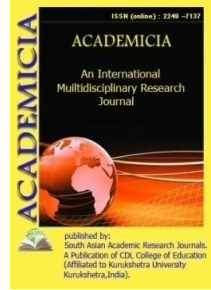


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**PROSPECTS FOR SMALL BUSINESS AND ENTREPRENEURSHIP
DEVELOPMENT IN UZBEKISTAN**

Sanjar Sabirjonovich Sabirjonov*; **Jamshid Nizam oglu Kubayev****

*Senior Lecturer,
Tashkent Financial Institute,
UZBEKISTAN

**Student,
Tashkent Financial Institute,
UZBEKISTAN

ABSTRACT

This article discusses the prospects for the development of small business and private entrepreneurship in Uzbekistan, based on the achievements of advanced science and innovative technologies, the development of small business and private entrepreneurship. Private entrepreneurship can be active only in certain areas, so it is necessary to create the necessary conditions for the development of small business. For this, in our opinion, it is necessary to create financial funds. This shows that there are great opportunities for the development of entrepreneurship in rural areas. At the same time, it is necessary to redistribute the surplus labor force engaged in agricultural production to service, processing and so on.

KEYWORDS: *Private Entrepreneurship, Small Business, Prospects, Development, Market Economy.*

INTRODUCTION

One of the essential goals of building a socially oriented market economy in Uzbekistan is the priority development of small business and private entrepreneurship in the country. To achieve this goal, economic reforms have been carried out, and large institutional frameworks have been created to enhance its role. These include legal and regulatory documents governing the organization of entrepreneurial activity, non-governmental organizations and enterprises that assist entrepreneurs. The establishment of a complex of private entrepreneurship and small business in Uzbekistan is successfully underway.

The main results and findings

The main factor in the sustainable development of our economy is innovation. With the help of innovative technologies, it is possible to deep restructure small businesses and private entrepreneurship and further increase productivity. It is known that today small business and private entrepreneurship play a leading role not only in accelerating the growth of the national economy, but also in addressing the issues of employment and improving living standards, which are relevant today.

The compactness and mobility of small business, its ability to adapt to changes in market conditions and consumer needs will help it to overcome the negative effects of the global financial crisis and create new jobs and increase incomes in the context of sustainable post-crisis economic development.

Indeed, by ensuring the consistent development of small business and private entrepreneurship, our country is achieving the formation and strengthening of the middle class, which is the socio-political support and foundation of our society. Therefore, we must now not only increase the number of small businesses, but also develop them, first of all, qualitatively, in this regard, we must pay special attention to the transition from simple production to complex, high-tech production focused on domestic and foreign markets.

In our opinion, the development of small business and private entrepreneurship in Uzbekistan based on advanced scientific achievements and innovative technologies and increase its efficiency is an important necessity due to the following factors:

- ❖ first, the fact that small businesses have the ability to adapt to changes in market conditions and consumer needs has a positive effect on the introduction of innovative technologies in terms of low risk compared to large enterprises;
- ❖ secondly, the introduction of innovative technologies in the activities of small businesses will reduce their high transaction costs and increase profitability;
- ❖ third, the potential of small businesses to absorb innovations quickly allows them to earn high returns from the commercialization of innovations;
- ❖ fourth, the introduction of innovative management technologies in the activities of small businesses will increase their export potential and competitiveness by reducing the cost of their products, increasing the range of goods and services, expanding sales of new types of goods and developing promising markets for products.

Small businesses can create jobs independently of the state, that is, without large capital investments, reduce the shortage of temporary goods, and even eliminate this shortage completely. In today's society, it is necessary to direct the activities of small businesses to meet the needs of individuals. This is evident in the field of consumer services and consumer goods. Small businesses also play an important role in introducing technological innovations.

The number of small businesses and private entrepreneurs in our country and the volume of their products is growing every year. Laws of the Republic of Uzbekistan "On Enterprises", "On Property", "On Guarantees of Free Entrepreneurship", Presidential Decrees, Resolutions of the Cabinet of Ministers and others it is organized on the basis of supporting documents.

In the context of scientific and technological development, small business and private entrepreneurship are increasingly finding their place in the transition of leading industries to new technologies. They demonstrate the basic connective quality of the whole system, which provides the work process with new ideas and improvements in production, the introduction of new information technologies.

Today, small business and private entrepreneurship operate in all sectors of the economy, in the production of machinery, consumer goods, agriculture and food, and other areas.

The products produced by small businesses and private enterprises differ from the products produced by state-owned enterprises in terms of quality and, in some cases, even higher. 60-70% of the activities of small business and private entrepreneurship in the country are directly related to production, they are farmers, industrialists and processors of agricultural products, etc.

Compared to large companies, small enterprises adapt quickly to market conditions and have a number of advantages in ensuring the success of their products in the market. This is due to the fact that small businesses are quickly adapting their activities to narrow production programs, advanced technology, the production of low-demand science-intensive products, and quickly master the basics of the market.

According to the forms of ownership, the following types of small enterprises can be distinguished:

- State-owned small businesses
- Small businesses based on community ownership
- Small businesses that operate on an individual basis based on the property of citizens
- Rental businesses
- Small joint ventures.

There has been a steady increase in the number of small businesses in the country in all sectors of the economy, including transport, communications, healthcare and other non-manufacturing sectors.

Small business and private entrepreneurship are also gradually developing in the field of foreign economic activity. The main exports of small businesses are agricultural, textile, processing, electrical products and handicrafts.

The above analysis shows that in recent years in the Republic of Uzbekistan, enterprises engaged in private entrepreneurship, small business are being established in all sectors of the economy. At the same time, the role and importance of small businesses in the economy is growing. The role of private entrepreneurship and small business in the development of the national economy is characterized by:

- ✚ private entrepreneurship provides the necessary speed in a market economy, creates deep specialization and branched cooperation in production, without which high efficiency is impossible;
- ✚ creates the necessary competitive environment for the market and is characterized by the ability to quickly change the type of production in response to changing market demands;

✚ it is able to quickly fill the gaps in the consumer sector and quickly recoup the investment made using the latest machinery and technology.

Small business and private entrepreneurship and everything connected with it are an important and integral part of the organizational structure of modern social production. Therefore, small business and private entrepreneurship play an important role in the development of the state economy and are supported by the state.

Private entrepreneurship and small business are finding their place in the context of accelerating the development of science and technology, the transition to new technologies in advanced industries. Such entrepreneurship is an integral part of the whole system, which provides work with new information technologies, new ideas and modernization of production. In addition, small businesses are one of the preferred forms of production in high-risk conditions.

Small businesses also play an important role in introducing technological innovations. Small businesses, which adopt new technological ideas faster than large enterprises, have less risk and can get things done faster than large-scale production. This can contribute to the development of scientific and technological progress in our conditions.

While acknowledging the positive role of small business and private entrepreneurship in the development of the economy, it is also wrong to overestimate its importance. Private entrepreneurship can be active only in certain areas, so it is necessary to create the necessary conditions for the development of small business. For this, in our opinion, it is necessary to create financial funds. These funds should guarantee entrepreneurs to obtain soft loans in commercial banks, serve as a source of subsidies, including non-repayable subsidies (for the development of enterprises in certain priority sectors of the economy).

Improving the system of financial support for small businesses in Uzbekistan should be aimed at stimulating the activities of banks, funds, investments and insurance companies that provide services to small businesses and private entrepreneurship. In the Republic of Uzbekistan, as in other countries, the company can receive soft loans if it participates in the priority state program (creation of new equipment, development of remote areas, etc.). At the same time, the minimum interest rate and long-term repayment are the main conditions for lending.

CONCLUSION

Deepening economic reforms, development of small business and private entrepreneurship is one of the main directions of economic reforms in the country. This requires the development of economic competition, filling the consumer market with goods and services, as well as the creation of a wide range of private entrepreneurs. With this in mind, today the Republic needs to address the following issues:

- introduction of a wide range of the population to market activity, elimination of their dependence, consumer psychology, arousal of the population's desire to be actively engaged in private entrepreneurship, small business;
- radical renewal of economic relations in agriculture, further development and increase in the number of farmers and farms, the creation of small businesses in the regions to provide additional jobs for the temporarily unemployed;

- acceleration of market relations and infrastructure in the region, creation of conditions for the development of economic competition;
- creation of economic and social conditions that will fully meet the growing needs of the population of the republic;
- sharply increase the range and scope of services provided, ensure a high level of organization of banking, auditing, consulting and various intermediary activities on the basis of modern science and technology;
- creation of conditions for increasing the efficiency of management of enterprises, ensuring their economic independence;
- introduction of small enterprises that can produce goods for export, filling the consumer market with goods that can easily adapt the types and volume of products produced locally to market requirements.

It is known that more than 65% of the able-bodied populations in the country live in rural areas. This shows that there are great opportunities for the development of entrepreneurship in rural areas. At the same time, it is necessary to redistribute the surplus labor force engaged in agricultural production to service, processing and so on. Addressing organizational and economic issues at various levels of government related to the development of entrepreneurship and its small businesses in rural areas is one of the priorities.

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