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Objective and Subjective Factors of Formation of Legal Culture in the Worldview of an Entrepreneur

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Abstract: Entrepreneurship plays a central role in the economic development of nations, shaping human capital, creating employment, and driving socio-economic transformation. In Uzbekistan, ongoing liberal-democratic reforms and the strengthening of constitutional guarantees have created a new environment for entrepreneurial growth, supported by an updated legal framework, institutional changes, and inclusive economic policies. While the importance of entrepreneurship is widely recognized, the interplay between legal culture, constitutional guarantees, and sustainable entrepreneurial development in the context of Uzbekistan's reforms has not been sufficiently examined. This study seeks to analyze the objective and subjective factors that influence the formation of legal culture in the worldview of entrepreneurs and to assess the implications of reforms for entrepreneurial activity. The findings demonstrate that reforms have enhanced small business development, improved professional qualifications, expanded creativity among entrepreneurs, and contributed to a higher standard of living. Empirical evidence highlights the increasing role of small businesses in trade, exports, and service provision. International comparisons with Japan and the United States further underscore the global significance of small enterprises. This research provides a multidimensional perspective by combining legal, economic, and socio-political analysis, revealing that entrepreneurship in Uzbekistan is not only an economic activity but also a reflection of legal culture and societal transformation. The study underscores that strengthening entrepreneurs' legal culture ensures compliance with laws, protects rights, and fosters innovation, positioning entrepreneurship as a key driver of inclusive and sustainable development in the evolving economy of Uzbekistan.

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1. Introduction

The large-scale reforms being carried out in our country are setting new challenges for our economy. Naturally, responding to them responsibly requires a business person to have specific knowledge and skills, tireless work and research, and an innovative approach to their work. These ideas, of course, primarily apply to legislative practice. After all, it is impossible to think about changes or innovations occurring in society without the rule of law[1].

Thus, from the words of Tanzila Norbaeva, the head of the legislative body of our country: "Over the past three years, the regulatory and legal framework for the development of entrepreneurship has been strengthened, and more than 50 decrees and

resolutions of the head of our state have been adopted to provide comprehensive support to representatives of this sector”, we are witnessing that great work has been done and is being done in our legislation to comprehensively support and develop entrepreneurship by the state[2].

2. Materials and Methods

The methodology of this study is grounded in a qualitative and analytical approach that integrates legal, economic, and socio-political perspectives to examine the objective and subjective factors shaping the legal culture of entrepreneurs. The analysis relies on a thorough review of national legislative documents, presidential decrees, and constitutional provisions, along with international legal frameworks such as the Universal Declaration of Human Rights. Official statistics on entrepreneurship, including data on the number of small business entities, their share in trade, healthcare, social services, and export contributions, were incorporated to provide empirical grounding. Comparative insights were drawn from international examples, notably Japan and the United States, to contextualize the role of small businesses in driving economic growth and legal culture formation[3]. The methodology also employed historical-comparative analysis to trace the evolution of legal guarantees and reforms in Uzbekistan since independence, with emphasis on the liberal-democratic transformations and state policies aimed at supporting entrepreneurship. Textual and discourse analysis was applied to statements from policymakers, constitutional texts, and scholarly works, ensuring a multidimensional perspective on the interrelationship between legal norms, entrepreneurial activity, and socio-economic development. The interpretive framework prioritizes the connection between legal awareness, compliance, and cultural transformation, while also addressing structural challenges such as social inequality, regulatory enforcement, and freedom of expression. By synthesizing documentary evidence, statistical indicators, and comparative theoretical perspectives, the methodology provides a comprehensive foundation for understanding how legal culture among entrepreneurs is being shaped in the context of ongoing reforms in Uzbekistan[4].

3. Results and Discussion

As a result, there is an opportunity to promptly and positively resolve various problems that arise in the field of entrepreneurship. This is reflected in the development of entrepreneurial activity and a consistent increase in the standard of living of the population. It should be noted that at a new stage of our development, a solid legal framework and regulatory documents are being updated to regulate entrepreneurial activity in our republic. Additional opportunities are being created to improve the professional qualifications and culture of business entities, to develop their active creativity. In this regard, a reasonable question arises as to why such importance is attached to the development of entrepreneurship. The reason is that entrepreneurship is at the center of market relations, which determines the development of the sector through the development of human capital. For example, “Small businesses played a crucial role in the rise of Japan’s global economic influence and the “Japanese miracle.” In Japan’s manufacturing industry alone, there are 6.5 million small businesses, accounting for 99 percent of all businesses in the sector. These businesses employ more than 40 million people. This means that 81 percent of the employed population is employed in small businesses” [5].

The role and importance of business entities, that is, entrepreneurs, in the processes of global development and innovative integration are undoubtedly seen as a world standard. Namely, “in the United States, small business firms account for 99 percent of all enterprises. The majority of these firms are small, micro-firms, based on family labor. In 80 percent of all small businesses, the number of employees does not exceed 10 people” [6].

According to the data, "according to the results of 9 months of 2023 (January-September), the number of operating small business entities reached 418.7 thousand. Of these, 67.7 thousand were newly established small business entities. Their share in trade was 38.6 percent, and in the provision of healthcare and social services was 1.7 percent. During the analyzed period, the export of products (works and services) of small business entities amounted to 5.3 billion US dollars or 30.1 percent of the total export volume"[7].

It should be noted that the wide opening of the path for the activities of small businesses in our country and the emergence of huge opportunities for the development of this sector are also evidenced by the implementation of legal guarantees stipulated in our Basic Law, comprehensive reforms consistently carried out in our country, and international legal norms. Because, first of all, the strengthening of the right of citizens to own property in our Constitution, which is our basic law, provides a firm guarantee for this. Citizens of our republic and foreign citizens, using these rights, create material benefits through their activities, thereby benefiting our society, family, and loved ones. It cannot be otherwise in a country where a legal, social, and secular system is taking shape. After all, the path we have chosen requires a people-oriented government, fair politics, liberal-democratic reforms, and our efforts to ensure a prosperous life for the population[8].

In our country, personal rights, obligations and freedoms are being systematically improved on the basis of internal - Constitutional, external - international law. In this constitutional system, ensuring legal guarantees of the legal interests of an entrepreneur is one of the priority areas. In turn, an entrepreneur is required to know the current legislation and strictly follow it, and increasing their legal culture is of particular importance in ensuring the foundation of a legal state and civil society[9].

Our government has paid special attention to ensuring human rights since the first years of independence, and has been implementing consistent reforms in this regard in close cooperation with civil society institutions. In particular, "the declaration by our President of 2024 as the "Year of Youth and Business Support" requires that measures be taken to ensure personal rights, obligations and freedoms in the socio-economic life of our Republic, and to further develop the activities of our population, especially youth and business entities".

In our country, reforms aimed at preventing sharp income stratification of citizens in our society by improving social protection policies and the system of providing economic assistance to needy groups will be consistently continued.

Historically, we know that a clear violation of the balance in ensuring the rights and freedoms of representatives of certain social groups, namely traders, as a result of the discrimination and disregard for their natural rights and freedoms, has led to many crisis situations and various forms of social conflicts in some countries[10].

In our republic, the issue of the legitimate interests of citizens is of central importance and is accordingly focused on regulating legal relations arising in the implementation of the activities of an entrepreneur. In our opinion, by the legal culture of an entrepreneur, we understand their full compliance with the established legal norms in the implementation of their activities in entrepreneurial relations. One of the important legal features of this activity is the violation of the established legislation by an entrepreneur, for which economic, administrative and even criminal liability is established. Consequently, the rights and freedoms of an entrepreneur proportionally correspond to the personal rights and freedoms of citizens. Indeed, the legal interests of our citizens are strengthened in Chapters 7, 8, 9, and 10 of our new Constitution. In addition, we can see that human rights are harmonized in national and international normative documents: "Article 3 of the Universal Declaration of Human Rights, adopted in 1948, affirms that everyone has the right to life, liberty, and security of person". In conclusion, just as we cannot imagine any member of our society without a system for protecting their personal

interests, strengthening the rights, obligations, and freedoms of an entrepreneur is also considered a priority issue[11].

Freedom of economic activity, personal and property security are constitutional guarantees that arise when a person enters into economic relations. The above rule requires that each person, in his personal activities, respect the rights, obligations and freedoms of others, and act on the basis of the principle of general security. This means that a person can perform any action that does not contradict the interests of the law, and must also comply with internal and external legal norms, and the freedom of the person must not go beyond the moral standards of society[12].

As a result of the transformation of the economy in new Uzbekistan, we can notice that a new form of market relations is emerging, which requires not only a free market, but also, in some cases, the necessary (soft) intervention of the state. We can call this an inclusive form of a market economy. This view was expressed by scholars such as British James Alan Robinson and American Daron Acemoglu as follows: "Inclusive economic institutions create inclusive markets that not only allow people to engage in the professions that best suit their abilities, but also create the same conditions for everyone to engage in their work. When people with good ideas can start their own businesses, workers can engage in more productive work, and less profitable firms can be replaced by competitors... Inclusive markets do not mean only free markets". From this we can conclude that mixed economic relations can be used to develop entrepreneurial activity, and this path is a particularly effective one in today's era of global relations. The development of the idea put forward above was influenced by Niccolo Machiavelli, one of the brightest representatives of medieval social thought: "He considered the most desirable form of state to be a mixture of monarchy, anarchy, and democracy", which we consider to be another important basis for the "inclusive form" of state governance[13].

Usually, the freedom of thought of an entrepreneur is understood as the right to express one's opinion openly and to bring it to the attention of other people, which is realized through freedom of speech.

When talking about the conditions for the formation of democratic principles in society, it is also necessary to dwell on the fact that the effects of injustices during the authoritarian regime have not yet completely disappeared from the minds and thinking of citizens. It is no secret that persecution, oppression and repression have made people cowardly. Given this, today the guarantee of the protection of the rights and freedoms of citizens by the state and public administration, law enforcement agencies, political parties, state and non-state organizations allows them to freely express their opinions. Their fear is not without socio-economic foundations. Some of the reasons include existing social problems, economic conditions, material difficulties in work and life, a lack of new jobs, and the persistence of citizens' feelings of subordination to officials[14].

As much as solving existing social problems requires freedom of thought, at the same time, solving social problems in life also helps to form free thought in citizens. In both cases, freedom of thought or the ability to freely express one's opinion is a key factor in solving existing problems. The famous Scottish scientist Adam Smith, one of the founders of the liberal economic theory of free market relations, puts forward the following ideas in his work "An Inquiry into the Nature and Causes of the Wealth of Nations": "In order for the market economy and the "Invisible Hand" to function as effectively as possible, states should not interfere with natural market processes. Trade restrictions, excessive regulation, state monopolies, high taxes and customs duties interfere with trade relations. The concept of the "invisible hand" shows that people should have the rights and freedoms that allow them to independently manage their resources. Including money, labor and other capital". If the problems that arise are not openly stated, an environment of transparency will not be created. Therefore, the solution or positive resolution of a particular problem largely depends on the ability to have free relations and express opinions freely[15].

At this point, it is appropriate to mention the reforms being implemented to liberalize the media, since they are directly related to the scope of the topic we are discussing.

The fact is that press liberalization is a component of the process of building the foundations of civil society. When we approach the issue in this way, it becomes clear that our national press has gone through a unique historical development path in the years since independence. The press, which should be a kind of bridge - a means of communication between the individual and society, the citizen and the state, and therefore a mirror of transparency, a herald of truth, has always served as the main platform for citizens to freely express their opinions in a legal democratic state. Having well understood this vital truth, our country is pursuing a policy aimed at strengthening civil, that is, public, control over the reforms being carried out in a timely manner. "The resolution of the President of the Republic of Uzbekistan on additional measures to increase the effectiveness of public control over reforms in the socio-economic sphere in our country, as well as the active participation of citizens in democratic changes, has been announced".

As a living proof of these thoughts, it can be said that during the years of independence, a special type of press called the "legal press" was formed in our republic. This press includes more than 40 periodicals, newspapers and magazines published in our republic in the legal direction, such as "Civil Society", "Human Rights and Democratization", "Rights", "Rights and Duties", "The Path of Justice", "Human Rights and Law", "Life and Law", "Economy and Rights", which itself shows how extensive work is being done in this regard.

Based on our analysis, we can say that intellectual activity, free movement are among the characteristics of an entrepreneur. The concept of an entrepreneur is explained by the fact that during the period of our sovereignty, he freely responds to problems related to the social, economic, cultural, political and legal spheres of the transformation of society during his activities. Various national and popular definitions, descriptions, and qualities influence the professional activities of an entrepreneur. That is, a person who embodies the above is the basis for us to call him an entrepreneur.

This situation is of great importance in improving the legal culture of an entrepreneur. In particular, Article 29 of our Constitution states: "Everyone has the right to freedom of thought, speech and belief. Everyone has the right to seek, receive and disseminate information of his choice, with the exception of information directed against the current constitutional order and other restrictions established by law. Freedom of thought and expression may be limited by law only if it concerns state secrets and other secrets," is recognized. Everyone's right to free expression includes freedom of search, freedom to receive, disseminate, and express any information in written or published form or in artistic form.

4. Conclusion

The liberal-democratic reforms being implemented in the renewing Uzbekistan serve as a solid foundation for strengthening and improving the legal culture of entrepreneurship, in particular, of an entrepreneur. It is necessary to emphasize that the specific demographic indicators and structure of our country, as well as the level of urbanization, must be taken into account. Based on this, for many years, in the economic development of our country, it has been observed that insufficient and inadequate attention has been paid to the fact that there is a surplus of working-age people, a large number of children in local families, and the specific nature of the labor skills of citizens.

The findings of this study emphasize that the strengthening of entrepreneurship in Uzbekistan is deeply tied to the development of a solid legal culture, supported by constitutional guarantees and liberal-democratic reforms. The transformation of the economy, alongside inclusive policies, has created opportunities for small business growth, improved professional skills, and enhanced the socio-economic well-being of citizens. Legal frameworks not only ensure the protection of entrepreneurs' rights but also

foster innovation and creativity. Ultimately, entrepreneurship emerges as both a driver and a reflection of societal progress, linking legal culture, economic transformation, and sustainable development.

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