

Lecture (M.Sc.)

# Economics of Entrepreneurship

Professor Dr. Guido Bünstorf

Summer Term 2024

Time & Location: Monday, 14:15-18:00 (class starts on April 15, 2024)

Room 0106 (ASL Building; Universitätsplatz 9)

6 Credits: MSc Economic Behavior and Governance (PO 2013/2017: Modules 2a and 2b; PO 2012: Module 2); MA Wirtschaft, Psychologie und Management (Module 7); MSc Business Studies (PO 2013/2017: Module: VWL-IIM-B1, VWL-DiMark-B2)-; PO 2012: Module: IIM3; DiMark 3)

## Scope and Format:

Entrepreneurship is a major driving force of economic development and change, and an important objective of policy makers worldwide. Following decades of virtual neglect of the topic, the last decades have seen a surge of research on entrepreneurship in economics as well as related fields such as management, psychology and geography. This course will provide an introduction into economic theories and empirical studies analyzing the phenomenon of entrepreneurship. We will cover a broad range of topics including determinants of new venture creation and performance, entrepreneurial finance, the economic impact of entrepreneurship, entrepreneurship and the university, entrepreneurship education and entrepreneurship policies. Individual lectures will combine overviews of the respective topics with detailed discussions of the methods and findings of exemplary studies.

**Credit requirements: Final exam (90 minutes; date: July 15, 2024, 16:00)**

## Background reading:

The primary textbook for the course is:

- Parker, S. (2018): *The Economics of Entrepreneurship*, Second Edition. Cambridge University Press.

**No course registration required**

# Course outline

## **1. Introduction (April 15)**

- 1.1 What is entrepreneurship and how is it measured?
- 1.2 Entrepreneurship: some facts and figures

## **2. Theories of entrepreneurship (April 22-May 06)**

- 2.1 The classics: Schumpeter, Knight, Kirzner
- 2.2 Contemporary theories

## **3. Determinants of entrepreneurship (May 13-27)**

- 3.1 Monetary and non-monetary rewards
- 3.2 Demographic characteristics
- 3.3 Psychological factors
- 3.4 Human capital: schooling and experience
- 3.5 Social capital
- 3.6 Industry characteristics and macroeconomic factors

## **4. Financing new ventures (June 03)**

- 4.1 Introduction
- 4.2 Debt finance
- 4.3 Business angels
- 4.4 Venture capital

## **5. The economic impact of entrepreneurial ventures (June 10)**

- 5.1 Job creation in entrepreneurial ventures
- 5.2 Entrepreneurship and employment growth
- 5.3 But does it all pay off? Entrepreneurial income

## **6. Entrepreneurship and the university (June 17)**

- 6.1 Academic entrepreneurship
- 6.2 Student entrepreneurship

## **7. Entrepreneurship training (June 24)**

- 7.1 Entrepreneurship training in industrialized countries
- 7.2 Entrepreneurship training in developing countries

## **8. Entrepreneurship and economic policy (July 01-July 08)**

- 8.1 Policy support for entrepreneurship: pros and cons
- 8.2 Selected empirical findings