



THE ROLE OF SMALL BUSINESS IN REDUCING POVERTY

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ABSTRACT

This article discusses the development of small business, the role of private entrepreneurship in the national economy and the importance of poverty reduction.. The advantages of small business and private entrepreneurship in adapting quickly to the market environment, providing employment, generating income and thereby mitigating its inequality, as well as the decision-making of the middle class are revealed.

Private entrepreneurship is such a legal form of economic management in which the owner is a single person or family and owns all of the income from the activity (after paying various fees and taxes), while being solely responsible for the risks and risks in the business. This form of entrepreneurship is more common in retail, catering and consulting businesses, household services, farming, medical practice and handicrafts.

One of the most popular forms of private entrepreneurship today is that individuals engaged in the import and sale of consumer goods ("shuttles") register as export-import operations, wholesalers and retailers without forming a legal entity.

There are the following types of private entrepreneurship:

private entrepreneurship (single citizen);

joint venture

In turn, a joint venture can take the form of a family business, a non-legal entity, or a general partnership (based on a joint venture agreement).

Advantages of Private Entrepreneurship: First, obtaining a permit to engage in private entrepreneurship is simplified compared to business companies, which means that a private entrepreneur can operate without a legal entity after state registration. In this case, a private entrepreneur can open a bank account and make cashless payments with a small number of partners. Second, a simplified system of taxation will be used. In addition, full independence, freedom and speed of movement, all the benefits come only to the sole owner of the property, and he is encouraged to work harder.



Disadvantages of private entrepreneurship: limited access to credit (micro and small enterprises can receive large loans); weak financial base, responsibility for all economic activities with all its assets; limited opportunities to expand activities.

The President of the Republic of Uzbekistan Shavkat Mirziyoyev made a number of proposals and solutions in a video conference on measures to reduce poverty through entrepreneurship..

It is known that in any country there is a poor. In Uzbekistan, too, some people do not have a sufficient source of income.

METHOD AND RECOMMENDATIONS

As a result of the program, such programs as "Every family is an entrepreneur", "Youth is our future", "Prosperous village", "Prosperous neighborhood", land development were adopted. Over the past two years, about 10 trillion soums of soft loans have been allocated from the budget under the family business development program alone. Of course, this served to provide employment and create a source of income for families.

In accordance with the Presidential Decree and Resolution of February 18, 2020, the Ministry of Mahalla and Family Support was established to support socially vulnerable and low-income families, to effectively involve the population in entrepreneurship. At the mahalla-district (city) -regional-republican level, positions responsible for the development of entrepreneurship and poverty reduction have been introduced, and a vertical system has been created.

In other news, the post of Deputy Prime Minister for Finance, Economy and Poverty Reduction and the establishment

of a special secretariat in the government are welcome.

In addition, in cooperation with the United Nations, the World Bank and other influential international organizations, a medium- and long-term strategy to combat poverty is being developed in our country to bring relief to the population.

It was noted at the meeting that first of all it is necessary to analyze the real situation and situation at the level of each mahalla, district, city and region. For this purpose, the first direction is to collect data on the real situation of poverty, ie the number of low-income families in the mahallas, and the second direction is to create a map of the potential of the district and the city, natural resources, land and infrastructure.

It was noted that small industrial zones will be established on non-agricultural and vacant lands around areas where entrepreneurship is well developed and densely populated. 100 billion soums will be allocated from the budget for the management of small industrial zones to create the necessary infrastructure. Their land plots are sold to entrepreneurs at market value.

The Ministry of Economy and Industry, together with the governors, has been tasked with identifying vacant land for new small industrial zones and providing them with infrastructure.

It was instructed to allocate decommissioned land to the poor, and to dig artesian wells and wells where necessary.

The most important issue is to reduce poverty through entrepreneurship training and professional development.



Today, there are about 1.4 million women and young people in our country who are not officially employed.

It was noted at the meeting that it is necessary to provide qualified specialists to places where there is a similar demand, to organize training courses for the unemployed in each region to ensure employment.

Following the results of the training, the Small Business Development Agency will announce a competition and award a grant of 20 million soums to the startup for the most advanced project. Governors also provide grants for advanced business projects at the expense of local budgets.

Vocational courses are organized for single and large women who want to study, for the unemployed in professions that are in high demand in everyday life, in particular, sewing, cooking, hairdressing and other areas. For this purpose, space is allocated from the mahalla offices or buildings in the area and provided with the necessary equipment.

Vocational training has been sharply criticized in a number of regions. In particular, in 11 districts of Karakalpakstan, 9 in Bukhara and Tashkent regions, 7 in Surkhondaryo and 5 in Jizzakh, there are no such centers.

Active involvement of non-governmental organizations in the establishment of vocational training centers, a competition for the best vocational training program was held among them, and the winners were instructed to allocate grants from the Employment Promotion Fund.

The Ministry of Employment and Labor Relations has been tasked with establishing mono-centers "Ishga Marmahat" and vocational training centers

in each region to teach the unemployed professional knowledge and skills, as well as foreign languages as needed.

The field of information technology is, on the one hand, a tool to support business, on the other hand, a separate area of business. Therefore, it is necessary to create interactive mobile applications, "business navigators" that will answer all the questions, which will be understandable to those who want to keep busy.

The Chamber of Commerce and Industry and the Agency for Small Business and Entrepreneurship Development, together with commercial banks, were instructed to develop and offer ready-made business projects in simple language. In these business projects, all the calculations related to costs and revenues, production capacity, product volume, etc., will be clear "from thread to thread".

It was noted that these projects should be communicated to all segments of the population through field dialogue, media and social networks.

Starting from March 1 of this year, a rating system for evaluating the activities of economic complex agencies and the Index of Entrepreneurship Development in the Regions are being introduced. Their attitude to the organizations of the economic complex is studied through open and secret surveys among the population. Depending on the results, the activities of the leaders of the economic complex in a particular region are considered "exemplary", "good", "satisfactory" and "unsatisfactory". Those with a positive grade are encouraged and those with a low grade are penalized.

CONCLUSION



The head of our state pays special attention to the relevance and practicality of the planned measures.

The first direction is the development of industry, deep processing of existing raw materials, specialization of each district, village and mahalla.

In Andijan, Navoi and Surkhandarya regions, the bulk of production falls on a single sector or the share of state-owned enterprises.

In particular, in Andijan, 69% of industrial production is machinery, and in Navoi - 72.5% - mining and metallurgy.

It was noted at the meeting that there is every opportunity to diversify industries in these regions, and measures were identified in this regard.

In particular, in Khojaabad district of Andijan region, the initiators were instructed to allocate space for 32 sewing and knitting enterprises. These enterprises will create 6,500 jobs.

It was noted that it is possible to develop the production of construction materials in the mountainous areas of Bulakbashi district, to bring the production of furniture in the "Ijtimoyat" mahalla of Altynkul district to the industrial level.

Reconstruction of the power grid of the Suvliq Granit deposit in Nurata district of Navoi region will provide jobs for 450 people in the Istiqlol mahalla.

There are carpet weavers in Sherabad district of Surkhandarya region. In Bandikhan district, the raw materials for carpets are sheep and goat wool. 85 tons of wool and leather can be processed annually through cooperation between these neighboring districts.

Due to poor electricity supply in Altynsay district, the capacity to process 80,000 tons of grapes and 13,000 tons of

grain per year is limited. It also has a reserve of 10 million tons of decorative stone required for construction.

The Ministry of Economic Development and Poverty Reduction, together with regional governors, has been tasked with establishing 10 new small industrial zones on 33 hectares of land and 5,300 square meters of vacant buildings in Andijan, Navoi and Surkhandarya.

The second direction is to increase investment and tourism potential on the ground, to develop infrastructure to improve services.

At the meeting, the situation in Andijan, Navoi and Surkhandarya regions was analyzed by districts.

For example, the share of Khanabad in services in Andijan region is only 1%. In fact, there is an opportunity to develop health tourism and produce healing water through the development of groundwater.

By repairing the roads leading to the Todakol Reservoir in Kyzyltepa district of Navoi region and Sarmishsay in Navbahor district and creating tourist zones, it is possible to increase the flow of tourists to them several times.

There is no market in Altynsay district of Surkhandarya region. In addition, modern trade and service centers can be established on the Manguzar-Termez-Denov highway, which passes through the district.

The meeting instructed to calculate all such reserves of services and to involve entrepreneurs in their launch.

The third direction is to increase agricultural production and thereby ensure economic growth.

These talented people have been shown to be able to process products and create more jobs by allocating additional land.



The natural climatic conditions of Surkhandarya region, unlike other regions, allow the oasis to harvest two or three times and grow heat-loving plants.

For example, the demand for pomegranates in Sherabad district is high. However,

anoraks cover only 32 hectares - 0.1 percent of the district's arable land. Pomegranate plantations could replace low-yielding cotton and wheat fields, generating 10 times more revenue and exporting \$ 30-40 million worth of produce.

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