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Comparison Of Policies And Incentives For Entrepreneurship In Latin America

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Abstract

In Latin America, entrepreneurship is affected by economic instability, lack of investment, poor policies and social inequalities. The study applied a mixed approach, with a documentary review in the area of regional entrepreneurship, on the policies and incentives applied in Argentina, Chile, Colombia and Ecuador. In addition, indicators from the Global Entrepreneurship Monitor were compared with a Pearson correlation study to identify the region's behavior. Concluding that there is a movement for the leverage of entrepreneurship, however, in some countries there is no technical and economic support, preventing the sustained growth of enterprises.

Keywords: Latin American entrepreneurship; Incentive to the entrepreneur; Entrepreneurship policies; Latin America

Resumen: En Latinoamérica, el emprendimiento es afectado por la inestabilidad económica, falta de inversión, políticas deficientes y desigualdades sociales. En el estudio se aplicó un enfoque mixto, con una revisión documental en el área de emprendimiento regional, sobre las políticas e incentivos aplicados en Argentina, Chile, Colombia y Ecuador. Además se compararon indicadores del Global Entrepreneurship Monitor con un estudio de correlación de Pearson para identificar el comportamiento de la región. Concluyéndose que existe un movimiento para el apalancamiento del emprendimiento, sin embargo, en algunos países no se cuenta con apoyo técnico y económico, impidiendo el crecimiento sostenido de los emprendimientos.

Palabras clave: Emprendimiento latinoamericano; Incentivo al emprendedor; Políticas de emprendimiento; Latinoamérica

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Introduction

Entrepreneurship is influenced by intrinsic and extrinsic factors that directly affect the ecosystems in which entrepreneurs operate. Entrepreneurship ecosystems involve elements such as entrepreneurial culture, the characteristics and

motivations of entrepreneurs, and the norms and policies implemented by countries to foster business development.

These policies boost the ecosystem and define the risks, obstacles and benefits that entrepreneurs can access. (Harrison, 2023; Lee, 2023). These interconnected and interactive elements can support or limit entrepreneurial development at different levels, whether local or macro, within a country or between several countries. (Gomez-Mejia et al., 2023; Sharma et al., 2023).

The emergence of this type of activities is part of a process of organization and execution of the ideas proposed by entrepreneurs, which encourages innovation in societies. (Bartesaqui et al., 2016; Gouvea et al., 2022). This activity is important for countries because it promotes innovation and energizes the economy, which helps to move from low and medium economic levels towards development. However, entrepreneurship depends on the right socio-political, economic and administrative contexts to thrive. (Zhu et al., 2023). As mentioned by Taxis Flores, et al., (2016), the creation of enterprises through entrepreneurship translates into socio-economic growth in the regions, an increase in gross domestic product and a decrease in the unemployment rate.

The phenomenon of entrepreneurship varies between countries due to various factors, as explained by Valenzuela-Klagges, et al.,(2018), in developed countries, entrepreneurship arises from "opportunity" and contributes to economic development. Meanwhile, in developing countries, entrepreneurship appears out of "necessity" due to low economic growth and does not ensure sustained growth. In Latin America, the ratio between entrepreneurship by "opportunity" and by "need" is, on average, 2.7 (Global Entrepreneurship Monitor (GEM), (Bartesaqui et al., 2016).

In Latin America, the scarcity of job opportunities and restricted industrial progress, together with deficiencies in government and private institutional support for small industry, have prompted an increase in the emergence of entrepreneurship (Álvarez et Grazzi, 2018; Kantis et al., 2014). Aguirre (2018) He argues that this entrepreneurial dynamic is essential for the economy, both at the macro and micro levels, because of its role in driving the growth and expansion of companies, the main generators of employment. This beneficial cycle between economy and business promotes economic progress and the strengthening of the middle class, key factors for the transformation of a country into a developed nation. (Boubakri et al., 2021; Sharma et al., 2023)

Economic difficulties and poor political management in the region have fostered a general dissatisfaction with public institutions. This discontent, added to the decline in employability and poor quality of life, has driven the creation of self-employment and informal job opportunities as mechanisms of economic survival. (Véliz Torresano and Díaz Christiansen, 2014). In this context, Busom and Vélez-Ospina (2017) argue that limited investment in innovation and development in Latin America is related to low adoption of product and process innovations, and is correlated with levels of employability and labor productivity.

This situation is experienced globally, including in the case of the United States, where insufficient financing for the development of new businesses has sometimes led to the failure of small and medium-sized enterprises (SMEs). (Hui et Xiaobo, 2013).

Fernández and Calderón explain (2018), in Latin America and the Caribbean the number of business owners has increased significantly, but the lack of innovation in entrepreneurship is evident, which is crucial to drive industrial transformation and improve socioeconomic conditions. This is mainly due to the lack of policies that support and promote entrepreneurship, which limits the adoption of innovative practices in the region. (Trapero et al., 2016).

Wheels, et al (2017), point out that several factors affect the sustainability of ventures, including the lack of consolidation of business ideas and companies that reach the stage of decline early without identifying the causes of their failure. Likewise, the lack of skills and abilities of the entrepreneur can impact business performance, since individual aspects and personal characteristics influence the success of business activity. (Shahid et al., 2023).

Entrepreneurship by necessity is driven by low economic growth in Latin America, a region marked by economic and socio-political instability. Insufficient investment in research, development of production chains and industrial markets causes social inequalities and delays their progress (Hofman et al., 2017).

Entrepreneurship is composed of three dimensions: the individual, which promotes value creation and new economic activities; the activity carried out by the entrepreneur; and the entrepreneurship process, linked to the conditions and phenomena that influence this area (Zamora-Boza, 2018). According to the Global Entrepreneurship Monitor (GEM, 2021), entrepreneurship indicators worldwide show that, in 2019, Early Entrepreneurial Activity Rates (TEA) were established at 12.98% in Mexico, 22.28% in Colombia, 23.43% in Brazil, 36.2% in Ecuador and 36.71% in Chile, these being the most prominent countries in the region.

Van Hoof and Gomez (2015), explain that in Latin America small and medium-sized enterprises are crucial for the generation of employment and economic flow in all social strata, due to the socio-political landscape. Therefore, entrepreneurship has been promoted through the support of NGOs, governments and educational institutions, offering financing, training, advice and incentives. However, the development of entrepreneurship in the region has been uneven, influenced by specific conditions of each country, with public policies being one of the most

relevant factors in this area. (Rada, 2014; Ruiz Cedeño and Palacios Dueñas, 2020).

In general terms, the region lacks specific data that provide a clear and quantifiable picture of the contribution of entrepreneurship and small and medium-sized enterprises to the economic growth of the countries of the region. However, according to Valenzuela-Klagges (2018), the participation of SMEs in the formal economy varies between countries: in Argentina, it represents approximately 43.6% of employment, in Brazil 48.2%, in Ecuador 24% and in Peru 11.9%.

Luna, et al. (2019), point out that entrepreneurship in Latin America is influenced by internal and external factors such as public policies, culture, education, economic conditions, innovation, financing and regulations. The World Bank (2014) It indicates that a third of the population is self-employed or small employer, but most enterprises do not grow steadily. On the other hand, the Inter-American Development Bank (Lederman et al., 2014) the Economic Commission for Latin America and the Caribbean (United Nations, 2021), highlight the importance of SMEs for the local economy and job creation, although their participation in production and exports is lower.

The United Nations (2020), in its Resolution 75/211 highlights the relevance of innovation and entrepreneurship for economic growth and job creation, emphasizing the promotion of policies that encourage social and digital entrepreneurship. In Latin America, government policies have been implemented to promote entrepreneurial development in developing countries

Given the diversity of actions to encourage entrepreneurship in the Latin American socio-political landscape, it is interesting to carry out a comparative study that analyzes, based on secondary information, the current scenario of entrepreneurship in some South American countries. In this way, it will be possible to recognize the initiatives and results of greater impact that have contributed to regional economic progress.

The objective of this paper is to examine the uneven development of entrepreneurship in Latin America, using the specific cases of Chile, Colombia, Ecuador and Argentina, and to examine governmental and non-governmental actions that may explain this situation.

Methodology

Data organization and geographic location

Information was collected on the laws and regulations focused on the development and leverage of entrepreneurship in the countries under study (Argentina, Colombia, Chile and Ecuador). Data on the behavior of the variables of the entrepreneurial ecosystem were collected from the results available in the Global Entrepreneurship Monitor (GEM) in the period 2018-2021 for these countries.

Analysis of information

For the analysis of the information of the legislative and normative framework, hermeneutics was used, generating a summary of aspects of interest. On the other hand, for the analysis of the data

of the variables of the indicators, the Excel software was used for the initial treatment of the information, obtaining the averages and trends for comparison. On the other hand, for the statistical study, IBM SPSS V.25 software was used, performing a Pearson correlation study between the variables of the entrepreneurial environment and the rate of entrepreneurial activity with a significance level of 95%.

Results and discussion

After the process of reviewing policies and incentives for entrepreneurship in some Latin American countries, some important findings emerge, which are presented in the sections presented below.

Argentina Case

The authors mention that in Argentina there are favorable aspects in relation to support for the entrepreneurship sector, this due to a series of government policies developed specifically to help and promote entrepreneurship, such as;

Law of Entrepreneurs (Senate and Chamber of Deputies, 2017), its main objective is to promote the development of entrepreneurial capital in the country, addressing aspects related to geographical location to promote growth in various productive areas at the local level. This law benefits entrepreneurs in three main areas:

Facilitation in the creation of companies, streamlining procedures and presenting a new legal form called "Simplified Share Company", which allows the incorporation of companies within a maximum period of 24 hours.

Access to financing of ideas, through the establishment of Investment Funds, such as the Trust Fund for the Development of Venture Capital, in which the government invests for the development of projects. It also promotes crowdfunding and the creation of 13 accelerators to promote Argentine projects.

The Entrepreneurs Law also establishes that entrepreneurs can access loans with an interest rate of 0%, and investors of Argentine projects can deduct between 75% and 85% of the amount contributed to the entrepreneur in their taxes.

Thanks to the benefits that Argentina offers to entrepreneurs, the country is among the five best Latin American countries to undertake. However, it faces challenges such as a lack of specialized human capital and limited technological and innovative development.

According to data from the Global Entrepreneurship Monitor, in contrast to Latin American behavior, some trends can be observed in terms of entrepreneurial desire in Argentina, as well as the behavior of the entrepreneurial ecosystem in the country, as detailed below:

Board 1 Self-perceptions of the Argentine entrepreneur

Indicators	2018	Latin American and Caribbean Average
Perceived opportunities	35.89%	44.48%

Perceived capabilities	48.79%	57.51%
Fear of failure	37.92%	27.13%
Business intentions	14.83%	32.64%
Motivations (opportunity/need)	1.35%	2.31%
Impact rate on employment generation	11.75%	21.40%

Fact sheet: Indicators on self-perception in Argentina Global Entrepreneurship Monitor (GEM, 2021).

In the behaviors analyzed, about half of entrepreneurs identify opportunities and feel able to take risks. However, in Argentina there is a higher risk of failure compared to the Latin American average. There is a prevalence of ventures based on business opportunities rather than those that arise out of necessity, the latter being less likely to last in the market in the long term.

In this context, the study carried out by Crespo,(2019), points out that data from the Argentine Association for the Development of Small and Medium Enterprises indicated that "only 7% of enterprises reach the second year of life, and only 3% reach the fifth. Therefore, a venture has a 97% chance of disappearing before the fifth year."

In Argentina, entrepreneurship is divided between formality and informality, with 40% of enterprises operating informally in 2012. Formalization was motivated by complying with the law and facilitating agreements, while high tax rates and bureaucracy discouraged formalization. Many enterprises concealed practices of informality and self-exploitation. (Del Giorgio and D'Amicco, 2019).

Chile Case

Chile, is one of the countries with the highest level of entrepreneurship in Latin America, mainly because in that country a regulatory framework has been developed available to those who wish to undertake, below are some of the laws developed;

Law 20.416 of 2010 called SME Statute (*Law-20416 03-Feb-2010*, 2010), which enacts rules for small businesses. This law includes general rules, institutional issues and some articles that seek greater competitiveness in small production units.

Law 20.494 of 2011 (*Law-20494 Jan 27, 2011*, 2011), referring to the simplification and streamlining of procedures to incorporate a company. This law sought to reduce the economic costs that the entrepreneur had to assume and also minimize the times and procedures in the legalization procedures, it also implemented to modify the tax code so that taxpayers are immediately authorized to issue electronic tax documents.

The GEM survey in Chile analyzed entrepreneurial activities, social values and personal attributes related to entrepreneurship. The results show that 26% identify as an early-stage entrepreneur and 66% know an entrepreneur. 51% consider themselves a potential entrepreneur, while 20% are in nascent ventures of at least 42 months, 7% in new ventures, 6% in established and 9% in

discontinued (Guerrero and Serey, 2021).

Over the last two decades, governments have established strategies for the productive development of the country, among which are:

Address market failures that hinder access to financing, associativity and competitiveness, with the aim of improving entrepreneurship.

Provide technical assistance and subsidies through tax refunds or trade agreements for industries such as salmon or wine.

Solve problems related to working capital through Guarantee Funds, FOGAPE and Banco Estado Microempresas.

Develop an ecosystem that supports development programs in the country. (Dini and Stumpo, 2020).

Colombia Case

Colombia is a country with a strong impulse to entrepreneurship, backed by a governmental legal framework. In 2018, the entrepreneurship rate was 21.19% for new or established between 18 and 64 years old, an increase from 18.7% in 2017. In addition, in 2018, the rate of new ventures was 15.75%, exceeding the Latin American average of 5.82% and ranking fourth in the region. (Laverde, 2020).

In the National Development Plan 2014-2018 (2014), the new "National System of Competitiveness, Science, Technology, and Innovation" is formed with the aim of increasing productivity through programs and policies through coordination of strategies in the areas of Science, Technology and Innovation. In the same way, they formed a set of rules for the support of entrepreneurship, among which they cite;

Law 2069 of the Entrepreneurship Law (*Law No. 2069*, 2020), seeks to support entrepreneurship through various measures, such as the simplification of administrative procedures and the creation of a special regime for technology-based companies.

Tax incentives are established for companies that make investments in research and development, and entrepreneurship education and training are encouraged. A venture capital fund is created to support the creation and growth of new businesses, and measures are established to facilitate access to finance and credit for entrepreneurs.

Law 1231 or "Law of Movable Guarantee" (*Law 1231 of 2008*, 2008), enacted in 2008, with the purpose of favoring the growth of electronic invoicing, allowing the use of purchase invoices as financing mechanisms for MSMEs.

Law 1429 or "Law of Formalization and Generation of Employment" (*LAW 1429-2010*, 2010) Enacted in 2010 favoring the creation of incentives by reducing the tax burden for the

formalization of companies or companies from the moment of their creation, reducing costs and increasing benefits.

Law 1607 enacted in 2012 (*Law 1607 of 2012*, 2012), to modify the tax regime, promoting the generation of employment in the country and the formalization of employees, although it enters into force in 2013.

Decree 1510 proclaimed in 2013 (*Decree 1510 of 2013*, 2013) with the purpose of facilitating the entry of MSMEs into the public procurement regime.

On the other hand, the public entities of the Colombian state belonging to the "National System of Support for MSMEs" such as the "Ministry of Commerce, Industry and Tourism" have drawn up guidelines such as; improve the system of access to different forms of financing, minimize informal enterprises, promote the training of human capital and integrate MSMEs into the productive chains of large companies (Dini and Stumpo, 2020).

Ecuador Case

In Ecuador, since 2018 entrepreneurship has been established as a strategy to boost the economy in the country. According to the Advance Foundation for Reforms and Opportunities (Faro Group, 2019), entrepreneurship in Ecuador has become a necessity, with 42.33% of the population between 18 and 64 years old involved in nascent or established ventures in 2017. However, most do not manage to survive more than 42 months due to low sustainability, making it difficult to generate new business. In terms of financing, in 2016, 98% of entrepreneurs were self-financing, while only 4% obtained financing from public funds. (Llanes, 2020).

According to the Global Entrepreneurship Monitor (GEM) of 2019, Ecuador is in fourth place among the countries in Latin America and the Caribbean with the highest entrepreneurship, surpassing even the established average and the most efficient economies. Most of the ventures in the country have been sole proprietorships in the last five years, and although 99% of them are new, only 49% have generated additional jobs, which has not contributed significantly to solving the employment problem in the country. (Lasio et al., 2020).

In 2020, the Organic Law of Entrepreneurship and Innovation entered into force in Ecuador (2020) with the object as established in Art. 1 of "establishing the regulatory framework that affects and encourages entrepreneurship, innovation and technological development, promoting entrepreneurial culture and implementing new corporate and financing modalities to strengthen the entrepreneurial ecosystem" (National Assembly, 2020).

Similarly, the National Council for Entrepreneurship and Innovation (CONEIN) is created in the country. (2021) A strategic State agency has been established to encourage and promote entrepreneurship, generating alliances between the private, public and academic sectors, and coordinated by the Technical Secretariat of CONEIN. The main axes include the implementation of Simplified Joint Stock Companies (SAS) to facilitate the creation of new businesses and sole

proprietorships, the establishment of the National Registry of Entrepreneurship (RNE) to focus promotion policies and the promotion of microfinance funds.

The GEM Ecuador 2019-2020 report notes that strengths to foster entrepreneurship include physical infrastructure, access to basic and telecommunications services, favorable social and cultural norms, and adequate business education. However, the business environment faces weaknesses such as lack of supportive government policies, limited funding, costly red tape, scarcity of venture capital and financial support, and lack of knowledge transfer and scientific support in business creation. (Lasio and et.al., 2019).

Comparison of the entrepreneurial landscape in the countries studied

In order to establish a comparison in the current entrepreneurial landscape in the region, information was taken from the Global Entrepreneurship Monitor (GEM) corresponding to the years 2018 to 2021, averaging the available data of the countries that were studied.

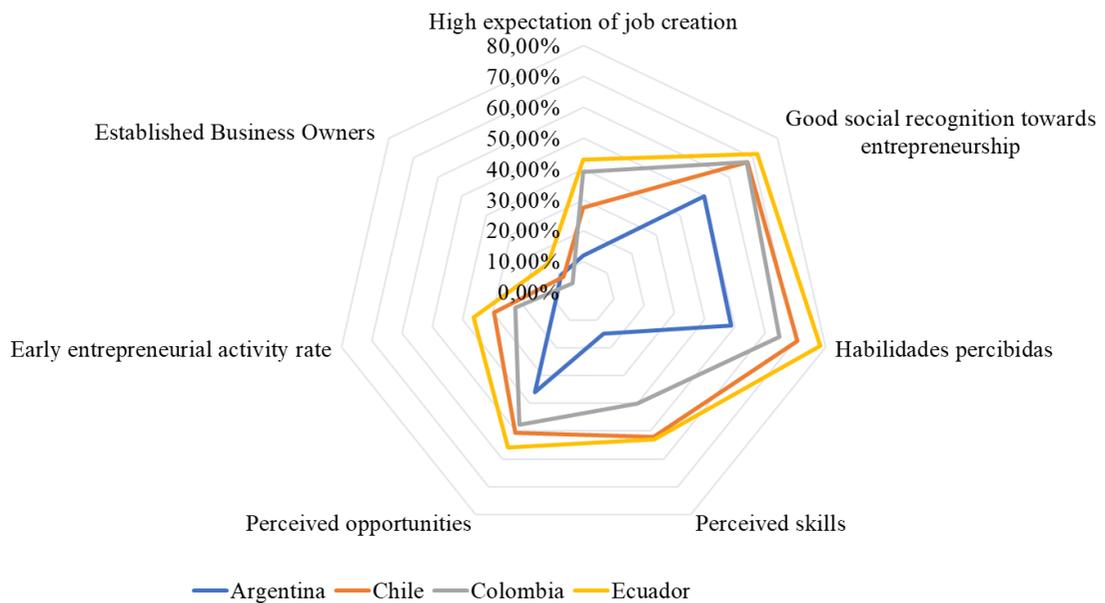


Figure 2 Comparison of Latin American entrepreneurship indicators.

Own authorship. Fact sheet: The graph shown shows the behavior of various indicators in the region related to the entrepreneurial environment Source: GEM 2021

The graph shows that Ecuador and Colombia have higher expectations in the employment-generating effect of entrepreneurship (38%-43%), followed by Chile. In social recognition of entrepreneurship, 71.8% in Ecuador have a positive outlook, followed by Chile (67%) and

Colombia (67%). In entrepreneurial intention, Ecuador leads (53%), followed by Chile (52%) and Argentina (40%). In general, the entrepreneurial environment is positive in Ecuador, Chile and Colombia, reflected in higher rates of entrepreneurial intention.

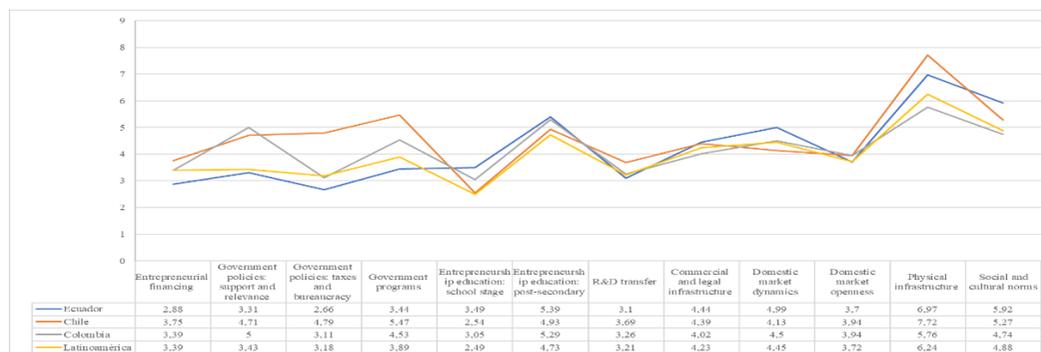
Ecuador leads in internal perception of entrepreneurs with 78.29% positive, followed by Chile (70.87%) and Colombia (64.95%). In the rate of early entrepreneurial activity, Ecuador has 36.2%, followed by Chile (29.40%) and Colombia (22.57%). However, the ownership rate is low, indicating a gap between the decision to undertake and long-term maintenance, with effective rates of established ventures of 14.7% in Ecuador, 8.08% in Chile and 4.51% in Colombia. Although Argentina does not present high indicators in expectation, environment and entrepreneurial intention, it has a high effective rate with 9.11% in early entrepreneurial activity and 9.05% in established ventures, which suggests that many ventures survive the first years and consolidate in the market. Regarding the evaluation of entrepreneurial ecosystems, data are available from Ecuador, Chile and Colombia for 2020, from the Global Entrepreneurship Monitor 2019-2020.

Board 2 Correlation of the entrepreneurial environment in Latin America Argentina, Chile, Colombia and Ecuador, taken from GEM

		High expectation of job creation	Good social recognition towards entrepreneurship	Perceived skills	Entrepreneurial intention	Perceived opportunities	Early entrepreneurial activity rate	Established Business Owners Rate
High expectation of job creation	Pearson correlation	1	,926	,856	,798	,877	,827	,194
	Sig. (bilateral)		,074	,144	,202	,123	,173	,806
Good social recognition towards entrepreneurship	Pearson correlation	,926	1	,964*	,964*	,974*	,947	,205
	Sig. (bilateral)	,074		,036	,036	,026	,053	,795
Perceived skills	Pearson correlation	,856	,964*	1	,975*	,999**	,998**	,438
	Sig. (bilateral)	,144	,036		,025	,001	,002	,562
Entrepreneurial intention	Pearson correlation	,798	,964*	,975*	1	,974*	,971*	,275
	Sig. (bilateral)	,202	,036	,025		,026	,029	,725

	a)							
Perceived opportunities	Pearson correlation	,877	,974*	,999**	,974*	1	,994**	,409
	Sig. (bilateral)	,123	,026	,001	,026		,006	,591
Early entrepreneurial activity rate	Pearson correlation	,827	,947	,998**	,971*	,994**	1	,479
	Sig. (bilateral)	,173	,053	,002	,029	,006		,521
Established Business Owners Rate	Pearson correlation	,194	,205	,438	,275	,409	,479	1
	Sig. (bilateral)	,806	,795	,562	,725	,591	,521	

Explanatory note: A correlational analysis is shown, with the Pearson Correlation statistic of indicators of the average entrepreneurial environment 2018-2021 and the indicators of entrepreneurial activity of the countries Argentina, Chile, Colombia and Ecuador, taken from GEM. The correlation analysis of the entrepreneurial environment in Argentina, Chile, Colombia and Ecuador using data from the GEM (2018-2021) reveals significant relationships between several indicators of the entrepreneurial ecosystem. There is a positive and high correlation between the expectation of employment generation and social recognition towards entrepreneurship, suggesting that people value entrepreneurship as an important source of employment. There are also positive and high correlations between social recognition towards entrepreneurship and perceived skills, perceived skills and opportunities, and perceived skills and the rate of early entrepreneurial activity, indicating that the perception of skills and opportunities are key factors in the decision to start a business.



Fact sheet: The graph shown shows the performance of various indicators in the region for the countries under study. Source: GEM 2020

The entrepreneurial ecosystem in Argentina, Chile, Colombia and Ecuador has developed unevenly due to the specific conditions of each country. Chile and Ecuador have infrastructure, education, and social and cultural regulations higher than the Latin American average, but Ecuador has weaknesses in government policies and financing. Colombia has solid government support, education and R+D transfer, but it has shortcomings in social and cultural regulations. The Andean Development Corporation suggests improving infrastructure, increasing venture capital financing and developing human capital in the region. In terms of financing, there are discrepancies in Argentina, while Chile offers monetary incentives and subsidized financing, and Colombia focuses on the development of SMEs and facilitates access to financing.

The data illustrate a diverse picture in terms of expectations, social recognition, entrepreneurial intent, internal perception of entrepreneurs, and rate of early and established entrepreneurial activity in countries such as Ecuador, Chile, Colombia and Argentina. It was identified that Ecuador and Colombia have the highest expectations in the employment-generating effect of entrepreneurship, followed by Chile. Ecuador also leads in the internal perception of entrepreneurs and the rate of early entrepreneurial activity, although all nations show a gap between the decision to undertake and long-term sustainability. Argentina, despite its lower indicators in expectations and entrepreneurial intention, shows high rates of early and established entrepreneurial activity.

Compared to other studies stands out in the study of Mendoza, et al, (Mendoza et al., 2021) It is mentioned that in the region there is a high expectation of entrepreneurship, because of the economic condition, where the shortage of employment leads the population to venture into entrepreneurship out of necessity. On the other hand, Moína-Sánchez, et al., (2020) evidence that the high rate of entrepreneurship in Ecuador is positively correlated with economic growth (González, 2019). This correlation could explain the high rates of expectations, entrepreneurial intent and internal perception observed in the current study. The gap between the rate of early entrepreneurial activity and the effective rate of established ventures suggests that, although entrepreneurship is popular and has a job-generating effect, long-term sustainability is a challenge.

In the case of Chile, Dana and Keen (2022), shows how government policies and incentives can contribute to a positive entrepreneurial environment (García & Martínez, 2020). However, as in Ecuador, the rate of early entrepreneurial activity is higher than that of established ventures, indicating problems with the durability of ventures.

The case of Colombia is similar to those of Ecuador and Chile, although with lower rates in general. In the study by Camargo et al., (2020) It notes that despite growing interest and policies to support entrepreneurship, there are significant challenges related to infrastructure, training and financing that may be affecting the rate of established ventures.

On the other hand, Argentina presents an interesting case although its indicators of expectation,

environment and entrepreneurial intention are lower, its effective rate of established ventures is high. In Dini and Stumpo's research (Dini et Stumpo, 2020) suggests that this may be the result of a strong focus on consolidating businesses once established and a strong support system for companies in their early years (Rodriguez & Sanchez, 2022).

Overall, these results suggest that, although there is great interest and support for entrepreneurship in these countries, there are challenges in terms of sustainability and consolidation of entrepreneurship. Policies and incentives should therefore focus not only on encouraging the start of new businesses, but also on supporting their long-term growth and survival. This could involve increased investment in entrepreneurship training programmes, access to finance and the creation of adequate infrastructure.

Conclusions

In general, in the Latin American case it is observed that there is a movement on the part of governments in order to leverage the development of entrepreneurship in the southern cone, however, in some of their countries without facilities for technical and economic support, treating this type of business developments as informal, which stops the emergence and sustained growth above the threshold of 5 years. The main limitations present in the research focused on the lack of updated information in Latin American countries that clearly reflected the development of entrepreneurship today, which was a setback when making a comparison of the general achievements of each country.

In future works, monitor cases of entrepreneurship versus growth and sustainability over time, in order to know the durability of microenterprises in the Latin American region, as well as recognize which are the main factors that can intervene positively or negatively in their development.

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