

PROSPECTS FOR THE DEVELOPMENT OF SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP

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ANNOTATION:

This article describes the prospects for the development of small business and private entrepreneurship.

Keywords: Small business, innovation, entrepreneurship, risk, living standards, real income.

Introduction:

Given that the structural changes taking place in the economies of countries today are in many ways inextricably linked with the development of small and medium-sized businesses, the establishment and development of this industry is influenced by any changes in entrepreneurship. The experience of developed countries has shown that a consistently high standard of living can be achieved, first of all, through the rapid development of small business and private entrepreneurship. Therefore, the development of small and medium-sized businesses, further enhancing their place and role in the economy is very important for the people of Uzbekistan.

Therefore, in the Republic of Uzbekistan, where market relations are developing, special attention is paid to the development of small and medium-sized businesses, based on the laws and principles that reflect the development of private property. In the early years of independence, entrepreneurship developed mainly in the service sector. It should be noted

that the number of trade and catering enterprises and the number of employees is growing rapidly.

On the basis of structural changes, first of all, great attention was paid to the development of industry and agriculture, as well as the processing of agricultural products. In recent years, in a number of developing countries on the basis of a modern market economy, there is a process of implementation of many of the previous tasks performed by giant enterprises by mobile, ie compact, small enterprises. It is for these reasons that the number of large industrial enterprises is declining and the number of small enterprises is growing rapidly. This process is the basis for the dynamic, dynamic, innovative growth of the market economy, the establishment and development of small and medium-sized businesses that are rapidly adapting to market demand and its changes.

MAIN PART:

At present, great attention is paid to the development of small and medium business in our country. This is important in the transition to a market economy. At the same time, first of all, it is necessary to understand the essence of the content of this field.

There are so many definitions of business in the foreign literature that the whole history of the development of humanity, society,

in one way or another, has always been associated with business.

Businessman (entrepreneur) - The word first appeared in the British economy and meant "property owner". In particular, Adam Smith describes an entrepreneur as the owner of a property and states that he is a person who takes economic risks in order to implement a commercial idea in order to make a profit. The entrepreneur plans his business, organizes production, sells the product and manages the income.

Foreign economists give a systematic definition of business. Professors at the University of Texas and the University of Illinois at Urbana-Champaign described Business as shown in Figure 1.

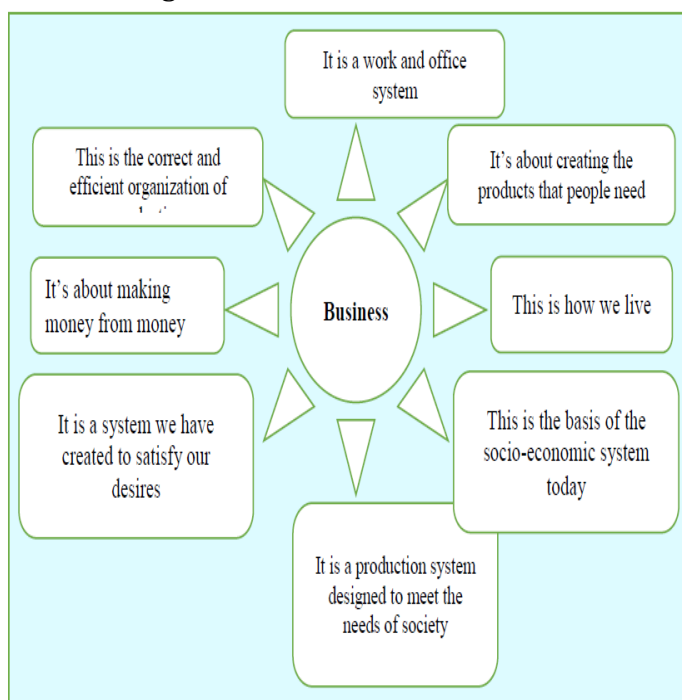


Figure 1. Conclusions on the concept of business

In general, business is making money from money, moving from money to money through an activity to produce a product or service that people need. While the formula for a business here is simple, it is based on a complex life process. Business is first of all the organization of production, the relations of

economic activity, life itself, and then making money. Business is a foreign word that is spread all over the world and is widely used in all countries. In Uzbek, the word business means entrepreneurship. The Uzbek word corresponds to a foreign word, but also gives it an additional meaning. Behind these words lies "work", that is, to engage in any business or to establish an enterprise.

So, business is not about making money from nothing, but about organizing complex production or service. An entrepreneur is always selfless and knowledgeable. Entrepreneurship, on the other hand, requires not only the acquisition of basic knowledge, but also a great deal of knowledge, which must be constantly in search throughout one's career.

Entrepreneur is the owner of capital, the owner of private business, who manages it, sometimes often in the first stage of private capital (business) activity, combines the function of owner with personal production labor activity. It should be noted that a number of foreign scholars have defined the concept of "entrepreneur".

According to the Law of the Republic of Uzbekistan "On guarantees of freedom of entrepreneurial activity", entrepreneurial activity is defined as entrepreneurial activity carried out by business entities in accordance with the legislation, aimed at risk-taking and profit under their own liability.

Entities of entrepreneurial activity are legal entities and individuals registered in accordance with the established procedure in the republic. The main part of business entities in Uzbekistan are small businesses. The quality of small business entities can include small businesses, micro-firms, family businesses and individual entrepreneurs.

It turns out that the entrepreneur must, first of all, be able to assess in advance as much as possible how to carry out business activities, under what conditions to take practical action,

ways to solve obstacles faced by the entrepreneur and what achievements to achieve. Entrepreneur is required to organize production and sales, to assess the realities of market relations and to understand the choice of the right path. Because no one ever teaches an entrepreneur what to do, does not come to him in difficult times, and this, in turn, leads each entrepreneur to work only on their own strength, knowledge, confidence.

In our country, based on the experience of developed foreign countries, great attention is paid to the development of small and private entrepreneurship. This can be seen in the law "On the promotion of small and private entrepreneurship" adopted by the Oliy Majlis of the Republic of Uzbekistan. This law plays an important role in creating more and more opportunities for free competition and the organization of market relations in various forms of ownership at the level of world standards. Article 2 of this law clearly defines the scope of small and private business entities.

Improving the living standards of the population, increasing real incomes and providing employment through the development of small business and private entrepreneurship is one of the priorities today. Therefore, favorable conditions for the development of entrepreneurship are being created in our country, and this work is showing its positive results. In this regard, the First President of the Republic of Uzbekistan I.Karimov noted that the measures to improve the business environment in our country are yielding their first results, "... comprehensive support for measures to improve the business environment and create more favorable conditions for small and private entrepreneurship." Of course, we all understand the need for this, "he said, noting the high level of the sector's position in the Uzbek economy. After all, these achievements are the result of serious attention paid to the development of

small and medium-sized businesses in our country.

In addition, in order to ensure the accessibility and competitiveness of products produced by small and medium-sized businesses, the First President said, "The Fund provides entrepreneurs with the opportunity to study foreign markets and find foreign partners, participate in international tenders, as well as We are actively assisting in obtaining certificates, permits and customs clearance." It is obvious that special attention should be paid to small and medium enterprises in the regions of the country, as noted above, realizing that this process requires initiative to create new innovations, and on this basis to achieve economic development.

In this regard, the objective necessity and certain subjective reasons that have arisen in Uzbekistan necessitate the emergence and development of small businesses. These conditions and causes can be divided into general and special groups.

In addition to a number of opportunities, small businesses in Uzbekistan face a number of challenges:

- The small size and disproportion of small and medium-sized enterprises engaged in production in the regions of the country;
- Many small and medium-sized businesses are engaged in trade and services;
- Saturation of domestic markets at the expense of imported products rather than national goods;
- Lack of information system for preliminary analysis of market demand in small and medium-sized businesses established and operating;
- Low service of consulting centers in the regional management system for small and medium businesses, etc.

If we look at small businesses by type of activity, the largest share of enterprises currently operating in the country falls on small

businesses engaged in trade and catering and services. It should be noted that the majority of small and medium-sized enterprises engaged in production, firstly, can not timely supply the necessary raw materials for production, and secondly, there are a number of problems in the tax system and the proper organization of bank loans. In this regard, it is also necessary to take into account that the process of organizing production takes a long time compared to trade and services.

Overcoming the above-mentioned problems and further development of small and medium-sized businesses requires a number of measures. Including:

- Encourage domestic and foreign investment in small and medium enterprises;
- Expanding the competitive environment between small and medium enterprises producing goods;
- Extension of credit terms for production and reduction of interest rates;
- Development of exports between enterprises, further improvement of the system of taxation of small and medium-sized businesses, in particular, a sufficient definition of the legal framework.

The above-mentioned views will contribute to the solution of these problems and make a significant contribution to the development of small and medium-sized businesses in ensuring the integration of our economy into the world community.

Another advantage of small and medium enterprises is their rapid adaptability to demand. Confirming this, we can say that production is carried out at these enterprises. After all, this is one of the main conditions of the business. In this regard, it can be said that strengthening the specialization of small and medium-sized enterprises in production, rapid adaptation to market conditions, forecasting demand and production without gypsum.

According to the United Nations, in the global economic system, small and medium-sized businesses employ 50 percent of the world's working-age population. At present, the volume of production in this sector is 33-68% of total production. In addition, between 2014 and 2015, about 3.6 million new jobs were created in the United States through small businesses. At the same time, the net growth of jobs in the country will be 65%. Today, small businesses account for 56 percent of U.S. gross domestic product and two-thirds of the total workforce. More than half of innovations are also created from them. This indicates that in developed market economies, small and medium-sized businesses have become a key factor in economic growth and employment.

In the process of further liberalization and deepening of economic reforms in our country, the development of small and medium-sized businesses is of great importance. The reason for this is:

- Is the basis of the state economy, along with small and medium business;
- The well-being of the country largely depends on the results of small and medium-sized businesses, timely and prompt attention to demand, the ability to produce the necessary and quality products;
- In the conditions of transition, small and medium business is a locomotive that creates favorable conditions for the development of a market economy.

Analyzes show that an initial investment is very important for a newly established small business or micro-firm to get things done smoothly. The fact that most private enterprises in the country are not functioning properly, and in some cases they are closing down, is also due to the lack of start-up capital.

CONCLUSIONS:

The main task of today is to develop and reform the ongoing economic reforms in the

country, which will make it easier for our country to solve economic, social and political problems. At the same time, the priority areas are to attract foreign investment to the country, expand and strengthen economic ties, give freedom to entrepreneurship and create the necessary conditions.

While the role of state local governments in the social protection of the population is important, they should not be neglected in the development of small businesses. Local governments should take the lead in solving the problem of providing entrepreneurs with production or service facilities, warehouses, as well as retail space. This is due to the fact that local governments are more interested in the rapid development of small business in their area, as well as have more operational and comprehensive information about the economic potential of enterprises and organizations located in their area, the level of employment.

Effective operation of small and medium-sized businesses in a given area As a result of social assistance to kindergartens and schools in the area and other charities, the living standards of the population in the area will increase and social conflicts will be prevented. The organization of various training courses, including baking, sewing, weaving, hairdressing, which contributes to the development of the service sector of private entrepreneurship. As a result of such courses operating in different regions of Uzbekistan, additional jobs are being created. Hence, the development of small and medium-sized businesses will ensure the sustainability of economic reforms.

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