Preface

This is the second edition of the *Global Entrepreneurship and Development Index* (GEDI). The mission of GEDI is to offer a detailed look into the entrepreneurial character of nations. This composite index combines both individual- and country-level data to offer policymakers a tool to understand the entrepreneurial strengths and weaknesses of their economies, and by so doing enable them to implement policies to foster productive entrepreneurship.

The purpose of the *Global Entrepreneurship and Development Index* is to contribute to a more complete understanding of economic development.¹ The Index is a powerful tool to measure how ‘fast the future’ is spreading around the world. Like a global positioning system, the GEDI can pinpoint a time and place and identify its strengths and weaknesses relative to other countries. Moreover, it offers a measure of the quality and scale of the firm formation process in the most important countries in the world. The GEDI captures the contextual feature of entrepreneurship by focusing on entrepreneurial attitudes, entrepreneurial action and entrepreneurial aspirations – the ‘3As’ of development.

The GEDI is part of a long-term research project aimed at measuring global progress. It is an annual evaluation that over the decades will give us a valuable database on most countries in the world. The goal of the GEDI is to include most countries of the world by 2015. Not only will this allow us to improve institutions around the world, it will also allow us to see which countries are making progress and which policies are working. By creating better institutions, we will create better individual incentives. In the very near future, as more and more people move to cities, we will need to be able to measure entrepreneurial activity in cities. Within the next five years, we plan to start a similar project at the city level that will help us judge the progress of the largest 200 cities in the world.

The Index was jointly developed at the University of Pécs and at George Mason University. An earlier more technical version of the Index was published as *The Global Entrepreneurship Index* (GEINDEX).² The purpose of the earlier publication was to position the Index in the global market place for measures of economic development. The current *Global Entrepreneurship and Development Index* (GEDI) is both a shorter version and at the same time an expanded version listing results for all countries. Many people have contributed to the Index over the years and have given their talents and time freely. We are especially grateful to Niels Bosma, Erkkö Autio, Jonathan Levie, Jack Goldstone and Saul Estrin.

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association with, and founding of, the Entrepreneurship, Growth and Public Policy unit at the Max Planck Institute of Economics in Jena Germany. At about the same time Zoltán J. Ács took a position at the School of Public Policy at George Mason University with a strong interest in entrepreneurship, innovation and development. In addition, Zoltán J. Ács’s association with Imperial College in London contributed to this project greatly. Several colleagues and graduate students at the above institutions contributed to the project. The final writing and editing of the current version of the book took place when László Szerb spent his time at George Mason University as a Fulbright Visiting Research Scholar.

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In the next chapter we present the 2012 results. Chapter 1 then presents the Global Entrepreneurship and Development Index, and Chapter 2 lays out the relationship between entrepreneurship and economic development. Chapter 3 provides the data and methodology of the Index, and Chapter 4 presents our results for all of the countries in the Index.

Notes

1. Auerswald and Ács (2009).
2. Ács and Szerb (2009).

References

- Ács, Z.J. and L. Szerb (2009), ‘The Global Entrepreneurship Index (GEINDEX)’, *Foundations and Trends in Entrepreneurship*, 5(5), 341–435.
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