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# STATISTICAL ASSESSMENT OF FACTORS INFLUENCING THE ECONOMIC DEVELOPMENT OF SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP IN UZBEKISTAN

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### **ABSTRACT**

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The article presents scientific conclusions and recommendations for assessing the state of development of small business and private entrepreneurship and the factors affecting it, socio-economic aspects of the development of the industry and structural changes.

KEYWORDS: small business, entrepreneurship, statistical analysis, creation rate, liquidation rate, net creation rate, export potential, statistical methods, statistical evaluation.

### INTRODUCTION

of The level of development entrepreneurship, including small business and private entrepreneurship, is one of the key factors in ensuring employment and increasing incomes, increasing the country's export potential, ensuring sustainable socio-economic development in our country.

Entrepreneurship, in the broadest sense, is seen as a mental activity based on self-interest, aimed at achieving the goals of the subject, based on its own personal factors, from running a household to producing and selling goods and services. In the narrow sense, entrepreneurial activity refers only to the production processes at different levels of the economic sector, ie entrepreneurship [1].

From the first days of independence, special attention has been paid to the development of small business and private entrepreneurship in Uzbekistan. In this regard, during the years of independence, a number of laws, decrees, resolutions of the President of the Republic of Uzbekistan, resolutions of the Cabinet of Ministers and other normative legal acts on the development of this sector have been adopted.

In particular, the action strategy of the President of the Republic of Uzbekistan dated February 7, 2017 "On further development of the Republic of Uzbekistan for 2017-2021" sets priorities such as "development and liberalization of the national economy, ensuring the stability of the national economy and support and development of the private sector." In the implementation of these tasks, the analysis and assessment of statistical methods and trends in the development of small business and private entrepreneurship at different levels in the country, improving the scientific and methodological framework of economic development strategies play an important role.

According to statistical analysis, as of January 1, 2020, a total of 353,921 small businesses and private entrepreneurs were registered in the country, of which 334,767 (94.6%) or 19,154 (5.4%) were actually operating, did not go.

In 2019, the share of small business and private entrepreneurship in the gross regional product (GRP) in the regions of the country reached a high level in Jizzakh region and amounted to 84.1%. This figure was 79.2% in Namangan region, 78.2% in Surkhandarya region, 77.5% in Samarkand region, 75.7% in Bukhara region and 75.3% in Khorezm region. In the Syrdarya, Andijan, Fergana regions, Tashkent city and Kashkadarya region it was in the range of 60-73%. In the Republic of Karakalpakstan,

Tashkent and Navoi regions, these figures are lower than the national average (56.5% of GDP) and amounted to 54.4%, 52.7% and 31.3%, respectively

According to our analysis, the highest survival rate of small businesses is in Namangan, Bukhara, Samarkand and Jizzakh regions. The lowest rates were in Karakalpakstan, Tashkent and Navoi regions.

As a result of the creation of special conditions the development of small business, the establishment of tax, customs and other payment benefits, the provision of relatively cheap credit resources, the number of small businesses in our country is growing. For example, as a result of reforms to improve the business environment in 2019 alone. 92.874 new small businesses were established in the country. The small enterprises and micro-firms established in 2019 (excluding farms and dehkan farms) increased significantly in 2018 (Table 1).

1-Table Dynamics of the demographic situation of small businesses in Uzbekistan on January 1, 2005-2020 [3].

	Indicators									
Years	Number of registered subjects	Number of operating entities	Number of inactive entities	Number of newly established entities	Number of terminated subjects	Operating share,%	Inactive share,%	Creation coefficient,%	Termination coefficient,%	Net creation coefficient,%
2005	138444	99780	38664	21181	15621	72,0	28,0	15,2	11,2	4,0
2006	137503	100751	36752	20365	21319	73,3	26,7	14,8	15,5	-0,7
2007	147903	112260	35643	23197	13734	76,0	24,0	15,6	9,2	6,4
2008	157843	129211	28632	25995	16883	81,8	18,2	16,4	10,6	5,8
2009	165305	135561	29744	24750	17740	82,1	18,9	14,9	10,7	4,2
2010	179693	152246	27447	34318	19632	84,7	15,3	19,0	10,9	8,1
2011	193800	164052	29747	32314	18498	84,7	15,3	16,6	9,5	7,1
2012	205184	177876	27308	31242	19746	86,6	13,4	15,2	9,6	1,5
2013	206589	177551	29038	21078	19260	85,9	14,1	10,2	9,3	0,9
2014	213643	189867	23776	26334	20342	88,8	11,2	12,3	9,5	2,8
2015	221140	196014	25126	26037	18740	88,6	11,4	11,7	8,7	3,0
2016	225998	207104	18894	26896	22646	91,6	8,4	11,9	10	1,9
2017	225560	210594	14966	31279	25207	93,4	6,6	13,8	11,1	2,7
2018	242379	229666	12713	38167	21924	94,7	5,3	15,7	9,0	6,7
2019	276237	262930	13307	48922	15601	95,2	4,8	17,7	5,6	12,1
2020	353921	334767	19154	92874	15646	94,5	5,5	26,2	4,4	21,8

The largest number of small enterprises and micro-firms is in the trade sector - 36,300 (39.1%),

industry - 19,496 (21.0%), construction - 8,730 (9.4%), agriculture, forestry and fisheries - 7,469

(8.0%). 7233 (7.8%) in the field of accommodation and food services.

When analyzing the coefficient of net creation of small businesses in the country, at the end of 2019 it was 21.8%, in 2005 this figure was only 4.0%. The highest results in terms of net creation ratio were 8.1% in 2010 and 12.1% in 2018.

In 2005, 138,444 small businesses were registered in the country, while in 2010 this figure was 179,693, or 129.7%. The number of registered small businesses in 2015 was 221,140, which is 159.7% more than in

In 2019, compared to 2018, there was a significant increase in the number of small enterprises and micro-firms operating in the country. If in 2018 there were 262,930 small enterprises and micro-firms operating in the country, we can see that in 2019 this figure increased to 334,767 or 71,837 (127.3%). In turn, in the years under study, the number of newly established small enterprises and micro-firms also reached 43,952 (189.8%).

According to our analysis, the share of small business has been declining in some sectors. In particular, in industry -2.5%, trade -2.0%, services -3.9%, freight -0.9%, freight turnover -2.2%. Also, in the analyzed years, the share of investment in small business amounted to 47.0%, an increase of 9% over the previous year, construction by 2.2%, passenger traffic by 1.1%, passenger turnover by 0.1% and exports by 1%., Increased by 5%. However, agriculture, forestry and fisheries remained unchanged compared to 2018.

In all regions in 2019 compared to 2018 there was a positive growth in the establishment of new small businesses and micro-firms. In 2019, the largest number of newly established small enterprises and micro-firms in the regions was 18,252 in Tashkent, 9,671 in Tashkent region, 7,980 in Samarkand region, 6,712 in Navoi region and 6,632 in Andijan region. The lowest rate was observed in Syrdarya region, with 3,153 (Table 2).

2-Table Dynamics of newly established small enterprises and micro-firms by type of economic activity [3]

	2018 year	2019 year	(+;-)
Republic of Uzbekistan.	48922	92874	43952
The Republic of	2177	3645	1468
Karakalpakstan			
Andijon	3131	6632	3501
Buxoro	3024	6154	3130
Jizzax	2319	3432	1113
Kashkadarya	2365	5154	2789
Navoi	1810	7129	5319
Namangan	2709	5447	2738
Samarkand	4312	7980	3668
Surxondaryo	2781	4845	2068
Sirdaryo	1354	3153	1799
Tashkent	5080	9671	4591
Fergana	3780	6712	2932
Khorezm	2009	4668	2659
Tashkent	12071	18252	6181

In 2019, compared to 2018, the maximum number of newly established small businesses and micro-firms was 2,279 in Chilanzar district, 222 in Samarkand and 2,195 in Uchtepa district. In Yunusabad district -2121, in Almazar district 2041, in Mirzo-Ulugbek district 1983, in Andijan -1895, in Bukhara this figure was 1800 (Table 3).

3-Table Dynamics of cities and districts with a high rate of newly established small businesses and microfirms, unit [6]

Cities and Districts	2018 year	2019 year	Difference (+ ;-)
Chilanzar district	1474	2279	805
Samarkand city	1319	2222	903
Uchtepa district	985	2195	1210
Yunusabad district	1652	2121	469
Almazar district	1208	2041	833
Mirzo-Ulugbek district	1433	1983	550
Andijan city	983	1895	912
Bukhara city	987	1800	813
Shayhantahur district	1226	1672	446
Mirabad district	1089	1661	572

Based on the above, we present the following proposals for the further development of small business and private entrepreneurship in the country and its regions. That is:

- 1. It is necessary to develop a clear goal and strategy for the effective organization of the development of small businesses. At the same time, it is expedient to determine the integral indicators of economic and innovative development of small businesses and determine the prospects.
- 2. On the basis of modernization of the economy and structural shifts, a wide range of opportunities should be created to stimulate exports and develop exportoriented production. To this end, the development of specialized foreign trade organizations that can successfully sell goods and services of small business in foreign markets; increase the competitiveness of goods through the implementation of international quality management systems; It is necessary to develop measures to increase the efficiency of transport services for export goods.
- 3. In order to ensure the sustainable development of small businesses in the regions, it is necessary to: increase the efficiency of production in regional businesses at the expense of intensive factors, advanced forms of production; placement of divisions, branches of large national and foreign companies for the development of entrepreneurial activity; directing regional business activities in the production of consumer goods in districts and cities: reducing the differences in the development of regional business entities between districts and cities, etc.

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