



## The role of small business in ensuring the economic sustainability of families

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### ABSTRACT

The article discusses the importance and necessity of ensuring the economic stability of the family, as well as the role of small business in ensuring the economic stability of the family.

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### ARTICLE INFO

*Article history:*  
Received 15 Jan 2021  
Received in revised form 30 Jan 2021  
Accepted 28 Feb 2021

*Keywords: Family, economic stability, household, social support, social stability.*

**Introduction.** After the independence of Uzbekistan, profound socio-economic changes began to take place in the life of society. These changes are directly related to the needs and interests of the family, which is the basis of society, and the level of well-being of each family. That is why families are seen not only as the primary link in society, but also as a factor that provides social stability, a solid economic base that serves to improve the national economy. At the same time, the family is a social space that plays an important role in the development of society, and only on the basis of ensuring its stability can society be divided into those with mature potential workforce.

It should be noted that the socio-economic support of the family in the country has risen to the state level, as evidenced by a number of measures aimed at its development. In particular, the President of the Republic Sh.M.Mirziyoev on February 27, 2020 in a video conference on measures to reduce poverty through the development of entrepreneurship, highlighted the most important and urgent tasks aimed at further enhancing the development of our country, "... Young families need support, assistance and support. Social protection policy aimed at strengthening attention and care for both categories and well-off families will be continued at a new stage. 12-15% or 4-5 million people are poor, their daily income does not exceed 10-13 thousand soums, or a family has a car and livestock. but if a person is seriously ill, 70 per cent of the family's income goes to medical treatment, and the vital needs of the family, such as food, treatment, education and clothing, are met." [1]

The study of the characteristics of ensuring the economic stability of the family requires, first of all, a thorough study of the financial situation of the family. The average salary in Uzbekistan in

January-March 2020 amounted to 2.5 million soums [2]. In some regions of the country, which is the object of research, it is 20% higher than in the country. Per capita income in the provinces increased by 4.5 times in 2020 compared to 2015, and expenditures by 4.52 times [3]. It should be noted that today the majority of family expenses in the region, 53.9% were spent on food, 16.1% on services.

At the same time, due to the relatively high proportion of children and the elderly in the provinces, as well as the low growth rate of the number of jobs created relative to the labor force, there is an average of 1.4 dependents per 1 breadwinner in the family. The above-mentioned cases show that there are a number of problems in the economic situation of families in the provinces.

Today in our country, as well as in the regions, special attention is paid to the socio-economic support of families, especially well-off, bereaved families. However, changes in the financial situation of the family in the provinces are affecting its economic stability. With this in mind, a comprehensive study, analysis and development of scientific proposals and recommendations on ensuring the economic stability of families is one of the current issues.

**Materials and methods.** During the period of our research, a study of the economic literature showed that no serious research has been conducted on the concept of "economic stability of the family", its socio-economic factors, its activities. It should be noted that research in the field of family psychology, family pedagogy, family demography, sociology, in a sense, some general views on the stability of the family. However, at the same time, the theoretical and methodological basis and concept of its economic factors, which are a direct basis for ensuring the stability of the family, have not been studied.

In our opinion, at the current stage of development of human society, each event should be viewed not only in terms of social, spiritual, educational, but primarily economic factors. Therefore, in the study, we tried to shed light on the economic mechanism of ensuring the economic sustainability of families.

Before clarifying the concept of "economic stability of the family", we found it expedient to clarify the essence of the category of "sustainability". "Sustainable" in English means "stability", "utoychivost" in Russian, "stability", "stability" in Uzbek, as well as "permanent", "uninterrupted" and "support". Although this concept is different in form, it is essentially a common feature. A number of authors (S.I.Golod., N.A.Yurkevich, Z.A.Yankova) used the concept of "stability" to describe the characteristics of the successful development of the family. Another group of experts (V.A.Sysenko, E.G.Gukova, I.F.Demenkeva) opposes the concept of "stability" to a positive "stability", giving it a certain negative meaning. In their view, 'marital stability' represents a statistic of the processes that take place in the family and notes the legal and permanent existence of the family even without spiritual solidarity and mutual sympathy of the couple. Stability, in their view, is a category of dynamic content that can be used to describe a harmoniously developed couple union. [7] The Explanatory Dictionary of the Uzbek Language defines stability as "a firm and firm priority established" [8]. In the Uzbek National Encyclopedia, stability is described as "a companion to change, a double concept of philosophy."

From an economic point of view, stability is a time-related concept. In particular, the duration of a positive trend in an economic event or phenomenon, or the longevity of its level. On the other hand, this concept reflects quantitative indicators in grief. That is, the minimum limits of positive economic indicators, the maximum limits of negative indicators are set. In general, stability is a positive state of performance over time. Ensuring the economic stability of the family is largely related to its economic activity. Therefore, any family can be stable and become an active subject of socio-economic processes in society only if it solves domestic problems together and is economically self-sufficient. At

the same time, the family is the primary socio-economic link in society, in which the income of the population is formed and the material and economic and consumer needs of its members are met.

Due to the emergence of a number of global economic processes in the world economy in the XXI century, there is a sharp increase in unemployment as a result of declining global demand. World economists see entrepreneurship and family business as the solution to these situations and the main source of employment. Family business is one of the traditional ways of running a business in the private sector and has an important place for all sectors of the economy. Globally, family business provides 50 percent of the world's population with essential services and products, and four-fifths of the world's business comes from family business. In Europe, 70-80% of enterprises are organized in the form of family business, which provides 40-50% of employment. In North America, 80-90 percent of the business sector is accounted for by family business and provides 64 percent of U.S. employment. According to a survey conducted by Price water House Coopers, 72% of respondents recognize family business as an effective factor in economic growth and sustainability in developing countries. It also highlights family business as an important factor in ensuring regional development and growth. Uzbekistan is the most populous country in Central Asia, and employment is one of the most pressing issues facing our country. Taking advantage of family business opportunities (home-based work, crafts, baking, opening kindergartens and nurseries, taking extra classes, etc.) is one of the best ways to take advantage of internal opportunities. Taking into account the effective impact of family business on the economy, Uzbekistan also adopted the Law of the Republic of Uzbekistan "On Family Business" on April 26, 2012. The law consists of 35 articles, the main purpose of which is to regulate relations in the field of family business. Family business is one of the most common and ancient forms of business in the world, and the advantages of family business have been proven in many scientific articles.

In recent years, the results of small businesses as an important factor in creating new jobs in the country, increasing incomes and welfare of the population are becoming more significant (Table 1).

Table 1  
The share of small businesses in creating new jobs in Uzbekistan

Name of indicators	2016	2017	2018	2019	2020
Newly created jobs, thousand people	920	940,5	950	1050	1120
including:					
In small business and private entrepreneurship. thousand people	542.8	530.4	541.5	553.4	551.0
In percentager terms	59.0	56.4	57.0	52.7	49.2
Percentage of total employment in the economy, in percent	78,2	78.0	76.3	76.2	73.8

According to the table, in 2016, a total of more than 920,000 new jobs were created in the country, of which about 542.8 thousand were small businesses. In 2020, more than one million new jobs will be created. It should be noted that more than 64% of new jobs were created by further stimulating the development of small business, private entrepreneurship and farming, in particular, by

providing them with new benefits and preferences, and more than 28% by creating new enterprises and expanding various forms of home-based work. In 2020, 73.8% of the total population employed in the economy of the country worked in the field of small business and private entrepreneurship.

At the same time, the table shows that the share of small businesses in employment in 2016 was 59.0%, in 2020 this figure reached 49.2% or decreased by 9.8% compared to 2016. As this result was due to the fact that the arrival of 2019 Covid in our country had a slight impediment to the employment of the population, the temporary suspension of some enterprises led to a decline in indicators. This shows that small businesses play an important role in solving the problem of employment and job creation.

In his report to the Cabinet of Ministers on the main results of 2019 and priorities of socio-economic development of Uzbekistan in 2020, President Mirziyoyev said, "... The program of job creation and employment in 2020 approved by the OliyMajlis of the Republic of Uzbekistan should be at our center. The program is expected to create more than 1 million jobs, of which about 800,000 will be in rural areas. It is planned to employ more than 500,000-6,000 people through the further development of small business and private entrepreneurship, primarily through the development of various forms of home-based work on the basis of employment contracts with enterprises, as well as more than 300,000 people through family business. The issue of employment of graduates of professional colleges and academic lyceums should be in the center of constant attention. According to statistics, today 20% of the total employed in the country work in the public sector, 80% in the non-governmental sector, and 74% in the private sector. Analysis of these statistics shows that the number of employees in state-owned enterprises is declining, while employment in the private sector is increasing. This indicates that the government of the country has opened a wide range of opportunities for small business and private entrepreneurship, while consistently implementing economic reforms aimed at increasing employment and ensuring the economic stability of families.

At the new stage of economic reforms, the following areas are being implemented in the field of increasing employment and regulating the labor market:

- New jobs are being created based on economic development;
- A wide range of opportunities for small business and private entrepreneurship, which is strongly supported;
- Increasing the level of self-employment of the population on the basis of labor activity, family rent, development of farmers and farms;
- Employment and the labor market are improving. To this end, work is underway to liquidate or re-specialize loss-making enterprises.

In our opinion, the most important economic measure to increase the demand for labor is to carry out structural changes in various sectors of the economy. This will be achieved, first of all, through the development of forms of ownership, increasing labor productivity, creating new jobs, efficient use of working time, increasing the material and moral interests of workers, the rational setting of taxes.

Important economic measures include the creation of new jobs in the processing industry and services, the provision of soft loans by the state to expand production, the introduction of advanced technologies, the establishment of state orders for key products of agricultural production and processing industries in small markets. development of private entrepreneurship and financing of social work.

These measures provide for the least investment in the creation of additional jobs and play an important role in increasing the demand for labor. The sources of funding for the development of small business and private entrepreneurship are the local budget, the Employment Promotion Fund and

private funds of private entrepreneurs. Today, especially in the regions, it is necessary to study the issues of employment and employment of production workers.

Primary organizations of the labor exchange and employment service have been established in the country, which are engaged in the calculation, analysis and future of the amount and structure of unemployment and vacancies, employment and retraining of the unemployed, the organization and expenditure of the Employment Promotion Fund. Within the framework of private entrepreneurship, certain financial assistance is provided to create new jobs through the allocation of soft loans. In sectors of the economy, especially rural; structural reforms have been carried out in the economy, the legal basis for the regulation of social and labor relations between employees and employers has been created, and so on.

Over the past 10 years, more than one million new generation specialists with modern thinking potential have been trained in the system of secondary special, vocational and higher education, trained in more than 100 areas, 265 specialties and 700 professions.

**Results.** Based on the above, it is expedient to increase employment in the republic and its regions, to implement the following in the effective use of labor:

- It is known that more than 62.5% of the population in our country live in rural areas. Accordingly, the same proportion of the able-bodied population is accounted for by the rural population. Therefore, it is necessary to expand the areas and types of activities of the rural population;

- At the same time, another issue of special importance today is the quality of training of young people and future professionals. Naturally, the system of training and retraining of pedagogical staff is crucial in this regard. This issue should be the most urgent task of the system of reforming general secondary and secondary special education. It is necessary to more widely and actively involve experienced practitioners and teachers of higher education institutions in the educational process in our lyceums and colleges;

- It is necessary to expand the activities of the socially oriented labor market from year to year and ensure the regular holding of job fairs;

- It is necessary to improve the system of well-developed local and foreign employment services, which regulates the supply and demand for labor;

- It is necessary to carry out in-depth economic reforms to create new jobs in the country and its regions, increase employment and targeted use of production capacity;

- In order to improve the rational employment of the population, it is necessary to regularly monitor the ongoing programs;

- It is necessary to create new jobs in the processing industry, services;

- It is necessary to develop small business and private entrepreneurship, which will increase the demand for labor and reduce unemployment;

- It is necessary to provide service areas with effective domestic and foreign equipment and other technologies;

- It is necessary to improve the organizational, economic and legal mechanisms governing the labor market, unemployment and employment.

**Discussion.** At the same time, there are a number of problems in the development of the country's labor market, the most important of which is the problem of youth employment, which makes up a significant part of the labor force.

At the meeting of the Cabinet of Ministers of the Republic of Uzbekistan on January 24, 2020, President Sh.M.Mirziyoev prepared and implemented targeted plans for employment of the population, including youth, including youth in cities and regions after graduating from college. to study the issues

of cooperation, to support the establishment of "enterprise-college" relations.

The uniqueness of the youth group in the labor market compared to other groups is that it is young people who enter the labor market for the first time. They are mobile, quick-witted, self-confident, but the mistakes and shortcomings in the work done to ensure the employment of young people lead them to find jobs suitable for their fields, not being paid enough to meet their vital needs. Currently, there are a number of problems with youth employment, including:

- many young people still cannot imagine what firm or company they want to work in, that is, do not know exactly what job to choose;
- Young people also spend a lot of time in public education, but, nevertheless, the knowledge acquired in higher education is not enough in all areas;
- As a result of the lack of competitiveness of young people in the labor market, employers do not want to hire them, often they want to hire those with at least 3 years of work experience.

A number of measures have been taken to address these issues. At present, Uzbekistan creates a wide range of conditions for youth employment and entrepreneurship. Particular attention is paid to the employment of graduates of professional colleges. Agreements have been reached between colleges and enterprises for internships for graduates and future employment in these enterprises. Under these agreements, more than 5,000 graduates will be employed in 2020.

In order to ensure the balance of supply and demand in the labor market of the country, the following measures should be taken to encourage young people to engage in entrepreneurial activities:

- Improving the regulatory framework for youth entrepreneurship;
- formation of a system of assistance to young entrepreneurs in obtaining financial, credit and raw material resources;
- expansion of tax benefits for young entrepreneurs;
- support for expanding their participation in foreign economic activity;
- formation of infrastructure providing young entrepreneurs with information on market conditions, markets for raw materials and financial resources;
- Further development of the system of training and retraining of young entrepreneurs, advanced training, etc.

In 2020, it is planned to create 1,120,000 jobs in the country, including 57.9 thousand jobs due to the launch of new production facilities, expansion of existing enterprises and modernization of capacity, 365.9 thousand jobs due to the establishment of small businesses and micro-firms. 117.2 thousand jobs due to business development, more than 270 thousand jobs due to the development of domestic labor and home-based work, 180.4 thousand jobs due to the development of farms and dehqan farms, 113 thousand jobs due to the development of production, market and social infrastructure, idle enterprises 15.6 thousand jobs were created due to the resumption of activities (Table 2).

The table shows that in 2020, a total of 1,120,000 new jobs were created in the country, about half of which were created through the establishment of small businesses, micro-firms, expanding the scope of further development of individual entrepreneurship, services and services.

**Table 2**  
New jobs created in the Republic of Uzbekistan in 2019-2020 (thousand people)

	<b>Directions</b>	<b>2019</b>	<b>2020</b>
	Jobcreation, total	1050	1120
	including at the expense of the following		
	Launch of new production facilities, modernization	67,3	57,9

	and expansion of existing enterprises		
	Establishment of small businesses and micro-firms	365,8	365,9
	Development of individual entrepreneurship	111,9	117,2
	Organization of all forms of home-based work	240,1	270
	Development of farms (poultry, beekeeping, beekeeping)	150,4	180.4
	Development of production, social and market infrastructure	93,9	113
	Restoration of non-functioning enterprises	20.6	15,6

**Conclusions.** It is known from the population that the majority of graduates are young people who are not able to compete on equal terms in the labor market. The Ministry of Labor and Social Protection, together with regional, district and city khokimiyats, develops and implements specific target plans for the employment of college graduates in each district and city in accordance with their specialization. In conclusion, it can be said that the main directions of ensuring the economic stability of families as a result of the creation of new jobs, small business and private entrepreneurship and employment in 2020 are as follows:

- Improving the development of small business, private entrepreneurship, family business and services;
- development of domestic labor (home-based work);
- Launch of new production facilities, efficient use of existing capacity, expansion of enterprises;
- Improving the mechanism of development of production, market and social infrastructure;
- wider use of the potential of farmers and households, accelerating the introduction of intensive technologies;
- Restoration of idle enterprises, financial rehabilitation and soft loans, etc.

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