

FAMILY BUSINESS IS ONE OF THE PRIORITIES OF SOCIAL DEVELOPMENT IN UZBEKISTAN

The year 2019 is declared the year of active investment and social development in our country. For further development of the social sphere, first of all, it is necessary to reduce unemployment among the population and increase incomes of people and families. To this end, over 2,600 business projects have been implemented in the country last year with the support of a number of programs, including “Every family is an entrepreneur” and “Youth is our future”. Further work in this area will open the door to further development of entrepreneurship.

As President of Uzbekistan Shavkat Mirziyoev noted in the Address to Oliy Majlis, “One of the main tasks for today is entrepreneurship, creating more favorable business environment, creating new jobs, increasing people's incomes ...”. For this purpose it is important to continue the work on supporting entrepreneurial activity in the country.

Today, development of small business and private entrepreneurship is one of the main factors of social and economic development of Uzbekistan. Especially in recent years, the creation and promotion of small business and family entrepreneurship are seen as an important factor in the structural transformation of our economy. One of the main directions in the development of small business and private entrepreneurship, which plays a significant role in the national economy of Uzbekistan, is the establishment and further development of family business and the solution of existing problems.

Family business is the most common form of entrepreneurship in the world. Many businesses in the world are run or controlled by families. The experience of developed countries in the world shows that the economy of the country where family business is well developed will continue to grow. For example, in China, family entrepreneurship is so developed that many families have some kind of product or service.

Some researchers believe that family entrepreneurship is characterized by the following criteria:

- at least 51% of the business should belong to a single family;
- at least two family members should be involved in business management and management;
- transformation of ownership and management in family business should be discussed in advance.

Family business differs by:

- Trust: a high level of trust between family members and other participants that is critical to the success of family business;
- Single source of information: the competitive advantage in family business stems from the interaction between family, management and owners;
- Continuity: proper succession of entrepreneurship, a well-established strategic role and responsibility in entrepreneurship ensures the uniqueness of family entrepreneurship;
- Feelings of ownership: promoting personal growth among family members leads them to feel the role of family entrepreneurship in business, to understand change and to contribute to the business;
- Purposefulness: a clear purpose and evaluation will help family members to understand who they are and why they work, and how to successfully fulfill their responsibilities;
- Relationships: an open and transparent policy allows family members to freely discuss issues, express their feelings, intentions and aspirations and needs, which will encourage them;
- Family involvement: clearly defined roles, responsibilities, and respect for each family member in the business are important for effective family business management;
- Mutual respect: family relationships in family entrepreneurship are based on mutual respect and strengthen business success;
- Responsibility: each family member in family business takes responsibility for his or her actions and responsibilities, and rewards and incentives must be assessed objectively.

In the global economy, more than 80% of all businesses are family-owned, with 50-75% of the world's employed population employed by family businesses. In many developed and developing countries 70-75% of GDP is family business. Today, the concept of “family entrepreneurship” is represented by more than 30 different definitions. The lack of consensus among scholars on these definitions creates different approaches. The differences between definitions make it difficult to compare and generalize. Nevertheless, the basis for them is the commonality of family interests and the relationships that arise from it. Family entrepreneurship is an entrepreneurship that is governed by a family relationship or by a family law.

Currently, the laws of the Republic of Uzbekistan “On guarantees of freedom of entrepreneurship”, “On family entrepreneurship”, “On licensing procedures in the sphere of entrepreneurial activity”, the Cabinet of Ministers of the Republic of Uzbekistan resolution of the Cabinet of Ministers of the Republic of Uzbekistan “About measures for development and expansion of handicraft activities” and craft activities are regulated by the Regulation” on the procedure.

Article 3 of the Law of the Republic of Uzbekistan “On family entrepreneurship” describes family entrepreneurship. According to it, family entrepreneurship is an initiative undertaken by family members at their own risk and for the purpose of earning income (profit) under their property responsibility. According to the law, family business can be based on the

voluntary participation of its participants, family business can be carried out with or without formation of a legal entity, family-owned business is a legal entity, family business is not a legal entity and in the manner prescribed by law. The legal definition of the concept of “family enterprise” is legally important.

A family enterprise is a voluntary basis for the production of goods (works, services) and sale by its participants on the basis of common property owned or shared by participants of the family business, as well as the property of each participant of the family business. Family business is one of the organizational and legal forms of business entities based on the personal labor of its participants.

There are a number of benefits of family entrepreneurship:

- The family business can own, assume obligations, sue and be liable in court;
- The participants of the family business can independently determine the charter capital not less than ten times the minimum wage;
- The family business can operate in the home where the family resides and sell its own products.

The Decree of the President of the country “On the implementation of the program” “Every family - entrepreneur” signed on June 8, 2018 also provides for the widespread promotion of family entrepreneurship, handicraft, home-based and other entrepreneurial activities, the creation of conditions for each family to have a sustainable source of income. The purpose of the program is to radically improve the living conditions of the population in remote, climatic and climatic conditions, to improve the quality and standard of living. It is planned to provide comprehensive support to the initiatives of the people wishing to do business, provide them with soft loans and provide practical assistance in the organization and implementation of business activities.

The Ministry of Justice of the Republic of Uzbekistan has registered the Regulation on the procedure for allocation of loans under the program and the loans are being provided under the program. According to the Regulation, soft loans under the program will be allocated to borrowers from 150 to 1,000 times the minimum wage for the purpose of starting or developing entrepreneurship:

- individuals wishing to engage in entrepreneurial activities;
- sole proprietors, microfirms, small enterprises, which are subjects of small business;
- dehqan and private farms;
- family business.

The interest rate is set at 7% per annual, with a 3% interest rate and a 4% margin. Microcredits can be granted for up to 6 months with a grace period of no more than three years. Loans can be provided for up to 5 years with a grace period of up to 2 years, depending on self-repayment according to the business plan of the project. At the same time, the grace period and repayment period should be detailed. Commercial banks have the right to provide microcredits to the borrower - small businesses up to 150 times the minimum wage without requiring the types of collateral provided by the regulation.

Loans are targeted specifically for livestock, rabbit, poultry, fisheries, beekeeping, greenhouses, gardens and vineyards, purchase of seeds, mineral fertilizers and chemicals for plants, hairdressing and cosmetology services, trades, metal and tin. manufacture and repair of products, manufacture of window frames from wood and aluminum (plastic) profiles, jewelry manufacture, watches, repair and maintenance of vehicles, sweets and confectionery products, such as business activities for the site.

In conclusion, the development of family entrepreneurship in the country will solve a number of urgent problems, such as increasing family incomes, saturating the domestic market with various goods and services, and employing the unemployed. Therefore, it is necessary to accelerate the development of family business. The share of family business in the economy is reflected in the self-employment of family members, the welfare of families, and in GDP, home-based work, agriculture, trade and services. Consequently, family business is the basis for the development and development of society, and the development of small business and private entrepreneurship, including family entrepreneurship, plays an important role in the economic, social and political life of our country.

Bibliography

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