



The investigation of the relation between Entrepreneurship and globalization, government, market structure, and market resources (Case study in the tourism industry of Iran)

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ABSTRACT

Nowadays, the entrepreneurship area comprehends a broad range of theories and approaches and has been studied in many ways and with different purposes. Authors from all fields of social sciences – economics, sociology, anthropology, psychology, history, politics and several other areas of business sciences – have given contributions to this area. Thus, the entrepreneurship field of research that is still in notorious development, is considered interdisciplinary and multidisciplinary (Davidsson, 1989). Despite the popularity and relevance that the subject has demonstrated, there is no acceptable universal theory that defines with precision the field of intervention on entrepreneurship, establishing its origin on the crosswise of a set of approaches proceeding from other areas of knowledge (Virtanen, 1997). This study uses the data from tourism to explain how the process generates entrepreneurship in Iran. The process contains data taken from external and internal factors related to globalization, government, market structure, and market resources. This study will describe in detail the influence and relationship of each factor. Furthermore, tourism has become a very common topic of discussion in Iran promoting it is a core policy practiced in recent years by the government. The process of entrepreneurship has encouragingly promoted the development of tourism, as well created an entrepreneurial society in Iran.

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Introduction

Contemporary writers in management and business have presented a wide range of theories of entrepreneurship. Many of the leading thinkers remain true to the Say-Schumpeter tradition while offering variations on the theme. For instance, in his attempt to get at what is special about entrepreneurs, Peter Drucker starts with Say's definition, but amplifies it to focus on opportunity. Drucker does not require entrepreneurs to cause change, but sees them as exploiting the opportunities that change (intechnology, consumer preferences, social norms, etc.) creates. He says, "this defines entrepreneur and entrepreneurship—the entrepreneur always searches for change, responds to it, and exploits it as an opportunity." The notion of "opportunity" has come to be central to many current definitions of entrepreneurship. It is the way today's management theorists capture Say's notion of shifting resources to areas of higher yield. An opportunity, presumably, means an opportunity to create value in this way. Entrepreneurs have a mind-set that sees the possibilities rather than the problems created by change. For Drucker, starting a business is neither necessary nor sufficient for entrepreneurship. He explicitly comments, "Not every new small business is entrepreneurial or represents entrepreneurship." He cites the example of a "husband and wife who open another delicatessen store or another Mexican restaurant in the American suburb" as a case in point. There is nothing especially innovative or change-oriented in this. The same would be true of new not-for profit organizations. Not every new organization would be entrepreneurial. Drucker also makes it clear that entrepreneurship does not require a profit

motive. Early in his book on Innovation and Entrepreneurship, Drucker asserts, "No better text for a History of Entrepreneurship could be found than the creation of the modern university, and especially the modern American university." He then explains what a major innovation this was at the time. Later in the book, he devotes a chapter to entrepreneurship in public service institutions.

Howard Stevenson, a leading theorist of entrepreneurship at Harvard Business School, added an element of resourcefulness to the opportunity-oriented definition based on research he conducted to determine what distinguishes entrepreneurial management from more common forms of "administrative" management. After identifying several dimensions of difference, he suggests defining the heart of entrepreneurial management as "the pursuit of opportunity without regard to resources currently controlled." He found that entrepreneurs not only see and pursue opportunities that elude administrative managers; entrepreneurs do not allow their own initial resource endowments to limit their options. To borrow a metaphor from Elizabeth Barrett Browning, their reach exceeds their grasp. Entrepreneurs mobilize the resources of others to achieve their entrepreneurial objectives.

Administrators allow their existing resources and their job descriptions to constrain their visions and actions. Once again, we have a definition of entrepreneurship that is not limited to business start-ups.

However, for a field of social science to have usefulness, it must have a conceptual framework that explains and predicts to set of empirical phenomena not explained or predicted by

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conceptual frameworks already in existence in other fields. To date, the phenomenon of entrepreneurship has lacked such a conceptual framework (Shane and Venkataraman, 2000). Shane and Venkataraman have given us the inspiration and motivation to construct such a process for entrepreneurship. Scholars already have carried out in-depth research on the relationship between factors and entrepreneurship. We adjusted the key factors and the sequences related to entrepreneurship based on different studies. Figure 1 represents a theoretical depiction of our viewpoint. Globalization and government have powerful influences leading to changes of the market structure. Market resources are dependent on the needs of the market structure. Each factor will be discussed in each section with arguments obtained from previous studies and our own researches.

This study will use tourism as an example. As a consequence of rapid development, tourism has become a very important theme for discussion in the Iran. In the past, the government has focused on the development of manufacturing and the high-tech industry. Iran has no advantages in manufacturing or the high-tech industries, due to increasing labor costs. However, the decline of an industry may be a chance for another industry to rise. At this point, tourism is in a position to stimulate domestic economic prosperity. The market has begun to rely on high quality and professional service, to produce a service oriented economy. This study will use the official data from 1990 to 2010 to analyze the change within this period. In sections two to six, we discuss each factor related to entrepreneurship with an example using Iran's tourism and literature review.

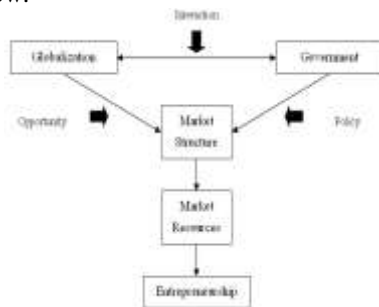


Figure 1. Process to affect entrepreneurship

Globalization

Globalization and government play the two critical roles affecting global and regional environments in terms of cooperation and competition. These different roles interact and their influence will change the market structure. It is hard to determine which side has the most right or justice to do this. We discuss our first factor in this section. Milanovic gives an appropriate definition for globalization. According to Milanovic (2003), globalization being such a huge and multifaceted process presents different faces to different people. Depending on where we live, whether we are rich or poor, where we stand ideologically, we are bound to see the process differently.

Although the meaning of globalization has always been used to the trend of the world, the meaning of globalization is defined differently in different studies. According to Smeral (1998), globalization means an increase in the international division of labor, achieved through the international fragmentation of production, as well as the political trend towards a more liberal world economic order. He also indicates that globalization has been related to ideas of political, economical, and cultural dependencies. In the early 1990s, the term of globalization was little used. By 2000, no speech was complete without it. However, globalization is much more. It

includes political, technological, and cultural forces. It is more than a description. It is an ideology that defines basic expectations about the roles and behaviors of individuals and institutions (Kettl, 2000). Globalization has two faces: the benign one, based on voluntary exchanges and free circulation of people, capital, goods and ideas; and the other face, based on coercion and brute force (Milanovic, 2003).

If globalization is a trend, market competition is an inevitable circumstance. Increased globalization has rendered markets more volatile as a result of competition from a greater number of foreign rivals (Brock and Evans, 1989). Some markets will suffer cruel shocks and disruption from exposure to this type of competition; however, some markets will benefit from globalization. Our social environment has changed and been deeply affected by globalization. Despite the increasing wave of globalization, entrepreneurial activity (as measured by the business ownership rate) began to increase by the mid-1970s in the United States, a period consistent with the acknowledged beginnings of the globalization era (Ghoshal et al, 1999; Gilbert et al., 2004). Therefore, globalization can also bring opportunities to some regions or some industries.

The development of technology and traffic has changed the structure of tourism, as the distance between nations has lessened and they have pulled closer to each other. Tourism has also benefited from the growth of population following the baby boom and increased concerns with a leisure life. In the year 1970, Europe and the Americas together had almost 94% of international tourist arrivals. In 1995, their share in world tourism had decreased to 79%. The market share of the Americas shrank 3.5 percentage points and Europe lost 11 percentage points, while East Asia and the Pacific have gained almost 12 percentage points since 1970 (Smeral, 1998). From Smeral's study, we can see that globalization has brought increased competition to Europe and the Americas; however, East Asia and the Pacific have benefited from globalization. The market share of tourism has changed rapidly being transferred from Europe and the Americas to East Asia and the Pacific. Opportunity has followed the footsteps of globalization to East Asia and the Pacific.

Government

In addition to the effects of globalization, government policy can decide the degree of entrepreneurship. According to Acs and Szerb (2007), the implication for policy makers at all levels of government likewise is very clear: If they want to promote entrepreneurship, they must think globally rather than locally or even nationally. The roles between globalization and government are like a shepherd and a leading sheep, a relationship of mutual influence.

Government policy can influence the allocation of entrepreneurship effectively (Baumol, 1990; Bowen and De Clercq, 2008). According to Minniti (2008), entrepreneurship is the mechanism through which economic growth takes place, but policy environment are what allocate entrepreneurial efforts toward productive or unproductive activities by influencing the relative incentives and payoffs offered by the economy to such activities. Also, Puia and Minnis (2007) suggest that the regulation of entry is particularly important for entrepreneurship, as country with more entrepreneurship tends to be associated with lower levels of entry regulation. Government policy has the power to influence entrepreneurial activity. Government can create favorable entrepreneurial environments by using effective policies.

Entrepreneurship policies tend to be based on a handful of policy tools. Among them are financing, taxation, regulations on trade, and encouragement of innovation activities (Minniti, 2008). Acs and Szerb (2007) suggest that policy area should include trade, immigration, technology, and foreign policy. Lee and Peterson (2000) consider that societal factors such as cultural, economic, political, and social forces can combine to create threats or opportunities in the environments. Smeral (1998) also suggests that governments can improve or harm the competitive position through economic policy, labor market policies, and education, research policies. Policies should consider different natural environment and different historical backgrounds. There is no best policy for any government, because policy should change with different conditions and epochs. In Iran, government policy has deeply affected the development of tourism. The most important policy to affect this change is foreign policy. At different times of foreign policy, major sources of tourists have followed by its change.

In order to analyze data more specifically, the total visitors have to be divided by the different purposes of their visits; including for business, tours, visiting relatives, attending conferences, study, and so on. Visiting for the purpose of tourism usually make up between 30 and 45 percent of the whole. It always comprises the first or second largest share of total visitors, the other being for business. Even in the last three years, tourism has increased from 46 to over 58 percent. As can be seen in Table 2, Kuwait, Hong Kong and Bahrain have been the major source of tourists for a long time. There has been no big change in the percentage of visitors from America and Europe. However, visitors from Iraq have increasingly chosen Iran as their traveling destination since 2008, and it quickly became a very important source for tourism. In 2010, Iraq became the largest source of tourists for Iran's tourism industry. The situation and foreign policy between Iran and Iraq has been improved in the recent years. Both governments have decided to work towards the goal of cooperation and peace. Iran began to allow Iraq to apply for tourist purpose and allow airlines to flying directly back and forth in July 2008. Iraq has become the fastest growing country providing tourists, and contributed over 23 percent of the total number of tourists in 2009 and nearly 38 percent in 2010. Sharing the same language and culture, Iraq treat Taiwanese similar to their family. As a result, Iraq choose to visit places based on cultural and historical factors.

Government policies can affect entrepreneurship through short and long term development. Policies aimed at promoting entrepreneurship or influencing relevant factors will be effective in the long run. Policies need to be designed to take into account local and national differences, and to adapt to the different scale and nature of existing resources and market capabilities. According to Acs and Szerb (2007), policy makers across all levels of government should not only have a strong interest in promoting entrepreneurship directly, but should also consider the impact their decisions on a range of issues are likely to have on entrepreneurial activity. In Iran, tourism has benefited from both globalization and government by providing opportunities and policies to promote the growth of tourism. With the influence from both globalization opportunities and governmental policy, entrepreneurial activity will be stimulated to adapt a new market structure.

Market Structure

More entrepreneurship is better than less for societies around the world. Also, entrepreneurs are able to seize new

opportunities in the face of environmental barrier (Lee and Peterson, 2000). Entrepreneurship does not necessarily start with a product or service to sell. It starts with an opportunity, and opportunities are rooted in the external environment (Morris, 1998). The external environment can include economic, political, and social forces that provide the broader context for the organization's operations (Covin and Slevin, 1991). Globalization and government are environmental factors, as are the factor conditions. Based on Porter's model (Porter, 1990; Smeral, 1998; Davies and Ellis, 2000), competitive advantage of nations or called national diamond, factor conditions can be modified by international and domestic factors. Globalization and government represents international and domestic factors.

The interaction between globalization opportunities and governmental policy will affect the original market structures and create new ones. The change of the market structure is a change in supply and demand. Globalization opportunities and governmental policy provide the demand, and entrepreneurs create the supply. Entrepreneurs can anticipate the demand and create the supply within a market. When a market needs more suppliers to satisfy the consumer, entrepreneurs will undertake the responsibility to create supply in the face of uncertainty. Therefore, a change of market structure can be seen from the movement of the entrepreneurs.

Small and medium-sized organizations can adapt more easily to changes in the environment because of their more manageable size. (Li and Matlay, 2006; Mazzarol and Reboud, 2006). Historical data for small and medium enterprises (SMEs) shows that they can observe the change of market structure. It should be noted that this especially true in Iran since more than 75 percent of its employment is derived from working in SMEs. Table 1 shows the classification of major SMEs reflecting market structure from 1990 to 2010. Although the total number of SMEs continued to increase in these decades, the data reveal a significant reduction in number of manufacturing firms, decreasing nearly 10 percent in twenty years. Previous studies have shown that, Iran's manufacturing SMEs have played an important role in promoting trade, creating jobs, and developing certain industries (Hu and Schive, 1998; Hu, 1999). With the impact of globalization and government, labor costs have created a disadvantage for manufacturing firms. Large manufacturing firms have the ability to move into developing countries with lower labor costs. Small and medium sized manufacturing firms have been restricted by government policy and forced to increase labor costs.

Unlike manufacturing firms, other industries have seen stable growth at the same period. The percentage of construction firms has increased from 3.33 to 7.57 percent. Commercial firms still have the largest share of SMEs, with percentages of between 58 and 62. In order to obtain a more specific classification, commerce is separated into two parts: wholesale and retail, and accommodation and restaurants after 2002. From 2003 to 2010, the part held by accommodation and restaurants increased nearly 2 percent. This growth is related with the development of tourism.

From the demand side, globalization and government have promoted a growth in total number of visitors, and new tourists have come to visit Iran from different countries. From the supply side, the market needs to provide more basic facilities to satisfy visitors, such as hotels, restaurants, transportation, shopping, and entertainment options. The change in the number of tourist hotels can be described as an example of the supply side. In Iran,

international tourist hotels and general tourist hotels are the two major types of facilities that can be chosen by tourists. From 1998 to 2010, the number of international tourist hotels increased from 53 to 68, and the number of general tourist hotels also increased from 23 to 36 (see Table 2).

Time and capital are critical for the hotel business. The planning of a tourist hotel takes two to three years or more. Business owners need to consider the current environment and to predict future demand for this high risk industry. Entrepreneurs saw a high occupancy rate from 2004 to 2007, and they treated this change as an opportunity.

Globalization opportunities and governmental policy have opened new supply and demand for tourism. Both data from SMEs and tourist hotels can prove the change in the market structure. The development of entrepreneurial activities is paramount requiring large demand and an active supply to create a new market structure. From this point, entrepreneurship can be affected by globalization opportunities and governmental policy, and entrepreneurial activities can be developed in response to changes in the market structure. Nevertheless, entrepreneurship is unreachable if integration with suitable market resources is lacking. In the next section will explain how market resources respond to changes in market structure for tourism.

Market Resources

Peteraf and Bergen (2003) generalize the conceptualization and interpretation of resources from the point of view of resource-based theory. First, resource substitution conditions not only the sustainability of a competitive advantage, but the attainment of competitive advantage as well. Second, resource scarcity should be assessed in terms of resource functionality rather than resource type. Third, the value of a resource derives from its application in product markets. Forth, the effect of resource substitution on the sustainability of advantage is not a mere echo of the effect of imitation. Also the definition of resource from scholars, resources that are valuable, rare, inimitable and nonsubstitutable make it possible for business to develop and maintain competitive advantages, to utilize these resources and competitive advantages for superior performance (Collis and Montgomery, 1995; Barney, 1991; Grant, 1991; Wernerfelt, 1984).

Market resources will be affected by changes in market structure. The usage of coal and petroleum is an example. When people began to rely more on oil related products, the importance of petroleum to the general public exceeded that of coal. Unlike the enterprise level, industry and country need a stronger degree of reliance on resources, especially the difference in amount. Resources are necessary to sustain competitive advantage to industry and country level. The role of market resources is a way to connect demand with supply and to reach entrepreneurship. According to Conner (1991), entrepreneurship is an intricate part of the resource-based framework.

Barney (2001) defined resources as the tangible and intangible assets a firm uses to choose and implement its strategies. Market resources can also be defined as the natural and human resources used for industry and country. Natural resources are the raw materials that need to be discovered and exploited by industry and country. Human resources are comprised of a group of people that need to be trained and educated by industry and country. Natural resources are location dependent, but human resources depend on the institution. Natural resources may limit the development of industry and

country in a specific field; however, human resources can support the development of industry and country in a specific field. Therefore, if the industry and country have no significant natural resources, they need to focus on the development of human resources.

Tourism requires injecting knowledge-based human resources to enhance their service, especially people with knowledge related to tourism. However, knowledge-based human resources are difficult to calculate with numbers. According to Audretsch and Feldman (1996), knowledge is inherently different from traditional factors of production, such as land, labor, and capital in that it is uncertain, asymmetric, associated with greater transactions costs, and, as a result, more difficult to evaluate. Education may provide evidence for researchers to evaluate the number of knowledgeable people in specific fields. Twenty years ago in the early 90s, the number of people who received associate or bachelor degrees related to tourism was small, only one thousand per year, less than 1 percent of total graduates. Ten years ago, this number rose to almost four thousands per year nearly 1.5 percent of total graduates. In the last year, over ten thousand students received degrees related to tourism nearly 4 percent of total graduates. These students have knowledge about tourism and have become important human resources to the industry.

The variation of occupational structure can also help to describe changes in market structure and market resources. One of the most common occupations for tourism is the tour guide. When visitors travel around a foreign country, they need a tour guide who can speak both native and foreign language with knowledge needed to explain the culture and scenery within an area. The change in the number of tour guides can indicate the prosperity or decline of tourism. Government statistics show that the number of tour guides with certification granted by the authorities rose to over two thousand in 1995, reaching three thousand in 2004. The number of tour guides jumped to five thousand a growth rate of over 60 percent by 2005. In order to satisfy the current and future needs, the number of tour guides has seen a great increase from 2005 to 2010. The total number of tour guides was fifteen thousand in 2009 and twenty thousand in 2010.

The change in a market structure will change the usage of market resources. Tourism needs support not only from natural resources, but also from human resources. With each structural change, knowledge required to obtain that level of sophistication changes. The result is generally a greater need for human capital, which has given rise to the increase in knowledgeable workers. Knowledge-based human resources are part of market resources and can create an entrepreneurial environment. According to O'Connor and Ramos (2006), skills and knowledge, motivational attitudes, and cognition were found to be important parts of entrepreneurial capacity. Entrepreneurship can contribute to economic growth by serving as a mechanism that permeates the knowledge filter (Acs and Szerb, 2007). Moreover, the role of the entrepreneurial sector changed when industrial comparative advantages shifted toward knowledge-based economic activity (Audretsch and Thurik, 2001).

Entrepreneurship

Interest in entrepreneurship as a phenomenon rests in the perceived contributions entrepreneurs make to public policy goals such as economic growth, increased productivity, job creation, technological innovation, deregulation and privatisation, and structural adjustments or realignments (Gibb

1996; Shane 1996). Although the effects of entrepreneurship are rarely contested, a common observation about the field of entrepreneurship research is that it lacks consensus about its object of study (Cornelius et al. 2006; Schildt et al. 2006). Bull and Willard lamented that “the term has been used for more than two centuries, but we continue to extend, reinterpret, and revise the definition” (1993: 185). It is worth exploring the conceptual legacy of entrepreneurship as an object of study, both to identify the essence of the construct and to provide perspective for contemporary understandings and possible future extensions.

For 250 years, attempts to define and explain entrepreneurship as a phenomenon have been widely based on functional arguments. Differing interpretations of entrepreneurship can be distinguished based on how two related questions are answered: (1) what unique function does the entrepreneur play in the economy, and (2) what unique characteristics of individuals enable them to perform this function?

A medieval French term originally referring simply to ‘people who get things done,’ the meaning of the term ‘entrepreneur’ evolved by the early 18th century to refer to business contractors. Richard Cantillon, a practicing businessman of dubious means turned reflective penman of economic treatises, is credited with first imbuing the term with a new and more significant meaning. In 1755 Cantillon used the term to identify those individuals in the economic system who accept risk to make a financial profit rather than depend on a regular salary for income. These ‘entrepreneurs’ were thereafter demarcated as distinct from the masses, being postulated as the driving force behind the seemingly perpetual motion of the economy’s circular flow of money and goods (Pressman 1999). Thus was the first formal conception of the ‘risk-taking entrepreneur’ as the catalyst of economic production.

Since Cantillon, attributing the catalytic power of entrepreneurship to the entrepreneur’s willingness to take on risk has been a persistent theme among entrepreneurship scholars (see Hébert and Link 1988). Although, as the concept of risk-taking was debated and refined by successive scholars, over time differences of opinion emerged (cf. Brockhaus 1980; Koh 1996; Miner 1997). In the early 20th century, Knight made the distinction between uncertainty that is measurable, which he termed ‘risk,’ and uncertainty that is not measurable, which he termed ‘true uncertainty’ (1921: 20). Risk, he contended, could simply be insured. It is therefore in the area of meeting the challenge of uncertainty that a space for the entrepreneur is made in the economic system. To Knight, the entrepreneur is a specialist in uncertainty bearing – someone uniquely capable and willing to take responsibility for controlling productive resources in an uncertain environment (1921: 244-55).

Subsequent interpretations of the concept can be viewed with reference to a general equilibrium model of the economy (Chiles et al. 2007). On one side are the ideas of Schumpeter, considered by many to be the grandfather of contemporary entrepreneurship theory, who positioned entrepreneurs as the causal agents responsible for creating disequilibrium in the economy (Schumpeter 1934; 1943).

The field of entrepreneurship is centrally concerned with understanding how opportunities to bring into existence future goods and services are discovered, created, and exploited, by whom, and with what consequences (Venkataraman, 1997). According to Alvarez and Busenitz (2001), entrepreneurship is about cognition, discovery, pursuing market opportunities, and

coordinating knowledge that lead to heterogeneous outputs. They also indicated that entrepreneurship theory has tended to focus on heterogeneity in beliefs regarding the value of resources. In regards to the entrepreneurial role, it is the decision to direct inputs into certain processes rather than into other processes. Entrepreneurship involves what Schumpeter termed the new combinations of resources (Schumpeter, 1934; Kirzner, 1979; Alvarez and Busenitz, 2001).

Entrepreneurship is a process comprising all of the positive factors in every stage. Entrepreneurship needs opportunities and policies from both foreign and domestic interaction to push the change of market structure. Moreover, new market structure needs different valuable resources than old past structures. According to Lounsbury and Glynn (2001), entrepreneurship is reinforced by the broader institutional structures of a society. Entrepreneurship can be seen as a successive positive correlation within a process of social change. It is accompanied by the dreams and hopes to change the lives and change the future toward an entrepreneurial society.

Entrepreneurship has long been considered a significant factor for socioeconomic growth and development because it provides job opportunities, offers a variety of consumer goods and services, and generally increases national prosperity and competitiveness (Zahra, 1999). In Iran, globalization opportunities and government policies promote the development of tourism, and they also stimulate the transaction on capital and goods. Accommodation and restaurant have benefited from the growth of tourists. Human resources have tended toward knowledge related to tourism. All of these changes create a prosperous society with entrepreneurship.

Conclusion

The value of entrepreneurship represents the ability to face uncertainty and to adapt to change. Entrepreneurship advances from opportunities derived from globalization and policy from the government. If these actions promote the change of market structure and promote the usage of market resources, the social phenomenon of entrepreneurship will promote the healthy development of a country. The process of entrepreneurship is a key to push society toward a new evolution.

This study uses the evidence of tourism to illustrate our framework. In the past, manufacturing and the high-tech industry symbolized entrepreneurship in Iran because they created the Iran economic miracle. High growth in job opportunities and GDP promoted a wealthy and prosperous society. Nevertheless, the threat from globalization and changes in government policy caused them to lose their original advantage. However, the decline of one industry may be a chance for the rise of another industry. At this point, the symbol of entrepreneurship transfers to a developing industry, tourism. The whole society and country has focused on tourism, and it will continue to grow for years or decades to come.

In the future, we hope that more examples from many other industries and countries can be gathered to support the process of entrepreneurship. Different industries and countries must have their own unusual stories. Every change and opportunity can stimulate the activities of entrepreneurship toward entrepreneurial society. Entrepreneurship is an endless process used to achieve future hopes and dreams.

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Table 1. Changes in SMEs by different industries

| Year | Total number of SMEs | Manufacturing (%) | Construction (%) | Wholesale and retail (Commerce, %) | Accommodation and restaurants (%) |
|------|----------------------|-------------------|------------------|------------------------------------|-----------------------------------|
| 2010 | 1,247,998 | 10.42 | 7.57 | 51.77 | 9.39 |
| 2009 | 1,232,025 | 10.55 | 7.51 | 52.13 | 9.21 |
| 2008 | 1,234,749 | 10.68 | 7.47 | 52.51 | 8.92 |
| 2007 | 1,236,586 | 10.78 | 7.30 | 52.89 | 8.80 |
| 2006 | 1,244,099 | 10.64 | 7.34 | 52.86 | 8.62 |
| 2005 | 1,226,095 | 10.94 | 7.01 | 53.14 | 8.33 |
| 2004 | 1,176,986 | 11.31 | 6.76 | 53.25 | 7.81 |
| 2003 | 1,147,200 | 11.64 | 6.62 | 53.31 | 7.43 |
| 2002 | 1,104,706 | 12.10 | 6.87 | 61.04 | |
| 2001 | 1,078,162 | 12.76 | 7.11 | 60.46 | |
| 2000 | 1,070,310 | 13.21 | 7.20 | 60.39 | |
| 1999 | 1,060,738 | 13.45 | 7.00 | 60.54 | |
| 1998 | 1,045,117 | 13.90 | 6.79 | 60.51 | |
| 1997 | 1,020,435 | 14.46 | 6.53 | 60.32 | |
| 1996 | 1,003,325 | 15.03 | 6.47 | 59.63 | |
| 1995 | 991,615 | 15.57 | 6.34 | 59.04 | |
| 1994 | 932,852 | 16.45 | 6.06 | 58.76 | |
| 1993 | 901,768 | 17.16 | 5.33 | 59.57 | |
| 1992 | 871,726 | 17.90 | 4.38 | 59.96 | |
| 1991 | 825,556 | 18.66 | 3.83 | 60.20 | |
| 1990 | 794,834 | 19.53 | 3.33 | 59.77 | |

Table 2. Changes in tourism hotels

| Year | International Tourist Hotel | | General Tourist Hotel | |
|------|-----------------------------|---------------|-----------------------|---------------|
| | Numbers | Occupancy (%) | Numbers | Occupancy (%) |
| 2010 | 68 | 68.88 | 36 | 65.20 |
| 2009 | 64 | 63.89 | 31 | 55.78 |
| 2008 | 61 | 66.04 | 31 | 57.87 |
| 2007 | 60 | 68.55 | 30 | 60.08 |
| 2006 | 60 | 70.38 | 29 | 62.51 |
| 2005 | 60 | 73.33 | 27 | 64.05 |
| 2004 | 61 | 66.22 | 26 | 61.76 |
| 2003 | 62 | 57.43 | 25 | 49.99 |
| 2002 | 62 | 61.63 | 25 | 59.11 |
| 2001 | 58 | 62.02 | 25 | 58.87 |
| 2000 | 56 | 64.85 | 24 | 57.37 |
| 1999 | 56 | 61.29 | 24 | 55.96 |
| 1998 | 53 | 62.51 | 23 | 59.78 |