

STRATEGIC ENTREPRENEURSHIP AND YOUTH-LED BUSINESS TRANSFORMATION IN EMERGING ECONOMIES: EVIDENCE FROM UZBEKISTAN

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Abstract: *This article examines the role of youth-led strategic entrepreneurship in transforming business structures within emerging economies, with a particular focus on Uzbekistan. Using secondary data analysis and ecosystem-level indicators, the study explores how institutional support, human capital development, and digital market integration influence entrepreneurial outcomes. The findings indicate that youth entrepreneurship, when aligned with strategic capabilities and supportive policy frameworks, significantly contributes to economic diversification, productivity growth, and global competitiveness. The article offers policy-relevant insights and contributes to the broader literature on entrepreneurship in transition economies.*

Keywords: *Strategic entrepreneurship; Youth entrepreneurship; Emerging economies; Business transformation; Uzbekistan*

INTRODUCTION

Entrepreneurship has become a central pillar of economic transformation in emerging economies, particularly those transitioning from state-dominated or resource-based systems to market-oriented structures. In recent academic discourse, strategic entrepreneurship—defined as the integration of opportunity-seeking behavior with advantage-seeking actions—has gained prominence as a framework for understanding sustainable business growth.

While extensive research has examined entrepreneurial dynamics in developed economies, comparatively limited attention has been paid to youth-driven entrepreneurship in transition contexts. This gap is significant, as emerging economies often possess demographic advantages characterized by a young labor force, increasing digital literacy, and evolving institutional frameworks.

Uzbekistan represents a compelling case study. Since the late 2010s, the country has implemented broad economic reforms aimed at liberalization, private-sector development, and digitalization. These reforms have coincided with rising youth participation in entrepreneurship, particularly in technology-enabled and knowledge-intensive sectors. This study seeks to address three core research questions:

1. How does youth-led entrepreneurship contribute to business transformation in emerging economies?
2. What strategic and institutional factors enable young entrepreneurs to achieve sustainable growth?
3. What lessons can Uzbekistan's experience offer to other transition economies?

METHODOLOGY

This study employs a qualitative descriptive research design based on secondary data analysis. Data were collected from academic publications indexed on Google Scholar, reports from international organizations such as the World Bank and UNDP, national policy documents, and entrepreneurship ecosystem assessments.

The methodological framework integrates strategic entrepreneurship theory with an ecosystem-based analytical perspective. Sources were selected according to relevance, credibility, and temporal proximity (2018–2025). The data were thematically analyzed across three dimensions: institutional support mechanisms, human capital development, and market integration.

Although the study does not rely on primary survey data, triangulation across multiple independent sources ensures analytical reliability and reduces single-source bias.

RESULTS

3.1 Youth Entrepreneurship and Business Dynamics

The findings reveal that youth-led enterprises in Uzbekistan increasingly operate in sectors characterized by scalability and innovation intensity, including digital services, education technologies, and business process automation. Young entrepreneurs demonstrate a higher propensity to adopt new technologies, experiment with hybrid business models, and engage in cross-border digital markets.

3.2 Institutional Support and Entrepreneurial Entry

Institutional reforms have played a crucial role in facilitating entrepreneurial activity. Simplified business registration procedures, tax incentives, and the expansion of innovation infrastructure have reduced entry barriers for young founders. Business incubators and accelerators provide mentorship and early-stage support, contributing to improved venture survival rates.

3.3 Human Capital Development

Investment in education and skills development has strengthened entrepreneurial capacity. Increased access to STEM education, business training programs, and international online courses has enhanced strategic decision-making and managerial competence among young entrepreneurs. Exposure to global best practices has further aligned local ventures with international standards.

DISCUSSION

The results support the argument that entrepreneurship in emerging economies is most effective when opportunity recognition is combined with strategic resource deployment. Uzbekistan's experience illustrates how youth entrepreneurship can serve as a catalyst for business modernization when supported by coherent institutional frameworks.

From a theoretical standpoint, the findings reinforce strategic entrepreneurship models emphasizing dynamic capabilities and long-term competitive positioning. Practically, the study highlights the importance of policy consistency, access to growth-stage financing, and talent retention. Compared to other transition economies,

Uzbekistan exhibits relatively rapid ecosystem formation, though challenges remain in scaling firms beyond domestic markets.

CONCLUSION

This article concludes that youth-led strategic entrepreneurship is a key driver of business transformation in emerging economies. In Uzbekistan, young entrepreneurs are redefining traditional industries, accelerating digital adoption, and contributing to economic diversification. Sustaining this momentum will require continued investment in advanced skills, institutional coordination, and integration into global value chains.

The broader implication is that empowering youth entrepreneurship should be viewed not merely as a social objective, but as a strategic economic priority for emerging markets seeking long-term competitiveness.

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