

FOREIGN EXPERIENCE OF SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP

Kattaboev Laziz Mukhiddinovich,
Tashkent Institute of Chemical Technologies,
Yangier Branch Researcher

Abstract:

In the article, the world experience of small business and entrepreneurship, small business, small innovative business development, socio-economic efficiency, political programs implemented in countries, Small business development is an important factor in ensuring the increase of the share of the middle class in society, as well as economic, social and political stability in the country. such issues were analyzed.

Keywords:

Small business, innovative business, income, profit, capital, labor, society, middle class.

It is known that Economics likes concrete numbers, calculations, real changes in people's lifestyles, 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 importance and results in this regard are increasing rapidly. An increase in the population's income and significant changes in living conditions are visible. Statistics also show that the total income of the people of our country increased by more than 2.6 times in 2016-2020. In this direction, our position on the world stage is increasing year by year. In particular, at the next meeting of the Republican Council for Working with International Ratings and Indices held on May 26, 2021, in the Global Innovation Index, Uzbekistan improved its position by 29 places compared to 2015, took 93rd place among 131 countries, and 4th place among Central and South Asian countries. it was noted that 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 period 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[1]. According to world experience, the development of small business, especially small innovative business, not only ensures socio-economic efficiency, but is also reflected in the political programs implemented in the countries. The development of small business is an important factor in increasing the share of the middle class in society, as well as ensuring economic, social and political stability in the country. Small business is of great importance in stabilizing the economy in developed countries such as USA, Germany, China, France, Japan, Italy. "According to the International Small Business Council (ICSB), small business entities make up more than 90% of all enterprises, 60-70% of the employed, and

50% of the gross domestic product" [2]. These enterprises form the basis of the economy of the developed countries of the world, they play an important role in stimulating economic development in the employment of women and young entrepreneurs and disadvantaged population groups.

Many foreign and local economists have conducted scientific research on the essence of small business and private entrepreneurship, factors affecting its development, the role and importance of small business entities in the economy. In particular, R. Khizrich and M. Peters say that entrepreneurship is the process of creating value-added innovation, which consumes time and labor, leads to accepting financial, moral and social responsibility, satisfying personal interest and obtaining certain income [3] describe. According to Y. Schumpeter, "the basis of economic growth lies in the desire of an entrepreneur to use and apply a new combination of production factors, and the result of this desire is innovation, news" [4]. F.I. Shakhmalov, one of the Russian economists, defines entrepreneurship as an independent economic activity related to investment and risk, profit or other additional income" [5], and Yu.S. Mukhin, "entrepreneurship is one of the factors of economic development, is the independent activity of citizens or groups based on different forms of ownership"[6].

In the textbook "Entrepreneurship and small business" by one of the economists of our country, S.S. Gulomov, there are no opinions expressing the impact of small business on economic growth, but similar opinions are expressed. A brief opinion on the influence of internal and external factors on the business environment and their variability is given [7]. B. Yu. Khodiev, M.S. Kasimova, A.N. According to the opinions of economists such as Samadov, "...the business environment is mainly implemented as a result of the interdependence of the following four factors: legal, political, social and economic factors" [8]. Economist M. Rasulov says that entrepreneurship "... certain conditions are required for its development..." [9] notes that these conditions consist of economic, political, spiritual and legal foundations. In the scientific dissertation of U.V. Gafurov [10], attention is focused on issues related to state regulation of small business and entrepreneurship, expansion of the business environment. In addition, the theoretical and practical aspects of the development of small business and private entrepreneurship, regional network problems, and modeling of infrastructure objects have been researched in the scientific works of a number of scientists of our Republic. It should be noted that the indicators of the share of small business and private entrepreneurship in the GDP in our country are higher than the indicators of most developed market economy countries. In particular, this indicator is 60.0 percent in Italy, 55.0 percent in Japan, 54.0 percent in Germany, and 53.0 percent in Great Britain. From the group of CIS countries, it is equal to 25.6% in Kazakhstan, and 20.0% in the Russian Federation. In this case, it is necessary to take into account that the established norms related to the small business sector are different in different countries. For example, in the US, economic entities with up to 100 employees in the trade sector are considered small business representatives, including in the manufacturing and oil refining industry, economic entities with up to 1,500 employees, and in the electronics manufacturing industry with up to 1,000 employees are small business

representatives. is [11]. According to the methodology of IHTT countries, small business representatives whose employers have up to 20 employees are considered extremely small type of small business representatives, while for small business representatives, this norm is defined as workplaces with up to 90 employees. In this group of countries, employers with 100-499 jobs are considered medium-sized businesses, while employers with 500 or more jobs are considered large business entities [11]. The UN Economic Commission determined that the number of jobs for small business representatives in Latin American countries, regardless of their activity and direction, is 5-50 [12]. In the EU countries, the situation is somewhat different. The number of employees in the region is 1-9, the annual turnover and balance of the enterprise is 2 million. if the economic entities up to EUR are considered micro-businesses, the annual capital turnover and balance sheet volume of 10-49 employees are 10 mln. Employers up to EUR are considered small business entities [12]. Analyzes show that the role of representatives of this sector in the foreign economic activity of our country is increasing. In particular, a large share of products imported from the foreign market is carried out with the help of representatives of this industry.

In Summary:

Today, the innovative development of small business and private entrepreneurship in our country is increasing the possibility of dramatically increasing the share of the country's exports. it is desirable to develop a new system aimed at encouraging the introduction of innovations to enterprises. The focus of priority on this type of reform programs creates the basis for achieving macroeconomic stability through the development of small innovative businesses in our country.

References:

1. Decree of the President of the Republic of Uzbekistan dated February 7, 2017 No. PF-4947 "On the strategy of further development of the Republic of Uzbekistan". [Http://turkiston.uz](http://turkiston.uz) (date of application: 12.03.2020)
2. Aktamova N.R. Status and analysis of assessment of small business and private entrepreneurship support mechanisms. "International finance and accounting" electronic magazine. No. 3, December, 2016. 9 p.
3. Khizrich R., Peters M. Predprinimatelstvo ili kak zavesti sobsvennoe delo i dobitya uspeha. - M.: 1993, p. 26.
4. Schumpeter Y. Theory of economic development - M.: 1982. S. 159.
5. Shakhmalov F.I. Vzaimodeystvie predprinimatelskih i vlastnykh struktur: voprosy teorii i praktiki. Abstract of the dissertation of the Doctor of Economic Sciences. St. Petersburg. 1998. S. 34.
6. Mukhin Yu.S. Predprinimatelstvo v rynochnom hozyaystve: regionalnye aspekty ego regulirovaniya.
7. Ghulomov S.S. Entrepreneurship and small business. - T.: TDAU, 1998.
8. Khodiev B.Yu., Kasimova M.S., Samadov A.N. Small business and private entrepreneurship. Study guide. - T.: TDIU, 2010

-
9. Rasulov M. Fundamentals of market economy: Textbook. - T.: Uzbekistan, 1999.
10. Gafurov U.V. Improvement of economic mechanisms of state regulation of small business: iqt. science. doc. diss. - T.: 2017. - 309 p.
11. 22. MSME Day 2019. <http://www.intracen.org/MSME-day/2019/>
12. Stat.uz. The website of the State Statistics Committee of the Republic of Uzbekistan.