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HISTORICAL SIGNIFICANCE OF THE DEVELOPMENT OF FAMILY BUSINESS IN UZBEKISTAN

Submission Date: December 11, 2023, **Accepted Date:** December 16, 2023,

Published Date: December 21, 2023

Crossref doi: <https://doi.org/10.37547/ajsshr/Volume03Issue12-41>

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ABSTRACT

In Uzbekistan and in many countries of the world, family entrepreneurship is one of the most common areas; the development of this type of business has become a vital necessity for our country and is considered as one of the factors solving many social and economic problems. Also, based on various statistical data, it is stated that the protection of the rights and interests of family entrepreneurs and their development have become an issue at the level of state policy.

KEYWORDS

Family business, socio-economic problems, analysis, employment provision, self-employment, labor resources, development history.

INTRODUCTION

The development of family businesses has become a vital necessity for our country. The creation of a family business made it possible to solve many socio-economic problems of our country. First of all, he created the owner class, which is the main driving force

of the market economy. Analyzes carried out in the field of family entrepreneurship in our country and its regions attract the population to entrepreneurship, create new jobs, provide employment, provide practical assistance to citizens seeking self-

employment, efficient use of labor resources, and have shown that there are still untapped opportunities in such directions.

The development experience of foreign countries that have achieved serious success in reforming the economy, reducing poverty and ensuring high levels of employment and income of the population shows that the initiative aimed at family business is aimed not only at providing employment, but also at equal distribution of income, with In this regard, socially stable factors of economic development are becoming increasingly important in improving the quality.

Sahibkiran Amir Temur also paid great attention to entrepreneurship in his time. All his victories in economics, politics, social life, government and the military were due to the fact that he took entrepreneurship as the motto of his thinking and actions and acted accordingly. He knew that “an entrepreneur with courage and enthusiasm, strong determination, an entrepreneur and a vigilant person is better than thousands of idle and indifferent people” .

Literature review. R. Cantillon, A. Turgo, A. Smith, R. Coase, J. Galbraith, K. McConnell, Sraer D., Thesmar D., S. E. Brew, A. D. Volkov, A. V. Busigin, F. T. Egamberdiev and B. Sharofitdinov, A. Olmasov, S. Sharifo Dzhaev, B.B. Berkinov, R.G. Abdullaeva, F.S. Tolipov, Kuvandikov Sh.O. often consider a household as an economic, socio-demographic and statistical definition

of a family. Currently, the most common way is to divide the enterprises of family households by size, taking into account the signs of marriage and kinship, cohabitation, common budget and joint farming.

Research methodology. This study outlines different approaches to developing women-man entrepreneurs. Using the methodological capabilities of synergetics, the objects of analysis were equally studied, grouped and systematized, and based on the conclusion, developments are necessary for comprehensive application in practice. The use of synergistic methods in the field of service research increases its practical value.

ANALYSIS AND RESULTS

Today, market relations require the development of entrepreneurship in every household. For example, in 2012, wages accounted for 29.7% of household income . This was an indication that most of the family's income could be covered through entrepreneurship. The legal basis for this is the Law of the Republic of Uzbekistan “On guarantees of freedom of entrepreneurial activity” (May 25, 2000), the President of the Republic of Uzbekistan “Measures to further improve the system of legal protection of business entities.” o” (June 14, 2005), "On additional measures to stimulate the development of micro-firms and small enterprises" (June 20, 2005).

Family business and entrepreneurship are widespread in many countries around the world, and in 2013, nearly 30% of the global workforce was made up of family businesses. For example, family businesses employ 62% of workers in the US economy, 66% of workers in Germany and 61% of workers in Sweden. In Italy, 70% of jobs are created in small businesses with fewer than 50 employees. Those working in family businesses accounted for 40 percent of those employed in the economy. . According to the experts of the London School of Economics, if the business management is properly organized, the efficiency of the family business can increase by 10-12 percent compared to other types of business .

Family businesses are very resistant to various crises and instabilities occurring in the economy. It can work for many years. For example, the family enterprise Chateau Gulen, which produces wine products in France, has been operating for 1000 years and has become the pride of Europe. Hoshi Ryokan is a family hotel business in Japan, operating since the 14th century and managed to enter the Guinness Book of Records. The Berenberg family bank has been operating successfully in Germany since 1590. Currently, the husband and wife of the Kaspersky company, which creates anti-virus programs for personal computers, are successfully running a joint business, despite the fact that they are divorced. .

Running a family business in the Republic of Uzbekistan has long become a tradition, and according to some data, every fourth family is engaged in it. According to the results of the survey “Family business: a new stage of development”, conducted by the Center for the Study of Public Opinion “Social Opinion” on September 1-8, 2011 in order to determine the state, types and prospects for the development of family business in our republic, every third family engaged in family business is engaged in cultivation and production of agricultural products, every sixth - works in the field of trade, every eighth - is engaged in the production of handicrafts and consumer goods, 6,5% of families and it is established that he works in the field of transport services (see Table 1). The data in this table shows that family businesses are underdeveloped in the areas of medicine, education and legal services. The table shows that a very large figure falls on the agricultural production sector. These data indicate that family businesses occupy a significant share of agricultural production.

Today, the Law “On the Development of Family Business” and a number of government resolutions have been adopted. In particular, a resolution of the President of the Republic of Uzbekistan “On additional measures to be implemented within the framework of the family business development program No. PQ-5041” was adopted.

Analyses conducted in the field of family entrepreneurship in our country and its regions are aimed at attracting the population to entrepreneurship, creating new jobs, ensuring employment, providing practical assistance to citizens seeking to become self-employed, and efficient use of labor resources. showed that there are still untapped opportunities in the areas.

For example, according to 1996 data, family income from family business is 470,3 soums in the Republic of Karakalpakstan, Andijan – 545,7 soums, Bukhara – 373,6 soums, Syrdarya – 502,9 soums, Tashkent – 465,7 soums, Fergana – 3566,6 soums, Khorezm – 417,2 soums, Tashkent city – 2443,4 soums. This year, the average income of families of entrepreneurs was 9,470 soums, and the income of families of employees in this sector was 4,614 soums .

In our republic, for many years, family business and entrepreneurship have been carried out mainly informally, that is, without the official creation of family enterprises. Now, after the adoption of the Law of the Republic of Uzbekistan “On Family Business”, opportunities have arisen to officially engage in family business by creating a family business. However, there are certain difficulties in this regard. Based on the results of a sociological survey conducted by the Center for the Study of Public Opinion “Social Opinion” on September 1-8, 2011 on the topic “Family business: a new stage of development” in order to determine the

state, types and prospects for the development of family business in Uzbekistan. Some difficulties were identified that have a negative impact on running a family business. According to the questionnaire, survey participants identified insufficient start-up capital and financial resources, problems with obtaining a loan, lack or absence of equipment, and a family business as difficulties in creating their own family business. have information about the need for advice on running a family business and other reasons. Difficulties in organizing a family business (as a percentage of the total number of respondents). Difficulties in starting a family business as a percentage of the total amount Insufficient start-up capital 32,0 Insufficient information about the family business 17,1 Lack or absence of technical means 15,3 Difficulty in obtaining a loan 15,0 Labor force 5,9 Workplace 8,9 Difficult to answer 6 ,2 .

Most of these difficulties and problems were taken into account when the Law of the Republic of Uzbekistan “On Family Business” was adopted, and articles aimed at solving them were reflected in the law..

In order to eliminate these shortcomings, to give every family the opportunity to become self-employed, to rationally and effectively use all opportunities, our country has adopted the “Every Family is an Entrepreneur” program. .

When we analyzed the number of registered family businesses by organizational and legal forms, when compared with the 2013 figure, we discovered the following situation.

During 2014-2018, 48,981 were registered in the republic, 45,695 were registered, 3,286 were active, 11,899 were newly created and 3,555 were closed. .

Comparing these figures with the current situation, as of January 1, 2023, it was 3786, and it can be seen that this figure has increased by 5.3% compared to the same period last year. The number of active family businesses is 3,450, an increase of 130, or 3.9%, compared to the same period last year. According to the data, the difference in 2017-2018 reached 3970, while in January-December 2022, the number of newly established family business entities was 440. It should be noted separately that this indicator decreased by 476 or 48.0% compared to the same period last year .

Of course, this situation has a number of reasons. Because objectively, a family business by its nature does not have competitive power in the market compared to large businesses. Due to the small number of products produced at them, production costs are high, the level of equipment in science and technology, and low qualifications of personnel. Information support is difficult; there are often not enough tools for conducting marketing research (marketing development in family businesses). This

puts family businesses at a disadvantage in the market. Therefore, the creation of a perfect system of support for family businesses by the state and society is considered an important condition for its development.

Cash flow is important in a family business. Preferential lending is one of the most important areas of government support. The bank always helps large reputable companies.

In order to support women's family entrepreneurship in our country, commercial banks support women's production and service projects through lending .

Until 2015, Turonbank ADB will allocate a total of 29.6 million soums of loans and this is 1.6 times more than in 2014.

In 2016, providing financial support for women's entrepreneurship was designated as one of the priorities of ADB Turonbank. soums or 4.8 times more loans than in the corresponding period of the previous year .

Also, the attention paid to women's entrepreneurship in the bank's lending practice can be seen in the fact that projects of women entrepreneurs are selected at various competitions held by the bank and are financed on preferential terms.

As an example, we can cite 4 of the 12 projects recognized as winners in a competition held by the

bank in various areas within the framework of the national exhibition of banking services, equipment and technologies “Bank Expo-2016”, held in April of this year. I can note that these are projects of women entrepreneurs.

Typically, within the framework of these programs, preferential loans are issued at the main rate of the Central Bank for a period of no more than 3 years with a grace period of up to 6 months .

It is important to focus on women's participation in family entrepreneurship, traditional crafts and homemaking. Since the role of women in family business is important, firstly, some women face the problem of unemployment in remote villages, and secondly, most women prefer to do handicrafts and housekeeping at home. According to historical data, by 2021 the number of women entrepreneurs in the country has reached 45 thousand. .

But there are still enough problems with attracting women to entrepreneurship, socially useful work and production in the republic.

In a family business, it is impossible under normal circumstances to give a loan to a company that is just starting out. So the president “On additional measures to bring support for entrepreneurial initiatives of the population to a new level within the framework of family business development programs” Resolution was adopted. According to him:

- In 2023, it will allocate at least 13 trillion soums for the financing of projects within the framework of family business development programs;

- Loans are primarily issued to residents and business entities who have not previously used loans under the programs;

- Unsecured loans of up to 50 million soums are granted to farmers and small business entities;

- According to the letter of recommendation from the deputy mayor, the loan amount is 10 million soums, part of up to 20 million soums (for craftsmen up to 20 million soums) will be transferred to bank cards (with limited cash withdrawal options);

- Within the framework of the programs, the procedure for issuing loans at a rate of 14 percent per annum will be maintained. These opportunities will be a great impetus for the development of family entrepreneurship in rural areas.

Below are family business options these days.

- online store or website;
- consulting firm;
- network games;
- services of translators and tutors;
- organization of holidays;

- trade;
- cafe or hotel (for resort residents) - the most common option.

There are no good or bad (profitable or unprofitable) ideas for a family business; it all depends on how competently it takes a position in the market. This affects the conditions of your location and competitors (their strengths and weaknesses), as well as your organizational skills and much more.

When choosing a field of activity, it is necessary to strengthen the knowledge and skills of family members.

CONCLUSIONS

The opportunities and conditions created in our country contribute to an even greater expansion of the number of family entrepreneurs.

Family business is very important. Firstly, it creates the products and services necessary for the population, and secondly, it enables the family to provide itself with income, keeping the labor force in the family busy with work. Each family, receiving a high level of profit, produces products and services necessary for society, creates new markets for the country, promotes employment of the population and other organizations and acts as a consumer of products and services created in families, contributes to the

development of the country's economy by paying certain types taxes.

In our opinion, the development of family entrepreneurship locally, especially in villages, is a priority task aimed at ensuring the improvement of transport roads, electricity and gas supplies, the rapid development of production and social infrastructure, as well as the structural renewal of the family economy. entrepreneurship in the economy and to further increase their role in the economy, it is necessary to improve the mechanism for stimulating their involvement in the service sector. This area does not require large capital, so it is advisable to involve family businesses in it.

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