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## DEVELOPMENT OF ENTREPRENEURSHIP IN THE REPUBLIC OF BELARUS: STRATEGY AND TACTICS

The strategy and tactics of the development of small and medium entrepreneurship (SME) is a great importance in the economic development of the country. Innovative, social directions of development depend on accurately developed strategies and tactics. The purpose of this article is to identify trends in the development of SME in the Republic of Belarus at the present stage of development. Based on this, the tasks are to highlight program and forecast documents in the field of SME development. The main hypothesis is that the state recognizes the importance and significance of SME for the socio-economic development of the Republic of Belarus at the strategic and tactical levels of public administration. A comparative analysis of the main provisions of the Strategies for the development of SME of the Republic of Kazakhstan and the Republic of Belarus has been made. The study showed the similarity of the document in the main areas. The main medium-term programs of the Republic of Belarus have sections and directions regarding SME. The results of the study can be used by the Ministry of Economy of the Republic of Belarus and other interested ministries in the development of state policy in the field of SME.

**Key words:** small and medium entrepreneurship, strategy, government policy, government support.

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### Беларусь Республикасындағы кәсіпкерлікті дамыту: стратегия мен тактика

Еліміздің экономикалық дамуында кәсіпкерлікті дамыту стратегиясы мен тактикасының маңызы зор. Негізгі дамудың инновациялық және әлеуметтік бағыттары нақты өзінше стратегиялар мен тактикаларға байланысты. Мақаланың жалпы мақсаты – қазіргі даму кезеңінде Беларусь Республикасындағы шағын және орта бизнестің даму тенденцияларын анықтау. Осының негізінде шағын және орта бизнесті дамыту саласындағы бағдарламалық және болжамдық құжаттарды ерекшелік міндеттері қойылады. Беларусь Республикасының әлеуметтік-экономикалық дамуы үшін шағын және орта бизнес маңызын мемлекеттік басқарудың стратегиялық және тактикалық деңгейлерінде мойындауы негізгі гипотеза ретінде қарастырылады. Мақалада Қазақстан Республикасы мен Беларусь Республикасының шағын және орта бизнесті дамыту стратегияларының негізгі ережелеріне салыстырмалы талдау жасалынды. Зерттеу нәтижесі құжаттың негізгі бағыттары бойынша ұқсастығын көрсетті. Беларусь Республикасының негізгі орта мерзімді бағдарламаларында шағын және орта бизнеске қатысты бөлімдер мен бағыттар бар екені мәлім болды. Зерттеу нәтижелерін Беларусь Республикасының Экономика министрлігі және басқа да мүдделі министрліктер шағын және орта бизнес саласындағы мемлекеттік саясатты әзірлеуде пайдалана алады деп есептеледі.

**Түйін сөздер:** шағын және орта бизнес, стратегия, мемлекеттік саясат, мемлекеттік қолдау.

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### Развитие предпринимательства Республики Беларусь: стратегия и тактика

Стратегия и тактика развития предпринимательства имеет большое значение в экономическом развитии страны. От точно выработанных стратегий и тактики зависят инновационные и социальные направления развития. Целью настоящей статьи, то есть, проведенного исследования, является определение тенденций развития малого и среднего бизнеса в Республике Бела-

рუსь на современном этапе развития. Исходя из этого, задачей является выделение программных и прогнозных документов в сфере развития малого и среднего бизнеса. Основная гипотеза заключается в том, что государство признает важность и значимость малого и среднего бизнеса для социально-экономического развития Республики Беларусь на стратегическом и тактическом уровнях государственного управления. Произведен сравнительный анализ основных положений в Стратегии развития малого и среднего предпринимательства Республики Казахстан и Республики Беларусь. Исследование показало схожесть документов по основным направлениям. Основные среднесрочные программы Республики Беларусь имеют разделы и направления касательно малого и среднего бизнеса. Результаты исследования могут использоваться Министерством экономики Республики Беларусь и другими заинтересованными министерствами при разработке государственной политики в сфере малого и среднего бизнеса.

**Ключевые слова:** малое и среднее предпринимательство, стратегия, государственная политика, государственная поддержка.

## Introduction

Small and medium entrepreneurship (SME) are the driver of the economy. It is SME that create jobs and replenish the revenue side of the budget, participate in the formation of GDP and GVA. The Republic of Belarus has adopted a number of fundamental legal documents in the field of state economic policy in relation to SME, created an organizational and institutional framework for the infrastructure to support SME, however, the effectiveness of practical measures taken by the state is insufficient, this activity is fragmented and requires systemic improvement. Under these conditions, there is an increasing objective need to deepen scientific studies and form new scientific concepts for the development of SME in order to adjust the state policy pursued in this area.

The works of such foreign scientists as T. Berglund, J. Burges, P. Braunerhelm, J. Lowman, M. Porter, V. Sengeberg, J. Schumpeter, L.I. Abalkin, O.A. Blinov, A.V. Vilensky, A.A. Dynkin, V.Sh. Kaganov, A.V. Orlov, A.N. Spartak, G.K. Shirokov, A.A. Shulus, G.V. Germanovich, A.V. Danilchenko, L.M. Kryukov, V.V. Pinigin, A.A. Slonimsky, A.N. Tur and others works of scientists. However, the specificity of the domestic economic environment predetermines the impossibility of blind copying of foreign schemes and requires the development of other scientific foundations for the formation of SME. At the same time, the problems of finding ways to activate the functioning of the small business support infrastructure, the development of its new forms and effective models seem to be studied insufficiently. This determined the choice of the topic of the article, its target orientation and structure of the study.

## Materials and methods

The theoretical and methodological basis of the study are the works of domestic and foreign econo-

mists devoted to the problems of state regulation of the economy and entrepreneurship in the conditions of the transformation period, as well as legislative and regulatory documents on these issues that regulate its activities. Methods of systematic, statistical, economic and logical analysis, expert assessments were used as research tools. The information base of the study was made up of data from the National Statistical Committee, the Ministry of Economy and a number of other ministries and departments of the Republic of Belarus.

## Literature Review

Wenckers and Thurik (1999) presented the most complex comprehensive general definition of entrepreneurship: «Entrepreneurship is the demonstrated ability and willingness of individuals, independently, in teams, within and outside existing organizations, to perceive and create new economic opportunities (new products, new methods production, new organizational schemes and new combinations of product markets) and their ideas in the market, in the face of uncertainty and other obstacles, making decisions on the location, form and use of resources and institutions».

Casson (1982) defines an entrepreneur as «one who specializes in making subjective decisions about the coordination of limited resources», while explaining that subjective decisions are decisions for which there is no clearly correct procedure in the sense of the routine application of standard thinking. Herbert and Link (1989), analyzing three different intellectual schools of entrepreneurial theory, propose a definition of an entrepreneur as «a person who specializes in taking responsibility and making judgments that affect the location, form and use of goods, resources or institutions».

The most comprehensive, unifying all previous definitions, is undoubtedly the definition used by the

EU (2003) «Entrepreneurship is the thinking and process of creating and developing economic activity by mixing risk, creativity and / or innovation with effective (rational) management within a new or existing organization». This definition seems to be a combination of the views of J. Schumpeter, V. Baumol, I. Kirtsner and others.

Foreign scientists distinguish between certain types of state policy in relation to SMEs. Lundstrom and Stevenson (2001) believe that in the development of public policy, policies aimed at creating entrepreneurship and policies aimed at SMEs that have passed the critical 42-month period (post-launch period) should intersect. At the same time, as noted by Hendrekson and Stenkula (2009), policies aimed at SMEs include programs that support an entrepreneurial lifestyle and can be justified by positive macroeconomic effects, job creation, etc. Entrepreneurial policy aims to promote highly innovative entrepreneurs who are likely to make a significant contribution to economic growth and thereby push the economy towards the production of goods and services with greater value added.

Rostow (1960) suggests that countries must go through five stages of economic growth: traditional society, prerequisites for take-off, take-off, the desire for maturity, and the age of high mass consumption. As soon as a country becomes more economically stable and improves its infrastructure, a positive relationship between economic growth and entrepreneurial activity begins to form (Lundstrom, Stevenson, 2005), which causes differences in public policy, partly confirmed by Porter's three stages of economic development.

The first stage is motivated by production factors, the second – by efficiency, the third – by innovations. The first stage is marked by the production stage and corresponds to the entrepreneurial lifestyle (traditional entrepreneurship). Most companies at this stage are manufacturers, only a small number of companies provide services. In the efficiency stage, the country must follow economies of scale. Finally, in the innovation stage, the economy is characterized by knowledge-intensive activities that essentially drive entrepreneurial activity.

Over the past 20 years, SME and entrepreneurship policies have changed significantly. This, in particular, was due to the transition from traditional entrepreneurial policies to entrepreneurial policies focused on fast-growing companies created to bring a new product or service to the market («gazelles»). For the first time the term «gazelle» was introduced by Birch (1998) in the 80s. 20th century. Birch clas-

sified companies into large established companies («elephants»); small businesses that remain small throughout their existence («mouses»).

In general, the new entrepreneurial policy can be characterized as a policy aimed at the growth of fast-growing firms based on start-ups. However, some scholars disagree with the focus of policy on any (not fast-growth) start-ups, emphasizing that this is «bad public policy», since government intervention to stimulate the creation of new firms leads to an increase in the number of firms in industries with low barriers to entry and a high probability of bankruptcy. In addition, new firms do not generate as many new jobs as established firms do (Shane, 2009). In addition, it is argued that «data suggest a limited contribution of entrepreneurial start-ups to the economy and, in some cases, probably potentially dangerous» (Nightingale and Coad, 2014). However, despite evidence that startups are not exclusively new ventures (Acs and Muller 2008; Mason and Brown 2010; Mason and Brown 2013), politicians in many countries continue to emphasize the role of startups.

## Results and discussion

The Republic of Belarus has approved the Strategy for the Development of Small and Medium-Sized Business «Belarus – the Country of Successful Entrepreneurship» for the period up to 2030 (Resolution Of The Council Of Ministers Of The Republic Of Belarus, 2018). This Strategy-2030 is a big breakthrough in the state policy towards SMEs. First, since 19 years have passed since the adoption of the previous Strategy-2030 (provided that we can consider the Concept of State Support and Development of Small Business of the Republic of Belarus for 2002-2005 as a similar document); secondly, the previous strategy was a medium-term document; thirdly, the modern Strategy-2030 covers the long-term period of development of SMEs; Fourthly, as it seems, the Strategy-2030 is one of the documents confirming the beginning of the formation of a comprehensive understanding of the state policy towards SMEs from the point of view of government bodies, which is essentially dictated by new challenges and threats to the economy of Belarus. A similar document was adopted in the Republic of Kazakhstan (Decree of the Government of the Republic of Kazakhstan, 2022).

A comparative analysis of the two strategies made it possible to identify the following principles for their implementation, consonant with each other (Table 1).

**Table 1** – Principles of the Development strategy of small and medium entrepreneurship «Belarus – a country of successful entrepreneurship» for the period up to 2030 and the Development concept of small and medium-sized businesses in the Republic of Kazakhstan until 2030

Development concept of small and medium entrepreneurship in the Republic of Kazakhstan until 2030	Development strategy of small and medium entrepreneurship «Belarus – a country of successful entrepreneurship» for the period up to 2030
<p>ensuring freedom of entrepreneurship. The state needs to eradicate possible obstacles for entrepreneurs to operate in that area or industry, in that market of goods, works and services and in the region that they have determined in conditions of freedom of choice, and to remove obstacles that do not allow entrepreneurs to operate in conditions of fair and open competition.</p> <p>promotion of honesty, openness, integrity and security in business activities. In order to send the right signals to the business environment that promote quality development, the state should give priority and encourage those entrepreneurs who conduct business activities on the basis of honesty, openness, integrity and safety, thereby contributing to social development as a whole. This implies that the distribution of any direct intervention financed from the budget must necessarily take into account the degree of fiscal integrity of entrepreneurs (that is, the higher the level of payments to the budget, the higher the maximum threshold for direct intervention from the budget).</p> <p>promoting accelerated development. Priority support will be provided to small and medium-sized enterprises that have the potential to grow and seek to grow further. It is these enterprises that can contribute to the renewal of the economy. In this regard, accelerated development mechanisms, primarily export and innovative elevators, should be widely developed.</p>	<p>expediency – a reasonable need for state regulation of economic relations</p> <p>efficiency – ensuring the achievement of the maximum possible positive results at the expense of the minimum necessary expenditure of resources of the state and SMEs</p> <p>consistency of interests – ensuring the balance of interests of the state, society and business in state regulation</p> <p>transparency – openness for individuals and legal entities, associations of legal entities of the actions of government bodies at all stages of regulatory activities in the field of SMEs</p> <p>consistency – the sequence of activities in the field of state regulation, compliance with the priorities of state policy, as well as synchronization with the tasks and goals of the country's socio-economic development.</p>
Note: compiled by the authors	

A comparative analysis of the two strategies showed that the principles of the Strategy of the Republic of Kazakhstan are more applied, while the principles of the Strategy of the Republic of Belarus are more conceptual. At the same time, in expanding the principles, the Strategy of the Republic of Belarus has directions for state stimulation of entrepreneurial activity, which, in fact, complement the principles and include the improvement of institutional and macroeconomic policies; a differentiated approach to the distribution of public resources; state support for employment; formation of a positive image of the en-

trepreneur. At the same time, such areas of the principles of the Republic of Kazakhstan as mechanisms for accelerated development have not been developed in the list of principles of the Strategy of the Republic of Belarus, but are present in the objectives of the Strategy of the Republic of Belarus, in particular, the formation of a system of measures for the qualitative development of the SME sector, strengthening its innovative and investment, export component.

There is a certain similarity in the problems of SME development in the Republic of Belarus and the Republic of Kazakhstan (Table 2).

**Table 2** – Problems of SME development in the Development strategy of small and medium entrepreneurship «Belarus – a country of successful entrepreneurship» for the period up to 2030 and the Development concept of small and medium-sized businesses in the Republic of Kazakhstan until 2030

Problem	Development concept of small and medium entrepreneurship in the Republic of Kazakhstan until 2030	Development strategy of small and medium entrepreneurship «Belarus – a country of successful entrepreneurship» for the period up to 2030
1	2	3
Entrepreneurial culture and the quality of human capital	the regulation carried out by state bodies in the relevant areas does not fully take into account that the attitude towards entrepreneurship depends on the values cultivated in society, the motivation of people and the quality of human capital, and therefore there are no prerequisites for increasing the growth of voluntary entrepreneurship	-

1	2	3
institutional environment	the current state of the institutional environment hinders entrepreneurial activity	underdevelopment of the institutional conditions for doing business
business climate	the business climate remains challenging and unpredictable	instability of the legislation regulating entrepreneurial activity, the lack of a proper assessment of the regulatory impact of draft regulatory legal acts on the conditions for doing business, which does not allow SMEs to carry out long-term planning of their activities
effectiveness of state support	the current structure of state support reduces the effectiveness of public policy	underdeveloped SME support infrastructure
transparency of the process of providing state support measures	there is no normative assurance of transparency of the entire process of providing state support measures «from the allocation of funds to bringing them to the final recipient»	-
effective antitrust policy	-	lack of proper conditions for competition, monopoly, especially on the part of large state organizations
access to financial resources	-	insufficient access to finance, including the underdevelopment of microfinance institutions
imperfection of legislation in the field of statistics	-	insufficiently clear definition of the concept of SMEs in the legislation, which often leads to distortion of data and the inability to determine the real state and development trends, as well as adequate support measures
Note – compiled by the authors		

Comparing Approaches to the development of SME (Strategy of the Republic of Kazakhstan) and various areas of implementation of state policy in this area (Strategy of the Republic of Belarus), one can identify common features. Approaches to the development of SMEs in the two countries also showed their similarity (Table 3).

**Table 3** – Approaches to the development of SME in the Development strategy of small and medium entrepreneurship «Belarus – a country of successful entrepreneurship» for the period up to 2030 and the Development concept of small and medium-sized businesses in the Republic of Kazakhstan until 2030

Direction	Development concept of small and medium entrepreneurship in the Republic of Kazakhstan until 2030	Development strategy of small and medium entrepreneurship «Belarus – a country of successful entrepreneurship» for the period up to 2030
voluntary entrepreneurship	creating conditions for increasing the growth of voluntary entrepreneurship	formation of favorable administrative, legal and economic conditions for the activation of entrepreneurial activity of citizens and the development of private business
institutional environment	creation of an institutional environment that ensures entrepreneurial activity	formation of favorable conditions and incentives for priority areas for the development of SME
business climate	development of business activity regulation that affects the business climate and business environment	improving the forms and methods of state support for SMEs
governmental support	ensuring the effectiveness of the structure as a measure of state support	
Note – compiled by the author		

In general, the main directions in the Strategy of the Republic of Belarus and the Republic of Kazakhstan are similar. However, SMEs in the Republic of Belarus have their own characteristics, which determine the tactics of its development.

The Program Of Socio-Economic Development Of The Republic Of Belarus For 2021-2025 is highly innovative, based on global challenges and new realities of development. Thus, it is noted that «the state focuses on business development. Entrepreneurship has made a significant contribution to the economy, providing more than 40 percent of exports of goods and 50 percent of GDP. Favorable conditions have been created in the country for the development of the private sector of the economy» (Decree of the President, 2021). Almost all the priorities of the Program are related to SMEs: a happy family (includes the development of family entrepreneurship), strong regions (regional SMEs), an intelligent country (innovative entrepreneurship, etc.), a partner state (strengthening the dialogue between the state and business).

Strong regions and the partner state are of particular relevance today. This is precisely what the efforts of the Government of the Republic of Belarus are now aimed at. The need for a dialogue between the state and business is due to the existing relocation of individual commercial companies to other countries, the presence in the neighboring states of start-up visa programs that contribute to the washing out of human and entrepreneurial capital from the Republic of Belarus. To date, there is a modernization of measures to enhance the dialogue between business and the state through the transition to a systematic (planned) work of Public Advisory And Expert Councils established under government bodies on business activities. A few years ago, Entrepreneurship Development Councils were established at each regional and district executive committee, at whose meetings topical issues and problems of SME development are discussed. However, at the present stage, they do not fully fulfill their functions, do not sufficiently form an entrepreneurial culture and society, and poorly contribute to the dialogue between business and the state.

The regional development of SMEs is in the focus of the general regional policy of the state with the need to create new jobs in the regions and develop various industries, including high-tech ones. At the moment, monitoring of the implementation of investment projects is being carried out within the framework of the instruction of the Head of State «One district – one project». Also, the country has

a special tax regime that applies to commercial organizations of the Republic of Belarus, individual entrepreneurs registered in the Republic of Belarus with a location (residence) in the territory of medium-sized, small urban settlements, rural areas and carrying out activities in these territories for the production of goods (performing works, services). So, exemption for 7 years from a number of taxes is provided.

The Program Of Activities Of The Government Of The Republic Of Belarus For The Period Up To 2025 includes the following tasks: creating conditions for stimulating scientific, creative and entrepreneurial activity and self-realization of young people, creating a favorable and barrier-free business environment, diversifying sources, ensuring the protection of the rights of borrowers and creditors by improving the instruments of financial support for subjects SMEs, etc.

The priorities of the medium-term State Program «Small and Medium Entrepreneurship» For 2021-2025 are to stimulate the business initiative of citizens; improving the business environment for the growth of entrepreneurial activity; stimulation of SMEs to create high-performance, export-oriented and innovative organizations. In tactical terms, it includes various activities, for example: expanding the use of remote verification mechanisms in relation to the activities of SME (2024), holding exchanges of subcontracts in industry (2021-2025), organizing and holding a children's competition «Business through the eyes of children» (2021 – 2025), organizational and information support for start-up movement in the Republic of Belarus (2021 – 2025), strengthening the capacity of the center for support and development of women's entrepreneurship (2021 – 2025), etc. In general, an analysis of the financing of the State programs to support small and medium-sized businesses in the Republic of Belarus showed that in terms of funding they occupy almost one of the last places among all state programs of the Republic of Belarus, which, given the great socio-economic importance of SMEs in the economy of the Republic of Belarus, is unacceptable. An analysis of the development of the SME support infrastructure showed that the forecast parameters for the development of individual entities were not met, which is due to the potential lack of demand for individual infrastructure entities in their current form. The development of women's entrepreneurship has intensified. The Belarusian Women's Union, «Belinvestbank» and the Ministry of Economy of the Republic of Belarus signed a tripartite agreement on

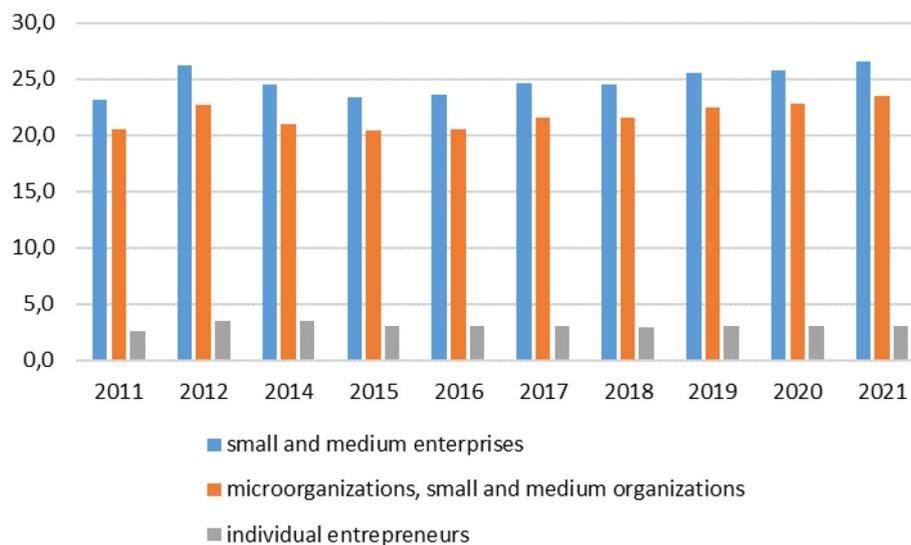
the development of women's entrepreneurship in the Republic of Belarus.

At the same time, the State Program «Small and Medium Entrepreneurship» For 2021-2025 does not contain such areas as the development of accelerators, various Internet platforms for the development of high-tech and innovative entrepreneurship.

This is due to the existence of the State Program for Innovative Development For 2021-2025, which contains measures to develop innovative entrepreneurship and create a venture ecosystem using accelerators. The country also has the State Program «Labor Market and Employment Promotion» Until 2025, which includes the direction «Assistance to the unemployed in the organization of entrepreneur-

ial, handicraft activities, as well as activities for the provision of services in the field of rural tourism through the provision of advisory, methodological and legal assistance, training in legal and financial foundations of entrepreneurial activity, providing financial support in the form of subsidies». According to the results of 2025, more than 7 thousand people should be covered. The analysis showed that the share of SMEs in the economy of the Republic of Belarus is significantly lower than in most developed countries.

In general, the development of SMEs in the Republic of Belarus at the present stage is characterized by enhanced regional development. The share of GVA of SME in GDP has a stable trend (Fig. 1).



**Figure 1** – The share of GVA of small and medium entrepreneurship in the GDP of the Republic of Belarus in the period 2011 – 2021

Note: Compiled by the author, based on data from the National Statistical Committee of the Republic of Belarus, 2022

The main reasons hindering the development of SMEs are the instability of legislation, the lack of a proper assessment of the regulatory impact, the lack of proper conditions for competition, insufficient infrastructure to support SMEs, and insufficient access to financing. There are a little more than three small enterprises per 1 thousand inhabitants of the country, and taking into account individual entrepreneurs – about 22 SMEs. At the same time, most of them are concentrated in the capital and regional centers of the country, and the main area of appli-

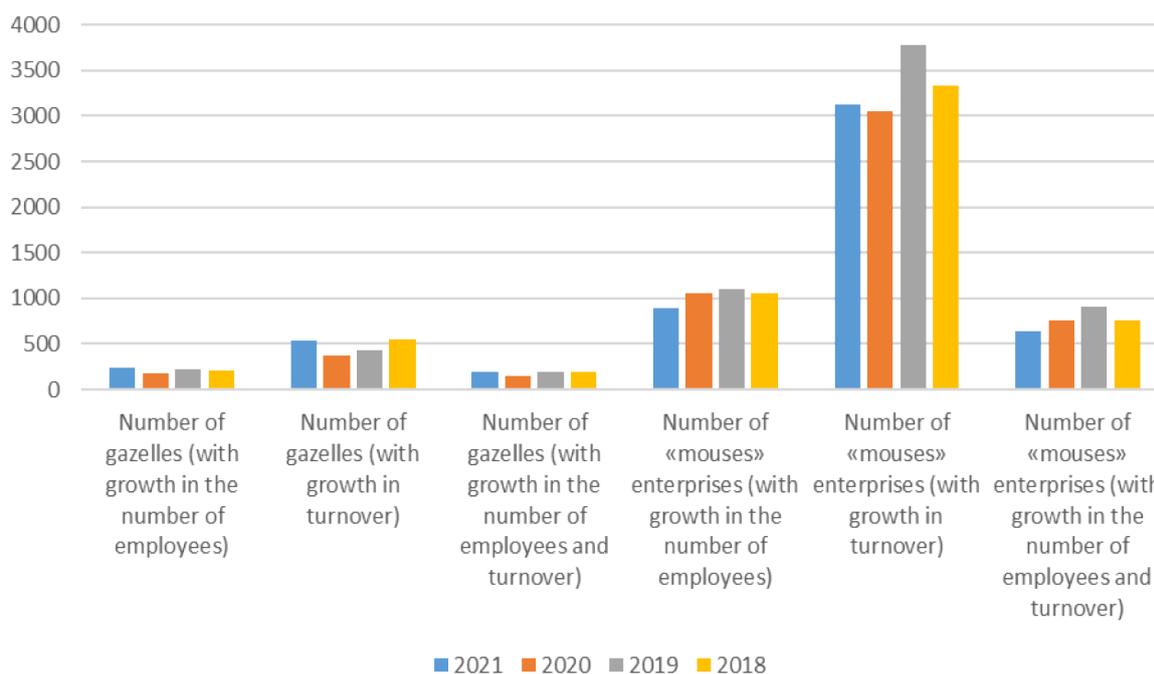
cation is retail trade. The participation of SMEs in solving such urgent problems as the development and implementation of innovative technologies and the development of exports, the formation of a new economic profile of the regions and the provision of effective employment in small towns and rural areas is still insignificant.

One of the instruments of state support for SMEs are programs of state support for SMEs. The analysis of the implementation of the programs showed that some indicators do not achieve their planned result.

Analysis of planned and actual data on the implementation of the State Program «Small And Medium Entrepreneurship In The Republic Of Belarus» For 2016-2020 showed that such indicators as, for example, the share of GVA formed by SMEs in GVA, were not achieved, %; share of people employed in the field of SMEs (including the number of individual entrepreneurs and hired persons involved by them), %; share of proceeds from the sale of products, goods, works,

services of SMEs in the total proceeds, %. As before, a characteristic feature of the domestic SME is the uneven distribution of its subjects across the country. More than 50% of micro, small and medium organizations and more than 40% of individual entrepreneurs are concentrated in Minsk and the Minsk region.

At the same time, business demographic data show a certain increase in the number of gazelles in the Republic of Belarus (Fig. 2).



**Figure 2** – The number of enterprises – «gazelles» and enterprises – «mouse» in the Republic of Belarus for 2018-2021, units

Note: Compiled by the author, based on data from the National Statistical Committee of the Republic of Belarus, 2022

Although the number of gazelles decreased in 2021 compared to 2018, the trends remain positive. This decline can be classified as a result of the COVID-19 pandemic. However, the public policy on SMEs does not provide for a specific policy on gazelles, which is different from the public policy on SMEs in the European Union. Given that there is a statistical record of "gazelles", it is necessary to modernize the activities of the State Program «Small and Medium Entrepreneurship» For 2021-2025 in terms of intensifying the state's work with gazelles and taking measures to support them.

The country annually adopts a start-up event plan approved by the Minister of Economy of the Republic of Belarus. As a rule, the plan covers the

activities of start-up schools in universities and other organizations that support SMEs. However, for all the impressiveness of the plan (for example, 566 events for 2020), often the result is not the establishment of new young firms. Also, the data of the National Statistical Committee of the Republic of Belarus on business demography shows that the share of active enterprises older than 10 years is 44% of the total number of enterprises.

This indicates the need to adjust program documents in relation to SME. SME as a priority task of the state includes many positive aspects, such as:

- solution of economic and social problems;
- production of a significant part of the gross domestic product;

- resolution of the urgent problem of unemployment through the creation of new jobs;
- mobilization of all types of resources and their effective use for their intended purpose;
- creation and implementation of new projects that lead to an increase in production;
- profit maximization of the enterprise;
- increase in income of the population;
- mobility.

Activation of private entrepreneurial initiative, unlocking its potential in entrepreneurship and turning it into a real factor in the restructuring of the economy and its stable growth requires:

- formation of stable and transparent conditions for economic activity, reduction of administrative barriers both at the stage of creating new enterprises and in the process of their operation;
- introduction of effective mechanisms of financial support for entrepreneurs, providing them with access to bank credit resources, leasing, etc.;
- development of youth start-up movement.

## Conclusion

The design of state program documents remains largely outdated and does not meet the requirements and challenges of the modern economy of the Republic of Belarus. Individual activities have been present in SME support programs for decades. The modernization of the SME development software of the Republic of Belarus is proceeding slowly. Negative phenomena in the country's SME sector, the priority given in recent years to the quantitative development of SMEs without an adequate support infrastructure, has led to regional and sectoral disproportions in its development, which allows us to conclude that the formation of SMEs is unregulated. This is due to the declarative nature of the tasks set in the programs to support SMEs in the country, the decrease in the share of the expenditure part of the republican budget for their implementation and the lack of consistency in creating the support infrastructure, without taking into account the real needs of entrepreneurs in the regions for various services.

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