

Khodzhaev S. D.

Dynamics of the Formation of Entrepreneurship among Youth in the Context of Modernization of Society in Uzbekistan

Ходжаев С. Д. Динамика формирования предпринимательства среди молодежи в контексте модернизации общества в Узбекистане

Today, youth entrepreneurship is one of the most promising areas for the development of the state's economy, which is actually the potential for its growth. Scientific and government circles of any state are interested in the development of youth entrepreneurship. The author of this article has considered and sociologically analyzed the problems of the functioning of youth entrepreneurship in Uzbekistan. The article argues that it is precisely the joint actions of the government and academia that can increase entrepreneurial activity among the youth. Youth entrepreneurship is a turbulent social process that has not yet reached a stabilization phase and requires special attention from the government, forming the backbone of the middle class. The development of youth entrepreneurship is a very important social process and science needs, first of all, to trace its internal development, since the integration of the youth group has not been comprehensively studied, and this is a completely new object of social research.

Keywords: youth entrepreneurship, modernization, dynamics, development factors, motivation factors, creativity, network culture.

Contact Details: 9 Husnobad Str., Angren, Tashkent Province, 702506, Uzbekistan; +9 (989) 77659915, +9 (989) 09488239; e-mail: nigoradjurayeva@mail.ru.

Сегодня предпринимательство среди молодежи признано одним из наиболее перспективных направлений развития экономики государства и является фактически потенциалом ее роста. Научные и правительственные круги любого государства заинтересованы в развитии молодежного предпринимательства. В настоящей статье рассмотрены и проанализированы проблемы функционирования молодежного предпринимательства в Узбекистане. Аргументируется положение о том, что именно совместные действия правительства и научного сообщества могут повысить предпринимательскую активность в молодежной среде. Молодежное предпринимательство — это бурный социальный процесс, который еще не достиг стадии стабилизации и требует особого внимания со стороны правительства, формирующего костяк среднего класса. Развитие молодежного предпринимательства служит очень важным социальным процессом, и науке необходимо проследить его внутреннее развитие, поскольку интеграция молодежной группы не изучена всесторонне. Это — новый объект социальных исследований.

Ключевые слова: молодежное предпринимательство, модернизация, динамика, факторы развития, факторы мотивации, креативность, сетевая культура.

Контактные данные: 702506, Узбекистан, Ташкентская область, г. Ангрен, ул. Хуснобад, д. 9; +9 (989) 77659915, +9 (989) 09488239; e-mail: nigoradjurayeva@mail.ru.

Ходжаев Собир Джумаевич — главный специалист информационно-аналитического отдела Института проблем молодежи и подготовки перспективных кадров при Академии государственного управления при Президенте Республики Узбекистан; научный исследователь Национального университета Узбекистана имени Мирзо Улугбека, г. Ташкент.

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Youth is the most important strategic resource of every state and society, it is today's and tomorrow's perspective development of Uzbekistan. In the Republic of Uzbekistan, 60 percent of the population is youth, which has a huge creative and intellectual potential. Moreover, it is young people who are able to bring modern Uzbekistan to a completely new level of development. It should be noted that the development and support of youth entrepreneurship is aimed at creating the necessary socio-economic, political and legal, organizational conditions for the protection of rights, support, the formation and development of youth, the realization of its creative potential in the interests of the development of society. Today, on the initiative of the Head of the Republic of Uzbekistan Shavkat Mirziyoyev, the Concept for the Development of Youth Entrepreneurship in Uzbekistan has been developed and is operating in the country.

Youth entrepreneurship in Uzbekistan has become that social stratum that performs a supporting function in the processes of social modernization: around it and in connection with its formation, other elements of society are organized, other classes and strata are created, a certain way of life and social aspirations are formed. After all, today's market transformation brings to the fore the social interactions of an active economic entity whose activities are aimed at enrichment through the effective satisfaction of social needs. The entrepreneur creates the production of goods and services, performing an active organizational function, he by his activities combines the resources of living human labor with material resources and produces a variety of products that are in demand in the sphere of consumption. Since the activity of entrepreneurs is by definition risky, moreover, it is competitive, they must be flexible in mastering new things and quickly introduce their own innovations.

Youth entrepreneurship is a turbulent social process that has not yet reached a stabilization phase and requires special attention from the government, forming the backbone of the middle class. The development of youth entrepreneurship is a very important social process and science needs, first of all, to trace its internal development, since the integration of the youth group has not been comprehensively studied, and this is a completely new object of social research. It is important to consider the formation of a layer of young entrepreneurs and the formation of its subjectivity in the social structure, as well as to analyze the processes of institutionalization of social practices and the legitimization of relations between youth entrepreneurship. The task of modern sociological science is also to describe the characteristics of subcultural statements of youth entrepreneurship and their relationship with the social identification of representatives of this social stratum. Moreover, it is important to identify the stages and characterize the forms of consolidation of young entrepreneurs during the formation of the social stratum [1].

The author tried to show that the formation of a new entrepreneurial culture in the person of young people in Uzbekistan is characterized by a number of features: entrepreneurial culture is not based on a religious context, its value legitimization is carried out with a delay in relation to the formal legalization of practices, cultural repression of society in relation to entrepreneurship is ambivalent, which makes entrepreneurial a subculture that is fundamentally sensitive to the impulses of government intervention and the intentions of regulatory practices. It should be especially noted that representatives of a new layer of entrepreneurship — young people — have such personal qualities as the sharpness of vision, the ability to go forward alone, walk the unbeaten path, the ability to lead and influence others, the gift of foresight.

Since entrepreneurship is focused on achieving success, it cannot be achieved in the absence of meaning in the life of a modern entrepreneur. In this regard, it is necessary to analyze the problem of the meaning of life of a modern entrepreneur

in order to understand its significance in the competitive struggle as one of the subjects of entrepreneurial activity. Of interest is the emotional, sensory aspect of the cultural foundations of entrepreneurial competitiveness in a modernizing society. In this case, we are talking about a neuropsychiatric culture - a culture of experiences, which is no less important for a person than scientific knowledge [2].

The study of entrepreneurship in an information society with its "network culture" [3] should take into account the feelings and emotions of the entrepreneur. The virtual culture of entrepreneurship, which is so popular among young people today, is known to be composed of many cultures, it changes at the same rate as the participants in the network, follows the same organizational and cultural modernization of the units of the network. It is an ephemeral, multifaceted, virtual culture. Modern youth entrepreneurship is due to the development of modern society and entrepreneurial knowledge built on computer and telecommunication nanotechnologies, which has led to the dominance of the network structure in the relationship of modern entrepreneurs. It is from the perspective of the network theory that one can explain the phenomenon that entrepreneurship is a relatively stable structure.

In sociological science, classical approaches to the phenomenon of youth entrepreneurship as a social action and social interest of a person and society are reflected in the works of D. Alexander, M. Weber, T. Hobbes, R. Dahrendorf, E. Durkheim, T. Par-sons, R. Pareto, N. Smelzer, A. Smith. A significant contribution to the development of the theory of entrepreneurship among young people was made by such modern foreign researchers as F. Walker, I. Schumpeter, F. von Hayek, P. Drucker.

The empirical base of the sociological research was formed by data from public opinion monitoring, the results of regional empirical studies of entrepreneurship development in 2019. Youth entrepreneurship as a factor of modernization is a driving force, reason, an essential circumstance of the transformation process, modernization in general. Modernization as renewal, improvement and restructuring requires appropriate approaches to entrepreneurship as a factor in development. In this aspect, the role of youth entrepreneurship in our country is growing immeasurably.

In October 2019, the author of the article conducted a sociological survey in all regions of the country to study entrepreneurial activity, the environment and current problems in this area among young people, including trends in the development of entrepreneurship among young people, factors leading to development, and vice versa.

In the course of the study, using the questionnaire method, the survey was conducted among young people engaged in entrepreneurial activity. A total of 1200 respondents took part in the survey based on quotas based on regional and age indicators as survey criteria (table 1).

Table 1

Territorial distribution of respondents

№	Regions	Number of business enterprises and organizations	%	Number of respondents
1	Tashkent	77328	21,12	252
2	Tashkent region	34206	9,34	112
3	Fergana region	33181	9,06	108
4	Andijan region	30307	8,28	99
5	Samarkand region	29018	7,92	95
6	Namangan region	24170	6,60	79

№	Regions	Number of business enterprises and organizations	%	Number of respondents
7	Kashkadarya region	23611	6,45	77
8	Bukhara region	21237	5,80	69
9	Surkhandarya region	17494	4,78	57
10	Republic of Karakalpakstan	17391	4,75	56
11	Khorezm region	17194	4,70	56
12	Jizzakh region	16167	4,42	53
13	Navoi region	13335	3,64	45
14	Sirdarya region	11542	3,15	38
Total		366181	100	1196

As can be seen from the table, the principle of representativeness was fully applied in the study. 75.4 % of the respondents were men and 24.6 % were women (figure 1).

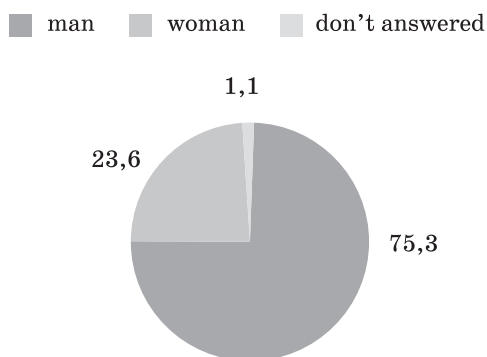


Figure 1. Gender of respondents, %

In addition, 34.1 % of respondents were young people with higher education, 33.5 % with specialized secondary education, 20.1 % with incomplete higher education, that is, students, 8.5 % with secondary education and 1 % with incomplete secondary education. 2.4 % of young people did not answer this question (figure 2).

The average age of young people in the study was 22, and 57 % of them were privately owned. 21% work in organizations and enterprises in the field of state ownership, 17 % — in leased property and 7 % — in joint ownership.

Analysis of the data showed that motivation for most young people doing business is an economic factor. Almost 55 % of respondents (the desire to be financially independent, to earn more money, to improve living standards, to ensure the well-being of their families and relatives) said that it was the economic issue that prompted them to start entrepreneurship, and 10.7 % — to solve some social problems in society. 6.8 % of young people said that entrepreneurial activity gives them the opportunity to rise to a higher position (table 2).

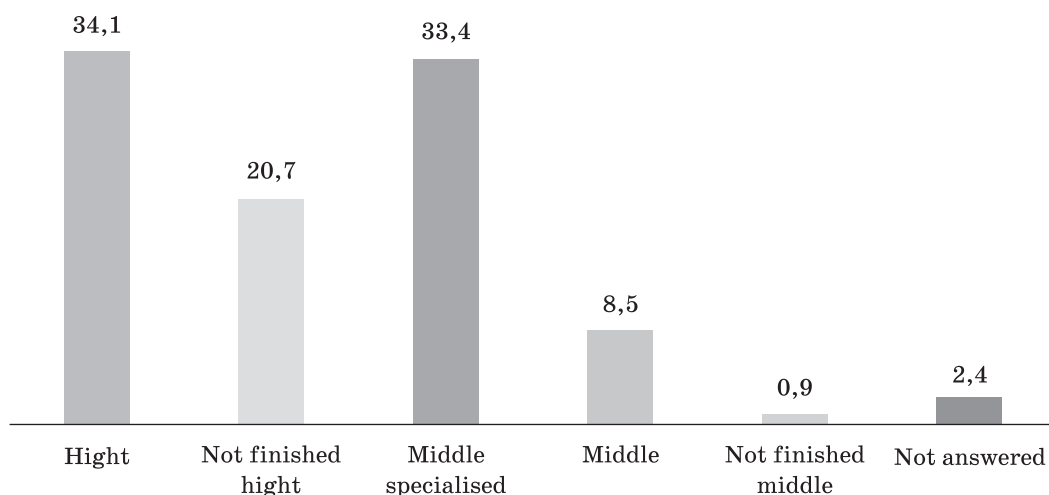


Figure 2. The level of education of respondents, %

Table 2

Factors motivating to engage in entrepreneurial activity

№	Factors motivating to engage in entrepreneurial activity	%
1	The desire not to be financially dependent on anyone	28,6
2	Making more money, improving living standards	14
3	Raising the material well-being of my family, relatives	12,3
4	Demonstrating personal qualities	5,7
5	Working with highly qualified colleagues	6
6	Employ professional skills	5,2
7	Creating the conditions for a high career	4,2
8	Reputation is the achievement of a career	2,6
9	Contribute to solving problems in society	10,7
10	Work without much effort	2,2
11	Doing fun work	7
12	Because I can't go to university	1,7
Total		100

Socio-political, socio-economic, legal in business and the formation of an entrepreneurial stratum and professional factors play an important role. Therefore, the survey “What factors are important for the development of entrepreneurship?” Analysis of answers to the question: social, economic and political stability in the country (90 %), economic freedom (75.2 %), modern technologies (73.6 %), the Law “On the support of entrepreneurship” and existing regulations (72.3 %).

At the same time, innovation (introduction of innovations) (69.6 %), access to preferential loans (64.5 %), availability of initial capital (65.4 %), stability of the national currency (62.1 %) such factors as 60–70 %.

It is noteworthy that 1/3 of the respondents said that the presence of relatives, friends or acquaintances among young entrepreneurs — authorities, regulators and tax authorities — does not matter when doing business. The low level of protectionism for young entrepreneurs can be explained by their age and the change of a new generation (table 3).

Table 3

**Important/unimportant factors that contribute to the development
of entrepreneurial activity**

№	Important factors that contribute to the development of entrepreneurial activity	Important, %	Not important, %
1	Social, economic and political stability in the country	90	9,9
2	Stability of the national currency	62,1	37,7
3	Existence of laws and regulations on business support	72,3	27,6
4	Activities of relatives, friends or acquaintances in government, control and tax authorities	35,7	64,2
5	Availability of initial capital	65,4	34,5
6	Economic freedom	75,2	24,7
7	Innovation	69,6	30,3
8	Get a soft loan	64,5	35,4
9	Modern technologies	73,6	26,3

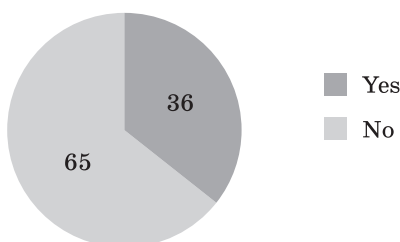


Figure 4. The level of use of loans from the Fund "Youth Future", %

Analyzing these results by region, the largest users of loans from the Our Future Fund are located in Fergana (89.5 %), Navoi (80.0 %) and 50–55 % of young people in Andijan and Syrdarya regions, and the least used are in Kashkadarya. (3.4 %), Khorezm (10 %), Surkhandarya (17.2 %) regions and Tashkent (17.2 %).

When asked why they do not use the Fund's loans, 50 % of the respondents answered: "I don't need a loan". 30.5 % of young people "approved the project, but the local authorities and banks are slowing down", another 19.6 % of loans fall on corruption and acquaintance. Entrepreneurs in the Andijan region (44.1 %), as well as young entrepreneurs in Fergana (75 %), Syrdarya (52 %), Samarkand (46.7 %), who believe that corruption and dating play a key role in the regions. Surkhandarya (44 %), Tashkent (44 %) regions and the city of Tashkent (50 %).

Based on the foregoing, overcoming the problems associated with the activities of young entrepreneurs and entrepreneurship and the following proposals will be put forward to develop the entrepreneurial sector and increase its efficiency:

- assistance in identifying and practically eliminating urgent problems that hinder the activities of the Youth Union of Uzbekistan by developing specific mechanisms for constant monitoring of the state of youth entrepreneurship in order to systematize work on youth employment in the regions;
- Identify and take measures to eliminate the difficulties faced by local authorities and banks in obtaining loans for young entrepreneurs who have approved a business project for obtaining concessional loans from the Our Future Fund, but also pay special attention to ensuring transparency in the provision of concessional loans;
- Introduce the practice of creating conditions for entrepreneurs who received loans from the Our Young Future Fund, to employ only unemployed or low-income youth;
- creation of a state program that provides comprehensive support to young entrepreneurs and entrepreneurs in the regions, clearly identifies opportunities for the development of their business, taxation, lending and investment;
- View the system to simplify the process of applying for a loan for young entrepreneurs by the Civil Service Agency;
- Consideration of the introduction of “legal advice” for young entrepreneurs [4];
- introduction of special courses on the formation of entrepreneurial skills in general education schools, academic lyceums, professional colleges and universities;
- Today, taking into account the priorities of the economic sector, entrepreneurship, development of small and medium-sized businesses, entrepreneurship training courses throughout the country, depending on the specifics of each region [5];
- organization of special training with the involvement of mature specialists.

At the beginning of the XXI century modernization as a socio-economic phenomenon has a significant impact on the development of various societies of the modern world, including the development of youth entrepreneurship in Uzbekistan. At present, the modern world is in a state of global modernization, affecting almost all spheres of society, including entrepreneurship among the younger generation. Modernization is closely related to the rapid development of the latest technologies - they underlie the emerging professional base of information and entrepreneurial labor, communication, and cognition [6]. Thus, it is important to emphasize that today's entrepreneurship depends on a creative approach to entrepreneurial work, which depends on a fresh outlook on the life and business of the younger generation. Entrepreneurship must be proactive in relation to the current state of affairs, must have creative potential. The knowledge, skills, competence of young people determine to a large extent the competitiveness of various business entities.

The creative entrepreneurial activity of an individual can be interpreted as a kind of cooperation of human entrepreneurial properties, producing new objectivity and qualities. It is precisely this kind of cooperation, which underlies business and entrepreneurial competitiveness, is inextricably linked with the cooperation of entrepreneurial labor as an integral system with its growing informatization and intellectualization.

To solve the problem of the development of youth entrepreneurship, the state should involve civil society institutions, public and non-profit organizations, and entrepreneurs themselves [7]. At the same time, it is important to understand that

young people should be a direct participant in the solution of regional problems and should not be exclusively in the role of an object of education, training and socialization [8]. These measures, in our opinion, will contribute to the development of youth entrepreneurship, creating comfortable conditions for this. The state, in turn, can initiate the mass attraction of young people into entrepreneurial activity [9].

The analysis of the views on the more effective development of entrepreneurship in the country shows that “strengthening the fight against corruption” [10] (24.7 %), further strengthening the legal framework for entrepreneurship (22.7 %), eliminating monopolies and creating equal opportunities for competition (13.7 %) and the need to pay more attention to the legal and economic aspects of entrepreneurship, such as government support and continuation of lending to young entrepreneurs (13.4 %). At the same time, the responses showed that the reforms being implemented by the government to eliminate artificial barriers to business development (regulation of regulatory bodies, tax burden and bureaucratic barriers) are bearing fruit.

In order to remove the fundamental contradictions of the existing socio-economic system, Uzbekistan needs a new level of modernization and development of entrepreneurship as its essential form of functioning and development. This stage on the way to modernization and development of the economic sphere of society has become the Action Strategy, which has been carried out in our state for the fourth year already:

- as a guarantee of successful business, firstly — knowledge (20 %), luck (19 %), funds (capital) (17 %), action (16 %), secondly — economic freedom (8 %), government support (7 %) Factors such as parental, relative support (6 %), familiarity (3 %) and innate ability (3 %) are considered important for young entrepreneurs today;
- 31 % of young entrepreneurs are entrepreneurs at the same time and works in the public sector, including work experience (24 %), lack of confidence in the future of entrepreneurship (20 %) and the goal of social protection in the event of business failure (16 %);
- Today, young entrepreneurs are willing to work in the public sector (53 %), think about the issue (30 %) and do not need to work in the public sector in any case (17 %), if the conditions for full activity in the public sector are created;
- in case of crisis of business activity young entrepreneurs (50 %) said they would engage in other activities and would go abroad (10 %) in such a situation. Also, 17 % of them approve of the transition to the public sector, while 27 % do not have a clear idea;
- Today, the main characteristics of young entrepreneurs — a good knowledge of their profession and field (81 %), the desire to make a profit in any way (76 %), economic freedom (72 %), competitiveness (71 %), honest, conscientious, being religious (71 %), taking risks and taking responsibility (69 %), being faithful, pious (63 %) and being innovative (60 %) play an important role;
- Among young entrepreneurs, tourism (17 %), training centers (16 %), agriculture (13 %), fisheries (10 %) are among the priorities and the restaurant business is important;
- To date, 36 % of young entrepreneurs are actively using soft loans provided by the Fund “Our Youth Future” [11], and 64 % have not used these opportunities;
- Young people who do not use the soft loans of the Fund “Youth Future” (50 %) do not need a loan, some have a approved business project, but there are difficulties in financing (30 %), others have access to credit due to corruption and acquaintanceship. not (20 %);

- Most of the young people living in Andijan region (44 %), whose projects have been implemented but have not yet been financed, said that corruption and acquaintances play an important role in obtaining loans from the Fund “Our Future” Fergana (75 %), Sirdarayo (52 %), Samarkand (47 %), Surkhandarya (44 %), Tashkent (44 %) regions and the city of Tashkent (50 %);
- Today, the factors hindering the effectiveness of young entrepreneurs are corruption, bribery, acquaintanceship (72 %), sluggish approach to economic policy (70 %), violations of business real estate (67 %), the relevant law, non-implementation of legal norms and guarantees (66 %), unreasonable interference in business activities (66 %), abuse of office of local leaders (65 %) and violation of the principle of social justice (64 %);
- Young entrepreneurs, today in the further development of entrepreneurship strengthening anti-corruption measures (25 %), further strengthening the legal framework for entrepreneurship (23 %), the elimination of monopolies and equal opportunities for competition (14 %) and government loans to young entrepreneurs support for giving and its continuation (13 %) are considered important.

Despite the fact that youth entrepreneurship is a rather complex sector of socio-economic reality, it also requires close attention from all government agencies. After all, correct, targeted support for the development of youth entrepreneurship will ensure the development of small and medium-sized businesses in the country, which, in turn, will lead to socio-economic growth, to increase the investment attractiveness of Uzbekistan.

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