

# Entrepreneurship and Urban Success

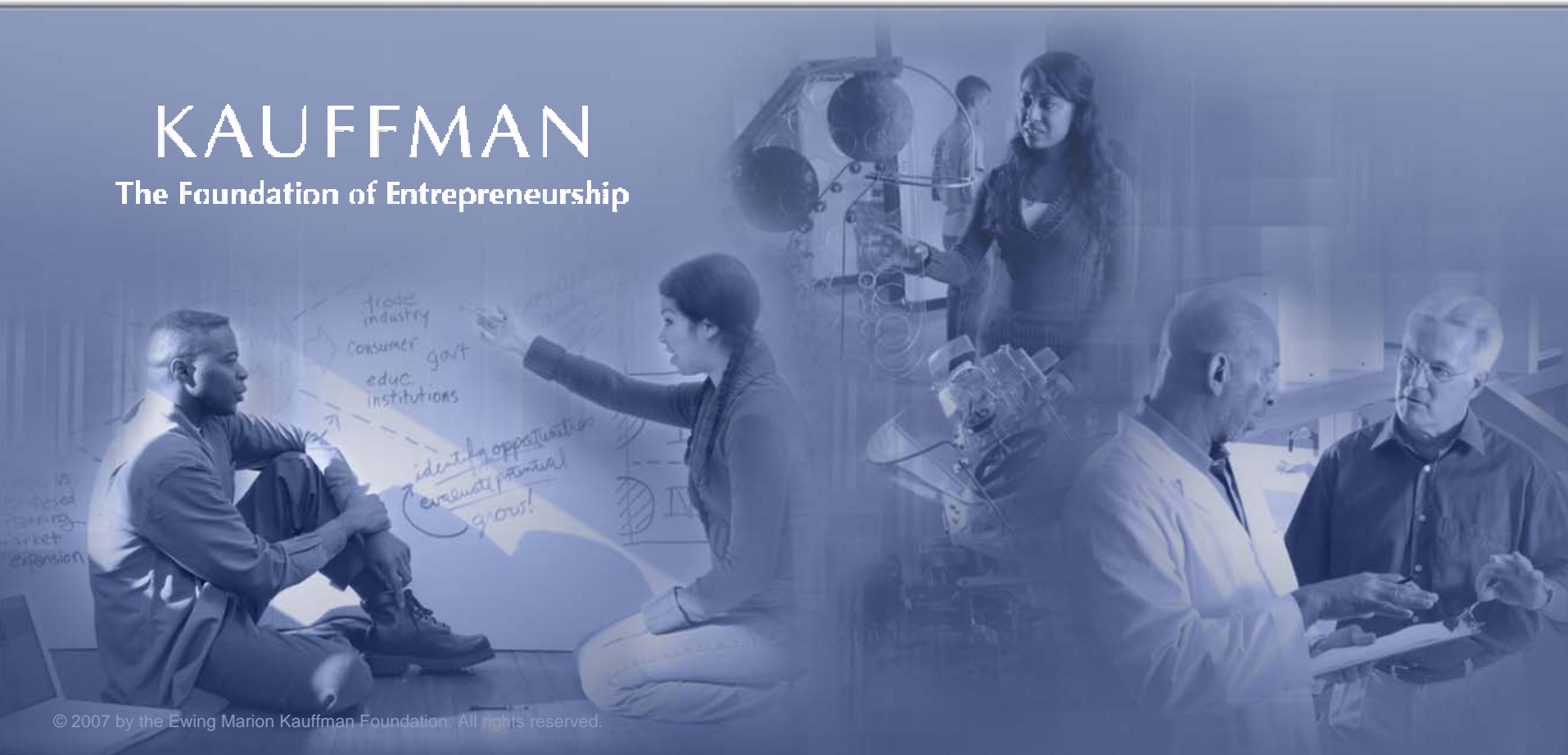
*Presented by Robert Litan*

“Every individual that we can inspire, that we can guide, that we can help to start a new company, is vital to the future of our economic welfare.”

— Ewing Kauffman

## KAUFFMAN

The Foundation of Entrepreneurship



# Three Approaches to Local/Regional Growth

- Serendipity
  - Through good government to help manage subsequent growth
- Build and They Will Come (Increasing the odds Serendipity will strike)
  - The Basics: Infrastructure, Education, Safety, Amenities
- Targeted Intervention

# Tests for Promoting Entrepreneurial Growth

- Don't rob Peter to pay Paul
- Don't pursue entrepreneurship at the expense of city/region as a whole
- Do the benefits outweigh the costs?
- Are the policies likely to attract/retain college-educated young people?

# Policies for Entrepreneurial Growth

- Cut red tape/approval delays
- Pursue the “basics” as the best way of attracting college-educated young people
  - Experiment with congestion pricing for roads
- Local funding of university research may be sub-optimal
- Short non-compete clauses
- Avoid progressive, high business taxes
- Avoid targeted subsidies