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STATISTICAL ASSESSMENT OF ENTREPRENEURIAL ACTIVITY IN UZBEKISTAN

Khujakulov Khaitmurat Javlievich
Honorary Professor Of Tfi, Uzbekistan

Sayfullaev Siddik Nosirovich
Department Of Statistics And Econometrics Phd, Tashkent Financial Institute, Uzbekistan

ABSTRACT

The article analyzes the role and place of small businesses and entrepreneurship in the development of the national economy, examines the problems of ensuring employment, the share of small business in the context of economic sectors, innovative development, and examines the practice of supporting this industry with various financial instruments.

KEYWORDS

Economic sectors, innovative development, and examines.

INTRODUCTION

Small business is an integral part of the economy of many developed countries, performing important socio-economic functions to ensure employment, reduce poverty, create a competitive environment, support innovation and mitigate social inequality. Small businesses are traditionally trusted to increase the growth rate of the economy and improve the welfare of the population.

It is known that in the conditions of modern globalization of the world economy, small business and private entrepreneurship are of paramount importance and have the ability to quickly adapt to the requirements of a market economy. Therefore, small

business plays an important role in providing employment for the population of our country and improving the quality of life, as well as stable GDP growth.

The development of small business and private entrepreneurship manifests itself as an important lever for economic policy in the countries of the world, that is, in increasing the employment of the workforce, developing the innovative ability of the economy, introducing innovative innovations into production activities, filling the state budget with various taxes, as well as in preventing a decrease in production activity. Small business and private entrepreneurship are one of the main factors in improving the socio-economic situation of the country in the future and increasing the competitiveness of its economy.

The current stage of economic reforms being implemented in Uzbekistan is characterized by the development of small business and private entrepreneurship, providing it with broad economic freedom.

Literature review.

The founders of the definition of entrepreneurship in the economic literature are foreign scientists who have studied small business and entrepreneurship, its development and directions: A. Marshall [4], Y. Schumpeter [5], V. Vales [6].

Among domestic scientists, Baikhanov B.T. [7] analyzes the activities of industries through developed econometric models and emphasizes the possibility of using a modern methodological approach in assessing the effectiveness of investments based on forecasting. H.P.Abulkosimov, A.A.Kulmatov [8] investigated the role of family entrepreneurship in the field of small business in our country and the ways of its development. Goyibnazarov B.K., Rakhmonov H.O., Otazhonov Sh.I., Almatova D.S. [9], Khuzhakulov H.D. [10, 11], Saifullaev S.N. [11, 12, 13] investigated the socio-economic aspects of the development of small business activities, ways to eliminate existing problems and obstacles, and mechanisms for supporting small businesses.

Research methodology.

Several research methodologies were used in the preparation of the scientific article. In particular, such methods as scientific abstraction, systematic analysis of socio-economic events, economic-statistical and comparative analysis, dynamic and index analysis are widely used.

Analysis and results.

In the era of modernization and digitalization of the economy, the activities of small businesses require an innovative policy aimed at creating new products and technologies and the production of export products. Therefore, as the President of our country noted,

Sh.Mirziyoyev, "Innovation is the future. If we start building our great future today, we must start it on the basis of innovative ideas and an innovative approach."[1]

Although the share of small businesses in the GDP of our republic has decreased by 9.1 percent in recent years (2013-2022), the volume of value added created by them in 2022 amounted to 114524.9 billion. sums, which is almost 1.4 times more than in 2013 (Fig.1). The decline in the share of small businesses in GDP can be explained by the relatively high growth rates of value added created in other industries.
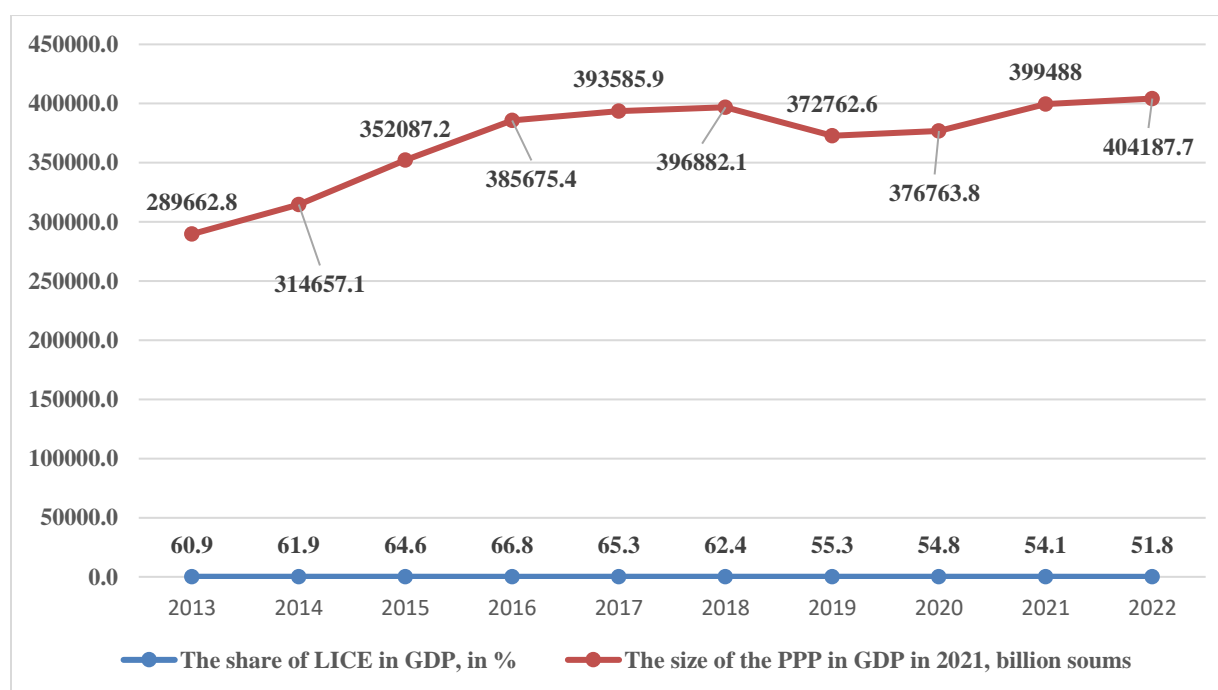

Figure 1. Dynamics of the share of small business and private entrepreneurship in GDP

The consistent reforms carried out in our country have not affected the increase in the number of people employed in the economy. As a result, the number of people employed in the small business sector increased by 5.5% or 527.1 thousand people in 2022 compared to 2013 and reached 10131.1 thousand people (Fig. 2).
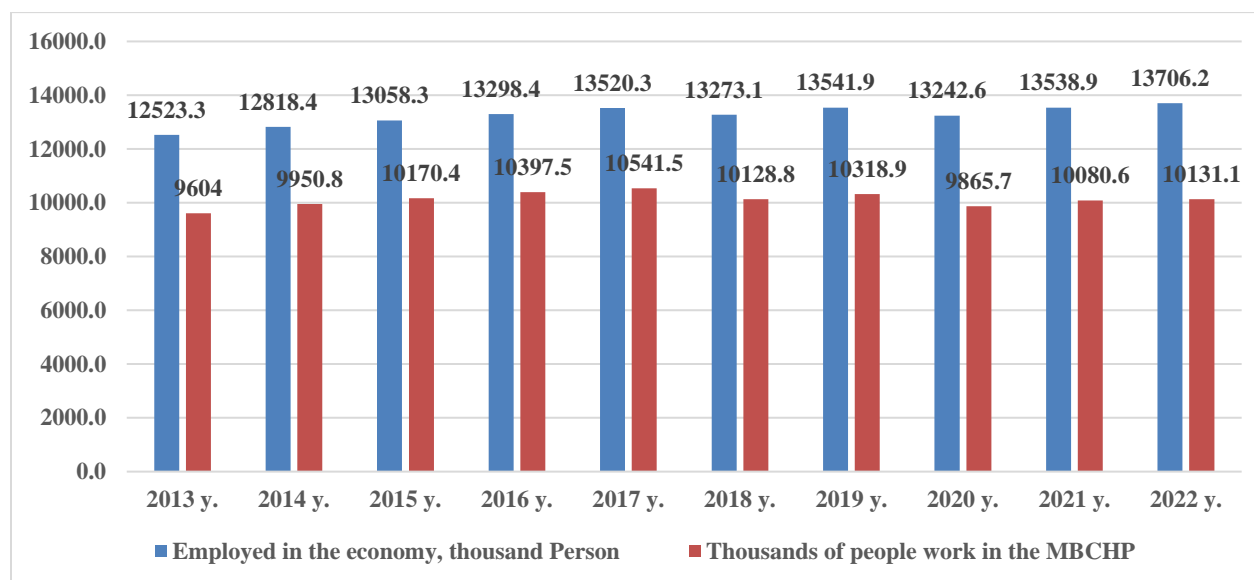
Figure 2. The number of people employed in the economy and small business of Uzbekistan in 2013-2022, thousand people

To increase employment, it is necessary to create new jobs both in the manufacturing sector and in the service sector [14].

In 2022, the share of small businesses in the volume of products produced in the sectors of the economy of our republic will amount to 26.0% in industry, 94.8% in agriculture, 71.5% in construction, 84.7% in trade, 49.4% in paid services and 47% of investments in fixed assets, 9%, there have been structural changes in compared to previous years.

In fact, it has been proven that a private enterprise is more efficient than a public one. Now, without confusing the concept of "private property" with the concept of "enterprises based on non-state ownership", it is necessary to ensure the priority of private property in the economy, support it and guarantee its inviolability.

In 2023, the number of small enterprises and microfirms operating in our republic increased by 2.95 times compared to 2013, and the number of employees increased by 1055 times. This indicates the expansion of the activities of these entities.

The results of the statistical analysis of small business and private entrepreneurship show that this sector is developing unevenly in the regions (Table 1).

Table 1

In 2022, the share of small businesses by sectors of the regional economy

(as a percentage of the total volume)

Regions	GDP, GNP	Industry	Agricultural industry	Construction	Trading	Paid services	Investments in fixed assets
Republic of Uzbekistan	**51,8**	**26,0**	**94,8**	**71,5**	**84,7**	**49,4**	**47,9**
Republic of Karakalpakstan	56,6	20,5	93,6	88,2	97,3	49,9	26,7
Andijan	69,5	22,4	96,3	93,8	93,9	66,0	59,0
Bukhara	74,1	33,5	97,3	80,3	93,9	61,7	45,1
Jizzakh	78,4	50,0	96,4	93,8	95,2	59,4	72,1
Kashkadarya	68,1	23,0	97,8	72,7	95,6	67,8	26,9
Navoi	26,8	7,2	96,0	80,4	94,0	58,3	42,8
Namangan	72,8	44,8	93,7	91,2	94,9	66,3	65,2
Samarkand	71,4	38,1	93,1	77,8	80,7	67,6	60,5
Surkhandarya	76,8	42,4	96,4	92,2	96,6	64,5	49,5
Syrdarya	65,4	30,6	93,5	78,6	93,2	52,2	76,5
Tashkent	46,5	20,9	88,2	74,3	86,4	69,2	36,8
Fergana	68,9	44,0	95,3	80,4	92,7	65,8	62,0
Khorezm	71,6	16,0	95,7	89,7	94,0	62,0	52,4
Tashkent city	46,8	36,9	-	61,0	62,6	40,2	41,6

Acceleration of innovation processes in the field of small business reduces costs, creates an opportunity to take its place in the market, increases the volume of products and profits, and has a positive effect on improving business efficiency.

At the present stage of socio-economic development, innovative activity should become one of the most important factors in the development of the economy of the regions of our republic. Therefore, it is an indisputable fact that it is impossible to produce competitive goods and services on the domestic and foreign markets without regularly introducing the results of the development of science and technology into production and accelerating innovation.

The strategy "Innovative development of the Republic of Uzbekistan for 2019-2021" was developed in order to develop human capital as a factor determining the

level of competitiveness of our country in the international arena and its innovative development[3].

In the strategy, by 2030, the Republic of Uzbekistan intends to become one of the 50 most advanced countries in the world according to the Global Innovation Index rating. To achieve this goal, the development of innovative activities of enterprises located in the regions, including small businesses and private entrepreneurship, is of great importance.

Table 2

The main indicators of innovation activity of small enterprises and microfirms of the Republic of Uzbekistan (without farms)

№	Indicators	Years									
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Number of innovations introduced by small enterprises and micro firms (units)	624	808	884	818	1223	1292	4038	3535	2974	1635
2	On innovative goods, works, and services produced by small enterprises and micro firms: a) volume, billion soums	409,8	1160,7	1681,8	1671,9	2324,3	7196,3	8455,4	14129,1	10667,0	11470,1
	b) the amount of expenses, billion soums	181,2	351,4	354,8	211,4	715,3	1156,8	1939,9	1041,6	1189,4	2006,1
	c) the amount of profit, billion soums	228,6	809,3	1327	1460,5	1609	6039,5	6515,5	13087,5	9477,6	9464,0
	d) profitability, %	126,2	230,3	374,0	690,9	224,9	522,1	335,9	1256,5	796,8	471,8
3	The growth rate of value added created in the CIS regions, %	100,0	108,6	121,6	133,1	135,9	137,0	128,7	130,1	137,9	139,5

The number of innovations introduced by small enterprises and micro firms in our country in 2013 amounted to 624, and by 2022 it reached 1,635. This is the result of positive work carried out to enhance innovation. As a result, the volume of production averaged 222409.8 and 11470.1 billion over the years. sum in current prices, 181.2 and 2006.1 billion.The sums are equal to the sums, and their profitability amounted to 126.2 and 471.8 percent, that is, the efficiency indicator increased by more than 3.7 times (Table 2).

In recent years, the expenses of small enterprises and microfirms on innovations have increased, in 2022 innovations will be financed mainly from their own funds, i.e. 62.1% are financed, 7.6% are foreign investments, 27.6% are loans from commercial banks and 2.7%% of others are funded. These figures correspond to 55.6 in 2019; 9.8; It is equal to 30.8 and 3.8 percent, which indicates that the share of own funds is 6.5 percent. However, the share of foreign investment in financing small business innovations decreased by 2.2 percent.

In our opinion, as our President has repeatedly stressed, we consider it advisable to expand the scale of attracting foreign investment in this area.

One of the important indicators determining the differences in the level of participation in the innovation processes of the regions of our country is the territorial composition of the innovative products produced (Table 3).

Table 3

Territorial composition of innovative goods, works, and services produced by small enterprises and micro firms (excluding farms), %

Regions	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Republic of Uzbekistan	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**
Republic of Karakalpakstan	2,1	3,0	1,8	3,0	3,0	1,2	1,6	1,6	1,2	1,2
Andijan	4,7	0,9	0,5	0,9	3,8	3,6	2,7	2,7	1,0	1,9
Bukhara	4,9	6,4	1,4	2,2	2,6	2,6	2,7	2,7	2,9	2,7
Jizzakh	2,3	1,7	4,7	3,3	7,5	3,2	6,6	6,6	3,2	0,5
Kashkadarya	1,2	0,9	0,8	0,5	0,3	0,7	3,9	3,9	2,9	10,8
Navoi	8,7	3,3	1,7	1,7	5,8	11,3	4,4	4,4	3,3	7,7
Namangan	3,9	7,5	7,8	5,6	5,1	7,3	8,6	8,6	2,7	1,3
Samarkand	2,1	1,8	11,3	11,7	3,8	4,2	6,4	6,4	7,5	4,3
Surkhandarya	1,2	1,6	1,8	2,3	3,0	4,0	1,2	1,2	2,1	1,9
Syrdarya	0,7	4,3	3,5	3,9	4,7	6,4	5,4	5,4	4,7	3,5
Tashkent	1,3	11,6	11,6	9,8	13,8	17,1	17,8	17,8	15,9	9,2
Fergana	6,3	3,7	4,9	5,8	15,1	8,8	7,0	7,0	10,4	4,6

Khorezm	3,0	2,5	4,7	3,3	5,8	2,6	7,2	7,2	0,5	3,9
Tashkent city	57,8	50,8	43,5	46,0	25,7	27,0	24,4	24,4	41,6	46,5

The analysis shows that there are differences in the territorial distribution of innovative goods, works and services produced in the field of ICT. Thus, in 2022, about 80 percent of all innovative products will be produced by the city of Tashkent, Kashkadarya, Tashkent, Navoi and Ferghana regions. At the moment, the share of the Republic of Karakol-Pakistan, Surkhandarya, Jizzakh, Namangan and Andijan regions in this regard remains at a low level.

Table 4

Net income and expenses from the sale of products of small enterprises and microfirms in the republic (excluding farms)

№	Indicators	Years									
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1	Net profit from the sale of products by small enterprises and microfirms, trillion soums	45,1	56,5	67	89,5	110,4	184,6	249,9	284,0	418,3	572,8
2	The cost of products sold by small enterprises and micro firms, trillion soums	32,9	41,4	48,4	62,9	76,8	135,7	195,4	233,2	349,3	493,3
3	The amount of profit is trillion sums	12,2	15,1	18,6	26,6	33,6	48,9	54,5	50,8	69,0	79,5
4	Profit margin, %	37,1	36,5	38,4	42,3	43,8	36,0	27,9	21,8	19,8	16,1

It is possible to point out the following factors that have a negative impact on the development of innovation activities in the field of ICT in the regions:

- the lack of own funds among small businesses and the low level of attracting foreign investment;

- insufficient financial support for the innovative activities of the industry from the state;

- lack of necessary and necessary information about innovations;

- the weakness of mutual integration between scientific and higher education institutions;
- low innovation potential due to the lack of highly qualified personnel in the field of ICT in the regions.

It should be emphasized that these factors are typical for business entities in all regions and are explained by the fact that the development and implementation of innovations require high costs. According to this, enterprises that successfully operate in market conditions and engage in innovative activities achieve higher economic indicators than enterprises that do not engage in this activity.

It should be noted that in recent years, the volume of expenditures has increased in the same direction as the net income from products sold by enterprises in the ICT sector has increased. As a result, the level of profitability in the activities of these enterprises in 2022 amounted to 16.1%, and decreased by 21.0% compared to 2013.

CONCLUSIONS AND SUGGESTIONS

In our opinion, in order to ensure the development of innovative activities in the regions of our country, it is advisable to use the following tools:

- stimulating demand for innovative products in the domestic and foreign markets;
- to increase the efficiency of the science and technology generation sector. In particular, the

elimination of problems of innovative development of regions through mechanisms to stimulate cooperation between business, science and educational institutions;
- to achieve an increase in the efficiency of the use of human resources in order to implement innovative activities.

Today, the small business sector is the largest labor market in our country, the main factor in the formation of a middle class of property, a source of income and prosperity for millions of people who will benefit most from ensuring the stability of our country. an economy based on planning and strengthening your business.

In the Address submitted to the Oliy Majlis on January 24, 2020, our President emphasized that "We must fully support entrepreneurs who create new jobs, so to speak, we must promote them to our country"[2].

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