

EPRA International Journal of Research and Development (IJRD)

Volume: 5 | Issue: 6 | June 2020 - Peer Reviewed Journal

THE NATURE OF LABOR AND THE COMMON INTERESTS OF SMALL BUSINESSES IN A MARKET ECONOMY

Marufjon Gapparov

Senior lecturer, "Accounting in agroindustry" department, Andijan branch Tashkent state agrarian university

ABSTRACT

This article describes the nature of labor in small businesses in a market economy, especially in the service sector. The article provides a comparative analysis of the nature and common interests of labor in the current and former Soviet Union, based on the views of foreign scientists, as well as the views of domestic economists.

KEYWORDS: economy, market economy, labor, economic power, social status of the population, economic growth rate, trade enterprises.

INTRODUCTION

The force that creates the economic basis of any society is labor. Because of this, the study of his character has always been relevant. Under socialism, there were dozens of institutes dedicated to this problem, in which hundreds of scholars were engaged.

The study of the nature of labor in a market economy is of great practical importance not only theoretically. Without studying the nature of the labor of employees engaged in each field, it is difficult to determine the place of this sector in the national economy, its contribution to the gross domestic product and gross national product. These indicators reflect the economic power of the country, the social status of the population, the level of economic growth, its position among other countries.

LITERATURE REVIEW

When theoretically analyzing the nature of labor, proving whether it is productive or unproductive is central. Many great scientists, including S.G.Strumilin, A.Sh.Rumyantsev, G.S.Khathaturov, V.S.Nemchinov, E.S. Varga, N.A.Kronrot, A.I.Notkin, A.S.Kudryavtsev, M.M.Gatovskiy, V.V.Novojilov, G.A.Prudensky, P.A.Khromov, E.L. Manevich, have dealt with the problem of productive and unproductive labor. [1, p. 23]

A number of scholars, such as M.I.Bakanov, V.I.Ivanitskiy, L.I.Kravchenko, N.P.Pisarenko, A.M.Fridman, S.V. Sapov, M.V.Sladkov, D.Timoshevsky, V.Kh.Zadorozhny, V.D.Khorin, have dealt with the question of how to solve this problem directly in the field, especially in trade. [1, p.23]

Uzbek scientists have also made a significant contribution to the study of this problem. They include I.T.Abdukarimov, N.B.Bozorov, D.S.Sirojiddinov, R.H.Shodiev, M.M.Muhammedov, A.Ulmasov, Yo. Abdullaev. [2, p.12]

THE ESSENCE OF THE MATTER

The importance of the issue requires the study and interpretation of several theoretical aspects of this problem from the perspective of the present period. These include issues such as determining the nature of labor in trade (whether it is productive or unproductive), what sector it belongs to (production or non-production), and how to evaluate labor outcomes (labor productivity or labor efficiency) in a multi-ownership environment. The solution of these problems is of great importance for our republic, which has chosen its own path of independent development. Because they will be methodological basis for determining how much of the existing labor potential should be involved in this area, how they can be used effectively, how this multi-property sector contributes to the economic and social potential of society.

The nature of labor means the nature of labor that corresponds to the economic and political structure of that society. A market economy is being formed in Uzbekistan. The economic basis for this is, first of all, multi-ownership, free competition and



SJIF Impact Factor: 7.001 ISI I.F.Value:1.241 Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)

EPRA International Journal of Research and Development (IJRD)

Volume: 5 | Issue: 6 | June 2020 - Peer Reviewed Journal

free prices. These concepts are directly related to many other patterns that apply in a market economy. In particular, price changes apply to the law of supply and demand. When demand increases, prices rise, and when supply increases, vice versa. The balance of supply and demand ensures price stability.[1, p.12]

Multiple ownership, in turn, creates an objective basis for the formation of free enterprise a single centralized management. Competition, on the other hand, requires every business entity to work effectively, and so on.

The nature of labor is formed in the same process. First of all, it is necessary to recognize the various forms of ownership of the means of production, that is, multiple ownership. Multiple ownership primarily serves the interests of the owners. [3]

Owners are interested in their economic activities, primarily in increasing ownership. Some activity is necessary to increase ownership. This activity should be determined by the needs of society, because no activity just happens. Someone should be interested in this. In this regard, the interests of the owner should coincide with the interests of society. This is the first aspect of the problem.

Secondly, the owner performs work that is more in the public interest through the state, through taxes on income (profit) and property received as a result of his activities. From this it is clear that an increase in ownership is beneficial for both the state and society. This means that a country with a rich citizen must necessarily be an economically strong country.

In this case, labor has a character that directly represents the interests of the owner and society, ensuring their commonality.

But the hard worker works. The interests of them also play an important role in the system of interests. Because of this, when working, the worker looks, first and foremost, in terms of his own interests. Because of this, if he does a lot of good and quality work, he should get paid so much from the owner. To do this, the worker increases his labor productivity. This will ensure the compatibility of all interests.

First, the ownership and income of the owner is increasing. Secondly, the state tax on these facilities will increase. Thirdly, the wage of the worker will increase, and the tax paid to the state will be accordingly increased. Consequently, compatibility of all interests is ensured.

All the material and spiritual blessings in a society are created by the labor that exists in that society. Labor improves the processes that take place in society, nature, and human thought. So, at the heart of any development is the improving of labor.

However, the nature of labor, its impact on man and social development, cannot be the same in different historical periods, because human labor is governed by his intellect. The process of labor, on the other hand, takes place under the influence of many scientists. Apparently, the labor problem is a very comprehensive problem that requires a very large amount of research. We will focus only on a part of this problem, what changes have taken place in the nature of labor in a market economy in relation to the planned economy, and what its peculiarities have emerged at this stage of the development of society.

In the context of socialist production based on social property, the nature of labor was understood as its contribution to the creation of national income. This would theoretically require a justification for whether labor in trade was productive or unproductive labor. Now, in a multiproperty market economy, the nature of labor in trade is determined by the contribution of society to the gross national product. National income and gross national product differ from each other in terms of essence and content. In theoretical research, it is expedient to approach the nature of this labor not from the point of view of productive or unproductive labor, but from the point of view of whether labor serves a benefit. Therefore, in the current situation, productive labor should be viewed not in terms of the production of material goods, but in terms of the production of national products. For, in the conditions of socialist production, social production was divided into the production of material goods and the non-production of material goods. In a market economy, the national income is replaced by the gross national product, which includes all the services that generate income, along with the production of material goods. If we look at this problem from this perspective, it will be necessary to approach it in a new methodological way to identify productive and unproductive labor in the current market economy.

In solving the problem of productive or unproductive labor in the conditions of socialist production, social production was considered from the point of view of society. Now it is necessary to look at the problem from the point of view of the owner, the entrepreneur. This recommendation is a key theoretical concept in the study of the nature of productive and unproductive, useful and useless labor in a market economy.

From the point of view of Marxist doctrine, labor that creates any material good is productive labor. However, in a market economy, any labor that creates material wealth is not considered productive labor if it does not benefit the owner, the entrepreneur. The result of such labor is that the



SJIF Impact Factor: 7.001 ISI I.F.Value:1.241 Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)

EPRA International Journal of Research and Development (IJRD)

Volume: 5 | Issue: 6 | June 2020 - Peer Reviewed Journal

financial and economic activity leads to an economic crisis. Such labor is not necessary for an entrepreneur. But it is productive labor for society because material wealth has been created.[4].

Productive labor must also be approached from the point of view of the laborer. If a worker can provide for himself and his family with the wages he receives for the labor he has expended, if he is able to reproduce the labor force, then this labor is productive for that worker, the laborer. It does not matter to the worker whether he produces material goods or not, or whether he is engaged in the field of service. What interests him is the wages he receives for his labor (whether productive or unproductive).

This means that in studying the nature of labor in general, in a market economy, it should be approached mainly from the point of view of the owner, the entrepreneur. But any entrepreneur is a member of that society, within the state in which he lives. In this context, his work should be taken into account not only by his own economic interests, but also by the interests of society. As a member of this society, every worker has his own interests. Therefore, when studying the nature of labor, its interests should not be left out. Thus, in assessing the results of labor in a market economy, as in socialism, it is necessary to look not only from the point of view of society, but also from the point of view of ensuring the common interests of the owner, entrepreneur, society and the worker.

One of the most important issues in a market economy is to determine which sector trade belongs to. From the point of view of creating national income in a planned economy, social production was divided into two main material, productive and nonproductive. This stratification is true from the point of view of society, because the wealth of a society is increased mainly through material production.

The peculiarity of our economy is that if we adopt the national accounting system at the level of international standards, we will inevitably retain these two areas, because the goal of any reform in the chosen and appropriate path of the Republic of Uzbekistan is to improve the welfare of the people. This means that our social interests have not lost their priority, even if they are not hegemonic. In such circumstances, of course, it is an objective necessity to keep the productive sector, which produces material goods, separate. This is one of the peculiarities of the emerging market economy in Uzbekistan.

Now that the economic process has taken place, the role of the state in governance, the situation in the field of management in general has changed radically.

Multi-property based trading organizations operate independently. Most of them were denationalized. However, the state keeps these subjects at its disposal by law because they operate within the laws of the state. Business entities, including commercial enterprises, pay taxes to the state as a result of any economic activity (if it does not have a privilege). The state exercises its control through the tax mechanism. Trading companies also pay taxes on the results of their income-generating activities. If the paid service of trade is viewed from the point of view of this state, it will become a productive sphere for the society as well. An employee engaged in trade receives a wage for his labor and restores the labor he has expended. This is productive work for him. Therefore, in a market economy, trade should be considered as a productive and profitable sector that ensures the common interests of the state (society), property owner (entrepreneur), labor (labor force). Literally trade is a service in a market economy.

When the nature of labor in trade is studied, of course, the question of how to evaluate its outcome is not considered, in our opinion, the research on the subject is incomplete. Due to the large share of productive labor in trade in the conditions of socialist production, the indicator of labor productivity was used to assess the results of labor in this area. The basis for the calculation of this indicator was the turnover at current and comparable prices. Even now, the main indicator of a trading enterprise should remain the turnover, because almost all indicators that represent the financial and economic activity (gross income, profit, transaction costs, etc.) depend on the size of this indicator [5].

Therefore, even in a market economy, it is advisable to maintain the method of assessing labor productivity by the volume of trade turnover (current and comparable prices) per employee. However, for a property owner, whether he is a state, a community, or a private entrepreneur, the profit margin is more important than the turnover. This is of course due to its economic interest. Therefore, we think it is appropriate to use an indicator that reflects the level of profitability, as well as its productivity, to assess the results of labor. This is represented by the amount of profit that each employee receives.

The advantage of this indicator is that it provides more accurate information to draw conclusions about the labor performance of each salesperson and entities interested in the financial and economic activities of the enterprise.

Economic reforms in Uzbekistan will radically change the nature of labor. It weakens the contradictions between them. Labor is only achieved when it is properly stimulated. Economic, social and



SJIF Impact Factor: 7.001 ISI I.F. Value: 1.241 Journal DOI: 10.36713/epra2016 ISSN: 2455-7838(Online)

EPRA International Journal of Research and Development (IJRD)

Volume: 5 | Issue: 6 | June 2020 - Peer Reviewed Journal

political stability is also directly related to the proper stimulation of labor.

Labor in such conditions has a creative character and it tends to change from simple labor to a complex form.

The economic nature of labor, its proper stimulation, leads to the liberation of people from the spirit of dependency. This, in turn, encourages every able-bodied member of society to work. At present, a similar mentality is emerging in Uzbekistan.

A qualitatively new society is being formed in Uzbekistan. This requires that the nature of labor also change accordingly. But in the current transition period, it is important not to neglect the organization of labor, its proper stimulation, its transformation into creative labor. This requires strict state control and the need to lead reforms in this area.

CONCLUSION

In conclusion, it should be noted that Uzbekistan has chosen a unique and appropriate path of development. It has a lot of uniqueness. One of these is not to study economics as productive or 6. use, 2012.

unproductive, but to ensure that interests are shared. Therefore, when studying and analyzing the nature of labor in trade, it is expedient to look at it not from the point of view of a productive or unproductive sector, but from the point of view of the interests of the labor force, ie the laborer, the owner, the state and society. Trade, on the other hand, needs to be seen as an important area of human life that is part of a service, rather than as a productive or unproductive sector.

REFERENCES

- 1. Pardaev M.Q. Theory of economic analysis. Zarafshan Publishing Textbook. Samarkand, 2001.
- 2. Akromov E.A. "Analysis of the financial condition of enterprises." –T.: "Finance", 2004.
- Qudratov T.Q., Ibrohimov M.M., Karimova Z.N. Economic analysis. -T .: "Ilm Ziyo", 2005.
- Savitskaya G.V. Analysis of the economic activity of the enterprise. / Textbook. -5th ed., Revised. and. add. -M, Infra-M, 2009.
- 5. Pardaev et al. Financial and management analysis. Study guide. -T .: "Cholpon" publishing