. One of the ways of destroying the concurrent is purchasing the manufacture (business) of the concurrent. The monopolizing of the economy may give rise to the provision of the social interests (for example, by the way of starting high monopoly profits).

While realization of the regulation of straight investments, the state must guarantee the fulfillment of the following goals:

- *creating the advantage conditions for realization of the total industrial activities* (the fulfillment of this goal is possible by passing correct legislation about the industrial activity, protecting and guaranteeing the established norms and creating systems of foreseeing and justifying decisions);
- *guaranteeing protecting the competition*, for directing the industrial activity, also creating justifying conditions for the clerks.

When the state carries out these goals successfully, his existence at the market is unnoticeable, at least, for the national (local) investors. For the foreign investors, who provide investments at the foreign territories, there is the possibility that envy, unfriendly actions will be held against them. Such actions are held only because he/she is a foreigner (Physical person, or juridical one). The arranging of the international assignments and the development of the norms of international law and total principles, in the modern conditions, will not allow the discrimination of the foreign investors. The guaranteeing the justifying conditions for the competition at the national market, touches upon the interests of local and foreign investors

equally. Thus, it is important to guarantee keeping the letter of the regulating legislative norms of the straight foreign investments and also international agreements and assignments.

Opposite to the straight investments, where the situation is controlled by the investor him/herself, realization of the portfolio investments requests the interference of the state. In this case, main goal of the legislative regulation consists in formation of such environment, in which the investor will be able to estimate objectively the perspectives of the investments in this or that manufacture, in case of need to get a qualified help from independent and accordingly the interested experts. And finally, portfolio investors, in case of abolishment their rights, must be guaranteed by legislative defense. Solving the mentioned problems is provided in the following ways:

- by formation a special organ by the state, which will be responsible for controlling realization the emission of the securities, at the same time to keep the letter of the legislative requests;
- to put demands towards the issuer for providing the information about the cases in the given manufacture;
- to put special requests and controlling the activities of the professional participants, who provide consultation or other services for the investors (during realization of investments in the securities).

While realization of the portfolio investments, the foreign portfolio investor is under the same risk as the local one, thus, there is no importance for requesting special regime or a special regulation mechanism towards the foreign portfolio investor. Though, it must also be mentioned, that a state, the physical and juridical persons of which act the role of the portfolio investors in the foreign countries, influences upon the activities of the state, where the recipients of the portfolio investors are, and who request from the state guaranteeing an adequate control at the security market. Accordingly, when the state provides the receipting and doesn't provide a control of security market, doesn't advise the portfolio investors to place their sources there. That's why; the countries are to be oriented towards the realization of requests for portfolio investment regulation.

Thus, while defining inter-marking principles of straight and portfolio investments, we must manage by the following ideas:

Firstly, according to the interests and policy of the state, which influxes straight investments into not quite attractive domain (for example, large expenses and long term for expiation investments, a low level of incomes, a large risk for being unsuccessful (investigate activities in the geology)) additional guarantees for the investors must be taken into account (for example, the guarantees that the manufacture of the investor will not be destroyed, until the definite level of rentability is achieved); or partial compensation of the investors expenses if the manufacture doesn't give an expected result under the objective conditions (for example, the discovered natural minerals appear to be useless for the industrial exploitation).

And secondly, the interests of the investor him/herself must be discussed from the point of straight investment. In other words, he/she must state own desires from the point using capital investments in the manufacture and also, his/her participation in the process of production, sharing ideas, technologies and other forms of participation.

The state legislation may establish formal criteria, marks, according to which the qualification of the investments unto the straight and portfolio investments takes place. The size of the investments, the size of the share participation of the investor and a defined legislative form of the investor² belong to the group of the formal investments. It must also be

² as an example for such formal criteria, towards which the OECD member countries of the Euro Union are oriented, may be the criteria, which is brought in the A addition of the code of liberalization of the capital circulation. Concretely, according to this codex, to the number of the straight investments belong: foundation

mentioned, that finally such formal criteria are the exposures of the so-called “theory of control”. According to this conception, the straight investor keeps the right for controlling his/her placed sources and take part in the activities of the enterprise, from the point of “industrial exploitation” of the capital.

The peculiarity of the meaning of investments (post-communist) consists in its beginning, which comes from the resources bowels of the planned socialistic system of industry. Differing peculiarity of the planned economy was, that money sources were discussed within their bounds in the sort of conditional unit of the value measures (as an expression of the wasted labour). In the conditions of the so-called “socialism” money sources couldn’t turn into cash capital and they were never discussed as capital, as self increasing value, even because a capital was discussed as an instrument for labour sources’ exploitation, or for appropriation of the waste production. Thus, the former USSR low doesn’t consist legislative norms, which touch upon the movement of cash capital or legislative forms of the investment realization.

At the same time, the development of each enterprise every time requests mobilization of resources (material and labour). “Inks and Pharaohs could provide huge social activities (of course, according to the peculiar, definite opinions of the necessity) without money. Though, political systems, where the authority was stronger or more limited, they couldn’t provide investments (not even the growth of the welfare), until they developed cash systems. Thus “money becomes the means changing the authority, which guarantees and economical growth and turns into an instrument for collective production” [18, p. 94].

Saying no to the recognition of money and money capital, including the ideological reasons which had place in the former USSR, didn’t mean solving the problems about opportunity for resource mobilization while deciding the subject of widening the manufacture production.³

At the first place it must be mentioned, that ignoring the importance of the role of money and mostly the role of cash capital in the development of the enterprise, doesn’t mean refusing money as it is. Money was existed in the time of socialism (even in the time of card system). Essentially, the distinction between capitalist, that is market economy and socialistic, that is planned (industry) economy means, that in the first case the responsibilities for providing crediting are distributed between the state and private banks; while in the second case, the state simply transmits its responsibilities to the governmental banks. These latest realize it not by guiding the market requests, but under indications of the state planning organs” [18, p. 90].

The agreements about leasing were used as the legislative forms of solving problems of influxing and mobilizing material resources for the development of the production in the capital building.

and widening of the branches of wholly-owned enterprises, virgin enterprises, purchasing the existed enterprises, taking part in the working activities of the existed or newly created enterprises, borrowing money for the 5 year term. We must pay attention to the fact, that the category “enterprise” is understood not from the economical, industrial meaning (that isn’t the place of providing business, work) but as an legislative organization. In the latest occasion, we’d mean not the “enterprise”, but “business organization”.

³ Some quotation from the dictionary of the political economy may be brought as an example for the ideology of the category of “cash capital”. More concretely, in the article, which opens the essence of the “cash capital” we read: “usage of the cash sources in the form of cash capital expresses the relations of exploitation of the workers hired by the bourgeois. On the contrary, in the conditions of the socialism, acts a role of common equivalent of a special kind, which is successively used for the organization of industrial accounts, registration and control, for production and distribution of the social product, for measuring labour and usage. A new social contest of money in the conditions of socialism consists in the fact that they express social labour, which unites social owning and that’s why, they can not be turned into exploitation means (that is cash capital) [11, p. 78-81].

The leasing agreements in the capital building were discussed as “planned agreement, which was put between socialistic organizations, under the authority of which, one side, orderer, took responsibilities for building and representing the object in the terms foreseen by the plan, and the second side, the fulfiller took the responsibilities for provide investments in teh building organized by him/her, receive and compensate the provided building activities” [8, p. 435].

It is also interesting, that in the given definition of the discussed agreement the problem of mobilization of the material recourses is hushed up in the formulation of the “planned agreement”. In the given definition, main accent is made not on the process of using resources, but on the result – building of the object. Thus the subjects, which have principle meaning in the case of the movement of the cash capital itself (investments), are left without being regulated. We mean the growth of investment sources and receiving income, as the goal of investment.

On the contrary, during such regulation central question of the object relations is: “that according to the capital building, material object of the leasing relations is building of the manufacture, living house and so on according to the plan. But in the logistical relations of such kind as special meaning is earned by the juridical object – the activity of the tenant, on whom the orderer is really depended. The meaning of the juridical object consists not only in the truth, that the furniture must be a result of the activity of leasing organization, but also in the fact that this activity exists under direct control of an orderer. According to the realization of the activity mentioned above, a long-termed relations are formed between the counteragents” [8, p. 450]. According to the financial aspect of the leasing agreement in the capital building, “main source of financing the capital building are unreturnable budget sources” [8, p. 451] and there is no question about the profitability of the investments and the cash capital itself, as the self-increasing value. In other words, everything that was connected with the capital investment, its legislative phenomena, which regulated the movement of a capital, was hushed up and changed by planned distribution of financial resources. Also, cash sources, being on the account of financing capital investments and were directed by the orderer, had a strict purposeful means and they could be used only for the needs of capital building, according to the established plan” [18, p. 435-463].

The condition in which the ignoring of an economical essence of objectively existed phenomenon takes place within the bounds of the researched legislative form, which gains the legislative form of capital building, couldn't be left without influence upon the effectiveness of the given construction. The occasion, that a low effectiveness of the economy and high level of the production is discussed to be the reason for conducting economical reform, is not accidental.

In the transitional economy, together with the development of new approaches the logistic of post communist space, is not yet released from the stereotypes of “before Perestrojka” regulation from the point of legislative forms. It tries to fit the known concepts to the new reality. Secondly, being in captivity of an idea of great effectiveness of capitalistic economy, the society consciously or unconsciously closed its eyes for estimating the capital effectiveness. “We speak not only about that the financial structure is unstable; it increases the inequality even for that it offers great opportunities to the financial organizations, their rulers and servicemen to “earn” more quantity of money in a short period of time. It increases the abyss between wealthy and poor people. The society treat envy the bankers and financials not because their wealth, but because their wealth is not related with production, they created money out of the money” [18, p. 463].

A legislator of post communist domain (the goal of which is to influx foreign investments at any cost), being under influence of the strict illusions, tried to work out such

lows, which, in the first place, would be attractive to the investors, mostly the foreign ones. That was because the legislator didn't see and didn't want to see in his/her country among the population owning the cash sources potential cash capitalists. These stereotypes and illusions influenced essentially upon the so-called "first wave" logistics about the investments.

The logistic of the post communist domain discusses investments as cash sources, purposeful banking accounts, shares, and other securities, technologies, vehicles and furniture, licenses, also commodity marks, credits, any other prosperity and prosperity rights, intellectual values, which are placed in industrial and other activities for the purpose of getting profit (income) and positive social effect.

The given definition, principally, express the essence of the regulated relations, which represent a capital, as a movement of the self increasing value (if we don't take into account the additional goal – "reaching additional social effect". Though, in the future, the low is submitted to logic regulation leasing agreement of the capital building, using such categories, as an orderer, an object of the investment activity, financing investment activities and so on).

The legislative acts passed in the 90s defined greatly an opposing character of the logistic according to the foreign investments⁴ [14, p. 89]. A basic opposition in the low about foreign investments is the irrelevance according to the regulating subject stated earlier. In the second paragraph of the low about foreign investments, the investments are defined to be prosperity and intellectual value of every kind, which are placed by the foreign investors for the purpose of getting profit (income). Third paragraph of the mentioned low concretizes the methods of realizing the investments. That is, essentially explains the meaning of the word "investment" from the legislative point of view⁵ [14, p. 127].

Basic defect of such quite spread definition of the "investment" is that an economical essence of this regulated phenomenon is left without attention by the legislator. That's why the defect of the given termini is quite clear.

The logistic missed the economical essence of the investments, an economical form of a capital as self-increasing value.

Such purchasing of the property by a foreigner is left to be just a purchasing. Essentially it is a simple waste of the cash sources, changing it on the consumer's value. Investor becomes an investor only in the case of placement his/her sources as the means for making profit, in Marx's words: "waste value". In this situation, the investor needed some

⁴ it must be mentioned, that passing the act in 1991, the logistic about influxing foreign investments, passed several stages. At the first stage, the legislator let the capital investments only from the countries, which were the members of economical mutual helping union, and only by creating the so-called united industrial organizations. At the same time, an economical essence of already provided relations – capital movement was refused. In exchange for this, it was underlined that the united enterprise is the form of a social-economical integration. In the future it became possible to influx capital not only from the socialistic countries, but also from the capitalistic and developing countries too. Though, only form for providing investments was creating the united enterprise, in which there were only legislative subjective organizations. There foundation was possible on the agreement basis, which was put between the participants of the united enterprise and they acted according to the charter. In the future, the liberalization was reflected in the basic logistics about foreign investments of the USSR and the union republics. As a result, it became possible to found a united enterprise by 100% foreign investments [14, p. 127].

⁵ According to the act "About Foreign Investments" 1991 (third paragraph), the investments are provided in the following ways: by shared participation of the manufactures, which are created by juridical persons and citizens, also by participation of other countries; Creating manufactures, which belong to the foreign investors, also the branches of the foreign juridical persons; purchasing manufactures, prosperity complexes, buildings, constructions, shares of the participation in the enterprises, obligations, other securities, also purchasing other property, which may belong to the foreign investor according to the active legislative acts; gaining the rights for using ground and other resources; gaining other owning rights, other activities from the point of providing investments, which is not prohibited by the active low, including loans, credits, property and property rights".

guarantees from the state, on the territory of which the investments are provided. That's why the defects of the acts "about the investments activities" and "about foreign investments" passed in that period, gave rise to the conditions, that there was no mechanism for effective regulation. When the unimproved character of the logistics became clear, a necessity of looking through the regulation mechanism of the relations with the foreign investors and changing methods of approach towards them come out⁶ [14, p. 116-124].

According to the defects of the legislative thesis mentioned above, we think it is important to cite a quotation from K. Marx's capital: "money, as an independent expression of a definite value – notwithstanding the fact of its existence in the sort of money or commodity, may change into capital and as a result for this changing, turn into the self-increasing, grown value on the basis of capitalist enterprise [10, p. 371-372]. We can't say the same about our laws about investments. They have in a way regulated the subjects of foreign investments.

Instead regulating the questions according to the status of foreign investor, the law about foreign investments was oriented toward legislative thesis of manufactures, which had business with foreign investments.

The result: the definite necessity for passing acts about "second wave" of the investments and investing is still an order of business.

The most important problems of the investments and investing in every society (in the conditions of every industrial mechanism and every model of investment development) are:

- defining an optimal share of real, financial and intellectual resources of the society used for the investments;
- guaranteeing appropriating and proportionality in the movement of real, financial and intellectual investment processes;
- directing investments towards realization of the industrial fields and separate investment projects;
- keeping proportionality between every ring of united investment process of the society and achieving an optimal structure of total investments and their separate kinds;
- guaranteeing high effectiveness of the investments fastening their turnover, relative reduction of the expenses, while corresponding real, financial and intellectual effectiveness according to the growth of useful turnover.

From the problems mentioned above, the last one needs to be concretized. The establishment of complete conformity between the effectiveness of real, financial and intellectual investments (we mean real investments, which are measured by real and financial aspects of the subject of effectiveness) is practically impossible, but there is an aspiration for reaching complete conformity between them. Though such aspiration is possible until a definite boundary. It is related with the exactness of measuring real, economical processes by the cash forms, but not until the level of submission of every real process to the criteria of rentability of investment financial resources.

We have business with high rentability of investment-financial resources when:

- takes place an appropriate high effectiveness of real investments, which is measured in the sort of increases of real social wealth following conforming growth of the

⁶ Unimproved character of the legislation about investments consists in the fact, that there is no normal inflow of the investments, and normally functioning investment market. For proving these, we can display numbers about financial market of China. According to the whole capitalization, joint-stock market of China (581 billion dollars) occupies the sixth place in the world and exceeds almost 10 times analogue showing of the Russian empire. More than 1000 companies are in the Chinese joint-stock listing. That's why it's evident, that straight foreign investments placed into Chinese economy during last three years (115 billion dollars) exceed 14 times the analogue showing.

real investments by conforming reducing of expenses of real investments resources;

- herewith, part of the grown social wealth is sold in the highest price at the market.

Though, it is not always needed to sell in the highest price the results of effective real investments. Very often it is advisable to transmit the kindness created by the investments in advantage prices or absolutely free to the consumer. We mean the basic producer of the society, working force – in the fields of a high-qualified service, growing up, education, culture, and medical services and so on. The investments in human capital (human resources) are the most effective according to the real aspects. From the point of terms, their real effectiveness are expressed not by the straight usefulness of the services of the educational, cultural and health protecting spheres, but by the growth of fertility of labour in every field of the public industry. This, finally, will be reflected in the growth of financial effectiveness of the fields, in which the investment expenses took place (education, culture, and health protection), also in other fields of public industry. We mean the fields, which supply a market with much higher level and quality of commodity and service on the expenses of importantly increased quality of the working forces by comparably less expenses.

Appropriate correlation has place according to used and branch sciences. For example, in the USA the agrarian science is financed by the budget. In this sphere, scientific researches, from the point of financial view, are not able to make financial profit (compensation of expenses), but with the help of productive effectiveness of agrarian industry, such budget (not market) financing, provides the compensation of the expenses.

In the country, which is rich in own energetic and raw material resources, it is discharged to keep prices for energy carriers, energetic and raw material. The goal of such policy is to stimulate development of native reproducing fields. Increasing the volume and profit of the manufacture in the reproductive fields importantly covers reducing the financial profitability of warmth-energetic complex and also the fields, which produce raw materials, in the given occasion. This, at the same time, will make the level of the people's lifestyle higher, also the incomes of the state budget (at the expense of growing mass of taxation) and an investment potential of the self-development.

Conclusions and prospects for further researches. Investment consisting parts and investment policy may be discussed at comparatively different levels of management – state, regional and enterprise. Basic purposes of investment policy are creation of optimal conditions for atomization of investment potential. These purposes are: 1) creation of image of the object of investment attractiveness (country, region, enterprise); 2) creation of the image of investment attractiveness; 3) direct budgetary investments; 4) investment resources of banking system; 5) mobilization of inner investment resources of the enterprise; 6) economical results of investment policy.

State regulation of investment domain of the economy must provide settlement of investment domain and accordance difficult consisting fields, achievement of optimization in the activities of relations economical subjects.

The essence of the principles of indicated regulation consists in harmonization of private capital and state interests in the way of agreed objects and their processing, also in the mechanisms of their achievement.

Today there are following real preconditions for realization of principles of indicated regulation of investments. *First*, in the face of large-scale joint-stock companies, finance-industrial groups and other structures they form national corporation capital. *Second*, large capital today is interested in active collaboration with the state. *Third*, attracting and using of temporarily free cash sources are one of the potential sources of investments.

According to the mentioned above, we can come to two conclusions. First, searching

of new state instruments of regulation is necessary in the investment domain; they must form advantage climate for capital investments, which will be adequate to the objects of stimulating savings and cardinal changing of total economical situation.

Second, real alternatives for coming out of investment crisis situation are not oriented towards resources of savings, which are made by the market subjects. Today it is necessary to direct even small savings to the investment domain by protecting marketing principles for solving the most important problems in the sector of private industry.

Realization of basic principles of adequate regulating of the investments leans upon following instruments: 1) leading role is obliges to the conclusion of investment agreement, which foresees mutual obligations of the state and basic investors of the capital; 2) price policy at the investment market is agreed from the side of industrial subjects.

Realization of conditions of mutual interest of the sides in the fulfillment of the strategies o investment development and creation of advantage conditions to the investors.

They discuss some models of investment processes in the theory and practice o economical development of the country. Each one is characterized by special goals and objects. At the different stages of economical development of the country and under foreign economical conditions these models are quite flexible, they may pass the way of development from one stage to another and on the contrary. Complete is that model of investment processes, which guarantees prediction of country development, supports effective growth of the economy and gives the opportunity for solving concrete social economical and political problems of the state in definite terms. They discuss models of following kinds: 1) investment process under state protection under conditions of complete liberalization of the economy; 2) a model of investment process under conditions of complete liberalization; 3) a model of mobilization of investment process; 4) planned-distributing model of investment process; 5) a model of investment process for combined economy.

State regulation of economy means strategic prediction and planning of development of fields and enterprises in the way taxation advantages; it also means realization of investment processes of in the real economical sector.

The state is to support development of the forms of property, according to the state interests and objects and it represents various tax and other advantages, i.e. to use additional financial priorities, to distribute total state financial resources in the benefit of prior fields and enterprises.

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Государственное и правовое регулирование инвестиционного процесса

Комплексная государственная инвестиционная политика, направленная на создание преимуществ в инвестиционной среде страны, ее регионов и сферах промышленного производства, позволяет существенно увеличить приток инвестиционных ресурсов в экономику. Целевой направленностью данной статьи является исследование вопросов в сфере обоснования необходимости оптимизации государственного и правового регулирования инвестиционного процесса.

Исследуется сущность государственного и правового регулирования, обосновываются задачи, при решении которых в процессе инвестиционного регулирования необходима государственная поддержка, описывается процесс выбора критериев осуществления реальных и финансовых инвестиций, проведен анализ факторов возникновения инвестиционного риска в процессе выполнения инвестиционных проектов, сделан обзор основных инвестиционных рисков с учетом специфики инвестиционного климата Грузии. Обосновано, что государственное регулирование инвестиционных процессов - это совокупность тех форм и методов, которые обеспечивают, во-первых, единство частных и государственных интересов, во-вторых, формирование рациональных пропорций между процессами использования, накопления и инвестиций, в-третьих, корреляцию между прогнозированием на инвестиционном рынке, инструментами государственного регулирования и влияния.

Доказана важность поиска новых государственных инструментов регулирования в инвестиционной сфере, которые должны обеспечивать формирование благоприятного климата для капитальных вложений, адекватного процессам стимулирования сбережений и кардинальным изменениям в общей экономической ситуации. Обоснована необходимость направления даже небольших сбережений в инвестиционную среду на основе защиты рыночных принципов для решений наиболее важных проблем в секторе частной промышленности.

інвестиції, інвестиційне законодавство, регулювання інвестицій, іноземні інвестиції, інвестиційний бізнес, фінансові інвестиції, інвестиційна політика, інвестиційний ринок, фінансові активи, ресурси, портфельні інвестиції, інвестиційне планування

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