

ENTREPRENEURSHIP AND ECONOMIC GROWTH: DREAM OR REALITY IN THE NORTHERN HUNGARIAN REGION?

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This paper consists of an introductory survey of two fundamental questions regarding the link between entrepreneurship and economic growth. The very first topic is to analyze the economic environment of the Northern Hungary. Data analyses provide a wide scope of opportunities and mainly weaknesses of the region. It is questionable whether has the region endogenous relationship between entrepreneurship and growth. The second question is what the entrepreneurs think about this questions. There was a survey among small businesses and entrepreneurs in the region in 2006, and 2009. The idea that entrepreneurship and economic growth are very closely and positively linked together has undoubtedly made its way since the early works of Schumpeter. An increase in the number of entrepreneurs leads to an increase in economic growth. This effect is a result of the concrete expression of their skills, and more precisely, their propensity to innovate. The survey try to find the answer whether Shumpeter's theory works in this underdeveloped region or not. The number of small businesses is very high in Hungary including northern Hungary as well. On a picture the framework of the survey.

Determinants						Entrepreneurial Performance	Impact
Regulatory Framework	Market Conditions	Access to Finance	R&D and Technology	Entrepreneurial Capabilities	Culture	Firms	Job Creation
Administrative Burdens for Entry	Anti-trust Laws	Access to Debt Financing	R&D Investment	Training and experience of entrepreneurs	Risk Attitude in Society	Employment	Economic Growth
Administrative Burdens for Growth	Competition	Business Angels	University/Industry Interface	Business and Entrepreneurial Education (skills)	Attitudes Towards Entrepreneurs	Wealth	Poverty Reduction
Bankruptcy Regulations	Access to the Domestic Market	Access to VC	Technological Cooperation Between Firms	Entrepreneurship Infrastructure	Desire for Business Ownership		Formalising the Informal Sector
Safety, Health and Environmental Regulations	Access to Foreign Markets	Access to Other Types of Equity	Technology Diffusion	Immigration	Entrepreneurship Education (academ.)		
Product Regulation	Degree of Public Involvement	Stock Markets	Broadband Access				
Labour Market Regulation	Public Procurement		Patent System Standards				
Court & Legal Framework							
Social and Health Security							
Income taxes; Wealth tax;quest Taxes							
Business and Capital Taxes							