
**ANALYSIS OF THE SMALL BUSINESS DEVELOPMENT AND PRIVATE
ENTREPRENEURSHIP IN THE REPUBLIC OF UZBEKISTAN**

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ABSTRACT

The article analyzes the debt incurred in the economy of Uzbekistan and the reduction of the profits earned in the country and the provision of their performance and the support of the producers themselves future prospects are projected and recommendations are developed to achieve the results of this forecast.

KEYWORDS: *Small Business, Entrepreneurship, Gross Domestic Product, Econometric Analysis, Regression Equation, Forecast.*

INTRODUCTION

The process of economic reforms in the country and the development of new relations between members of the state and society in the context of the formation and development of market economy relations in Uzbekistan, regardless of the form of ownership. In particular, in the current situation, the demand for quality products and services and the crucial role of competition in this process is very important, and in recent years in Uzbekistan, this process has received a lot of attention.

Because the positive changes taking place in the economy of the country are decisive in increasing the volume of production and increasing the competitiveness of the products being produced in the country. Reform of economic relations, reorganization of the management of enterprises, covering all aspects of their activities. This, in turn, led to an increase in consumer demand and, as a result, the need to improve the quality of products and use competitive principles.

The formation and development of a competitive environment in the conditions of a market economy is an object of necessity among economic entities with different forms of ownership. In recent years, small business and private entrepreneurship as a rapidly adaptable sector of the economy has played an important role in filling the domestic market with consumer goods, introducing new and modern types of services, developing export potential. Therefore, small and medium-sized businesses, especially private enterprises, play an increasingly important role in ensuring economic growth in the economy of the Republic of Uzbekistan, creating new jobs, solving problems of employment, increasing incomes and welfare of the population.

Decisions on the support of small business and private entrepreneurship are made more broadly, auditing checks are reduced, financial and time costs for doing business are reduced, and the number of registered business entities is increased, as well as positive trends in their economic indicators.

With the transition of our country to a market economy, the emergence of various forms of

ownership led to the emergence of small business and private entrepreneurship. In addition, the organization and development of small business has become a priority direction of the country's economy. As a result of the organization and development of small business and private entrepreneurship, its share in the gross domestic product of the Republic has increased, employment has increased significantly.

At the same time, there are problems that need to be solved in all areas of the economy in order to add the national economy to the world community and achieve its goal of employment, income and welfare. To solve these problems, it is necessary, first of all, to study in depth all aspects of the development of small business and private entrepreneurship, to further improve territorial management, taking into account the peculiarities of all regions of the country.

Review of critical literature

Richard Cantillon, an English economist who is one of the leading foreign scientists on the theoretical and methodological basis of developing small business and private entrepreneurship, notes that the entrepreneur is a well-known economist and hard worker who works in these dangerous conditions. As JB Seyn said, "entrepreneurship differs from capital gain" [2], A. Marshal describes it as "manager in the broad sense of an entrepreneur" [3]. The resignation of the manager is due to the fact that the "workforce" is highly specialized in business. C. Shumpeter "entrepreneur is an inventor who produces new technologies" [4], M. Weber argues that "by linking entrepreneurship with thinking skills, he always seeks to get legitimate profits from his profession" [5].

"Free competition attracts what comes from work to work, capitalists receive from what they create capital, and entrepreneurs from coordination," CB Clark defines entrepreneurship. A. Chapko'radi sees an entrepreneur as an initiator and a person capable of organizing socio-economic cycles in market conditions [7], K. McCannell, S. Brew is the best way to combine the main factors of entrepreneurship (land, capital, labor), effectively coordinate the interdependence of factors of production, even the fourth factor of development [8]. V. Shepelev described the concept of "Entrepreneur" as follows: "entrepreneur is the main subject of business in the conditions of a market economy. An entrepreneur can be seen both as an individual and as a group of people who combine factors of production with the fact that the means of production at the disposal (disposal) of these people are with the labor force, this is the labor force in buying and selling.

Of course, according to gulumov, "our important characteristics of entrepreneurship are its activity and enthusiasm. The entrepreneur is constantly looking for new ways of moving, types and technologies of products, the circle of consumers, ways to improve the quality of products and services, which in his opinion leads to success." [10].

Y. Abdullaev and F. According to Karimov, the concept of "entrepreneur" is the main subject of economic management in the conditions of a market economy [11]. An entrepreneur can be seen both as an individual and as a group of people who combine factors of production.

Despite the research and theoretical and methodological research, in the conditions of modernization of the economy, a comprehensive statistical analysis of the economic activities of small business and private entrepreneurship in the country is improving. This led to the choice of the research topic and the definition of its aims and objectives.

Research methodology

The study identifies the key factors identified by the author in the development of the industry and the organizers of the development opportunities for the development of ICS. Here:

1. The coefficients of interrelation between all independent variables (X, Y, Z,... I) are determined

and the condition of the multivariate is checked.

2. On the multivariate correlation coefficient, the determining coefficient R^2 (the force of influence on the causal factor of the selected factors) is determined.

3. The significance of the coefficients of the specified regression equation is checked by the value of t-statistics in the table - $t_{jad} - t$ (calculation > t memory) is calculated.

4. When the value of the calculated criterion Fisher is compared with the value in the table - F_{jad} ($F_{jad} > F_{jad}$), the satisfaction of the result is confirmed and the significance of the equation is checked.

5. Under the condition of $DW \leq 2$, the autocorrelation of this model is checked and the adequacy of the defined equation is evaluated.

6. On the basis of an econometric model, which is considered reliable and adequate, the future of the industry is predicted and recommendations are made to achieve it.

Analysis and results

Small and medium-sized businesses, especially private businesses, which play an increasingly important role in ensuring economic growth, creating new jobs, solving employment problems, increasing incomes and welfare of the population are included in the economic development programme. Country. As a result of the measures taken, the share of small business in gross domestic product increased from 31 percent in 2000 to 53,9 percent today or 22,9 percent compared to 2000.

The impact of small business and private entrepreneurship has also been reflected in the growth of the share of the economy in the development of other sectors and sectors. This is primarily due to the reforms carried out by the state in the field of small business and private entrepreneurship, as well as constant support, which has led to an increase in the production of high-quality products in recent years.

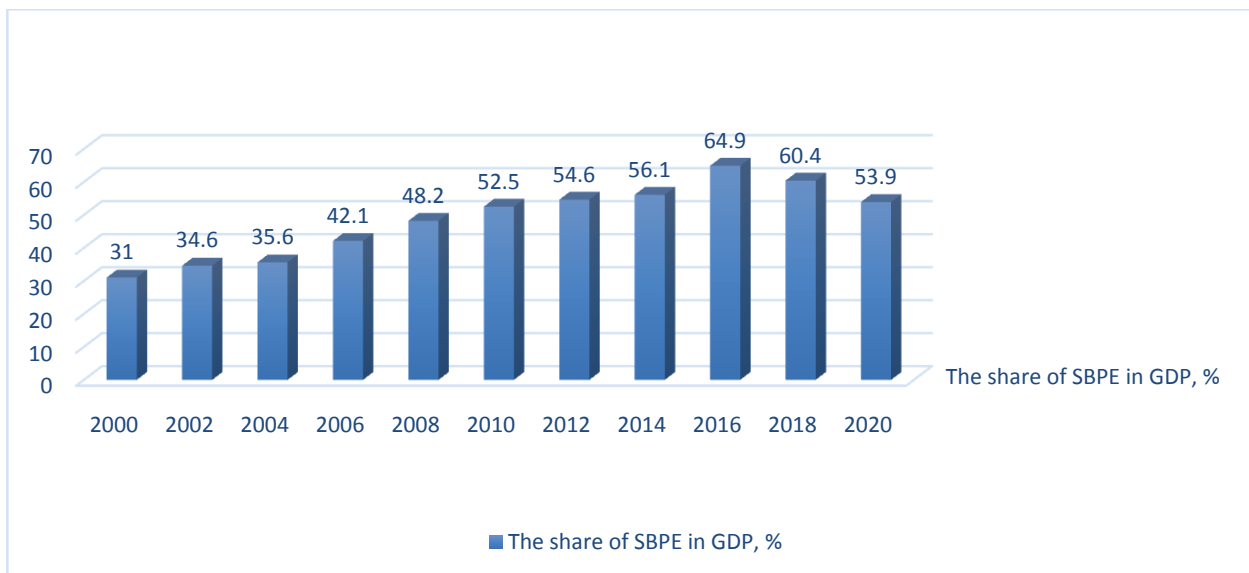


Figure 1. Share of small business and private entrepreneurship in gross domestic product

According to figure 1, in 2000, the share of small business and private entrepreneurship in the country's gross domestic product was 31.0 percent, by 2020 this figure increased by 22.9 percent and amounted to 53.9 percent. The rapid growth of small scale business and private entrepreneurship in the country is primarily due to the fact that tax incentives play an important stimulating role for this sector.

At present, the rapid development of small business and private entrepreneurship in the country has a significant impact on the organization of infrastructure facilities serving it and the improvement of the quality of services. Today, the country provides about 8000 infrastructure facilities to small businesses and creates the necessary conditions for their activities. As a result, the results of small scale business and private entrepreneurship have become important factors in creating new jobs in the country, increasing the income and welfare of the population.

In order to clarify this process, the volume of gross products and services created by small business and private entrepreneurship entities operating in the Republic of Uzbekistan in 2000-2020 - the number of those engaged in small business (thousand), we conduct an econometric analysis on the volume of investments in small business (billion soums) - X2, the number of small enterprises working (thousand) - X3 and the According to the results of the calculations, among the selected factors there was a strong correlation to the result factor, multicollinearity was not observed in the interaction of factors. Since the units of measurement of the selected factors are different, it is desirable to logarifm them accordingly or continue the process.

TABLE 1 TO CREATE A REGRESSION MODEL OF THE VOLUME OF PRODUCTS AND SERVICES CREATED IN THE SMALL BUSINESS SECTOR IN THE COUNTRY.

Dependent Variable: LNY				
Method: Least Squares				
Date: 03/23/21 Time: 17:07				
Sample: 2000 2020				
Included observations: 21				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
LNX1	4.864431	1.144652	4.249704	0.0006
LNX2	0.735557	0.437656	1.680674	0.1122
LNX3	1.303125	0.964448	1.351163	0.1954
LNX4	-0.527159	0.314856	-1.674288	0.1135
C	-50.26430	17.43205	-2.883442	0.0108
R-squared	0.987033	Mean dependent var		10.36196
Adjusted R-squared	0.983791	S.D. dependent var		2.406942
S.E. of regression	0.306440	Akaike info criterion		0.676665
Sum squared resid	1.502485	Schwarz criterion		0.925361
Log likelihood	-2.104987	Hannan-Quinn criter.		0.730639
F-statistic	304.4687	Durbin-Watson stat		2.018160
Prob(F-statistic)	0.000000			

Analysis of the results obtained in Table 1 shows that the coefficient of detection in the regression model of the process of growth of GDP in the country is $R^2 = 0.994$; account = 3709,985; the Model is important, because $k_1 = 1, k_2 = 19$ $F_{jad} = 4.38$). When we compared each coefficients on the student scale, the value of the table for $df = 16$ was determined to $t_{jad} = 2.12, x_1 t_{jad} = 4.25$, the number of people engaged in small business. In fact, it is desirable to check whether other parameters are significant or insignificant with the forecast criteria $MAPE < 10$ and $TIC < 1$ retrospectiv (Figure 2).

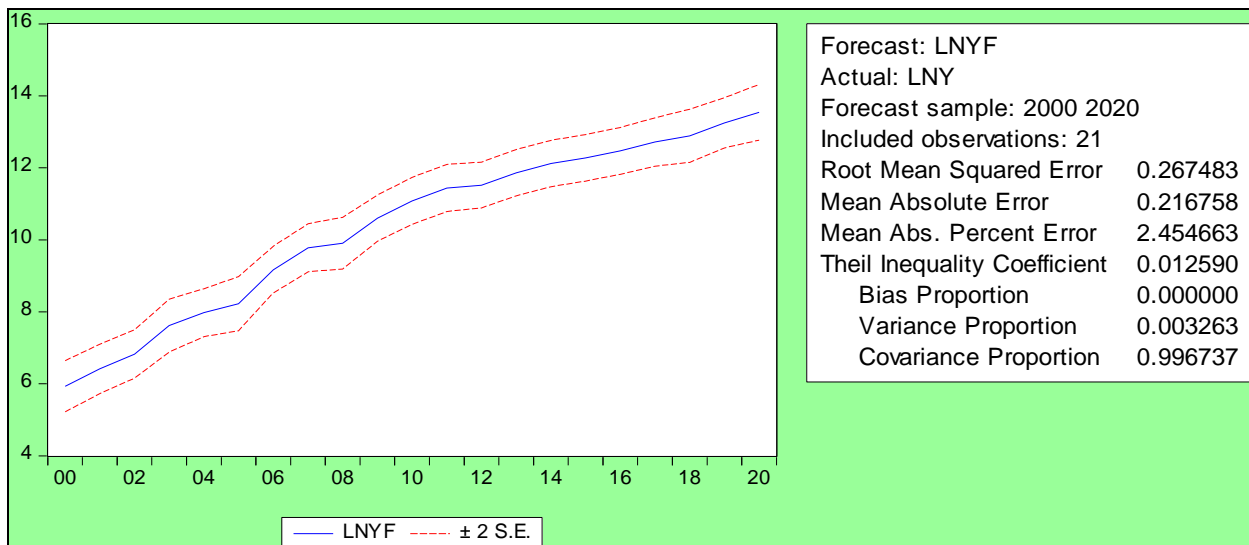


Figure 2. The result of the examination of the significance of the parameters by the criteria MAPE and TIC

According to the data from the picture, MAPE = 2.46 < 10 and TIC = 0.013 < 1 the significance of all parameters selected and DW = 2.02 from the following (1) -regression equation.

$$Y = \frac{X1^{4,841} * X2^{0,7325058} * X3^{1,3}}{X4^{0,53} * e^{50,3}}$$

Now (1) - we find the regression equation adequate and reliable from an economic point of view. According to him, if the number of people engaged in small business amounted to a thousand people, the volume of investments in small business amounted to 1 billion. If we raise the number of small enterprises operating in the country by thousands, the gross product of small business and private entrepreneurship in the Republic of Uzbekistan will increase by 181,1 billion soums. sum, 2.7 billion. sum and 1,2 billion. sum and 1 billion in small business. If we reduce it to 1,3 billion Sou. made up the sum.

With the help of this identified (1) -model and other time-dependent equations of selected t = 22 factors, it is possible to calculate the multifaceted forecast of the volume of products and services created in the small business sector. Here

Those who had gangs in small business-the endgisi-X1=3241,3+318,9*t;

Investments in small business-X2=-10018,5+5257,8*t;

Number of small enterprises working-X3=48390,2+17276,8*t;

The value of fixed assets in small business - X4=-5488,2+7426,0*t.

2-TABLE THE FORECAST OF SMALL BUSINESS ACTIVITIES IN THE COUNTRY AND THE FACTORS AFFECTING IT

Yillar	The volume of products and services created in the field of small business, billion soums	There are thousands and thousands of people in small business	The amount of investment in small businesses is about 1 billion dollars. som	The number of small enterprises operating is one thousand	The value of fixed assets in small business, billion. som
2021	388304,9	10257,1	105653,1	428479,8	157883,8
2022	478597,1	10576,0	110910,9	445756,6	165309,8

2023	585838,5	10894,9	116168,7	463033,4	172735,8
2024	712511,7	11213,8	121426,5	480310,2	180161,8
2025	861367,7	11532,7	126684,3	497587,0	187587,8

According to the table, the volume of products and services created by small business and private entrepreneurship in the Republic of Uzbekistan in 2021 amounted to 388 304.9 billion. this figure increased by 4.2% compared to 2020 and amounted to 388304.9 billion. This, in turn, the main capitalalga increased the volume of investments by 5.2 percent and the number of enterprises by 4.2 percent, totaling 105653.1 billion soums. sum and 428479,8 thousand soles.

By 2025 year, it will increase by 2,2 times compared to 2021 year and amounted to 861 367,7 billion. In accordance with the concept of further development of the economy of the Republic of Uzbekistan, it is expected to consistently fulfill the tasks set for achieving the target parameters.

The investment climate in Uzbekistan in the field of small business and private entrepreneurship is of particular interest. Therefore, the following are the specific indicators of small scale business:

- regional indicator of the system of state support for small business and infrastructure development;
- the presence and level of development of large firms competing in the dominant market sectors (for example, in the field of services or trade);
- the level of development of the local banking system and other factors.
- Measures to set up small-scale business and private entrepreneurship in rural areas will create additional jobs in rural areas and dramatically reduce migration. From this, the whole society will benefit. Especially,
- first, the creation of new jobs in rural areas will be 5-7% cheaper than in cities;
- secondly, the establishment of processing enterprises in rural areas allows for on-site processing of khomashia and a sharp reduction in the waste of agricultural products;
- third, the revitalization of craftsmanship and small-scale industrial enterprises is a huge resource for enriching markets with consumer goods.

Discussion of research findings

In our opinion, in order to enhance the role of small business and private entrepreneurship, it is desirable to carry out the following activities:

- taking practical measures for the development of industry, supporting enterprises producing export-oriented products, modernization of production capacities for the account of foreign investments and technological re-equipment and the creation of new enterprises;
- further expansion of cooperation with foreign firms and enterprises on attracting foreign investment, importing technologies for the production of export-oriented products, extensive use of the opportunities of international fairs established in the country;
- support small business and private entrepreneurship, increase the share of small business in the production and export of tokens, industry, in particular, in the production of finished goods;
- comprehensive support of farmer farms, strengthening their material and financial base, creation of new opportunities for them, development of Service structures;
- to take measures to help agricultural enterprises in the use of a wide range of opportunities created for the acquisition of modern technologies for the processing of their products;

- Continuous supply of industrial enterprises in rural areas with raw materials, electricity, gas and construction of communication networks.

CONCLUSION AND RECOMMENDATIONS

In the future, in the implementation of financial support for small business and private entrepreneurship in the country, attention should be paid to the following:

- directing microcredit and microlytic services to the development and provision of services mainly related to the activation of individual labor activities, family business and home-based work, as well as the creation of new jobs;
- an increase in the number of customers using Start-up capital from the number of customers using microcredits. At the same time, special attention should be paid to private business entities that are not united as a legal entity;
- Monitoring and Prevention of overdue debts by ensuring full repayment of future principal payments of microcredits and the accrued interest on them;
- Given that the number of customers using microcredits is growing steadily, it is necessary to conduct seminars on these topics and increase their number in order to avoid problems with the timely repayment of the allocated microcredit.

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