

Development of Small Business in Kazakhstan
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Развитие малого бизнеса в Казахстане
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Abstract: *the article is devoted to the problem of development of small business in Kazakhstan. Small business development is based on the solution of social problems, including the creation of new jobs and reducing unemployment. The effectiveness of the development of small business in the world is proved that the small enterprises need minimum investment but produce a significant portion of the national product. So, in Kazakhstan there has been created favorable conditions for the development of small enterprises and they develop rapidly.*

Аннотация: *статья посвящена проблеме развития малого бизнеса в Казахстане. С развитием малого бизнеса решаются социальные проблемы, такие как увеличение рабочих мест и сокращение безработицы. Эффективность развития малого бизнеса связана с тем, что малый бизнес требует малых затрат, приносит прибыль значительно больше.*

Keywords: *development, small business, unemployment, enterprises, investment.*

Ключевые слова: *развитие, малый бизнес, безработица, предприятие, инвестиции.*

Currently, the development of small enterprises in the Republic of Kazakhstan is one of the most pressing issues. Small companies have been growing rapidly in Kazakhstan and the years of independence of the country was ideal for the development of small enterprises.

Small business development is based on the solution of social problems, including the creation of new jobs and reducing unemployment. The effectiveness of the development of small business in the world is proved that the small enterprises need minimum investment but produce a significant portion of the national product. So, in Kazakhstan there has been created favorable conditions for the development of small enterprises and they develop rapidly [1].

The emergence of market relations and development needs in many cases, especially in the service environment plays a very important role. To serve the market and economic environment, assumes the existence of certain factors. Symbols of market relations of the business arises at all stages of the development of society with the characteristic features of the phenomenon.

As for the state of business and commerce in Kazakhstan, these industries have a long history. Semirechiye was the center for trade and crafts in the era of the ancient Turkic life. XIII century and the first quarter of the XV century played an important role in the development of trade through the territory of Kazakhstan, because Kazakhstan was the connecting way of international trade between the South and North, East and West. In the XVIII century the Kazakhs launched trading of cattle, horses, leather, fur and hunting products into the markets of Central Asia, Russia, China, Iran. Caravans with goods passed through the land of the Kazakh towards the Central Asia and Russia.

Engaged in the extraction of salt in the first half of the XIX century, Kazakhstan began to develop mining. At the same time, copper, tin, silver, coal, iron was started digging and factories were opened, so the efficiency of commercial livestock increased by its maximum.

The formation of the middle class, mainly related to the development of small business. A small enterprise is one of the kinds of public relations of the society not only increased the material and the spiritual capacity, as well as each individual having talents and abilities in practice could start a small business, which resulted in compliance with the spirit and national pride [2].

Business is characterized by innovative time - it depends on the creation of new enterprises or the production of new goods. Production management, a new system to improve the quality of production and the introduction of new methods or the introduction of new technologies. Among the main driving forces of the process of small business entrepreneurs will be the place of its location [3].

Entrepreneur initiative on the basis of full economic responsibility to bring to the risk and fear of the future income more regularly capable of rational combination of production factors is the subjective factor of production.

According to the country's economy as a whole, its production qualitatively has great changes and considered it was due to one of the most important areas, the development of small business with good management structure. Without it, it is impossible to have a full-fledged market economy.

Today, government agencies and large companies involved in the development of small businesses. Because they solve a series of social and economic issues. First, the number of mercenaries and workers will have the

opportunity to be a part of their profession. Secondly, small business will solve problems of unemployment. Third prosperity of small businesses, will lead to the development of the increase in the production of goods and services.

The Republic of Kazakhstan from June 18, 1997 the law about small business «On state support of small business», would set out to simplify the procedure of registration of persons. According to this law the requirement for opening small business was easy.

Small businesses involved in the development of all citizens of the republic was the complex and multifaceted. Created an effective and optimal financial institutions to support small enterprises and medium-sized businesses.

By the Decree of the President of the Republic «State support for small businesses and measures to accelerate the development of it», which provides for the transfer of tax and customs privileges for products in remote areas and small enterprises engaged in the production of territorial concessions, tax collection, and immediately engaged in the production of products in rural areas, which aims to create jobs in small enterprises provides for exemption from all taxes. If so, the legal framework, including personal help from the state to the development of small business, especially in the field of production will reach quickly [4].

The legal environment for small businesses, which cause negative effects, first of all, the law is believed to be false. Because enterprises provision of the rules, especially in the sphere of foreign economic relations are subject to changes too often. Secondly there are significant gaps in the rule of law. For example, the equality of all types of property and guarantee the legal protection of private enterprises were very vulnerable. Third, violence for opening small businesses affected the consequences of the lack of mechanisms to protect the rights of businessmen.

In general, small entrepreneurs are still having unfavorable social environment, people like being part of a group of warm and relaxed atmosphere, and there are some difficulties for operating. Many small businesses are capable of solving economic, social and political issues so they are efficient in the market economy [5].

There are millions of turnover on the main market is open to corporations and small business structures that do not have access.

The main argument of small firms unable to compete with large companies better. In fact, small enterprises will be able to compete successfully with larger ones for a couple of reasons. For example, large enterprises need to change the strategy of 6 years and 10 years for the introduction of the new strategy will need more time and more. For a small business, significantly less time in half a year up to 1 year. Further, technological advances are considered a traditional large enterprise sector, but look at the statistics, after the 2nd World War, the radical technological innovations 95 % of the small business sector to come. Other key source of data than large firms, small firms are 24 times more innovations and discoveries.

In Kazakhstan, taking into account the existing international practices, small businesses can be characterized as follows. Small enterprises have one or more investors operating in a limited geographical regions and have limited market share of the companies.

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