





# SMALL BUSINESS AND FAMILY ENTREPRENEURSHIP IN THE CONDITIONS OF THE DIGITAL ECONOMY AS A FACTOR IN RAISING THE STANDARD OF LIVING OF THE POPULATION

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Abstract: This scientific article contains information on the content and essence of family business, the legal basis of organizing family business, directions for further developing family business and increasing family well-being. Also, proposals and conclusions on the development of family entrepreneurship in our country in the context of the digital economy are presented.

**Key words:** digital economy, family business, family welfare, poverty reduction, investment, technology, innovation, modernization.

#### INTRODUCTION AND VALUE.

The development of family entrepreneurship plays an important role in ensuring the socio-economic development of our country in the conditions of the digital economy. As a result of the transformation of the economy, the role of family business in the economy is increasing.

Because the development of family entrepreneurship provides an opportunity to provide employment to the population, solve the employment problem, reduce poverty, and increase the well-being of the population.

In recent years, a number of activities have been carried out to create a source of stable income and stable conditions for every family in order to carry out entrepreneurial activities. Including, consistently improving the material condition of the population, ensuring significant positive changes in the standard of living, providing systematic practical assistance in the organization and implementation of entrepreneurial activities, all-round support for the entrepreneurial activities of the population, entrepreneurial support of the population providing practical assistance in training skills and organizing relevant activities, creating additional jobs and sources of income, organizing small clusters in families that are already engaged in new activities in the neighborhoods; such as creating a network of market infrastructure facilities, service and service points.







The third priority of the Decree of the President of the Republic of Uzbekistan dated January 28, 2022 "New Development Strategy of Uzbekistan for 2022-2026" No. PF-60 "rapid development of the national economy and ensuring high growth rates" In the 29th goal of the direction, the goal is to create opportunities for the organization of business activities and the formation of regular sources of income, to increase the share of the private sector in the GDP to 85% and the share of exports to 70%. Also, in order to achieve the set goal, to reduce the tax burden on business entities from 27.5% of GDP to 25% by 2026, to improve the activities of existing structures for supporting entrepreneurship in the regions, reducing unemployment and poverty, business entities o It is necessary to carry out tasks such as making the necessary information freely available to start its activity<sup>1</sup>. This determines the relevance of the chosen topic.

## METHODS AND LEVEL OF STUDY.

The scientific, theoretical bases and methods of researching the development of small business and private entrepreneurship are widely studied by foreign scientists such as R. Khizrich<sup>2</sup>, M. Peters, A. Hosking, M. G. Lapusta, K. R. McConnell, F. F. Khamidullin<sup>3</sup>, M. M. Khait<sup>4</sup>, N. Yegorova, A. Larionov, etc. illuminated. The general aspects of the development of small business and private entrepreneurship are described in the scientific works of U.V. Gafurov<sup>5</sup>, H.P. Abulkosimov, A. Olmasov, Q. Muftaydinov and other scientists of our country.

#### RESEARCH RESULTS.

Currently, family business is developing in Uzbekistan. In order to ensure and accelerate their development, it is necessary to organize the relevant associations of family businessmen. Through such associations, it is possible to solve major socioeconomic problems of family development and welfare. In the future, it will be necessary to solve the problems related to the establishment of associations of family entrepreneurs in our country. Development of the concept of development of the activities of such non-governmental organizations is one of the most urgent issues today.

<sup>1</sup> Decree of the President of the Republic of Uzbekistan dated January 28, 2022 No. PF-60 "New Development Strategy of Uzbekistan for 2022-2026"

<sup>2</sup> Хизрич Р., Питерс М. Предпринимательство или как завести собственное дело и добиться успеха. – М.: «Прогресс», 1991. -С. 223 с

<sup>&</sup>lt;sup>3</sup> Хамидуллин Ф.Ф. Развитие методологии исследования малого бизнеса. // «Проблемы современной экономики», 2007, №3(19).

<sup>&</sup>lt;sup>4</sup> Хаит М.М. Развитие малого бизнеса на основе реструктуризации крупных предприятий. // Вестник Московского университета, сер. 6. Экономика, 2006, №4. -С. 32-43.

<sup>&</sup>lt;sup>5</sup> Muftaydinov Q. Problems of entrepreneurship development in the conditions of economic liberalization. / Dis. ... iqt. science. dr. - T/, 2004. - p. 18.



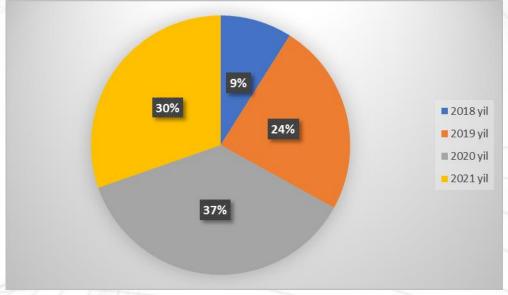




According to the information provided by the State Statistics Committee of the Republic of Uzbekistan, as of September 1, 2022, family businesses accounted for 11.4 percent of all business entities.

According to the information provided by the State Statistics Committee of the Republic of Uzbekistan, 9,711 family businesses were newly established in the republic in January-September 2022. The diagram below presents information on newly established family businesses in 2018-2021. (Diagram 1.)

Diagram 1 The number of newly established family enterprises in 2018 - 2021



If we analyze the data presented in the above diagram, over the last 4 years, the most number of family enterprises were established in 2020, and the lowest result was in 2018. The number of family businesses established in 2021 decreased by 17% compared to 2020. We can see that the number of enterprises established in 2020 increased by 34% compared to 2019, and the number of enterprises established in 2019 increased by 2.7 times compared to 2018.

Table 1 In 2022, the volume of production of industrial products by small business entities by region, bln. soum

Tashkent c.	38 904,8
Tashkent	18 549,3
Fargana	13 398,3
Andijan	12 077,9
Samarkand	11 262,1
Bukhara	9 237,4



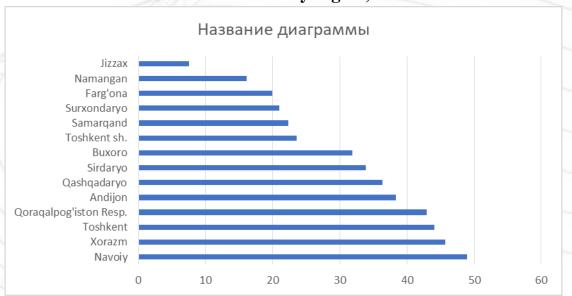




Namangan	8 331,8
Navoi	6 300,7
Jizzakh	5 446,8
Kashkadarya	5 392,4
Sirdarya	3 880,5
Karakalpakstan Resp.	3 744,6
Surkhandarya	3 128,8
Khorezm	2 956,0

In 2022, industrial products worth 142,611.7 billion soums were produced by small business entities. In terms of regions, the largest volume of production of industrial products by small business entities is the city of Tashkent (38,904.8 billion soums), Tashkent (18,549.3 billion soums), Fergana (13,398.3 billion soums). Soums), Andijan (12,077.9 billion soums) and Samarkand (11,262.1 billion soums) regions contributed. The volume of production of industrial products remains the lowest in Khorezm region (2,956.0 billion soums).

Diagram 2
The share of small businesses in the total industrial output in January December 2022 by region, in %



In terms of regions, the highest share of small business in the total industrial output was found in Jizzakh region (48.9%), Namangan region (45.7%), Fergana region (44.1%), Surkhandarya region (42.9%), Samarkand region (38.3%), Tashkent sh. (36.3%), Bukhara region (33.9%), Syrdarya region (31.9%), Kashkadarya (23.6%) and Andijan (22.3%) regions.







The settlement of digital economy relations requires a family entrepreneur not only in entrepreneurship, but also in the efficient organization of economic activities, as well as ingenuity. The wide knowledge and level of the entrepreneur in terms of economics will bring even more benefits to the income of the family and increase their property. More importantly, the size of the property increases by using the property and spending it. This is the basis for the enrichment and economic stability of not only the family, but also the state.

It is worth noting that the ultimate goal of the reforms implemented in our country is to create decent living conditions for our people and every family. This is certainly a difficult and responsible task. It is not enough to implement only practical measures to achieve this goal. It also requires the development of science-based recommendations to ensure the well-being of each family by thoroughly researching this area.

However, the liberalization of the economy and the formation of market relations require a new approach to this problem. Due to this, at present, great attention is being paid to the economic problem of the family economy. This field was included in the science of economic theory and it is now considered as a subject of microeconomics.

## CONCLUSIONS.

The following conclusions can be reached regarding the further improvement of family entrepreneurship in our country in the conditions of the digital economy:

- 1. Entrepreneurs who have started family business activities should be guided by information centers to set up their activities and provide financial support with the help of special funds and funds. assist in providing buildings and sites where applicable;
- 2. Currently, the registration of family business is much easier, and this process should be further strengthened and improved;
- 3. to support family business subjects in terms of their foreign economic activities, including helping to further increase scientific-technical, trade and production relations with foreign countries;
- 4. To prepare mature personnel for the activities of family enterprises and to organize a system of regular improvement of their qualifications, for this it is necessary to include the subject of "Fundamentals of Family Entrepreneurship" in the curricula of higher education and secondary special educational institutions. As a result of the realization of these works, the possibilities of self-employment of people will be expanded and the employment of the population will be created.







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