

**STATUS OF DEVELOPMENT OF SMALL BUSINESS AND PRIVATE
ENTREPRENEURSHIP DURING THE CORONAVIRUS PANDEMY**

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Abstract

This article develops ways to develop small business and private entrepreneurship in the world during the quarantine period, mitigating the negative impact of COVID-19 on the industry, the current state of the industry in the post-coronavirus period, future development paths.

Keywords: Coronavirus pandemic, technological systems, the fourth industrial revolution, small manufacturing, business incubator, engineering centers, nanotechnology centers.



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INTRODUCTION

Global changes in the world economy, the strained relations between many countries, the spread of the COVID-19 coronavirus pandemic, which erupted in the first quarter of 2020, have affected the level of economic development in the regions of the country. In the same context, there is a need to develop new models of economic development in all countries. In order to achieve sustainable economic development, it is planned to make extensive use of the achievements of the Fourth Industrial Revolution, to raise the economy to the fifth and sixth technological sectors, to widely apply digital technologies in practice. In the modern world economy, small business and private entrepreneurship play an important role in economic development, employment, poverty reduction in the regions of the country, self-employment. The mass economic interests of many segments of the population are also mainly focused on small businesses. Analysis of the relevant literature. Studies dedicated to COVID-19 have been conducted by Munster V.J., Roopmans M, van Doremalen N, van Riel Dlar. An article titled “A novel coronavirus curding in China - ney questions for impact assessment” brought COVID-19 to the attention of the world community after the declaration of a state of emergency on December 31, 2019 in Huben Province of the People`s Republic of China. As of January 24, 2020, more than 830 cases have been reported in more than 10 countries, including the People`s Republic of China, Thailand, Japan, South Korea, Singapore, Vietnam, Taiwan, Nepal and the United States.

Research methodology. A number of studies around the world have focused on the coronavirus pandemic. Under quarantine, the first economic blow was taken by small business and private entrepreneurship. It is during the quarantine period that it is necessary to develop a set of rules for conducting small business and sanitary-hygienic rules that should be taken into account during the period of operation. The research has developed scientific conclusions and recommendations for the redevelopment of small business and private entrepreneurship in the country using methods such as observation, systematic analysis, forecasting.

Analysis and results. The positive changes in domestic and foreign economic activity taking place in the economies of countries are largely the result of positive activity in small businesses and private entrepreneurship in the country. At the same time, the experience of developed countries shows that the steady rise in living standards has been achieved, first of all, through the rapid development of small business and private entrepreneurship. Therefore, the development of business and private entrepreneurship, increasing its place and role in the economy is also very important for the people of Uzbekistan. Small business is a group of such organizations, which have the characteristics of the activity at the entrance to the business, based on the internal relations of the firm, as well as are inextricably linked with the external environment. The term “small business” is an English word, mostly used in Western European countries, Japan, and the term “small and medium business” is used in India and Asia as “small production”.

In the great economic dictionary of A.N.Azriliyana, “small business” is an organization or enterprise consisting of private and small organizations, which does not reach the level of a single monopoly and is necessary for all sectors of the economy. V. Shepelev defined that the main forms of entrepreneurial activity and business are divided according to the sources of entrepreneurial origin, according to the administrative-legal forms, in terms of legal regulation, according to the level of novelty of goods and services. K.Muftaydinov points out the following forms of entrepreneurship: private entrepreneurship on the basis of individual labor activity; private entrepreneurship carried out by individual citizens on the basis of hired labor; collective

entrepreneurship by a group of citizens; is a joint venture based on the merger of legal entities and citizens to their property and property rights. In our opinion, small business and private entrepreneurship are enterprises or organizations that are compact, fast-changing, have additional production and service areas, are inextricably linked with the digital economy. Small business adapts quickly to changes in the market economy, specializes quickly based on market requirements. quickly absorbs innovations. Since the 1990s, modern innovative systems have been formed, which can include technology parks, business incubators, engineering centers, research organizations, nanotechnology centers.

It is necessary to accelerate the implementation of the achievements of the Fourth Industrial Revolution through the widespread application of the principles of “Industry 4.0” in small business and private entrepreneurship, as in all sectors. It is necessary to create a new innovative system of small business and private entrepreneurship, compatible with the digital economy, based on innovation from traditional production in all sectors of the economy.

Due to the rapid changes in market conditions in the world economy, the need to change each sector due to the rapid change in the balance between supply and demand, it is necessary to provide a fast-changing industrialized and innovative “Small Business 4.0” in small business. It is necessary to develop a “Concept for the development of small business in Namangan region on the basis of digital technologies” using the “Strategy for the development of the metallurgical industry based on digital technologies, developed by the SMS group of the German concern”. New technological revolutions are changing human working and living conditions and opening up new opportunities. Such changes lead to the formation of new business models, ideas, and significant structural and innovative changes in companies operating in the traditional way. These innovations serve to replace obsolete and outdated mechanisms, radically change, start a new reform. The rapid development of new technologies and their introduction into practice will lead to the formation of new industries in the long run. With the development of digital technologies, the deepening of integration between countries and enterprises, the transformation of countries economies into the global economy has developed. In 2011, the term “4th Industry” appeared at the Hanover Fair in Germany. The development of new technologies has created “mind factories”. The fourth industrial revolution created a new virtual world. This virtual world has developed on a large scale and has begun to cover all sectors of the economy. “17% of the globe and 1.3 billion population under the influence of the achievements of the second industrial revolution, half of the globe and 4 billion and the population is developing under the influence of the achievements of the third industrial revolution. Some developed countries are taking advantage of the achievements of the Fourth Industrial Revolution, and they are very deficient”.

CONCLUSIONS AND SUGGESTIONS

One of the longest-running crises in the world economy, the coronavirus pandemic, was observed in the first half of 2020. In turn, this situation has had a negative impact on the economy of the Republic of Uzbekistan. To eliminate them, it is necessary to re-establish the activities of the country`s economy and small business and private entrepreneurship, to revive the industry, which fell into a state of stagnation during the quarantine period:

- First, the rapid development of integration between small business and large enterprises;
- Second, to continue production and service at home through the development of home-based activities;

- Third, the development of mechanisms to support small business and private entrepreneurship by the state for the quarantine period;
- Fourth, the establishment of counseling centers for the quarantine period for small business and private entrepreneurship.

One of the main goals of building a socially oriented market economy in Uzbekistan is the priority development of small business and private entrepreneurship in the country. To achieve this goal, economic reforms have been carried out, and large institutional frameworks have been created to enhance its role. These include legal and regulatory documents governing the organization of entrepreneurial activity, non-governmental organizations and enterprises that assist entrepreneurs. The establishment of a complex of private entrepreneurship and small business in Uzbekistan is progressing successfully. Small businesses can create jobs independently of the state, that is, without large capital investments, reduce the shortage of temporary goods, and even eliminate this shortage completely. In today's society, it is necessary to direct the activities of small businesses to meet the needs of individuals. This is evident in the field of consumer services and consumer goods. Small businesses also play an important role in introducing technological innovations. The number of small businesses and private enterprises in our country and the volume of their products is growing every year. Laws of the Republic of Uzbekistan "On Enterprises", "On Property", "On Guarantees of Free Entrepreneurship", Presidential Decrees, Resolutions of the Cabinet of Ministers and others. It is organized on the basis of supporting documents. In the context of scientific and technological development, small business and private entrepreneurship are increasingly finding their place in the transition of leading industries to new technologies. They demonstrate the basic linking quality of the whole system, which provides the work process with new ideas and improvements in production, the introduction of new information technologies. Today, small business and private entrepreneurship operate in all sectors of the economy, in the production of machinery, consumer goods, agriculture and food, and other areas. The products produced by small businesses and private enterprises differ from those produced by state-owned enterprises in that they do not lag behind in quality and, in some cases, even surpass them. 60-70% of the activities of small businesses and private entrepreneurship in the country are directly related to production, they are farmers, dehkans, industrialists and processors of agricultural products, and so on. In order to create a class of owners on the basis of private entrepreneurship, rapid development of small business, to establish a system of relevant institutions, to attract favorable credit resources to small and private business and to create favorable conditions for foreign investment, the President of the Republic of Uzbekistan Decree of the President of the Republic of Uzbekistan dated August 30, 2003 No PF3305 "On amendments and additions to the Decree" On measures to further stimulate the development of entrepreneurship, small and medium business. Small enterprises have a number of advantages over large companies in that they adapt quickly to market conditions and ensure the success of their products in the market. This is due to the fact that small businesses are quickly adapting their activities to narrow production programs, advanced technology, the production of low-demand science-intensive products, and quickly master the basics of the market.

According to the forms of ownership, the following types of small enterprises can be distinguished:

1. State-owned small businesses.
2. Small businesses that operate on an individual basis based on the property of citizens.

3. Rental businesses.
4. Small joint ventures.

There has been a steady increase in the number of small businesses in the country in all sectors of the economy, including transport, communications, healthcare and other non-manufacturing sectors. Small business and private entrepreneurship are also gradually developing in the field of foreign economic activity. The main exports of small businesses are agricultural, textile, processing, electrical products and handicrafts. The above analysis shows that in recent years in the Republic of Uzbekistan, enterprises engaged in private entrepreneurship, small business are being established in all sectors of the economy. At the same time, the role and importance of small businesses in the economy is growing. The role of private entrepreneurship and small business in the development of the national economy is characterized by:

- private entrepreneurship provides the necessary speed in a market economy, creates deep specialization and branching cooperation in production, without which high efficiency is impossible;
- creates the necessary competitive environment for the market and is characterized by the ability to quickly change the type of production in response to changing market demands;

It is able to quickly fill the gaps in the consumer sector and quickly recoup the investment made using the latest machinery and technology. Features of small business and private entrepreneurship (small working capital, its rapid turnover, the ability to quickly replace the means of production, etc.) allow it to have several advantages:

- research, development and development of new products, their production in small associations, taking into account the risk of rapid changes in demand;
- reliability of fast technical service and establishment of strong contacts with consumers;
- flexible organization of production and sales in accordance with market requirements and changes in market conditions;
- absorption of excess labor;
- simplicity of management, lack of large administrative apparatus, short time in the development of construction and design capacity, rapid payback of capital expenditures, high speed of capital turnover;
- more complete and efficient use of raw materials and labor resources, production waste.

Small business and private entrepreneurship and everything connected with it are an important and integral part of the organizational structure of modern social production. Therefore, small business and private entrepreneurship play an important role in the development of the state economy and are supported by the state. Private entrepreneurship and small business are finding their place in the context of accelerating the development of science and technology, the transition to new technologies in advanced industries. Such entrepreneurship is an integral part of the whole system, providing new information technologies, new ideas and modernization of production. In addition, small businesses are one of the preferred forms of production in high-risk conditions. Small businesses also play an important role in introducing technological innovations. Small businesses, which adopt new technological ideas faster than large enterprises, have less risk and can get things done faster than large-scale production. This can contribute to the development of scientific and technological progress in our conditions. Small business and

private entrepreneurship play an important role in ensuring the overall development of the economy, overcoming the shortage of goods and services. The creation of a system of small enterprises in Uzbekistan in the conditions of rapid growth of labor resources and the peculiarities of the location of production creates the following opportunities:

- the introduction of free labor resources, new economic relations, the emergence of new forms of ownership, greater involvement of people released in production in social production, the emergence of new forms of ownership;
- raising the material, spiritual and professional level of the population, especially the youth;
- bringing industrial production closer to residential areas, taking into account the low mobility of the population, and more fully meet the needs of the population in consumer goods;
- restoration of national and artistic handicrafts, as well as assistance in the development of small and medium-sized cities, rural settlements, in general, increase the efficiency of the economy, which is very important for each region.

While acknowledging the positive role of small business and private entrepreneurship in the development of the economy, it is also wrong to overestimate its importance. Private entrepreneurship can be active only in certain areas, so it is necessary to create the necessary conditions for the development of small business. For this, in our opinion, it is necessary to create financial funds. These funds should be a guarantee for entrepreneurs to obtain soft loans in commercial banks, and serve as a source of subsidies, including non-repayable subsidies (for the development of enterprises in certain priority sectors of the economy). Improving the system of financial support for small businesses in Uzbekistan should be aimed at stimulating the activities of banks, funds, investments and insurance companies that provide services to small business and private entrepreneurship. In the Republic of Uzbekistan, as in other countries, the company can receive soft loans if it participates in the priority state program (creation of new equipment, development of remote areas, etc.). At the same time, the minimum interest rate and long-term repayment are the main conditions for lending. The activities of small businesses are greatly affected by a variety of unpredictable risks, sudden changes in the situation, insolvency of customers, natural disasters that put them in a difficult situation. Therefore, the insurance system in developed countries is well established. It is necessary to establish insurance in our country as well. This system should ensure a favorable environment for the development of small businesses (especially in areas with high commercial risks), create confidence and the necessary stability for entrepreneurs who own or start working at risk with borrowed capital. Deepening economic reforms, development of small business and private entrepreneurship is one of the main directions of economic reforms in the country. This requires the development of economic competition, filling the consumer market with goods and services, as well as the creation of a wide range of private entrepreneurs. With this in mind, today the Republic needs to address the following issues:

- introduction of broad segments of the population to market activity, elimination of their dependence, consumer psychology, arousal of the population's desire to be actively engaged in private entrepreneurship, small business;
- radical renewal of economic relations in agriculture, further development and increase in the number of farmers and farms, the creation of small businesses in the regions to provide additional jobs for the temporarily unemployed;

- acceleration of market relations and infrastructure in the region, creation of conditions for the development of economic competition;
- creation of economic and social conditions that will fully meet the growing needs of the population of the republic;
- dramatically increase the range and scope of services provided, ensure a high level of organization of banking, auditing, consulting and various mediation activities on the basis of modern science and technology;
- creation of conditions for increasing the efficiency of management of enterprises, ensuring their economic independence;

Introduction of small enterprises that can produce goods for export, filling the consumer market with goods that can easily adapt the types and volume of products produced locally to market requirements. It is known that more than 65% of the able-bodied population in the country live in rural areas. This shows that there are great opportunities for the development of entrepreneurship in rural areas. At the same time, it is necessary to redistribute the surplus labor force engaged in agricultural production to service, processing and so on. Addressing organizational and economic issues at various levels of government related to the development of entrepreneurship and its small businesses in rural areas is one of the priorities.

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