

Mapping the Relationship Between Entrepreneurship and Regional Development: A Systematic Literature Review

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Disclosure Statement :	The authors declare that they have not received any financial support that could have influenced the objectivity of this study. They take full responsibility for any potential plagiarism, the use of artificial intelligence in the writing process, as well as for the results presented in this article.
Conflict of Interest :	The authors report no conflicts of interest.
Cite this article :	BOUSSIF, L., & AIT SOUDAN, J. (2025). Mapping the Relationship Between Entrepreneurship and Regional Development: A Systematic Literature Review. <i>International Journal of Accounting, Finance, Auditing, Management and Economics</i> , 6(11), 779–793. https://doi.org/10.5281/zenodo.17542650
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Received: 30/09/2025

Accepted: 03/11/2025

International Journal of Accounting, Finance, Auditing, Management and Economics - IJAFAME

ISSN: 2658-8455

Volume 6, Issue 11 (2025)

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Abstract:

It is widely recognized that the role of entrepreneurship in the development of local and regional areas is pivotal, given its capacity to stimulate economic transformation at these levels. Nevertheless, the distribution of these resources exhibits significant disparities, resulting in pronounced economic inequalities between regions and nations. In the context of evolutionary economics, entrepreneurship has been identified as a significant factor in shaping regional economic trajectories (Acs & Armington, 2004; Audretsch et al., 2006; Fritsch, 2008). This concept is further explored in the following section, which discusses the role of entrepreneurship in the field of evolutionary economics (Grebel et al., 2003; Metcalfe, 2004; Grebel, 2007). Consequently, the challenge of comprehending spatial variations in entrepreneurial activity has emerged as a significant area of research. The present article analyses the relationship between rural entrepreneurship, geographic context (also known as "place" and "space"), and the unique characteristics of entrepreneurial activities in rural environments. A close examination of the text reveals an exploration of the potential contributions of entrepreneurship to the development of regions. It does this by looking at the ideas behind this and the proof that it works. It uses ideas from evolutionary economic geography

Keywords: Economic development; Entrepreneurship; Potential; Regional variations

JEL Classification : L26

Paper type : Theoretical article

Résumé:

Il est largement reconnu que l'entrepreneuriat joue un rôle central dans le développement des zones locales et régionales, compte tenu de sa capacité à stimuler la transformation économique à ces niveaux. Néanmoins, la répartition de ces ressources présente des disparités importantes, ce qui entraîne des inégalités économiques marquées entre les régions et les nations. Dans le contexte de l'économie évolutionniste, l'entrepreneuriat a été identifié comme un facteur important dans l'orientation des trajectoires économiques régionales (Acs & Armington, 2004 ; Audretsch et al., 2006 ; Fritsch, 2008). Ce concept est approfondi dans la section suivante, qui traite du rôle de l'entrepreneuriat dans le domaine de l'économie évolutionniste (Grebel et al., 2003 ; Metcalfe, 2004 ; Grebel, 2007). Par conséquent, le défi que représente la compréhension des variations spatiales de l'activité entrepreneuriale est devenu un domaine de recherche important. Le présent article analyse la relation entre l'entrepreneuriat rural, le contexte géographique (également appelé « lieu » et « espace ») et les caractéristiques uniques des activités entrepreneuriales dans les environnements ruraux. Une lecture attentive du texte révèle une exploration des contributions potentielles de l'entrepreneuriat au développement des régions. Pour ce faire, il examine les idées qui sous-tendent ce concept et les preuves de son efficacité. Il s'appuie sur des idées issues de la géographie économique évolutionniste.

Mots-clés : Développement économique ; Entrepreneuriat ; Potentiel ; Variations régionales

Classification JEL : L26

Type du papier : Article théorique

1. Introduction

For many years, academics and politicians have been debating what makes a region wealthy. The wide range of economic well-being rates around the world makes it clear that some regions have, over time, developed the ability to protect — and even improve — their comparative advantage in terms of GDP per capita. This suggests that some regions have the potential to achieve economic development that is not at the expense of other areas, such as society, the environment and people. Discussing the discovery and analysis of these regional capacities could require considerable time and effort. Moreover, even if we were to reach a consensus on the properties of these capacities, it would be risky to extrapolate them for imitative construction and apply them to other regions, given that contexts differ and not all regions have the same absorptive capacity.

The focus on entrepreneurial vitality and innovation as local and regional phenomena sets Entrepreneurship and Regional Development apart as a unique field. This multidisciplinary forum is intended for researchers specializing in entrepreneurship and small business development, as well as those studying and developing the local and regional contexts in which entrepreneurs emerge, innovate and establish new economic activities that drive growth, create wealth and generate employment.

This, they claim, can only be achieved if the region in question is endowed with entrepreneurial capital. However, this process is complex and fraught with obstacles. The market itself is the source of some of these obstacles, while others are institutional or cultural. The creation of value in the market and the improvement of resource productivity is only possible through the overcoming of these barriers. According to González et al. (2009), the process could trigger a virtuous circle of development. 'While a region's innovation and entrepreneurial capital can influence the achievement of higher levels of productivity, competitiveness and economic well-being, it is also true that the level of prosperity may in turn enhance the enrichment of these capitals.' This natural occurrence might help to clarify why there are still differences between regions in terms of their well-being, as well as the effect that certain local abilities (such as innovation and successful entrepreneurship) have on their economies.

The primary goal of this article is to examine the connection between entrepreneurial intention, entrepreneurial activity, and their effect on current regional development, as well as to predict future implications. The article has been organized in order to ensure clarity and comprehensiveness, and is structured as follows:

The initial segment of the text concerns itself with the fundamental principles of entrepreneurship and the manner in which it can contribute to the enhancement of regional development.

The study analyzes the influence of entrepreneurship on economic development and identifies the regional factors that promote it. This approach provides insight into the dynamics observed and helps anticipate future regional development, in response to the central question:

How can entrepreneurship serve as an effective lever for regional development, and what theoretical and empirical gaps must be addressed to better understand this dynamic?

The paper analyzes the influence of entrepreneurship on regional development based on cases from three different regions, selected through targeted sampling to ensure detailed data. Drawing on a systematic review of the literature, it combines a theoretical approach with empirical data. The mixed methodology, combining case studies and statistical analyses, makes it possible to establish a concrete link between entrepreneurial activity and regional empirical data. The mixed methodology, combining case studies and statistical analyses, makes it possible to establish a concrete link between entrepreneurial activity and regional dynamics. The article highlights the central role of the regional level in understanding

economic and social development beyond the national framework, particularly in the European context.

2. Entrepreneurship and regional development: Theoretical background

The region is now widely recognized as a fundamental pillar of economic and social life. Although the national level of analysis remains significant, it is no longer the exclusive lens through which economic development is understood, especially as, in Europe, many of the traditional barriers between national economies have, in several respects, eroded.

• *Defining and Measuring Entrepreneurship and Regional Development*

Entrepreneurship is a multifaceted phenomenon that manifests in various forms: in both small and large enterprises, in newly created firms as well as established ones, within the formal and informal economy, in legal and illicit activities, in innovative and traditional businesses, and in high-risk as well as low-risk ventures across all economic sectors (OECD, 1998).

Regional Development

The term 'regional development' is used to describe the provision of support and other forms of assistance to economically less-developed regions. It has the potential to occur either nationally or on an international stage. As a result, the scope and implications of regional development can be different depending on the region and on how its boundaries are seen from inside and outside the region.

Key Determinants

Regional development, which is constantly evolving, is shaped by changes in economic activities, particularly innovation and the creation and disappearance of businesses. The SME sector plays a key role in these spatial dynamics, being the focus of various forms of creative entrepreneurship. Furthermore, the regional system—including education, social support structures, culture, accessibility, and other factors—strongly influences the conditions conducive to entrepreneurship.

A large part of the existing literature has focused on microeconomic determinants, particularly individual characteristics that increase the likelihood of starting a new business. A plethora of studies have hitherto examined a wide range of traits, including personality, educational attainment and ethnic background (Lee & Acs, 2004).

A plethora of studies on personality have identified specific characteristics that are correlated with the entrepreneurial spirit. These include, but are not limited to, an acute awareness of prospective business opportunities, an entrepreneurial vision, and a proactive approach (Chell, Haworth & Brearley, 1991). In addition, research findings indicate that entrepreneurs exhibit elevated levels of individualism in comparison to non-entrepreneurs (McGrath, MacMillan & Scheinberg, 1992).

However according to Malecki (1997), a fundamental element of nurturing entrepreneurial ecosystems is the existence of vibrant networks comprising entrepreneurs, businesses and institutions that facilitate capital, information and diverse forms of support. The concept of milieu, as introduced by the GREMI (European Research Group on Innovative Milieus) group, has been demonstrated to capture these characteristics (Maillat, 1995).

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It has been demonstrated that the probability of entrepreneurial development achieving success is increased in densely populated urban regions, particularly metropolitan areas, where innovation is considered a fundamental entrepreneurial objective.

3. Literature review summary: “entrepreneurship as a driver of regional development: a systematic review of theoretical and empirical gaps

3.1. Methodological framework of the systematic review

A systematic literature review (SLR) approach was used to conduct an in-depth analysis of existing research on the relationship between entrepreneurship and regional development. This methodological choice was justified by the rigor, transparency, and reproducibility that SLR offers in the process of identifying, evaluating, and synthesizing scientific work (Tranfield, Denyer & Smart, 2003). The systematic literature review (SLR) provides a critical and structured analysis of existing research, identifying conceptual gaps and future directions, unlike exploratory reviews or bibliometric analyses, which are limited to mapping or quantifying publications. For this study, an exhaustive search was conducted in Scopus and Web of Science, using keywords related to entrepreneurship and regional development. The selection focused on peer-reviewed articles in English published between 2000 and 2025 to ensure the relevance and scientific quality of the sources.

Table 1: Inclusion and Exclusion Criteria

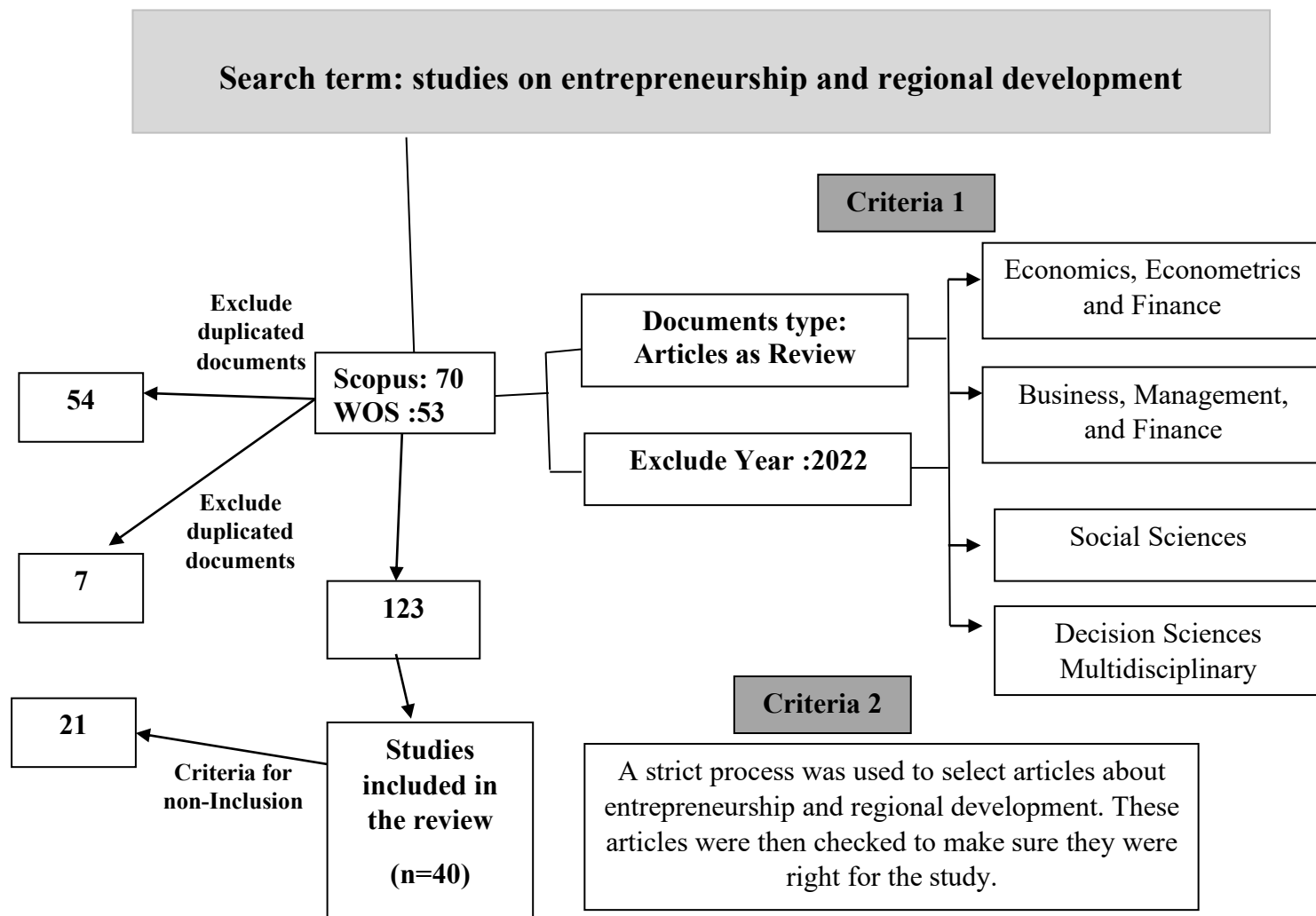
Articles were included if they	Articles were excluded if they:
Explicitly addressed the relationship between entrepreneurship and regional development.	Entrepreneurship should be focused on solely, without regional development being linked to it.
Present empirical or theoretical contributions.	Are convention presentations, opinion pieces, or reports that haven't been subject to the peer-review process.
High-quality, peer-reviewed journals are used for the publication of the research	Are not available in English.

Source: By authors

The selection criteria resulted in the initial identification of 123 articles (impact factor: 70 according to Scopus and 53 according to Web of Science). After removal of duplicates (62 articles) and exclusion of irrelevant works (21 articles), 40 studies were finally selected for analysis. Although the research was conducted in English, the absence of explicit linguistic criteria constitutes an implicit language-related filter.

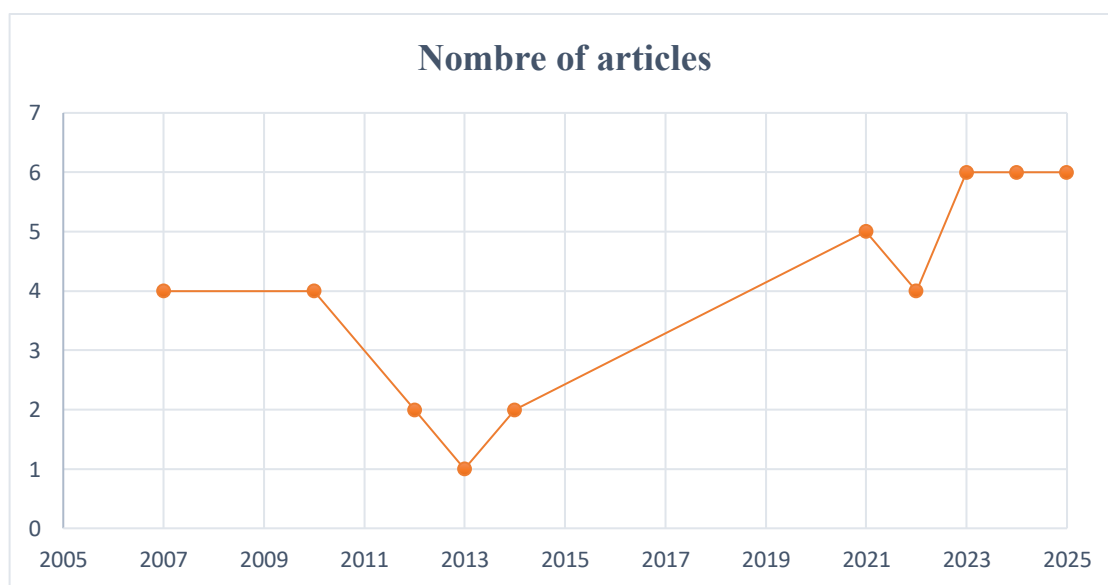
Figure 2 shows how the articles were spread out over the year, and how interest in the topic studied by scientists grew up gradually. We found the data by searching the Scopus and Web of Science databases in the way that is normally done in SLRs. The studies were selected and included in the review following the PRISMA protocol (a set of rules for writing about reviews and meta-analyses), to make sure the review was as accurate and clear as possible. In all, 40 articles were chosen for the final analysis, and a thematic analysis was done to find the main ideas and emerging trends in the research field.

Figure 1. Workflow of Data Collection and Analysis



Source: Figure by Author

Figure 2: Annual Distribution of Selected Articles



Source: personal construction

This figure shows the link between entrepreneurship and regional development. It does this by looking at 40 articles using a special set of rules. Research in Scopus and Web of Science shows the main ideas and connections between the economic, social, and territorial parts of the phenomenon. This offers a complete understanding of the trends and directions of research in this area.

3.2.1. Entrepreneurship and Economic Evolution

The configuration of these elements can result in variations that may be considered inequitable in terms of spatial allocation. Even though it seems stable, this way of arranging things can change over time. New types are made in some places, but they are not automatically added to all areas or uses where they might be useful. An important contribution to this field was made by Kirzner (1973; 1997). He argued that entrepreneurs are very important in the spread of goods and services. They do this by filling gaps in the market. When existing products and practices are introduced into new situations through processes of generalization, differentiation or reciprocity (Nooteboom, 2008), it can be a big entrepreneurial effort and potentially lead to big innovations. It is clear that creating new things and spreading them are two very important parts of entrepreneurship and the economy. For example, companies set up to make new technologies may want to make products that use a lot of technology or encourage people to use new technologies more. The things mentioned

above can be seen in products, processes, or business models. New firms that are coming up with new ideas have been shown to compete with well-known firms in their industry. This makes them change how they make things, make them better, or change them. If a business fails, it will leave the market (Schumpeter, 1934; 1942). The way these elements are arranged can lead to differences that might be seen as unfair when it comes to how space is used. Even though it seems stable, this way of arranging things can change over time. New types are made in some places, but they are not automatically added to all areas or uses where they might be useful. An important contribution to this field was made by Kirzner (1973; 1997). He argued that entrepreneurs are very important in the spread of goods and services. They do this by filling gaps in the market. When existing products and practices are introduced into new situations in ways that involve spreading, specialization or exchange (Nooteboom, 2008), it can be a big business venture and can lead to major new ideas. It is clear that creating new things and spreading them are two very important parts of entrepreneurship and the economy. For example, companies that are set up to use new technologies might want to make products that use a lot of technology, or they might want to encourage other people to use new technologies. Multiple effects are generated by entrepreneurial activity. Firstly, any change introduced by an entrepreneur modifies the economic environment, creating opportunities for adjustments by other entrepreneurs. Secondly, entrepreneurship has the power to generate wealth, which in turn can expand the market. Thirdly, the creation of new markets and previously non-existent niches provides opportunities for new participants to enter and grow these markets. "Growth of knowledge", as described by Metcalfe (2002), is often the catalyst for entrepreneurial opportunities, which often arise from prior acts of entrepreneurship. As Holcombe (2007) explains, "Bill Gates could not have become wealthy if Steve Jobs had not seen the opportunity to build and sell computers, and Steve Jobs could not have built a personal computer if Gordon Moore had not invented the microprocessor."

In addition to variation and diffusion, selection plays a crucial role in entrepreneurship. Most new firms do not survive long. Only a small fraction achieve significant growth. This is evidenced by the fact that often fewer than one in ten startups do so (Reynolds & White, 1997; Stam et al., 2008). The decisions made by external resource holders about how to allocate resources to competing firms are what leads to selection (Aldrich, 1999; Baum & Silverman, 2004).

Various selection environments have an influence on the creation of new firms. Most directly, competition in product markets is a key factor: a lack of competition may signal both an opportunity (a gap to fill) and a constraint (barriers to entry may be too high). Intense competition forces firms to produce and sell efficiently in order to survive. For new companies trying to grow, it's also very important to choose the right people and places to find money and workers. They must attract financial and human resources while competing with other organizations for limited supplies. Competition is often highly localized, with firms located farther apart being less likely to compete for the same labor pool or product markets as those located nearby (Cattani et al., 2003; Baum et al., 1992; Sorenson & Audia, 2000).

In the past, literature on entrepreneurship has tended to view it as being shaped by external factors, such as access to funding or market demand. Alternatively, it has been seen as a result of an individual's characteristics, including their appetite for risk and a desire to achieve. Individuals possess different skills, knowledge, attitudes and preferences (values) that shape their motivations and behaviors (Simon, 1957; McFadden, 2001). In a similar way, knowledge, institutions, resources and product demand are distributed unevenly across different environments.

The entrepreneurial process is dependent on the opportunities that are available in the environment and on the individuals who are enterprising enough to identify and exploit them. Even if they intend to do so, individuals do not automatically respond to an opportunity by

creating a new firm. The establishment of new firms is a process which involves a number of stages. These include the creation of a legal entity, the development of products, and the securing of financing (Carter et al., 1996).

As employment prospects, education and other circumstances vary from person to person, the population is heterogeneous. This means that different people face different opportunity costs when acting to exploit an identified opportunity. The concept of entrepreneurship is shaped by the interplay between an individual's personal qualities and the external environment.

Such novel endeavors can be actualized in the form of a new good or service produced by or for the entrepreneur and valued by consumers who pay for its property rights. This definition excludes non-market activities (i.e. those without pricing mechanisms or property rights), as well as mere contractual changes (i.e. those not involving new economic activities).

This definition of entrepreneurship is illustrated by three examples that show what it is not, as opposed to its everyday usage.

A change in market means an individual shifts from employment to self-employment, but this does not introduce a new economic activity.

The conception and debut of a novel product by a substantial enterprise, encompassing interchangeable individuals, does not meet the criteria of entrepreneurship.

The development and execution of a new terrorist strategy, such as using airplanes as missiles, may involve new activities by a distinct group of individuals who may not be interchangeable. However, it does not generate economic activity.

- According to this definition, three examples illustrate what entrepreneurship is not and distinguish it from the term's everyday usage:
- A person moving from being in work to being self-employed is a market shift but does not create a new economic activity.
- The creation and introduction of a new product by a large firm as part of a coordinated effort involving interchangeable individuals does not qualify as entrepreneurship.
- Similarly, the development and execution of a new terrorist strategy, such as using airplanes as missiles, may involve new activities by a distinct group of individuals who may not be interchangeable. However, it does not generate an exchange of property rights.

When it comes to the theoretical side of things, any investigation into the role of entrepreneurship in evolutionary economic geography will draw on a whole host of ideas from a bunch of different fields. These include evolutionary economics, cognitive theories of innovation, social network approaches, and organizational ecology. The overlap in the processes of learning – both individual and collective – within evolutionary economics is revealed by these fields.

Evolutionary economics explains the variance in firm performance caused by heterogeneity of routines (Nelson & Winter, 1982; Hodgson & Knudsen, 2004). We can understand routines as organizational capabilities that we cannot reduce to the sum of individual skills, meaning they are a collective property. However, we still do not understand the role of individual-level skills and knowledge (individual properties) relative to organizational routines (collective properties). This issue will be revisited in the final section of this article.

Routines are replicated between firms — the carriers of routines — through various mechanisms, one of which is the creation of a new firm by an employee (Klepper, 2002; 2007; Klepper & Sleeper, 2005). The transfer of routines – and the knowledge embedded within them – from the parent company to the newly established firm is a key part of this process.

The focus on routine reproduction is just one aspect of the way in which evolutionary economics conceptualizes economic evolution. This is defined as the emergence and diffusion

of novelty (Witt, 2003). The entrepreneur is placed at the forefront of this process as both creator and disseminator of new innovations in the economy.

The appearance of new elements leads to diversity within any developing system. However, the production of new elements requires a mixture of different components as inputs for the underlying recombination processes (Witt, 2004). This brings us to cognitive theories of innovation. These theories emphasize that innovation results from the interaction of knowledgeable individuals, enabling them to generate transformative (Schumpeterian) combinations while remaining close enough cognitively to communicate effectively (Nooteboom, 2000).

At the micro level, such innovations are more likely to be realized by new companies that are created by a parent firm. These new companies look for opportunities based on the knowledge of the parent firm, but in a way that is different enough to make the most of it outside the parent organization.

Studies that are based on real data have shown that certain industries, like the making of musical instruments (Audia et al., 2006) and cars (Carroll et al., 1996; Klepper, 2002; Boschma et al., 2007), started in this way: the first companies that did well in the car industry came from the bicycle, car and engine making industries. The first companies that did well in the instrument industry, for example, came from the machine, defense and chemical industries (Audia et al., 2006).

The study of organizational ecology looks at populations of organizations, with a focus on how they change over time. This change is particularly studied through the lens of demographic processes like selective replacement—the process of how organizations are founded and die out (Carroll & Hannan, 2005). The idea that organisms change over time, that these changes are passed on to their children, and that some of these changes are chosen for or against by the environment is central to the organizational ecology approach.

Organizational founding is influenced by concepts such as density dependence, structural inertia, niche breadth and resource allocation (Carroll & Hannan, 2000). Organizational density, determined by organizational founding, affects competition and the legitimacy of a particular organizational form. Organizational inertia and imprinting are important retention mechanisms. In this particular domain, nascent enterprises are frequently examined as organizational products (Freeman, 1986; Audia & Rider, 2006; Audia et al., 2006).

Finally, network studies emphasize the role of information acquisition. They also emphasize the role of resource mobilization through social networks. These networks shape the behavior of individuals and groups. Key entrepreneurial processes include identifying opportunities and mobilizing resources (Sorenson, 2003; Stuart & Sorenson, 2007). All these texts agree that entrepreneurship is important because it creates new things. These new things are connected to the past, but also have an effect on their own time.

3.3. Regional Conditions for Entrepreneurship

The process of establishing a new firm is fundamentally social, as much of the necessary information and resources are obtained through the entrepreneur's personal networks. Much of the necessary information and resources for establishing a new firm are obtained through the entrepreneur's personal networks (Stam, 2007). According to Stam (2007), the primary decision for these nascent entrepreneurs concerns the type of business to start given their location, rather than choosing a location for a predetermined business.

The social ties of potential entrepreneurs are often geographically localized, prompting them to set up business close to their home and current place of work (Cooper & Folta, 2000; Sorenson, 2003; Stam, 2007; Parwada, 2008). It is a well-known fact that entrepreneurs typically create their enterprises in the region where they live and/or work. Moreover, the proportion of entrepreneurs working in their birth region is significantly higher than that of

dependent workers (Michelacci & Silva, 2007). Research of Portuguese manufacturing companies discovered that business owners were prepared to shoulder labor expenses three times greater than in other areas in order to set up their new enterprise in their present region (Figueiredo et al., 2002).

This phenomenon of geographic inertia can be attributed to several factors. Firstly, entrepreneurs can leverage their existing local networks to search for partners, employees, suppliers, customers, advisors and investors (Zander, 2004; Michelacci & Silva, 2007). This reduces search costs while also enabling them to rely on the credibility and trust developed through prior relationship. The relevance of Pred's behavioral matrix (1967) is in the explanation of location inertia by imperfect information about alternative locations and/or limited cognitive capacity to process all available information (cf. Simon's bounded rationality, 1957). Secondly, normative motivations may also exert some influence, given that certain relationships encompass more than purely instrumental or rational considerations, and the sustenance of these relationships may only be viable if the entrepreneur remains in the region. In their 2009 study, Dahl et al. examined the experiences of Danish entrepreneurs. Their findings suggest that entrepreneurs place a high value on maintaining close relationships with family and friends, primarily for emotional reasons, rather than expecting these relationships to offer practical business assistance.

Thirdly, entrepreneurs may start part-time (often from home) and delay committing to full-time until the business looks like it has real potential – an approach that is regarded as a genuine option strategy (Wennberg et al., 2007). Additionally, a spouse may continue to work to provide a stable household income, enabling the founder to focus all their energy on the venture (Hanson, 2003).

As previously mentioned, entrepreneurship stems from the interaction between personal characteristics and the surrounding environment. In order to explain the spatial distribution of entrepreneurship, therefore, it is necessary to examine the spatial aspects of this interaction. When we talk about 'geographic', we're mainly talking about the characteristics of specific locations and the spatial distance between particular actors.

One possible starting point is to consider the availability of potential entrepreneurs in specific locations.

Table 1: Key Spatial Factors Influencing Regional Entrepreneurship

Spatial Aspect	Description
Knowledge Growth	Universities and research centers are responsible for the generation of new knowledge, which in turn creates entrepreneurial opportunities, particularly in the high-tech sector. As expected, knowledge workers frequently initiate new ventures to capitalize on the anticipated value of their knowledge endowment (Acs et al., 2005; Audia et al., 2006).
Culture	Attitudes and values acquired by individuals are shaped by culture, which in turn affects spatial variation in entrepreneurship. Social psychologists argue that traits and attitudes are developed through social interaction rather than inheritance. Research shows that national and regional cultures have a significant influence on entrepreneurial activity and this influence is long-lasting (Lafuente et al., 1989; Saxenian, 1990; Uhlaner et al., 2007; Davidsson & Wiklund, 1997; Beugelsdijk, 2007).
Industry Structure	The reasons for the differences in the number of new firms being created in different regions can be explained by the differences in the industry composition and specific industry characteristics in the regions in question. Overall new firm formation rates are affected by regional industrial structure, as entry barriers and entrepreneurial opportunities differ between industries (Boschma & Frenken, 2007; Audia et al., 2006).

Source: Personal construction

4. Conclusion

A wide range of research questions are raised for regional scholars by entrepreneurship and regional development. This multidisciplinary field encompasses industrial organization, cultural geography, location theory, business economics and technology. From a macro perspective, a region serves as a strategic niche within the broader context of development. However, from a micro perspective, a region is shaped by the innovative actions of risk-seeking entrepreneurs. Competition, trust, network organization and public policy are the ingredients for local win-win situations.

The connections between the theme of "entrepreneurship and regional development" and other research areas, including network theory, spatial externalities, cultural and behavioral theory, innovation theory, and endogenous growth theory, are clearly demonstrated by our review of this complex field. From a dynamic perspective on entrepreneurship and regional growth, an exciting research agenda is presented by the interaction of entrepreneurial life cycles, industrial life cycles, and (multi)regional life cycles, offering opportunities not only for theoretical exploration but also for applied modelling.

A truly intriguing question that harbors real-world policy ramifications pertains to the nexus between investments and knowledge spillovers, on the one hand, and dynamic spatial processes, on the other. It is evident that there are numerous research questions and answers in this field that have yet to be explored. It is imperative to formulate innovative analyses that integrate micro-, meso- and macro-level perspectives.

It is recommended that an alternative perspective be explored, namely the impact of immigration policies on entrepreneurship and regional development. The present study seeks to explore the influence of migration flows on entrepreneurial activity and economic growth within regions. The question of whether policymakers can provide valuable insights for those facing challenges related to migration and regional revitalization may be addressed by this study. In this research area, the ability to accurately measure knowledge spillovers in a regional context remains a significant limitation. As such, new methodologies must be developed to accurately capture the effects of knowledge creation and sharing on local economic growth. The primary contribution of this research is its capacity to provide policymakers with effective strategies for promoting entrepreneurship and stimulating regional development. By illuminating the mechanisms underpinning local economic growth, this research can inform the development of more effective, outcome-oriented policies and managerial practices.

Nevertheless, the field continues to encounter significant limitations, notably in the empirical validation of regional constructs and the comparability of cross-country data. It is recommended that future research endeavors focus on addressing these gaps to enhance the robustness and generalizability of findings.

This review looks at all the important points. But there are some things to bear in mind.

It's possible that some important studies have been missed because of biases related to language, databases, or how they were published.

- The studies used different methods and definitions, which makes it hard to compare and generalize the results.
- The book doesn't look at other ideas about economic geography, and this is something that needs to be changed.
- A lot of the existing evidence is specific to a particular context or is collected in a certain way, which makes it difficult to draw long-term or widely applicable conclusions.

This review has shown us some interesting things, but there are also some things we don't know. This means there are several things that we can research in the future.

- What we need to do next is to carry out more studies that look at how entrepreneurship affects regional development over a long period of time and how things change over time. To understand how entrepreneurship affects a region over time, we need to do research that follows the same people over a long period of time.
- Methodological diversity: Richer insights into entrepreneurial processes can be gained by combining qualitative, quantitative and mixed-method approaches, which also enhance comparability
- This is how much growth might be possible: The way we think about how economies work and how people and places interact could be made better by adding other ideas, like the way institutions work, the social networks available to people, or how people behave. This could help us understand why entrepreneurs have certain results better.

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