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# PRIVATE OWNERSHIP AS A MEANS OF EMPLOYMENT

#### Juraev Sherali Pulatovich

Teacher, Department of Economics, Namangan State University

------ANNOTATION-----

The article covers the reforms carried out in the field of small business and private entrepreneurship in our country and their importance, the basis and conditions characteristic of the market economy for the development of small business and private entrepreneurship are classified, practical proposals and recommendations for the development of small business and private entrepreneurship are developed for employment in Uzbekistan.

**KEYWORDS:** business, entrepreneurship, employment, unemployment, population, reform.

### **DISCUSSION**

Scientific research is consistently carried out on the importance of small business and private entrepreneurship in ensuring socio-economic development and stability on a global scale. Small business is of great importance in the stabilization of the economy in such developed countries as the United States, Germany, China, France, Japan, Italy. "According to the International Small Business Council (ISBC), small businesses account for more than 90% of all enterprises, 60-70% of those employed, 50% of the gross domestic product" [11]

As a rule, these enterprises, which employ less than 250 people, form the basis of the economy of the developed countries of the world, play an important role in promoting economic development and employment of women, young entrepreneurs and low-income population groups.

In 2017-2021, the strategy of action on five priority areas of the development of the Republic of Uzbekistan defines important tasks on "reduction of state participation in the economy, protection of the right to private property and further strengthening its priority position, continuation of institutional and structural reforms aimed at promoting the development of small business and private entrepreneurship"[1]. The solution of these tasks requires the improvement of business support.

## ANALYSIS OF LITERATURE ON THE TOPIC

The development of small business and private entrepreneurship and employment issues as an object of research have been studied by economists of foreign countries on the basis of different approaches. Specifically, A.Bruno, T.Tyebjee [2], E.Staley, R.Morse [3], K.Manning S.Birley, D.Norburn [4], D.Swanson, L.Webster [5] studied the business environment, the conditions leading to the development of entrepreneurship, and ome.

He is from local economist scientists. V. Gafurov [6], O. Aripov [7], S.K. Salaev [8], J.J. Urmonov [9] covered such issues as state regulation and development of small business and cooperation, taxation of business entities.

## **ANALYSIS AND RESULTS**

Support of small business and private entrepreneurship in Uzbekistan is carried out in the following directions:

-created a legal regulatory framework that ensures and guarantees the development of small business and private entrepreneurship and a market infrastructure that promotes their development;

-preferential tax, preferential loans from state and non-budgetary funds, loans from international financial institutions were attracted, a microcredit mechanism was developed for entrepreneurs and financing issues are being improved;

-the state program for the support of small business and private entrepreneurship has been developed and implemented and priority has been determined in its development.

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In order to develop the economy in accordance with the national model on the basis of market relations in a short period of time in Uzbekistan, a lot of work has been done in the economy of the Republic. As a result, significant progress is made in this area.

Indeed, small scale business and private entrepreneurship not only fill a certain gap in the economy, but also have a decisive role in its diversification and ensuring sustainable development. Although the result of great attention and support from the state to the sphere of small business and private entrepreneurship, its share in the gross domestic product of the country is increasing year by year. In the year 2000, the share of small business and private entrepreneurship in the GDP was 31,0%, by 2019 this figure reached 56,5%. The share of the industry in industry, construction, employment, exports and imports also increased significantly. This indicator is especially noticeable in the provision of employment (49.7% in 2000, 76.2% in 2019) (Table 1).

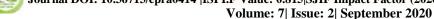
1-Table
Share of small business and private entrepreneurship
(in % compared to the total size)

Year	GDP	Industry	Building	Busy with	Export	Import
2000	31,0	12,9	38,4	49,7	10,2	22,8
2005	38,2	10,0	50,9	64,8	6,0	33,7
2010	52,5	26,6	52,5	74,3	13,7	35,8
2015	62,9	40,6	66,7	77,9	27,0	44,5
2016	64,9	45,3	66,9	78,2	26,0	46,8
2017	63,4	41,2	64,8	78,0	22,0	53,6
2018	60,4	37,4	73,2	76,3	27,2	56,2
2019	56,5	34,9	75,4	76,2	28,7	54,2

Source: Database of the State Committee of the Republic of Uzbekistan on Statistics. www.stat.uz.

The current stage of economic reforms carried out in Uzbekistan is characterized by the further development of small business and private entrepreneurship, giving it broad economic freedom. In this regard, at present, development of small business and private entrepreneurship activities in our country is given special attention. Because the development of small business and private entrepreneurship is considered as a strategic task of the economic policy of our state, as a factor of increasing the well-being of the population. Small business is not only a source of income, but also a means of realizing the creative and artistic abilities of people. In a word, small business and private entrepreneurship serve as a systematic framework for the formation of the middle class. And the middle class, as is known, is the basis of any democratic society. The correct solution of the issue of employment is of great importance in increasing the welfare of the population. At the same time, in order to ensure the employment of the working-class population, the state is pursuing a policy of stimulating business entities creating new jobs, granting tax, credit privileges; increasing the quality and competitiveness of the labor force in the labor market; developing the sphere of work-related, service and service at a more rapid pace. The goal-oriented policy associated with the accelerated development of small businessestirishga the preferential taxation program and support with loanstirishga has enabled entrepreneurs to expand the production of their released funds, which, in turn, has enabled them to create thousands of new jobs. In particular, the main part of the jobs created in the small business falls on the service and service sector and is primarily created in rural areas. In increasing the employment of the population in rural areas, measures aimed at livestock breeding and poultry rivojlan developmenttirishga in peasant farms and personal farms have also contributed, in particular, as a result of the granting of free cattle to low-income and multi-child families, the rural population also had the right to engage in cattle breeding and to receive benefits during the period

The flow of labor resources in Uzbekistan is stable and intensive, and due to this, it has the opportunity to develop various sectors with high labor capacity. One of the priority tasks of the state in the provision of the population with Labor is to ensure the constant employment of the population and improve the composition of its networks. In solving this problem, several positive results were achieved in our country. At the same time, the demographic factor continues to have a significant and direct impact on the need for workplaces, as a result of which the progressive growth rates of the population entering the age worthy of labor are preserved. The dynamics of demographic development suggests that it is possible to predict an increase in the need for the creation of new jobs in the labor market of our country. Another feature of demographic development is that the rate of growth of this economically active population is much higher than the rate of growth of the employed population. That is, the level of economic activity of the population amounted to 69,7 percent in 2000, reaching 74,3 percent by 2018. While the employment rate of the population was 69.7 percent in 2000, it was 67.4 percent in 2018.



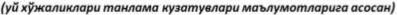
Economically active population, number of employed and unemployed

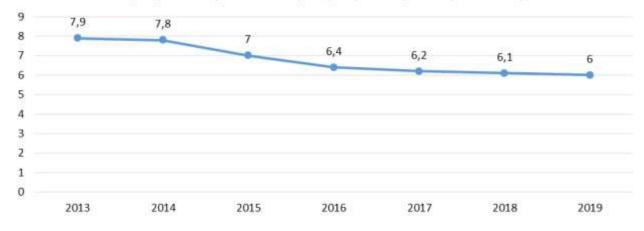
	Total number of	, * · · · ·	iem:	The level of economic activity of the population, in percent	The employment rate of the population, in percent	Unemploy ment rate, in percent
	economically active population, thousand people	economic considerations	unemployed			
2018	14641,7	13273,1	1368,6	74,3	67,4	9,3
2015	13767,7	13058,3	709,4	71,9	68,2	5,2
2010	12286,6	11628,4	658,2	70,7	66,9	5,4
2005	10224,0	10196,3	27,7	67,9	67,7	0,3
2000	9018,4	8983,0	35,4	69,7	69,4	0,4

Source: Database of the State Committee of the Republic of Uzbekistan on Statistics. www.stat.uz.

The coefficient of differentiation of population revenues (10%) by groups was 7,9 in 2013 year, falling to 6 coefficients by 2019 year.

## Аҳоли даромадларини (10%) гуруҳлар бўйича дифференциация коэффициенти





 $Source: \ Database\ of\ the\ State\ Committee\ of\ the\ Republic\ of\ Uzbekistan\ on\ Statistics.\ www.stat.uz..$ 

Another aspect of the issue of employment in the current period is that structural changes in the economy are explained by the fact that Labor is becoming more and more, and the trend of labor increases in the world, especially in developed countries. Intellekt among the qualitative aspects of labor in the process of development, the concept of profession is also changing, that is, as the main criteria of labor activity in this process, the continuous development of new knowledge, the improvement of the worker's skills and their application in professional activity, etc. As a result of the deepening of the level of socialization of labor activity, not labor as the main source of value, on the contrary, knowledge arises. Gradually, the labor theory of value is exchanged with the theory of "knowledge value", which creates knowledge. Its founder is T.Sakaya noted,"... we are stepping into a new stage of development, in which, as a driving force, the values created by knowledge are manifested" [10].

Such terms as "information society", "knowledge society", "information economy", "intellectual economy", which reflect the content of the economy, are increasingly widely used in practice. The process of such hard work requires constant updating of human potential and knowledge. Given the development of Labor on the basis of certain laws, the issues of employment of the population in our country require new approaches and understanding in their assessment. World experience shows that the formation and use of human resources capacity depends on the strategy of economic development of the state, the educational system, the level of development of entrepreneurship, the professional training of its personnel, the state of science. It should be noted that in recent years there have been positive changes in this regard in Uzbekistan, and employment in the

field of Agriculture has been increasing. In this regard, the importance of entrepreneurship in the performance of the task of accelerating the processes of labor activity development is increasing.

#### **CONCLUSION**

The increase in the level of labor force intellectual leads to an increase in the potential resources, the possibility of attracting the labor force to innovative activities and the acceleration of positive processes. In this regard, it is necessary to pay special attention to the following issues in the more rapid development of small business and entrepreneurship, i.e.;

- reconsideration of the complex development programs of the regions, the development of industry, first of all, the launch of unused reserves and opportunities for the deep processing of agricultural products and mineral raw materials;
- employment in connection with modernization of the economy, technical and technological renovation, expansion of production of quality, competitive products in the domestic and foreign markets;
- to educate citizens who have not been able to find work in their specialties in the labor market on the basis of vocational training, retraining and retraining to new modern professions;
- establish a centralized bank of updated electronic information about vacancies and job seekers and make wider use of its opportunities;
  - to increase the level of manpower development in the labor market;
- to take into account regional and local characteristics in creating the necessary organizational, legal, financial rules and conditions for the development of export potential of small businesses.

It is of great importance that ensuring employment, organization of new jobs and increasing the level of employment are the basis of continuous successful and sustainable development of our country, and entrepreneurship development should remain an important direction of employment.

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