



COMPARATIVE STATISTICAL ANALYSIS OF ROLE OF SMALL BUSINESSES IN ENSURING SOCIO- ECONOMIC DEVELOPMENT IN KHOREZM REGION

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ABSTRACT

In this paper conducted a comparative analysis of role of small businesses in shaping key socio-economic indicators in Khorezm region. In particular, assessed share of small businesses in GRP, employment, exports, imports, and industrial production in relation to national indicators. Based on obtained results, identified important areas for development of small businesses in region.

The role of small business in ensuring socio-economic development of country and its territorial units is measured by efficiency of using their production potential. On the other hand, the production potential of small business and entrepreneurship entities is determined by available opportunities and level of their use. It can be seen that effective use of production potential in small business entities serves as a criterion determining the role of small business in ensuring the development of the regional economy. For determine economic potential of region used development of entrepreneurship and small business in industrial sector [2]. As well as suggested summarizing results of indicators using index method in assessing economic potential of region and impact of small business [3].

Therefore, small business known as main tool socio-economic development and economics growth. In Uzbekistan paying attention to creating favorable condition to small business entities for increasing their role in socio economic development. For instance, in development strategy of New Uzbekistan for 2022-2026, a number of goals and tasks are defined, such as “creating conditions for the organization of business activities and the formation of permanent sources of income, increasing the share of the private sector in the GDP to 80 percent and its share in exports to 60 percent” [1].

Increasing the scale of small business and private entrepreneurship in ensuring socio-economic development and solving existing problems. However, in some cases it can be seen that relative indicators decreased while the quantitative indicators increased. This is due to relatively low growth rate of in development of small business. Eliminating these problems requires conducting a comparative statistical analysis of their development trends and assessing utilization level of production opportunities.

In Uzbekistan and its territorial units, special paid attention creating a favourable environment for small business entities and entrepreneurship, improving their support mechanisms. As a result, development trends of small business entities different from each

other, depending on using these opportunities and capabilities of regions, For this reason, we will conduct a comparative analysis of development trends of small business and entrepreneurship entities in Khorezm region.

As emphasized above, development of small businesses closely related to location and economic opportunities of region, therefore, conducted a comparative analysis in relation to national indicators, since these indicators are calculated in an aggregated manner and represent an average level.

Initially, considered dynamics in share of small businesses in GDP (GDP). In addition calculated share of products produced by small businesses in the Khorezm region to total volume of country (table 1).

Table 1
Changes in share of small businesses in product in Khorezm region

	Share of small business in GDP	Share of small business in GRP	The share of Khorezm region in the products created by small businesses in Uzbekistan
2010	60,8	77,5	4,6
2015	66,8	79,4	4,7
2020	57,5	77,4	4,7
2021	56,9	75,8	4,8
2022	54,6	71,9	5,0
2023	54,3	72,7	4,9
2024	54,3	72,3	4,7

It can be seen that role of small business in Khorezm in term of production volume is large, that is, its share in GDP has been high. The maximum value for this indicator provided in 2016, when its share in GDP was 67.2 percent, while in Khorezm its share in GRP reached 81.0 percent. It can be observed that in the same year, share of Khorezm region in production created by small business entities to nationwide amounted to 4.8 percent.

However, this is not maximum value for the share, maximum value observed in 2022 while the share reaches to 5.0 percent. The main reason for this is decrease in share in GDP to 54.6 percent, that is, it decreased by 12,6 units compared to 2016, while its share in GRP decreased by 9.1 units. Due to this difference, observed an increase in share up to 5.0 percent. Despite the fact that share of small businesses in GRP has been higher in the last two years compared to 2022, decreased the share of Khorezm region in total product created by small business entities. At the same time, if we take into account decrease in the share in GDP, it could be concluded that growth rates of indicators ensuring development of small business entities in region decreased.

Considering results of analysis, considered role of small business entities in formation of important socio-economic indicators. Share of small businesses in ensuring employment is high. The share of small businesses in ensuring employment in the region was 78.4 percent in 2010, while this indicator was 74.3 percent Uzbekistan. The difference is 4.1 units. The minimum value of difference between two indicators observed in 2013. Main reason for this is that it reached 76,7 percent. The maximum value observed in 2020 and 2024, where

difference reached up to 4,8 units, indicating that issue of ensuring employment by small businesses in region was effectively organized.

The share of small business in total imports in region was 79 percent in 2010, while it was 35,8 percent nationwide. That is, indicator in region is higher more than twice, indicating negative impact of small business on socio-economic development in region. As a result of measures taken to solve this problem, indicator is decreased up to 54 percent in region by 2024, while it increased to 49.8 percent nationwide. So, difference decreased from 43,2 units to 4,2 units. Although the share of small business entities in total imports in region remained high, decrease in difference can be interpreted as positive results (Table 2).

Table 2
Share of small businesses in main socio-economic indicators

	Share in employment		Share in total imports of goods (works, services)		Share in total construction work		Share in total industrial products (services) produced		Share in total exports of goods (works, services)	
	UZ	XOR	UZ	XOR	UZ	XOR	UZ	XOR	UZ	XOR
2010	74,3	78,4	35,8	79	52,5	83,5	26,6	38,8	13,7	8,6
2015	77,9	82,4	44,5	89,1	66,9	88,6	40,6	38,9	27	17,7
2020	74,5	79,3	51,7	71,1	72,5	88,7	27,9	30,9	20,5	70,2
2021	74,5	79,1	45,2	74,7	72,5	88,1	27,4	21,8	20	51,8
2022	73,9	78,1	49,5	35	71,5	89,7	26	16	31,2	58,2
2023	74	78,5	50,5	40,2	78,5	92,2	27	16,3	27,9	63,4
2024	74,5	79,3	49,8	54	75,4	91	31,9	19,4	34,1	67,1

The share of small businesses in total construction work is high in region and has been growing, excluding some declines. While share of small businesses in total construction work has increased from 52,5 percent to 75,4 percent nationwide, in the region it is 83,5 percent and 91,0 percent respectively. As a result, gap is narrowing, but given that share in region is quite high, so decrease does not represent a negative result.

One of the most important problems not only in Khorezm region, but also in country is the low share of small business in total industrial output. Increasing urgency of this problem is due to the fact that in general its share has a decreasing tendency. The share of small business in total industrial output in 2010 was 26.6 percent nationwide, and 38.8 percent in the Khorezm region, which was a positive result in the region, but by 2015, due to a sharp increase in the share in the country, the region lagged behind in this indicator.

The decline in share in recent years served to increase relevance of this problem for regional economy. That is, in 2024, share of small businesses in total industrial output was 31,9 and 19,4 percent, respectively. This indicates that there are problems in development of small businesses in industrial sector in region. This problem serves as an important obstacle to solving issues of filling domestic market with local goods, ensuring competitiveness and transforming resources into products with high added value, and increasing region's export potential.

The change in share of small business entities in total exports of products (works, services) is significant for region, that is, it determines level of use of their opportunities in increasing region's export potential. According to available data, at the beginning of period taken as the basis for the study, this indicator was 13,7 percent nationwide and 8,6 percent in region. However, in recent years, positive growth rates achieved in both cases. As a result, by 2020 they reached 20,1 and 70,2 percent, respectively, and the region's share has increased sharply.

In fact, growth rates of this indicator in region began in 2016 and reached its maximum level in 2019 and amounted up to 89.3 percent, while national indicator this year was 27,0 percent. The onset of pandemic and disruptions in economic processes led to a decrease in these indicators in 2020-2021. Based on growth rates in recent years, these indicators have increased up to 34,1 and 67,1 percent in the country and region, respectively, but while this is an increase in country compared to the pre-pandemic level, it remains significantly lower in regional case.

It can be concluded that role of small business in ensuring socio-economic stability in region is quite high, that is, it has a significant share in formation of indicators, but presence of downward trends in some indicators can be considered as a decrease in level of potential utilization. At the same time, the fact that its share in important industry remains low justifies the need to develop additional measures in this regard.

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