

GOVERNMENT SUPPORT FOR ENTREPRENEURSHIP IN DEVELOPED COUNTRIES AND ADAPTATION OF EXPERIENCE IN THE REPUBLIC OF UZBEKISTAN

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Abstract: The article examines the foreign experience of state support of small business in the largest foreign countries. The mechanisms of development of state support for small business in foreign countries are considered, the analysis of the level of development of small business in foreign countries and the Republic of Uzbekistan is given. The main directions and program activities on this issue have been identified and analyzed. The high socio-economic orientation of small and medium-sized businesses was noted.

Keywords: Government regulation, entrepreneurship, administrative impact, business environment, foreign experience, legislation.

Introduction: As the experience of developed foreign countries shows, the system of state support for small enterprises is a determining factor in the development of the entire socio-economic potential of the state. The overwhelming number of small enterprises in developed countries feel the manifestation of a balanced policy of government agencies to create the most optimal conditions that regulate the entire range of business support issues at the legislative level. Despite various measures to support small businesses in the European Union and the United States, however, there are common features in the development of targeted programs and financing schemes. The formation of a whole range of legal and financial support favorable for the development of entrepreneurship involves targeted work on the interaction and coordination of all elements of government regulation. In general, the Western model of state support for small businesses shows a variety of forms of support, taking into account a number of features of both the political structure and economic development. The high economic indicators of the most developed countries of the world have been achieved as a result of a sound long-term policy of socio-economic development of society through comprehensive support for its most active initiative – entrepreneurs.

By paying special attention to the small business sector, government agencies are trying to actively diversify the economy, helping entrepreneurs to enter new industries, redistributing the sectoral capabilities of the state as a whole. Small

enterprises in developed countries constitute the most important sector of national economies, representing the most widespread form of business life and ensuring socio-economic stability of development.

For example, in the USA, the food industry is almost completely (97%) represented by small firms. Small businesses in the United States account for 64% of the volume of sales of goods and services in wholesale trade and 73% in retail. There are about 2 million small and medium-sized businesses operating in Germany. They give 2/3 of the cost of all products. In France, small and medium-sized enterprises cover 66.8% of the total working-age population and 99% of the total number of all enterprises. In Japan, small business has also received the following- personal development. More than 6.5 million small firms (99%) operate in the manufacturing industry of this country alone [1].

In this regard, it seems advisable to consider the most significant approaches of these countries in the implementation of state support for small businesses in order to effectively apply this experience to the Uzbek reality.

As has already been noted, government support greatly contributes to the successful operation of small businesses . The US experience confirms the validity of this statement. Established in 1953 and accountable only to the President and Congress , the U.S. Small Business Administration (SBA) provides government support to small businesses through direct financing through a specially built federal network of regional and interregional divisions throughout the country, funded from the federal budget. In addition, the data Structural divisions provide entrepreneurs with advisory, information services, and infrastructural support (technology parks, business incubators), as well as independently assess the state of small businesses, and propose constructive measures to improve methods and programs for their support. In 1980, the law "On the Centers for Assistance to the development of small businesses in the USA" was passed. In accordance with this law, organizations specially created to regulate the activities of small enterprises were given the opportunity to use financial support. government support through grants from the Small Business Administration.

In addition, there are about 40 different government programs in the United States aimed at supporting small and medium-sized businesses, including training, consulting, financial support, assistance in placing contracts, innovation programs, and administrative programs [2].

The main support for small businesses comes from four key areas : access to capital, education, assistance in obtaining government orders, protection in courts and at the legislative level. Since small businesses, as a rule, do not have their own lawyers, the small business administration is a collective lawyer and lobbyist. Given that the U.S. government is the largest customer of goods and services in the world, the U.S. Congress strictly monitors the distribution of government orders to small businesses at

a level of at least 23% of the total- the largest number of them. In the case when small enterprises are unable to fulfill large orders, the latter are divided into several parts.

Thus, by providing competent government support to small businesses, the U.S. government has increased the number of small and medium-sized enterprises to 33.3 million by 2008, providing employment for almost half of the working-age population. It accounts for 46.4% of the country's tax revenues. Today, small U.S. enterprises export \$300 billion worth of goods and services per year, accounting for 20% of industrial exports and 62.3% of total U.S. exports. It should also be noted, that the US small and medium-sized business sector owns 65% of patents and 75% of technical innovations [3].

This was facilitated by a significant increase in the expenditure side of the budget for the research activities of small enterprises in the country's innovation processes. By gradually increasing these expenditures to \$300 billion and actively increasing its participation in stimulating innovation processes in its country, the United States achieved 31.4% of global R&D spending by 2008. Attracting small enterprises to actively participate in innovative developments is achieved by the successful implementation of the federal missile defense System.- a program aimed at stimulating the development of innovative small businesses (the Business Information Centers program). It is based on constant monitoring of the effectiveness of innovative developments, their support in more than 400 information centers (mostly free training and consulting for new and existing entrepreneurs). By the way, there are more than 11,500 volunteer consultants working in the United States, collaborating with all SME support centers throughout the country.

The ever-growing demand for innovation in the American economy is a powerful incentive to support and develop various targeted programs aimed primarily at developing small business as a key element of the country's economic development. Realizing the need for affordable lending to small businesses, more than seven thousand financial companies across the country (banks and innovative companies) participate in various support programs [4].

Fairly effective government support measures are being observed in Canada. Here , by analogy with the United States, there are many specialized government programs (about 290) aimed at small businesses: consulting, training, financing, etc. An extensive network of infrastructural support has been built (150 business incubators, 36 information technology clusters), more than 100 consulting centers are operating, represented by technology and consulting firms [2].

Considering the experience of the main "economic locomotives" of the European Union – Germany and However, it should be noted that small enterprises are considered the basis of the socio- economic model not only in these countries, but also in many countries of the European community. Overall, there are about 23 million

small and medium-sized enterprises in the European Union, providing 70% of employment and 57% of total turnover. SMEs occupy an overwhelming share in wholesale and retail trade, the food industry and in construction. Small business development support- In most countries of the Commonwealth, this is achieved by low registration fees, maximally simplified procedures for registering new enterprises, as well as a set of educational and consulting support programs. For example, in many European universities there are special departments that train students in the field of entrepreneurship and management. In Scandinavian countries (for example, Finland and Sweden) , secondary school curricula are complemented by courses on the basics of entrepreneurship.

As a rule, the European Union has uniform rules in the field of public procurement, which require EU members to inform each other in a timely manner about upcoming public procurement and adhere to uniform directives. Considerable importance is attached to the preferential tax burden, which allows encouraging the creation of new enterprises, further business success, the entry of small enterprises into the international level, and the creation of new jobs. Large- scale implementation of e-commerce models and support for innovation are taking place everywhere in the territory of the European Union- small enterprises, the development of their export opportunities, and the promotion of self-employment. In other words, high-class business support is provided at a more modern level [5].

Having taken care in advance to match modern business models with scientific progress, West Germany launched a special government program in 1978. "The general concept of scientific and technical policy in relation to small and medium-sized firms", which provides for financing risky activities, improving conditions for technology transfer , and providing scientific personnel. Continuing this policy today, the government encourages the provision of loyal long-term loans to entrepreneurs at very low interest rates.- cents. The use of a lending and subsidy mechanism will allow the state to create equal opportunities for small businesses in competition with large companies.

The state strategy for the development of small businesses has a solid legislative framework with a fairly long history. One of the most important areas of lawmaking in Germany is ensuring conditions for the development and growth of the middle class, as well as stimulating the innovative potential of small businesses in the field of research and development. That is why a significant part of the inventions in the country are accounted for by SMEs. In this regard, in Germany, in addition to subsidies for scientific research and training of research personnel, a systematic work on attracting entrepreneurs to scientific programs in 96 research centers in 34 industries [6]. Due to the targeted government policy to provide expanded opportunities for

entrepreneurial growth, the share of small businesses in German GDP is 57%, and in total employment - 69.3% (20 million employees) [2].

It is noteworthy that the tax preferences available in Germany for small businesses do not prevent the country's budget from receiving about half of all tax revenues from entrepreneurs.

The government's business support policy in France echoes the experience of the United States and Great Britain. To address government programs for the creation and growth of new enterprises in France, the Bank for the Development of Small and Medium-Sized Enterprises was established, and the Department for Small and Medium-Sized Enterprises was established under the Ministry of Finance. Economic policy aimed at creating a competitive environment and supporting entrepreneurship is based on a variety of information and advisory services.- scientific, educational and subsidy programs, as well as to stimulate the emergence of new jobs in peripheral areas. A tool for reducing tax rates and tax incentives, ensuring equal participation in the distribution of government contracts, microfinancing for start-up entrepreneurs, encouraging the export activities of small firms - all this reflects the modern European economy today. As you can see, in European countries, specially created departments are often responsible for supporting small businesses. For example, in the UK, these are the Small Business Service and the Federation of Small Businesses. The first can act for the creditor bank as a guarantor for the return of funds by the entrepreneur, the second - as a trade union of entrepreneurs with a whole range of protection and support. By developing priority innovations, governments of developed countries seek to minimize the payment of taxes by small enterprises developing in knowledge-intensive industries.

The experience of such "Asian dragons" as Japan and Singapore is very interesting in stimulating the development of the scientific potential of small enterprises. In Japan, the State Corporation for the Development of Small Business provides long-term loans to small entrepreneurs, models of financial support for enterprises have been developed through the purchase by banks of shares of many companies in the real sector of the economy, and the purchase of bonds by enterprises is encouraged under the guarantee of public procurement of their products. Subsidized There are fully or partially scientific and technical programs, a well-developed network of multimedia information centers and development centers operating on the "one - stop shop" principle, etc. The Government of Japan constantly contributes amounts up to 0.13% of the expenditure part of the budget to support SMEs [7].

In Singapore, the main focus of the work was on creating an attractive investment climate, a transparent reporting system, favorable conditions for starting a business, as well as a guaranteed preferential tax policy for start-up entrepreneurs. For some types of activities, income tax "tax holidays" can last up to 10 or even 15 years.

These and many other conditions made it possible to involve the vast majority of the country's residents in small business – up to 80%. Singapore's economic oasis is achieved primarily by strict, and sometimes even harsh, strict enforcement laws, as well as fairly high fines. There is almost no corruption component in the country, and bureaucratic red tape is reduced to zero.

Singapore today represents Asia's largest financial center, which in many respects is not inferior to Tokyo. The provision of services (transportation, warehousing, finance, communications, trade, tourism) is the backbone of the Singaporean economy. To support small businesses, the government pursues a policy of integrating several enterprises in order to unite them into groups to establish high-tech production (in the fields of genetics, immunology, ecology, biotechnology, electronics), financing and providing them with the most modern technologies.

It would also be appropriate to mention the specially created Spring agency, which provides about a hundred different programs of assistance to entrepreneurs, including assistance in development and management, consulting, accounting, and monitoring services. Singapore has developed and implemented dozens of different concessional lending programs for small and medium-sized businesses, as well as subsidizing training and retraining programs for human resources (the state covers up to 90% of the costs of training and retraining personnel working at the MA- small and medium-sized enterprises) [8].

The results of the analysis of state support for entrepreneurship in developed countries suggest the need to implement such measures in the Republic of Uzbekistan. However, the most priority areas in supporting small businesses should be worked out and implemented in the near future. This includes a significant reduction in the tax burden for start-up entrepreneurs, as well as granting the right to tax holidays for the most promising and in-demand industries in the economy for up to 5-7 years. The second point to pay attention to is the legislative provision of business security. Here it is necessary to note the difficult situation with criminalization- the economic situation caused by the raiding of successful enterprises, the elimination of the brightest spots in the legal field, the significant increase in the responsibility of officials for administrative pressure on business, bureaucratic arbitrariness, as well as the failure to take measures within a strictly defined response time.

The development of effective legislation capable of protecting businesses from outside influence is achieved by conducting a targeted legal policy of the state in order to eliminate legal nihilism in society, increase its legal status, eliminate legal illiteracy and indifference. This category also includes the Government's legislative initiatives aimed at stimulating credit, investment, and compensation measures for businesses, as well as the introduction of a system of full or partial subsidies.:

To legislate and ensure appropriate control over the mandatory-to determine the levels of acceptable collective participation of small enterprises for large tender operations.

To develop and implement mandatory conditions for the functioning of employment centers for the training and retraining of young entrepreneurs in all regions.

To define a single body responsible for the development and conduct of business, to give it the functions of legislative initiative.

Create a network of free information and advisory centers operating throughout the country and subordinate to this center.

To make changes to the curricula of school and university programs on compulsory study of the basics of financial literacy and entrepreneurship.

Conducting continuous monitoring and studying adaptation models of foreign experience in supporting small businesses in the Republic of Uzbekistan.

The introduction of grants for study abroad for specialists working in promising high- tech areas of entrepreneurship.

Thus, Uzbek entrepreneurship should be provided with state support not only through taxes and targeted programs, but also a whole range of legislative measures aimed at generating demand for innovation, stimulating it and subsidizing it. In every possible way to encourage and facilitate the emergence of entrepreneurship at the regional level, to develop and implement mechanisms for the legal protection of the business community.

The state's policy towards small businesses should be based on the unshakable principles of social protection of entrepreneurs, namely: pension and medical care, social support, legal protection of business, the development of institutions for operational conflict resolution, both in the business environment and in relations with government and consumers, ensuring favorable conditions for entrepreneurial activity. Generalized experience of developed countries in the field of government regulation of small businesses- This shows how important the timely formation of state institutions and economic mechanisms plays, contributing to reducing the administrative impact on business, focusing on creating optimal conditions for the most promising and socially significant areas of entrepreneurship.

The competent implementation of state policy aimed at eliminating negative factors of both market and non-market nature, slowing down entrepreneurial activity and changing the business environment in the country, can significantly affect the positive dynamics of socio-economic development of the Republic of Uzbekistan in the near future.

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