

Entrepreneurship in the World: The Analysis of the Global Entrepreneurship Index in the Period 2015-2017

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Abstract

The last decades have witnessed the rapid spread of entrepreneurship all over the world. Consequently, the state of entrepreneurship has significantly improved. The aim of the paper is to present the evolution of the top ten countries in the world according to the Global Entrepreneurship Index in the period 2015-2017. The research methodology is based on a quantitative method. The paper shows that the top ten countries in the world according to this index in the last three years were the same in a high proportion and demonstrates the absolute domination of the United States of America and the growing presence of the European countries.

Key words: entrepreneurship, Global Entrepreneurship Index, country, United States of America

J.E.L. classification: L26

1. Introduction

Since the First Industrial Revolution entrepreneurship has increasingly become a subject of interest for various stakeholders (e.g., governments, policy makers, companies, businessmen, researchers, and scholars). The consequences of entrepreneurship over the socio-economic life are numerous and important such as job generation, social inclusion, innovation, technological progress, wealth creation, and economic growth and development (Braunerhjelm, 2010; Naudé, 2013; Toma et al, 2014; Organisation for Economic Cooperation and Development, 2016; Organisation for Economic Cooperation and Development, 2017; Global Entrepreneurship Monitor, 2017).

The last decades have witnessed the rapid spread of entrepreneurship all over the world. Consequently, the state of entrepreneurship has significantly improved. Since 2015, the United States of America (USA) has remained the most entrepreneurial country worldwide (Ács et al., 2017). The following three mega trends shaping the future of the American entrepreneurship were identified (Kauffman Foundation, 2017): new demographics of entrepreneurship, new map of entrepreneurship, and new nature of entrepreneurship. However, these trends are also to be found in other countries (e.g., Canada, Australia) as building entrepreneurial societies represents a major challenge in the 21st century for most of the countries (Bargen, 2003; Straub, 2016). As one of the global megatrend, entrepreneurship rising is more and more connected with other megatrends such as digital future, global marketplace, and urban world (Ernst&Young, 2015; KPMG, 2017).

The aim of the paper is to present the evolution of the top ten countries in the world according to the Global Entrepreneurship Index (GEI) in the period 2015-2017. The research methodology is based on a quantitative method. The next part of the paper is dealing with the analysis of the GEI in the period 2015-2017. The paper ends with conclusions.

2. Analysing the Global Entrepreneurship Index in the Period 2015-2017

The GEI is an annual index published by the Global Entrepreneurship and Development Institute (GEDI). It measures the health of the entrepreneurship ecosystem in countries around the world and then ranks the performance of these countries. The GEI is based on the following 3 sub-indexes and 14 pillars:

- Attitudes sub-index (opportunity perception, startup skills, risk acceptance, networking, cultural support).
- Abilities sub-index (opportunity startup, technology absorption, human capital, competition).
- Aspiration sub-index (product innovation, process innovation, high growth, internationalization, risk capital).

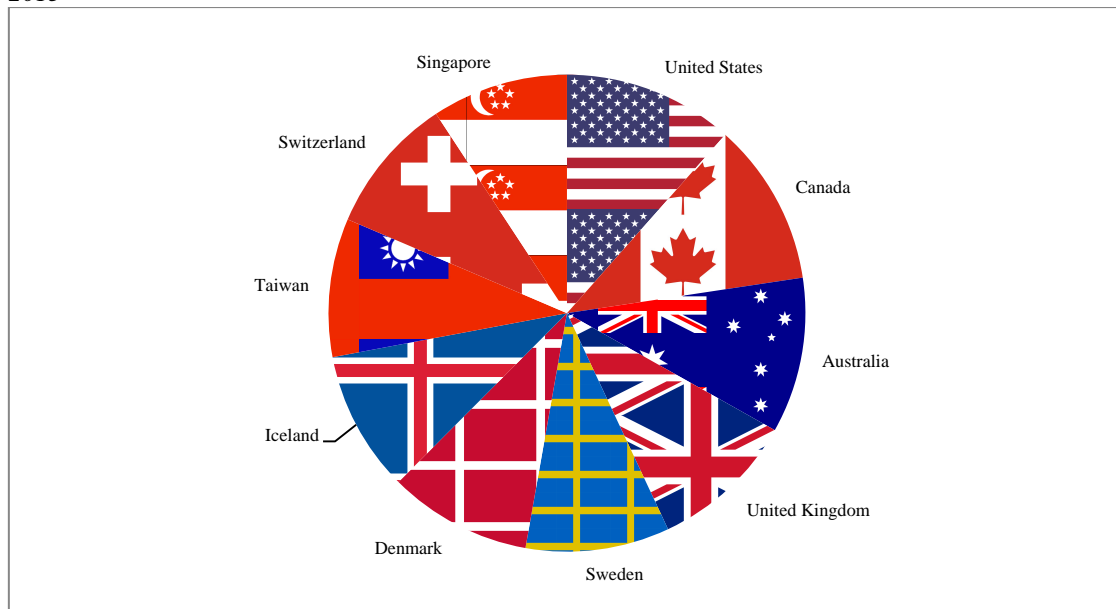
The GEI 2015 highlights the domination of the USA with a gap of 3.5 points more than Canada and a gap of 7.4 points more than Australia, its main competitors (Table no. 1). The ranking is dominated by Europe with five out of ten countries although the first of them is only ranked fourth (Figure no. 1).

Table no. 1 The top ten countries in the world according to the GEI in 2015

Rank	Country	Score
1	USA	85.0
2	Canada	81.5
3	Australia	77.6
4	United Kingdom	72.7
5	Sweden	71.8
6	Denmark	71.4
7	Iceland	70.4
8	Taiwan	69.1
9	Switzerland	68.6
10	Singapore	68.1

Source: (Ács et al., 2015)

Figure no. 1. The geographical distribution of the top ten countries in the world according to the GEI in 2015



Source: (authors' contribution)

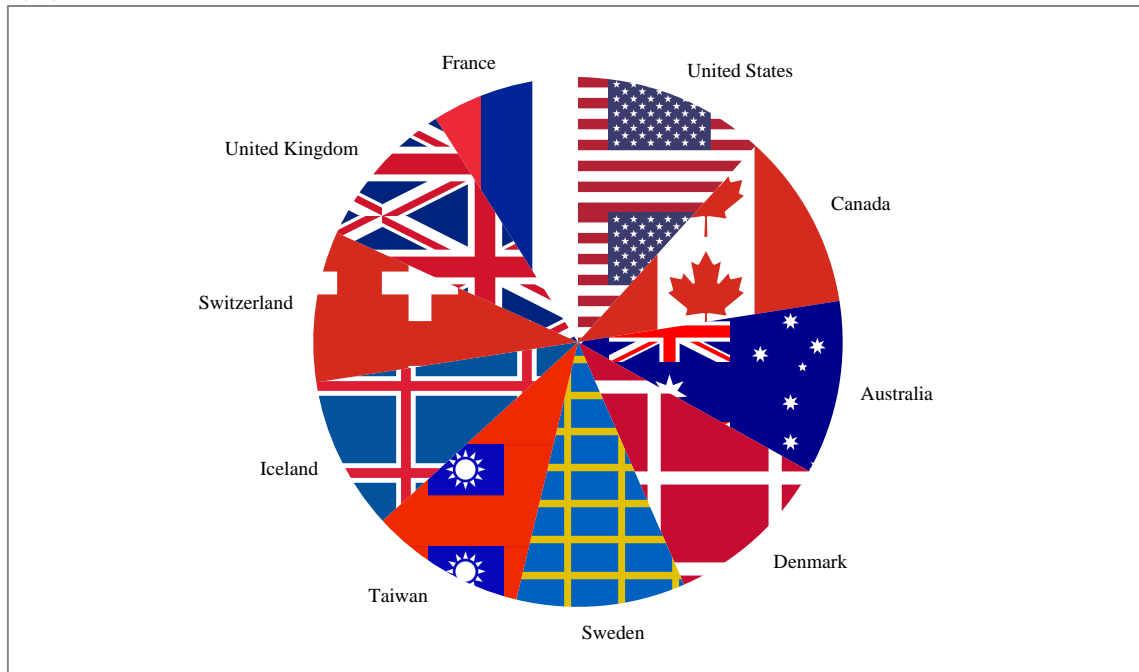
In 2016, the USA is leading in a definitive manner the GEI, a gap of 6.7 points separating them from Canada, the second ranked country (Table no. 2). Europe has six countries among the top ten, the highest ranked one being Denmark on the fourth place (Figure no. 2).

Table no. 2 The top ten countries in the world according to the GEI in 2016

Rank	Country	Score
1	USA	86.2
2	Canada	79.5
3	Australia	78.0
4	Denmark	76.0
5	Sweden	75.9
6	Taiwan	69.7
7	Iceland	68.9
8	Switzerland	67.8
9	United Kingdom	67.7
10	France	66.4

Source: (Ács et al., 2016)

Figure no. 2. The geographical distribution of the top ten countries in the world according to the GEI in 2016



Source: (authors' contribution)

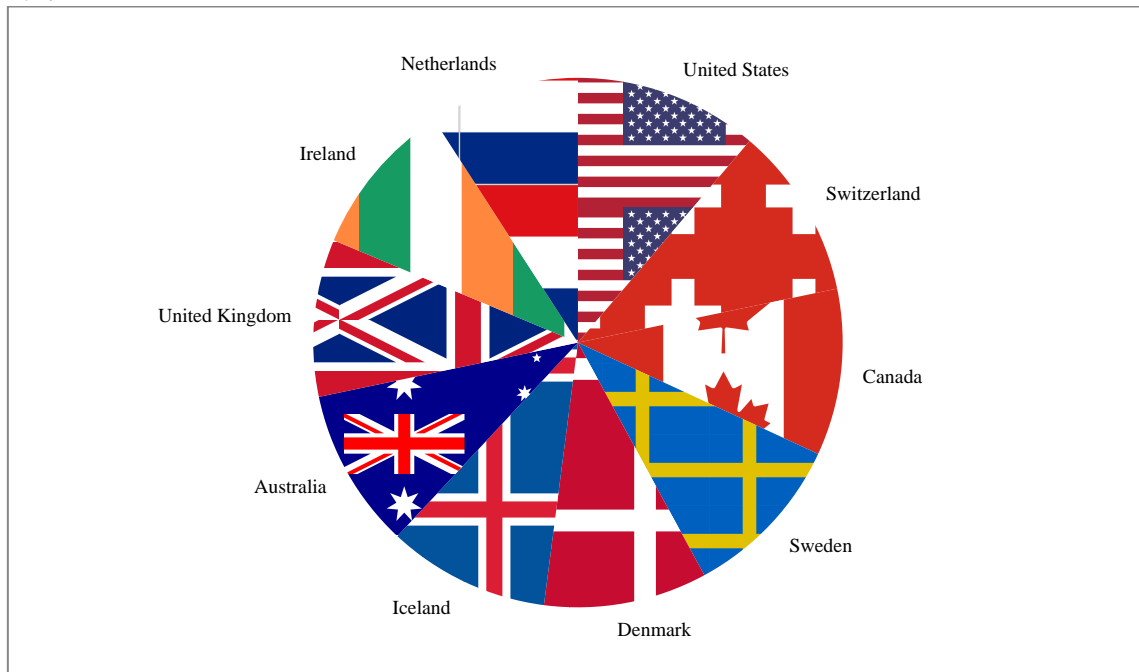
In 2017, the USA keeps its leading position (Table no. 3), with a 5.4 point difference in comparison to Switzerland (second country in the hierarchy) and a 7.8 point difference in comparison to Netherlands (third country in the ranking). Europe shows its total domination with seven countries ranked among the top ten according to the GEI (Figure no. 3).

Table no. 3 The top ten countries in the world according to the GEI in 2017

Rank	Country	Score
1	USA	83.4
2	Switzerland	78.0
3	Canada	75.6
4	Sweden	75.5
5	Denmark	74.1
6	Iceland	73.5
7	Australia	72.5
8	United Kingdom	71.3
9	Ireland	71.0
10	Netherlands	67.8

Source: (Ács et al., 2017)

Figure no. 3. The geographical distribution of the top ten countries in the world according to the GEI in 2017



Source: (authors' contribution)

The USA has been a clear leader of the GEI ranking from 2015 until 2017, each year having a gap bigger than three points than their follower (Canada in 2015 and 2016, and Switzerland in 2017), the highest gap being reached in 2016: 6.7 points between the USA and Canada. An interesting ascent from 2016 to 2017 is achieved by Switzerland, managing to gain considerable ground, surpassing six countries and reaching the second position. On the other hand, Australia lost its third spot (held both in 2015 and 2016), descending to the seventh place in 2017 and the United Kingdom fell from being fourth in 2015 to ninth in 2016. The USA, Canada, Australia, the United Kingdom, Sweden, Denmark, Iceland and Switzerland managed to rank among the top ten countries in the world from 2015 until 2017. Taiwan was only present in 2015 and 2016, whilst Singapore, France, Ireland and the Netherlands having one entry in the rank. European countries are dominating the hierarchy, starting with five countries in 2015 and managing to place seven among the top ten in 2017.

3. Conclusions

The beneficial role played by entrepreneurship in society has been increasingly emphasized in recent times. Entrepreneurship is more and more considered not only a driver for economic growth, but also a prerequisite for social development and inclusion.

The paper shows that the top ten countries in the world according to the GEI in the period 2015-2017 were the same in a proportion of 80%. Also, it demonstrates the absolute domination of the USA and the growing presence of the European countries.

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