**Entrepreneurship and Growth in Different Social Context**

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Almost half of the EU countries are post-communist countries (13 out of 27) and that is important fact related to the development of the entrepreneurship in the EU. For almost 50 years these countries did not have entrepreneurs and entrepreneurial activities, with some exceptions of small services or agricultural establishments run by part of their populations. This means lack of entrepreneurial spirit and skills, lack of management skills, lack of role models and ecosystems. After 1990 post-communist countries started their path to market economy, including giving opportunity to entrepreneurship and slowly learning on their way.

The entrepreneurship is important because it creates jobs, contributes for innovation and creation of new industries, contributes for competition, contributes for increase of standard of living and wealth. Entrepreneurship is driving force behind economic growth and regional development. But entrepreneurship attitudes vary between countries and depend on the specific culture, personal characteristic, personal values and beliefs, education and knowledge, personal experience, role models, economic context, regulations, corruption, etc.

The share of owner-manager of running business among general population is one indicator that illustrates entrepreneurial activity in a country. We can see that the share of owner-manager of running business in the USA (red bars) is higher than in any other EU country (blue bars). The fear of failure is one of the factors that stop people from starting their own business.

Many years ago a sociological survey in Bulgaria showed that the problem was not that many people started their own business and failed but rather that people did not have the courage to try (around 5% of adult population started business but only 1% reported fail).

In the USA according to data of US Census Bureau there are 6.3 mil.employer firms and 26.5 mil. nonemployer businesses. In different years this numbers slightly differ but the picture is clear - this means that jobs (in addition to owner(s) employment) create only 20% of the businesses. For example, in Ireland, Denmark and Netherlands around half of active firms are without employees. In Malta, France, Lithuania and Bulgaria without employees are between 66% and 69% of the active companies.

Companies are created with many different purposes and not all of them chase growth.

One of the main questions of my work is “is there any link between economic context (growth) and entrepreneurial activities” and data analysis shows that in some countries (small and rather weak economies like Belgium, Bulgaria, Portugal, Spain and Italy) there is correlation between growth and entrepreneurship, in other EU countries there is no.

The other question is “do companies that are created during crisis are growing faster?”. Very often the owners are proud that they started during period of crisis and despite that they did well and grew. The question was is it despite or because of the crisis?

Based on data set of sample of randomly selected Bulgarian companies in three consecutive years, empirically we observe that companies that start in period of crisis are doing better than companies that start in the period of positive economic development. Even more, companies that start in period of lower growth are doing better than companies that start in period of higher growth.

The factors that are behind this empirical observation are still to be explored. They could be related to the profile of companies that are born in year of economic decline and characteristics of their founders, e.g. the agility, flexibility, readiness and confidence, or could be related with the time needed to setup their business operations (during negative growth) and their capability and readiness to be more competitive when there is positive trend after their birth.