



## **MECHANISM OF INNOVATIVE DEVELOPMENT OF SMALL BUSINESS AND ENTREPRENEURSHIP IN THE CONTEXT OF ECONOMIC MODERNIZATION**

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### **Annotation**

The article describes a small innovative entrepreneurship in the development of the digital economy is an essential structural element of new economic business models and a breeding ground for systemic changes in technology, digital infrastructure and social relations. Small innovative enterprises represented by their most dynamic and successful representatives act for the digital economy, on the one hand, as a testing business ground, and on the other, as an excellent “building material” from which national and global companies are obtained

**Keywords:** Small innovative entrepreneurship, global companies, successful representatives.

### **Introduction**

In the conditions of modern development, small business represents an essential part of the economy and integral element of a competitive market mechanism. Small businesses are of great socio-economic importance, as able to mitigate the effects of structural changes, faster adapt to changing market needs significant contribution to regional development, develop and introduction of technical, technological and organizational innovations. As a result, there is a widespread need development of the activities of these business entities in the direction modernization, which requires the intensification of state support with taking into account the innovative conjuncture. The main task of paramount importance in the formation and implementation of a strategy for the development of the digital economy in Uzbekistan is the prioritization of information innovation policy regarding stakeholders, industry and innovation market entities and target social groups, as well as an interdisciplinary approach to managing content and activities that combines modern communication technologies, management and social engineering.

However, for the sustainable development of small innovative enterprises, today it is necessary to solve the problems they face, which impede the sustainable development of small innovative enterprises, which are quite serious, and the solution has serious



scientific significance. Under these conditions, the only real basis for intensive growth can be the significant, but not adequately demanded by the economy, potential of science, education and the high-tech, high-tech sector of the economy. This potential is sharply disproportionate to the share of world production of high-tech products belonging to the republic, which indicates the insufficient efficiency of the mechanisms of its functioning and the absence of the necessary conditions designed to intensify innovative activity in industry and its high-tech sector. Taking into account the circumstances noted, the processes of transformation of the activity of small innovative enterprises into the digital economy of the republic, the development and analysis of forecasts for its development, the formation of economically and socially justified options for its activation with the development of a set of models and methods of economic and mathematical tools seem relevant, important and significant.

The digital economy is a new subject of legal regulation caused by globalization and the widespread introduction of digital technologies, in this regard; research in this area is sporadic. Representatives of legal science paid attention only to individual institutions. It is important to note the lack of a well-established doctrinal approach to the essence of the new legal institutions of the digital economy, which partly complicates the formation of an appropriate legal environment.

Important arising in the polls during the formation of the legal doctrine, and in the future, the legal framework is:

- firstly, the creation of clear ideas about industry regulation, which public relations will relate to the conduct of civil law, and which to financial law and other branches of law and legislation;

- secondly, we must not forget about the need to create a single structure-forming legislative act, and digital law should be enshrined in this way, giving, first of all, definitions of new phenomena of digital life and regulating issues of transactions with digital money and rights, as well as solving taxation problems and financial discipline. I would like to note that the existing legal doctrines do not have the corresponding conceptual apparatus for the development of such active processes of digitalization of the economy. If amending legislative acts, as a rule, does not present special difficulties for the legislator, either organizationally or temporarily, then changing legal doctrines is a much more complicated process, therefore, legislative changes in accordance with modern realities are likely to come much earlier. There is currently a legal vacuum in the regulation of the digital economy. Any subjects of public relations with the use of digital technologies in the economy suffer from this. On the one hand, lawabiding and conscientious subjects of civil legal relations may suffer, on the other



hand, the lack of clear financial and legal regulation leads to tax evasion. The problems of legal regulation of the digital economy are taking on an international scale, since it is not always easy to link the activities of their largest Internet platforms to a specific state, including due to the introduction of new digital business models in the economy. It is important to understand that digital objects are constantly evolving. As people, business and equipment become more closely connected in a single digital space format, digitalization offers ample opportunities for new decision-making models, becoming the basis of ongoing global economic and social transformations that are changing business and consumer models, models of social services and economic activities of the population. The potential of small innovative enterprises in the context of digitalization creates the prerequisites for the emergence of competitive advantages of science and business both at the national and global levels.

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