Entrepreneurship in the New Global Economy. The Role of Innovation in Economic Development

Alexandra Veronica Ungureanu
"Stefan cel Mare" University of Suceava, Romania
Alexandra.ungureanu2016@gmail.com

Abstract

21st century entrepreneurship is characterized by a large amount of new knowledge and flexibility, two factors that have gained new significance as a source of competitiveness in a globalized economy. The transition of the classical industry structure to smaller concentration and greater decentralization is only an indicator of this development. With technological changes and increased global competition brought by economic liberalization, the assumption that fostering entrepreneurship means fostering a country's competitiveness seems more valid today than ever. It is relevant for the new economy that the current global debate on the importance of entrepreneurship is primarily aimed at developed countries and that the issue of how to foster entrepreneurship appears to be primarily a concern for global decision-makers.
Therefore, the purpose of this article is to highlight the importance of the technology-driven profile of the new global economy, driven by innovation and entrepreneurial initiative which is at the core of innovative business strategies.

Key words: globalization, knowledge based economy, entrepreneurship, innovation
J.E.L. classification: D80, F63, O14, O15

1. Introduction

The importance of entrepreneurship for growth in contemporary economies is widely recognized by both policymakers and economists, becoming the economic but also the social driver of development worldwide. It is deeply embedded in the current global policy approach that the independence and creativity of entrepreneurs lead to higher levels of economic activity (Antoncic *et al*, 2003, p.5).

Innovation's impact is important in all countries and institutional contexts. But the nature and role of innovation will quarrel according to different levels of economic development. Entrepreneurs in low-income developing countries extend innovations that are important for the business and the growth of the country, even if incremental. Innovation in developing countries involves the process by which companies master and implement the design and production of goods and services that are new to them.

Many product designs and quality improvements reshape the way production is organized, whilst processes and techniques reduce costs increasing efficiency and flexibility to changes in competitive conditions resulting in productivity and employment. In emerging economies, innovation requires modernization and a shift to higher levels of technological complexity. These discoveries remove the myth that innovation is peculiar to advanced economies. Innovation plays an important role in capturing and developing a globalized economy due to the varied innovations of local entrepreneurs in developing countries. But it also depends on the activities of entrepreneurs in advanced economies, where innovations are generated that subsequently spread to developing countries to be applied in their specific local contexts.

Innovation for entrepreneurs will be of increasing importance given the current and future challenges facing global development. These include persistent global inequalities, countries' increasing vulnerability to external shocks, including financial crises, natural disasters, and climate change threats. A number of dynamic forces, such as technological progress, fluctuations in

economic activities or demographic change, have brought new opportunities, but also threats to business ecosystems and have transformed societies around the world. In order to cope with this dynamism, changing forces, governments, public and private organizations, but also economic actors, are increasingly aware of the importance of entrepreneurship, perceived as a multi-faceted phenomenon, and one of the key factors in economic development from local to global level (Kiblet *et al*, 2014, p.1003).

In the second half of the 21st century, the focus of scientific research on economic development and entrepreneurship was more pronounced and in tandem with technological development. Both concepts have proven to be important subjects of study for economists and researchers around the world, who, in the context of globalization, have tried to identify sustainable development methods and new indicators that could measure the impact of the two concepts. Moreover, the relationship between economic development and entrepreneurship has gained an increasing interest in explaining economic performance from one historical period to the following one. As a ubiquitous aspect of human activity, entrepreneurship plays a key role in economic development (Carter *et al*, 2003, p.21). Today entrepreneurship is widely recognized by both academia everywhere and practitioners as a key factor in economic development worldwide.

However, entrepreneurship can influence economic development both positive and negative.

In the new global economy, more than ever in history, economic development and entrepreneurship have become strongly interlinked and the emergence of a critical mass of viable policies and projects can lead to economic development.

2. Theoretical background

2.1. The new global economy. Conceptual boundaries and drivers

Over the past decades, the neoclassical economy has taken only two factors of production into consideration: labor and capital. But in the current economy, this perspective is no longer considered relevant or objective. The significant amount of information and new knowledge replace capital and energy as primary wealth-creating assets, as the last two replaced land and labor 200 years ago. In addition, technological developments in the 21st century have transformed most wealth creation strategies from physical to knowledge-based (Nitu *et al*, 2012, p.953).

Technology and knowledge are key factors in production. With increased mobility of global information and workforce, knowledge and expertise can be instantly passed on around the world, and any benefits a company has gained can be eliminated through competitive overnight improvements (Shah *et al*, 2014, p.787). The only comparative advantage a company will relish will be its innovation process. Combining know-how and technology with the creative talents of knowledge activities to address a steady stream of competitive problems and its ability to draw value from knowledge-based, economy, and knowledge management information in the new frame of an information society economy.

However, it is important to note that the term knowledge-based economy refers to the global economic structure, with various observers describing it as being in the transition to an information society economy (Salimath, 2010, p.370). The transition requires that the rules and practices that have driven success in the industrial economy require rewriting in an interconnected globalized economy, where knowledge resources such as the information revolution, know-how, expertise, and intellectual property are more critical than other economic resources such as land, natural resources, or even the workforce.

According to analysts in the knowledge economy, these rules need to be reanalyzed at the level of companies and industries in terms of knowledge management and public policy. A key concept of this sector of economic activity is given by knowledge and education, called human capital, which can be treated as a business product, educational and innovative intellectual products and services can be exported for high yield or as a productive asset (Thurik, 2009, p.232).

Economists specializing in the knowledge economy suggest that there are at least three intermediate drivers changing business rules and national competitiveness:

- *Globalization* – another driver of the knowledge-based economy is the rapid globalization of economic activities. Although there have been other periods of relative openness in the world economy, the pace and extent of the current phase of globalization have not been the same.
- *Increasing the intensity of knowledge* - the last twenty years have experienced an explosion in the application of information and communication technologies in all areas of business and community life (Toma *et al*, 2014, p.440). This explosion was caused by the drop in processing costs and the rapid development of applications relevant to users' needs. In economic terms, the central feature of this revolution is the ability to handle, store, and transmit large amounts of information at a very low cost. An equally important feature of these technologies is their permeability.
- *Computer networks and connectivity* – the ICT revolution plays a very important role in the development of each nation, a matter of information-flow growth. Developing countries have done so and are rigorously seeking to use ICT as a platform for socio-economic development.

2.2. Innovation in a globalized world

The concept of innovation is about putting inventions into practice. A strictly technological approach focuses in particular on product and process innovations or technological innovation, defined as the result of technology-intensive entrepreneurship. A broader approach is about innovation such as developing new products, new processes, new sources of supply, but also exploiting new markets and developing ways of organizing a business (Michael *et al*, 2009, p.207).

It can be distinguished between more incremental innovations and more radical innovations. It is important to note that innovation is not only about introducing innovation to a first model, but also about spreading innovation to other players in the economy. An important distinction in innovation literature is between the innovations that are new globally, innovations that are new in the internal market, and innovations that are new to the company.

Innovations that are new globally are primarily found in advanced economies. It is based on research and development at the frontiers of global knowledge. In developing countries, a little further away from the international technological frontier, innovations will tend to be new to the market or new to the company (Markman, 2004, p.358).

Market innovations in developing countries relate to the international diffusion and absorption of technology. The local firm is introducing innovations that have already been developed elsewhere but are new to the market in its own country. New business innovations relate to knowledge flows in the internal economy. Innovation is already present on the market, but it is now adopted by a given firm. What's new for the firm may not be very innovative in an objective sense. This means that certain types of innovations that are new to small firms in developing countries may coexist with stagnant economies in the face of growing technological gaps in relation to the international border. Like entrepreneurship, innovative performance has been measured in a variety of ways, using patents, trademarks, R&D inputs, and other secondary indicators such as publications or citations (Anitha, 2014, p.32).

2.3. Innovation and entrepreneurship. The importance and effects of the association

If the schumpeterian tradition is followed in describing the search for new combinations as the main feature of entrepreneurship, it is difficult to distinguish between entrepreneurship and innovation, because the entrepreneur is perceived as the main component of dynamic capitalism. Some entrepreneurs have a more innovative spirit than others, sometimes the level of innovation of a country being driven by this feature, in which the importance arises of identifying the drivers of innovative performance (Nadkarni, 2007, p.261). Some of the explanations are in the characteristics of the firm or entrepreneur, such as the entrepreneur's education and experience, the size and age of the firm, or organizational culture. But also consideration should be given to measures where market conditions, policies, and the institutional environment can promote or hinder innovative behavior.

But in the poorest developing countries, unfortunately, the markets do not play this role. Developing markets are often small, fragmented, and imperfect due to lack of infrastructure, low per capita income, wrong policies, and institutional constraints (Debus *et al*, 2007, p.344). Political stability, predictability, and transparency, but also other institutional conditions for the functioning of markets are often absent. If markets are restricted due to barriers to trade (natural barriers such as lack of infrastructure or man-made barriers), it is difficult to spread innovations. Over time, international trade has exposed traders to new ideas and technologies. This is one of the reasons why trade acts as a driver for growth. Where markets are restricted by inappropriate regulation or stifled by predator governments and prepatent monopolies, there is no incentive for entrepreneurs to introduce innovations for the firm (Etzioni, 1987, p.179). Assuming that inadequate property rights and weak contractual applications influence the risks of returning to innovative activities, entrepreneurs will have little incentive to invest in new or innovations in the internal market in the world.

2.4. The impact of innovation on development

Innovation is linked to changes in the structure of the economy, technological modernization of production, and the shift to higher value-added activities in global value chains. Technological change is reflected in new generations of machinery and equipment and new generations of better-educated workers. There are also unaltered advances in product and process technology, resulting from formal and informal investment in R&D, resulting in learning capacities at the workplace (Keuschnigg, 2004, p.1020). The enhanced technological change increases the total productivity of the factors, explaining the variation in economic growth rates between countries, combined with the quality of products and the economy of resources used, resulting in an increasingly diverse range of goods and services.

Through innovation and the commercialization of inventions and the adoption of previously developed innovations, entrepreneurs in developing countries are affecting the rate of technological change and the structural transformation of the economy. Entrepreneurs, who use technology, often by creating or expanding firms, apply it, and spread it in a way that increases total factor productivity. The creativity, capacities, dynamism, and innovation of entrepreneurs in a country are important aspects of absorption capacity, a distinctive feature of successful development experiences (*Carter et al*, 2016, p.18). The way entrepreneurs perform this function will vary throughout the different stages of a country's development.

Although market widening is one of the conditions for innovation, this theory will not be enough because the level of innovation is increasingly intense globally. Due to the positive externalities inherent in an investment in knowledge, technological advancement and human capital, public policy has been increasingly recognized as having an important complementary role in promoting entrepreneurial innovation that requires not only entrepreneurs with a high amount of knowledge, experience, and skills, but also the specialized workforce (Fraser *et al*, 2015, p.82). Today, innovation policy and national innovation systems have become a standard part of the economic growth discourse in both advanced and developing economies.

Factual, the approach of innovation policy has its origin in the United States, widely considered as one of the most entrepreneurial economies in the world. In all advanced economies of the last century, primarily in the United States, where the ideology of free-market entrepreneurship is the most virulent, successful entrepreneurship has depended heavily on government, investment in the knowledge base, market protection, and intellectual protection (Carree *et al,* 2007, p.288), as well as state subsidies to support business investment strategies. In developing countries, the benefits of innovation by entrepreneurs depend on the characteristics of the innovation system in which they are incorporated. The better the innovation system, the more a developing country will be able to use global technology, with knowledge moving in the internal economy faster and the start of the process of technological modernization.

On the other hand, the weaker the innovation system, the more the efforts of individual entrepreneurs will contribute to accelerated economic development and recovery, and indeed a greater contribution of dynamic entrepreneurship to economic growth in more advanced economies than in developing countries is noted, where low levels of human and financial capital, the absence

of a solid distribution of the size of firms and weak institutional frameworks limit the contribution of entrepreneurship to growth (Pickernel *et al*, 2013, p.368).

2.5. Learning organizations and innovation systems

A knowledge-based economy is one where knowledge is a key resource. The degree of knowledge and information is incorporated into economic activity is now so great that it causes quite profound structural and qualitative changes in the functioning of the economy (Runiewicz-Wardyn, 2013, p.183) transforming the basis of competitive advantage. Increasing the intensity of the knowledge economy globally and our ability to distribute this knowledge has increased its value for all participants in the economic system. The implications of this are profound, not only for business strategies and government policies but also for institutions and systems used to regulate economic behavior (Delmar, 2006, p.220).

The new economy is a consumption and production system that relies on intellectual capital. It is usually a large component of the whole economic activity in developed countries. In the knowledge economy, a significant part of a company's value can be made up of intangible assets, such as the value of workers' knowledge or intellectual capital (Baumol, 1992, p.903). However, generally accepted accounting principles do not allow companies to include these assets in their balance sheets.

In the information age, the global economy moved toward the knowledge economy, bringing with it best practices from each country's economy. Knowledge-based factors also create an interconnected global economy where knowledge sources, such as human expertise, are crucial factors for economic growth and are considered important economic resources.

3. Research methodology

There are many aspects of the empirical literature on entrepreneurship and growth that use different ways to measure entrepreneurial activity. Analyzing ways to identify new models of entrepreneurial development and economic development requires using standard methodologies to provide us with research-specific data.

Considering the fact that the present research involves a topic about the important innovation in entrepreneurship, in order to validate my hypothesis, I have chosen triangulation as a qualitative research method, based on the sufficiency and adequacy of the data selected and analyzed according to the theoretical needs of research ((Motoyama, 2017, p.790).

I hold my opinion about the fact that this method is the most appropriated one because qualitative research implies the discovery of depth information, understanding, and knowledge assessed by human criteria, this type of discoveries being extremely useful in the process of knowing the human nature and the understanding decision-making processes, which is why this data cannot be achieved through the quantitative methodology.

By analyzing more resources, the degree of convergence of the data obtained is an indicator of the validity of the results and this is much better explained.

4. Findings

Entrepreneurs can contribute to economic development by identifying new resource reallocation strategies, transforming usage methods that do not result in maximum productivity by performing cost discovery functions, filling gaps, and completing the economy, but also by supporting structural change. While entrepreneurship operates in a globalized economy, it has a neglected role, namely the potential role of entrepreneurs as innovators in developing countries. But it is often wrong to suggest that entrepreneurs' innovative spirit is less important for economic growth in low-income developing countries than in countries with more advanced economies.

As regards the results of this research, from the theoretical analysis we have carried out, I have concluded that three main conclusions can be drawn, as follows:

First of all, the impact of innovation is important in all countries and institutional contexts. But the nature and role of innovation vary according to the levels of economic development of the countries analyzed. Innovation plays an important role in capturing and developing a globalized

economy, which is due to the conglomerated innovations of local entrepreneurs in developing countries, but also to the activities of entrepreneurs in advanced economies, where innovations are generated with subsequently spread to developing countries, to be applied in specific local contexts.

Secondly, the conditions under which entrepreneurs innovate in the new economy are very diverse. In the last decade, particular emphasis has been placed on the SME sector, as it is predominant in many developing economies, contributing to growth, but not always optimally, as it is facing particular innovation constraints. How entrepreneurs respond to these challenges depends on the characteristics of entrepreneurs, such as education, age, managerial experience, and access to technological networks.

Thirdly, the political and institutional environment is an important determinant of the innovative behavior of entrepreneurs. This explains why entrepreneurs with very similar characteristics perform differently in terms of their innovative performance in different political and institutional environments. An effective system of innovation and an institutional supportive environment are needed to stimulate innovation. In the 21st century entrepreneurial ecosystem, the need for direct and indirect government support for innovation is important for sustainable development. This can take many forms, including environmental improvements for business, R&D subsidies, risk, and venture capital insurance, tapping the potential of migrant workers and diaspora, extending technical and managerial education, improving infrastructure, and active public-private, political and institutional partnerships.

Innovation for entrepreneurs will be of increasing importance given the current and future challenges facing global development. These include persistent global inequalities, countries' increasing vulnerability to external shocks, including financial crises, natural disasters, and climate change threats.

Research has shown that different types of entrepreneurship predominate in different environments and at different levels of development. But we need to go beyond that to try to identify the right patterns for different configurations and levels of development. There is also a crucial relationship between institutions and entrepreneurs in the innovation process, seeking to answer why, in some cases, the institutional environment effectively stifles innovative behavior, while entrepreneurs are forced to find new ways to avoid obstacles.

As regards the new economy specific to the 21st century, I believe that in recent decades, the neoclassical economy has taken only two factors of production into account: labor and capital. But in the current economy, this view is no longer considered relevant or objective. The significant amount of information and new knowledge replace capital and energy as primary wealth-creation assets, as the last two replaced land and labor 200 years ago. In addition, technological developments in the 21st century have transformed most wealth creation strategies from physical to knowledge-based, with technology and knowledge as key factors in production.

5. Conclusions

The present research was centered on the responses to the collision between the areas of entrepreneurship, the development economy, and innovation studies, with the aim to identify the place of entrepreneurship in economic development models.

The information technology revolution has profoundly changed the structure *and modus operandi* parameters of a big part of the global economies. Indeed, the transformation from industrial to information times has led to the restructuring of the working environment, the creation of new economic institutions, and a reconfiguration of the macroeconomic system. In advanced and developing economies, the deceleration of growth, job breaks, and the increase in inequality create disturbances and instability. However, in the course of economic history, there has never been a better time to mobilize technology and unleash the ability of human capital to address these challenges and to form a new socio-economic system that offers multiple opportunities.

Technological change is a fundamental catalyst behind the transition from the managed to the entrepreneurial economy, involving a multitude of factors ranging from the disappearance of the communist system, increased globalization, corporate reorganization, increased knowledge production, and higher levels of prosperity. Recognizing the causes of the shift from the managed

economy to the entrepreneurial economy requires a shift in public policy directions. Instead of focusing directly and exclusively on promoting SMEs, the current approach to entrepreneurship policy could be guided. The priority must not be entrepreneurship policy, but rather a more general and comprehensive approach, a policy that is consistent with the entrepreneurial economy of the 21st century that encourages dynamic capitalism.

By combining the empirical evidence provided in this research, we can draw some conclusions on the effect of entrepreneurship on economic growth in the new 21st century economy.

Entrepreneurs, especially innovative entrepreneurs, are essential to the competitiveness of the economy and can create new jobs, only when the business environment is receptive to innovation.

The economic development that has taken place in the new global economy has rooted in the interdependence of nations and improved the links to production. At the heart of this transformation is the birth of the global entrepreneur, defined by the ability to adopt a holistic mindset in the exercise of entrepreneurial initiatives. Undoubtedly, in addition to a new global vision, new skills and competences are the tools needed by the modern entrepreneur. These skills include the ability to cope with the wave of frequent and repeated change, more cost-effective production methods, improved product quality, faster response to changing market conditions, or affordable sales.

Based on two framework concepts linking individual actions to the economy, a comprehensive approach to entrepreneurship development is based on two main pillars: strengthening entrepreneurial skills and improving the conditions for innovation in the entrepreneurial ecosystem. These two pillars should be seen as an interconnected set of policies because, on the one hand, entrepreneurs do not act in a vacuum, using their skills and motivations to turn business ideas into profit opportunities. On the other hand, entrepreneurship behavior can always be analyzed by individuals in terms of their entrepreneurial attitudes, skills, and innovation.

Both studies and literature do not have sufficient evidence to distinguish the innovation gap between entrepreneurs and large, often multinational, companies. While entrepreneurs are recognized as a source of radical innovation, it is also assumed that large firms, which can make huge investments in R&D, are real innovators that change the entrepreneurial ecosystem and thus the economy. Both sides undoubtedly contribute to innovation, but we do not yet know whether they are complementary. The further empirical analysis is needed in the relationship between business firms and growth rates. However, while some genuinely innovative entrepreneurs create fast-growing businesses, so-called gas that has a major impact on economic growth, it seems less likely that replicators constantly scanning the changes in the entrepreneurial ecosystem, have a measurable effect on economic growth, although the speed of response to innovation is high. Only one additional study can answer this question.

There is also an inadequate understanding of the type of economic environment that inspires innovative entrepreneurs not only to start their businesses but also to expand them. This is a determining factor in a healthy economy, as the quality of start-ups, their persistence, the pace of growth and the level of innovation that exists influence their effect on the development of the economy.

The axiom of successful entrepreneurship in the new economy depends on moving innovation boundaries persistently and deliberately. Integrating innovation has become a constant goal for economic efficiency and the development of a successful business strategy. The modern entrepreneur needs to act as a catalyst for innovative changes in a continuous timeframe. In this respect, entrepreneurs need to seek opportunities for economies of scale and application. Global companies can improve these economies by expanding the potential of their internal market and by defining the scope of their innovation initiatives through R&D, improving the quality and reducing the costs of existing products. It should be noted that the development of a global niche market requires a long-term customer-oriented approach. In the fast-paced economic ecosystem, even the long-term phrase is increasingly short. Given the diversity of market needs and requirements, the dispersion of production and outsourcing, the importance of R&D leadership and the recognition of technological advances for product and process innovations, learning and knowledge transfer are key to overall success. Successful business organizations must be able to coordinate, transfer and use the accumulated knowledge quickly and efficiently.

There are many aspects of empirical literature on entrepreneurship and growth that use different methods to measure entrepreneurial activity. Analyzing how to identify new models of entrepreneurial development and economic development requires using standard methodologies to provide us with research-specific data.

6. References

- Antoncic, B., Histrich, R. D., 2003. Clarifying the concept of Entrepreneurship. *Journal of Small Business and Enterprise Development*, pp. 5-21.
- Anitha, J., 2014. Determinants of employee engagement and their impact on employee performance. *International Journal of Productivity and Performance Management*, (63)3, pp. 25-42.
- Baumol, W.J., 1992. Entrepreneurship: Productive, unproductive, and destructive. *Journal of Political Economy,* 98(5), pp. 893-921.
- Carree, M., Van Stel, A., Thurik, R., Wennekers, S., 2007. The relationship between economic development and business ownership revisited. *Entrepreneurship & Regional Development,* 19(3), pp. 281-291.
- Carter, N., Brush, C., Greene, P., Gatewood, E., & Hart, M., 2003. Women entrepreneurs who break through to equity financing: the influence of human, social and financial capital. *Venture Capital: An International Journal of Entrepreneurial Finance,* 5(1), pp.11-28.
- Carter, S., Shaw, E., 2016. Women's business ownership: recent research and policy developments. *Small Business Service Research Report*, London: DTI, pp. 13-42.
- Debus, M., Tosun, J., & Maxeiner, M., 2007. Support for policies on entrepreneurship and self-employment among parties and coalition governments. *Politics & Policy,* 45*(*3), pp. 338-371.
- Delmar, F., Shane, S., 2006. Does experience matter? The effect of founding team experience on the survival and sales of newly founded ventures. *Strategic Organization*, 4*(*3), pp.215-247.
- Etzioni, A., 1987. Entrepreneurship, adaptation and legitimation: a macro-behavioral perspective. *Journal of Economic Behavior & Organization*, 8(2), pp.175-189.
- Fraser, S., Bhaumik, S.K., Wright, M., 2015. What dowe know about entrepreneurial finance and its relationship with growth? *InternationalSmall Business Journal,* 33(1), pp.70-88.
- Keuschnigg, C., Nielsen, S. B., 2004. Start-ups, venture capitalists, and the capital gains tax. *Journal of Public Economics*, 8*8*(5), pp. 1011-1042.
- Kibler, E., Kautonen, T., Fink, M., 2014. Regional social legitimacy of entrepreneurship: Implications for entrepreneurial intention and start-up behaviour. *Regional Studies,* 48(6), pp. 995-1015.
- Markman, G.D., Gianiodis, P.T., Phan, P.H., Balkin, D.B., 2004. Entrepreneurship from the ivory tower: Do incentive systems matter? *The Journal of Technology Transfer*, 29(4), pp. 353-364.
- Michael, S.C., & Pearce, J.A., 2009. The need for innovation as a rationale for government involvement in entrepreneurship. *Entrepreneurship and Regional Development,* 21(3), pp. 285-302.
- Motoyama, Y., Mayer, H., 2017. Revisiting the roles of the university in regional economic development: A triangulation of data. *Growth and Change,* 48*(*4), pp. 787-804.
- Nadkarni, S.,Narayanan, V.K., 2007. Strategic schemas, strategic flexibility, and firm performance: The moderating role of industry clock speed. *Strategic Management Journal,* 28(3), pp.243-270.
- Nitu, A.R.D., Feder, E.S., 2012. Labour market dynamics as time-lagged effect of entrepreneurship in the case of Central and Eastern European countries. *Procedia Economics and Finance*, 23(3*)*, pp.950-955.
- Pickernell, D., Senyard, J., Jones, P., Packham, G., Ramsey, E., 2013. New and young firms: Entrepreneurship policy and the role of government-evidence from the federation of small businesses survey. *Journal of Small Business and Enterprise Development,* 20*(*2), pp.358-382.
- Runiewicz-Wardyn, M., 2013. Knowledge flows, technological change and regional growth in the European Union*. Regional Studies Asociation, Cham, Heidelberg: Springer*, 3, pp. 172-191.
- Salimath, M.S., Cullen, J.B., 2010. Formal and informal institutional effects on entrepreneurship: a synthesis of nation-level research. *International Journal of Organizational Analysis*, 18(3), pp.358-385.
- Shah, S.K., Pahnke, E.C., 2014. Parting the ivory curtain: Understanding how universities support a diverse set of startups. *The Journal of Technology Transfer,* 39(5), pp.780-792.
- Thurik, A.R., 2009. *Entreprenomics: Entrepreneurship, Growth, and Public Policy*. Bloomington: Cambridge University Press.
- Toma, S.G., Grigore, A.M., Marinescu, P., 2014. Economic development and entrepreneurship. *Procedia Economics and Finance*, 8, pp. 436-443.