



 Research Article

## DEVELOPMENT OF PRIVATE BUSINESS ENTITIES

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### ABSTRACT

Economics likes concrete numbers, calculations, real changes in people's lifestyles and results. An economy that serves only the interests of the state will stop developing. This is the reason why attention is being paid to expanding the scope of quantitative and qualitative changes in our economy and increasing its direct impact on the life of the population before the fundamental reforms and renewals implemented in New Uzbekistan in recent years.

We are witnessing that the weight and results are increasing rapidly. An increase in the population's income and significant changes in living conditions are visible. Statistics show that the total income of the people of our country has increased by more than 2.6 times in recent years.

### KEYWORDS

New uzbekistan, productivity, global innovation, small business and private entrepreneurship, entrepreneurship

### INTRODUCTION

In this direction, our position on the world stage is increasing year by year. In particular, at the next meeting of the Republican Council on Working with International Ratings and Indices,

held on May 26, 2021, Uzbekistan improved its position by 29 places compared to 2015, and reached 131 in the Global Innovation Index. It was noted that it ranked 93rd among the countries,

and 4th among the countries of Central and South Asia. One of the main factors of such success is related to the effective economic policy conducted in our country and the correct formulation of the directions of measures taken from its structure. In the new era of Uzbekistan's development, especially the development of small business and private entrepreneurship has become one of the important and effective directions of economic policy.

To further expand the export potential of small businesses, private entrepreneurship entities and farms, to provide them with the necessary legal, financial and organizational support in increasing the production of modern, competitive products in foreign markets and exporting them, to promote the exporting entrepreneurs of our country to the foreign market reliable protection against the risks of changes in the business environment [1].

Small businesses and private entrepreneurship have a strong place in the experience of world countries with their high results and successes, and in most countries, their share in the gross domestic product is 60-70 percent. The development of small business is aimed at creating favorable conditions for the vitality and effective competitive environment in the economy, stimulating demand by expanding the consumer sector, filling the consumer market with goods and services, protecting the environment, and expanding budget revenues. Accordingly, many developed countries strive to provide comprehensive support to small business activities.

If we look at the past years of Uzbekistan's independence, we can see that the direction of small and medium-sized business in our country has developed slowly compared to neighboring countries, the indicators have been imperceptible, and large-scale businesses are owned by certain people. In Lida, we see that the main layer of the population worked under them. For ordinary people, entrepreneurship seemed like an impossible task. High customs fees, land acquisition, several obstacles in opening a business, and never-ending work if you don't put money in someone's pocket, even after starting a business, it was not easy to cope with the tax collectors who knocked on the door every day. That's why people prefer to do business like "I'm hungry, listen to me" rather than doing business.

It is not for nothing that we proudly say the phrase New Uzbekistan today. That's why the great reforms that started 4-5 years ago under these two sentences give people the opportunity to use their opportunities widely, to step fearlessly to create innovations in any field, and most importantly, to try themselves as an independent entrepreneur. In this regard, the words of President Shavkat Mirziyoyev in his Address to the Oliy Majlis of 2019, "Indeed, we can achieve development and a prosperous life only through active entrepreneurship, tireless work and aspiration", gave more confidence and strength to our people.

At this point, it is natural to ask the question - what exactly is the importance of small business and private entrepreneurship for the economy of Uzbekistan?

First of all, an increase in the share of small businesses in the leading sectors and sectors of the economy is a solid foundation for ensuring economic growth and social stability.

It is known that entrepreneurship is an economic activity that is carried out with responsibility and accountability, taking into account various risks that may occur in the future based on initiative and activity. It creates tremendous creative power in the combination of freedom, creativity and a competitive environment. Small businesses, which are relatively compact in terms of scope of activity, can quickly adapt to changes in the economy, understand and take into account the tastes and interests of the consumer, make full use of internal opportunities, and strengthen the competitive environment. It is distinguished by such features as giving vitality to the economy.

English professor A. Hoskin says that "a person who conducts work at his own expense, is personally involved in business management, has a personal responsibility for providing the necessary tools, and makes independent decisions" [2, 23], - explains.

As a result of the measures implemented in our country to support this direction and create all the necessary conditions, the share of small business entities in the gross domestic product is increasing. If we dwell on specific figures, the indicator in this regard was only 1.5 percent in 1991, and 31 percent in 2000. In 2016, the share of this sector in the gross domestic product reached 64.9%. These numbers are increasing year by year and are not going down at all. In

particular, the number of business entities that started their activities increased from 210.6 thousand units in 2016 to 411.2 thousand units in 2020. The share of small business entities in general enterprises and organizations increased to 86.5% in 2020.

Today, as a result of attracting a large amount of foreign investment and credit funds to the large industrial facilities of our country, the volume of production in them has started to increase sharply. If large enterprises and associations are figuratively considered to be the bone (skeleton) part of the economic organism, then the small business is the muscle tissue that gives this part strength and flexibility and ensures its smooth movement. This process is provided by the establishment of new enterprises. That is, small business enterprises organize new production in response to rapidly growing demand in the economy.

Regional branches of the Ministry of Economy of the Republic of Uzbekistan, the Ministry of Finance, the Ministry of Foreign Economic Relations, Investments and Trade, the National Bank of Foreign Economic Activities, the Chamber of Commerce and Industry of Uzbekistan and the Farmers' Council in the regions of the republic under the National Bank of Foreign Economic Activities, as well as representative offices in foreign countries to accept the proposal to establish a fund to support the export of small business and private entrepreneurship subjects[2].



The following are the main tasks and directions of the activities of the fund for supporting the export of small businesses and private enterprises:

to conduct in-depth marketing research of foreign markets to study the current and prospective conjuncture of demand and demand, and to identify potential opportunities for exporting products produced by small businesses, private entrepreneurs and farms of our country;

to systematically analyze the assortment and types of products produced by small businesses, private business entities and farms, to determine their level of competitiveness in foreign markets, to form a relevant database, based on this, to determine whether the products produced for export meet the needs of global and regional markets development of proposals aimed at ensuring the arrival;

in releasing the products of small businesses, private entrepreneurs and farms to foreign markets, searching for potential buyers, preparing and concluding contracts, carrying out export operations, reliable protecting of exporters from potential risks, as well as under the laws of foreign countries providing legal, financial and organizational services in obtaining and paying required licenses, certificates and other permits and fees;

to support the expansion of the participation of small businesses, private entrepreneurs and farms in foreign tenders, as well as the organization of dialogues between foreign buyers with the producers of goods of our country by organizing fairs, "round tables", etc.[3].

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