

The Lebanese Entrepreneurial Resilience In Times Of Crisis

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Abstract

Entrepreneurship is thriving throughout the world. And while the nature and processes of economic activity and development vary widely across countries, there is widespread acknowledgement that entrepreneurship, defined as “any attempt at new venture or new business creation by an individual, a team of individuals, or an established business” (Reynolds et al. 1999) is an essential ingredient in the economic development mix (Kim-Soon et al. 2016). Entrepreneurship has time and again been shown to increase the economic development of a country, enhance job creation, alleviate poverty, and positively contribute to innovation (Romer 1994).

In terms of societal development, employment and economic growth, entrepreneurship is crucial (Shane and Venkataraman 2000). To solve societal and environmental problems including poverty, hunger, and global warming, entrepreneurship has recently been suggested to play a key role (Dean and McMullen 2007; Porter and Kramer 2011). One of the many types of entrepreneurship that has appeared to address these problems is social (Mair and Martí 2006), sustainable (Cohen and Winn 2007), and environmental (Keogh and Polonsky 1998) entrepreneurship. The goal to become an entrepreneur and underlying motivations have consequently attracted scholarly research.

What could be the context of Lebanese entrepreneurial system and contrasts that abound in Lebanon? According to Forbes, Lebanon had at least seven billionaires in the United States in 2018. According to the Lebanon Crisis Response Plan 2017–20, 106,000 Lebanese households make less than \$120 per month, or \$3.84 per day (www.data2.unhcr.org). Individual choices regarding whether to launch a business are framed by the Lebanese economy. A developing economy broadens consumer and commercial markets, improves access to financing, offers new business prospects, and boosts confidence to take advantage of those opportunities, which could either impede or promote the start-up. In contrast, a slowing or deteriorating economy may restrict both opportunity and confidence. However, because there aren't many other ways to make money in that weak

economy, more people may decide to start their own businesses most likely in the highly competitive and simple-to-enter consumer services or retail industries.

Innovative entrepreneurial vigor has been shown to greatly increase economic resilience by improving the industrial structure, reducing the income gap, and directing economic agglomeration in the face of unpredictable economic policy (Wang et al. 2021). Additionally, there were notable regional and economic heterogeneities in the effects of creative entrepreneurial vigor and economic policy uncertainty on economic resilience.

This study explores the following research questions: What impact does innovative entrepreneurial actions and initiatives have on economic resilience and what is the role of the entrepreneurial ecosystem in resorbing the Lebanese economic crisis?

To examine these issues, the researchers intend to first propose a theoretical framework, and review the existing literature. Second, to present the hypotheses of entrepreneurial actions in Lebanon. Third, to discuss the research methodology and questionnaire used. Fourth, the results are reported. Fifth, the key findings are discussed, practical and theoretical implications are presented and avenues for future research are shown.

To demonstrate the research hypotheses, the authors will adopt a mixed methodology, a triangulation between quantitative and qualitative. A questionnaire will be sent to entrepreneurs who have already founded their business before the crisis and those who tried to create their business during the crisis. Usually, entrepreneurs who perceive opportunity and establish new organizations to benefit from opportunity (Shane and Venkataraman 2000) are viewed as agents of change who disrupt markets and build the future. To understand this attitude, Interviews are scheduled to study how these entrepreneurs have been able to resist the crisis (based on entrepreneurship resilience theory) and how new entrepreneurs have been able to create businesses despite all the difficulty of this unprecedented crisis in Lebanon and even at the international level (based on entrepreneurship innovation theory). The target audience will be entrepreneurs who have been trained by the existing entrepreneurial ecosystem in Lebanon.

The entrepreneurial ecosystem can have a significant impact by aiding in the nation's rehabilitation. Infrastructure and public support are necessary for the government to carry out its protection from the economic crisis in a successful manner (Comfort 2002). In addition to the issue of crisis management in the business world the presence of the state is crucial for overcoming the crisis, and this has emerged as one of the research trends during a crisis (Doern et al. 2019). The research would address some potential ways that the entrepreneurial ecosystem could contribute include:

- Investing in the economy: Private companies can help stimulate economic growth and create jobs by investing in the economy (Saleh and Levy-Tadjine 2023). This could include investing in new ventures or expanding existing businesses.
- Supporting economic reforms: The entrepreneurial ecosystem can support economic reforms by adopting good business practices and operating transparently (Mallah Boustani and El Boustani 2017) . This can help to create a more stable and

predictable business environment, which can attract investment and support economic growth.

- Partnering with the government: The entrepreneurial ecosystem can work with the government to identify and implement solutions to address the economic crisis (Nsouli 2022). This could include participating in public-private partnerships or collaborating on initiatives to stimulate economic growth.
- Providing job opportunities: Entrepreneurship can be an alternative to employment and can help to alleviate unemployment and improve the lives of ordinary citizens by providing job opportunities. This could include hiring local workers, providing training and development opportunities, and offering fair and competitive wages.

Keywords

Lebanon, entrepreneurship, start-ups, growth.

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Conflicts of interest

The authors have declared that no competing interests exist.

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