

Methods to Strengthen State Support for the Use of Entrepreneurship in the Development of Handicrafts

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***Abstract**---* National handicrafts play an important role in the development of small business and private entrepreneurship in the national economy. The scientific article covers topical issues of development of entrepreneurship based on national crafts.

***Keywords**---* Crafts, Entrepreneurship, Priorities, Non-profit Organizations, Innovative Crafts.

I. INTRODUCTION

Today, despite measures to support handicrafts, there are a number of challenges in the field:

1. Methodological issues of development of national handicrafts today and in the future have not been developed either regionally or sectorally. There is no system of accounting for the composition and weight of handicrafts in statistical references and reports. Therefore, the role and importance of handicrafts in the economy of the republic cannot be determined. Information in the form of information is not sufficient to study and analyze the development trends of the craft, which cannot be the basis for the selection and development of priority areas of the craft;
2. Regional and sectoral authorities are not in a hurry to solve the problems of artisans; their activities are not analyzed in depth.
3. The specific features of the craft are not fully taken into account in the preparation of normative materials and guidelines.

From the above, it can be concluded that craft entities today need comprehensive, comprehensive support. State and local governments can provide them with significant assistance in this regard.

II. THE MAIN FINDINGS AND RESULTS

A complex system of measures aimed at state support of national crafts is being created. In particular, to train young craftsmen in the skills of masters of folk art in providing them with local raw materials, tools and small mechanization tools, holding exhibitions and auctions, organizing a network of specialized shops and kiosks for the sale of finished products providing practical assistance in creating the necessary conditions for learning has been identified as the main task of all authorities and bureaucracies.

Craftsmen were also given the right to set their own prices based on supply and demand in the consumer market.

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The Republican Chamber of Commerce and Industry, the Association of “Hunarmand”, the Association of Women Entrepreneurs, and the Republican Association of Masters “Ustozoda” are non-governmental organizations that provide various services to artisans and entrepreneurs provide them with comprehensive support and protection of their rights and interests.

Despite the achievements, today’s world experience shows that handicrafts need constant support from the state. The need to regulate and support handicrafts poses a number of challenges to the state:

1. Adoption of laws and regulations that allow the development of handicrafts and their operation on an equal footing with other business entities, and control over their unconditional compliance;
2. To take measures to encourage and support the creative, enterprising features of handicrafts, fair competition and the activities of industries that serve the national handicrafts with the help of various economic incentives;
3. Redistribution of income as a means of social justice and protection, as well as the creation of conditions for the use of material and technical resources by craft entities on a preferential basis;
4. Creating access to the information system for craft entities, providing them with effective solutions to various economic problems, the provision of consulting services on the supply of raw materials and resources, the use of advanced techniques and technologies;
5. Creation of an effective system of social protection of craft entities, implementation of measures to meet their needs for educational and cultural activities;
6. Protecting the interests of artisans in international markets, creating a favorable external economic environment for the export of handicrafts.

The state regulates the activities of craft entities within the framework of the legislation in force in the Republic. This primarily involves setting rules for their organization and operation, regulating land use, labor, property and other relations, and so on. Crafts are supported and encouraged by the state in the following areas (see Figure 1).

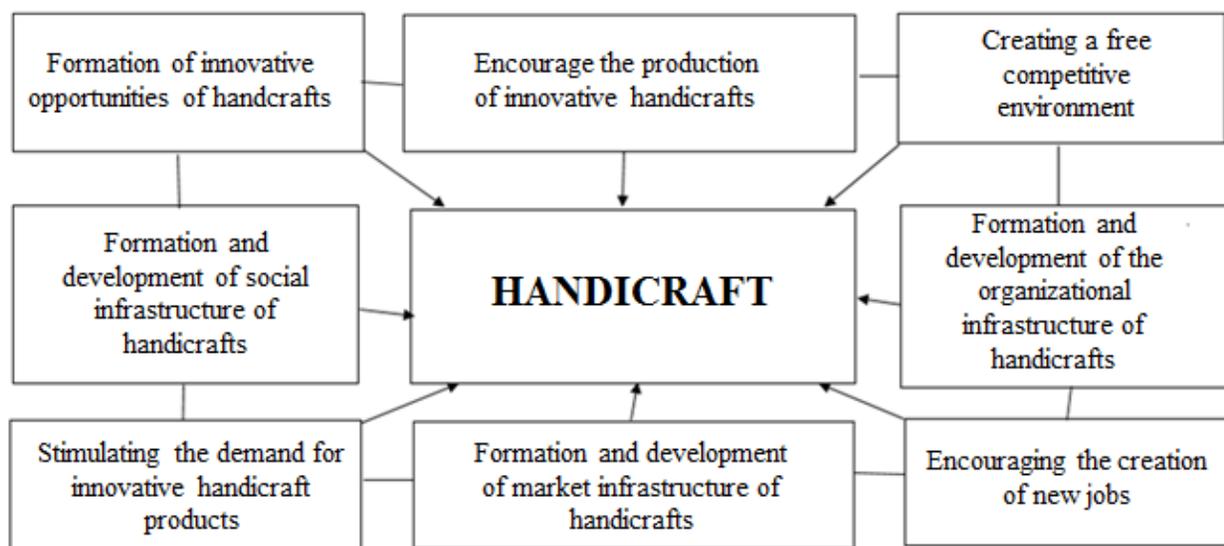


Figure 1: Tasks of Support and Encouragement of Handicrafts by the State [1]

The state support of national handicrafts in Uzbekistan today should be carried out in the following areas:

1. Increasing the business activity of artisans, creating a guaranteed system of free practice and interest of citizens in crafts and protection of their legitimate rights and interests;
2. Improving the regulatory framework for the creation and operation of craft enterprises;
3. Expanding access to credit resources and investments for craft entities;
4. Increasing the importance of the insurance system to provide protection of craft entities from various economic risks;
5. Expansion and development of market infrastructure for handicrafts;
6. Expanding free and unhindered access to raw materials and information for craft entities, improving the system of sales of their products in domestic and foreign markets;
7. Improving the system of training, retraining and advanced training of craftsmen;
8. Providing craft entities with the necessary economic, statistical, production, technological, scientific and technical and other information necessary for their effective operation;

Craftsmen should also receive legal training to protect their rights, as well as learn to use the services of lawyers.

It is necessary to develop a comprehensive system of measures to further strengthen the state support for artisans. To do this, in our opinion, it is advisable to do the following:

1. The relevant ministries should provide practical assistance to artisans in the development and implementation of a regional program for the development of national crafts;
2. Encouragement by artisans to establish private enterprises and joint-stock companies in all areas of handicrafts;
3. To explain to craftsmen the guarantees and privileges established by the law, to organize on-site meetings, seminars, training courses for them to acquire legal knowledge;
4. Search for buyers from abroad for the products of artisans and the creation of an entrepreneurial system dealing with the supply of products and customs clearance;
5. Increase the number and quality of infrastructure facilities that provide various services, creating conditions for the development of crafts;
6. Better provision of access to financial and credit, material and technical resources, raw materials and crafts for craft entities;
7. Conduct monthly monitoring to analyze the development of crafts.

In the context of modernization and reform of the economy, it is necessary to continue the work on creating and improving the legal and regulatory framework to give more freedom to craft entities.

It is expedient to improve the legal framework for the activities of craft entities in the following areas:

- Improvement of regulations governing handicrafts on the basis of the development and adoption of the Law of the Republic of Uzbekistan “On Folk Crafts”, as mentioned above;
- Organization of participation of craftsmen and leaders of associations in the preparation of laws and regulations in the interests of crafts;

- Simplification of the procedure for state registration of craft entities, establishment of registration by statistical bodies;
- Establishment of accounting for craft entities.

The development of handicrafts in our country depends on the knowledge, skills and experience of craftsmen, the ability to protect their rights and interests, as well as the effectiveness of the state and its supporting organizations and institutions in supporting handicrafts. Currently, the implementation of state support for crafts can be at the following levels of organizational management of the state [2]:

Nationwide:

1. Territorial (regional and district authority).

In our opinion, the best level of effectiveness in this regard is support by regions. The measures developed to support national handicrafts in the regions have a direct impact on the development of this sector. The following priorities can be identified in support of crafts in the regions: 1. Creation of the necessary infrastructure for handicraft activities in the regions;

2. Determining the priorities for the development of handicrafts in the regions (for example, pottery in Rishtan, gold brocading in Bukhara);
3. Establishment of handicraft enterprises (training of artisans, advanced training and retraining of existing ones);
4. Providing artisan entrepreneurs with financial and credit resources;
5. Strengthening incentives for artisan entrepreneurs;
6. Improving the organizational structure governing handicrafts in the regions [3].

In our opinion, in order to develop the export activity of handicrafts, it is expedient to implement the following measures.

Nationwide:

1. Provision of consulting and information services in the field of export activities to the subjects of handicrafts (Chamber of Commerce and Industry);
2. Assign marketing research, participate in foreign trade programs and provide basic information on foreign trade, assist in the study of future markets, address technical issues of exports and marketing research on the competitiveness of products;
3. Advising on obtaining foreign investment and preparation of documents, assistance in the export of handicrafts, advice, and guidance;
4. Conducting widely advertised seminars and conferences on access to foreign markets;
5. Issuance of medium and long-term soft loans to craft exporters;

At the regional level:

Establishment of divisions on foreign economic activity in the regional Chambers of Commerce and Industry, “Hunarmand” associations and through them:

1. Assistance in finding a foreign partner through the organization of trade fairs;
2. Study of foreign markets;
3. Assistance to artisans in cooperation with foreign artisans;
4. It is expedient to inform the subjects of handicrafts about the legislation of the country in which they are engaged in trade.

From our view point, it would be expedient to form and develop credit institutions for national handicrafts in the regions, to establish service firms to provide information to artisan entrepreneurs. In addition, it is necessary to establish wholesale and intermediary structures, departments of the district administration, which will protect the interests of artisans.

Priorities for the development of national crafts in the regions should be identified as follows [4]:

1. It is necessary to proceed from the availability of natural and economic resources in the regions and the need for demand for products made from resources;
2. It is necessary to assess the opportunities for the development of national crafts in the regions;
3. It is necessary to establish home-based work between large industrial enterprises in the regions and artisans [5].

It is known from the German experience that many handicraft enterprises are engaged in the manufacture of product parts and the provision of various services to large industrial enterprises on a contractual basis. Therefore, in our country, the authorities should encourage the development of national crafts on the basis of serving large enterprises. It is also necessary to create a register of artisan entrepreneurs.

III. CONCLUSION

To sum up, the regulation of the interaction of local authorities and artisans would have helped to form a register of craft entities. The main task of the register should be to solve analytical tasks that determine the principles of development of handicrafts in the regions. The exact register can serve as a starting point for monitoring the current organizational and economic processes of craft development in a particular area. However, despite its clear advantages, handicrafts have not yet taken their rightful place in the country's economy. Therefore, it is necessary to pursue a clear goal-oriented policy for the development of handicrafts in our country and in the regions.

Also, the main factor determining the role and importance of handicrafts in the economy of Uzbekistan is the effective policy of the country in this area. The state can help by creating the necessary legal framework, organizational and economic incentives for the development of crafts.

In our opinion, it is necessary to develop and adopt a comprehensive targeted program to support handicrafts through the state. This program should be aimed at creating a common market environment for the operation of handicrafts in the regions of the country. It is advisable to focus on regional factors in the program. They should be easily linked to the main tasks of regional economic policy. These tasks include filling the local markets with products produced in the region, employment of a certain part of the working population, development of social infrastructure. In addition, in order to accelerate the development of handicrafts, it is expedient to name the next year

“Year of Entrepreneurship Development in the field of handicrafts”, as well as the establishment of the title “Honored Craftsman of the Republic of Uzbekistan”.

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