

THE CONTRIBUTION OF DIFFERENT TYPES OF ENTREPRENEURSHIP TO ECONOMIC GROWTH

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The concept that entrepreneurship has a significant impact on economic growth has been generally established in the economic context. Hence entrepreneurship development policies have taken a prominent place all over the world. However, the prevailing literature reveals that all the types of entrepreneurship cannot contribute to the economic growth and because of that there is a suggestion to not promote or encourage the types of entrepreneurship which cannot contribute significantly to the economic growth and that only the entrepreneurship types which significantly contribute to the economic growth should be promoted. The study shows the importance of having a clear understanding of the types of entrepreneurship and their contribution to the economic growth from a policy perspective. Then the research question in this study is which types of entrepreneurship significantly contribute to the economic growth and which types of entrepreneurship cannot do so. This study is totally based on secondary data. According to the findings, although there are a number of types of entrepreneurship in the literature two most analyzed types are necessity entrepreneurship and opportunity entrepreneurship. Subsistence entrepreneurship, transformational entrepreneurship, remedial entrepreneurship, general entrepreneurship, growth-oriented entrepreneurship, survival entrepreneurship, self-employees, business owners, solo self-employed and employer entrepreneurship are the other types of entrepreneurship analyzed in the literature. This division of types are mainly based on the motivating factor to start a business or entrepreneurial aspiration. Among these types of entrepreneurship opportunity, transformational, growth oriented, employer entrepreneurship and business owners significantly contribute to the economic growth than types such as necessity, remedial, survival, subsistence, self-employed and general entrepreneurs. But there are counter views that point out that the latter types of entrepreneurship are not necessarily less successful or less desirable from an economic perspective. However, it is clear that the level of the contribution made by these various types of entrepreneurs to economic growth obviously differs from each other by their characteristics and also depending on the definition of success. Then it can be implied that it is necessary to create policies for the different types of entrepreneurship without putting them all into one basket. Also contrasting research findings create an interesting gap for future research to introduce new and more rationale types of entrepreneurship with in-depth analysis of their contribution to economic growth.

Keywords: Entrepreneurship, Economic Growth, Policy Prospective

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