

## FORMS OF ECONOMIC MANAGEMENT IN UZBEKISTAN

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**Annotation:** The article examines the philosophical foundations of the socio-economic reforms being implemented in Uzbekistan, analyzes the relationship between human capital and spiritual development, and serves to form a humane, spiritually rich approach to economic management.

**Keywords:** family political-cultural, product, family business, jobs, medium-sized, women's notebook, youth notebook.

In most developed countries, a targeted and active policy is pursued for the development and support of small and medium-sized businesses. The reason why family entrepreneurship is receiving great attention worldwide is, as our scholars acknowledge, "Family entrepreneurship serves as a crucial factor in addressing complex socio-economic and political-cultural issues of society, contributing to the country's sustainable development and strengthening social stability." [1].

At the end of the 20th century, the total number of small enterprises in Uzbekistan, as well as the share of products manufactured by these enterprises in the social production structure, lagged behind those of developed countries. By the end of the first decade of the 21st century, the number of small and medium-sized businesses in our country reached levels comparable to developed countries [2]. The share of products manufactured by small enterprises in our country began to constitute more than half of the gross domestic product. In our country, nearly two-thirds of the employed population is now engaged in small businesses, including family enterprises.

There are sectors in the country's economy where high-quality, competitive products are primarily manufactured by small and family enterprises. These include bakeries, clothing, and footwear production. The advantages of family businesses are not limited to the food and light industries. For example, in the Japanese automotive industry, large corporations work in close collaboration with small and family business representatives. The reason is that modern cars consist of several thousand complex components. Specialized equipment is required for the production of each of these components.

Considering that automotive enterprises in our country produce 250 thousand cars annually, it becomes evident that one car is manufactured every 2-3 minutes. This means that a car produced every 2-3 minutes requires several thousand components. It is very challenging to produce all of these components in large factories. This is where small and family businesses come to the rescue. Most of them specialize in manufacturing one or a few components. Currently, hundreds and thousands of small and family enterprises supply parts to automotive companies in our country. Such a system is beneficial not only for small and family businesses but also for large automobile plants. Now they no longer need to purchase thousands of specialized machines, allocate buildings for each of them, and create infrastructure in these buildings such as changing rooms, showers, and cafeterias.

As a result, large enterprises save considerable funds. The production cost of automobiles decreases, and employee wages increase.

Family businesses have demonstrated high efficiency in fields related to creative approaches. Such fields include various consulting institutions and organizations engaged in artistic, scientific, and technical innovation.

Small and family businesses play an important role in providing employment for the population. By the end of the 20th century, nearly 35 million new jobs were created in small and medium-sized enterprises in the USA. At the same time, jobs in large enterprises decreased by 8 million. At the end of the 20th century, the share of those employed in small and medium-sized enterprises reached 70% in the USA, 78% in Japan, 73% in Italy, and 54% in France. [3]. At the end of the 20th century, this indicator in Uzbekistan lagged behind that of developed countries. By the beginning of the second decade of the 21st century, these indicators in Uzbekistan had reached the average levels of developed countries.

The necessity of creating favorable conditions for the development of small businesses and family entrepreneurship is further evidenced by the fact that establishing large enterprises is associated with significant risks. Therefore, it is considered optimal to initially organize such enterprises as small and family businesses with lower risk, and subsequently develop them into medium and large enterprises.

Even in the event of the bankruptcy of small and family enterprises, its negative consequences constitute a very small share compared to the negative consequences arising from the bankruptcy of large enterprises. In addition, there will be favorable opportunities for conducting various experiments at small and family enterprises, mastering the production of qualitatively new products, and introducing innovative technologies.

In his speech at the ceremony dedicated to the 30th anniversary of state independence, the President of the Republic of Uzbekistan Shavkat Mirziyoyev said: "We will continue to pay serious attention to the constant improvement of the income and living standards of our population. You are all well aware that a unique new system for solving social problems has been created in our country. The "iron notebook," "women's notebook," "youth notebook," "kindness notebook," and "neighborhood" work methods are being implemented for this very purpose." [4]

One of the challenges in providing appropriate financial resources for the rapid development of small businesses and family entrepreneurship is that families with the greatest need to start such activities are often low-income families. Although these families feel the need to engage in entrepreneurial activity, they lack sufficient financial resources to establish an enterprise or start a business in general. Families that do not require strong social protection have a certain amount of financial resources, but they do not feel the need to engage in entrepreneurship. Therefore, providing loans to needy families who have decided to start a business is an important condition for developing this sector.

This is a primary task facing local government and administration bodies. To fulfill this task, it is necessary to develop and adopt a strategy for the socio-economic development of the region. From this

In Uzbekistan, the procedure for state control over the activities of economic entities is defined by the country's legislation. There is an established procedure for officials of regulatory bodies overseeing the rules of organization, management, and development of entrepreneurship and enterprises to inspect the activities of business entities. This procedure is regulated by the Civil Code, the Law "On Entrepreneurial Activity," the Tax Code, and other regulatory legal acts.

In Uzbekistan, the following main forms of economic activity as a legal entity exist:

### **1. Individual entrepreneur (IE)**

An individual entrepreneur is established by a natural person after state registration. The individual entrepreneur operates on the basis of their own funds and personal liability. For calculating the tax base, they may use a simplified tax payment procedure that accounts for taxable income and deductible expenses.

## **2. Limited Liability Company (LLC)**

A limited liability company is considered a legal entity. Founders are liable only to the extent of their contributions. The tax payment procedure depends on the tax regime chosen by the company.

## **3. Joint-stock company (JSC)**

It is established using shareholders' funds. There is a possibility of buying and selling shares. Publication of annual financial statements is required.

## **4. Farmer and dehqan farms**

If we compare the Law of the Republic of Uzbekistan "On Family Entrepreneurship" with the Law "On Dehqan Farms," it is evident that the composition of the workforce in dehqan farms and family entrepreneurship is exactly the same. In particular, Article 5 of the Law "On Dehqan Farms" characterizes the members of a dehqan farm as follows: "Head of the family, his wife (husband), parents, children, including adopted children, grandfather, grandmother and grandchildren, other able-bodied persons who have reached working age

## **5. State enterprises**

A commercial organization in the form of a state unitary enterprise, established by the state with over 50 percent state ownership, created on the basis of property transferred to it for operational management. A state enterprise possesses separate property, an independent balance sheet, bank accounts including foreign currency accounts, a symbol, stamps and letterheads, and a seal bearing the State Emblem of the Republic of Uzbekistan with its company name written in the state language. The name of a state enterprise must include the words "state enterprise." A state enterprise may, in the manner prescribed by law, acquire and exercise property and personal non-property rights, assume obligations, and act as a plaintiff or defendant in court on its own behalf.

Based on the above, it can be concluded that the commonality between family entrepreneurs, farms, and dehqan farms is that their workforce consists of members of one family and their.

From the foregoing, it can be concluded that the commonality between family entrepreneurs, farms, and dehqan farms is related to the fact that their workforce consists of members of the same family and their close relatives. The fact that family members provide assistance to those engaged in home-based work also shows that this form of labor organization has common features with family entrepreneurship, farms, and dehqan farms. At the same time, the existing commonalities do not deny the existence of differences between them.

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