

Chapter 7

Entrepreneurship in Border Territories: Context Costs, Resilience, and Logics of Action of the Companies and Entrepreneurs – Study of the Border Municipalities of Beira Interior in Portugal and Salamanca in Spain

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ABSTRACT

The territory of Beira Interior Norte in Portugal with the province of Salamanca in Spain have low demographic densities and populations in deep regression and aging as a result of migration movements, economic disarticulation, and specific context costs, given the different administrative framework and public policies. Promoting entrepreneurship in peripheral border regions is a key strategy for their sustainability, as part of the Europe 2020 goals for smart, sustainable, and inclusive growth. The chapter aims to provide guidelines for greater interaction between the results from the statistical analysis and its interpretation by local actors. In addition, indicate vectors that will help to design and develop the natural entrepreneurship dynamics for the Portugal/Spain border region, reinforce cooperation in the articulation of strategies, and the development of collaborative networks between entrepreneurs, training entities, business associations, and administrative entities have been explored.

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INTRODUCTION

The Spanish-Portuguese border is the oldest and most extensive in the European Union (EU), with low demographic densities in the territory of Interior of Portugal and Salamanca, a population in deep regression and aging, affected by strong repulsion movements (towards metropolitan areas and abroad), including accelerated processes of social and economic disorganization. It presents an underdeveloped urban network, with a predominance of small urban centers and specific context costs, given the different public investments (infrastructures, equipment, and services), and fiscal and administrative frameworks. The economic structure shows an agricultural production system (which occupies a high percentage of the working population), with low productivity rates and some areas threatened with erosion. The industrial activity is incipient, predominating small companies that use scarce technologies and innovation. The tertiary sector is of traditional base, with excessive weight of the public administration and concentration of commercial activities of products of first necessity, having increased service connected with the tourism and hospitality.

The unfavorable conditions of this border region, Beira Interior Norte with Province of Salamanca (BIN-SAL), are due to its peripheral location (i.e., away from decision-making centers), its penalizing demographic evolution, and economic and organizational disarticulation. As a result, BIN-SAL requires the equation of strategies to promote entrepreneurship and creation of jobs, capable of promoting the economic and social sustainability of the region.

Thus, this study is inserted in the context of territorial border, aiming to identify factors that may influence the renewal and consolidation of companies and entrepreneurial spirit in these peripheral regions. It is intended, simultaneously, to find determinants of entrepreneurial and innovative performance in these regions, with unique and distinct characteristics of the areas of greater economic dynamism and urban centers. The socioeconomic evolution and the own costs of context require the knowledge of the differentiating elements of the territory and the processes of innovation and entrepreneurship, adjusted to the reality of this border region.

Thus, the aim is to illustrate the main characteristics of companies, generate new knowledge, and consolidate the understanding of the determinants of entrepreneurial and innovative performance in regions with low development indicators. At the same time, the study aims to provide the definition of strategic vectors of action to enhance the understanding of entrepreneurship that occurs within noncore business environments. The study can also assist policy-makers in achieving development goals by reducing asymmetries within the country and the EU, in a context of increasing concern for regions with declining demographics and territorial specificity.

It should be noted that the promotion of entrepreneurship in the peripheral border regions is a key strategy for sustainability, which is framed in the Europe 2020 strategy for smart, sustainable, and inclusive growth. It is therefore intended to provide guidelines for a better interaction between the results of the statistical analyses and their interpretation by the local actors and, in addition, to indicate vectors that will help to design and develop entrepreneurship dynamics for the BIN - SAL. The strengthening of cooperation through the articulation of strategies and the development of collaborative networks between entrepreneurs, training entities, business associations, and local administrative entities is fundamental. In this context and in terms of goals, it aims to:

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