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# Participation of Small Business and Private Entrepreneurship in the Foreign Economic Activity of the Republic of Uzbekistan Creating and Developing the Environment

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**Abstract:** The article describes the problems faced by business structures in the field of export, marketing research and study of the local market, the existing problems in the competitiveness of enterprise products and approaches to solving them, export strategies and more.

**Keywords:** business entities; product competitiveness, marketing research; product export, market research.

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The role of entrepreneurship in the world economy, including the development of our national economy and the formation of a multi-sectoral economy and a class of owners, ensuring macroeconomic stability and, on this basis, preparing the ground for sustainable economic growth is invaluable. day is no secret to anyone.

As stated in the Constitution of the Republic of Uzbekistan as the main basis of this priority, "The basis of the economy of Uzbekistan, aimed at the development of market relations, is various forms of property. The state guarantees freedom of economic activity, entrepreneurship and labor, equality of all forms of property and equal legal protection, taking into account the priority of consumer rights" [1]. From the first years of independence, this constitutional norm has served as an important legal basis for the development of small business and private entrepreneurship in our country. Based on the Constitution, a solid legal framework of a market economy has been formed in our country. All this serves not only as a solid legal basis for further liberalization and transformation of our economy, but also as a guarantee of the consistency of ongoing market reforms.

Such work is carried out in the direction of economic development and liberalization of the Action Strategy for the further development of the Republic of Uzbekistan for 2017-2021. to implement the principle that "if the people die rich, the state will be rich and strong"; creation of a favorable business environment for the development of small business and private entrepreneurship, strict prevention of illegal interference in the activities of business structures by government, law enforcement and regulatory agencies" appears when the function is defined [2].

The Decree of the President of the Republic of Uzbekistan Sh. Mirziyoyev, aimed at creating more favorable conditions for small business and private entrepreneurship, ensuring their free operation and deepening the ongoing reforms, made the priority development of small business and private entrepreneurship a priority in the country's economic life [3].

As a result of reforms to further liberalize and modernize the economy in the country, as of January 1, 2021, the number of registered small businesses and private entrepreneurship amounted to 411.2 thousand, an increase of 148.3 thousand compared to January 1, 2018.

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accounted for the bulk of the networks. In 2020, these entities accounted for 53.9% of the country's gross domestic product (GDP) and 27.5% of the gross industrial output. The number of people employed in this sector was 73.8%. This, of course, is the result of the fact that further deepening of market reforms and liberalization of the economy in Uzbekistan has been identified as a priority, and the mechanisms for its implementation are clearly indicated.

It should be noted that foreign economic activity plays an important role in the development of the economy. The basis of foreign economic activity in developed countries is the regional export potential, which is formed mainly by small businesses and private entrepreneurship.

In the course of the work carried out in the country and in the ongoing economic reforms, the policy of filling its domestic market with local goods, the export of goods to world markets has also been given priority. To this end, foreign investment will primarily develop the agro-industrial complex, which will serve to improve the food supply of the population, accelerate the development of priority industries, in particular the fuel and energy complex, build new facilities in key sectors of the economy, modernize existing enterprises, reduce import dependence. , strengthening the export potential of the republic, increasing the competitiveness of products, increasing the share of machinery and chemical products in exports, the transition from exports of raw materials to finished products, development of small and private enterprises, restoration of ancient crafts and traditional professions, participation in Central Asian market development, creation of economic and organizational conditions for cooperation of enterprises in the region, joint creation of mutually beneficial projects.

As a result of the measures taken, the role of small business and private entrepreneurship in the foreign economic activity of the country is growing. They accounted for 20.5% of the country's exports and 51.8% of imports. However, as can be seen from the analysis, a positive balance does not have an advantage in foreign economic relations. This means that imports are predominant in small business and private entrepreneurship, and its export potential is weak with 2.5 times more exports than exports. This, in turn, indicates that the conditions created by small business and private entrepreneurship in foreign economic activity for the production of export-oriented products are still insufficient. Accordingly, it can be concluded that in order to increase the share of small business and private entrepreneurship in foreign economic activity today, it is necessary to further improve the existing legislation and the created conditions and opportunities.

Our local enterprises enter foreign markets, first of all, in order to get free currency. Their study of foreign markets consists mainly of their approach to the export of raw materials or the export of consumer goods. The first steps in this direction will certainly be successful and will have certain benefits, because the competition is not so sharp, and it is important not to lag behind competitors in their own country. It is only after some time that our entrepreneurs realize that this part of the export has been abandoned by other leading competitors as unprofitable exports, and they are engaged in the production and sale of products that require a more promising production and scientific approach.

Our entrepreneurs work in such an export sector, which is, of course, a typical approach of developing countries. Due to the weakening of state regulation in the field of exports (in Uzbekistan, especially from the first years of independence to 1997), they blindly exported goods in exchange for large concessions in foreign economic activity and low prices for their goods. This was especially evident in agricultural products, including tobacco raw materials and the like. This, of course, can be explained by inexperience in marketing and a lack of professional approaches.

In many cases, the poor commercial practices of exporters and intermediaries harm not only themselves, but also the economy of the republic. Therefore, it is necessary to introduce strict liability standards for exporting goods for violation of international trade rules. At the same time, special state control over foreign trade operations of the group of goods subject to anti-dumping cases should be carried out on a regular basis.

A number of entrepreneurs in foreign joint venture agreements consider foreign partners to be more experienced in this work and instruct them to develop marketing strategies, export programs and plans. The goal is also clear: to use the marketing opportunities created by foreign firms that have a stable position in the world market. However, such restrictions can be costly to entrepreneurs. It is well known that marketing research has to be paid for a significant portion of foreign exchange earnings. In addition, the appropriate share of profits from participation in the joint venture is also limited. However, the chosen strategy in this case may not always be flawless and will allow the subsequent export of these export products on the world market, which will not bring the necessary commercial prestige to certain producers in the international market.

As a result, local entrepreneurs, having the final results of marketing research conducted by foreign firms, lose a lot of necessary sources of information and become dependent on foreign companies due to their inability to keep abreast of news in this area. Therefore, it is possible to think that the joint efforts of local entrepreneurs and foreign firms in developing marketing strategies can be a solution to the problem.

Entrepreneurs may face no less risk in conducting marketing research in our domestic market as well. Because local entrepreneurs are familiar with the situation in the domestic market, they believe that the risk of competition is less. Being trapped in the shell of such thinking also does not allow them to study the main directions of international market research.

Therefore, in our opinion, it is necessary to take a single approach to solving internal and external problems in marketing research, that is, to develop commodity export strategies, taking into account their integral interdependence.

In this regard, it is useful to pay attention to the experience of developed countries. In the GDR, for example, the number of people employed in marketing in the 1980s was more than the sum of those employed in agriculture, construction and transportation. In many European countries, there is a constant demand for labor resources in the field of marketing. These countries spend a lot of money on training marketing research specialists and have a well-developed marketing infrastructure.

One of the most important factors in increasing the competitiveness of products is to reduce the cost of goods, as part of their strategy is to work directly with customers and develop a mechanism to eliminate resellers of finished products.

Thus, at present, market research in our country, in our opinion, can be divided into 2 opposite directions.

The first direction is to conduct marketing research of local enterprises exporting their goods only. Logically, this is very simple: there are a lot of competitors in the foreign market, and most of them do very serious research on marketing. In the case of the domestic market, there is no need for in-depth marketing research due to the lack of goods and weak competitors.

The second direction should be the study of the local market, because our enterprises are not able to conduct effective export marketing research due to lack of financial resources, highly qualified specialists, information about the markets. By carrying out this work, the company will have the opportunity to directly study the market, to predict possible changes in its

conjuncture.

The analysis also shows that the participation of small business and private entrepreneurship in the foreign economic activity of the country is growing. The main direction of the current and future in the field B should be to increase the competitiveness of products produced by small businesses and private entrepreneurs in world markets, to increase the share of exports in the country's foreign trade. The first condition for such work is the legal opportunities and benefits created for small business and private entrepreneurs in the country, which requires further improvement of the favorable business environment.

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