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PROBLEMS OF DEVELOPMENT OF SMALL BUSINESS IN THE REPUBLIC OF BELARUS

Small business is the major sphere creating the soil of development of the countries with market economy. The number of undertakings (startups) and other representatives of small business in the Republic of Belarus constantly grows and comes nearer to 100 thousand. Small business in the Republic of Belarus has somewhat many problems. The small entity isn't so protected from financial troubles, as large consolidation. The analysis of a current state shows that in the Republic of Belarus the potential of small entrepreneurship isn't completely realized.

In Belarus a lot of attention is paid to problems of small business. The part from them is decided by the actions of the State program of support of small business in the Republic of Belarus. But, nevertheless, essential obstacles on development of small business in the republic are observed:

1. Inadequate level of support of small business – modern small business requires reduction of tax rates, special credit programs for attraction of the loan capital and the help in guaranteeing return of these means, etc.

2. Deficit of finance – the development of small enterprise depends directly on the personal money of the owner, or the profit invested in it. But for constant development long-term financial flows are necessary. Banks don't decide to give the credits to small business as this type of activity is considered pretty dangerous. Financing of small business, undoubtedly, will lead to successful development of an industry.

3. The insufficient legal base – absence of the laws supporting small entrepreneurs seriously influences this industry.

4. Unequal conditions for the state and private business. In the Constitution of the Republic of Belarus one is written down, in practice absolutely in a different way: the public sector every time has an advantage.

5. Lack of the property at entrepreneurs. Most of entrepreneurs of small business are lessees. Without having the property, such business has also no chances of investments.

6. The state takes away currency. The known fact that 30% of a currency earnings of entrepreneurs redeems the state at the rate of National Bank of the Republic of Belarus. For many this figure is dramatic. It is forbidden to open currency accounts abroad for entrepreneurs.

7. High penalties. Many experts emphasize that, despite repeated attempts to bring an order to control of small business, there still there are a lot of ambiguities, and penalties on the amounts can be too high that leads to ruin.

It is hard to begin small business and difficult to cancel because of bureaucratic and legal delays. Small business has the main barriers from the state. Impossibility of acquisition of currency for calculations for import, fixed checks, penal measures, vulnerability of subjects of small business to government institutions. The list of problems surprises. Unclear, as this business can exist, develop and resist continuous pressure.

Thus business news [1] constantly report about progress of the State program of support of small entrepreneurship. Really, allocated funds are spent, and help to the entities is given. But, probably, it is still not enough.

Slow growth rates of number of small enterprises and individual entrepreneurs [2] say that isn't enough actions accepted by the government. For the purpose of motivation of development of entrepreneurship, the government needs to take measures for improvement business of the atmosphere.

Thus, for successful development of small business at each region of Republic of Belarus there shall be surely a full range of services of infrastructure with their consolidation in single organizational and technological system. As a part of these conditions shall be financial, property, information and other types of support. The state shall assume considerable part of functions.

References

1. The business magazine "Business". <http://delo.by/news>.
2. National statistical Committee of the Republic of Belarus. <http://belstat.gov.by/>