



SOCIOLOGICAL CLASSIFICATION AND FACTORS OF ENTREPRENEURSHIP SUPPORT IN INTERNATIONAL PRACTICE

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Annotation: The article analyzes the sociological factors of supporting entrepreneurial activity in developed countries of the world. The author investigated the socioeconomic trends of entrepreneurship in the United States, Japan and Germany in the context of objective reasons for government support for entrepreneurship, opportunities created by them, and ongoing reforms. It also outlines the factors that contribute to the well-being of the developed countries as a result of the development of entrepreneurship worldwide in the 70-80s of the 20th century.

In the article, the author also focuses on the activities and directions of institutions established in each of the developed countries to support government business. For example, it provided these institutions with information about the establishment of the Small Business Administration in the United States, its powers, its regional offices, and its functions, as well as its funding.

In addition, there is a system of state support for entrepreneurship in Japan, which is managed by the Chamber of Commerce and Industry. Chamber of Commerce and Industry has been established in prefectures and it has different powers as an independent organization. The prefecture departments provide small loans to small and medium-sized businesses, providing them with entrepreneurial knowledge and consulting.

In addition, in Japan, except for the Chamber of Commerce and Industry, state support programs for entrepreneurial activity and the amount of money they have are made available through accurate statistics.

In the article, the author achieves welfare in the post-World War II community as a result of supporting small and medium-sized businesses in Germany. This is due to the high efficiency of small and medium-sized businesses in Germany compared to the US and Japan. For this reason, it has provided support for entrepreneurship at all levels of the state.

In general, the author demonstrates that state support programs for entrepreneurial activity in developed countries support science-intensive industries and thus prioritize the social and economic well-being of society.

Keywords: Entrepreneurship, Social Change, Employment, Technological Development, Competition, State Program, Small Business, Small and Medium Enterprises,



Society, Material Need, Social Need, “Small Business Administration”, Social Development, Innovative Entrepreneurship, Trade and Industry chamber, prefecture.

Introduction

By the middle of the twentieth century, important social changes took place in the world community. These changes have directly contributed to the development of society and the provision of decent living conditions for the population. The level of development in the world community can be seen in the example of direct attention given to entrepreneurial activity in developed countries of the world, because entrepreneurship acts as a mechanism for the development of any society. For this reason, the support of entrepreneurship in all developed countries is an independent component of public policy. Structural restructuring of the economy, growth of the services sector, employment growth, technological development and normal competition are important factors for the development of entrepreneurship. In many countries, specialized bodies have been set up to regulate business development. As international experience shows, entrepreneurship activity in the formation of market relations is one of the areas in need of state support. This is because this type of activity helps to solve the problems that may arise in society, that is, to meet the material and social needs of the community members. Therefore, the governments of the developed countries play an important role in the development of entrepreneurial activity in the economy of the country.

History

The United States is also one of the first countries to support state-owned businesses. Because in some developed countries the state programs to support entrepreneurship have just begun to be developed, and in 1932 the state program for supporting entrepreneurship was developed. In particular, during World War II, subsidizing entrepreneurs (small businesses) became important. As a result, entrepreneurs helped solve one of the most important social problems in the country. That is, the business entities created new jobs.

Strong technical and economic successes in the post-World War II years have helped Japan to become one of the leading countries in the world. This was achieved as a result of strong government support for entrepreneurial activities. In the promotion of entrepreneurship in Japan to the leading positions in the world, first of all, the establishment of an institutional framework for regulating their activities. For example: In 1948, a small business organization was established as the central government body responsible for supporting entrepreneurial activity in the country, and a network of state financial institutions providing preferential loans for the development of small businesses was established. As a result, in the 1950s, more than 3 million businesses were created in Japan [2].

Research shows that the rapid growth of entrepreneurship in developed countries dates back to the 70s and early 1990s. Support for entrepreneurship is also present in the experience of the world's leading countries, which can be seen in the case of Japan, USA, UK, Germany and other countries. In today's globalized world, the share of entrepreneurial activity is 70-90%



of the total number of businesses. For example, this figure is 53% of the US population and 71.7% in Japan. Japan is the leader in terms of state support for entrepreneurship.

Purpose

Therefore, the aim of the study is to analyze the sociological factors of the experience of advanced foreign countries in support of entrepreneurial activity. In many countries of the world, property relations are organized, which is directly related to entrepreneurial activity.

Function

World experience shows that the relevance of studying sociological factors in government support for entrepreneurial activity is characterized by a number of objective reasons. First, the fact that entrepreneurial activity plays an important role in the development of world countries encourages its study. Second, the results of the study provide a theoretical and practical basis for the development of entrepreneurship in developing countries. Thirdly, the sociological analysis of the support of entrepreneurship abroad in the framework of the research will identify promising directions of the socio-economic processes in Uzbekistan through the support of entrepreneurial activity during the ongoing reforms in the country.

Results

By the second half of the twentieth century, the United States had a strong emphasis on state support for entrepreneurship and its institutional framework was established. In 1953, a separate business support structure was established in the United States in order to implement and oversee the institutional framework for entrepreneurship, also known as the Small Business Administration. This organization has a well-established system of support, financing and lending to the private sector. The Small Business Administration has a 45 billion budget to support small businesses. It also has an additional 5 billion for disaster-affected businesses [4].

In addition to supporting the business community, the American government allocates 60-70 billion annually to finance and stimulate small businesses [5]. All of these funds will contribute to the social development of small businesses.

Currently, more than 90 regional and territorial administrations have been established, with the main goal of immediate resolution of any problems that arise with the private sector. As this administration's offices are located in large cities, the policy of supporting small businesses applies not only to the economic centers of the United States but also to other states. This will ensure that government support for entrepreneurial activity is consistent across the country. This is because the administration of small businesses collects extensive economic information about small businesses and is used by Congress annually to analyze the performance of small businesses in the country. There are between 40 and 50 administrative staff in each state's Small Business Administration departments. Small Business Administration Offices are available in almost all major cities, and this is how small business support policies are implemented in all US states. Today, the Federal Agency for Small Business Administration employs over 4,500 people. In particular, there are more than ten regional offices in Washington.



The main objectives of small business administration are:

- consulting services to small businesses;
- providing various types of business loans and obtaining them help;
- support of small business through technical innovations and information transfer;
- Provision of credit guarantees for small businesses;
- subsidizing and crediting of small business from the budget of this organization;
- contracting with large enterprises and government contracts Assistance in obtaining.

The first small business law in the United States was passed in 1953, after which numerous laws and regulations were adopted. These laws, along with the protection of the rights of private sector representatives, also show their role in the development of the country. For example, the Small Business Act of 1953 states that an economy based on private entrepreneurship and free competition, and the welfare and security of the country, cannot exist without a well-developed small business sector.

As a result, at the beginning of the 21st century, 55% of employed in the country accounted for small businesses. In 2003, the share of small businesses in total employment was 50.1%, and the share of small enterprises in the total volume of enterprises was 97.6%. In 2003, there were 22.9 million small businesses in the country, of which 231,000 were exported. By 2011, there were about 27 million small businesses in the United States, with 1,162 small businesses registered in each large enterprise [7].

It is clear that in the US, with a special emphasis on state support for small businesses, society promotes social development, that is, the welfare of the population. To this end, the US Government has developed more than 60 government support programs for small and medium-sized businesses. These programs, in addition to the newly established small businesses, also provide free assistance to entrepreneurs who innovate. This, along with increased self-confidence, is also an important factor in the socialization of the entrepreneur.

Today, the benefits of supporting entrepreneurship in Japan are close to the United States and their role in society's development is primarily determined by the low employment and low unemployment rates.

In Japan, a number of regulations have been adopted to establish the institutional basis for the legal status of entrepreneurial activity. These are governed by the system of special laws on the status of small businesses and the benefits provided to them, as well as the provisions for small businesses under the tax, foreign trade and industry laws.

In particular, in 1963 the Basic Law "On Small and Medium-sized Enterprises" and the Law "On Accelerating Modernization of Small and Medium Enterprises" were adopted. These laws have given impetus to the development of Japanese small business.



It also provides support for small and medium-sized businesses in the country, not only by the state, but also by the administrative prefecture¹, the chambers of commerce and industry, and the local foreign trade and industry departments. This will ensure equal government support to all levels of business activities in the country.

The Chamber of Commerce and Industry employs 200 people in the central office and provides state support. The Chamber's prefectures will be further expanded by adding more staff. In Osaka Prefecture, for example, the total number of employees is 600.

In Japan, the Chamber of Commerce and Industry is making a significant contribution to the improvement of SME management. At present, there are 3,300 sub-divisions of this chamber in Japan. In these units, entrepreneurs are regularly offered free consulting advice. These processes are funded from the state budget. For example, as of 1990, there were about 5.7 million registered consultations in the country [8]. The consultations mainly focused on finance, tax payments, accounting, as well as labor and trade operations. In the chambers of commerce there are accountants-instructors, who organize courses for keeping current records, balancing the computer.

Japan has also introduced state programs to actively support small and medium-sized businesses. For example, in 2003, 23 state programs provided comprehensive support to small businesses. These programs are aimed at stabilizing small businesses, introducing innovations and upgrading small businesses. As a result, small and medium-sized businesses in Japan have become world leaders. This is a huge expense in Japan through government support programs. For example, in 2002, 266 trillion yen was allocated for similar assistance through government programs, which were mainly aimed at implementing the following measures:

- improving the system of flexible (fast flexible) management of the economy;
- Strengthening and supporting innovative activities;
- development and strengthening of economic security system for small enterprises;
- improving working conditions and social security in small businesses;
- write-off of bad debts;
- increasing the mobility of labor resources in the service sector;
- facilitating the use of financial resources and equity capital;
- Increasing the interaction of small businesses development and support system.

Such measures based on government programs have had a positive impact on the development of small and medium enterprises. The programs being adopted in the country first of all take into account the national mentality of the Japanese nation and, as a result, the process of socialization of entrepreneurs. In addition, on the basis of implemented programs, the minds of entrepreneurs are shaped by the spirit of national patriotism, the desire to innovate, and to

¹ The prefecture is an administrative territorial unit. In Japan, local government offices also exist, thanks to the administrative-territorial division to assist the public administration.



serve the public interest. This is evidenced by the fact that small and medium-sized businesses in Japan are leading the world.

Germany is among the most advanced countries after World War II. Thanks to the state support for entrepreneurship in Germany small businesses have many opportunities. This allowed small businesses to gain a foothold in the development of society. As a result, the efficiency of small and medium-sized businesses in Germany has risen above the USA and Japan, and the country has emerged as one of the fastest growing sectors of the society. Therefore, business support is provided at all levels of the state.

Development assistance programs for small businesses in Germany, as in a number of developed countries, have been prioritized to support science-intensive industries.

Concessional lending to small businesses by the state includes the following areas:

- lending to small and medium enterprises focused on innovation;
- Crediting projects aimed at preserving and improving favorable environmental conditions related to environmental protection;
- Lending to small businesses engaged in the development of backward economic zones in Germany;
- Crediting businesses engaged in housing construction and problem solving;
- project financing of enterprises operating in certain sectors that need to be radically modernized.

The crediting system is based on special state programs. The main programs of small and medium business development in Germany are:

- The Concept of Development of Scientific and Technical Policy for Small and Medium-sized Enterprises;
- Saving Savings Initiatives Program.

The first program provides small business financing in Germany, while the second program provides start-up projects to the general public who are trying to start their own business. A special government body, the Credit Recovery Council, which reports directly to the federal government, is called upon to oversee the implementation of the aforementioned programs and to provide mechanisms for their implementation.

Under federal programs, business loans are granted on favorable terms. These terms provide for low interest rates (5-8%) and long-term loans (5-15 years). In addition, each state program implemented in Germany provides the basis for the support of entrepreneurial personality and their worthy participation in the development of society. This is because in order to support entrepreneurship in the country, special attention is paid to family business. These enterprises account for about 41% of all taxes to the state treasury [10]. In turn, this figure indicates the importance of small businesses created by family businesses.

Summary

From the foregoing we can state that each country has a goal to support entrepreneurship. After all, entrepreneurship is not only one of the most important tools for



social change in every society, but also plays an important role in meeting the social needs of the population. This can be attributed to the employment, intellectual activity of the population, that is, the creation and implementation of innovative ideas. For this reason, entrepreneurial activity is seen as a social phenomenon as an element of the social structure of society. In particular, small and medium-sized businesses, on the one hand, are quick to respond to changes in society, and on the other hand, the ability to quickly compensate for the harm inflicted by this sector determines its place in society.

By the second half of the 20th century, important changes were made in the world community. These changes have had a positive impact on the development of entrepreneurship. Because by that time advanced mechanisms of state support of entrepreneurial activity in developed countries of the world have been developed. As a result, there has been a dramatic change in the economies of countries that have supported entrepreneurship through targeted government programs. This is evidenced by the gross national income of the countries that support businesses and the greater employment of the population.

In addition, the development of entrepreneurship in developed countries is directly related to the development of science and technology. This is because, in the US, Japan, Germany and other countries, direct support for entrepreneurial activities is based on innovative innovations. We can show the introduction of soft loans and taxes. While these benefits to an entrepreneur help him to determine his or her status in society, on the other hand, it can accelerate the socialization process. The faster the process of socialization of a person, the easier its adaptation in society.

Based on the above conclusions, it is necessary to make the following suggestions and considerations on studying the state support of small business and private entrepreneurship in foreign countries.

1. In the context of Uzbekistan, it is desirable to use the experience of these countries in supporting the state of small business and entrepreneurship, but in their application should not undermine the customs and traditions of our nation, as well as the specific development of our society.
2. Uzbekistan is a state with which each country has social and economic relations with each country in the world. Therefore, it is necessary to further strengthen links with these countries in the area of small business and entrepreneurship, and to use the opportunity to build equal relationships and achieve greater social and economic benefits. This will ensure the international business activity of the business elite in our country.
3. As the development of small business and private entrepreneurship in Uzbekistan needs to intensify innovative activities, the experience of developed countries can be widely used. In particular, it is advisable to study the experience of Germany, Japan and the USA.
4. In today's globalized world, special attention is paid to the development of environmentally friendly products and safe foods. In particular, recognizing that large-scale efforts to improve the environment have been widely implemented in developed countries, it is important to note



that there is a need for extensive use of mini technologies to prevent environmental damage in our country. In particular, the introduction of German and Japanese mini-technologies in our country can help further develop small businesses.

In general, in developed countries, significant progress has been made in the development of small business and private entrepreneurship. Implementation of these countries' experience in Uzbekistan will certainly have positive results. For this purpose in our country, both raw materials and human resources are sufficient. Foreign experience is widely used by the Government of our country in the state support of entrepreneurship. In our country, young entrepreneurs are being sent abroad to gain experience, and there are many opportunities for their implementation.

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