



THE ESSENCE OF SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP AND THE THEORETICAL BASIS OF ITS DEVELOPMENT

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ANNOTATION

In this article, the essence of small business and private entrepreneurship and the theoretical basis for its development, the constant high living standards of the population, achieved primarily through the rapid development of small business and private entrepreneurship. Therefore, the development of small business and private entrepreneurship, its place and role in the economy are described.

Keywords: small business, economic relations, forms of ownership, foreign investment, competitiveness.

INTRODUCTION

In the context of developing and developing market economy relations in Uzbekistan, in the process of economic reforms, regardless of the form of ownership, a new relationship between the state and society is being formed, which, in turn, paves the way for further development of material well-being and economic potential. Especially today, due to the structural transformation of the economy and industrial diversification, new industries are playing an important role, in particular, diversified farms, high-tech food, light industry, employment and welfare.

Structural changes in the country's economy are crucial for the growth of production and increasing the competitiveness of goods and services produced in the country. Reform of economic relations, reorganization of the management mechanism of enterprises, covering all aspects of their activities. This, in turn, leads to an increase in consumer tastes and needs, which in turn increases the quality of products and the need to use the principles of competitiveness.

LITERATURE REVIEW

The region was studied by scientists of the Commonwealth of Independent States on small business and private entrepreneurship AD Artemenko, MI Balanov, EP Golubkov, VG Efimova, L. Chyorny, N. Baldich. It has been analyzed in detail in the scientific works of foreign scientists O.A. Anya, B.F. Hoselitz, M.Harris, R.M.Hodgets, R.Reinek, N.L.Samuel and others. A.Smith, J.B.Say, R.Contillon, A.Marshall, J.B.Klark, Y.Shumpeter, J.Keynes, S.Arzeni and J.P.Pelegrins on "Small business and regional economic development" studies, in particular, U.Venesar for the Republic of Estonia, Z.A.Yusof and D.Battasali for the State of

Malaysia, and S.N.Nikolas, F.Kotler, J.Lamben, D.Deniels, D.S.Sanders, G. from other foreign countries. Armsrong et al. Conducted research on regional governance.

"Issues of modeling and forecasting of development trends of small business in Uzbekistan" were considered and analyzed in detail in the research of B.Yu.Khodiev, S.K.Salaev. U.V Gafurov in "Improvement of economic mechanisms of state regulation of small business", NM Mahmudov and others in his research, "Issues of macroeconomic analysis, modeling and forecasting of firms and industries", Yo.Abdullaev, M. R.Boltabaev, F.Karimov, A.N.Samadov, R.Xodjaev, Sh.J.Ergashkhodjaeva, Sh.Yuldashev, A.T.Yusupov, S.G'ulomov, T.Shodiev, M.S.Qosimova, B. In the research work of K. Goyibnazarov and other scientists, it is stated that "the formation and development of general aspects of small business and private entrepreneurship." On "Ways to increase the efficiency of small business in the economy and socio-economic problems of its development" HP Abdulkasimov, IA Bakieva, NK Murodova, K. Muftaydinov, AA Kulmatov and many others. Economists are conducting research in this area.

ANALYSIS AND RESULTS

Given that the various positive 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. At the same time, the experience of developed countries shows that the steady rise in living standards has been achieved, first of all, through the rapid development of small business and private entrepreneurship. Therefore, the development of small business and private entrepreneurship, further enhancing its place and role in the economy is very important for the people of Uzbekistan.

It should be noted that some of these enterprises, especially the majority of enterprises with favorable economic and geographical location, have retained their position to this day. Some of them, that is, most of the small commercial and catering enterprises, located on the outskirts of busy highways, industrial cities and towns, soon fell into a state of crisis and even had to close down.

If we look at small enterprises by type of activity, the largest share of enterprises currently operating in the country falls on small enterprises engaged in trade and catering and services. It should be noted that the majority of small businesses and private entrepreneurs 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 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 business and private entrepreneurship requires a number of measures. Including:

- Encouraging domestic and foreign investment in production in small business and private entrepreneurship;
- expanding the competitive environment between small businesses and private entrepreneurs;
- extension of credit terms for production and reduction of interest rates;
- Establishment of free currency exchange offices for small business and private entrepreneurship;
- Development of exports between enterprises, further improvement of the system of taxation of small business and private entrepreneurship, in particular, a sufficient definition of the legal framework.

The above-mentioned views will contribute to overcoming these problems and make a significant contribution to the development of small business and private entrepreneurship in ensuring the integration of our economy into the world community.

Another advantage of small business and private entrepreneurship is their quick 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 is necessary to strengthen the specialization of small businesses and private enterprises in production, to adapt quickly to market conditions, to forecast demand and to conduct production and trade without gypsum.

In the process of further liberalization and deepening of economic reforms in our country, the development of small business and private entrepreneurship 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 conditions of transition, small business and private entrepreneurship are the locomotive of creating favorable conditions for the development of a market economy.

Analyses 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.

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 address economic, social and political challenges. At the same time, attracting foreign investment to the country, expanding and strengthening economic ties, giving freedom to entrepreneurship and creating the necessary conditions have been identified as priorities. Overcoming the above-mentioned problems and further development of small business and private entrepreneurship requires a number of measures. Including:

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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 business and private entrepreneurship in a particular 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 are currently operating, 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 business and private entrepreneurship will ensure the sustainability of economic reforms.

CONCLUSION/RECOMMENDATIONS

The Government of the Republic of Uzbekistan has been consistently pursuing the process of liberalization of all sectors of the economy and deepening economic reforms and prioritizing the development of small business and private entrepreneurship is an important factor in increasing the income and welfare of the population.

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