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THE GLOBAL EXPERIENCE OF INCLUSIVE ENTREPRENEURSHIP: HISTORICAL BACKGROUND, EFFICIENCY, AND PROSPECTS

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Abstract. The purpose of the study is to outline the key stages in the formation of the concept of inclusive entrepreneurship within the historical transformation of the role of entrepreneurial activity, as well as to assess the development of inclusive entrepreneurship in the EU countries based on official statistics using the method of taxonomic analysis. The research employs general scientific methods (scientific abstraction, critical analysis and comparison, analysis and synthesis) together with applied and interdisciplinary approaches – document and statistical data analysis, and economic-mathematical methods. The scientific novelty lies in the application of the taxonomic analysis method based on selected macroeconomic indicators to establish the relationship between the level of inclusive entrepreneurship development and overall entrepreneurial activity in EU countries. The study revealed a certain correlation between actual indicators of inclusive entrepreneurship development (according to The Missing Entrepreneurs report – the relative number of “missing” enterprises in a country) and the computed taxonomic ranking of micro, small, and medium-sized business activity across the EU. It should be noted that several evident anomalies were identified when comparing the data, which deviate from the general trend and may theoretically be explained by other economic, cultural, or social factors specific to those countries, requiring further research. If these outlier countries are excluded from the calculation of the Pearson correlation coefficient, the results indicate the existence of a statistically significant relationship between the aforementioned variables. The practical significance of the findings lies in assessing the potential “quality” of

enterprises created as a result of inclusive entrepreneurship among vulnerable population groups, and their contribution to overall entrepreneurial activity.

Keywords: Inclusion, inclusive entrepreneurship, inclusive development, social entrepreneurship.

EXPÉRIENCE MONDIALE DU DÉVELOPPEMENT DE L'ENTREPRENEURIAT INCLUSIF : ASPECT HISTORIQUE, EFFICACITÉ ET PERSPECTIVES

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Résumé. L'objectif de l'étude est de définir les principales étapes de formation du concept d'entrepreneuriat inclusif dans le cadre de la transformation historique du rôle de l'activité entrepreneuriale, ainsi que d'évaluer le développement de l'entrepreneuriat inclusif dans les pays de l'UE sur la base de statistiques officielles à l'aide de la méthode d'analyse taxonomique. L'étude mobilise des méthodes scientifiques générales (abstraction scientifique, analyse critique et comparaison, analyse et synthèse), ainsi que des méthodes appliquées et interdisciplinaires : analyse de documents et de données statistiques, méthodes économico-mathématiques. La nouveauté scientifique réside dans l'application de la méthode d'analyse taxonomique, fondée sur une sélection d'indicateurs macroéconomiques, afin d'établir la relation entre le niveau de développement de l'entrepreneuriat inclusif et l'activité entrepreneuriale dans les pays de l'UE. Les résultats montrent l'existence d'un certain degré de lien entre les données empiriques relatives au niveau de développement de l'entrepreneuriat inclusif (selon le rapport *The Missing Entrepreneurs* : nombre relatif d'entreprises « manquantes » dans un pays) et le classement taxonomique calculé de l'activité des micro-, petites et moyennes entreprises dans les pays de l'UE. Il convient de noter que, lors de la comparaison des données, des anomalies évidentes ont été identifiées, ne s'inscrivant pas dans la tendance générale et pouvant, en théorie, s'expliquer par d'autres facteurs — certaines spécificités économiques, culturelles ou sociales propres à ces pays — qui nécessitent des recherches complémentaires. Si ces pays ne sont pas pris en compte dans le calcul du coefficient de corrélation de Pearson, celui-ci indique l'existence d'un lien significatif entre les données mentionnées. La portée pratique des résultats réside dans l'évaluation de la « qualité » potentielle des entreprises créées dans le cadre du développement de l'entrepreneuriat inclusif par des groupes vulnérables, ainsi que de leur contribution à l'activité entrepreneuriale globale.

Mots-clés : inclusion, entrepreneuriat inclusif, développement inclusif, entrepreneuriat social.

Introduction

Since the mid-20th century, the concept of entrepreneurship has undergone a transformation, being perceived not only as a risk-oriented and innovative activity aimed at maximising profit, but also as an effective mechanism for addressing the socio-economic challenges of society, ensuring social justice, and fostering sustainable development. The first social enterprises emerged during this period – cooperatives in Italy, associations of the unemployed and persons with disabilities in France, and the social movement in Belgium, among others. The concept of the "social economy" arose, within which the resolution of social problems acquired priority significance. At the beginning of the 21st century, the term "inclusive entrepreneurship" appeared as a distinct form of activity aimed at involving all segments of the population in entrepreneurial processes regardless of age, gender, education level, or social status. The first analytical materials and reports began to appear, focusing on the existing "barriers" to entrepreneurship for different groups within society and on the development of mechanisms to overcome them (OECD, The Missing Entrepreneurs). The development of inclusive entrepreneurship has become part of the economic strategies and policy programmes of many states – such as the Lisbon Strategy (2000), EQUAL (2001–2007), PROGRESS (2007–2013), and others.

Within the framework of deepening the concept of inclusive entrepreneurship, the main objectives of this study are to analyse the latest OECD report The Missing Entrepreneurs 2023; to construct a ranking of EU countries in the context of micro-, small- and medium-sized business development based on official statistics and original calculations using the method of taxonomic analysis; and to compare these data with quantitative indicators of inclusive entrepreneurship development (the relative number of "missing" enterprises) in the corresponding countries. Identifying the relationship (or its absence) between the level of involvement of vulnerable groups in entrepreneurial activity and the relative level of entrepreneurial activity in EU countries will make it possible to assess the economic efficiency and overall relevance of inclusive entrepreneurship development programmes.

Theoretical Background

The topic of inclusive development and inclusive entrepreneurship is currently of exceptional relevance. The social aspects of inclusion – namely, issues of gender inequality, economic and social disparity, and the need to engage women, youth, older people, migrants, and persons with disabilities

in active economic activity – have become the focus of research by numerous economists and international organisations. Inclusive entrepreneurship is viewed as an integral part of the European Green Deal, the UN Sustainable Development Goals (SDGs), and national policy frameworks such as the Social Value Act (2012) in the United Kingdom, Loi relative à l'économie sociale et solidaire (2014) in France, and the Social Business Initiative (2011) in the European Union. These ambitious goals are based on a wide range of analytical materials and reports periodically published by international institutions, including the Organisation for Economic Co-operation and Development (OECD), the European Commission (EC), and the International Policy Centre for Inclusive Development (IPC-ID). Inclusive entrepreneurship, as a component of the social economy and social entrepreneurship, has been studied in the works of J. G. Dees, J. Emerson, S. Zahra, H. Rauchhauser, N. Bhawe, D. Neubauer, and J. Gayton, among others. Among the scholars who focused specifically on the concept of inclusive entrepreneurship are H. Shahin, M. Tihich, and E. Abdul-Kadir, who are considered the authors of this term. In Ukrainian scholarship, notable contributions have been made by O. V. Krasota, I. M. Riepina, A. Yu. Zhukovska, Yu. M. Lopatynskyi, O. V. Liakh, V. I. Liashenko, and N. V. Kuzmenko.

Methodology

To accomplish the objectives of this study – namely, the evaluation of the effectiveness of programmes supporting the development of inclusive entrepreneurship – it is necessary to establish appropriate assessment criteria. The authors of The Missing Entrepreneurs report provide quantitative parameters reflecting the level of inclusive entrepreneurship development in member states, expressed through the relative number of "missing" enterprises: the smaller the share of such enterprises, the greater the participation of individuals from vulnerable social groups in entrepreneurial activity, and therefore the higher the level of inclusive entrepreneurship in the country. However, as the authors of the report note, the "quality" of these potential enterprises remains unknown – there is no guarantee that such businesses will become successful or competitive, create new jobs, or have a positive impact on national economic growth. To provide a potential assessment of this "quality", the following approach was adopted: to construct a ranking of EU countries based on selected macroeconomic indicators that characterise the level of activity of micro-, small-, and medium-sized enterprises (since the development of inclusive entrepreneurship manifests primarily at the small and medium levels, while large enterprises do not face specific inclusion barriers) through the application of taxonomic analysis. Comparing this ranking with the

data on the number of "potential" enterprises makes it possible to draw certain conclusions regarding their quality and contribution to the overall level of entrepreneurial activity in EU countries.

Results and Discussion

The current economic situation in most developed countries is generally perceived as a given. Stable economic growth, increasing employment, decreasing social and economic inequality, improved quality of life, and technological progress are all elements of a global evolutionary process – the result of cooperation among individuals, businesses, and governments aligned under a shared developmental vector. This process, however, is not linear; periods of growth, decline, and crisis are observed, determined both by the cyclical nature of the economy itself and by exogenous factors such as wars, pandemics, and natural disasters. A significant element of the market economy that mitigates cyclical fluctuations and adapts rapidly to change and external shocks is entrepreneurship. It provides the majority of jobs in a country, improves the overall quality of goods and services, reduces costs through competitive mechanisms, and optimises production processes. Entrepreneurship thus contributes to economic development, social stability, and overall prosperity.

In the second half of the twentieth century, entrepreneurship also began to be viewed as a tool for overcoming social inequality. In Europe, this manifested through the expansion of cooperative movements, trade union initiatives, and social funds. During this period, the concept of the "social economy" was established – an approach to entrepreneurship focused not only on profit but also on addressing social issues. Examples include Italian social cooperatives (particularly in the Emilia-Romagna region) (Borzaga, Poledrini, Galera, 2017) and French associations facilitating the integration of the unemployed and people with disabilities. In 1991, Italy adopted Law No. 381/1991 (OECD, 2022), which formally recognised and regulated social cooperatives as a specific form of entrepreneurship providing employment opportunities for vulnerable groups such as people with disabilities, migrants, and the long-term unemployed. During the same period, France and Belgium saw the formation of the "l'économie sociale et solidaire" (ESS) movement – the economy of social and solidarity responsibility. ESS represents a collective framework of enterprises and organisations that align economic activity with social utility, prioritising people and the common good over profit. It is founded on cooperation, solidarity, democratic governance, limited profitability, and the reinvestment of surpluses into socially beneficial services. ESS structures include associations, cooperatives, and mutual funds that significantly contribute to employment and address pressing social issues such as integration, health, and environmental protection (French Ministry of Economy, 2025).

The active development of social enterprises and the recognition of their effectiveness led to the formation of a pan-European policy on social and economic inclusion. In 2000, the European Union adopted the Lisbon Strategy, which explicitly set the goal of creating a "more inclusive society" and promoting entrepreneurship among all population groups (European Parliament, 2009). The EQUAL (2001–2007) and PROGRESS (2007–2013) programmes funded experiments supporting entrepreneurship among women, migrants, and persons with disabilities. In 2009, the concept of "inclusive entrepreneurship" emerged – its origin is associated with researchers from Syracuse University (Shaheen, Tihic, Abdul-Qadir, 2009), who sought to evaluate the economic impact of expanding access to entrepreneurship for individuals with disabilities and low incomes.

Inclusive entrepreneurship refers to activity aimed at increasing the number of enterprises by involving all segments of the population in entrepreneurial initiatives, regardless of age, gender, education, access to capital, or social status. While the state plays a key role in this process, non-governmental institutions, investment funds, commercial banks, and charitable organisations may also participate (Osetskyi, Hrozhyn, 2025). It should be noted that "social entrepreneurship" and "inclusive entrepreneurship", despite their conceptual similarities and shared goals, are distinct phenomena. Social entrepreneurship is a specific type of entrepreneurial activity that prioritises the reinvestment of profits into social objectives rather than profit maximisation (Yunus, 2010). Inclusive entrepreneurship, by contrast, represents a broader and multidimensional process aimed at increasing the number of enterprises (including social ones) through the removal of existing barriers to entrepreneurship within society. These barriers are diverse – economic (access to capital for different social groups, public financial and credit policy, the activity of non-governmental financial institutions), institutional (legal and bureaucratic barriers, the development of informal institutions and social attitudes toward women, retirees, people with disabilities, and migrants), technological (digitalisation level, access to technology and international markets, logistics and infrastructure development), as well as others, including education level, cooperation between authorities, NGOs, and business associations, and the degree of entrepreneurial representation in legislative bodies.

Since 2013, the OECD has published biennial reports in the Missing Entrepreneurs series, providing systematic analysis of barriers to entrepreneurial participation among different social groups within member states (OECD, 2023). The report identifies several key indicators based on macroeconomic variables and survey data published by the Global Entrepreneurship Monitor (GEM):

• Nascent Entrepreneurship Rate: is the proportion of the population that is actively involved in setting up a business they will own or co-own; this business has not paid salaries, wages or any other payments to the owners for more than three months.

• New Business Ownership Rate: is the proportion of the population that is currently an owner-manager of a new business that has paid salaries, wages or any other payments to the owners for more than three months, but not more than 42 months.

• Total Early-Stage Entrepreneurial Activity (TEA) Rate: is the sum of the proportions of the population involved in nascent entrepreneurship activities and those who have started a new business within the last 42 months.

• Established Business Ownership Rate is the proportion of the population that is currently an owner-manager of an established business that has paid salaries, wages or any other payments to the owners for more than 42 months.

The benchmark for comparing different social groups in the context of entrepreneurial activity is men aged 30–49, who, according to GEM, represent the most active and successful demographic in launching and developing new businesses (OECD, 2023). Based on these data, as well as other surveys on entrepreneurial activity and EU statistics (EU Labour Force Survey), the authors of the report assess the level of inclusiveness of entrepreneurship in member countries and estimate the number of "missing" enterprises resulting from barriers to business entry faced by certain social groups. The report also provides brief policy recommendations to improve current conditions and increase the number of potential enterprises in the future.

These reports are primarily analytical and advisory in nature. They highlight the social dimension of inclusive entrepreneurship, assess disparities among various demographic groups in entrepreneurial engagement, and identify the main obstacles to business creation. The authors explicitly note that potential or "missing" enterprises are not necessarily likely to succeed, generate employment, or contribute positively to economic growth: "The estimated entrepreneurship gaps reflect untapped entrepreneurial potential and are not intended to be used by governments as target indicators. It is important to note that not all of these 'potential' entrepreneurs are expected to become entrepreneurs, since entrepreneurship is not suitable for everyone. Furthermore, these indicators provide no assessment of quality (e.g., business survival rate, potential profits, working hours, or job creation) among new enterprises" (OECD, 2023). According to OECD analysts, there are three main social groups that constitute the foundation of the so-called "missing entrepreneurs": women, youth (aged 18–30), and older people (aged 50–64).

Three-quarters of the "missing" entrepreneurs in the EU and OECD are women, indicating that the issue is largely linked to gender equality. Governments seeking to enhance inclusiveness in entrepreneurship must intensify their efforts to reduce the gender gap. Only 11% of the "missing"

entrepreneurs in the EU and OECD are youth (aged 18–30). Conversely, more than 60% of the "missing" entrepreneurs in the EU and over 70% in the OECD are older individuals (aged 50–64).

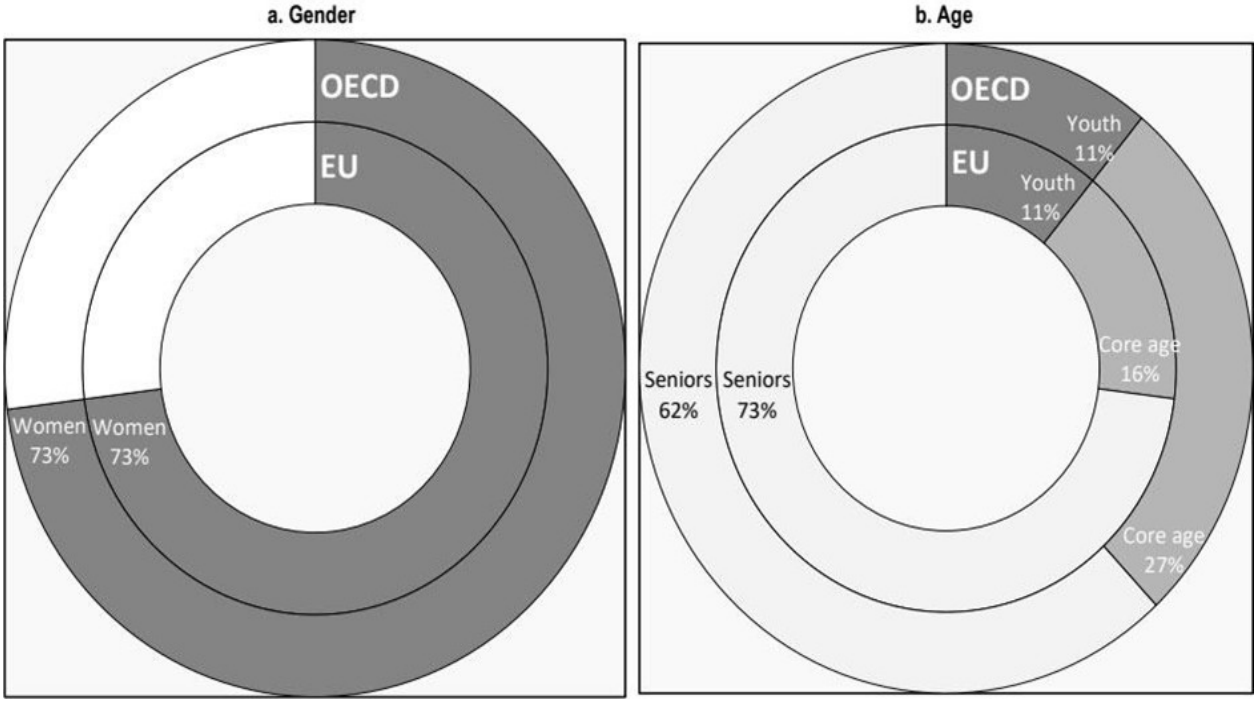

Figure 1. Distribution of "Missing" Entrepreneurs in the EU and OECD, 2022. Source: OECD calculations based on GEM statistics (OECD, 2023). Note: Youth (18–30 years), Core age (30–49 years), Seniors (50–64 years).

However, this finding applies only to the creation of new businesses and early-stage entrepreneurship, as a significant proportion of older people are owners of long-established and successful enterprises.

The share of "missing" enterprises varies significantly – from a very small proportion in Greece (13%) to a level in Italy that almost equals the total number of early-stage enterprises (98%). The differences in the development of inclusive entrepreneurship are the result of a complex interplay of numerous factors, including individual motivations toward entrepreneurship and risk perception, labour market conditions, competition intensity, access to finance, and more (OECD, 2023).

How can these data be interpreted? It is evident that in Greece the level of inclusive entrepreneurship development is very high, with a substantial proportion of individuals from vulnerable social groups engaged in entrepreneurial activity. But is this necessarily a positive phenomenon? Certainly, fostering economic inclusion and reducing social and economic inequality are benefits for society that cannot be overstated. However, how can we assess the quality of these enterprises – their contribution to overall entrepreneurial activity and job creation within the country?

To explore this, macroeconomic data characterising the overall level of small and medium-sized enterprise (SME) development in EU countries were analysed and compared with the OECD report findings. It should be noted that the development of inclusive entrepreneurship is primarily manifested in the growth of micro, small, and medium enterprises.

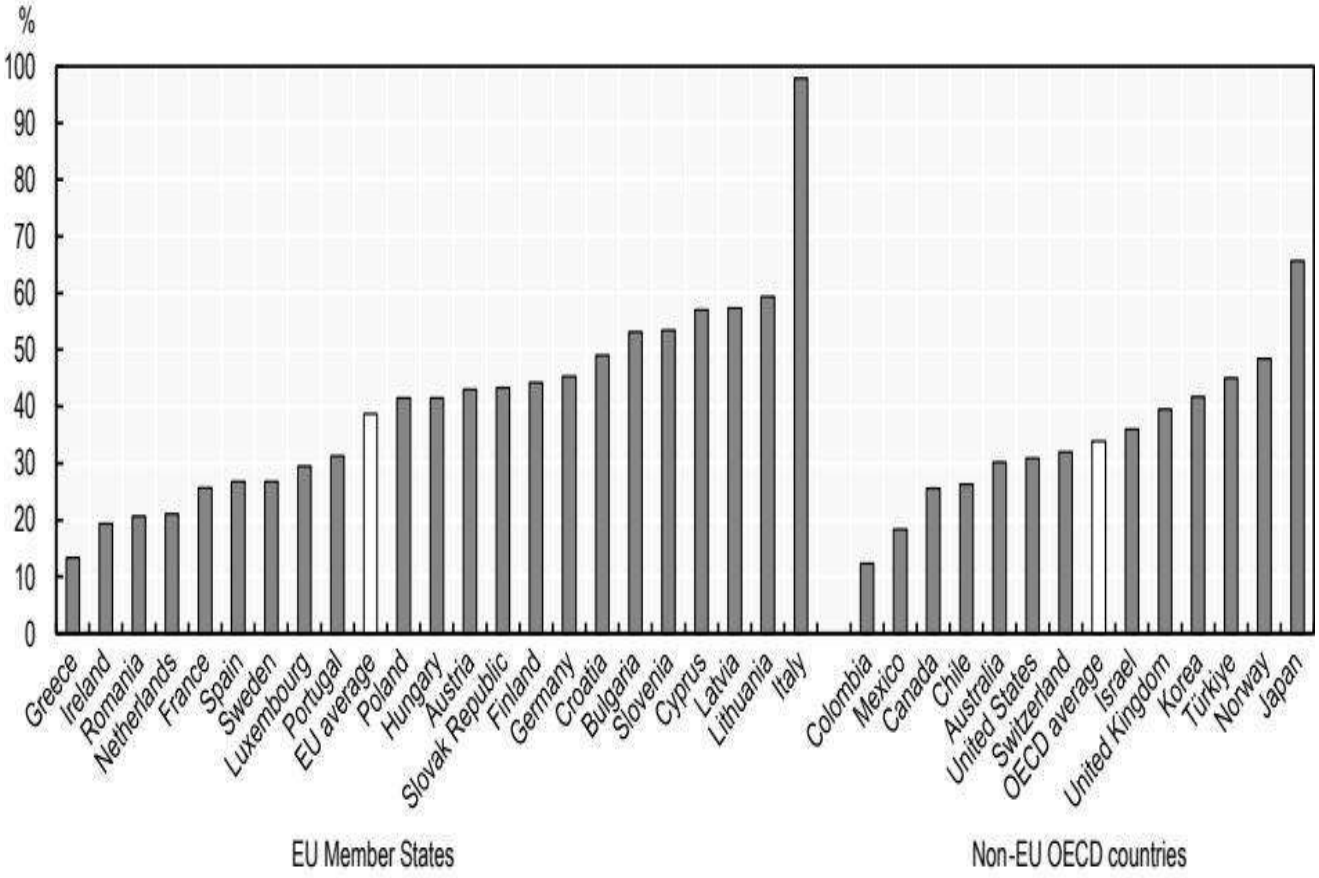

Figure 2. Percentage of "Missing" Enterprises in Relation to the Total Number across EU and OECD Countries, 2022. Source: OECD calculations based on GEM statistics (OECD, 2023).

Large capital typically faces few, if any, barriers to business activity; on the contrary, it often benefits from significant advantages. To construct a comparable ranking across EU countries, the taxonomic analysis method was employed. This method allows for a comprehensive assessment of complex processes or phenomena by integrating numerous diverse factors.

For the observation matrix, we selected macroeconomic indicators that directly or indirectly reflect the dynamics of entrepreneurial activity in each country:

1. SME (Small and Medium-Sized Enterprise Share) – the percentage of small and medium enterprises relative to the total number of enterprises.
2. ZE (Enterprises with Zero Employees) – the percentage of enterprises with no employees. These are businesses where the owner is the sole worker, and this model has grown significantly in

recent years. Such enterprises operate in various sectors, including professional, scientific, and technical services, transport, and real estate, and encompass freelancers, consultants, and digital product developers.

3. BR (Enterprise Birth Rate) – the percentage of newly established enterprises in a year relative to the total number of enterprises. This is a key indicator of economic dynamism and a country's capacity for entrepreneurship, innovation, and job creation.

4. DR (Enterprise Death Rate) – the percentage of enterprises that closed within a year relative to the total number. This indicator acts as a destimulant, as it negatively reflects entrepreneurial dynamics, which will be accounted for in result calculations.

5. EBR (Employee Birth Rate) – the percentage of the workforce created by new enterprises in a given year relative to total employment.

6. EDR (Employee Death Rate) – the percentage of the workforce lost due to enterprise closures in a given year relative to total employment (also a destimulant).

7. SEP (Self-Employed Persons) – the share of self-employed workers within total employment. These individuals own unincorporated businesses, professional practices, or farms and work independently rather than as employees. This category also includes independent contractors and freelancers who provide services for profit, often under service contracts. Key characteristics of self-employment include working for oneself, bearing profit or loss from business activities, and earning income from trade, services, or professional practice.

8. SEP+ (Self-Employed Persons with Employees) – the proportion of self-employed individuals who have hired employees. These persons are responsible for their own business operations, production, or service delivery to clients, as well as management, payroll, and tax obligations. This status differs from self-employment in that it combines entrepreneurial independence with the additional responsibilities of an employer.

We deliberately avoided aggregated indicators that reflect the general economic condition of a country – such as GDP growth, wage dynamics, or inflation – as including these additional factors would distort the results. Instead, the focus was placed exclusively on the core elements of inclusive entrepreneurship development: the relative number of small and medium enterprises, the creation of new businesses, and the growth in self-employment.

All data was summarized in a table by country (28 countries) and year (2021-2023).

Table 1. Selected Macroeconomic Indicators of EU Countries for 2022. Compiled by the authors based on Eurostat data (LFS Database, 2025).

	Total enterprises	SME enterprises	Zero employee enterprises	SME Share	Zero Employee Share	Big enterprises (250+ employee)	Enterprises birth rate	Enterprises death rate	Employees total	Employees in newly born enterprises - number	Employees in enterprise deaths – number	Employees birth rate – to total employees –	Employees death rate – to total employees –	Self-employed persons – percent to total	Self-employed persons with employees
Belgium	888,925	887,433	686,318	99.83	77.21	1,492	9.04	5.16	3,883,762	19,643	4,200	0.51	0.11	13.80	3.60
Bulgaria	394,135	393,368	208,921	99.81	53.01	767	10.01	20.57	2,165,657	28,118	26,064	1.30	1.20	10.40	3.80
Czechia	1,292,436	1,290,669	1,039,589	99.86	80.44	1,767	9.03	6.97	4,230,462	11,414	6,359	0.27	0.15	15.10	2.40
Denmark	380,208	379,316	241,274	99.77	63.46	892	7.42	10.74	2,217,600	11,507	2,820	0.52	0.13	7.60	2.70
Germany	3,164,855	3,150,595	1,150,457	99.55	36.35	14,260	7.98	8.67	35,878,223	196,248	181,056	0.55	0.50	7.70	3.80
Estonia	153,907	153,730	66,244	99.88	43.04	177	16.63	25.12	555,392	15,364	8,468	2.77	1.52	10.10	4.10
Ireland	389,654	388,768	173,100	99.77	44.42	886	12.20	15.64	2,292,598	49,523	30,752	2.16	1.34	11.70	3.70
Greece	917,441	916,785	564,941	99.93	61.58	656	9.83	3.08	3,408,054	165,160	15,617	4.85	0.46	26.30	7.40
Spain	3,487,503	3,482,826	1,898,572	99.87	54.44	4,677	8.64	8.59	15,487,609	128,873	137,469	0.83	0.89	14.50	4.60
France	5,202,687	5,196,700	3,743,365	99.88	71.95	5,987	14.27	10.11	21,170,389	91,742	75,781	0.43	0.36	12.20	4.90
Croatia	227,408	226,980	82,561	99.81	36.31	428	11.53	7.71	1,256,179	18,356	9,823	1.46	0.78	11.90	5.50
Italy	4,579,525	4,575,019	3,016,778	99.90	65.88	4,506	7.90	6.72	18,219,856	101,213	110,491	0.56	0.61	19.50	5.80
Latvia	145,441	145,203	68,894	99.84	47.37	238	14.30	7.85	684,484	8,374	5,351	1.22	0.78	12.60	4.60
Lithuania	329,361	328,915	242,774	99.86	73.71	446	18.27	13.30	1,244,464	11,560	23,126	0.93	1.86	11.50	1.40
Luxembourg	45,021	44,777	20,029	99.46	44.49	244	10.54	7.13	414,419	1,896	1,193	0.46	0.29	8.70	3.10
Hungary	976,964	975,969	695,791	99.90	71.22	995	9.41	6.05	3,364,251	20,526	47,181	0.61	1.40	11.70	4.10
Malta	51,506	51,397	33,576	99.79	65.19	109	14.31	5.88	237,250	3,102	1,859	1.31	0.78	14.70	4.00
Netherlands	2,204,281	2,201,653	1,878,581	99.88	85.22	2,628	9.28	6.62	8,562,418	23,478	6,247	0.27	0.07	14.90	3.40
Austria	583,947	582,466	333,940	99.75	57.19	1,481	6.22	5.89	3,751,038	13,132	11,330	0.35	0.30	10.40	4.10
Poland	2,675,865	2,672,267	1,824,720	99.87	68.19	3,598	12.22	12.95	11,511,312	189,590	126,479	1.65	1.10	18.20	3.80
Portugal	1,329,175	1,328,046	936,943	99.92	70.49	1,129	16.74	10.38	4,362,436	53,515	45,757	1.23	1.05	12.90	4.60
Romania	974,968	973,288	443,881	99.83	45.53	1,680	12.05	6.83	4,696,587	92,908	33,889	1.98	0.72	11.50	1.40
Slovenia	194,876	194,597	119,019	99.86	61.07	279	11.20	6.35	780,550	4,379	3,265	0.56	0.42	11.70	3.20
Slovakia	635,781	635,126	495,857	99.90	77.99	655	12.05	11.27	1,817,398	10,174	8,006	0.56	0.44	14.60	2.50
Finland	442,264	441,504	315,032	99.83	71.23	760	8.87	7.31	1,765,095	7,062	4,293	0.40	0.24	11.30	3.30
Sweden	835,543	833,967	554,380	99.81	66.35	1,576	9.11	6.63	3,918,072	21,947	9,739	0.56	0.25	8.50	3.30
Iceland	44,981	44,915	22,577	99.85	50.19	66	11.51	10.04	153,273	1,876	1,898	1.22	1.24	11.30	3.80
Serbia	205,316	204,635	54,742	99.67	26.66	681	11.55	15.35	1,745,148	35,597	42,205	2.04	2.42	15.10	3.60

For further data analysis, the dataset was standardised using Microsoft Excel, and the corresponding benchmark vectors were calculated – using the maximum standardised value for stimulants and the minimum for destimulants.

Table 2. Standardised Observation Matrix for EU Countries, 2022. Compiled by the authors based on Eurostat data (LFS Database, 2025).

	SME	ZE	BR	DR	EBR	EDR	SEP	SEP+
Belgium	0.148	1.168	-0.708	-0.917	-0.634	-1.130	0.241	-0.165
Bulgaria	-0.105	-0.442	-0.382	2.263	0.175	0.754	-0.641	-0.003
Czechia	0.443	1.383	-0.711	-0.543	-0.874	-1.057	0.578	-1.135
Denmark	-0.484	0.253	-1.252	0.234	-0.620	-1.097	-1.367	-0.893
Germany	-2.527	-1.550	-1.064	-0.193	-0.592	-0.448	-1.341	-0.003
Estonia	0.648	-1.105	1.842	3.201	1.674	1.307	-0.718	0.240
Ireland	-0.415	-1.013	0.354	1.245	1.055	0.992	-0.304	-0.084
Greece	1.060	0.128	-0.442	-1.346	3.797	-0.528	3.481	2.909
Spain	0.467	-0.347	-0.842	-0.209	-0.301	0.211	0.422	0.644
France	0.647	0.818	1.049	0.104	-0.708	-0.700	-0.174	0.887
Croatia	-0.045	-1.553	0.129	-0.391	0.342	0.029	-0.252	1.372
Italy	0.805	0.414	-1.091	-0.595	-0.583	-0.273	1.718	1.615
Latvia	0.188	-0.817	1.059	-0.362	0.099	0.029	-0.070	0.644
Lithuania	0.455	0.935	2.393	0.763	-0.202	1.881	-0.356	-1.944
Luxembourg	-3.392	-1.008	-0.204	-0.510	-0.683	-0.821	-1.081	-0.569
Hungary	0.773	0.770	-0.583	-0.733	-0.527	1.097	-0.304	0.240
Malta	-0.266	0.368	1.063	-0.768	0.185	0.032	0.474	0.159
Netherlands	0.608	1.701	-0.627	-0.616	-0.870	-1.190	0.526	-0.326
Austria	-0.663	-0.164	-1.655	-0.766	-0.793	-0.796	-0.641	0.240
Poland	0.464	0.568	0.360	0.690	0.531	0.574	1.381	-0.003
Portugal	0.933	0.721	1.879	0.160	0.102	0.488	0.007	0.644
Romania	0.106	-0.939	0.303	-0.572	0.869	-0.075	-0.356	-1.944
Slovenia	0.382	0.095	0.018	-0.671	-0.577	-0.596	-0.304	-0.488
Slovakia	0.762	1.220	0.303	0.344	-0.578	-0.558	0.448	-1.054
Finland	0.110	0.770	-0.765	-0.473	-0.741	-0.897	-0.407	-0.407
Sweden	-0.048	0.446	-0.684	-0.614	-0.578	-0.888	-1.133	-0.407
Iceland	0.348	-0.629	0.122	0.090	0.099	0.814	-0.407	-0.003
Serbia	-1.402	-2.194	0.135	1.186	0.932	2.844	0.578	-0.165
Reference vector:	1.06	1.70	2.39	-1.35	3.80	-1.19	3.48	2.91

The calculation of the taxonomic development indicator (K_i) is performed in several stages:

1. Calculation of the Euclidean distances between individual observations and the benchmark vector according to the formula:

$$C_{i0} = \sqrt{\sum_{i=1}^{m} (Z_{ij} - Z_{0i})^2}$$

2. Calculation of the average distance:

$$\overline{C_0} = \frac{1}{m} \sum_{i=1}^{m} C_{i^0}$$

3. Calculation of the total distance:

$$C_0 = \overline{C_0} + 2S_0$$

4. Determination of the deviation of the indicators of the i-th year from the benchmark:

$$d_i = \frac{C_{i0}}{C_0}$$

5. The taxonomic development indicator is equal to the value of d_i inverted to one, that is: $K_i = 1 - d_i$

The calculation mechanism is presented in Table 3:

Table 3. Calculation of Deviation Indicators (d_i) and Taxonomic Development Indicator (K_i) for EU Countries in 2022. Compiled by the authors based on Eurostat data (LFS Database, 2025).

	Distance to reference vector squared (Zij-Zoi)^2								∑	Euclidean distance	Average distance	(Ed-Ad)^2	Standard deviation	Total deviation	di	Ki
Belgium	0.831	0.284	9.613	0.184	19.627	0.004	10.500	9.447	50.490	7.106	7.365	0.067	1.200	9.764	0.728	0.272
Bulgaria	1.357	4.591	7.698	13.022	13.113	3.782	16.989	8.479	69.032	8.309	7.365	0.891	1.200	9.764	0.851	0.149
Czechia	0.381	0.101	9.633	0.644	21.819	0.018	8.430	16.356	57.382	7.575	7.365	0.044	1.200	9.764	0.776	0.224
Denmark	2.382	2.096	13.283	2.498	19.508	0.009	23.500	14.452	77.727	8.816	7.365	2.107	1.200	9.764	0.903	0.097
Germany	12.865	10.566	11.947	1.330	19.256	0.551	23.249	8.479	88.244	9.394	7.365	4.117	1.200	9.764	0.962	0.038
Estonia	0.169	7.871	0.303	20.679	4.507	6.236	17.636	7.125	64.526	8.033	7.365	0.446	1.200	9.764	0.823	0.177
Ireland	2.175	7.364	4.157	6.715	7.517	4.760	14.325	8.956	55.970	7.481	7.365	0.014	1.200	9.764	0.766	0.234
Greece	0.000	2.474	8.037	0.000	0.000	0.439	0.000	0.000	10.950	3.309	7.365	16.448	1.200	9.764	0.339	0.661
Spain	0.351	4.192	10.464	1.292	16.787	1.964	9.357	5.129	49.536	7.038	7.365	0.107	1.200	9.764	0.721	0.279
France	0.170	0.779	1.805	2.104	20.287	0.240	13.360	4.089	42.835	6.545	7.365	0.672	1.200	9.764	0.670	0.330
Croatia	1.219	10.586	5.126	0.913	11.937	1.487	13.935	2.362	47.565	6.897	7.365	0.219	1.200	9.764	0.706	0.294
Italy	0.065	1.656	12.134	0.564	19.180	0.842	3.107	1.675	39.222	6.263	7.365	1.214	1.200	9.764	0.641	0.359
Latvia	0.760	6.339	1.778	0.969	13.673	1.487	12.613	5.129	42.748	6.538	7.365	0.683	1.200	9.764	0.670	0.330
Lithuania	0.366	0.586	0.000	4.446	15.987	9.431	14.720	23.552	69.089	8.312	7.365	0.897	1.200	9.764	0.851	0.149
Luxembourg	19.816	7.341	6.742	0.698	20.066	0.137	20.816	12.097	87.713	9.366	7.365	4.003	1.200	9.764	0.959	0.041
Hungary	0.082	0.868	8.857	0.375	18.694	5.230	14.325	7.125	55.556	7.454	7.365	0.008	1.200	9.764	0.763	0.237
Malta	1.758	1.776	1.769	0.334	13.046	1.494	9.043	7.563	36.782	6.065	7.365	1.690	1.200	9.764	0.621	0.379
Netherlands	0.204	0.000	9.119	0.533	21.777	0.000	8.733	10.468	50.835	7.130	7.365	0.055	1.200	9.764	0.730	0.270
Austria	2.969	3.477	16.384	0.336	21.060	0.155	16.989	7.125	68.496	8.276	7.365	0.831	1.200	9.764	0.848	0.152
Poland	0.355	1.283	4.130	4.147	10.663	3.113	4.409	8.479	36.579	6.048	7.365	1.734	1.200	9.764	0.619	0.381
Portugal	0.016	0.960	0.264	2.269	13.648	2.818	12.067	5.129	37.171	6.097	7.365	1.608	1.200	9.764	0.624	0.376
Romania	0.910	6.971	4.365	0.599	8.569	1.245	14.720	23.552	60.931	7.806	7.365	0.195	1.200	9.764	0.799	0.201
Slovenia	0.460	2.580	5.640	0.455	19.130	0.353	14.325	11.541	54.484	7.381	7.365	0.000	1.200	9.764	0.756	0.244
Slovakia	0.089	0.231	4.365	2.855	19.141	0.400	9.199	15.708	51.989	7.210	7.365	0.024	1.200	9.764	0.738	0.262
Finland	0.901	0.866	9.970	0.762	20.594	0.086	15.120	10.998	59.297	7.700	7.365	0.113	1.200	9.764	0.789	0.211
Sweden	1.228	1.576	9.467	0.536	19.138	0.091	21.292	10.998	64.327	8.020	7.365	0.430	1.200	9.764	0.821	0.179
Iceland	0.507	5.429	5.156	2.062	13.669	4.018	15.120	8.479	54.440	7.378	7.365	0.000	1.200	9.764	0.756	0.244
Serbia	6.061	15.171	5.095	6.409	8.205	16.277	8.430	9.447	75.095	8.666	7.365	1.693	1.200	9.764	0.887	0.113

The chart clearly shows several groups of countries, with Greece as the main leader. Its leadership is primarily due to high relative indicators of self-employed persons and the number of jobs created by new enterprises. In the peak year of 2022, the relative number of self-employed

individuals in Greece exceeded the EU average by more than double (26.30% compared to 12.87%), while the relative number of jobs created by new enterprises during the year was four times higher (4.85% compared to 1.13%). Additionally, Greece has the highest share of self-employed persons with employees in the EU – more than double the EU average (7.40% compared to 3.80%). The country also shows a very low enterprise closure rate relative to the total number of firms (3.08% compared to the EU average of 9.60%), which indicates high efficiency in entrepreneurial activity.

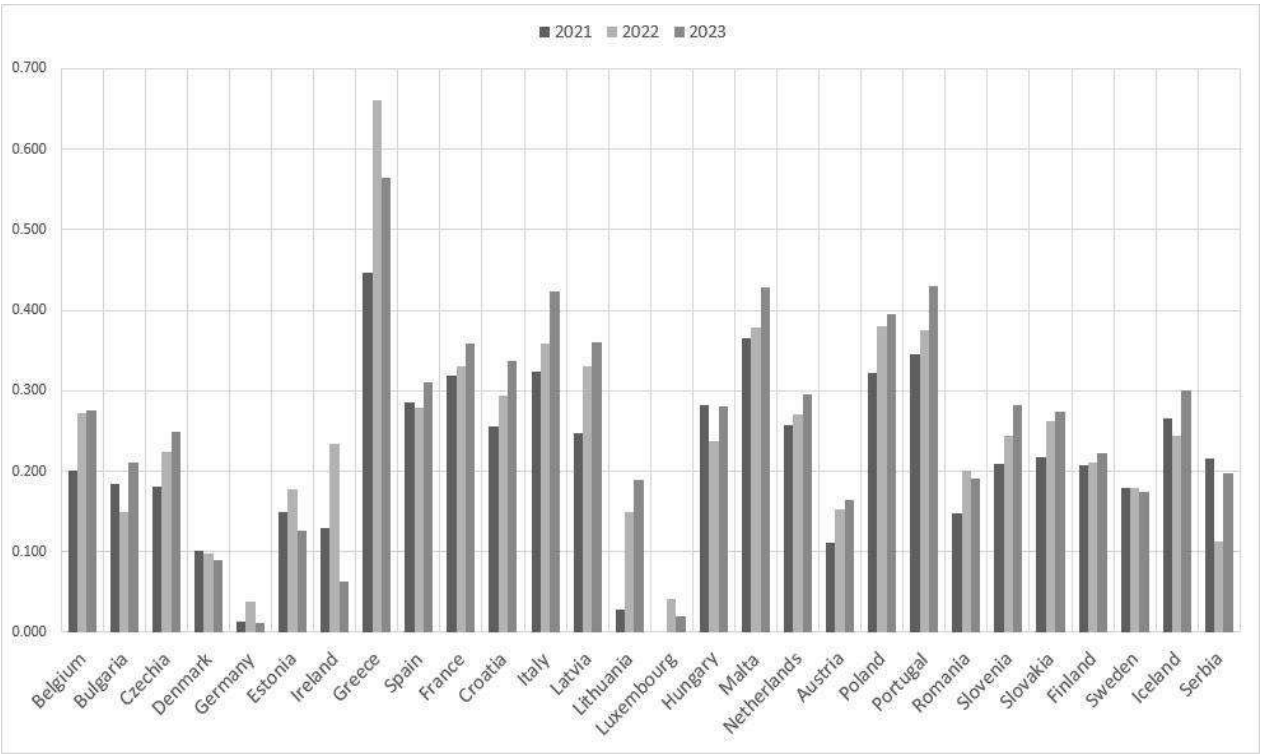

Figure 3. Visualisation of Taxonomic Indicators of Small and Medium-Sized Enterprise Development for EU Countries, 2021–2023. Compiled by the authors based on Eurostat data (LFS Database, 2025).

Comparing these data with the relative number of "missing" enterprises from the OECD The Missing Entrepreneurs report reveals both correlations and discrepancies. Greece, which has the highest level of inclusive entrepreneurship development according to OECD data (only 13% of "missing" enterprises – the lowest rate in the EU), also demonstrates the highest levels of small and medium business development compared to the EU average (0.66 versus 0.25 in 2022). The same applies to Portugal, France, and Spain, where high entrepreneurial activity corresponds with a high level of inclusive entrepreneurship development.

There is also a notable relationship between a relatively large number of "missing" enterprises and weaker indicators of small and medium-sized business development. This is evident in Austria, Bulgaria, and especially Lithuania, where the proportion of "missing" enterprises reaches 59.4%, and

the taxonomic indicator of entrepreneurial development is significantly below the EU average (0.15 compared to 0.25 in 2022), although it shows a positive trend from 2021 to 2023.

However, there are also clear discrepancies in the compared data – primarily in the case of Italy, which has the highest number of "missing" enterprises in the EU (97.9%), indicating a very low level of inclusive entrepreneurship development. At the same time, its taxonomic indicator of small and medium-sized business development is above the EU average (0.39 versus 0.25 in 2022) and continues to grow in 2023. This may be related to the structural characteristics of entrepreneurship in Italy – traditionally a country dominated by small businesses (99.9% share of SMEs in 2022). High competition effectively neutralises efforts to engage vulnerable social groups in entrepreneurship. The authors of The Missing Entrepreneurs also point to a significant gender gap in Italy – almost all of the country's "missing" entrepreneurs are women. Support measures targeting women entrepreneurs have intensified in recent years. The Italian Recovery Plan (2021) emphasised the need to support female entrepreneurship by allocating €400 million in grants and subsidised loans for women-led businesses and increasing the budget of the newly established Women's Enterprise Fund (Fondo Impresa Femminile) by €160 million, administered by the Ministry of Economic Development (OECD, 2023).

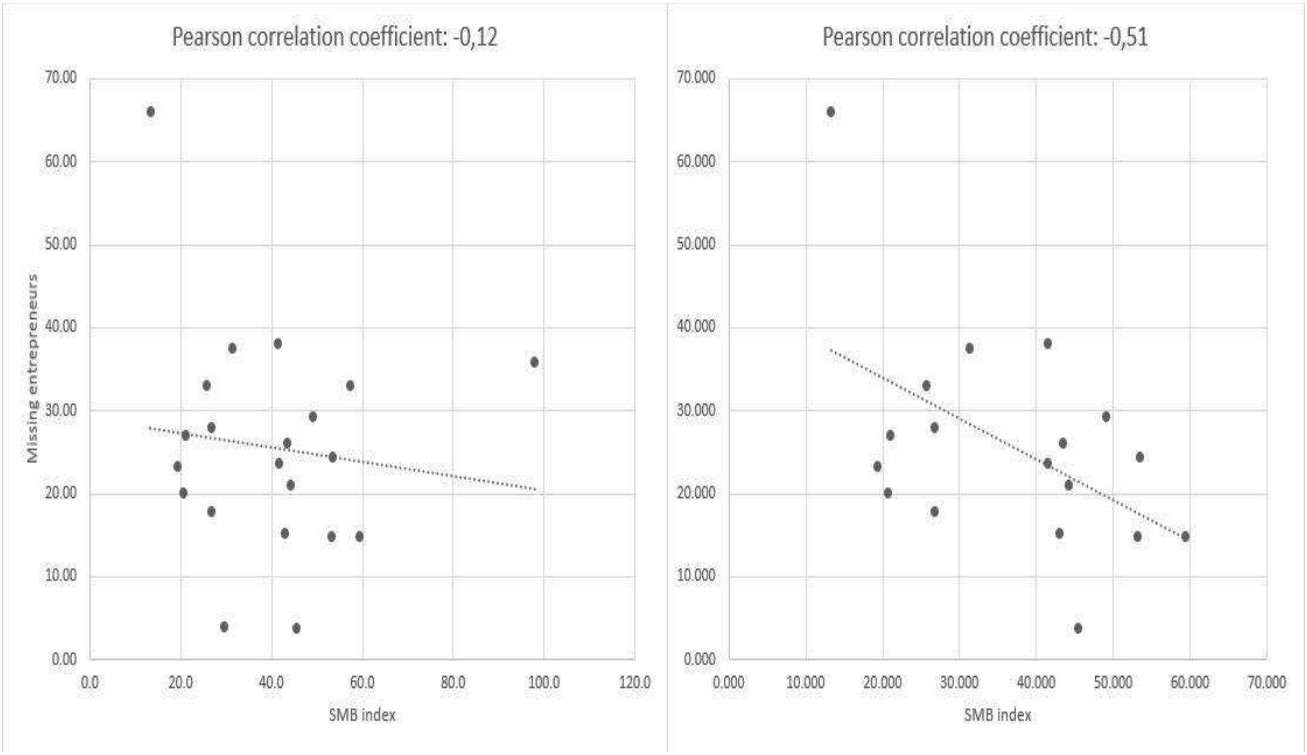

Figure 4. Comparison of Pearson Correlation Coefficients between the Relative Number of "Missing" Enterprises and the Level of Entrepreneurial Activity in EU Countries. Left: all countries included; Right: Italy, Luxembourg, and Latvia excluded. Compiled by the authors.

If the Pearson correlation coefficient is calculated between the two data sets, it generally shows a very weak relationship (-0.12), although in the expected (inverse) direction. However, if countries that appear too "anomalous" – namely Italy, Luxembourg, and Latvia – are excluded, the correlation coefficient rises to -0.51, indicating a statistically significant relationship.

The absence of a clear relationship between the level of inclusive entrepreneurship development and relative indicators of entrepreneurial activity, as observed in Italy, Luxembourg, Latvia, and Ireland, may reflect certain social, cultural, or economic characteristics specific to these countries and requires further investigation. A new OECD report is expected to be published later this year, covering 2023 and 2024 data, which will provide additional information for comparison and a better understanding of the potential relationship in dynamics.

Conclusions and Further Research

The development of inclusive entrepreneurship today occupies an increasingly important role in the global policy strategies of many countries and international organisations. There is growing empirical evidence of the barriers to entrepreneurial entry existing in society and the challenges faced by vulnerable groups when starting their own businesses. New, comprehensive approaches to overcoming these barriers are being developed. Further in-depth analysis of new data, combined with statistical methods and economic-mathematical modelling, will help refine the concept of inclusive entrepreneurship, enhance the effectiveness of mechanisms for addressing socio-economic challenges, and contribute to achieving the Sustainable Development Goals (SDGs).

The main objective of this study – to identify a potential relationship between the level of inclusive entrepreneurship development and the overall level of entrepreneurial activity in EU countries – yielded a positive result, albeit with certain limitations. Most countries demonstrate relatively higher micro-, small-, and medium-sized business activity when the level of inclusive entrepreneurship development is higher, as reflected by a smaller share of "missing" enterprises according to OECD data. However, several evident anomalies fall outside this general trend, suggesting possible economic, social, or other country-specific factors. Future research should focus on a detailed examination of these countries to identify such features and, where possible, include additional macroeconomic indicators to better account for them.

Author Contributions

Valeriy Osetsky – theoretical part, methodology. Serhii Hrozhyn – data collection and organization, tables and figures, taxonomic analysis, comparison and conclusions.

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