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**SOCIAL-ECONOMIC ASPECTS OF ISLAMIC ENTERPRISE
MANAGEMENT IN THE RUSSIAN FEDERATION**

Specialty 5.2.6. «Management»

Annotation

Dissertation abstract for an academic degree of
the candidate of economic sciences

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Doctor of Economics, Professor, Associate Professor

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The relevance of scientific research. World practice shows that business structures are the key actors of economic growth and the creation of sustainable gross domestic product in the national economy of States. At present, the focus on sustainable development is the current trend of business structures and the subject of agendas for social-economic development of regions and countries. The objectives of sustainable development by large business structures are realized in corporate social responsibility. In the segment of small and medium-sized entrepreneurship, various forms of entrepreneurship are formed, in particular social, Islamic entrepreneurship, distinguished by an intrinsic social mission, thus being points of growth of social-economic development of regions, States and sustainable development goals. Islamic entrepreneurship is a relatively new form of entrepreneurship that took shape in Islamic countries in the mid-twentieth century. In the Russian Federation, Islamic entrepreneurship is an active but less studied social-economic institution in the structure of the national economy.¹

In this context, it is important to note that since 2014, Islamic capital markets have been considered by Russia as an alternative to the Western market due to the restrictions imposed on the Russian Federation by sanctions. The development of Islamic entrepreneurship in the Russian Federation has opened prospects for the development of new world markets in the light of the established international economic cooperation at a high political level between Russia and the countries of the Islamic economy.

In addition, in Russia, internal prospects for the development of Islamic entrepreneurship are conditioned by the multinational composition of the Russian Federation, in which the indigenous Muslim population is usually estimated at 15-25 million (10-17% of the total population) [102], [130] which requires the development of an internal market for Islamic goods and services.

Currently, individual subjects of the Russian Federation-republic demonstrate promising regional practices of building competitive advantages of development of

¹Martin, Richard K. "Riba". Encyclopedia of Islam and the Muslim World. McMillan's Directory - USA, 2004 - pp. 596-7. ISBN 978-0-02-865912-1.

territories with consideration of ethno-confessional peculiarities and their integration into world trends of development and prospects in the Russian Federation, the aim is to develop Islamic entrepreneurship in SMEs.

The empirical development of practices of «Muslim business» and «halal» industry in Russia, despite the fact that it is accompanied by discussions and discussions organized in the format of international expert platforms in various forums, occurs against the background of incomplete theoretical developments in foreign and domestic science, in particular: the uncertainty of the concept of Islamic entrepreneurship, its features in Russia, and the need for effective mechanisms of state support; Lack of official record keeping. All this creates ambiguity of interpretations and characteristics, understanding of development trends, positioning Islamic entrepreneurship in the structure of the Russian economy. In unofficial rhetoric, there is an opinion that the development of Islamic entrepreneurship does not correspond to the secular, multi-religious character of the Russian state.

The above requires a deep theoretical understanding of the essence of Islamic entrepreneurship, its specific features and classification, as well as the development of practical recommendations to improve the mechanisms of management of Islamic entrepreneurship in the Russian Federation, which led to the relevance of the chosen topic of thesis work.

The aim of the study is to develop theoretical provisions and practical recommendations for the development of Islamic entrepreneurship in the Russian Federation on the basis of improving the mechanism of management at the State level.

In order to achieve this goal, the following objectives have been formulated and implemented:

- To broaden the theoretical provisions of the essence, social-economic characteristics and classification of entrepreneurial activities based on Islamic principles;

- to develop a model of social-economic aspects of the state management of Islamic entrepreneurship on the basis of generalization of foreign and Russian experience;
- to conduct an analysis of the market of Islamic goods and services and to identify modern tendencies of development of Islamic business in Russia;
- to assess the activity of development institutions in the system of state support of Islamic business;
- identify the features of the financial mechanism for the development of Islamic business in the Russian Federation in the context of the implementation of key areas of State support for entrepreneurship at the federal and regional levels;
- Develop and apply an algorithm for determining the capacity of the Islamic goods market in the Russian Federation;
- To propose and test a methodology for monitoring the functioning of Islamic entrepreneurship, including specification of organizational aspects and directions of development of Islamic entrepreneurship in the Russian Federation in achieving social-economic effects.

The object of the study is Islamic entrepreneurship in the Russian Federation. **The study focuses on** the social-economic aspects of managing Islamic entrepreneurship in the Russian Federation.

Field of study. The content of the thesis study corresponds to the Passport of scientific specialty 5.2.6. «Management».

Theoretical and methodological bases of the study. Islamic entrepreneurship is described by us as a social-economic phenomenon, which required the justification of a set of scientific macro-approaches with different theoretical substantiation. The first is that the social-economic features of governance are revealed in the context of the inherent social-economic characteristics of Islamic entrepreneurship. To justify the positioning of Islamic entrepreneurship in the structure of the national economy of the Russian Federation and to highlight the social-economic features of management, provisions were used: theories of social and solidarity economy, modern interpretation of the theory of

sustainable development (Sustainable Development Goals, ESG-concept), normative approach on the basis of legal regulation of the subject of research in the Russian Federation. The second - the managerial aspect of the subject of the study is revealed in the framework of the theory of public administration, in particular infrastructure and instrumental approaches to state support.

The methodological basis of the study was the provisions of complex economic analysis, as well as general scientific methods of theoretical and empirical knowledge: analysis and synthesis, induction and deduction, observation and description, comparison, classification. Statistical methods (indicators of time series, relative values), monitoring method, expert estimation (questionnaire) are used as the most important tools of empirical analysis.

The information and empirical basis of the study are represented by legislative and regulatory acts of the Russian Federation, data of the Ministry of Economy of the Republic of Tatarstan, statistics of the Federal Service of State Statistics of the Russian Federation, review materials of the International Monetary Fund, Islamic Business and Finance Development Fund, statistical materials of the world's leading providers of analytical information Thomson Reuters, Refinitiv, ZAWYA, data of standardization and certification centers of Islamic goods and services operating in Russian regions, banking institutions and Islamic financial institutions operating in the Russian Federation, as well as empirical data, obtained during the research process, and analytical calculations.

The scientific novelty lies in the development of theoretical provisions, models of positioning, social-economic aspects of the management of Islamic entrepreneurship and development of applied directions of improvement of the mechanism of management of Islamic entrepreneurship in Russia at the state level.

The most significant scientific results, obtained personally by the author and having elements of scientific novelty are the following.

1. The author's definition of «Islamic entrepreneurship» - as innovation activity carried out in accordance with the norms of morality and Islamic law, which determine the rules of economic behavior of the entrepreneur, focused on the

creation of «halal income» and its subsequent investment in the well-being of society with a view to establishing social justice in the distribution of economic performance, which is legitimate, Orderly and socially oriented entrepreneurship in the Islamic economy. The proposed definition reveals the intrinsic social-economic characteristics of Islamic entrepreneurship, determining its features: conditionality on religious and moral and legal imperatives; achieving the maximum social-economic effect of doing business, manifested in the unity of ensuring social welfare in the distribution of «halal» income and meeting spiritual needs on the basis of charitable activity. **(para. 28 Passports of scientific specialty 5.2.6. «Management»).**

2. The types of Islamic entrepreneurial activity have been systematized within the framework of the proposed scientific classification, characterized by the complexity of the characteristics determining the status of the entrepreneur, the profile and form of its functioning, Enabling a fuller revelation of the multidimensional nature of the quintessence of Islamic entrepreneurship as a social-economic phenomenon and objective factor of the modern economy oriented towards sustainable development; as well as at the empirical level to attribute a specific sphere of Islamic activity to a certain kind, which in general allows to determine the positioning of the Islamic business in the structure of the national economy and to conduct intercountry comparability. **(para. 28 Passports of scientific specialty 5.2.6. «Management»).**

3. A descriptive model of Islamic entrepreneurship has been developed in the unity of its main social-economic components: economic-legal, spiritual-moral, financial, organizational, which reveals key properties and principles of social-economic Economic aspects of management of the Islamic business to achieve the maximum social-economic effect. **(para. 8, para. 28 Passports of scientific specialty 5.2.6. «Management»).**

4. The specific features of the domestic model of Islamic entrepreneurship were identified, which allowed to assess its current state and to identify factors- Restrictions in leveling which are grounded key directions of perspective

development and state support at the federal and regional levels of Islamic entrepreneurship in the Russian Federation. Among the features of the domestic model of Islamic entrepreneurship are the following: the emerging paradigm and practice of Islamic entrepreneurship, which have been suggested to denote the term «entrepreneurship oriented in its activity towards realization of principles of the Islamic economy»; Information closure of the Islamic business sector; insufficient level of saturation of consumer market with «halal» goods and services (53.6%), with growth of sector of «halal» food; The key industry segmentation of Islamic entrepreneurship in the SME sector, with the greatest concentration in services, and the presence of large business entities in the halal industry as a growing market segment; development and demand of Islamic financing projects; Philanthropy, a key element of the Islamic business model, is organized through charitable foundations and is based on fund-raising through the instruments of compulsory donation (zakat) and other donations of a voluntary nature (garden), followed by the allocation of funds to various charitable programmes, with the aim of providing assistance to needy people in difficult economic situation, to education, repair works of architectural objects of cultural and spiritual heritage. **(para. 28 Passports of scientific specialty 5.2.6. «Management»).**

5. Specific recommendations for improving the mechanism of state management of Islamic entrepreneurship in the Russian Federation aimed at synchronization with the current agenda of the SDGs have been scientifically substantiated and formulated, in particular:

- a methodical approach to monitoring the functioning of Islamic entrepreneurship in the Russian Federation, distinguished by the integration of assessments of the state support for the development of Islamic business in the Russian Federation, in the approbation of which social and Economic aspects and key constraints in managing Islamic business. Among the latter, most entrepreneurs do not receive State support; Lack of awareness of State support measures and the use of channels of support other than the State; Predominance of information support from the State; lack of demand for support of development institutions;

dissatisfaction with access to business finance; ineffectiveness of state support in the field of education and professional development; **(para. 8 Passports of scientific specialty 5.2.6. «Management»).**

- a model of inter-organizational interaction of the relevant departments and organizations forming the infrastructure of development in the state management of Islamic entrepreneurship was developed; is an organizational tool for the implementation of the proposed main directions of strategic development of Islamic entrepreneurship in the Russian Federation, namely: improvement of the system of regulation of Islamic business; Improving the State support system for Islamic entrepreneurship, developing the institutional support system, raising the level of knowledge and awareness of Islamic business; that will contribute to increasing the efficiency of the Islamic business sector and the creation of a comfortable business environment for Islamic entrepreneurs. **(para. 8 Passports of scientific specialty 5.2.6. «Management»).**

Theoretical significance of the study lies in the development of theoretical provisions in the part of the conceptual apparatus, revealing the concept and essence of Islamic entrepreneurship, its specific characteristics and specific structure, as well as in the formation of a descriptive model of the social-economic aspects of the management of Islamic entrepreneurship in the unity of its key components, which expands scientific knowledge about the institute of Islamic entrepreneurship as an alternative form of entrepreneurial activity.

The practical significance of the research lies in the development of grounded recommendations on the improvement of the mechanism of management of Islamic entrepreneurship, the application of which will contribute to the development of Islamic business in the Russian Federation as a directionally morally based economy in synchronization with the current SDG agenda. The results obtained by the author can be used in practice by state bodies in the formation of a program of support for the Islamic business, by entities of the Islamic business to assess the market and their own activities; Financial institutions, when deciding on financial support for Islamic entrepreneurs; Various information and analytical

agencies to analyse and provide objective information to consumers on Islamic goods and services; in the educational process of training specialists in the Russian Universities in the development of concepts, curricula and training programs for economists in the direction of «Islamic economy», «Islamic finance», etc.

Testing and implementation of research results. The main provisions and results of the study were reported and discussed at 7 scientific and practical conferences. The proposed methodical approach to monitoring the functioning of Islamic entrepreneurship has been tested, accepted for use and put forward to the republican competition «Fifty Best Innovative Ideas for the Republic of Tatarstan» by the Ministry of Economy of the Republic of Tajikistan, as confirmed by the certificate.

The main provisions of the research are discussed in 10 scientific publications with a total volume of 4.96 p.l., including 6 articles in journals included in the List of Leading Peer-Reviewed Scientific Journals and Publications defined by the WAC.

The structure and scope of the dissertation. The dissertation consists of an introduction, three chapters, a conclusion, a reference list (208 sources) as well as an appendix.

The length of the dissertation is 203 pages, illustrated by 36 tables, 35 drawings.

