

Development of Small Business and Private Entrepreneurship

Abduraxmanova Zulayho Olimjanovna

Scientific applicant Namangan State University

Soliev Ibodulloxon Ismatullaevich

Supervisor, Associate Professor Namangan State University

Annotation: This article discusses the role, importance and necessity of small business and private entrepreneurship in economic development due to the relevance of small business and private entrepreneurship today. In addition, he comments on the practical aspects of small business and private entrepreneurship in Uzbekistan, the legal framework, the problems in the country and measures to address them, as well as the practical aspects of small business and private entrepreneurship. In the example of a small business entity, its financial condition is disclosed and appropriate proposals are made.

Keywords: Entrepreneurship, socio-economic development, small business and private entrepreneurship, business entity, innovation, investment projects, credit.

Introduction

Entrepreneurship! This phenomenon and concept is very simple at first glance, it seems obvious to everyone. Indeed, it is a very complex, multifaceted and, moreover, fundamental socio-economic phenomenon. Schumpeter, who is an ideologue of entrepreneurship, noted that entrepreneurship is a phenomenon inherent in all types of socio-economic systems, and is not only an integral part of them, but also a driving force of the economy. Entrepreneurship demonstrates and is becoming a leading force in the socio-economic development of Uzbekistan and in mitigating the negative effects of the global financial and economic crisis. Small business and private entrepreneurship accounted for 48.2% of the country's GDP in 2008, 76% of the employed population and 70% of the population's income. In 2010, it is planned to increase its share in GDP to 50-52%. But not all aspects and functional properties of entrepreneurship have been sufficiently studied and as a result its potential has not been fully mobilized. So, the science of the basics of entrepreneurship faces enormous challenges. Summarizing such a task can be expressed as follows:

1. In the field of theory: a broader and deeper study of the phenomenon of entrepreneurship, the identification of its fundamental functional properties and the formation of an integrated theoretical model;
2. In the field of methodology: enrichment and serious improvement of the methodology of theoretical and practical research, which is currently formed and used, with new and existing effective methods and approaches;
3. In the field of practice: in-depth analysis of business practice and recommendation of effective solutions to problems using the perfect methodology, enriched with new theoretical and methodological approaches;
4. In the field of education: equipping students, pupils, entrepreneurs, professionals with knowledge, skills, worldview that will ensure the organization and implementation of entrepreneurial activity at a high cultural level;
5. In the field of advocacy: the importance and role of entrepreneurship for humanity and society, achievements and prospects in society, scientific and practical dissemination of best practices.

Therefore, the task of this work is to: form a system of knowledge about the essence, significance and role, signs and principles of entrepreneurship, social, legal, organizational, material, financial, human, management, marketing, analytical bases; To form an idea of the policy, practice, problems and prospects of business development and support in Uzbekistan; formation of skills of organization and implementation of entrepreneurial activity.

Entrepreneurship plays a major role in solving existing problems in the social and economic spheres in society and in the socio-economic development of society. It will play an important role in creating new jobs in manufacturing, employment, services, employment and reducing unemployment. In both developed countries and Uzbekistan, more than half of the new jobs created each year are in small and private businesses. This means that entrepreneurship will make a significant contribution to the growth of employment, labor and economic activity of the population and, as a result, to an increase in its income. Two consequences of this process must be taken into account: on the one hand, the

growth and expansion of the material and spiritual needs of the population, and on the other hand, the creation of opportunities to meet them more fully. This will ultimately improve the lives of the population, raise living standards, increase welfare. With the development of entrepreneurship, its role in this area will increase.

As a certain part of the entrepreneurs stand on their feet and develop further, they become owners. This leads to the formation of a new generation of entrepreneurs, property owners, who think and act in a new way in society. Such individuals are the social backbone of the state and the source of economic development.

Entrepreneurs are also involved in training and retraining. At the same time, entrepreneurs themselves are in constant research, interacting with local and foreign colleagues, partners, representatives of various fields, gaining experience and improving their professional, cultural and spiritual levels. Entrepreneurship creates and encourages good opportunities for the realization of human potential. Thus, entrepreneurship helps people to understand themselves, expand their worldview. changes and consequently leads to an increase in the socio-cultural level of society.

Entrepreneurs are developing rural infrastructure by setting up manufacturing, trade, catering and other service enterprises in villages and mahallas. Villages are changing the face of neighborhoods. In addition, entrepreneurship is gaining ground in the social sphere: in private and other organizational and legal forms, kindergartens, orphanages, production and provision of equipment for the disabled, health and wellness, education and directly involved in the establishment and development of other social institutions, the construction and repair of housing, the provision of drinking water and gas to the population. contributes greatly to the solution of social problems. Entrepreneurs also take an active part in charitable activities and play an important role in helping social institutions, people with disabilities, low-income families and people in need of social protection.

Entrepreneurs create products (goods, works, services) and fill the domestic market. As a result, the supply in the market will improve in terms of quantity, quality, assortment, and the opportunities for customers to choose and meet demand will expand. In this regard, the business serves to coordinate, coordinate supply and demand, stabilize prices, establish and maintain market balance, expand and fully meet existing needs. At the same time, entrepreneurship plays an important role in the formation and development of competition in a market economy and increase product quality and competitiveness, reduce production costs and product costs, increase operational efficiency.

The role of business entities in reducing imports and expanding exports in the country is growing. They include, on the one hand, the production of import-substituting goods, the reduction of foreign exchange inflows and strengthening the economic and financial independence of the country, and, on the other hand, the production of export-oriented products, their sale in foreign markets, increasing the country's export potential. also play a significant role in raising.

Private business entities, farms also participate in the implementation of the state order. It is known that farms in Uzbekistan are the leaders in the production of cotton and grain for the state. In addition, small and medium-sized enterprises also fulfill some orders of large enterprises and fill them. Due to the fact that large enterprises are adapted to mass production, the production of some parts of the main product, spare parts and other accessories in small batches is an excessive concern for them. For large enterprises, it is better to buy such things from other companies than to produce them themselves. Therefore, they outsource the production and supply of certain items needed for their production, mainly to small and medium enterprises. Home-based work, which is developed and supported in Uzbekistan, also plays an important role in this regard. Therefore, small and medium enterprises play an important role in interconnecting large enterprises and sectors of the economy in general, raising the whole economy to the level of an integrated system. Taking into account this task of small, medium and private businesses, they have been given a wide role in the implementation of localization programs in the country.

The innovative task of entrepreneurship was formed in the middle of the twentieth century, and today its role is growing. This task of entrepreneurship begins with the entry of countries into the era of innovative (information-industrial) development and is reflected in the growing scientific and technological achievements and the role of information in production. The formation and expansion of the innovation base is associated with organizational and economic innovation and the development of entrepreneurship in this area.

Method

In Uzbekistan today, the introduction of the smallest direct production and services - the involvement of small businesses in foreign economic relations, ie the independent access of producers to foreign markets for export, the introduction of the latest forms and methods of world practice Accelerating growth, creating economic interest and increasing the efficiency of foreign economic relations is one of the main goals of radical changes in the foreign economic sphere.

There are a number of challenges for small businesses in entering foreign markets. In particular, the complexity of the process of registration of export contracts with the Agency for Foreign Economic Relations and their registration with the customs authorities. There is also no effective system in place for small businesses to plan production and assist in selling goods and services abroad. If we look at the experience of developed countries, all the great entrepreneurs are engaged in the production of goods

The main directions in accelerating the development of small business and increasing its efficiency are:

- Establish a strict regime for foreign investment in the management of taxes, currency and foreign trade, create the necessary conditions for privatization with foreign capital, establish a system of information on investment projects;
- in the field of financial and credit transactions - creating the necessary conditions for the establishment of credit institutions (for example, credit savings institutions) for small businesses and expanding access to credit;
- Improving the mandatory sales of foreign exchange earnings for entrepreneurs engaged in the export of deep processed products, the development of interbank settlements, the depreciation of fixed assets for small businesses;
- Ensuring centralized sources of resources, access to information databases, guarantees of social protection of entrepreneurs and buyers;
- activating support from local governments, including the development of tax incentives at the local level;
- establishment of a national information system to study the needs and requirements of small businesses;
- state insurance for private investors investing in small ventures;
- development of leasing services.

In the development and improvement of small business in the country, it is necessary to study foreign experience in all its aspects, to observe and draw conclusions, to make the right decisions and to coordinate the process of organizing their own business by private entrepreneurs.

Government support for small business should include the following components: direct budget assistance (for example, in the United States, the amount is about \$ 300,000 per year). The amount of money should be set to cover the uninsured losses of a small business. The subsidy covers risky innovation projects and enhances the production of a variety of products that do not require large businesses. The state acts as a guarantor in obtaining bank loans. Therefore, it is much easier to get a loan for a small business; small businesses should have tax breaks (for example, in the United States, taxes make up 44% of total profits: 36% national, 8% state tax). If a firm increases its investment in social media or production development, its taxable share can be reduced.

For example, in the UK and Italy, young entrepreneurs can get free advice on how to start and run a business with a high discount, as well as how to enter the market and how to find business partners. He can also rent a building at a satisfactory price and get the equipment he needs to start his own business and try it out in practice.

In Germany, there is a state program to support small business. According to him, entrepreneurs will be provided with interest-free loans for the first two years of operation. In subsequent years, annual interest rates are charged at very low rates. In this way, entrepreneurs are provided with free start-up capital.

It will take some time to summarize the experience gained in the formation and development of small business and to draw certain conclusions and suggestions. But now the problems of small business development are clear. A number of regulations were adopted in 2005 to address these issues. Following the instructions in these decisions will allow small businesses to operate more efficiently.

Conclusion

In order to improve and develop small business in the country, it is necessary to thoroughly study foreign markets, monitor and draw conclusions, make the right decisions and organize export activities by private entrepreneurs. In the organization of small businesses, it is important to attract foreign loans on the basis of modernization of production, to cover the costs of foreign exchange to expand export opportunities, as well as on the basis of foreign direct investment.

World practice confirms that in developed market economies, small business has a special role and high efficiency in solving socio-economic problems, creating new jobs, adapting quickly to market changes and forming a class of owners. The Italian experience clearly shows that in order to build a highly developed economy, there is no need to build production on the basis of large enterprises. In Germany, the state program to support small business provides

entrepreneurs with interest-free loans for the first two years of operation. In subsequent years, annual interest rates are charged at very low rates. In this way, entrepreneurs are provided with free start-up capital.

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