



INCOME OF THE POPULATION FROM SMALL BUSINESS AND PRIVATE ENTREPRENEURSHIP

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Abstract

The article is devoted to the study of the types of income of the population, their sources, the main factors influencing changes in sources, the system of new income indicators and its features for small businesses and private entrepreneurship. The article reveals that the rate of final consumption and accumulation differs in a number of its characteristics and their impact on the income of the population.

Keywords: Small business and private entrepreneurship, market economy, cash income, income in kind, income in kind from services, real income, profit, price index, rent, labor productivity, dividends, interest, primary income, national income, distribution, redistribution, final consumption, accumulation rate.

Introduction

The population can earn income from various forms of small business and private entrepreneurship. For example, entrepreneurship is manifested in state, non-state, including private, mixed forms according to the form of ownership. Non-state forms include private - individual and private - collective entrepreneurship. In turn, private - individual entrepreneurship is based on the individual's own labor and hired labor. Private - collective entrepreneurship includes partnerships, joint-stock companies, joint-stock companies. Mixed entrepreneurship is manifested in the form of joint, mixed and leased enterprises.



According to the level of organization, there are individual and collective forms of entrepreneurship. Individual entrepreneurship includes private entrepreneurship engaged in individual labor activities, based on own labor, private and hired labor, family enterprises. Collective forms of entrepreneurship include state, partnership, partnership, joint-stock, collective enterprises, joint-stock companies, etc.

According to the field of activity, entrepreneurship has the forms of production, service provision, commercial work and commercial mediation. Depending on the number of employees employed in an entrepreneurial enterprise, it is expressed in small and large forms of entrepreneurship. Based on the above, it can be said that small entrepreneurship is of socio-economic importance. According to Article 5 of the Law of the Republic of Uzbekistan "On Entrepreneurship", the following forms of entrepreneurship exist:

- individual entrepreneurship;
- private entrepreneurship;
- collective entrepreneurship;
- mixed entrepreneurship.

Persons engaged in one of the above types of activity are called entrepreneurs. The main goal of entrepreneurial activity is to obtain income (profit). Income is divided into the following types.

1. Monetary income.
2. Income in kind.
3. Income in kind-service.

Income also varies in the form in which it is received by its owner. In addition to monetary income, there is income in kind and income in the form of privileges. In a farmer's farm, part of the product is consumed on the land itself, without going to the market. This in-kind income is especially characteristic of a household farm. For example, if a household owner receives 320 thousand soums in cash per year from his main place of work, he also receives 300 thousand soums in cash on his farm. He also consumes 1,500 kg of various products in kind, which, if converted into money, is almost one million soums. Enjoying free medical care, receiving free education or learning a profession is also in-kind income. Certain categories of the population have privileges in



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terms of housing, utilities, and transportation. These are also incomes. Certain groups of the population do not receive the difference between the real price and the preferential price of these services in cash, but receive income using discounted services. Wages are the main income in the income system, since a large part of the population's income falls on their share. Wages are the remuneration that the owner of labor receives for the results of his labor, and they represent the cost of the means of subsistence of the owner of labor. The cost of consumer goods and services necessary for the livelihood of the owner of labor and his family is the basis for wages, but the demand for well-paid labor is high, and therefore wages are also high. The higher the productivity of labor and the more active and expensive the market for the goods it creates, the higher the wages. Since the results of labor are different, wages also differ. Typically, a highly qualified, knowledgeable, and experienced person's work is valued and paid higher wages.

In the conditions of liberalization of the market economy, profit is considered to be an income with a special status, because it is the result of entrepreneurship, through which entrepreneurial ability is economically manifested. The types of income considered are conditionally limited, because it is difficult to clearly distinguish them. In real life, wages and profits are mixed, or rent and profits and even wages are combined. If we take agriculture, here the farmer works on his land with his own means. It is certainly difficult to separate the income he receives into rent, profit and wages. If a farmer rents someone else's land and invests his own capital in it, and does not work at all himself, but hires others to work, then wages, profits and rent can be differentiated. Even then, there is uncertainty, because it is impossible to distinguish which part of the rent is rent and which part is profit on the landowner's capital invested in the land. One type of income can be included in another type. They have their own sources and methods of formation. The ratio of types of income shows the structural structure of income. The change in the composition of income in the process of growth, the mixing of types of income is a regularity inherent in income.

Income is divided into monetary income and real income. Real income indicates the purchasing power of monetary income. The real income of the population is a generalized, synthetic indicator that embodies all aspects of consumption. Real



income depends, firstly, on the amount of monetary income, secondly, on various taxes and fees deducted from income, that is, on the part of monetary income that goes to the owner, and thirdly, on the price level. If prices are fixed and monetary income increases, real income also increases. If prices fall without monetary income changing, real income increases, and if prices increase, it decreases. Accordingly, changes in real income are measured by the ratio of the monetary income index to the price index.

A market economy is characterized by a variety of incomes. They are divided into three groups:

- a) income from labor;
- b) income from entrepreneurship;
- c) income from property.

Income from labor is the income of employed persons, consisting of wages and bonuses from various benefits.

Wages are the main income of the majority of the population. In developed countries, wages account for 60-70 percent of total income. Wages are the income earned by employed persons, which is used to purchase means of subsistence (products and services) and to create savings. Wages consist of three parts: basic wages, bonuses, and overtime pay. Depending on what the employee receives, there are gross wages and net wages. Gross wages are also called gross wages, which are credited to the employee's account. Net salary is the salary that remains after various payments (taxes, contributions, etc.) are deducted from the gross salary, that is, the salary that goes into the employee's pocket.

The amount of wages is variable, and this change occurs mainly under the influence of three factors:

- a) Demand for and supply of labor. When the demand for labor increases, wages increase, and when the supply of labor increases, wages decrease. When demand and supply in the labor market are equal, wages remain at the same level.
- b) Labor productivity. In the conditions of employment, wages increase if labor productivity increases, and vice versa, if it decreases, they decrease.
- c) Ability to work for the market. Wages are paid not for work at all, but for work performed in accordance with market demand. If goods are marketable and



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sell well, wages increase, but if they do not pass the market, wages decrease or it is impossible to pay them.

Entrepreneurial income is in the form of profit. Profit is the monetary income that entrepreneurs receive for spending money, taking risks, and taking risks. By its nature, profit is an unguaranteed income and fluctuates frequently. The share of profit in the income of the population is not large, since an extremely small number of people are engaged in entrepreneurship. For example, in the USA, the share of profit in the income of the population is about 15-18 percent.

The main part of the profit is received by entrepreneurs, but part of it is given to them in the form of bonuses as a reward for the participation of workers and employees in the development of profit. The amount of the reward depends on the participation of employees in the creation of profit. Therefore, managers, especially top managers (top managers), receive a large reward from profit.

The reward is added to their salary and forms their total income.

Income from property consists of dividends, interest and rent. Dividends arise as a result of the distribution of profit. In this case, part of the profit of a shareholder enterprise is given to shareholders as dividends, which becomes their income.

The dividend that a stock brings is also received by small shareholders who own it, that is, ordinary workers and employees. The more shareholders there are and the more profitable the shareholder enterprises are, the higher the dividend. For example, in 2000, almost 40% of the US population were shareholders, and they earned a lot of money from this. Interest is the income that the owner of money receives for lending his money to others. Interest is determined as a percentage of the amount of money lent. For example, if the interest rate is ten percent (10%) of the loaned money, the owner receives 10 cents for each sum of money, if it is fifteen percent (15%), he receives 15 cents. The total amount of interest depends, firstly, on its level, and secondly, on the amount of money lent. The share of interest in income increases, as part of the population's money exceeds expenses and is deposited in the bank to earn income. It is known that during the 20th century, the share of interest in the gross income of the population in the United States doubled.



Ijara haqi — ko'chmas mulk egalarning o'z mulkini muqobil ishlatishdan olgan daromadi. Yer, imorat, inshoot, kvartira, uy va boshkalar ijaraga berilib, undan daromad ko'riladi. Ular muqobil ishlatilganda ortikcha daromad topiladi. Masalan, uyni ijaraga berib, xar oyda 3 000 000 so'm daromad ko'riladi. Uyga talabgorlar ko'payganda uni yangidan 3 500 000 so'mga ijaraga beriladi. Oldingi va keyingi pul tushumi orasidagi fark 500 000 so'm ($3\,500\,000 - 3\,000\,000 = 500\,000$) bo'ladi. Ko'chmas mulk egalari ko'paygan sari ijara haqi summasi xam ortib boradi.

The rent consists of 2 parts as income. The first part covers the expenses incurred by the owner to maintain and improve the quality of the property (for example, to pump water into the ground, drain it, repair and insure the house). The rest goes to the owner as net income.

A pension is a special type of income that is paid by the state, a company or a non-governmental organization to those who are unable to work due to old age or disability. An old-age pension is an income that is earned but deferred. Each person transfers part of the money he earned during his working life to a pension fund, which is returned to him at a certain rate when the employee retires. A disability pension is not earned money, but money allocated to support people who cannot support themselves.

The share of pensions in income depends on the number of elderly people in the population, the more elderly people in the population, the greater the share of pensions in income.

A pension is a special type of income, consisting of money that the state, companies or charitable organizations provide to those in need of social assistance, usually the poor, either once or regularly. The amount of the pension depends on financial capabilities. The richer the society, the more pensions there are.

A scholarship is a type of income that students use, in practice it is a grant, which is given taking into account their future benefit. The scholarship is paid by the state or companies. All types of income generate gross income.

According to the teachings of J. Hicks, the replacement value should be used to calculate the consumption of fixed capital, and in accounting, the primary valuation is used. It should be recognized that there are considerable difficulties



in defining income and calculating macroeconomic indicators based on the MHT, compiling MHT calculations based on accounting materials, analyzing it, and revealing the content of the data. Therefore, critics of the new MHT say that, on the one hand, MHT is used to study the activities of economic entities, on the other hand, it gives the idea that economic entities cannot use the MHT concept of income. The new MHT uses a system of new income indicators based on the teachings of J. Hicks, which represent different, but interrelated processes of the distribution process. This system includes the following indicators:

- Primary income;
- Current transfers in monetary form;
- Income at the disposal of the enterprise;
- Social transfers in kind;
- Adjusted disposable income;
- National income;
- National income at the disposal of the state.

Primary income is the income received by the state as a result of the primary distribution of value added to economic entities: wages, profits, mixed income, property income, taxes on production and imports - these are the income received by the state administration as a result of the primary distribution.

However, property income paid by economic entities to government agencies (for example, taxes on profits, general income taxes paid by households, etc.) is not considered primary income, but is considered current transfers or redistributive payments.

Primary income for economic entities (residents) of a country comes from the value added created in this country: on the other hand, part of the value added created in this country is paid to non-residents for their participation in the creation of GDP (mainly in the form of wages and property income).

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Current transfers in monetary form are redistributive payments of a current nature, which are made as current and property income, from the state budget for social needs, insurance premiums and compensation, etc.

The balance of income and current transfers for each sector of the economy constitutes disposable income and is used for final consumption and savings. It should be noted that the determination of final consumption depends on a number of factors:

- When determining the sector of economic production. For example, if housewives prepare food and clean the dishes, keep the house tidy, etc., the value of these services cannot be included in the final consumption of the population.
- Social assessment of the benefits received from one or another service provided to the population. This assessment can change radically over time. For example, in the last century, washing provided to miners was considered a great service, and it was considered income in kind. Currently, this is considered an elementary working condition that the entrepreneur must provide. Therefore, the storage of showers is not considered a final consumption of households, but an intermediate consumption of enterprises.

Accumulation (the second most important part of disposable income) is the part of disposable income remaining after final consumption. Thus, accumulation should be distinguished from the increase in the money supply and deposits, as well as the increase in financial assets. Accumulation is an important source of financing and investment. The ratio of accumulation to disposable income is called the accumulation rate. Practice shows that the accumulation rate fluctuates between 5% and 20%. One of the important tasks of statistics is to study the factors affecting the accumulation rate: the percentage of bank interest rates, the terms of consumer loans, the level of return on investments, the volume of disposable income, etc. However, the redistribution process is carried out not only in monetary form, but also in the form of the provision of socio-cultural services (the provision of non-market services in education, healthcare, culture, etc.). To characterize these flows, the new MHT provides for an indicator of social transfers in kind. The sum of discretionary income and social transfers in kind constitutes the sector's adjusted income, which is divided into accumulation and actual final uses. Thus, the concept of final consumption in the MFA is



divided into two parts: final consumption expenditure and actual final consumption. This grouping is due to important differences between the units that finance final consumption and the units that benefit from these expenditures. For example, expenditures for permanent services of a socio-cultural nature are incurred by government agencies, while the benefits from them are received by households. The actual consumption of households differs from their final consumption expenditures by the amount of social transfers in kind, that is, services provided to their population by government agencies and non-profit organizations. On the other hand, the adjusted discretionary income of government agencies differs from the amount of social transfers in kind paid.

Foydalanilgan adabiyotlar ro'yxati

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