



STATE ENTREPRENEURSHIP AND ITS INTEGRAL CONNECTION WITH THE FINANCING OF ACTIVITIES

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Article history:	Abstract:
Received: March 8 th 2022 Accepted: April 8 th 2022 Published: May 20 th 2022	An economic system based on market relations requires a mixed economic system. It is based on the priority of private entrepreneurship, the need for public entrepreneurship, and even the need for economic activity on the basis of public-private partnership.

Keywords: State entrepreneurship, economic system, state assets, property relations

Indeed, the socio-economic structure of society, along with natural monopolies in the economy, there are areas of activity that are so important that this process makes it an objective necessity for both the state and the entrepreneur to be partners in entrepreneurial activities. It was noted that in Uzbekistan, as in most countries, the state acts as a political tool, entrepreneur and economic partner. This means that along with state-owned enterprises, financial relations will emerge in enterprises with its participation, which will have their own characteristics and laws, as well as corresponding problems.

Some literature evaluates state entrepreneurship as "an important form of economic regulation, highlighting its vital role in managing and stimulating the economy. It also describes state property not as part of national wealth, but as capital, that is, property that is used for profit in a market economy ¹. In fact, when it comes to state entrepreneurship, it is based on property relations. At first glance, state entrepreneurship can be a great asset of the state in state entrepreneurship, using resources that are the national wealth of society and are managed by the state. on the one hand, it ensures the

development of the national economy, on the other hand, there are areas in which entrepreneurship is considered economically unfavorable for the private sector, on the other hand, in the interests of the national economy, it requires state entrepreneurship.

At the heart of state entrepreneurship is a financial issue. This is because running a business requires a certain amount of financial resources. In fact, from an economic point of view, the goal of entrepreneurship is profit-oriented, but in state entrepreneurship, this rule is not fully applicable. From this point of view, even in the context of all forms of economic system, profitability in state entrepreneurship is not the main issue, but the state's macroeconomic regulation function, the obligation to regulate and develop the national economy. According to the website of the Uzbek State Assets Management Agency, the share of state-owned enterprises in the total number of enterprises in the country as of April 1, 2022 was 10.5 %. In 1067, the state also participates and conducts business activities together with these enterprises. In addition, 226 out of 640 joint-stock companies operating in the country, or 25.3% of the total number of joint-stock companies, have a state share.

¹ Modern approaches to the development of state entrepreneurship in the Russian economy . Atsionnogo razvitiya materialy VII mezhdunarodnoy nauchno-prakticheskoy konferentsii studentov, magistrantov, aspirantov i molodyx uchenyx Moskva fgbou vo « reu im. G. V. Plexanova »2017



Table 1.

Analysis of the number of enterprises operating in Uzbekistan by regions²

№	Regions	years					
		2016	2017	2018	2019	2020	2021
1.	Karakalpakstan Republic	12946	13742	15590	18404	21968	23721
2.	A ndijon province	26278	24644	27391	30740	36726	40474
3.	Bukhara region	14809	15625	18115	23459	28233	31160
4.	Jizzakh region	10694	12008	14226	17190	20993	22714
5.	Kashkadarya region	18005	18471	20915	25259	30180	36168
6.	Navoi region	8771	9469	11175	17067	20133	22711
7.	Namangan region	18746	19952	21269	25909	30882	33422
8.	Samarkand region	19435	21061	25066	31354	38946	46667
9.	Syrdarya region	13003	13719	15172	19220	25367	28291
10.	Surkhandarya region	8993	9392	10367	13169	15425	15920
11.	Tashkent region	25019	26919	31030	38523	46173	50296
12.	Fergana region	23310	25571	29128	35379	42241	46622
13.	Khorezm region	13342	13674	14837	18614	21979	25160
14.	Tashkent city	55077	61284	69236	83846	95951	105603
	Total:	268428	285531	323517	398133	475197	528929

If we look at this table, which explains the activities of duly registered enterprises in Uzbekistan, the total number of enterprises at the beginning of 2022 increased by 97% compared to 2016, or almost twice as much as in all regions. In turn, in 2016, 16,933 of the total registered enterprises ceased their activities for various reasons, while such enterprises, at the beginning of 2022, we can see that 28,827, an increase of 70% compared to 2016, but on the positive side, the analyzed Over the years, the difference between operating enterprises and non-operating enterprises has increased.

Of course, there are different opinions on state entrepreneurship by economists. For example, according to P. Cooke and K. Morgan, the role of state entrepreneurship is threefold, that is, in the form of regulator, entrepreneur and motivator³. Baumol, on the other hand, argues that public entrepreneurship is on a par with the private sector, and that the characteristics of public entrepreneurship change under the influence of external and internal economic factors⁴. Economists V.A. Fedorovich, A.I. Patron and V.P. In turn, V.

⁵Nagalin describes "state entrepreneurship as economic activity carried out on a risk basis, involving the use of state property, by" state agents ", as well as through the formation⁶ of a market for public capital in various areas of economic activity ."

It is important that the private sector and public capital unite through public entrepreneurship to act in the interests of the national economy. At the same time, the state can organize mixed economic activity by attracting private sector funds in the implementation of certain projects, the provision of social services, the development of certain goods. In this case, in the case of profit-oriented activities, the relationship of profit distribution, which is the final financial indicator of the activity, is agreed. This type of public entrepreneurship saves money from the state budget by involving the private sector in financing projects on the one hand, and on the other hand, due to the joint organization of production, economic risks are shared according to product distribution (profit distribution). is responsible.

² Compiled by the author on the basis of data of the State Statistics Committee of the Republic of Uzbekistan.

³ Cooke, P., Morgan, K. The associative economy: Firms, regional and innovation / P. Cooke, K. Morgan. - Oxford: Oxford University Press, 1998. - 215 p.

⁴ Baumol, U. Mikroteoriya innovatsionnogo predprinimatelstva / U. Baumol ; per. s angl. Yu. Kapturevskogo ; under red. T. Drobyshevskoy . - M. : Izd-vo Instituta Gaydara, 2013. p. 8.

⁵Fedorovich, V. A. SSHA: Federalnaya kontraktная sistema i ekonomika / V. A. Fedorovich, A. I. Patron, V. P. Zavaruxin . - M. : Nauka, 2002. p.117.

⁶ Nagalin Vitaly Yurevich . Development of forms and mechanisms of state predprinimatelstva in modern Russian economy . 08.00.05 - Economics and management of the national economy (economics of entrepreneurship) . d essertatsiya na soiskanie uchenoy stepeni kandidata ekonomicheskix nauk . 2019. p.48.



This mixed type of state entrepreneurship also exists in Uzbekistan. In accordance with Article 3 of the Law of the Republic of Uzbekistan "On Public-Private Partnership" adopted in 2019, " public-private partnership - a partnership between a public partner and a private partner for a certain period of time with the participation of the Republic of Uzbekistan and (or) public administration bodies, local executive authorities,

as well as other legal entities or their associations authorized by the Cabinet of Ministers of the Republic of Uzbekistan as a public partner, and in the form of a private partner under the legislation of the Republic of Uzbekistan or a foreign state duly registered individual entrepreneur, legal entity or association of legal entities that has entered into a public-private partnership agreement with a public partner " ⁷.

Table 2 .
Number of public-private partnership (PPP) projects in 2019-2022⁸

Nº	Networks and industries	Number of projects (per)	The financial amount of the project (million USD)
	Energy	5	684.0
	Utilities	3	1000.6
	Health	32	35.8
	Water management	105	27.5
	Ecology	62	103, 2
	Education	49	80 , 0
	Crafts	13	0.54
	Culture	20	7.69
	Transport	1	82.8
	Veterinary and Animal Husbandry	1	5 , 0
	Information technology	1	5 , 0
	Law enforcement	1	3.0
	Total:	293	2068.0

If we pay attention to the table, since the adoption of the Law of the Republic of Uzbekistan "On Public-Private Partnership" in 2019 and the creation of a legal basis for the involvement of the private sector in public entrepreneurship, 293 joint projects worth \$ 2.68 billion have been completed. projects funded. The large number of projects in the infrastructure shows that the private sector has created a pool of funds in the areas of water management, environmental issues, health, education, although the financing of such social problems is mainly financed from the state budget, which are effective.

Analyzing the directions of financial projects implemented under the public-private partnership system in 2019-2022, we can see the construction of solar photovoltaic power plants, wind power plants, modernization of power plants and the introduction of cogeneration technologies, modernization and management of gas supply systems, non-governmental schools. organization, construction of sports grounds, creation and implementation of automated information system "Daily" in secondary schools and maintenance,

introduction of "Centralized system of electronic registration of student attendance", determination of the level of knowledge and qualifications of school teachers Establishment of modern test centers for transparent testing, introduction of cluster services for collection, removal, sorting and processing of solid waste, modernization and management of heating systems in Tashkent, Namangan Funding ⁹has been allocated for the modernization of the city's sewage treatment plant, the modernization and management of Samarkand International Airport, and similar specific projects .

Typically, the transition to a public-private partnership based on mutual consent in the conduct of public business seeks to direct public and private sector funding to joint solutions to problematic processes in society, thereby addressing pressing social and infrastructure issues in the private sector. confidence in the state will also be a factor.

In public-private partnership , the definition of the partnership project , the concept of the project, the object is very relevant. This is because the correct

⁷ Article 3 of the Law of the Republic of Uzbekistan "On Public-Private Partnership". <https://lex.uz/docs/4329270>.

⁸ Compiled by the author on the basis of the Agency for Public-Private Partnership Development under the Ministry of Finance of the Republic of Uzbekistan.

⁹ <https://www.pppda.uz/5684>



identification of these processes is important in managing the funds spent by both parties and in mastering the final profit. If the project identifies measures for important tasks, the project concept will reflect the financial resources involved in the implementation of the agreed project, sources of funding, profitability of results, expected efficiency of the project and the need (justification) for its implementation. The concession also plays an important role in the public-private partnership mechanism, which is one of the forms of public-private partnership, which involves the execution of contracts related to the provision of property and land plots by the state with a permit to carry out certain types of economic activities.

From the above, it can be said that state entrepreneurship is based on the nature of the functions and responsibilities of the state in society, the need for reproduction, regulation and coordination of the economy and the efficient use of state financial assets. is a comprehensive relationship aimed at entering into mutual economic and financial relations with enterprises of the form of ownership.

In short, state entrepreneurship is an economic, social and political necessity, and it will always exist, regardless of the form of economic systems, and the regulation of this process on the basis of the state and the public can ensure its effectiveness.

CONCLUSION

Loans from credit institutions in the formation of financial resources of state-owned enterprises and enterprises with its participation, funds from the sale of securities by joint-stock companies, limited use of funds from the state (local) budget and extra-budgetary funds for state-owned enterprises. Allocated funds and profits from their economic activities play an important role. In addition, international charitable foundations, charitable funds of legal entities and individuals can also serve as a source of funding for state-owned enterprises.

Based on a critical analysis of the above theoretically interpreted approaches to the financing of state-owned enterprises and its shareholders, we were able to develop our own authorial approach. **In our opinion, "Finance of the state and its enterprises means** the smooth operation of the enterprise in market conditions, maintaining its position in the market, the organization of various mandatory and voluntary funds to achieve its goals, targeted and targeted spending of funds, production processes and is a set of economic and financial activities of the enterprise aimed at financing management costs, optimal management of cash flows in the enterprise and ensuring the adequacy of comprehensive elements of financial management.

The socio-economic structure of society, along with natural monopolies in the economy, there are areas of activity that are so important that this process makes it an objective necessity for both the state and the entrepreneur to be partners in entrepreneurial activities. An economic system based on market relations requires a mixed economic system. It is based on the predominance of private entrepreneurship, the need for public entrepreneurship, and even the need for economic activity on the basis of public-private partnership.

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