

ROLE OF SMALL BUSINESS AND PRIVATE ENTERPRISE IN NATIONAL ECONOMY OF UZBEKISTAN

Maripova Shahlo

Westminster International University in Tashkent

Abstract

This article discusses the importance of small business participation in the national economy of Uzbekistan and its share in its economic growth.

Keywords. Entrepreneurship, small business, private sector, economic development, VAT, GDP, share

Today's world economy, its stability and development is impossible to imagine without the participation of small business. As well as in the economic and political systems of the Republic of Uzbekistan and on the basis of its development, the role of small business and private entrepreneurship is significantly large.

It is obviously seen that today our country is undergoing serious economic changes. During the years of independence, it has been a strong legislative framework in Uzbekistan that enshrines the priority of private property which is considered to be the basis of a market economy. There was formed a favorable business climate and reliable legal guarantees of development of small business and private entrepreneurship as the most important factor in the formation of both sustainable economic development of the country and creating new jobs, and formation of the income growth of the population. As a result of successfully implemented reforms, nowadays small businesses and private entrepreneurship plays a key role in modernizing the country's national economy.

The economic histories of many developed countries have proven that without support and stimulation of the private sector, as well as small businesses and private entrepreneurship it is impossible to achieve serious positive macroeconomic indicators and solve national problems. In economically developed countries of the world, the number of small and medium-sized enterprises exceeds 80% of the total number of enterprises, where 60% are economically concentrated active population produces at least half of the gross domestic product. These countries are carrying out an active and consistent policy to support and develop small business.

Small business development is one of the main directions of structural transformations in the economy of Uzbekistan. Small businesses contribute to improving social and political stability, are able to mitigate the consequences of structural changes in the economy, contribute significant contribution to the preservation of the region's labor resources and reduce the volume commuting labor migration, make a significant contribution to the filling of regional

budgets. So small business has become one of the important factors of economic development in our country.

In the ongoing economic reforms of the Republic of Uzbekistan, it can be indicated the following trends: provision of preferential loans for entrepreneurs and development of the credit market; creating favorable conditions for attracting investment in economy of the country and tax reforms. For example, if the property tax rate for legal entities in 2017 was 5 percent, then by 2022 it was reduced to 1.5 percent. In 2017, there were 13 types of taxes, their number was reduced to 9. However, as a result of the tax system reform, from January 1, 2023, the VAT rate was reduced to 12%, which was previously 20% in 2016.

At the end of 2022, compared to 2017, the number of small businesses operating in the regions increased 2 times to 106,000 in the city of Tashkent, 2.3 times to 49.1 thousand in the Tashkent region, 2.9 times to 47.9 thousand in the Samarkand regions.

As for the share of small business entities in GDP perspectives, we can rely on the data published by The State Statistics Committee. According to the committee, the share of small entrepreneurship (business) in the gross domestic product in the period of January-September 2022 was 52.8 percent which is considerably high comparing with previous years (for comparison in 2010 small business's share in GDP was 25.5%). As for the regions of the Republic, in January-September 2022, the largest share of small entrepreneurship was observed in Jizzakh (79.4% of the total gross added value created in the region), Surkhandarya (76.8%) and Bukhara (74.6%).

In conclusion, it can be said that small business and private business entities have a special place in the economic, political and social spheres of our country, and their development is important for economic growth and employment of the population and it influences even foreign economic activities of the country. Thus, it can be stated that all the necessary regulatory, legal and organizational conditions have been created for the creation and development of subjects for small businesses in Uzbekistan.

References

1. Салимов А.А. Проблемы и перспективы развития малого бизнеса и частного предпринимательства в Республики Узбекистан. Бюллетень науки и практики / Т. 8. №5. 2022: <https://doi.org/10.33619/2414-2948/78/54>
2. Сайфуллаев С.Н. Kichik biznes va xususiy tadbirkorlikga kiritilgan investiaiyalarni statistic baholash / Oriental Renaissance: Innovative, educational, natural and social sciences. Volume 1 | Issue 4
3. O'zbekiston Respublikasi Prezidenti huzuridagi statistika agentligi hisoboti: <https://stat.uz/uz/matbuot-markazi/qo-mita-yangiliklar/33007-kichik-tadbirkorlik-biznes-ning-yalpi-ichki-mahsulotdagi-ulushi-qaysi-hududlarda-eng-yuqori>

4. <https://lex.uz/ru/docs/1856013?ONDATE=04.05.2018&ONDATE2=13.12.2019&action=compare>
5. Югай А.Б. Малый бизнес Узбекистана: государственное регулирование ради развития. Российское предпринимательство/ № 21 (219) / ноябрь 2012.