

THE IMPORTANCE OF INNOVATIONS IN SMALL BUSINESS DEVELOPMENT

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Abstract

This article presents the analytical scientific issues of further development of small business and private entrepreneurship in our Republic with the help of innovations, increasing the share of private entrepreneurship in the economy, positive acceleration of structural changes.

Keywords: Small business, innovation, development, export, import, industry, agriculture, services, state regulation of the economy, market economy, private property, state property, integration.

Introduction

In the process of developing entrepreneurial activity, the market, based on its laws of supply and demand, determines the development of socially necessary production, the price of goods, their quality, consumer properties of products, gives impetus to scientific and technical progress, and at the same time excludes unnecessary, inefficient, uncompetitive production. In this way, the market affects the interests of entrepreneurs, serves to improve production and the quality of goods (works, services) in this area. Competition, which is the developing criterion of a market economy, forces entrepreneurs to reduce production costs and reduce prices.

However, in any society, regardless of what market model its economy is adapted to, the role of the state in its economy, and in particular in the field of entrepreneurship, is of particular importance, and it is natural that the need for state regulation of the activities of entrepreneurs arises. Because in a market economy, the free development of the activities of entrepreneurs is unthinkable without the help of a state-legal mechanism.

Ways to develop small business and private entrepreneurship - One of the main goals of establishing a socially oriented market economy in Uzbekistan is to develop small business as a priority. To achieve this goal, step-by-step economic reforms are being carried out, and major institutional foundations have been created to increase the role of small business. Legal and regulatory documents guaranteeing the organization and free conduct of small business activities, as well as a market infrastructure supporting small business, have been formed. As a result, today, small businesses are active in all areas of our country's economy, including the production of mechanical engineering products, consumer goods, agricultural and food products, and in sectors such as service provision and tourism.

The experience accumulated in our country in a short period of time proves that small business is an important factor in stable economic growth. In particular, in the conditions of deep structural changes and diversification in the country's economy, small business serves as an

important factor in the stable development of our national economy, increasing its competitiveness, and achieving high macroeconomic indicators.

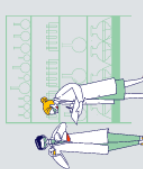
In accordance with Goal 29 of the New Uzbekistan Development Strategy for 2022-2026, it is set to create conditions for organizing entrepreneurial activity and forming permanent sources of income, bringing the share of the private sector in GDP to 80 percent and its share in exports to 60 percent. Important tasks include the organization of 200 new industrial zones in the regions and the development of a system of business incubators, the creation of more favorable conditions for the development of entrepreneurship in districts with difficult conditions, the improvement of the activities of existing structures to support and encourage entrepreneurship in the regions, the reduction of unemployment and poverty, the reduction of state participation in the economy and the opening of a wide path for the private sector. Opening up, expanding the introduction of free market principles in economic relations have been separately identified. Reducing poverty and increasing population density in the regions of our country, further developing small business and private entrepreneurship in self-employment are of great importance.

One of the main features of small business is that it provides the main indicators necessary for the economic development of the country in a short period of time. That is, small business is considered the most important sector that fills the domestic market with goods and services that are in short supply and determines the structural basis of the economy. It also serves as the most important factor and source in the formation of the property class, increasing the number of workers and their incomes for the efficient use of labor resources. Generally speaking, small business economy or DIY in the river The meaning of :

- national product development It provides learning in terms of quantity ;
- labor from resources effective use for floor create gives ;
- population current income and or the products of to increase also prosperity level to be promoted floor creates ;
- sectoral and regional single governorship eliminate to arrive ;
- state budget of money one in moderation to be provides ;
- outside economic in action active participation enough ;
- from resources reasonable use ;
- new technology , equipment working to take out current to grow and labor productivity increases.

That's why for yes of the world all in countries small business national of the economy foundation Today 's during the day developed foreign in countries yes small of enterprises number in them available has died total 70-80 percent of enterprises organization For example , Japan of the population 71.7 percent small business and private entrepreneurship activity with in practice.

Small business of the country economic authority the government 's successful development and blooming size being for In Uzbekistan yes small business development to encourage separately trust considered . In our republic small business development today's of the day main priority is a duty. Small to business has died of respect economic Reasons:



- internal the market local product and services with to kill;
- population purchase ability increase;
- of the country export authority promotion;
- working to remove modernization to do;
- service services to show development;
- large enterprises butler details and parts with supply;
- competition environment to the body to bring;
- country inside of capital turnover supply Kabyles.

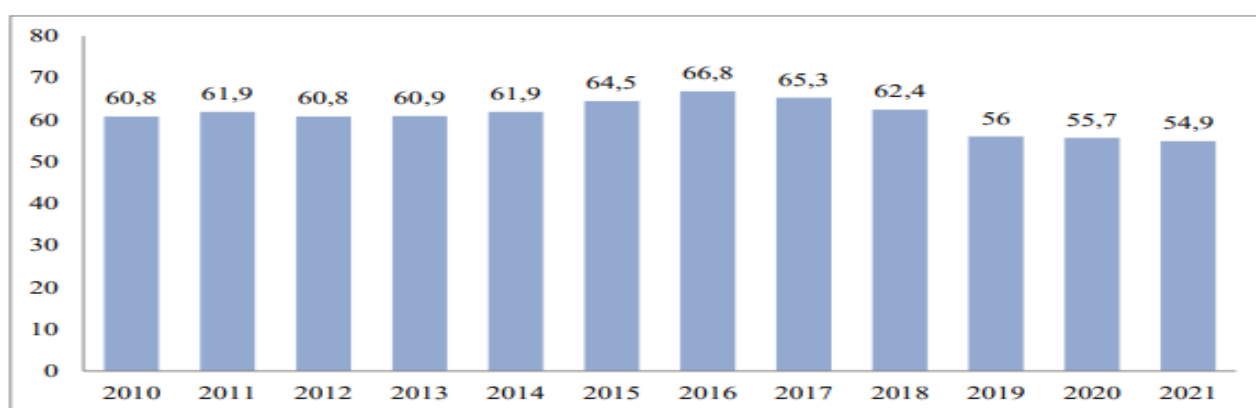


Figure 1. Uzbekistan Republic total internal in production in 2010-2021 small business share, %¹

Indeed yes small business subjects internal the market local product and services with dying , large enterprises butler details and parts with providing and country export authority increasing to the field around on your finger . country export within the jurisdiction instead exceed as it happens yes to see possible . Small business outside economic in action place yes gradually expanding on his finger . His export in size share will be 22.3 percent in 2021 organization this is indicator for 2010 8.6 percent compared to increased .

Any how of the state outside economic in the activity export important role plays . Our country of the economy next to export of authority to rise yes directness Dependent . Independence in the years of our country export authority fundamentally changed . In this small business place yes is incomparable . Small business subjects today's during the day internal consumption market import instead presser goods just to let you know maybe not , maybe high high-quality, competitive goods world to the market proposal Small business country economy in the networks yes the most important to the field around on the thumb .

Village household, trade, household service show , food , hotel and tourism in their activities small business weight very is big . Next in pairs in industry in the networks modernization, working to remove technician and technological in terms of change , in industry deep structural

¹Source: Data from the State Statistics Committee of the Republic of Uzbekistan.

changes and diversification to practice increase as a result village in places yes industry networks developed on the thumb . In this yes small business main from the leaders is calculated . Industry working on the way out yes small business share year after year exceed on the thumb .

In the context of global economic integration, the importance of small business and private entrepreneurship (SBPE) is increasing as a factor in implementing deep structural changes and systemic reforms in the economy and ensuring stable economic growth. According to the data, "In China, 81.4 percent of the working population, 54.3 percent of the gross domestic product (GDP) is accounted for by small businesses, while in Japan, the corresponding figures are 70.8; 67.0 percent, and in the United States, 50.6; 53.1 percent." According to the World Bank, passenger transport accounts for 20.0% of total rail transport, including high-speed trains, which currently account for only 1.0% - (in India and Japan, passenger transport volume exceeds freight transport volume).

It is appropriate to separately emphasize three important areas of state support and encouragement of entrepreneurship, which are:

- monitoring the balance of supply and demand in the goods and services market and, if necessary, intervening in it;
- implementing a fiscal and credit policy that regulates the internal environment of the enterprise;
- creating a self-regulation mechanism for the existing state institutional system.

In conclusion, it can be emphasized that the further development of small and private entrepreneurship in the national economy will ensure the achievement of poverty reduction, self-employment, and the development of service sectors in localities. It is necessary to increase the effectiveness of local institutions - to provide entrepreneurs with the best opportunities to create a new enterprise, as well as to create favorable conditions for its further activity and development.

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