



Improving the Living Standards of the Population through the Development of Family Entrepreneurship and Small Business in Uzbekistan

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ABSTRACT

The article discusses the role and importance of family business and entrepreneurship in poverty reduction, highlights the theoretical foundations of family business.

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INTRODUCTION. In the conditions of the innovative economy, it is the demand of the times for countries to expand mutually beneficial cooperation relations. Despite the positive trends achieved as a result of socio-economic reforms and measures implemented in order to solve the goals set in the development programs of the United Nations, the problem of poverty has become one of the problems that need to be solved in the Republic of Uzbekistan as well as in all developing countries. Especially during the coronavirus pandemic, the negative consequences of poverty were once again manifested in the conditions of the globalization of quarantine.

In our country, poverty was used interchangeably with the concept of "underprivileged". Due to the

open democratic policy being carried out today, in-depth analyzes are being conducted on the existence of this problem and its solution.

In the Address of the President of the Republic of Uzbekistan Sh.M. Mirziyoyev to the Oliy Majlis on January 24, 2020, it was put on the agenda as an urgent issue waiting for its solution to reduce poverty in our republic. According to the head of our state, "It is no secret that the majority of the population in the regions, especially in the villages, does not have a sufficient source of income. As in any country, we have low-income sections of the population. According to various estimates, they are about 12-15 percent. Here we are not talking about small numbers, but about 4-5 million representatives of our population. This means that their daily income does not exceed 10-13 thousand soums. Or a family may have a car and livestock, but if one person is seriously ill, at least 70 percent of the family's income goes to his treatment. Can such a family be called self-sufficient?"

REVIEW OF LITERATURE. On the subject, foreign economists such as A. Smith, Delmon J. Gerrard M.B., Winter M., Morris E., N.I. Baranes, I.V. Barbashin, O.I. Vitkovskaya, D.A. Volkov, T.A. Gurko, S.O. Kalendzhyan and Uzbek scientists - Abdullayev Y., Yuldashev SH., Abdullayeva R.G., Abdurakhimova Y.M., Abdurakhimov M.M., Akhmedov U.Q., Berkinov B.B., Askarova M.T. and S.O. Abdurakhimova's works on family business and entrepreneurship, which were used in the preparation of the scientific article.

RESEARCH METHODS. The article uses the methods of monographic observation, systematic approach, analysis and synthesis.

ANALYSIS AND RESULTS. Reducing poverty does not mean increasing the amount of monthly or allowances, giving loans in bulk. For this, first of all, it is necessary to train the population for a profession, increase their financial literacy, instill a sense of entrepreneurship in them, improve the infrastructure, educate their children, provide quality treatment, and introduce a system of address-based allowance payment.

In particular, the establishment of the Ministry of Economic Development and Poverty Alleviation at the initiative of the President of the Republic of Uzbekistan was a practical help in systematically ensuring the implementation of these tasks, and was also recognized as a bright expression of the implementation of reforms.

The goal of analyzing poverty indicators is to develop targeted programs for the poor population of the state and civil society and to raise the standard of living of the population. It is known that the UN defines the poverty line as the income needed for basic goods and services. The level of poverty is a relative concept and depends on the general level of well-being of a particular country. There are concepts of poverty calculation in world practice. These concepts do not negate each other, on the contrary, they complement each other.

As a result of the reforms carried out in Uzbekistan, a multi-branch family business was formed. The main priority was given to the development of private ownership in families. With land and other resources at their disposal, the population has the opportunity to manage various forms of property and earn income from it. According to the analysis, directing the small business form of family entrepreneurship to ensure the employment of the population and sustainable development of the economy is an effective way.

Today, it is necessary to provide employment to the population, especially to attract young people who are able to work in small business sectors to active work. Labor resources in all sectors of the economy

in 2021 increased by 5,2% compared to 2015. During this period, the economically active population increased by 7,1%, the average number of employees increased from 13 058 300 to 14 341 500.

The development of small business and private entrepreneurship formed the basis of the formation of a multi-sectoral market economy. During 2010-2021, the share of small business in the gross domestic product increased from 52.5% to 71.2%.

As a result of the adoption of the Law No.O'RQ-327 "On Family Entrepreneurship" dated April 26, 2012 in the Republic of Uzbekistan, the establishment and state registration of a family enterprise, the rights and obligations of a family enterprise and its participants, social protection of family business participants and hired employees, guarantee norms of freedom of family business activity were defined. Creating more favorable conditions for citizens who are engaged in and want to engage in family business activities, as well as increasing the income of family budgets, attracting the unemployed population to production activities, and centuries-old folk crafts In order to further develop family entrepreneurship and crafts as one of the most effective means of preserving traditions, the Cabinet of Ministers of the Republic of Uzbekistan on July 29, 2009 "On measures to develop and expand family entrepreneurship and craft activities without establishing a legal entity" Decision No. 216 was adopted.

In the development of family entrepreneurship, the policy of the state on small business, its promotion and support plays a decisive role. The more liberal the conditions for economic activity, the more active the private initiative and the higher the level of involvement of the population in entrepreneurship.

The main characteristics of family business are as follows:

- the ability to make convenient and quick decisions;
- more orientation of producers to the market in this region;
- maintaining employment and creating new jobs;
- performing auxiliary functions in relation to large manufacturers;
- small volume of initial investments;
- the economic efficiency of production in family enterprises is high.
- innovative feature of family enterprises.

In addition to eliminating unemployment, family business has several other advantages:

- there will be no conflict in property relations. If the family consists of members, all the property belongs to these members.
- there is no conflict in the relationship between the employer and the employee, because both of them involve members of the same family.
- interest in the result of work is the same. All legal income belongs to family members.
- Succession is one of the main aspects of family business. If the oldest employee of the enterprise leaves his job, his eldest child can manage this business, the youngest can work on a specific project, and grandchildren can be involved in work as apprentices. In other words, the family business tries to educate its specialists for itself. So, people have a sense of inner desire. This is an important factor for the development of society. In these aspects, the development of family business is of great conceptual importance.

The enormous size of family business is reflected in the following:

- ensures the material well-being of families;
- family members can be self-employed;
- the problem of population employment will be solved.

Also, family business and entrepreneurship in GDP, household production, agricultural output, construction works, trade and service sectors. would come Because we will be able to ensure the well-being of the entire population as long as we get an entrepreneur in every family. The development of family entrepreneurship in the field of agriculture creates an opportunity to solve the problem of employment, especially for women and rural youth, to significantly increase the income of families, and to increase the well-being of the population of our country. First, it is an important source of income for families and the basis of the formation of the owner class by providing employment to the population, and secondly, it increases the standard of living of the population by satisfying the needs of the country's market for services.

Family business significantly increases the well-being of families. A family engaged in entrepreneurship will have employment and income, better control of their future, opportunities to find their own work, and demonstrate their abilities and talents. Also, the convenience and advantage of family business activity is the ease and compactness of its organization, the growth of labor force and labor resources from the family (hired workers are used when necessary), the production of products for specific customer requirements, the wide use of local raw materials, and the sale of goods and services is carried out in local markets.

In our republic, in order to solve the tasks of ensuring the employment of the population and the stable growth of family income, more priority is given to the wide development of various traditional forms of entrepreneurship. Today, it includes the organization of production in the conditions of family farms on the basis of cooperation.

Sufficient conditions have been created for the development of family business in our republic. In particular, decrees of the President of the Republic of Uzbekistan and decisions of the Cabinet of Ministers, "On Privatization and Expropriation", "On Farms", "On Peasant Farms" "gi" and "Guarantees of freedom of entrepreneurial activities" laws serve to develop the activities of business entities based on private property and family property. We all know that organizing and running a family business is difficult and full of conflicts, but at the same time, it is beneficial. The positive aspects of the activity are reflected in the following:

- the family budget is collected as a whole;
- those who are not able to work (citizens under 16 years of age and pensionable age, women busy with raising children, disabled people) also perform the tasks assigned to them based on their capabilities;
- working hours are not clearly defined;
- the kinship of the participants determines that they can fulfill each other's duties and burdens and prevents mutual misunderstandings.

Also, a number of reforms are being carried out in our country for the further development of family entrepreneurship. In order to support young entrepreneurs, the allocation of various loans and subsidies, the development of programs aimed at attracting low-income, needing social protection and poor

citizens to family entrepreneurship, including "Every family is an entrepreneur" the state program is in effect, seminars and trainings with specialists such as economists, lawyers, accountants and psychologists and various projects and competitions are being held, simplification and electronicization of the ways of obtaining financial assistance, increasing the volume of microloans by commercial banks, increasing the number of branches of banks These are the creation of special training centers to improve the qualifications of those engaged in family business and expand their worldviews, to improve the insurance system to guarantee the activity of family business subjects, to ease the conditions for raising and granting credit.

CONCLUSION. In short, poverty reduction is emerging as one of the main issues that need to be solved today. For this purpose, based on the use of foreign experiences, as well as on the basis of the restoration of our own traditional professions, various directions of crafts as disappearing values, based on the principle of self-employment of the population, family business and it is appropriate to develop entrepreneurship. Even including agricultural entrepreneurship, we can say that homesteads and farms have been increasing their income in recent years. Our state has created many opportunities for them. The adoption of the new version of the Law of the Republic of Uzbekistan "On Farming", adopted on April 1, 2021, creates many opportunities for farms. In particular, the allocation of land areas from 0.06 to 1 hectare for the production of horticulture, vegetable growing, fruit growing, viticulture or sugarcane crops is a guarantee for the development of family entrepreneurship in our country.

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