



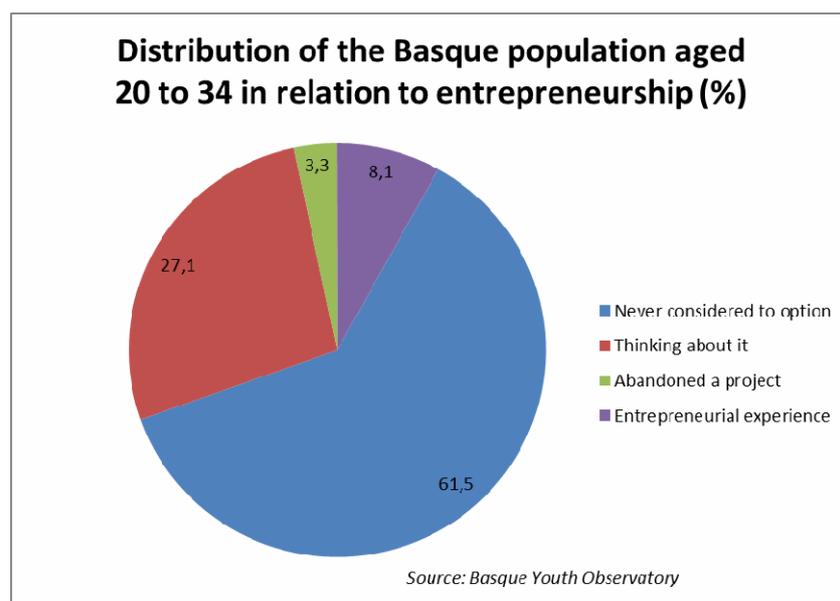
THE CRISIS HAS MADE YOUTH ENTREPRENEURSHIP MORE COMPLICATED IN THE BASQUE COUNTRY

8.1% of Basque youths aged 15 to 34 have entrepreneurial experience.

The research project, *Youth Entrepreneurship in the Basque Country 2013*, based on a telephone survey conducted in April of 2013, seeks to describe the attitude of the Basque population aged 20 to 34 toward entrepreneurship and to quantify and characterize the entrepreneurial experience of that age group. In 2010, the Basque Youth Observatory conducted a research project [Youth Entrepreneurship in the Basque Country 2010](#), which has made it possible to offer data on the evolution of entrepreneurship.

This research project classifies the Basque population aged 20 to 34 regarding their relationship with entrepreneurship as follows:

- ✓ 61.5% of young people in the Autonomous Community of the Basque Country have never considered establishing a business.
- ✓ 27.1% say they are thinking about setting up a business although they have not taken any steps in that direction yet. They are what we would call potentially enterprising young people.
- ✓ 3.3% have given up the idea without taking any specific steps.
- ✓ 8.1% have entrepreneurial experience as they currently own a business or company or have owned one in the past.





Entrepreneurial experience among young people in the Autonomous Community of the Basque Country has fallen compared to the data obtained in 2010, resulting in a 12.1% fall to 8.1% in 2013.

Despite the fact that almost half of young people are aware of the existence of advisory services for entrepreneurs (48.6%) and almost one third (29.7%) have received some training in entrepreneurship as part of their formal education, the current conditions (economic aid for entrepreneurs, the conditions established by banks and savings banks to grant credit, fiscal measures, bureaucratic requirements to start a business) are negatively valued by young people in the Autonomous Community of the Basque Country and are considered factors that do not promote entrepreneurship.

The greater the crisis the greater the desire for security and regular income; i.e. not only is the desire to become self-employed not increasing, it has fallen from 26.3% in 2010 to 20.2% in 2013. The main reasons given in favour of being employed are the absence of responsibilities, stability and security, avoiding hard work, risks and expenses and enjoying the social protection that comes with working for a company.

Among the main reasons given in favour of being self-employed are independence and making your own decisions, personal satisfaction and having a decent job. This last reason, very residual in 2010, exemplifies a situation in which the crisis leads some people to consider entrepreneurship as a way to get a job (in which one establishes one's own working conditions) but, at the same time, it is not the best reason to take the next step and set up a business.

We often hear that the current economic crisis is a great opportunity for entrepreneurs; however, throughout the course of this investigation we have found that the real situation is very different. Regarding this idea, it has been found that necessity, and not opportunity, was the main reason to become entrepreneurs for 19.7% of young people with entrepreneurial experience.

The business profile preferred by young people in the Basque Country is a small services business targeted at individuals, companies or consumption, consisting of a single person who starts-up with financial support from the family and with an initial capital of less than EUR 10,000.

4.0% of young people aged 20 to 34 in the Autonomous Community of the Basque Country currently have an active business. This percentage has also declined since 2010, when it was 5.5%.

However, the percentage of consolidated businesses, older than three years, doubles those in 2010 and totals 47%. In addition, confidence in the continuity of the business is very high; 81.5% are sure their businesses will survive the next three years.

Therefore, youth entrepreneurship in the Autonomous Community of the Basque Country continues to be a minority phenomenon and the difficulties caused by the crisis are seen as obstacles that are often insurmountable. The scenario that emerges is one of entrepreneurs with small businesses who work alone and do not generate employment.

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