ABSTRACT

to the thesis of

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"Self-employment of the population in the modern economy of Republic of Kazakhstan: the formation and tendency of development"

General description of work. The dissertation research was carried out to model the relationship between the country's GDP and self-employment of the population and to develop proposals on the opportunities and directions for the development of self-employment by determining their role in the modern economy and their contribution through questionnaires and identifying risks based on an analysis of the sphere of self-employment.

Relevance of the research topic. Currently, non-standard forms of employment are developing in the labor market, among which self-employment is becoming increasingly common in the country. Accordingly, self-employment is becoming a problem in Kazakhstan that must be resolved at the state level. In general, ensuring employment of citizens in society and increasing its efficiency is one of the most important areas of government policy.

In the Message of the President of the Republic of Kazakhstan K.K.Tokayev "Constructive public dialogue is the basis of stability and prosperity of Kazakhstan" (2019), it was emphasized that employment should be the result of joint work of the whole society. Therefore, the Ministry of Health of the Republic of Kazakhstan has begun work on updating the formalization of the informally employed, in particular, the involvement of self-employed and unregistered unemployed in the state program "Enbek", clarifying the social status of citizens in the country, the introduction of a special tax regime of the ESP, which provides an opportunity for informally employed persons to carry out entrepreneurial activities without registration as an individual entrepreneur. In practice, initially, the absence of an employment indicator in the basic group of macroeconomic indicators of government programs and plans was a deterrent to the growth rate of the economy and its transition to an intensive basis. For many years, the government has been passively approaching the issue of employment when assessing macroeconomic factors of economic growth. Various variants of macroeconomic programs of socio–economic development are calculated, as a rule, depending on changes in gross domestic product, the size of investments, the dynamics of price growth of electricity suppliers, receipt or non-receipt of loans from international organizations, etc. Employment relations developed under the influence of market pressure of the whole complex of socio-

economic and financial relations. Moreover, macroeconomic shifts have not always had a favorable effect on employment.

Since 2012, after the inclusion of self-employment in the employed population in Kazakhstan, the implementation of the State Employment Program-2020, the Employment Roadmap-2020, the State Program for the Development of Productive Employment and Mass Entrepreneurship for 2017-2021 "Enbek" began, a methodology was developed for determining the number of self-employed, their average monthly income and the number of unemployed in the Republic of Kazakhstan in in 2013, and others, which guided us in our work.

Self-employment is a form of obtaining the remuneration necessary for life for their work directly from customers, as opposed to hired work. A person who has chosen for himself the status of "self-employed" finds work independently, within the framework of his own business. A self-employed person forms out an employment relationship in the form of a contract and is responsible for his work, organizes the labor process, performs contractual work independently or as part of a group of self-employed people connected by kinship or artel relations. The self-employed conduct entrepreneurial activities, while not being entrepreneurs in the classical sense, since they do not create gratuitously withdrawn surplus value, distributing the income received within the working group, according to personal labor participation. The fundamental point that distinguishes the self–employed from the individual entrepreneur or the owner of the company is the absence of employees. In the context of the aggravation of the situation associated with the spread of the coronavirus - COVID-19, when the authorities recommended that the population switch to remote workplaces, self-employment was increasingly in the spotlight. In the Republic of Kazakhstan, the development of self-employment as a direction of an active policy of promoting employment and reducing the number of unemployed citizens has favorable plans for the future and high social significance. Today, there are 2,045,4 thousand self-employed people in Kazakhstan, 85% of whom earn less than 100 thousand tenge per month, 10% receive income below the subsistence minimum, and in some regions this figure reaches almost 30% (Karaganda region). As a rule, self-employment is common in agriculture (33%) and trade (32%), where labor productivity is low and, accordingly, incomes are also low. And in those industries where labor productivity is high, the salary is several times higher than the average monthly in the country. Agriculture has the largest number of informally employed (54.8%), however, having one of the lowest levels of labor productivity, its contribution to the shadow economy is low (9% of the total value of the shadow economy). Access to these sectors is free for entrepreneurs and employees and is not accompanied by any serious requirements. Opening a store, especially online, or a workshop in a rented room is much easier than getting an oil production license or finding a job in a high-tech production. As a result, jobs are created in the economy where high-level skills are not required, which affects productivity and wages. On the one hand, self-employment is a kind of buffer during economic crises, allowing people to realize their labor potential in difficult life circumstances, and (during the COVID-19 pandemic) also fuels small businesses.

The purpose of the study. The purpose of the dissertation research is to study the theoretical and methodological foundations of the formation of self-employment of the population, to assess its impact on the development of the economy of Kazakhstan and to develop scientific and practical recommendations on the regulation of self-employment in the modern economy.

Research objectives.

1.   consider the content of the concept of self-employment by studying the trends and patterns of development of self-employment of the population and give a refined author's explanation of the concept of self-employment;

2.   consider international experience in the mechanism of state regulation of self-employment in the economy;

3.   assessment of the dynamics of population development in the Republic of Kazakhstan by analyzing the specifics and current state of self-employment;

4.   build a model reflecting the impact of the size of the self-employed population on the growth rate of gross domestic product, analyzing the economic and legal status of the population in the self-employment category;

5.   development of proposals on directions and ways to stimulate the development of self-employment of the population in the formation of a flexible labor market in the Republic of Kazakhstan based on the results of the study.

The object of the study. The object of the study is the self-employed population in the Republic of Kazakhstan.

The subject of the study. Formation and development of self-employment of the population in the modern economy of Kazakhstan and the system of its socio-economic relations in the development of the national economy.

Theoretical and methodological basis of the study. The thesis uses general scientific methods used in economic research: scientific abstraction, synthesis, classification, observation, comparison, bibliometric research, statistical analysis, comparative analysis; structural analysis: qualitative and quantitative methods, meta-analysis methods are used. Qualitative analysis was carried out using questionnaires, accurate data were obtained and analyzed, and quantitative data were analyzed using economic and mathematical tools. In data processing by means of the MS Excel program, as well as interactive statistical analysis tools of the OECD, ILO, analytical-information-analytical system (taldau.stat.gov.kz), and also used the EViews software package, one of the most widely used data processing programs at present.

The scientific novelty of the research:

1)   To reveal the economic essence of self-employment, the author's explanation is given and the factors for the formation of self-employment as reforms in the labor market are identified (the emergence of standard, non-standard forms of employment, flexibilization of employment), changes in the needs of the employer (interest in receiving individual income, staff reduction at the enterprise, search for ways to reduce tax burden), changing employee needs (desire for flexible working conditions, seeking equality between personal life and work, desire to keep one's income under control), economic crisis, sanctions, pandemic (increasing unemployment, declining incomes, reducing working hours, reducing social

payments, growth of electronic services, growth of remote work), the desire to open one's own business, etc. (independence, the desire for economic freedom, etc.);

2) to determine the impact of self-employment on the development of the national economy, the world experience of the state mechanism for regulating the self-employed was analyzed, including in OECD countries (mainly the experience of the USA), EU, UK and developing countries, and the current state of self-employment in Kazakhstan and its development trends were considered based on statistical analysis;

3) the role of self-employment in the development of the national economy was determined and, based on modeling, the influence of the self-employed population on GDP growth rates was assessed by constructing several regression models;

4) the stages of formation of the system of state regulation of the sphere of self-employment in Kazakhstan were studied and supplemented; based on an analysis of the formation and structure of self-employment in the country, the characteristics and specific application of the concepts of freelancer, individual entrepreneur, self-employment were identified, a scenario for the development of the self-employed population in the country was developed;

5) the features of economic and legal regulation of the self-employed population in the Republic of Kazakhstan were identified and recommendations were developed to encourage the self-employed to open their own business and create maximum conditions for the development of small businesses, because self-employment is a prerequisite for the development of small business in the Republic of Kazakhstan, which is facilitated by measures to improve the priority areas of formalization of the self-employed population, identifying productive groups of self-employed and establishing work to stimulate employment, adapting the self-employed to running small businesses with the Bastau Business project in the country.

Key points submitted to the defense of the thesis:

- The author's interpretation of the economic essence of self-employment is substantiated and presented, clarifying the social status of the self-employed population and determining that it is a prerequisite for the development of private entrepreneurship: "Self-employment as an economic category is the income of people in the formal or informal sector on the basis of economic freedom and choice, being a flexible form of employment in the labor market determining factor in the development of private entrepreneurship, doing something useful for himself and useful for public demand";

- The stages of state regulation of self-employment of the population in the Republic of Kazakhstan are defined and clarified and the mechanism of the ESP is analyzed with the identification of mechanisms of state regulation of employment in the informal sector of the country's economy;

- Based on the regression analysis of panel data, the relationship between the country's GDP and self-employment of the population has been revealed to assess the impact of self-employment of the population on the development of the national economy;

- Scenarios for the development of self-employment of the Republic of Kazakhstan have been developed and within the framework of which the characteristics of the concepts of freelancer, individual entrepreneur, self-employment have been clarified, and it has also been proposed to recognize self-employment as small entrepreneurship, proving that the development of private entrepreneurship can become the basis for reducing the unemployment rate in the country;

- As a result of a survey of self-employed persons in the country, proposals were developed to improve the mechanism of state regulation of the self-employed by determining the role and share of the self-employed in the modern economy.

Theoretical and practical significance of the research results. The author's interpretation of self-employment, the definition of self-employment functions, the definition of the characteristics of the concepts of freelancer, individual entrepreneur, self-employment, is a contribution to the development of the theoretical basis for further study of the problem of self-employment of the population. The results obtained during the study were introduced into the work experience of the Almaty Employment Center and Damu Entrepreneurship Development Fund JSC.

Approbation of research results. The approbation of the dissertation work was carried out at all stages of the study. The dissertation was tested in 2019 at a scientific and methodological seminar at the Higher School of Economics and Business of Al-Farabi Kazakh National University and in 2022 at scientific seminars at the Department of Economics. The author's certificate for a scientific article in the journal included in the international database Scopus was obtained.

21 scientific papers have been published on the topic of the dissertation, including in a journal included in the Scopus database - 2, in a journal approved by the control committee in the field of education and science of the Ministry of Education and Science of the Republic of Kazakhstan - 7, a collection of materials from an international conference in the journal Proceding in the Scopus database -2, in the materials of the International Conference – 9, in the collective monograph "Creative Economy: New Chances for Development" (2020) – 1. Hirschi Index – 2.

The structure and scope of the thesis. The dissertation consists of the content, normative references, definitions, designations and abbreviations, introduction, three chapters, conclusion, references and appendices.

The volume of the dissertation research is 163 pages of typewritten text, including 35 tables and 42 figures. The list of sources used includes 197 items.