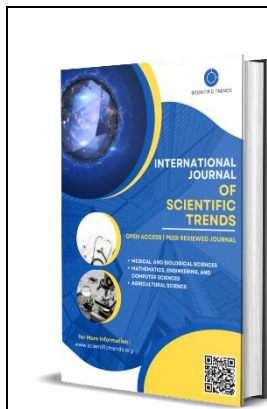


# Opportunities for the Use of Foreign Experience in Export Activities of Small Business and Business Entities in Uzbekistan

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## Abstract

Small business and private entrepreneurship are of particular importance in the economic development of our country, the sustainable development of the economy of the regions, the employment of the population, and today its role and importance are growing even more. Therefore, the rapid development of small business and private entrepreneurship is the main link in ensuring the sustainable growth of the economy of any country and a priority of the economic reforms being carried out.

**Keywords:** Entrepreneurship, business entities, profit, enterprise, product, export, import.

## Introduction

According to the teaching of the English classical economic School, an entrepreneur - goes to risk in order to make a profit. This doctrine outlines the conditions under which entrepreneurship is a useful type of activity for society.[7] This forces entrepreneur to produce goods and services that suit the needs of society, adapt to the environment of market competition and, since they are negative about profit, force them to follow certain norms.

One of the representatives of the Austrian Economic School. The leadership of the entrepreneur, according to Vizer's conclusions, begins with the birth of the idea of organizing an enterprise in it: it not only provides capital, but at the same time offers a new idea, clarifies the plan and attracts specialists. And when the enterprise is founded, the entrepreneur becomes the manager of theoretical and commercial issues.

According to the Y. Schumpeter concept, the main task of an entrepreneur is to reform and develop production through finding new sources of raw materials, markets for the sale of products, reorganization of production, etc., while taking advantage of technical ingenuity or various opportunities for the production of goods. The essence of entrepreneurial activity lies in the use of factors of production and circulation, its "emergence of various new innovative combinations".[8] Y. Schumpeter cites the following five important aspects of entrepreneurship: establishing the production of new goods, unknown to consumers, ensuring the commercialization of goods through the use of new technologies; mastering the production of new goods; using new raw materials; improving the activities of the industry. He also states that " an entrepreneur does

not have to be an owner; he can also be a recruiter. An entrepreneur is a person who makes new innovative combinations, " he notes.

As noted by our president: "in order to continue work on the financial support of entrepreneurship, 6 trillion of preferential loans will be allocated in the next year within the framework of family entrepreneurship programs. An additional 100 million \$ will be directed by the government to expand the rural entrepreneurship development program launched in conjunction with the World Bank".[9]

Taking into account the seriousness of the issue, in 2020-2021, a total of 82 trillion soums complex measures were implemented by the state. In particular, an anti-Crisis Fund was created and more than 16 trillion rubles were allocated from the budget to events related to the fight against coronavirus, support of residents and enterprises. State-owned enterprises and more than 500,000 business entities as well as nearly 8 million citizens were also given practical assistance for tax benefits, loan extensions and financial support totaling 66 trillion soums[10].

Referring to the law of the Republic of Uzbekistan "on guarantees of freedom of entrepreneurial activity", it is defined as "entrepreneurial activity carried out by the subjects of entrepreneurial - entrepreneurial activity in accordance with the legislation, aimed at taking risks and obtaining income (profit) under their own property responsibility".[11]

Today, entrepreneurship in the development of Economic Science, in connection with macroenvironment, is assessed as a semi-functional type of activity. And the entrepreneurial tuchung is being researched from the point of view of two main approaches.

The first is the emphasis on entrepreneurship and its activities, being perceived in the specific conditions of the external environment as objective and immutable in the time factor.

The second approach focuses more on the connection of entrepreneurial activity with the internal environment. The superiority of these two approaches to each other depends on the goals and objectives set before the study.

When the issues of preservation and development of the enterprise are studied, it is advisable to use a linear approach. And in the analysis of the development trends of the enterprise, the use of a linear approach does not correspond to its purpose. According to our research, in full illumination of the essence of entrepreneurial activity, a dialectical approach is necessary, which expresses its interaction with the internal and external environment, affecting its effectiveness.

Practice shows that in many cases the result of entrepreneurial activity is a newly produced product. Today, the economic sphere requires the formation of a competitive environment, the desire of entrepreneurs who are starting new business activities to obtain high commercial benefits from their work, the growing need of society, etc. The content of innovative entrepreneurship, widely developed in the world, is expressed in the creation of products and high technologies with high fan capacity. The share of firms conducting innovative activities in developed countries in the country's exports is more than 30%.

In our opinion, the main criterion for determining entrepreneurial functions should be considered the result of its activities. The main function of entrepreneurship under this criterion is to satisfy the needs of society for goods and services, which are constantly growing and forming.

Technology building has made a sharp turn in the development of property history. For Western countries, pluralism is characteristic today in forms of property and Ox keeping. The integration of the large-scale co-Organization system with medium and small entrepreneurship is developing.

By the mid-70s and early 80s of the XX century, the process of increasing the number of workers in the field of material production began, and vice versa, the number of workers in the social sphere.[12]

Entrepreneurship is an activity related to the distribution and redistribution of resources, communicating with other entities within the framework of laws, based on personal and collective initiative, based on a certain level of risk, ensuring the production and sale of goods and services that are suitable for the needs of society on the basis of full property liability.

The vast majority of products exported by small business and private business entities are raw materials that are not deeply processed and do not have high added value. Such a situation requires the development of drastic measures aimed at directing high-tech products to export in the country. Currently, there are different approaches to defining the category of "export potential". Under the concept of export potential, we understand the possibility of exporting existing resources or manufactured products. Export potential can be studied on the basis of modern methods and divided into classes. In our opinion, the export potential can be divided into 2 classes:

1) studying the structural elements of the structural-export potential, according to the results obtained;

2) comparative - according to the results obtained on the basis of a comparison of export potential, assessing the performance of enterprises producing competing products. Depending on the specifics of each industry, the level of export potential of small business and private entrepreneurial entities is manifested in different ways.[13]

In countries with a developed market economy, world practice is being confirmed that small businesses are important and highly efficient in solving socio-economic problems, establishing new jobs, adapting faster than market changes and forming a layer of owners. In most countries, special attention is paid to the importance of small business in the promotion of entrepreneurship and the formation of market mechanisms. From this point of view, the market economy is the main issue to atrophy the experience of developed countries in financing small businesses and introduce methods that are effective taking into account the characteristics of the national economy. This, in turn, also serves to improve the financing of small business projects in Uzbekistan.

Table 1 The main indicators of the development of small business in countries of a developed market economy[14], (in percentage)

States	Small business share in gross domestic product	Share of small businesses in total employment	Jami korxonalari tarkibida kichik biznes korxonalari ulushi
USA	52	50,1	97,6
Canada	43	47	99,8
Japan	51,6	69,5	99,2
Germany	57	69,3	99,3
France	49,8	56,6	97,6
Italy	55	71	99,2
England	52	55,5	99,1

From Table 1 data, it should be noted that the proportion of small businesses in yalri's domestic product was high, accounting for 57% in Germany, 52% in the United States, and 55% in Italy. In

foreign countries, there is a developed system of comprehensive support for small businesses, which ensures stable progress of the socio-economic environment as a result of increased competition, and indicates that the country has an advanced system of comprehensive support for small businesses. In foreign countries, there is a developed system of comprehensive support for small businesses, which ensures stable progress of the socio-economic environment as a result of increased competition, and indicates that the country has an advanced system of comprehensive support for small businesses.

Financial support for small business enterprises in the United States is carried out mainly through the "Small Business Administration" (SBA), a government body, although in many countries of the world there is no such court. The forms and methods of state support for small businesses provided by the SBA are varietal. They consist of providing free information services, providing state guarantees to creditors, identifying areas of production that are effective for small businesses, and providing such blindly necessary assistance. The financial aid system provided by the SBA has a number of credit programs. Thus small business enterprises in the US are mainly financed in return for debt and share capital.

In the U.S. system, in contrast to large companies, small business entities rely on their own funds rather than debt funds. Even so, fast-growing firms feel the need for partial financing at the expense of the funds to be attracted. Credit cards in this case serve as an important source of financing. In 1993, 29% of small firms used them. However, the past role of banks in such conditions has decreased. In the same 1993, 26% of small enterprises used credit line, 9% used Financial Leasing, 6% used iroteka loan, 14% used equipment loan, 24% used vehicle loan, while in June 1996, by the beginning of 1998, 37% used the services of similar enterprises commercial banks. The total amount of bank loans given to them was Rs. US dollars.

In the UK, individuals' savings and bank loans serve as the main sources of small business financing. More than 20% of the total small enterprises receive loans from the corporation for financing trade and industrial enterprises. The main government programs to support small-scale entrepreneurship are Loan Quarantie Sheme. It allows commercial banks to provide loans to types of entrepreneurship that cannot independently obtain loans. In doing so, the government guarantees that it will not record up to 70 percent of funds, and in places where there is a risk, up to 85 percent. In such a guarantee, the interest rate is 2.5 percent per year, and 2 percent where there is a risk.

Thus, 70-80% of loans offered by banks to small businesses are defrauded by the government. To condemn these guarantees, about \$ 50 million from the budget each year. pound sterling is allocated.

In accordance with another program - the program "guarantee of loans", insurance premiums are issued at the expense of entrepreneurs who have successfully operated during the ush year. Since the early 1990s, the Confederation of British industry has been implementing an "entrepreneurial expansion programme". In it, a special contribution from legal entities and individuals who have established a practical relationship with small entrepreneurship and are interested in its development is a source of supplementary financing of small enterprises. It also controls 90% of the small entrepreneurial orerational space through its network of branches, providing financial support from the municipal government for the development of small-scale entrepreneurship in places, supporting young people in the organization or expansion of their work.

In Germany, a state program for supporting small entrepreneurship has been developed and implemented. In accordance with this, the entrepreneur is given an interest-free loan for the first two years of activity. In later years, however, annual interest is charged at very high rates. Thus, almost no one will be provided with initial investment. Benefits are given based on the business plan developed by the state organization with permission. This then seriously controls whether the organization is using the loan purposefully and requires that all expenses be confirmed by the respective accounts. Small enterprises operating in the manufacturing sector receive plots for rent for construction at an affordable price.[15]

State promotion of small enterprises in Japan is carried out at all stages of its operation. For this purpose, a system of various economic levers is used: preferential debt and loans, tax deductions, technical and advisory assistance, information and Computer Services, frame training, etc. Currently, the number of small enterprises in Japan is 99% of all enterprises, with a total of 6.5 million. The total number of employees in them is 54 million. 80% of all employees are in small enterprises in Japan.

The GDP share of small enterprises is 55%. As an important element of the support system for small and medium-sized businesses in Japan, the legislative support system is considered. He concentrated on his work a whole complex of laws of the next period and not at the same time, but in stages: the laws “on the establishment of the state administration for the support of small innovative enterprises”, “on the creation of a state corporation for the financing of small innovative enterprises”, etc.

As a feature of Japanese legislation, it is considered to clearly define the sphere of influence of the law and accurately describe their structure, develop mechanisms of implementation and a scheme of interaction of executors, a list of measures of influence.

The Japanese government takes care of the renewal of the entrepreneurial sector, taking measures to facilitate the organization of new enterprises. Based on the change to the legislation passed in 2003, a small enterprise can be increased without initial capital, that is, only by 1 yen. As a result, more than 32 thousand enterprises were established in this way.

Table 2 Analysis of annual volumes of financial support for small businesses in developed countries, (billion Us doll. )

States	Annual volumes of financial support for small business enterprises		
	To support infrastructure	Credits	Guarantees
USA	0,8	21,6	1,67
Canada	0,45	22,8	3,36
Japan	1,64	39,9+2480*	-
Germany	1,8	61,9	-
France	1,5	9,2	4,7
Italy	5,05	15,2	-
Great Britain	1,37	6,3	6,3

\*- special loans.

180 billion to support small-scale entrepreneurship budget funds in the amount of yen are widely used. The distribution of public funds is carried out by commercial structures such as the Small Enterprise Corporation, established by the Japanese government. The provision of State



preferential loans to small enterprises is one of the main areas of activity of the corporation. It provides an annual aid of ¥ 20 billion.

In South Korea, the state provides preferential conditions for small enterprises when replacing outdated equipment and installing new ones. The major enterprise here is 1.5 crore. up to won, while small businesses can receive up to 3 billion won of credit line. Such small businesses pay up to 1% per annum, while large businesses pay up to 1.5% of the mediation fee. In addition, up to 1.5 billion won of bank loans spent on basic funds by small enterprises are insured for up to 70%.

Of particular interest is a comparative analysis of the volume of financial support of small businesses of developed market economy countries.

As can be seen from the numbers, high indicators for lending small business enterprises are observed in the countries of Japan, Germany, Canada and the United States. Great Britain and France differ in that they guarantee the largest amount. Such high indicators indicate that a developed and perfect system of financial support for small enterprises is valid in these countries. High rates for small business enterprise lending are observed in Japan at 39.9, Germany at 61.9, Canada at 22.8 billion US dollars. Great Britain and France differ in that they guarantee the largest amount. Such high indicators indicate that a developed and perfect system of financial support for small enterprises is valid in these countries. The experience of developed countries in the market economy is confirmed, its activities in the financial support of small businesses are similar to each other, while some differ.

The formation and operation of private entrepreneurship in the Republic of Uzbekistan has its own characteristics. We want to dwell on the problems that exist in the formation and development of private enterprises. Today, the inadequacy of small-scale entrepreneurship in the Republic of Uzbekistan depends on:

1. Not being able to adapt sufficiently to changing market relations. Insufficient material incentives for workers, limited opportunities for the selection of qualified personnel and their training, limited funds needed to purchase raw materials and materials in changing market conditions.
2. Selection of modern marketing and management technologies;
3. The fact that the ratio of small enterprises between their own property and borrowed resources is not in a satisfactory state, the presence of large volumes of debtor and creditor debts, or the lower-level solvency of enterprises that carry out bankruptcy treatment.
4. Liquidation of the enterprise and the addition of money to valuable stumps.
5. The creation of a new enterprise on the basis of free capital and income generated at the expense of the liquidation of an enterprise and the sale of property of this enterprise.

An important feature of small businesses and private entrepreneurship is their relatively high stability during the economic downturn. Small private enterprises have separate financial indicators of a lower level. At the same time, the need for external credit resources in them will be at a high level. This indicator of the resource efficiency of enterprises does not give the opportunity to rely on their private sources of financing. But the orientation of the lending system towards the interests of the development of entrepreneurship requires the solution of many problems in the real sector of the economy by credit organizations and entrepreneurial entities. In order to develop private entrepreneurship at a priority level in the process of implementing the

Crisis Response Program in Uzbekistan, it is advisable for credit organizations to carry out the following activities:

- banks conduct standardized treatments that reduce the value of credit transactions;
- increasing the liquidity of bank assets and liabilities due to increasing short-term bank liabilities;
- the emergence of various guarantees that form a mechanism for reducing credit liability in the provision of loans to small enterprises on the scale of the Republic and territories.

The validity and development of small business and private entrepreneurship largely depends on its relationship and cooperation with large entrepreneurship. In this regard, it is important to determine in what forms the relationship between small and large enterprises will be carried out and what consequences this partnership will lead to small entrepreneurship. In the economic literature, it is noted that the cooperation of small and large business entities is carried out mainly in four forms:

1. Internal contracting relations;
2. Franchise;
3. Whenchurli funding;
4. Leasing.

It is known that domestic contracting relations were widely developed in the United States, Western European countries, Japan and some of the Asia - Pacific territories. In the economy of the Republic of Uzbekistan and other CIS countries there are also these relations. However, domestic contracting relations in these states have not developed at a high level. Today, extensive cooperation between large and small enterprises can be observed in the areas of trade and various commercial services. In industry, however, such integrative cooperation is not highly formed in the form of internal contracting relations.

Although the franchising form of cooperation between large and small enterprises in the Republic of Uzbekistan was formed mainly in catering, in the business of a cocktail, in the production of household appliances, clothing, shoes and other goods, today the franchise relationship has not yet covered a large part of its enterprises operating in our country. In the Republic of Uzbekistan, unlike other CIS countries, a frenchizing system is being formed, and in our republic, the relations of the cottage industry are developing.

Considering leasing relations, they are widely developed only in some vital sectors of the economy of our country (in aviation transport, rural agriculture), but in general, the economy in this form is serving the formation of a basic capital around 1%, which is only available on the scale of the national economy. In the economy of our republic, winchur financing relations are not highly developed, since the share of innovative entrepreneurship in them is relatively large.

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