# THE ROLE OF STRUCTURAL CHANGES IN SMALL BUSINESS IN THE DEVELOPMENT OF THE ECONOMY OF THE REPUBLIC OF UZBEKISTAN

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### **Abstract**

The article examines the effectiveness of small business and private entrepreneurship in the development of the country's economy on the basis of structural changes, and outlines the goals and main directions of its further development. In addition, scientific proposals and conclusions in this regard are given.

**Keywords:** National economy, small business and private entrepreneurship, structural changes, structural shifts, sector, industry, diversification, import, production, main directions.

#### Introduction

In the context of intensive socio-economic reforms in the Republic of Uzbekistan, special attention is paid to the implementation of structural changes on the basis of innovative development of enterprises, in particular, the introduction of innovations in the activities of small business and private entrepreneurship. In particular, the Strategy of Action for the Five Priorities of Development of the Republic of Uzbekistan in 2017-2021 provides: "Increasing its competitiveness through deepening structural transformations, modernization and diversification of the leading sectors of the national economy: ensuring the balance and stability of the national economy, including industry, services. increase of the share of small business and private entrepreneurship". Fulfillment of these tasks requires accelerated work

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on developing and enhancing the efficiency of small business and private entrepreneurship through structural changes.

# **Analysis and results**

After the independence of the Republic of Uzbekistan, special attention was paid to food security, social protection and welfare. To this end, first of all, the development of the country's economy, the organization of production and employment have become one of the important tasks facing the government.

During the period of independence, various structural changes have been made in order to develop the country's economy and ensure its competitiveness in the world market with social protection, and we can conditionally divide them into 5 areas (Figure 1).

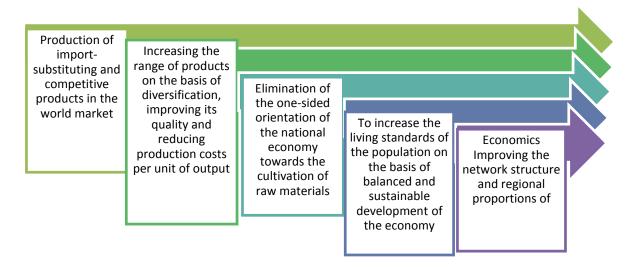


Figure 1. Objectives of structural changes in the country

Structural changes in the country are being carried out on the basis of step-by-step measures to achieve the goals set.

In order to provide employment and increase the welfare of the population of Uzbekistan, the Law "On Entrepreneurship" was adopted. This law is important in ensuring the economic and legal independence of entrepreneurs, defining their rights and responsibilities, regulating the interaction of entrepreneurs with each other and other enterprises and organizations, with all government agencies on the basis of forms of ownership enshrined in the Constitution of the Republic of Uzbekistan. became important.

The adoption of this law was the first step towards structural changes in the economy of Uzbekistan. Because in the former administrative-command system, our country was an agrarian republic specializing only in the cultivation of agricultural raw materials. In it the development of industrial production was very low, and almost all industrial products were imported from other republics

All enterprises were state-owned and business opportunities were not provided. This has hampered the normal exchange and movement of activities and products between sectors in the country, leading to problems that have serious consequences after the collapse of the old system.

The second step in the structural transformation of the country's economy is the enactment of the Law of the Republic of Uzbekistan "On denationalization and privatization", which played an important role in creating a multi-sectoral economy, overcoming the decline in production and stabilizing the financial situation. This is because the structure of production in state-owned enterprises due to economic reforms is associated with structural changes. Structural changes are carried out in different directions, including measures such as the construction of new networks, the expansion of some, the reduction of some ineffective prospects (Figure 2).

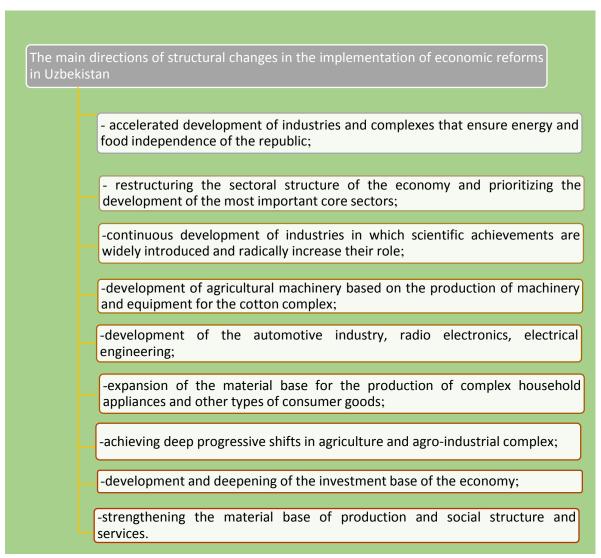


Figure 2. The main directions of structural changes in the implementation of economic reforms in Uzbekistan

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After gaining independence, one of the main economic tasks to be solved in the first place was to ensure an optimal balance between agriculture and industry. To this end, priority was given to the development of the industrial sector, especially its agricultural processing industries. The structural changes in the economy of the Republic of Uzbekistan are evidenced by the fact that the agrarian republic is gradually transforming into a modern state with developed industry. In this regard, first of all, the adoption of the Law "On Farms" and the transfer of existing arable land in the country to their owners, ie farmers, became the main basis for structural changes. As a result of the gradual implementation of radical structural changes, the Uzbek economy has moved from a one-sided, mainly focused on the supply of raw materials and agricultural production to a modernized, diversified and production structure that plays a special role in developing the modern industrial sector, high-tech industries and services. has become a state.

In order to achieve this goal, the economy of the Republic of Uzbekistan has increased the level of provision of complex household appliances, computers, cars, as well as various services. It is reasonable to consider this as the organization of production of a wide range of consumer goods and consumer services in the country over the past years, ie increasing the focus on small business and private entrepreneurship in their growth.

Given that the structural changes taking place in the economies of countries today are in many ways inextricably linked with the development of small business and private entrepreneurship, the establishment and development of this sector is influenced by any changes in entrepreneurship. The experience of developed economies 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 business and private entrepreneurship, the further enhancement of its place and role in the economy is also very important for the people of Uzbekistan.

Structural changes in the economy In order to ensure an efficient and stable structural structure of the national economy, it is desirable to gradually change its sectors and industries. Structural changes include measures to build new networks, expand some, and reduce some inefficient and unpromising ones.

It should also be noted that in the formation of manufacturing enterprises on the basis of structural changes, it is necessary to pay attention to the ratio between industries. In this case: -ensure the sustainable development of the national economy;

- -expansion of the volume and composition of goods and services that allow to meet a wider level of needs;
- -ensure the continuity and continuity of the process of socio-economic reproduction;
- -organization and improvement of production infrastructure;
- -formation of the optimal structure of the established enterprises.

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In this regard, an in-depth study of the balance between its consumer and supplier of new production lines will be required. Because where there is supply and demand, the economy is always evolving. Establishing a balance between supply and demand, in turn, leads to sustainable economic growth. It should be noted that in economic equilibrium it is expedient to pay attention to the distribution of social labor in accordance with social needs by sectors and industries, the quantitative relationship between the components of the system of production relations.

In the process of further liberalization and deepening of economic reforms in our country, the development of small business and private entrepreneurship on the basis of structural changes is of great importance. The reason for this is:

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

In short, it is important to ensure the rapid and balanced development of our economy, deep structural reforms, continue to modernize and diversify the leading sectors of the economy, create a more favorable investment and business environment for business, produce high value-added technological, competitive products. Reaches. In addition, the development of export-oriented industries based on the deep processing of existing natural resources of the country and the use of other competitive advantages of our economy are strategic priorities for the modern development of Uzbekistan.

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