

≈ SUMMARY ≈

WHAT MAKES A NASCENT ENTREPRENEUR? A CAUSAL ANALYSIS BASED ON
PRIMARY DATA FROM TEN GERMAN REGIONS

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Principal Topic

The importance of entrepreneurship for economic development is widely recognized. Although politicians in Germany are aware of entrepreneurship, their practices can not rely on a generally accepted theory of entrepreneurship. This paper reconceptualises entrepreneurship from an economic geography perspective and investigates empirically determinants of start-up activities in selected German regions.

Methodology

The paper uses a primary data set explicitly designed to analyse determinants of entrepreneurial activities in contemporary Germany: The “Regional Entrepreneurship Monitor” (REM). The conceptual reference framework for REM is the project “Global Entrepreneurship Monitor” (GEM), which was set up in 1997 as a joint research initiative between the Babson College in Boston and the London Business School. In spite of valuable findings, GEM remains entirely focused on start-up activities at a national level while the spatial dimension to entrepreneurial processes has been hitherto neglected.

REM transfers the idea of GEM from the national to the regional level. Two main sources of data were obtained in ten selected German regions, which represent urban agglomerations as well as large and coherent rural areas: 1) telephone surveys of citizens, 2) written and oral surveys of experts on start-ups. The different primary surveys were carried out in 2001.

Results and Implications

The paper shows, theoretically and empirically, that individual factors (attributes of the entrepreneur), entrepreneurial attitudes and the geographical environment influence the decision to start a firm. These determinants can have direct or indirect influences on entrepreneurial activities in regional contexts. The results suggest that politicians and policy makers need to pay special attention to entrepreneurial attitudes and behaviours if they wish to promote start-up activities in Germany.

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