



EXPROPRIATION AND PRIVATIZATION AS A DEVELOPMENT FACTOR OF PRIVATE ENTREPRENEURSHIP AND BUSINESS ACTIVITY

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ABOUT ARTICLE

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Abstract: The article deals with the situation of state expropriation and privatization on the eve of independence and the years of independence, the role of private entrepreneurship and business development, and the importance of private property in business activities.

INTRODUCTION

As a result of privatization and expropriation of the state, a stratum of owners is formed, and on the basis of this, various views of private property are formed in society. It is known that the concepts of entrepreneurship and business are based on private property. Because if an entrepreneur wants to start some kind of activity, he must have a certain level of economic and financial opportunity, and this opportunity is provided by property.

After the collapse of the socialist system, the transition to a market economy in the countries of Eastern Europe and the CIS, decentralization was chosen as one of the main directions in the implementation of economic reforms. Expropriation of property in Uzbekistan was one of the first steps in economic reforms.

THE MAIN RESULTS AND FINDINGS

Privatization of state property and views on private property are first of all expressed in the works and speeches of the head of state Shavkat Mirziyoev and the first head of Uzbekistan Islam Karimov. In addition, economists A. Razzokov, A. Ishmukhamedov, Kh. Rakhmonkulov, R. Murtazaeva and a number of other economists and historians have studied it.

In the course of the research, the significance, positive and negative aspects of expropriation and privatization in entrepreneurship and business activity were investigated using historical-comparative, chronological-chronological, objectivity, and systematic analyses, using internet sources and sources related to the topic.

In recent years, practical work on further development of entrepreneurship and business environment has been carried out. One of the important aspects of the development of these types of activities is the further expansion of private, personal property forms. Non-operating buildings and

structures owned by the state are given to entrepreneurs under preferential conditions. It should be said that during the period of 2011-2021, 1.2 trillion soums worth of state assets were sold, and in 2022 this indicator amounted to 11.3 trillion soums[1]. The transition to a market economy requires the abolition of the state property monopoly and its privatization.

Property is the main basis of society. One of the main results of privatization is the emergence of a class of owners in the country, a new mentality and a new outlook on property has been established in society[2]. That's why any country first adopts laws on property to protect itself materially and puts it into practice. In socialist countries, a large part of the forms of property belong to the state, and in the former Soviet state, 90% of the forms of property are state property, and 10% are owned by cooperative collective farms[3]. The boundaries of the state's economy are changing, and nationalization and privatization will continue as necessary. This phenomenon occurs on the basis of regularization of the economy, stabilization of reproduction[4]. In order to develop activities in the field of private entrepreneurship, private ownership must develop. People's tools for creating material goods, gathering, exchanging and consuming them are property dependence.

The transition to a free economy based on market relations requires opening a wide path to small business and private entrepreneurship, taking into account the experience of developing countries, due to the recognition of the primacy of private property[5]. For this purpose, the legal status of private property, the powers and duties of property subjects were legally strengthened in Uzbekistan, being one of the first among the CIS countries. The inviolability of private property is also reflected in the constitution, in particular, in the new revision of the constitution, 12 chapters are called the economic foundations of society, and article 63 of this chapter states that all forms of property are protected by law[6].

After Uzbekistan gained independence, wide opportunities were created in the development of entrepreneurship and business. Privatization of state property was started for this purpose. What is personalization? Privatization is the transfer of state-owned production facilities, enterprises, housing, natural resources, including vehicles, to the disposal of people, collective associations or non-state legal entities, and various forms of ownership; creation of joint-stock, private, family, joint, cooperative, etc. on the basis of state property. On November 18, 1991, the law "On Expropriation and Privatization"[7] was adopted. This law was one of the first laws adopted in the field of economic reforms and established the organizational and legal basis for changing the state property of the Republic of Uzbekistan in order to create a market economy with a social orientation. The Law of the Republic of Uzbekistan dated May 7, 1993 "On Amendments and Additions to the Law on Expropriation and Privatization" [8] made it possible to carry out reforms in the field of privatization and privatization in a wider scope. Islam Karimov, the first president of Uzbekistan, in his works, exposes the way of expropriation and privatization of the state in the process of transition to market relations, the emerging non-state, that is, it is emphasized that supporting private, joint-stock, and collectives engaged in production activities and serving the population is a part of economic policy [9].

Economist A. Razzokov's book "History of Economic Doctrines" mentions that the process of privatization begins in 4 stages. The quality of the preparatory period of 1991-1992 is considered. 1 phase includes the years 1992-1994, during which active privatization begins. Mainly housing stock, small enterprises were privatized and turned into community property. According to the law of the Republic of Uzbekistan "On Privatization of the State Housing Fund", the process of privatization of houses has been completed. About 99% of the state housing stock was converted into private property[10]. It is during this period that plots of land are allocated to each family in rural areas. In the

second stage, more than 50,000 enterprises in the field of heavy and light industrial machine building, construction materials production will be transformed into open type societies, and this stage covers the years 1994-1996. The most important task at this stage was, firstly, to capture the large enterprises that gained national importance through the process of privatization, and secondly, to involve the population and foreign investments in this process[11]. The third phase was carried out in 1996-1998, during which the state controlled the largest shareholding was reformed. The period from 1998 to 2016 is the fourth stage, and during this period, conditions were created for the transfer of funds from privatized objects to the budget, the attraction of foreign investments to these objects, and the development of new forms of ownership[12]. Conditionally, as the fifth stage, we can take the new Uzbekistan period (from 2016 to the present day). During this period, efforts are being made to reduce the state's participation in the economy and expand the class of owners. The efficiency of privatized properties is also increasing. For example, a textile enterprise was established on the basis of the Andijan experimental testing plant, which had not worked for many years, with an investment of 18 million dollars, a thousand jobs were created, and products worth 40 million dollars were exported. A foreign investor took over the Kokan superphosphate plant, invested 40 million dollars, and increased the production volume by 4 times. The sale of "Ipoteka Bank" for 324 million dollars and the state stake in "Coca-Cola" company for 252 million dollars were also the biggest deals in recent years. But there are still problems within this activity. In particular, 112 objects were sold in Toshken region, and based on them, more than 1,000 jobs and 150 business units were created. However, not even 30 percent of the properties put up for sale in 2021 in the Republic of Korakolpagistan, Kashkadarya, Surkhandarya, Namangan and Syrdarya regions have been sold. In terms of networks, the privatization of properties within the "Ozdonkhusulot" joint-stock company is slow.

In general, the inspection of more than 30,000 state facilities at the beginning of this year showed that there is still a lot of work to be done in this regard.

Therefore, the privatization program was approved today by the decision of the head of our state. It outlines plans for privatization in three areas - shares, real estate and IPO.

First, state share packages in 1,000 enterprises will be put up for sale.

Second, 1,000 real estate objects will be put up for public auction. They have 600 hectares of land and 1 million square meters of buildings. Most importantly, it is equipped with infrastructure and close to populated areas.

In order to accelerate the sale of these objects, the period for preparing properties for sale will be reduced from the current 80 days to 48 days. Objects up to 2,000 square meters are allowed to be put up for direct sale based on the request of entrepreneurs. According to estimates, this program will provide 13 trillion soums of revenue this year, create 3,000 new enterprises and create 50,000 jobs[13].

CONCLUSION

In conclusion, it can be said that private entrepreneurship and business entities try to quickly adapt to market requirements, make decisions and take advantage of emerging opportunities. On the contrary, the efficiency of state-owned production entities decreases due to bureaucratic processes and political pressures. In addition, privatization creates a level playing field for entrepreneurship and business entities and creates a competitive environment. This is the basis for increasing the quality of the product. Another advantage of privatization is that it attracts private investment in the sector. In conclusion, we can say that privatization of state property has great importance for entrepreneurship and business activities, it can lead to increase of efficiency and competitiveness, acceptance of private investments, stimulation of economic growth and development.

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