THEORETICAL FOUNDATIONS OF WOMEN'S ENTREPRENEURSHIP AND PRIORITY DIRECTIONS FOR ITS DEVELOPMENT

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Abstract
This paper examines the theoretical foundations, determinants and policy implications of women's entrepreneurship through an integrated economic and institutional lens. Drawing on classical entrepreneurship theory, human capital theory, institutional economics, resource-based perspectives and the gender-aware 5M framework, the study explores how entrepreneurial agency interacts with financial access, skills, social networks, care responsibilities and the wider regulatory environment.

Keywords. women's entrepreneurship; entrepreneurial ecosystem; human capital; institutions; financial inclusion; gender equality; innovation; Uzbekistan.

Women's entrepreneurship is increasingly recognized as a source of economic diversification, employment generation, innovation and social inclusion. However, aggregate business registration or self-employment counts provide an incomplete picture of women's entrepreneurial opportunities. A woman may establish a microenterprise out of economic necessity while another launches an innovation-oriented enterprise to exploit a market opportunity. These enterprises differ in their resource requirements, business models and development trajectories. Thus, policy and research must distinguish entrepreneurial entry, enterprise survival, productivity, formalization and growth rather than treating them as interchangeable outcomes.

The OECD/European Commission (2023) identifies persistent participation gaps: it estimates 24.8 million "missing" women entrepreneurs in OECD countries relative to a benchmark based on the early-stage entrepreneurial activity of men aged 30–49. This benchmark is comparative rather than a direct count of individuals who would necessarily start firms. Nevertheless, it illustrates the scale of unrealized entrepreneurial potential. Gender disparities arise from the interaction of education, finance, household responsibilities, discriminatory norms, business networks and institutional constraints.

In Uzbekistan, women's economic participation and enterprise development are important to the pursuit of inclusive growth. The World Bank (2024) identified Uzbekistan among the five countries recording the strongest improvements in its Women, Business and the Law 2024 assessment, reflecting notable legal reforms. Yet legal reform alone does not automatically generate equal economic outcomes: implementation, financial intermediation, reliable care services and access to higher-value markets must also be considered. The objective of this paper is therefore to synthesize the major theoretical approaches to women's entrepreneurship and derive analytically grounded priorities for strengthening its development in Uzbekistan.

The paper adopts a qualitative, theory-oriented research design based on a structured narrative review and comparative conceptual analysis. Foundational texts on entrepreneurship, human capital and institutional economics are examined alongside peer-reviewed gender-entrepreneurship scholarship and public reports from the OECD, European Commission and World Bank. The analytical sequence comprises four stages: identifying core theoretical propositions; mapping the mechanisms through which

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gender-related constraints influence entrepreneurship; comparing the explanatory scope of competing frameworks; and developing policy implications relevant to Uzbekistan.

The research uses abstraction, analytical synthesis, induction, deduction and institutional comparison. The unit of theoretical analysis is the woman-owned or woman-led business situated within a household, market and regulatory environment. Five dimensions guide the comparison: access to finance, entrepreneurial capabilities, institutional quality, social and care arrangements, and access to markets and technological opportunities. Rather than assuming that these determinants are independent, the analysis explicitly considers their potential complementarities. For example, lending support may have limited effects without market access or adequate business capabilities.

This is a conceptual study and does not claim to estimate causal effects, analyze original survey data or validate a statistical model. Descriptive indicators from international sources are used exclusively to contextualize the discussion. Future empirical studies should operationalize the proposed constructs using sex-disaggregated enterprise-level data, longitudinal records or carefully designed mixed-methods field research.

Classical entrepreneurship theory provides a starting point. Cantillon emphasized the role of uncertainty and the entrepreneur's exposure to risk, while Schumpeter (1934) placed innovation and "new combinations" at the center of entrepreneurial development. These perspectives clarify women entrepreneurs' potential contributions as decision-makers and innovators. Yet gender-neutral formulations may overlook unequal ownership of collateral, differential access to networks and the social allocation of unpaid care work. Consequently, identical entrepreneurial abilities may yield unequal opportunities when institutional conditions differ.

Human capital theory, associated with Becker (1964), links productive capacity to education, training and experience. Applied to women's entrepreneurship, this perspective highlights accounting literacy, digital fluency, managerial competencies, negotiation skills and sector-specific knowledge. Importantly, observed differences in experience may reflect prior restrictions in employment or training opportunities rather than innate differences in ability. Accordingly, human capital policy should combine skills acquisition with access to practical business opportunities.

Institutional economics broadens the explanatory framework. North (1990) argued that both formal rules and informal constraints shape economic incentives. Legal provisions governing property, contracts, enterprise registration and credit establish formal opportunities, while norms about gender roles, mobility and family responsibilities affect their practical accessibility. A supportive business environment therefore requires consistency between legal entitlements, enforcement practices and social institutions.

The resource-based perspective adds a firm-level account of competitive advantage. Financial capital, relevant expertise, technology, reputation and relationships can combine to produce valuable organizational capabilities. Women-owned firms may face disadvantages in resource accumulation even when formal market access appears equal. Social capital can mitigate information asymmetries and help identify customers and suppliers, but narrow networks may also confine enterprises to low-return sectors.

Brush, de Bruin and Welter (2009) proposed a gender-aware 5M framework comprising Market, Money, Management, Motherhood and Macro/Meso Environment. Its conceptual importance lies in extending the familiar market-finance-management triad to include household and societal conditions. "Motherhood" in this framework points to the broader influence of family and care relationships and should not be interpreted as suggesting that all women entrepreneurs are mothers. The macro/meso dimension includes institutions, culture and support organizations. Taken together, the five dimensions describe entrepreneurship as embedded in multiple, mutually conditioning systems.

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The foregoing theories suggest that women's entrepreneurial performance is shaped by the relationship between personal capabilities and the accessibility of economic opportunities. This paper proposes a conceptual sequence in which institutional conditions and social norms influence resource access; resource access and entrepreneurial capabilities affect business entry and strategic choices; and market connectivity, innovation capacity and managerial quality shape survival, productivity and expansion. Household care responsibilities may moderate several of these relationships, particularly time available for networking, training and business development.

An integrated policy architecture for Uzbekistan should prioritize five mutually reinforcing areas. Gender-responsive financial inclusion should combine transparent lending, appropriate guarantees and financial literacy while assessing credit affordability and repayment risks. Entrepreneurial training should emphasize market research, financial planning, digital sales, procurement procedures and managerial decision-making rather than relying exclusively on short introductory courses.

A second priority is ecosystem coordination. Universities, chambers of commerce, banks, incubators, local administrations and women's business associations can create referral pathways from training to finance, mentoring and procurement access. Third, greater attention to care infrastructure and flexible service delivery would reduce the opportunity costs of enterprise participation. Fourth, business digitization can widen market reach, but benefits depend on connectivity, platform literacy, consumer trust and logistics systems. Fifth, monitoring frameworks should track enterprise continuity and performance rather than only loan disbursement or training attendance.

For research and policymaking, sex-disaggregated data should be complemented by information on firm age, sector, region, ownership characteristics and business outcomes. Where possible, program assessments should employ credible comparison groups or phased implementation to distinguish intervention effects from wider macroeconomic conditions. These steps would help identify which combinations of measures create sustainable enterprises and which merely increase short-lived entry.

Women's entrepreneurship is best understood as a multidimensional economic process rather than an isolated expression of individual motivation. Schumpeterian innovation, human capital, institutional economics, resource-based reasoning and the gender-aware 5M framework each illuminate a different mechanism. Their integration shows that entrepreneurial potential becomes economic value only when capabilities, resources, market opportunities and enabling institutions interact effectively.

For Uzbekistan, a comprehensive development strategy should combine access to responsible finance with advanced business skills, mentoring, childcare-related support, digital market inclusion and institutional coordination. The policy goal should extend beyond the establishment of new firms to their resilience, productivity, innovation and contribution to quality employment. Future studies should empirically validate the proposed relationships using representative and longitudinal evidence, distinguishing necessity-driven entrepreneurship from opportunity-driven and growth-oriented activity.

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