



SPEAKING NOTES

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EESC BIENNIAL CONFERENCE 2008 “ENTREPRENEURSHIP WITH A HUMAN FACE”

ATHENS CONCERT HALL

9 SEPTEMBER 2008

09H15 – 10H30

ADDRESS BY ERNEST-ANTOINE SEILLIÈRE PRESIDENT OF BUSINESSEUROPE

- Speaking this morning on behalf of the European business community, I would like to thank President Dimitriadis for choosing the issue of entrepreneurship as red line for his presidency of the EESC (2006-2008).
- Entrepreneurship is a priority for BUSINESSEUROPE as well because it is a priority for Europe. But before sharing with you my views on this issue, let me briefly touch on another priority for Europe and that is good governance. Continuation of the ratification of the Lisbon treaty is key to ensure that a European Union of 27 Member States remains operational. In this regard, I would like to congratulate Greece which completed the ratification process over the summer.

Entrepreneurship is a priority for BUSINESSEUROPE.

- Entrepreneurs are the heart of our constituency. As you know, BUSINESSEUROPE represents 20 million small, medium and large companies. Our members – 40 business organisations in 34 countries – host a tremendous variety of businesses, from high-tech to traditional ones, operating from Sweden to Portugal in most heterogeneous environments. But when we bring them together around a table, they speak the same language.
- Fostering entrepreneurship is also at the heart of our daily work and concerns. Because entrepreneurship matters: entrepreneurship is a driving force for growth and job creation and is decisive for Europe's competitiveness. Over the past decade, the European economy has managed to remain competitive while developing labour and environment protection standards to the highest level in the world. European companies have been the cornerstone of this dynamism by creating no less than nine millions jobs since 2005 alone.

- Entrepreneurship is also the key source for innovation. Entrepreneurs are agents for change, acting as catalysts for the generation, dissemination and application of innovative ideas.
- Being an integral part of society, interfacing with a variety of players and therefore in constant dialogue with stakeholders, companies and entrepreneurs who are running them are also creators of social cohesion.
- Based on this analysis, BUSINESSEUROPE addressed this year a simple but strong message to European policy-makers: we need successful companies for a successful Europe!
- The future dynamism of the European economy will largely depend on its ability to release its entrepreneurial potential, especially that of small and medium-sized enterprises which make up 99% of all European companies and provide two thirds – around 75 million – of all jobs..

Europe needs to become more entrepreneurial.

- However, the current business environment in Europe does not allow us to surpass or even equal the entrepreneurial potential of competitors elsewhere in the world. In addition, figures tend to demonstrate that it is generally more difficult for European companies to grow than for their US counterparts. In the US, firms on average increase their employment by 60% by their 7th year, while employment gains amongst firms in Europe are in the order of 10 to 20%.
- Therefore BUSINESSEUROPE continuously advocates the development of a favourable and competitive business environment and policies fostering entrepreneurship and SMEs growth. In particular we urge for a better administrative, regulatory, fiscal and financial environment really alleviating the overall burden on entrepreneurs.
- Indeed, as long as creating a business is not made easier, red tape is not reduced and access to finance not improved, it is likely that entrepreneurial culture will not change considerably.
- More and a broader dialogue between entrepreneurs and policy-makers would also pave the way for a better recognition of entrepreneurs and the contribution they make to society at large.

Entrepreneurship is about attitudes and skills.

- Surveys regularly reveal that EU citizens are less inclined to become entrepreneurs and more risk-averse than their US counterpart. This lack of a well-developed entrepreneurial culture leads to missed opportunities for innovative and fast-growing business able to prosper, revitalise the European economy and absorb an increasing share of the workforce.

- JA-YE (Junior Achievement – Young Enterprises), an organisation which provides successful entrepreneurship education programmes around the globe, found out that 15% of former participants in their programme aged between 20 and 29 had started a business and 36% intended to do so in the next three years. This tends to demonstrate that entrepreneurship can be taught and that entrepreneurs are made not born.
- Actually entrepreneurial attitudes and skills can be fostered from a very early age. We want entrepreneurs to be recognised as role models. This should start at school by bringing entrepreneurs in the class rooms.
- Systematically integrating entrepreneurship education into school curricula is another way forward. It can have very positive side effects for students. Not only would it be the opportunity to gear young people with personal and social skills increasingly sought-after for self-employment as well as for employee positions. It would also help them gain a better understanding of how society and market work. In addition it could be a vehicle to teach ethical principles from an early age.

Sustainable success is by essence the aim of any business.

- From Bill Gates to Muhammad Yunus, major entrepreneurial figures have demonstrated that capitalism and search for profit are not incompatible with responsible business practices.
- The core role of companies is to provide goods and services and be profitable and competitive, so as to create the necessary wealth to reward investment and generate employment in the countries in which they operate. But business leaders have long realised that achieving sustainable success necessitates more than a focus on financial returns.
- Indeed, entrepreneurs are generally well aware of the community they operate in, aware of the challenges facing them and their stakeholders. In the light of recent major structural shifts, reconciling economic, social and environmental sustainability is more important than ever for businesses to thrive.
- In addition, high expectations of shareholders, employees and society at large put increasing pressure on entrepreneurs and business leaders. Ignoring these may prove detrimental to company image and reputation and harm relations with relevant stakeholders. Companies thus devote a lot of energy to listening to stakeholders demands. Entrepreneurs, by definition, possess this valuable ability to find innovative solutions to meet those demands and address further new challenges in a cost-effective but sustainable manner. In doing so, they keep Europe in motion and challenge our long established models.

Entrepreneurship is one of the main features of our European model.

- There is widespread argument that there is no such thing as one European social model, but rather a variety of models with some common features. Entrepreneurship is undoubtedly one of them.
- Our European social – or societal – model is praised as a vision of society that combines sustainable economic growth with ever-improving living and working conditions. It results of a unique combination of a capitalist model favouring individual initiative and risk-taking tempered by employment and social protection policies operated in a democratic and pluralistic political framework.
- This inherited model is a tremendous asset for Europe's future. But it should not be still. Necessary reforms have been initiated to modernise and adapt it to respond to global challenges. It should further evolve into a European model aimed at activating people by identifying and investing in their opportunities and talents. To recognise and invest in opportunities is exactly how entrepreneurship works. We share great ambitions for Europe's future. Let us be enterprising and awaken the sleeping forces of Europe!

Thank you for your attention.

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