

THE ROLE OF SMALL BUSINESS IN THE DEVELOPMENT OF THE BELARUSIAN ECONOMY

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Today, small business is one of the most developing areas of the national economy. Small business has a significant impact on creating a healthy competition situation in the economic reality. This forces the market to develop, produce new types of products, improve them and improve the overall service to the population. As a result, conditions are created for the growth of the middle class, which is the mainstay of the social system. Representatives of this social stratum are able to quickly and effectively solve many social problems of society.

The economic importance of small business, first of all, is to create a large number of new jobs, both for qualified professionals and for pensioners, students and other groups of the population. It is these small businesses that give employees the necessary knowledge, help them gain experience and develop further as specialists for novice employees.

The importance of the social significance of small business is determined, first of all, by a significant share of people employed in this business, both individual entrepreneurs, owners of small organizations and their employees. This group of people serves the bulk of all consumer needs and requests, producing products and services in accordance with the rapidly changing requirements of the market system.

The development of small businesses leads to the formation of a social group of owners who independently ensure the improvement of their well-being and, consequently, support sufficient standard of living for a significant part of the population. In the national economy, the effective operation of the small business sector leads to a reduction in unemployment and an increase in the number of jobs, which are the main goals of state policy.

The state is interested in developing small businesses in Belarus and is committed to supporting small businesses and individual entrepreneurs. Much is being done in the Republic to improve the business environment and improve the business climate. A number of

legal documents have been adopted on stimulating business activity, developing business activities and initiatives in the Republic of Belarus. The country is constantly adopting and implementing state support programs, creating centers and incubators for supporting entrepreneurship, free economic zones, science and technology parks and innovation centers. This once again confirms the real interest of the state in the formation and development of a large-scale and competitive business sector of the economy, aimed at stimulating and providing equal assistance to all business entities.

For an objective assessment of the role of small business in the development of the Belarusian economy, it is necessary to refer to statistical data. As you know, the economic efficiency of each state is determined primarily by the volume of gross domestic product per capita, the level of employment, the level of inflation, the development of innovative technologies, as well as resistance to all possible global economic crises.

According to the Ministry of taxes and duties of the Republic of Belarus, almost 93 thousand microorganisms, more than 11 thousand small organizations, and about 257 thousand individual entrepreneurs operated in the country in 2019 [2].

Table 1

Number of small businesses in Belarus

Small business entity	Number, units		2019/2018 (%)	Structure (%)	
	2018 г.	2019 г.		2018 г.	2019 г.
Micro-, small organizations, units	104847	104467	99,6	100,0	100,0
micro-organizations	93 634	92 986	99,3	89,3	89,0
small organization	11 213	11 481	102,4	10,7	11,0
individual entrepreneurs, human	241 300	257 000	106,5	-	-

According to statistics from the National statistical Committee of the Republic of Belarus, as of 2019, 1.091 million people are

employed in small businesses, or 25% of the total number of people employed in the economy of the entire Republic [2].

Table 2

**Number of small businesses by region
and the city of Minsk**

Region	Micro-, small and organizations		Individual entrepreneur		Growth rate 2019/2018, (%)	
	2018 г.	2019 г.	2018 г.	2019 г.	МП	ИП
Republic of Belarus	104 847	104 467	241 300	257 000	99,6	106,5
Brest region	10061	10003	32578	34461	99,4	105,8
Vitebsk region	8458	8353	21587	22716	98,8	105,2
Gomel region	9795	9677	27111	28803	98,8	106,2
Grodno region	7778	7763	24422	26241	99,8	107,4
The City Of Minsk	41163	41504	73833	78394	100,8	106,2
Minsk region	19405	19137	38438	41654	98,6	108,4
Mogilev region	8187	8030	23331	24731	98,1	106,0

A characteristic feature of domestic small business is the uneven location of its subjects on the territory of the country: 57.9% of small business organizations and 46.7% of individual entrepreneurs are concentrated in Minsk and the Minsk region.

As a result, each of the remaining five regions of the country accounts for approximately 7.5-9.6% of organizations and 9 to 13% of individual entrepreneurs. At the same time, they are very unevenly concentrated, mainly in regional centers and large cities. In General, the Belarusian small business is characterized by its unevenness. The distribution of small businesses by region is characterized by a high concentration in Minsk and major cities. In other regions, this indicator is characterized by relative uniformity.

The density of small businesses (the number of small businesses per 1000 inhabitants) in Belarus is comparable to foreign indicators (Russia – 39 units, Poland – 37 units, Latvia – 35 units, Lithuania – 32 units). The number of small businesses, including individual

entrepreneurs in this list, per 1000 residents in 2019 was 38.4 units and increased by 1.7 units compared to 2015.

Table 3

Receipts of small business entities to the budget of the Republic of Belarus

Small business entity	Receipt of payments to the budget, million rubles		The share of revenues, %		2019/2018 +/- %
	2018 г.	2019 г.	2018 г.	2019 г.	
Small business entity	6553,4	7057,6	26,4	26,3	-0,1
small organization	3864,9	4072,0	15,6	15,2	-0,4
micro-organizations	2154,9	2386,4	8,7	8,9	+0,2
individual entrepreneur	533,5	599,2	2,1	2,2	+0,1

The contribution of small businesses to the General budget in the form of tax payments, and their share in total revenues increased by 7.7% compared to last year and reached 7057.6 million rubles[2].

Table 4

The contribution of small businesses to the budgets of the regions

Region	Share in the proceeds of regions, %	
	2018 г.	2019 г.
Republic of Belarus	34,8	34,4
Brest region	32,1	33,2
Vitebsk region	25,9	23,7
Gomel region	18,5	21,6
Grodno region	16,3	15,2
The City Of Minsk	41,7	41,7
Minsk region	39,4	36,3
Mogilev region	32,8	36,8

According to the results of 2019, the highest share of small businesses in the regional budget remained only in the city of Minsk.

About a third of all budget revenues were provided by this sector in the Brest, Mogilev and Minsk regions, and more than a fifth – in the Vitebsk and Gomel regions. Entrepreneurs of the Grodno region have generated more than 15% of revenues to the regional budget.

The analysis shows that currently small and medium-sized businesses form more than a quarter of the country's gross value added. The small and medium-sized business sector accounts for more than one-third of payments to the national budget, about one-second of exports, and every third workplace. According to the results of the latest report in the world Bank's Doing business 2020 rating on favorable business conditions, the Republic of Belarus ranked 49th among other 190 countries [3]. Based on these facts, we can draw a conclusion about the importance and necessity of small business development.

Thus, small business plays an important role in the socio-economic development of the Republic of Belarus. The country has developed many directions for the development of small businesses. It is important to note that the state is of great importance in ensuring macroeconomic stability, conducting legal reform, and improving the image of entrepreneurship. Today, there is a need for more active development of relations between the main subjects of social interaction-government, business, and civil society, which contributes to increasing the level of understanding between the subjects of interaction and improving the entire institutional environment. The development of small businesses in the Republic of Belarus is one of the priorities. As a result, we can say with good reason that small businesses in the Republic of Belarus will gradually develop and will be able to take a strong position in the country's economy.

Literature.

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