# Formation of Family Entrepreneurship in Uzbekistan and its Role in Employment (Historical Analysis)

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ABSTRACT: The article deals with the history and stages of development of family business in the years of independence of Uzbekistan. It describes the role of family business in the employment of the population on the basis of small business and entrepreneurship, the role of home-based work in the organization and development of youth and women's labor, home crafts and the principle of "Every family is an entrepreneur." In particular, the work on employment of women and youth through home-based work, their involvement in socially useful work is raising the economy of families to a certain extent.

Key words: Family business, small business, home craft, home economics, property, law, decision, women, business entities, program, tax. regulatory framework, economy of families, organization.

#### NTRODUCTION

Family business is one of the most common industries in many countries around the world. This type of activity is based on family property, in which all members of the family have property rights. The Law of the Republic of Uzbekistan "On Family Business", aimed at regulating the industry in Uzbekistan, was adopted, and as one of the most important sectors of medium business, a broad path has been opened for the development of home-based work as part of its structure on the basis of a government program.

## METHODS

The article is based on the methods of objectivity, consistency, historical-comparative analysis, chronological study of historical and social events, reliance on sources and evidence and their validity, which are characteristic of the social sciences and humanities.

Research results

In the history of independence in our country, the development of family business has risen to the level of state policy. At the same time, conditions were created for the development of the following types of home-based work: 1) doppidozlik; 2) sewing (such as underwear and work clothes, gloves, coats; 3) knitting; 4) blacksmithing; 5) Crafts such as carpet weaving. It was one of the measures to involve men and women engaged in household chores in socially useful work. Although in the early years of independence the focus on family business was not very popular in the country, due to the expansion of private farms, in 1995 the sector produced 75% of milk, 70 percent of meat, 65 percent of vegetables, 60 percent of fruits, and 43 percent of potatoes [1. 23 p]. In particular, according to 1996 data, per capita income from family business in the Republic of Karakalpakstan - 470.3 soums, Andijan - 545.7 soums, Bukhara - 373.6 soums, Jizzakh -2432.4 soums, Kashkadarya - 326.4 soums, Navoi -1720.2 soums, Namangan - 210 soums, Samarkand -785 soums, Surkhandarya - 100.5 soums, Syrdarya -502.9 soums, Tashkent - 465.7 soums, Fergana -3566.6 soums, Khorezm - 417.2 soums, Tashkent city - 2443.4 soums. In the same year, the average income of entrepreneurial families was 9,470 soums, while the income of working families in this sector was 4,614

In recent years, a lot of work is being done to develop handicrafts inherited from our ancestors. In particular, the work on employment of women and youth through home-based work, their involvement in socially useful work is raising the economy of families to a certain extent. In this regard, in 2008 the country produced 34 million products and services by home-based workers. Another important aspect of employment of the population, especially in rural areas, was to increase the number of people engaged in personal assistance and cattle breeding on farms.

By the end of the 2000s, significant qualitative changes had been achieved in the field of family business in Uzbekistan. For example, by 2001, there were more than 180,000 small family businesses and more than 200,000 individual entrepreneurs in the country [3. 96 p], by 2008, their share in total production was 48.2%, in 2009 it was 50.1%, in 2010 it was 52.5%, and in 2011 it was 54%, or an increase of 23% compared to 2000 [4. 78 p].

If we look at the territorial distribution of family small businesses, we can see that most of them are organized in the regions of Uzbekistan rich in raw materials and labor. For example, as of January 1, 2008, there were about 75,000 family small businesses in Kashkadarya region alone. This is the highest rate in Uzbekistan. The next places are occupied by Fergana, Tashkent, Samarkand and Andijan regions (more than 30,000). Syrdarya and Navoi regions (less than 15,000) occupy the lowest position in this indicator. The reason why Navoi region lags behind in this area is that it is mainly developed by other industries and mainly large complexes [5. 74 p].

Studies have shown that there is an unemployment problem among women in rural areas. For example, in the mid-2000s, 18.2 thousand of the unemployed in the country were women, 43.3% of them were 18-30 years old, 39.2% were 30-50 years old, 11.7% were 16-18 years old, and 5.7% were unemployed. and those of retirement age and older. The number of men officially registered as unemployed was 14.0 thousand. 40.5% of them are 18-30 years old, 36.7% are 30-50 years old, 11.7% are 16-18 years old, 11.1% are of retirement age and older [6. 33 p, pages 14-15].

According to N. Rahimova's research, among women aged 18 to 55, the respondents who expressed a desire to engage in family business accounted for 45.4% of the total share of women. The author writes that they are less interested in developing their professional careers in the future, i.e. they are more interested in economic interests based on entrepreneurship. When asked about this, 47.9% of women, particularly one in two respondents, gave the same answer. In the future, it is more interesting for urban women to improve their professional skills, positions and levels (this is 52.1%), rural women have less such awareness, 44.2%, this figure is 57.9% among women aged 20-24, 24-29 years among women, it is 59.7%, and among unmarried women, the figure is 60.9%. This is the case among 60.0% of health workers, 70.6% of government employees, and 60% of women entrepreneurs [7. 26 p].

In recent years, the results of "Renewing Uzbekistan" have become more positive. In particular, by 2017, the number of people employed in family business in the private services and construction sectors in the country increased from 36% to 52%. As a result of the implementation of regional employment programs, support and development of entrepreneurship, 3.8 million new jobs have been created. More than 74% of them are in the field of small business and private entrepreneurship [8. 47 p].

On the basis of the provision of public services to family businesses and small businesses, the procedure for providing services to businesses on the principle of "single window" was introduced. This is also aimed at ensuring the solution of the above problems, according to which the "Single Window" centers were established on the basis of business registration inspections under the district and city authoritys. They started providing public services to businesses from January 1, 2016. This has created great opportunities, including for entrepreneurs engaged in family business. In 2019, the system was consistently continued in order to create new jobs, provide employment, provide practical assistance to citizens who want to earn a living by engaging in entrepreneurship. 7.2 trillion soums were directed to finance the tasks. In the Andijan region alone, 21,543 people have received preferential loans worth 358.35 billion soums from banks, which has provided them with a stable source of income [9. Pages 18-19].

Withdrawal and transfer of agricultural land plots from one farm to another from January 1, 2020, as well as those owned by individuals and legal entities, the powers to withdraw the land plots they use and own for public and state needs were transferred to the local councils of people's deputies [10. №105].

#### CONCLUSION

In concluion, the call of the President of the Republic "Self-employed people will be exempt from income tax" ample has created opportunities for family entrepreneurs, even ordinary citizens. In general, the creation and development of a wide range of opportunities for family business in Uzbekistan during the years of independence, today allows to further expand the socio-economic development of the country, small business and entrepreneurship. The formation and development of family business and its auxiliary sector, home-based work, is explained by the fact that it helps to solve the problem of unemployment and provide employment.

The main thing is that in the history of the years of independence, the revival of this industry will create new jobs in the country, provide employment, one of the important changes is the consistent continuation of the program "Every family-entrepreneur" to provide practical assistance to citizens who want to earn a living, and the allocation of a certain amount of public funds to finance the tasks.

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