
**THE CONCEPT, ESSENCE AND EVOLUTION OF BUSINESS DEVELOPMENT
IN SMALL AGRICULTURAL BUSINESSES****Xudayberdiev Furqat Imamnazar o'g'li***Namangan State Technical University**independent researcher*

Abstract. *Agro-industrial business is an important structural link in the sustainable development of the regional and national agro-industrial complex. This sector plays a decisive role in implementing not only the processes of production and processing of agricultural products, but also their release to the market, ensuring the continuity of financial flows, and the expanded reproduction of entrepreneurial activity. In this sense, the main tasks of agro-industrial business enterprises are aimed at the effective sale of manufactured products, provision of working capital, adequate motivation of employees, fulfillment of financial obligations, and obtaining a stable profit. Therefore, an in-depth study of the theoretical, organizational and economic aspects of increasing the economic and social efficiency of agro-industrial business enterprises has become an objective necessity. This situation determines the choice of the research topic and requires the development of scientifically based conclusions and proposals aimed at ensuring the effective operation of agro-industrial business enterprises.*

Keywords: *agro-industrial business, entrepreneurship, agriculture, processing industry, economic relations, economic and social efficiency, costs, income, profit, integration, competitiveness.*

Research methods. In this study, complex scientific methods were used to study the economic and social effectiveness of agribusiness. In particular, the monographic method allowed for a deep and comprehensive analysis of individual phenomena and processes in the activities of agribusiness. The historical method studied the stages of formation and development of agribusiness, its role in the economic system and its evolution. The abstract-logical method was used to process scientific literature, systematize theoretical approaches, and draw scientific conclusions. Also, using the theoretical generalization method, various scientific views on the activities of agribusiness were summarized and author's conclusions were formed.

The level of study of the topic. The issues of developing agribusiness and agro-industrial business are one of the most relevant scientific areas in economic sciences that have been studied by domestic and foreign scientists for many years. In particular, the study

of agricultural production, its processing, logistics and marketing processes as an integrated system began to occupy a central place in economic research since the second half of the 20th century. The first fundamental views in this direction were formulated by American scientists J. Davis and P. Goldberg, who scientifically substantiated agribusiness as an integrated economic system covering all stages from production to consumption. The essence of agribusiness, its structural structure and development patterns have been extensively studied in foreign economic literature. In particular, scientists such as J. Sachs, M. Porter, R. Kaplinsky, F. Kotler analyzed agribusiness from the perspective of vertical and horizontal integration processes between agriculture, industry and trade. In their studies, the role of the value chain, competitiveness, innovation and globalization factors in agribusiness was in the center of attention. Also, the experience of the European Union countries and the USA, the effectiveness of state support for agribusiness, contractual and vertical integration forms, and agro-industrial clusters are scientifically substantiated. The works of scientists from the CIS countries have widely covered the issues of institutional aspects of agribusiness, macro and microecological factors, agro-industrial integration, and socio-economic development of rural areas. These studies emphasize the regulatory role of the state in the effective organization of agribusiness activities, the importance of market infrastructure and financial mechanisms. At the same time, in recent years, the issues of introducing innovative technologies and digital solutions to agribusiness have become the focus of scientific discussions.

The studies of Uzbek economists have widely studied the issues of agro-industrial complex, development of agriculture and processing industries, farms, clusters, and agro-industrial integration. In particular, there are scientific works aimed at expanding the processing of agricultural products, increasing export potential, and improving state support mechanisms in agro-industrial business. However, most of the existing studies consider the concept of agribusiness within the framework of the traditional agro-industrial complex, and its transformation in the conditions of the modern market, innovation, and digital economy is not sufficiently systematically analyzed.

In this regard, the analysis of the level of research on the topic shows that, although there are theoretical foundations and practical approaches to the development of agribusiness and agro-industrial business, the conceptual foundations of the transition from agribusiness to agro-industrial business, its multi-level (micro, national, and international) development features, and issues of increasing efficiency through innovative and digital mechanisms have not been studied in sufficient depth. This fact justifies the relevance of the selected research topic and the need for its scientific development. The study revealed the economic essence, content and development evolution of the concept of "agribusiness" and proposed

its author's interpretation. At the same time, the objective necessity of replacing the currently used term "agribusiness" with the concept of "agroindustrial business" was scientifically substantiated. This term allows us to fully express an integrated economic system that encompasses agricultural production, its processing, logistics and product sales. The implementation of three levels of agroindustrial business activity - the enterprise level, the national level and the international level - was substantiated, and priority areas for increasing efficiency and competitiveness at each level were identified.

The results of the study show that increasing the efficiency of agro-industrial business enterprises should be carried out, first of all, through the comprehensive and targeted use of internal and external factors affecting their activities. Internal factors include rational use of resources, optimization of production costs, and the introduction of an effective management system, while external factors include market conditions, state support, integration processes, and the competitive environment. In this regard, agro-industrial business is a key link in the agro-industrial economy in each region, and market conditions encourage entrepreneurs to increase production efficiency by introducing innovative technologies, modern management methods, and resource-saving solutions. An analysis of the scientific literature shows that the origin of the term "agribusiness" is linguistically relatively simple, it was formed as a result of the combination of the concepts of "agrar" and "business". The term "agrar" was adopted from the German language in the second half of the 19th century (German agrar - related to agriculture), it denotes economic relations related to agricultural production and the use of land resources. The term "business" came from the English language (English business - entrepreneurial activity), and means an initiative economic process aimed at making a profit and expanding activities, carried out at the expense of one's own or borrowed funds, on the basis of risk and personal responsibility.

Based on the content of these concepts, it becomes clear that business activities can be carried out in various sectors of the economy. Accordingly, the term "agribusiness" denotes a specific direction of doing business, that is, entrepreneurial activity in the agricultural sector of the economy. Scientific sources emphasize that agribusiness is a complex system formed with the participation of a large number of independent entities, in which the activities of agribusiness participants are closely interconnected, complementary, and integrated socio-economic processes. In some studies, agribusiness is interpreted as a special subsystem of economic relations formed as a result of the deepening integration processes between agriculture, industry and trade capital in the agricultural sector of developed countries. In this case, agribusiness is considered as a mechanism that combines the stages of production, processing, logistics and product sales into a single chain in the form of vertical integration.

An analysis of literary sources also shows that in the early stages of the development of economic science, the term "agribusiness" was studied not as a separate category, but within the framework of the concept of "entrepreneurship".

Table 1

Period	Main features	Economic content and significance
XVIII end of the century – XIX beginning of the century	Formation of entrepreneurship theory (R. Cantillon, A. Smith, D. Ricardo)	Land, labor, and capital were considered the main factors of production; market relations began to form in agriculture
XIX end of the century – XX beginning of the century	Mechanization and specialization in agriculture	Agricultural production began to be economically linked with industry, labor productivity increased
XX mid-century (1950–1960-y.)	The formation of the concept of agribusiness (J. H. Davis)	Agricultural, processing, and trade processes interpreted as a single system
XX second half of the century	Vertical integration and agro-industrial complexes	Agriculture, industry, and commercial capital merged, and agribusiness became the leading sector of the national economy.
XXI end of the century	Globalization and innovative agribusiness	Agribusiness has developed internationally, with digitalization, innovation, and sustainable development becoming a priority.

The main stages of the formation and development of agribusiness

This chronological table represents the development path of the concept of agribusiness from entrepreneurial theory to a modern innovative and global agro-industrial system. As can be seen from the table, agribusiness was formed as a result of the mechanization of agriculture and its integration with industry, and the concept put forward by J. H. Davis strengthened its scientific foundations. Later, the processes of vertical integration and globalization turned agribusiness into a strategic and multidisciplinary sector of the national economy. Thus, it is scientifically confirmed that the development of agribusiness is inextricably linked with the deepening of economic relations and technological progress.

Table 2

Comparison criteria	Uzbekistan's experience	Foreign experience (USA, European Union)
Agribusiness model	Based on the agro-industrial complex, high state participation	Integrated agribusiness system, private sector leading
Production and processing integration	Partial integration, cooperation in development stage	Deep vertical integration (farmer–processor–trade)
Innovation and technology	Implemented through government programs	Through private investments and R&D centers
Sources of funding	Soft loans, subsidies	Venture capital, grants, private investments
Logistics and marketing	Insufficient logistics infrastructure	Modern logistics and global marketing networks
State support	At a high level, regulation is a priority.	Support through regulations, market freedom
Competitive environment	Focused on the domestic market	Integrated into the international market
Efficiency and competitiveness	On average, regional differences are large	High, sustainable growth ensured

Comparative analysis of Uzbek and foreign experience in agribusiness development

This comparative table reveals the main differences and similarities in the mechanisms for developing agribusiness in Uzbekistan and foreign countries. In the experience of Uzbekistan, agribusiness is mainly formed within the agro-industrial complex, characterized by a high regulatory and supporting role of the state. Although this situation serves to maintain the stability of agricultural production, the level of integration between production, processing and trade is not yet deep enough. In foreign experience, agribusiness is based on deep vertical integration, with all stages from farms to the export of finished products to the international market combined into a single economic chain. Innovation, private investment and modern logistics systems are the main drivers of increasing the efficiency of agribusiness. In this regard, foreign experience scientifically substantiates the need to strengthen integration, innovation and market mechanisms in the development of agribusiness in Uzbekistan. The work “Midwestern Agribusiness: Its Impact on the National Economy and International Trade”, published in the USA in 1966, comprehensively covers

the structural content of the concept of agribusiness. This study emphasizes the rapid increase in the interrelationship of agriculture with industry in the second half of the 20th century. The authors argue for the need to abandon the interpretation of agriculture as a production activity carried out only on land and consider it as an important structural sector of the entire national economy. According to this approach, agriculture is not limited to the production of food and fiber, but also includes the processes of production of agricultural products, processing of raw materials, production of finished products, trade, distribution, use and consumption. Thus, agribusiness is manifested as an integrated system that combines economic relations between agriculture and the industrial, trade and service sectors. This approach allows us to assess agribusiness as an important mechanism for shaping inter-sectoral economic relations and interprets it as a strategic factor influencing the national economy and international trade.

Scientific analysis shows that the share of costs related to sphere III in the cost of the final product of the agro-industrial complex is the highest. This indicates a high level of processing of agricultural raw materials, the formation of the main part of the product value in the processing, logistics and marketing processes. At the same time, this trend indicates the need to ensure economic balance between all spheres in the agro-industrial complex, that is, to ensure the harmonious development of production, processing and sales processes.

In this regard, although the concept of "agribusiness" includes all the functional stages covered by the term "agro-industrial complex", it is characterized by a completely different type of economic relations. The novelty of economic relations in agribusiness is manifested in the transition from traditional production and production relations in agriculture to a broader approach.

Conclusion

While the agro-industrial complex is traditionally considered as a structural complex encompassing agricultural production and the sectors serving it, agribusiness is a business system that connects this complex with market mechanisms and includes all stages of the value chain.

From this perspective, the renewal of economic relations in agribusiness is manifested in the transition from the production center to the consumer and market center. This approach does not deny the agro-industrial complex, but rather expands its functional capabilities and serves to increase competitiveness and economic efficiency. Therefore, in modern conditions, it is appropriate to consider agribusiness as a market-adapted and innovatively developed form of the agro-industrial complex. An analysis of scientific research by foreign and domestic scientists on the concept of agribusiness shows that agribusiness, by its very

nature, is an entrepreneurial activity aimed at obtaining maximum economic profit, provided that the resources obtained from agriculture are rationally and efficiently used. In this case, agribusiness is not limited to the production process, but encompasses all stages of the resource movement - from the cultivation of raw materials to the delivery of the finished product to the consumer.

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