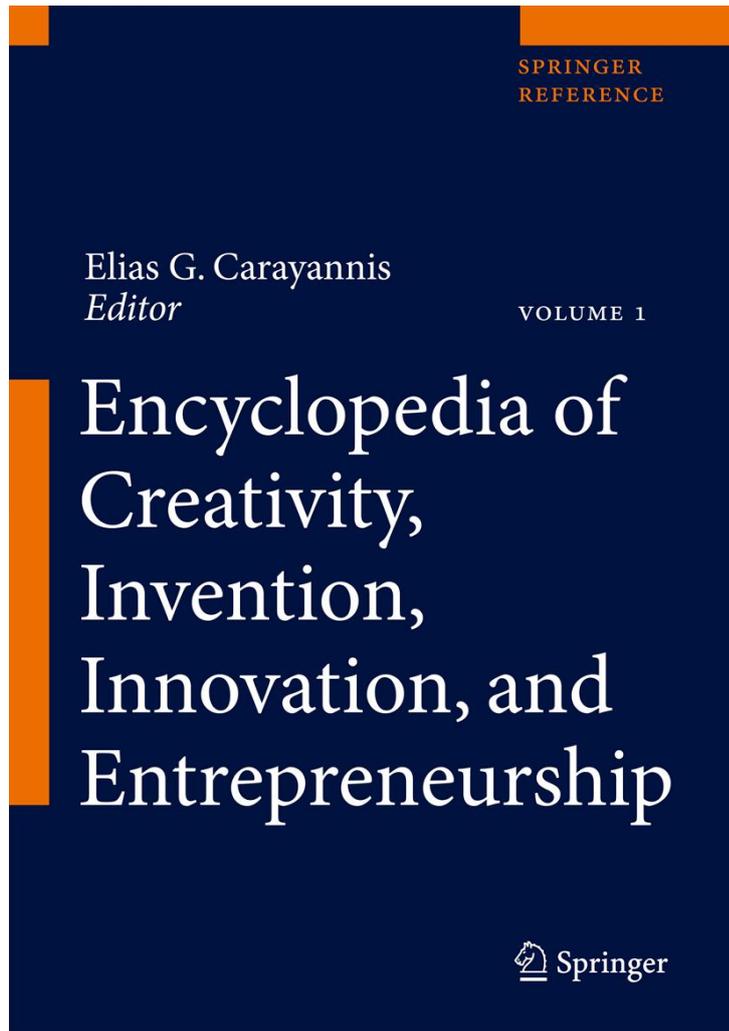


Extrait de



Article  
**ENTREPRENEURSHIP  
POLICY**  
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Auteur :  
**Patrice Noailles-Siméon**

### **Résumé :**

Les politiques en faveur de l'entrepreneuriat sont d'abord l'expression d'un pragmatisme politique qui commence aux USA dans les années 30 en réaction à la crise. Ces politiques ont précédé et précèdent encore les constructions académiques sur le sujet.

De ce fait ces politiques recouvrent un domaine très large depuis l'intégration des immigrants jusqu'à l'innovation en passant par l'emploi, la formation et l'innovation.

Etrangement, elles ne font pas plus l'objet d'évaluation économique que les autres domaines gouvernementaux. Mais elles restent très populaires comme le prouve l'auto-entrepreneur en France et les nombreuses initiatives américaines pour soutenir la capacité entrepreneuriale du pays.

Bonne lecture,

revolution (and especially during the nineteenth century), public policies have become more sophisticated with the objective of changing and developing economic activity. Since the end of the Second World War, public policies have been developed to integrate a large range of activities (social, education, health, transport, energy, and economic regulation). The economic growth of the 1950–1970s was based mainly on large public companies and economies of scale. These companies and the public scientific system became the engine of economic growth. But the economic crisis of the 1970s was also the crisis of the Keynesian model. Public policies have since changed to promote entrepreneurship.

Today, it is clearly evident that economic growth is based on entrepreneurial activity. It is not an exogenous phenomenon. Entrepreneurial activity is influenced by a large range of elements: public policy (of course) but also the strategies of large companies and the economic framework (financial system, market situation, and so on). The role of the state is to canalize entrepreneurial activities which create innovation and jobs. The wealth of the state is based today on entrepreneurial dynamics and on financial markets. But this state wealth is also less stable. Since the beginning of the 1990s, economic crises have become more frequent and widespread. This instability can produce social unrest.

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## Entrepreneurship Policy

Patrice Noailles-Siméon

RRI – Marne-la-Vallée University, Seillans  
Investissement, MemoPage.com, Paris, France

## Synonyms

[Development policy](#); [Innovation policy](#)

Entrepreneurship thrived in Mesopotamia, long before there was any entrepreneurship policy. This is underlined by Baumol, Landes, and Mokyr (2010). Throughout history, entrepreneurs, who are not all innovators, have had many different embodiments, from the large landowners described by Cicero, through the Cistercians and lords in the Middle Ages, to inventors such as Gutenberg and Edison and businessmen such as Ford and Eiffel.

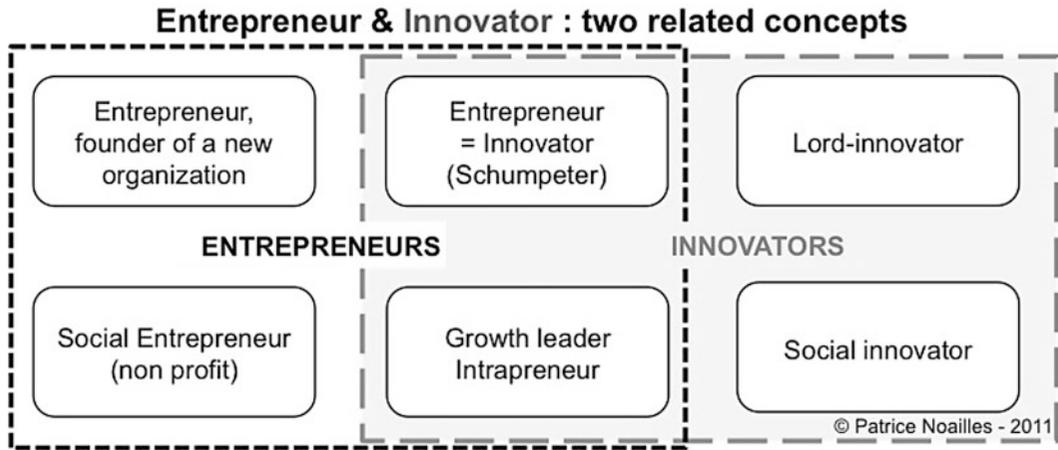
The term *entrepreneur policy* became a “politically correct” policy topic in the 1990s. Today it is a requirement in policy topics, at the center of a society’s ability to progress. Entrepreneurship policies are diverse. Based on a broad definition of *entrepreneur*, entrepreneurship policies include intrapreneurship policy, a large part of small business policy, and innovation policy, in addition to parts of development policy and even employment and immigration policies. Finally, it may touch cultural policy or even social integration policy.

## Definitions

Neither scholars nor policymakers have all the tools necessary to scientifically understand and govern entrepreneurship policies, which are still mainly pragmatic. However, it is possible to make clear some terms and debates.

## Entrepreneurs

Theoretical and pragmatic approaches of entrepreneur are divided into – at least – four categories:

**Entrepreneurship Policy, Table 1** Entrepreneur and innovator

1. *Entrepreneur as a “true” innovator.* This seems to be the definition of Shane and Venkataraman (2000) and was the definition of Schumpeter (1911–1982) as well as the OECD (2009).
2. *Entrepreneur as a creator of a new organization.* This included one-person companies, which can be part of an employment policy such as the “auto-entrepreneur” in France. This was the original meaning by Cantillon (1755), who required some risk in the activity of the entrepreneur.
3. *Entrepreneur as an intrapreneur or growth leader who develops businesses in existing companies.*
4. *Social entrepreneur, often called a nonprofit entrepreneur, who creates value for the society as a whole, mainly through the creation of an organization in a nonprofit environment.* This includes also a political changes in regulation, which may broadly affect business and the global capacity of value creation.

As shown in Table 1, “entrepreneur” is a concept similar to “innovator” but different. Entrepreneurs also may be copycats or simply business people in established activities.

### Entrepreneurship Policy

Entrepreneurship policy enables entrepreneurs to start and develop new ventures. It aims to make it

easier to create new enterprises and/or develop new products and services. National or global policies are the legal side and local policy is the societal side. It bears on low-technology economic activity as well as high-tech (although the latter is emphasized here). Overall, it encompasses a social dimension of risk acceptance, a view of life, and an ethic that allow individuals to become entrepreneurs. This seems to be the way in which the World Bank does business.

Entrepreneurship policy includes six main topics:

- Global economic and social environment (infrastructure, regulation stability, deregulation, free markets for finance, goods and labor).
- Creation process (1 day and no cost plus physical infrastructure, including “clusters” and start-up facilities).
- Development assistance (financing solutions (e.g., SBIC), market openness (e.g., SBA), R&D transfer).
- Entrepreneur concerns (management of risk, patents, tax incentives, insurance).
- Ethics and ideology (cultural and social norms, open city).
- Education and training programs.

Entrepreneurship policy belongs to the liberal side of economics, whereas innovation policy comes from a state-organized economy.

They have merged because entrepreneurship seems to be the best way to speed up innovation.

### **Entrepreneurship Policy Management: Decision Making, Governance, and Assessment**

While entrepreneurship policies have progressively involved many different government sectors at several levels (national, regional, and local), there is no established organization for entrepreneurship policy, nor any established governance or official assessment!

Japan has a minister of state for innovation, not for entrepreneurship, but Japan is not more successful than other countries. The British government decided in 2007 that the prime minister would control innovation and entrepreneurship policy, however, Her Majesty's Treasury still manages a large part of it.

### **Entrepreneurship Policies**

Entrepreneurship policies are not theoretical approaches; they are entirely pragmatic and efficiency driven. They began in United States in the 1930s, with the New Deal, and increased during the 1950s and after.

#### **US entrepreneurship Policy: From SME to Innovation**

US entrepreneurship policy, which originally was not known by this name, began as small and medium enterprises (SME) policy before dealing with research and innovation and then with jobs creation. Today, the Small Business Administration (SBA) and seven laws (SBA, Subchapter S, Business Angels, Small Business Investment Company (SBIC) and venture capital (VC) regulation, Small Business Innovation Research (SBIR), the Bayh-Dole Act, and patents) make up the current entrepreneurship system in the United States.

The SME policy of the United States was the model for numerous other countries: Taiwan (1954), The Netherlands (1954), Canada (1961), Australia (1973), the United Kingdom (1970), Ireland (1982), Finland (1993), and Spain (1996).

#### **1932–1952: RFC and OSB for SME**

The Reconstruction Finance Corporation (RFC) was founded in 1932 by President Herbert Hoover to finance all kinds of businesses and was integrated into the New Deal program by President Franklin D. Roosevelt.

The SWPC (Smaller War Plants Corporation) was created in 1942 to provide loans to private entrepreneurs and was dissolved at the end of the World War II; its activities were transferred to the RFC.

The Office of Small Business (OSB), part of the Department of Commerce, provided information to SMEs.

During the Korean War, the Small Defense Plants Administration (SDPA) was created to perform the same function as the SWPC. In 1952, it has been decided to shut down the RFC and President Dwight D. Eisenhower proposed the creation of a new agency combining the main functions of the RFC and OSB.

#### **1953: SBA**

The Small Business Administration (SBA) was created by the Small Business Act of 1953. Its function was to “aid, counsel, assist and protect, insofar as is possible, the interests of small business concerns.” In addition, the SBA would ensure small businesses a “fair proportion” of government contracts and sales of surplus property. In 1954, the SBA began to make direct loans and to guarantee bank loans to SME.

In 2011, the SBA was a multifunction agency with a budget of US\$ 500 million and eight major programs: Financial Assistance, Contract Opportunities, Disaster Assistance, Online Training, Counseling & Assistance, Special Audiences, Laws & Regulations and Compliance. New efforts for minorities and clean technology were implemented at the beginning of 2012.

#### **1958: SBIC and Subchapter S**

The Small Business Investment Company (SBIC) was established to finance privately owned venture capital investment firms with the help of the US government. These investment companies, dedicated to investing in start-ups and SMEs, can get a loan at low rate (1%) for

double their capital. This allows leveraging of their efficiency, which is necessary to obtain fair profitability in the venture capital business.

The Subchapter S law was adopted in 1958 and reexamined several times since then. Through assessment reports and the study of Robert Gaston (“The informal supply of capital,” 1988) this system has contributed to the emergence of one million business angels in the United States, investing from \$30 to \$100 billion annually.

#### 1980–1982: SBIR-STTR, the Bayh-Dole Act, and Patents

To meet the industrial demand for US electronics at the end of the 1970s, the US Congress adopted three main laws regarding R&D and technology transfer. The idea was that America had to preserve its innovation capacity by better using its R&D capacity. Patents improvements and SBIR were adopted for better applied R&D, and the Bayh-Dole Act was enacted to accelerate – and even force – technology transfer.

The Small Business Innovation Research (SBIR) program is a partnership program between SME and federal research agencies. The STTR (Small Business Technology Transfer Program) takes a similar approach with SME and nonprofit US research institutions; this is clearly a mix with innovation policy.

#### Years 2010: Immigration – Towards a Startup Visa Act

The Kauffmann analysis determined that immigrants found companies at greater rates than native-born Americans do, and they are disproportionately more successful in starting high-growth and high-tech firms. This led two senators to propose a new law granting green cards to foreign entrepreneurs and even to all STEM (science, technology, engineering, mathematics) graduates. This is also a mix with innovation policy.

#### 2011: Patent Law

On September 16, 2011, the US Congress passed the America Invents Act, a new patent law following decades of debates and three “patent reform acts” of 2005, 2007, and 2009. This act

modifies the US patent system from a “first to invent” to a “first to file” system, eliminates interference proceedings, and expands post-grant opposition. This act also defines the new organization for the US Patent and Trademark Office (PTO).

#### 1945–1970: The Growth of Venture Capital – From

VC Funds and Angel Investors to Crowd Funding  
The modern form of venture capital began with the ARDC (American Research and Development Corporation) and a French-American Harvard professor, Georges Doriot, just after World War II. The legal status took time, however, and came along with private equity funds in the 1960s. In a strict sense, this is not a national policy, but in a market approach, venture capital funds and business angels (see below) are natural parts of a National Innovation System (NIS). Due to the necessity for due diligences and management fees, these funds can only invest in developing projects, in an amount of more than US\$ 1 or 2 million.

For seed capital and early-stage development, angel investors are able to invest any small amount without management costs and due diligence. They have the capacity to evaluate from either a specialist point of view or a proximity evaluation. According to professional associations and the Small Business Administration, the number of US angels investors is estimated to be around 300,000 per year. Angel investors are often retired entrepreneurs or executives who are investing not only for monetary return but also to help other entrepreneurs and to become a real partner.

In 2011, we saw the first beginnings of crowd funding on the Internet, allowing angel investors to invest small amounts (some thousands of US\$) in a venture together with many others. Today, this activity is not clearly regulated. Crowd funding, which began in the independent music industry, could be considered as a kind of microfinance. Regulation has to be deepened in the United States as well as in Europe because this is a kind of public offering. On April 5, 2012, the Jumpstart Our Business Startups Act (JOBS Act) was signed by the President of United States. It intended to encourage funding of small businesses by easing various securities regulations.

### Entrepreneurship Policies for Developing Countries (OECD-ONU-WEF-UNCTD/United Nations Conference on Trade and Development)

For many development organizations experience has shown that the most efficient approach to reducing poverty in low-income countries is the development of productive capacities, i.e., “productive resources, entrepreneurial capabilities and production linkages which together determine the capacity of a country to produce goods and services and enable it to grow and develop” (UNCTD).

On this basis, all international organizations now urge to development of entrepreneurship policies.

#### Europe: Science and Innovation

In Europe, there used to be conflicts between two kinds of policies: the centralized approach of innovation policy and the market approach; in other words, between liberal and not.

As the debate on innovation and entrepreneurship policies took place at the beginning of 2000 and ended with the Lisbon Agreement, it was only possible to build a general agreement, except on the global R&D expenditure, with a target of 3%. Entrepreneurship and transfer of technology policies were ignored, as there were wide differences among countries. The differences were also large in education systems. Each country is supposed to organize its own policy.

#### France, from “State Innovation” to Entrepreneurship

General de Gaulle looked for new ways of obtaining power and, after him, Georges Pompidou sought economic development. France had a state innovation policy during the 1960s and 1970s, with large national programs such as Ariane (rocket), Airbus (planes), TGV (train), Minitel (IT), nuclear plants (energy), and even computer chips (ST Microelectronics). Other programs for machine tools and computers were less successful. However, at the same time, the first company in the world to manufacture a microcomputer for business, named Micral,

was created in 1972 by M. Truong in France, and as Apple was founded in 1977! However, Truong worked alone and didn’t find financing. After selling 100,000 professional microcomputers between 1972 and 1977, he sold Micral to a large company (Bull), which did not understand the product.

Innovation policy without entrepreneurship policy is a centralized model can be found in many countries, with still less success than in France. France has also tried some kinds of clusters, with the “technopoles” in the 1980s and now the “pôles de développement.” Results have been limited, according to a study by the French Parliament.

#### Three Global Entrepreneur Policy Models

There are three main kinds of combined entrepreneurship policies:

- Development policy; SBA is the base of this policy
- Innovation policy
- Employment policy, which came later, in the 1980s, with research financing and adapting the rules to create a society, and even one-person company.

For innovation, there are two major directions in addition to research financing:

- The Anglo-Saxon model, mainly based on market-driven innovation. This model seems to be efficient for breakthrough innovations.
- The Continental Europe model, relying mainly on big firms or the state to manage innovation system. This model works well for incremental innovation and for diffusion.

### Theoretical Debates

#### Historical Evolution

There have been three major trends in the theoretical debates since the 1930s and a fourth trend is developing.

The Pure Pragmatic Way (Since the 1930s)

The work of the US Congress (and of politicians and their advisors) shows us the importance of being pragmatic in political decisions, since they

have established the basis of entrepreneurship policy without even having the intellectual tools to build it!

There is still a pragmatic way that consists of treating each problem as it comes: “proof of concept center,” “incubators,” “accelerators,” “death valley,” “innovation death spiral,” “prototype centers,” and so on. Each problem has a limited solution. The ultimate problem is to organize and rationalize them all.

**The Entrepreneur Theoretical Way (Starting in the 1960s, Emerging in the 2000)**

From the 1960s, entrepreneurship began to be the subject of research, reports, and debates by scholars and in think tanks. These first steps were mixed with questions on innovation, as an entrepreneur was often seen as an innovator.

The scholarly debates on entrepreneurs actually began in the 1990s, and Venkataraman drew a picture for future academic work in 2000 (Shane and Venkataraman 2000), but only for entrepreneurship, not for entrepreneurship policy.

**The Global Economic Approach (in the 2000s)**

Scholars and policy makers need global analysis and not only pragmatic and incomplete approaches. By this time, they had a global economic approach, but it was still not completely academic. In this context, there are two main kinds of debates: the *existence* and the *efficiency* of entrepreneurship policy (see below);

But there is a another economic question, which is the quality of entrepreneur. In classical economics, we see only three actors: the market, the consumers (mass), and the producers (companies). We never speak about individuals. There is no room for entrepreneurs. The question today could be “what is the place of entrepreneurs in economics.”

**An Emerging Question: The Role of Culture (for the 2010s)**

Behind this question regarding the entrepreneur in economics, we find a more general debate in sociology and economics about the individual in these two sciences. The debates

are between social sciences, from sociology to economics, and individuals. We also find the question of the relationship between sociology and psychology, between economics and management.

These debates have a common point: the importance of culture that regulates the individual behavior in the society.

**Why Does Society Need Entrepreneurship Policy?**

Remember that, until 1980, the academically correct approach to development or employment in the twentieth century was based on the idea that large firms were the major sources of economic growth and employment. Neither entrepreneurship, nor innovation, was a subject for economic study.

Nevertheless, during the 20 last years of the twentieth century, scholars and policy makers pointed out two key facts (Birch, Thurik, Audretsch et al. (2007) from 1979 to 2011):

- The major role of new firms is job creation, accounting for more than 80 % of job creation in the United States;
- The role of new enterprises is the innovation process and growth (Block and Keller 2008).

As a result, after being ignored in previous theories, the entrepreneur and the start-up became central in economic development.

At the same time, the theory of the contestable markets was developed (Baumol 1982) and gave a theoretical entrance for the new policy approach, which became a clear shift from the managed to the entrepreneurial economy. As a result, the premise of entrepreneurship policy is market failure together with the idea that when markets are efficient, innovation will destroy the equilibrium (Venkataraman 1997).

In a period of globalization, innovation is the only way to renew the competitive advantage of developed countries; and entrepreneurship is the most efficient way to foster innovation. Thus, much should be done to make the entry of actors of innovation easier. New policy must also deregulate, privatize, and enable knowledge uses through R&D transfer.

### Systemic or Individualist Approach: Entrepreneur or Company?

Among policy-makers and politicians, efficiency is often the ultimate goal, without trying to find the theoretical explanation. For this reason, these people apparently speak indifferently of an “entrepreneur’s ecosystem” as well as an “innovation system” or “systemic policy” or even of “rainforest” (Hwang and Horowitz 2012).

Nevertheless, there is a dispute over the theoretical bases of these policies:

- On one side, economists are at least quantitativist and work on the factors of entrepreneurship, trying to modulate policy measures according to efficiency. They gladly speak about marginal efficiency of the lower rate of corporation tax, while they speak much less of ethics and ideology. They speak about economic system and structure.
- On the other side, some economists are speaking about entrepreneurs and their way of life. In this approach, there is a diminishing interest in the infrastructure concepts as the National Innovation System or clusters as the key object of the politics. These “old” concepts are shifting from operating concepts to description concepts. And the key concept of entrepreneurship policy begins to be the entrepreneurs, their ethic, and their risk management or values, all that we can consider as an ecosystem.

### Debates on Efficiency of Tools for Innovation-Entrepreneurship Policy

Management of the Knowledge Spillover?

Localization, Proximity, and Quality Effect

The Knowledge Spillover Theory of Entrepreneurship tends to localize start-up close to the actual source of knowledge. The question still exist of how it works: in the 1970s there were many people around the Xerox-PARC and only one company named Apple! Clearly, there is no matter of quantity. If knowledge input increases by 100 %, you can’t be sure of a similarly increase of innovation nor entrepreneurship. There is a quality effect, as with artistic creation, and a proximity effect, which nobody understands nor controls.

It is clear that there is no relationship between entrepreneurship measured by the number of new companies/inhabitants and the quality of innovation in the same area. The statistics in France and the United States are consistent on this point.

### Local or Global? Efficiency of Clusters Policies

In the 1990s, policymakers and scholars became convinced that the local level is the key for entrepreneurship. In the mid-1990s, clusters were the alpha and omega of innovation policy seen by OECD. However, reports from international institutions were skeptical of the efficiency of the clusters in Japan or in France during the first decade of the twenty-first century. The OECD cluster policy of the 1990s has been progressively replaced by “fostering innovation” and is moving toward a global concept of enabling entrepreneurial acts.

Organized “top-down” clusters are not the best, whereas spontaneous clusters that are “bottom-up, such as Boston or Silicon Valley, are the most effective. If clusters are no longer *the* way to entrepreneurship, the “local” is still a key approach. The right concept of local seems to be “territory” that is still a fuzzy concept, meaning an area where people have a common view on life, a kind of ideology, and a proximity, allowing the building of a community spirit.

At the moment, there is still not established opinion and the local concern of entrepreneurship policies, except that there is a heavy local trend in entrepreneurship policies.

### The Emergence of the “Entrepreneurship Culture” Concept

Entrepreneurship culture is a concept that comes from management. The subjects were “top-down innovation” or “firm culture,” and consultants still use these concepts.

As there are many emerging concepts and probably no accepted model, everybody must stay aware of. After “fostering innovation,” we’ll discuss “innovation or entrepreneurship culture”. But look out, you need both structures and mind!

**Entrepreneurship Policy, Table 2** TEA index (%) in innovation-driven economies (Source: GEM Report 2011)

Country	TEA index
Australia	10.5
Belgium	5.7
Denmark	4.6
France	5.7
Germany	5.6
South Korea	7.8
Sweden	5.8
United Kingdom	7.3
USA	12.3

## The Emergence of Measuring Entrepreneurship

After more than 10 years of controversial debates between scholars and policy makers, three series of indicators are under development in the world.

### The TEA Index by GEM

Global Entrepreneurship Monitor (GEM), a worldwide organization whose guiding purpose is to measure individual involvement in venture creation, is developing a number of indicators that are progressively extended worldwide. The major index is TEA (Total Early-Stage Entrepreneurship Activity – see Table 2): the prevalence rate of individuals in the working-age population who are actively involved in business start-ups, either in the phase preceding the birth of the firm (nascent entrepreneurs), or the phase spanning 3½ years after the birth of the firm (owner-managers of new firms).

### Doing Business

“Doing Business” is an annual report by the WEF (World Economic Forum) and the World Bank that provides open data on the way of doing business in each country. “Starting a business” includes four criteria: procedures (number), cost (% of income per capita), time (days), and paid-in minimum capital (% of income per capita). Table 3 shows the best and worst rankings.

**Entrepreneurship Policy, Table 3** Top ten and bottom ten of starting a business ranking in Doing Business 2011 report (Source: Doing Business Report – 2011)

Easiest	Rank	Most difficult	Rank
New Zealand	1	Iraq	174
Australia	2	Djibouti	175
Canada	3	Congo Rep.	176
Singapore	4	Sao Tomé and Príncipe	177
Macedonia	5	Haiti	178
Hong Kong	6	Equatorial Guinea	179
Belarus	7	Eritrea	180
Georgia	8	Guinea	181
USA	9	Chad	182
Rwanda	10	Guinea-Bissau	183

**Entrepreneurship Policy, Table 4** Topic categories for entrepreneurship indicators (Source: OECD-EIP report for 2009)

Indicators for determinants	Indicators for entrepreneurial performance	Indicators for impact
Regulatory framework	Firm-based indicators	Job creation
R&D and technology	Employment-based indicators	Economic growth
Entrepreneurial capabilities	Other indicators of entrepreneurial performance	Poverty reduction
Culture		
Access to finance		
Market conditions		

This assessment is far from accurate regarding the entrepreneurship policies in most developed and even developing countries, however, in 2011, it is the only available worldwide assessment.

### Eurostat-OECD

In 2006, the OECD launched the EIP (Entrepreneurship Indicators Program) to build internationally comparable statistics on entrepreneurship and its determinants. In 2007, Eurostat joined the project. The first reports were edited in 2008 and 2009, but there are not yet any worldwide statistics. OECD has made the choice to follow three series of indicators, as detailed in Table 4:

determinants of entrepreneurship, entrepreneurial performance, and impact.

### Policies Assessment

As there is still no established measurement system, there is no possibility of global assessment or rating.

Several parliaments have made punctual assessments: the US Congress has realized assessments of the US policies, from SBA to SBIR. French Parliament made the assessment of “pôles de développement” or clusters in 2009.

### Conclusions and Future Directions

There are two major conclusions and future directions for policy makers and scholars.

#### Some Rules of Thumb for Policymakers

As a general conclusion of this short review, it seems that almost all the financial and physical tools are useful and often necessary, but they don't give any guarantee of success if there is no cultural and societal policy.

At the end, in this matter of “entrepreneurship policy,” which is still a new subject of scholarly studies, there is no established academic opinion regarding the way to success. Far from theoretical debates, policymakers need only some golden tenets to avoid major failures. According to the opinions expressed in publications edited by GEM, Kauffmann Foundation (Lerner 2009), Babson College, the World Bank UNACTD (UNCTAD Secretariat 2011), and others (Porter 2003), there are six golden tenets:

1. *Think people, not just structures*: there is no mechanical system producing entrepreneurs, but an ecosystem enabling people to become entrepreneurs. Think global entrepreneur ecosystem, not only environment;
2. *Think worldwide and local*; not too big and not too small. Entrepreneurship needs global connections but entrepreneurs live locally.
3. *Be politic and watchful*: give orientations and means; don't drive by yourself; take care that public initiatives need long time. Don't look

for immediate effect. Implement a careful evaluation system (quality and quantity).

4. *Be yourself and be cautious*: success is never only a matter of copying. Correct choice of entrepreneurship policy instruments is determined by context. Use international standards to finance entrepreneurship and innovation, respect market opinion and use the well-tested tools from start-up funds to proof the central concept.
5. *Don't forget knowledge*, from education to R&D.
6. *“The entrepreneurial spirit” is the only way to drive the new economy*. Take care of establishment. You need many stakeholders to support entrepreneurs.

#### New Economics

Entrepreneur may find that entrepreneurship is not a current concept in economics. Entrepreneurship policy was founded to meet unsolvable problems in the 1930s. Because of its success, it was developed further in the 1950s. Today, management academics try to elaborate the conceptual analysis of entrepreneur and of entrepreneurship policy.

Apart from armies and some Indian companies or postal services in Europe, the big companies began to develop during the nineteenth century, with the steam engine, railways, chemical products, telephone, and even electric equipment. At the beginning of the twentieth century, these companies seemed to be the center of economic life. Even Schumpeter thought this way in the 1930s and 1940s.

The rise of big business seemed to confirm these global economic approaches, whether liberal or Marxist. Market, materialist, and centralized economies knew only structures and mass, not individuals. But the years 1950–1980 brought a new idea, which is the comeback of the entrepreneur as the main economic agent for creating jobs, developing business, and innovating.

This may be a major turnaround in economics. As sociology will take into account psychological questions, perhaps economics will have to join management; and the link between management and economics could be the entrepreneur. In fact,

for policy makers, entrepreneurship policy is already the link between economic policy and the regulation of business.

## Cross-References

- ▶ [Accompaniment of Business Creation](#)
- ▶ [Entrepreneurship](#)
- ▶ [Innovator](#)
- ▶ [Risk, Uncertainty, and Business Creation](#)

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GEM, <http://www.gemconsortium.org>

OECD, <http://www.oecd.org>

World Economic Forum (WEF), <http://www.weforum.org>

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## Entrepreneurship Research

- ▶ [Microfirms](#)

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## Entrepreneurship Training

- ▶ [Entrepreneurship Education](#)

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## Environment

- ▶ [Diversity and Entrepreneurship](#)

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## Environmental Determinants of Entrepreneurship

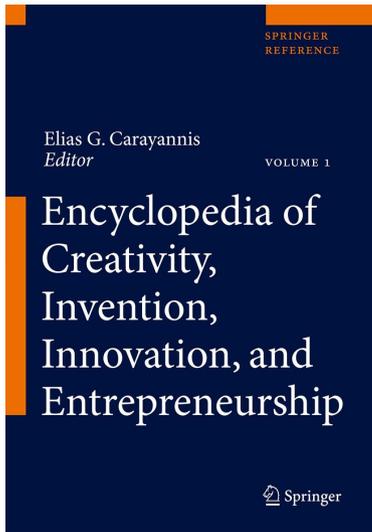
Imen Selmi<sup>1</sup> and Samia Haddad<sup>2</sup>

<sup>1</sup>National Engineering School of Gabes (ENIG), Gabès, Tunisia

<sup>2</sup>Institute of High Commercial Studies of Tunis (IHEC), Tunis, Tunisia

## Synonyms

[Contextual determinants](#); [Environmental factors](#); [External factors](#)



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