

SOME THEORETICAL VIEWS ON CONCEPTS SUCH AS FAMILY ECONOMY, ENTREPRENEURSHIP

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ABSTRACT

This article is devoted to the consideration of the issues related to the disclosure of the social and economic concept of “family economy”, its development and conceptual ways to raise the welfare.

Keywords: housing (apartment) economy , family economy, household, family, family business.

INTRODUCTION

“Family” concept emerged from the earliest stages of human development. This concept is honored and respected at all stages of society development as the initial stage of community development. In this regard, the family and its various problems have been studied recently and are being studied to some extent. Laws on the legal, philosophical, and moral aspects of the family have been developed, and books and booklets have been published. However, in our opinion, it is important to admit that its economic aspects and problems are not properly comprehended.

The country has a tradition of honoring the family and preserving its past and relevant traditions. Family dynasties, the passing of a profession from one generation to the next one, a family genealogy for the preservation of the family’s history have been cherished by the majority of families. This factor implies the assigning to the family head not just social and moral responsibilities, but economic obligation as well.

LITERATURE REVIEW

After Uzbekistan gained its independence, a number of new concepts, including such concepts as “family”, “family economy”, “household”, “housing (apartment) economy”, “family business” emerged in the economic structure of the country and were admitted as subjects of the microeconomics. However, in terms of economics, their content has not been thoroughly revealed with the account of all peculiarities and in reliance upon the differences available. Various literary sources provide different opinions on these concepts.

“The defining dictionary of Uzbek language” (1981) provides the following definition to the term “family” as “A group of people consisting of a spouse, children and the closest relatives who live together”. In general, this definition can be admitted because it reflects the composition of the family, but here the family was treated only as a group of people living together. However, this definition does not reflect the socio-economic function of the family. From the point of view of Ulmasov (1998): “A family is a complex micro-social structure that is based on the common needs of people, blood relations, common property and interests, and joint demands”. According to Ulmasov, social life starts with the family.

In the opinion of Balikoev, “A family is a small group of people who are based on kinship relationships to fulfill the social, economic and spiritual needs of the individual, family and society as a whole” (Balikoev, 2008).

This definition complies with the current era of market relations, as the family is becoming an economic entity, not just a consumer. In this framework, the family is considered as a subgroup of a community united to meet social, economic and spiritual needs, rather than a combination of common people living together.

There are also some inaccuracies in the author’s opinion. First, when describing a household, she has mentioned “people residing in one place”, then she also suggests that a household does not have to be a family member to show the difference between a household and a family economy. If it is not possible for the household members to live together, then the wording “people residing in one place” is not needed.

In our opinion, any definition of economic activity, especially family economy, should be based on its economic purpose. Any economic entity should have property, business activities and income from it and the right to own it. In describing the family economy, first of all, use the “family” definition is the most appropriate. However, if it is considered a family economy, it should have some family property, economic activity and family income. On the basis of this theoretical conclusion, a definition of a household is provided below.

The “family economy” concept implies an association of people connected by living together and living in one place. It may consist of even one person. The family is the basic unit of society, but it is also the cohabitation of a group of people connected by family ties or emotionally.

In the family economy the property belongs directly to the family, which production facilities are directly owned by the family, and both the workers and the beneficiaries of the labor should be members of that family.

Currently, a family economy is emerging as a social and economic entity. Therefore, its theoretical and practical analysis should be implemented within this framework. The welfare is the category that reflects the socio-economic essence of the family economy. Numerous conceptual measures are being implemented in Uzbekistan to improve the welfare of families. One of the most essential aspects is that they have created the conditions for prosperity through their free enterprise business. One of the ways to improve the welfare of family economies is through family-owned businesses. In this regard, Pardaev and Kurbonov (1999) have developed the following definition to the concept of “family business”: “Entrepreneurship activities based on family property are called family business”. This definition explains the meaning of family entrepreneurship. However, the goal of the family members in this business shall be

reflected. Taking this into consideration, by expanding and developing the views of the authors above, we find it appropriate to specify that in terms of family entrepreneurship, the basic goal of family members is to make a profit. Family business is a freely selected activity based on family property, with the participation of family members, and to some extent, aimed at receiving income and profit for the family. This definition clearly states that in order to become a family-owned entrepreneur, property, activities, goals and activities must be freely chosen based on their own free will and ability. Thus, it is possible to expand the theoretical

conclusions on the improvement of the family economy and family business. The theoretical arguments presented above provide the basis for our conclusion.

First, the family has become a subject of microeconomics in the free economy based on market relations.

Second, the family has the right to own property, the production facilities, labor force and income (profit) as a result of activity as an economic entity. Social benefits may be provided on the basis of family business as well.

For example, if we consider a teacher - entrepreneur or a doctor - entrepreneur. They continuously develop and improve their skills through training and qualification upgrading. They think that it is better for people than for improving their professional skills. Such activities will continue to be financially and morally encouraged by community members.

Third, it is based on the fact that the concept of a household is wider than the concepts of family economy and housing (apartment) economy. It indicates that the hired labor could be involved and that the profits could be distributed to the hired worker according to their labour volume.

Fourth, family entrepreneurship is also a type of entrepreneurship that relies on family property and the labour force of family members.

Finally, the important conceptual directions for improving the welfare of families now are not only a way to raise salaries, but also to raise their income (profit) through the development of entrepreneurship of family members, utilizing property and efficiency of managing an economic entity.

One of the essential aspects of improving the welfare of the family is solution of the theoretical issues. However, the economic literature has not yet developed a comprehensive definition of family welfare concept. Therefore, this problem is also one of the problems which require being resolved.

Studies have shown that settlement of the family economy business can solve many social and economic problems in our country. First of all, it will create a class of small business and private entrepreneurship, which is the basic driving force of market relations and which will enable to enrich the domestic market with consumer goods and services, as well as solve the urgent problem of unemployment through the creation of new jobs.

However, family economy business does not develop by itself. In this regard it is necessary to develop it at the present level, to bring it to a higher level of competitive products (works, services). This requires researching the theoretical and practical issues of this problem and developing appropriate recommendations aimed at their improvement.

Currently the entrepreneurship of the family business is constantly developing in Uzbekistan. To ensure and accelerate its development, it is necessary to establish the relevant family business associations. Large-scale social and economic problems for the development, improvement and raising welfare of the family economy can be solved through these associations. In the future, it is necessary to solve the problems associated with the establishment of family business associations in our country. Working out development concepts of such non-government organizations is currently considered to be a priority issue.

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