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## The Importance of Digitalization of Small Business and Private Entrepreneurship in the Development of the Country's Economy

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**Abstract:** The rapid entry of modern techniques and technologies into our lives and the increase in their role in human life, as a result of which yesterday's needs disappear and today's new needs appear, and non-stop research in any field of production and service. means need. The experience of developed countries shows that any type of enterprises operating in this country will not be able to operate for a long time in today's competitive world, if the existing production entities in the country do not regularly conduct marketing research or provide optimal options for meeting the needs of consumers.

**Key words:** Small business, private entrepreneurship, economy, production, optimal options, marketing, needs, consumers.

After the Covid-19 pandemic, the whole globe has revived and socio-economic relations have reached a new level. Now the concept of distance has lost its meaning and the concept of "digital economy" has started to appear. It should be noted that the digitalization of communications and the entry of a number of countries into this process has led to the emergence of a number of problems in the countries. The growth rate of the "digital economy" in the world reached almost 15.5%, and the share of the "digital economy" in the gross domestic product (GDP) in developed countries was 7%. To date, these countries are benefiting greatly from the implementation of the "digital economy". In particular, the United States exports more than 400 billion USD of "digital services" per year. By 2025, it is expected that an additional 20 trillion US dollars will be gained from the "digitalization" of the US industrial sector.

Uzbekistan, which is considered one of the developing countries, is gradually introducing the "digital economy" into our life and the production sector, in order to keep pace with the world, and on the basis of a step-by-step transition to a competitive market economy. Its main support is the decrees, decisions and orders adopted by our honorable president, which are widely introduced in the country.

In particular, the Decree of the President of the Republic of Uzbekistan dated February 7, 2017 No. PF-4947 "On the strategy of actions for the further development of the Republic of Uzbekistan" provides for the development of the digital economy, reduction of state intervention in the economy, public and private bringing the mutually beneficial relations of the sector to a modern stage, implementing measures for the development of the "Electronic Government" system, measures to create conditions for the rapid introduction of artificial intelligence technologies on February 17, 2021 was an important step in forming the necessary conditions for the introduction of innovations in this field into economic sectors and sectors.

As the American scientist, Nobel laureate Robert Lucas noted, "When the problem of ensuring the well-being of the population is focused on, all other economic, social, and political problems are put aside and the main emphasis is placed on it." . We all know that prosperity in the economy is

determined by the gross domestic product (GDP) per capita. In assessing the economic development of countries, the real production volume per capita and its rate are taken into account.

On December 20, 2022, the President of the Republic of Uzbekistan, Sh.M. Mirziyoyev, in his "Address to the Supreme Assembly and the People of Uzbekistan" stated that by the end of 2022, the volume of GDP exceeded 80 billion dollars for the first time, directly - it was noted that direct foreign investments amounted to 8 billion dollars, and the volume of exports reached 19 billion dollars.

The reforms carried out by our country aim to mobilize all resources (labor, physical capital, human capital, natural resources, technological knowledge) to ensure economic growth and ensure growth through extensive and intensive methods, as well as aimed at supporting self-employment, small business and private entrepreneurship.

Small business and private entrepreneurship play an important role in ensuring the continuity and stability of the economy. Because small business and private entrepreneurship can influence the economy from economic, social, cultural and educational aspects. The reason for this is reflected in its unique characteristics.

Table 1. The share of small business and private entrepreneurship in GDP and a number of other indicators

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Indicators	2019	2020	2021	2022	2023	2023	2023
					Q1	Q2	Q3
GDP	56,0	55,7	54,9	51,8	43,7	48,6	51,2
Industry	25,8	27,9	27,0	26,0	28,4	26,0	25,9
Construction	75,8	72,5	72,4	71,5	76,6	77,1	74,2
Employment	76,2	74,5	74,4	73,9	74,1	74,1	-
Export	27,0	20,5	22,3	29,6	25,3	27,6	30,1
Import	61,6	51,7	48,7	49,4	48,4	47,6	49,8

## (preliminary data for 2021-2022)

The only economic features include:

- 1) Reducing unemployment in the country;
- 2) Creation and introduction of new goods and services;
- 3) Meeting the needs of large corporations;
- 4) Receives provision of special goods and services.

In the modern world, information technology is deeply penetrating all areas and is becoming the main factor of development. Digitization of small business and private entrepreneurship and thereby reducing a number of costs in the field is one of the priority tasks facing every country today.

Digitization is the penetration of digital technologies into various spheres of life. The digital economy is a set of digital goods and services produced and sold as a result of economic activities and activities closely related to electronic business (e-business) and electronic commerce based on digital technologies.

"Digital Uzbekistan-2030" strategy has been developed for wide introduction of digital economy in our country, as well as its free penetration into every sphere and industry.

The following were identified as the priorities of the strategy:

> maintaining the opportunity for free development of the market, improving the conditions for the development of the telecommunications sector, reducing administrative obstacles for conducting business and developing the telecommunications infrastructure;

- ➤ development of digital identification, which provides for the introduction of additional forms and methods of remote identity verification for residents and business entities from electronic state services within the framework of the electronic government system;
- improvement of interaction mechanisms with customers (clients) in order to increase the volume of trade and improve customer service;
- ➤ In 2025, the share of large business entities that have implemented an enterprise resource management system (ERP) will reach 90%;
- ➤ automation of production and management processes (ERP, MES, SCADA, etc.), robotization, "Internet of Things", "artificial intelligence" technologies introduced in industrial enterprises will be implemented by 2027, and hardware by 2030 localization based on public-private partnership;
- > expansion of the markets for the sale of products and services produced by enterprises through the Internet global information network;
- > gradual transition to a digital logistics system in order to improve the logistics system and introduce digital technologies;
- > development and implementation of robotic industry in real sectors of the economy;
- > organization of robotics and engineering specialties for large industrial enterprises;
- ➤ wide introduction of additive (layer-by-layer construction and synthesis technology, 3D printing) technologies in production enterprises.

All the implemented measures and adopted legal frameworks serve to provide comprehensive support to production entities, and also to improve the business environment in the country. Instead, it should be emphasized why countries are trying to digitize their manufacturing and service sectors.

According to the experience of developed countries, the main goal of developing small business and private entrepreneurship is:

- reducing logistics and procurement costs by automating and managing all stages of enterprise supply;
- > to improve the quality of products and services, reduce their cost, production interruptions, and increase the transparency of financial and economic activities due to the introduction of modern information systems and software products;
- ➤ the ease of introducing a support system for receiving management information, including a real-time business analysis system, due to the gradual automation of workplaces and robotization of production processes, as well as the introduction of artificial intelligence technologies;
- unlimited markets for the sale of products and services produced by enterprises through the Internet global information network;
- ➤ development of cross-border e-commerce and ensuring timely export of products of local producers.

In our opinion, the penetration of the digital economy into all sectors and industries, as a result of the digitalization of processes, will create a number of opportunities for business entities and will cause the production process to shift to the better side. However, there are some problems that are difficult to solve in a short time. Because digitization is considered a "big data warehouse" and occupies a very large volume. It is necessary to expand various platforms for storing and processing huge data streams.

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