
From Term to Concept: the Entrepreneur and his Economic Function

1.1. Etymological and conceptual bases of the entrepreneur

The term “entrepreneur” entered economic theory during the 18th Century (initially in the writings of Richard Cantillon), but it is much older than that. It took some time for the word to take on today’s meaning of a person who creates a (frequently innovative) business; the original meaning of “entrepreneur” was an individual who behaves actively, one who acts. For this reason, the French verb “*entreprendre*” denoted warlike action. A brief summary of the history of the term reveals that it developed in the same way in several cultures. The same word is used in both French and English: entrepreneur. It comes from the Latin phrase “*interprehendere*”, meaning “seize with the hand”, in the sense of physically mastering something.

The French words “*entrepreneur*” and “*entreprise*”, which come from the verb “*entreprendre*”, can be traced back to the 16th Century. Their meaning and the way they are used have both evolved considerably over the centuries, according to usage and practice. Before the 16th Century, during the Middle Ages, the word “*entrepreneur*” denoted an individual who indulged in speculative activities. The word did not yet denote manufacturers, tradesmen or businessmen, but more generally a person who entered into a contract with a monarch to build a public building or provide supplies for armies. The same is true of the meaning of the French word “*entreprise*”, which comes from the vocabulary of war [VER 82]. Waging war requires a complex

organization to manage technologies and equipment. For the French military engineer Vauban (1633–1707), the siege of a town was similar to an enterprise, the aim being to achieve the target with as little human loss as possible, while monitoring the attacking army’s food and armor supplies. In short, “(...) an entrepreneur was a person who had a contractual relationship with the government for a service or for the provision of goods”¹. This requires financial risk-taking, because the total sum allocated for the completion of the work is fixed before the contract is executed.

Outside the military domain, the word “*entrepreneur*” had a more general sense in the 16th Century, meaning “a person who undertakes something” or, in a more general sense again, an active individual. *Le dictionnaire universel du commerce*, published in Paris in 1723, defines “*entrepreneur*” and “*entreprendre*” as follows:

– “*Entreprendre*”: to be responsible for the success of a business, a negotiation, a manufacturing process, a building, etc.;

– “*Entrepreneur*”: a person who undertakes a piece of work. The compound words “*entrepreneur de manufacture*” (manufacturer entrepreneur) and “*entrepreneur de bâtiment*” (building contractor) are used to denote a manufacturer and a master mason respectively.

According to various sources, the words have evolved over the centuries, without changing dramatically. In 1755, in the *Encyclopédie*, which aimed to bring together all available scientific and technical knowledge in a new world characterized by new creative ambitions, D’Alembert and Diderot defined an entrepreneur as someone who undertakes a piece of work: “*entrepreneur de manufacture*” (manufacturer entrepreneur), “*entrepreneur en bâtiment*” (building contractor). Entrepreneurs are mainly found in the industrial sector, a transformative field by definition. Yet, Diderot and D’Alembert’s work on this project was certainly entrepreneurial, connected as it was to the Enlightenment period, of which they were the most illustrious representatives. However, a few years later, in E. Littré’s 1889

1 These definitions are taken from: (a) Furetière A., *Dictionnaire universel*, 1690, vol. 1, p. 951, (b) the first edition of *Dictionnaire de l’Académie française* (1694), in the later editions (1835, 1878, 1932), the definition of an entrepreneur becomes more technical, (c) *Explorations in Entrepreneurial History*, Cambridge, Mass, 1960, p. 195.

publication *Dictionnaire de la langue française*, the definition of “*entrepreneur*” is very vague: “a person who undertakes something”.

Thus, in the French language, outside the military domain, the word “*entrepreneur*” denoted an individual who directs and supervises work, particularly someone who has all the skills necessary to fulfill the contract that he has obtained from the monarch. However, there appears to have been a division of labor between those who would later be called capitalists and managers. In 1729, in *La science des ingénieurs*, Bernard F. de Belidor distinguished between the respective contributions of the “entrepreneur” and the “engineer” to the completion of major works – for example, the construction of a fortress. According to the terms of the contract, the entrepreneur provides the raw materials and all other forms of input necessary for the completion of the project. The engineer is in charge of the technical aspects.

However, despite the vagueness of the definition of the entrepreneur, one thing has remained consistent for centuries: entrepreneurs and risk-taking go hand in hand. Until the end of the 18th Century and the dissolution of the guilds, economic activity in France and Europe was monitored by guilds, which fixed production, employment and trade conditions. If the entrepreneur is often depicted as a charlatan or deviant who does not respect the established social and economic order, it is because he tries to conduct business by bypassing the guilds, arousing the hostility of the people and some economists. The development of home-based work, the first step towards the Industrial Revolution, by tradesmen during this period was a way of opposing the rigid regulations imposed by the guilds.

The same was true in England, the cradle of the first Industrial Revolution, where the equivalent of the French word “*entrepreneur*” during the 16th and 17th Centuries was “undertaker” and sometimes “adventurer”. In *Johnson’s Dictionary*, published in 1755, the word “adventurer” is defined as “he that seeks occasions of hazard; he that puts himself in the hands of chance”. There are many mentions of “merchant adventurers”, which generally refers to individuals who indulge in speculation. Gradually, the word took on another meaning and became more precise. But according to Péron [PER 03], Barnhart’s etymological dictionary notes that the word “entrepreneur”, spelled “entreprenoure”, first appeared in 1475, followed by

the simplified spelling “entrepreneur” in 1485, and the word then disappeared for almost 350 years, resurfacing in 1852 with its current spelling and meaning. According, once more, to [PER 03, pp. 30–31], the *Oxford English Dictionary* gives a very broad and vague definition: “the entrepreneur assumes many forms. It may be a private businessman, a partnership, a joint stock company, or a municipality.” However, an entrepreneur in trade and business was defined as a “mass of business” in the 1670s and a “promoter” in the 1450s, when it involved the development of projects [PER 03].

It is surprising that the English have had to turn to the French language to define an entrepreneur, given that the spirit of entrepreneurship is recognized more as a British than a French quality. Indeed, in *Strategic Lessons from the Leader Who Built an Empire*, Alain Axelrod (in [PER 03]) sees Elizabeth I as an entrepreneur because she conducted some high-risk ventures (conquest of new territories), but also because she understood communication and knew how to share her enthusiasm with those around her. Another obvious example is the conquest of North America by a majority of Anglo-Saxons. Thus, the success of Benjamin Franklin (1706–1790) still corresponds to the image that we have of the entrepreneur today – an entrepreneur, a scientist and a politician all at the same time. Furthermore, in the USA, entrepreneurship was a powerful way of integrating the extremely diverse populations who arrived regularly in the country. As is quite rightly highlighted by Frayssé [FRA 03], “the colonization of America was the fruit of entrepreneurial activities. Religious sects, commercial companies, *ad hoc* companies, individuals such as William Penn², etc. were all the result of one founding act: moving towards the new, the ‘new world’, the ‘new England’. They wanted to discover new outlets, new sources of raw materials, and above all new scopes for their abilities, in all areas (economic, social, political and spiritual)”. For immigrants (who were at first essentially peasants) arriving on American soil, becoming an entrepreneur was a way of both integrating themselves into this new society and climbing the social ladder. They often began by opening a small grocery shop or accepting outsourcing contracts, then expanded from there. Furthermore, successful immigrant entrepreneurs played a vital role in spreading the values of American capitalism [GER 03].

2 William Penn (1644–1716) was the founder of the US state of Pennsylvania.

In mid-18th-Century England, an “undertaker” was a businessman, whatever his activities. Gradually, this word was replaced by “capitalist”. The economists of the 18th and 19th Centuries tended to confuse “entrepreneurs” with “capitalists”. However, the word “capitalist” also has a long history. During the 17th Century, it denoted wealthy individuals, but it gained a more precise meaning in the 18th Century. According to Braudel [BRA 79], “capitalists” owned “public papers”, transferable securities and cash, which they sought to invest. Before the revolution of 1789, the word denoted people with money who were prepared to use it to get even more of it.

Thus, before the first Industrial Revolution, an entrepreneur was not a trader or a manufacturer, but more generally someone who took an economic risk. An entrepreneur was first and foremost a merchant [DRA 98]. Partnerships were often formed between a merchant, a sailor (or transporter) and a financial backer. They worked together to successfully complete a deal, a voyage to trade local products for exotic ones, taking significant risks and hoping for a large profit in return. A one-off contract was concluded for an expedition. The deal was not necessarily permanent. As M. Drancourt [DRA 98] highlights, “there is an element of ‘beginning’ in the word ‘entrepreneur’. Someone who does something new. There is also an element of ‘attack’. A conqueror. Most entrepreneurs do not have the epic scale of the great names of economic history, from the Medicis to Henry Ford and Bill Gates, the Fuggers, the Wednells and the Boultons. But they all have a few traits in common, notably the desire to be ‘free’ – in other words, to rely first and foremost on their own actions. The entrepreneur, including the original merchant entrepreneur, is the product of pre-established frameworks.”

The entrepreneur’s drive and capacity to transform reality have sparked the interest of novelists, who have rarely portrayed him in a positive light. Thus, although Great Britain’s first Industrial Revolution came before that of France, French and English literature came together around one idea: the entrepreneur as an unsavory individual who wishes to control his life and become wealthy. In their own way, Shakespeare’s *The Merchant of Venice* and Molière’s *Le bourgeois gentilhomme* (*The Bourgeois Gentleman*) both depicted repulsive and ridiculous characters who became wealthy through the kinds of business that society rejects. Later, however, Balzac portrayed

the sufferings of the inventor in the face of the coarseness and dishonesty of his competitors, in *Les illusions perdues* (*Lost Illusions*, 1837–1843). In other cultures, the story of the *One Thousand and One Nights*³ depicts characters who have also succeeded in business and who have sometimes been the victims of fraudulent behavior: Ali Baba, Aladdin and Sinbad the Sailor have all become rich following dangerous expeditions.

The entrepreneur is an object of mistrust partly because his behavior disrupts the established social order. In addition to Molière's bourgeois gentleman, who mimics the behavior of noblemen in ridiculous fashion, in Roman antiquity, for example, a slave could manage business on behalf of his master. This enabled him to buy his freedom if the business went well. A number of craftsmen were therefore freedmen in Roman antiquity [AND 99].

In languages other than French and English, the term “entrepreneur” generally has a negative sense, whether in Greek, Chinese, Japanese or Russian [BOU 17].

In modern Greek, an entrepreneur is denoted by the word “*épixeimatis*”, which has the same meaning as in French and English. It comes from the word “*épixeiro*”, meaning “complete”. The entrepreneur is an individual who behaves actively, who acts, hence the direct link with confidence. The etymology of the word “entrepreneur” is the same as in French.

In Arab literature⁴, the entrepreneur is a “*moukawel*” – someone who creates a business or projects. The verbs “*kawala*”, “*youkawitou*” and “*moukawalatan*” mean to negotiate and to discuss a business matter, but also to give work to someone else (in the sense of a subcontractor). In Arab literature, the entrepreneur is portrayed positively, provided that he does not steal from others. From the 7th Century onwards, Muslim economists, such as Averroès (1126–1198) and Ibn Khaldoun (1332–1406) [VER 09], have

3 The origin of the *One Thousand and One Nights* is difficult to date, due to the story's long oral tradition. As a point of reference, however, it was not written down until the 13th Century.

4 The authors would like to thank Nejla Yacoub, Guillem Achermann and Zeting Liu for their translations of the Arabic, Russian and Chinese terms.

based their thinking partly on the Aristotelian principle that condemned chrematistics – in other words, the power of money. These economists view the market in a favorable light as long as it remains distanced from speculation. The entrepreneur plays a significant role in this. Incidentally, before he became a prophet, Mohammed was an entrepreneur, working in his wife's business.

In Chinese [CHA 10a], the word “entrepreneur” is made up of three ideograms. The first is “*qi*”, which in ancient Chinese means “hope”. The second, “*ye*”, means “business” or “career”. Together, “*qi*” and “*ye*” mean “company”. The third ideogram, “*jia*”, means “house” in ancient Chinese, although its meaning later evolved to mean “master”. The word “entrepreneur” appeared in China between the 18th and 19th Centuries, following the development of commercial relationships with European merchants, but also, and above all, during the opium wars.

In Japanese, the word “entrepreneur” is translated as “*kigyou ka*”, where “*kigyou*” means “company” and “*ka*” house. These words can denote either a business matter or a company.

In Russian, a business is denoted by the word “*predpriatie*”, an entrepreneur by “*predprenimatel*”, and to undertake by “*predprinimat*”. The word “*predpriat*”/“*predprinimat*” is the translation from German of a word incorporating the concept of doing something with responsibility. In Russia, during the 17th and 18th Centuries, three types of entrepreneurs were distinguished, according to their sector of activity. In agriculture, the word used was “*koulak*”, which can be translated literally as “fist” or “held firmly in the hand”. A “*koulak*” is a farm owner who has become very wealthy. In the commercial sector, a group of words denote an entrepreneur: “*kupets*” (from the verb “*kupat/pokupat*”, meaning to buy), “*torgovets*” (from the Latin “*tirgus*”, meaning square or market), “*kommersant*” (from the French “*commerçant*”, meaning trader), “*spekulant*” (from the French verb “*spéculer*”, meaning to speculate) and “*kantar*” (from the French “*comptoir*” or the German “*kontor*”, meaning office). In the manufacturing sector, the words used are “*predprenimatel*”, “*fabrikant*” (from the French “*fabrique*” or the English “factory”) and “*manufakturshik*” (from “manufacture”). These three words denote the employment of workers, but also the notion of ownership. During the 18th Century (during the

reigns of Peter the Great and Catherine II), entrepreneurial activity was facilitated. However, during the socialist period, the word “*predprenimatelstvo*” denoted a forbidden activity. The words “*predprenimatel*”, “*kommersant*” and “*kantar*” have now evolved. The first denotes the legal status of the entrepreneur. The English words “business” and “businessman” are also widely used, particularly for successful businesses. Russia is not alone in this – these words have become universal. This applies to all of the languages in the world, because North American practices have acted as a model for dissemination.

1.2. The gradual recognition of the role of entrepreneurship

The definition and theory of the entrepreneur have evolved over time, according to the economic and social problems with which the economic agents have confronted. We can thus go back rapidly to the 18th Century, from the very beginning of the Industrial Revolution, up to the present day. We can also learn about the structural changes to the economy through the prism of the entrepreneur, tracing his origins in what were essentially merchant activities through to his role as a vehicle for scientific and technical progress and even for social change (in both working and consuming), because the notion of risk and change, and of reconsidering established social and economic practices, is a common element among most economists. Furthermore, economists rarely portray the entrepreneur as someone whose only aim is to make a profit. The entrepreneur is first and foremost a player who thrives on challenges. At the end of the 19th Century, neoclassical theory (marginalism) constituted a fundamental break with the classical view, identifying them as economic agents whose rationale was based on maximization (of utility or profit), without strategy. Schumpeter developed a theory that opposed this representation, portraying the entrepreneur as an economic agent endowed with reason and strategy:

- the entrepreneur is among “those living on uncertain income” [CAN 55];

- the entrepreneur is “the intermediary between the scholar, who produces knowledge, and the laborer, who applies it to industry” [SAY 03];

- the entrepreneur must maximize his profit in a market where information circulates freely. He is a coordinator between markets [WAL 74];

– the entrepreneur is the economic agent who realizes “new combinations of production factors” [SCH 11], that is introduction of new goods and services, improvement of production processes, expansion into new markets, discovery of new sources of raw materials or semi-manufactured products, and transfer of production methods from one sector to another;

– the entrepreneur is a discoverer of opportunities. He is in these circumstances, in a situation of information asymmetry, constantly monitoring information to detect market opportunities that others have not seen [KIR 73];

– does the enterprising entrepreneur have specific genes? [NOC 09, SHA 09];

– the entrepreneur is the “missing link” between science and economics. His role is to transform the “knowledge overflow” [AUD 10] that comes from research centers and universities into goods and services that meet consumer needs: is this a return to Say’s theory? However, in addition to this fairly minor role, the entrepreneur heralds a thorough transformation of both economy and society. Entrepreneurial society [AUD 08] is also a sign of a break from the Fordism of the post-war years, based on large companies, routine work and the salary system.

In short, during the 18th Century (the pre-industrial economy), just as in the 21st Century (the post-industrial economy), the question of the entrepreneur and entrepreneurship was not limited to defining how an individual acts in a society, but incorporated the economy as a whole. In the reformed economy that began in the 1980s, characterized by greater flexibility and liberalization, it is therefore not surprising that individual initiative became one of the most highly prized societal values.

1.3. From a society of salary-earners to one of entrepreneurs?

Entrepreneurs have been on trend since the beginning of the 1980s. The history of the entrepreneur was affected by success stories during this period (notably Apple and Microsoft), and since the end of the Second World War, brands had established themselves on the global market, rather than just names: Renault rather than Louis Renault, Ford rather than Henry Ford,

Citroën rather than André Citroën, etc. Indeed, the period of post-war growth known as the “golden years” in England and “*trente glorieuses*” or “glorious thirty” in France was based on the increase in the size of businesses and in the number of salary-earners, economies of scale and mass production. The *trente glorieuses* marked the decline of the romantic figure of the entrepreneur, the 19th-Century “captain of industry”, in favor of salary-earning and the shareholder/manager partnership. The slowing of economic growth and the significant increase in unemployment during the 1970s coincided with the gradual return of the entrepreneur.

The explanation for this change lies in a number of transformations in the economic, financial and social domains and in science and technology. The slowing of economic growth (which coincided with the end of the Keynesian model) led to mass unemployment. Furthermore, salaried jobs became the dominant form of work. Almost 90–95% of the working population earns a salary in industrialized countries, and entrepreneurship is an alternative to a salaried job when it comes to accessing the employment market. It was therefore from this period onwards that measures facilitating business creation appeared in industrialized countries. They have since become more complex [DAR 08]. The aim is to facilitate the transition from business creation to salary-earning, and, in particular, vice versa. In France, the first measures supporting business creation were implemented at the end of the 1970s, with the establishment in 1979 of the *Agence Nationale pour la création d'entreprise* (National Agency for Business Creation), which became the *Agence pour la création d'entreprise* (Agency for Business Creation) in 1996 and, following its failure in 2016, the *Agence France entrepreneur* (France Entrepreneur Agency). From the 1980s onwards, the *boutiques de gestion* (agencies that help individuals set up new businesses) were established, and in 1985, assistance for jobseekers creating or resuming a business appeared. The first laws aiming to simplify the administrative process of business creation date back to 1994, but the most decisive step was taken in 2003, with the Economic Initiative Act, which made it possible among other things to create a business electronically, to create a limited liability company (*société à responsabilité limitée*, SARL) with a symbolic euro and to improve support for business creation. This law had a significant impact on the *Doing Business* rankings established by the World Bank in France, but not on the number of business creations or takeovers. However, the so-called Economy Modernization Act of 2008 had a very significant impact on the number of businesses created, thanks to the status of auto-entrepreneur, which simplified the procedure for becoming self-employed.

In 2016, following a number of protests, first and foremost by craftsmen, the status of auto-entrepreneur was replaced by micro-entrepreneur, which is a little more restrictive, making registration with the Chamber of Commerce and Industry (for an industrial or commercial business) or with the Chamber of Trade (for a craft business) mandatory, which was not the case with the more flexible auto-entrepreneur. The number of tax scales has also been revised in order to reduce the gap between micro-entrepreneurs and other business statuses. The aim is to facilitate the transition from the status of a salary-earner to that of an entrepreneur and vice versa.

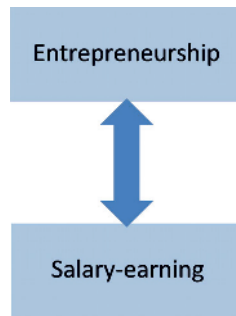


Figure 1.1. *Relationship between entrepreneurship and salary-earning*

However, this return to economic initiative is not always the result of a negative choice. It also comes from aspiring to another way of life and escaping from routine work based on a restrictive and hierarchical relationship [MAR 14]. From the 1970s onwards, social inequalities have increased significantly in industrial countries, returning to the record levels of the 1910s and 1920s [PIK 13]. After a bit of trial and error, liberal public policy measures were implemented to liberalize the economy, which, according to liberal economists, the post-war years had trapped in a state straightjacket. Two major types of public policies were implemented: privatization of public companies and development of financial markets. The 1980s were therefore characterized by the “big bang” of the City of London and the dematerialization of shares at the Paris stock exchange.

During the 1970s, new technologies (new information and communication technologies) were developed. The progress made in the miniaturization of electronic components, in particular, led to the invention of the microcomputer, not by IBM or any other multinational company, but

by three outsiders, Steve Jobs and Steve Wozniak with Apple, and Bill Gates with Microsoft. These two exceptional successes left their mark on the history of science and technology [ISA 15], often making us forget the accumulation of incremental innovations that made these radical ones possible, and proved that the entrepreneur was not an endangered species, unlike the large businesses, which no longer seemed appropriate in the new economic context that was emerging. The post-war economic model thus reached a bottleneck. The large companies transformed themselves and sought new inspiration to benefit from these emerging technical changes, and from the hierarchical and concentrated organization of 1950–1970. The capitalist business became a network business [CAS 98] formed on the basis of contractual relationships between producers, in an economic environment characterized by increased outsourcing of entrepreneurial activity through the open innovation process [CHE 03]. This took a number of economists to sound the death knell of managerial capitalism (Galbraith, 1968) and with it that of wage-earning society [CAS 95], in favor of a new capitalism, or even an entrepreneurial society [AUD 07]. More recently, the emergence of new technologies combining computing, robotics and electronic transmission has contributed to the appearance of new forms of entrepreneurship through Fab Labs [LAL 15, MOR, LE 16]. In addition, other forms of entrepreneurship have developed, with the emergence and increasing numbers of businesses offering services connecting two contractors through the intermediary of a digital platform. The best-known example nowadays is Uber, but many other businesses also offer this type of service, which is sometimes referred to as sharing or collaborative economy. Uber recruits its drivers with the understanding that they are free to work as they see fit. They accept a fare if they wish to. They do not, however, receive a salary, but are self-employed workers (often auto-entrepreneurs) who have concluded a commercial rather than a labor contract with Uber. Drivers are therefore paid according to the service rendered, and do not benefit from any form of social protection from Uber. This has led some people to predict the end of employment. In the (probably near) future, workers (all entrepreneurs) will wait in front of their computers for a potential client, who may ask to be driven somewhere, to be brought this or that meal, or to be diagnosed if he feels ill. No profession (qualified or otherwise) will be spared. This hypothetical (but plausible) situation brings us to Coase's theory of the firm (1937) on the dialectical relationship between the business (the organization) and the market

(decentralization of economic activity) according to the economic situation at a given moment (growth or recession). Table 1.1 summarizes the topic, distinguishing between the period of salary earning society and the period of entrepreneurial society.

Indicators	Wage earning society 1950-end of the 1970s	Entrepreneurial society since the beginning of the 1980s
Economic growth	Rapid	Slow – recession – acceleration of economic cycles
Technologies	Mechanics, electricity	Computing, electronics, computing networks
Organization of industrial and service-based production	Large concentrated company little development of subcontracting	Company-network development of subcontracting on an international level
Salary-earning	Increasing	Stabilized (around 90% of the working population in industrialized countries)
Employment	Stable (fixed-term contracts)	Precarious (indefinite duration contracts, interim employment) And/or development of self- employment (auto-entrepreneurs)
Unemployment	Low and short-term	Significant and long-term But could drop in the long term, in favor of employment casualization
Organization of work	Scientific organization of work (SOW) – Fordism	Toyotism – just in time
Mechanization of work	machines-tools/production line	Robotization – computerization – electronization
Production	Mass production	Customized production – creative personalization of products thanks to a service offer
Consumption	Mass consumption of standardized industrial goods	Customized goods Services related to new information and communication technologies
Public regulations	Social state	Liberal state
Market/public sector	Market frameworks/significance of the public sector	Liberalization of markets and privatization of public companies
Entrepreneurship and small businesses	Declining	Increasing

Table 1.1. From wage-earning society to entrepreneurial society

The role of entrepreneurship has therefore been fundamental to the evolution of capitalism. The individual entrepreneur has meaning only in relation to the economic system to which he belongs. At the dawn of the first Industrial Revolution, the entrepreneur disrupted production practices, bypassing the guilds that regulated the markets and limited competition. During the first and second Industrial Revolutions, the entrepreneurs that Schumpeter called “revolutionaries” and Marshall “captains of industry” were the driving force behind the modernization of the British, French, German and American economies, among others. This modernizing power introduced technical and industrial changes that were unheard of in the history of mankind. The strength of machines reinforced the strength of humans, animals and natural elements (water, wind) considerably. More of the working population was receiving a regular salary (however little), facilitating the gradual development of mass consumption, initially based essentially on food and clothes as consumer staples. This evolution did not occur linearly, or in fits and starts. Wars played a fundamental role. Well before it was used to meet the needs of the average 19th- and 20th-Century consumer, mass production had been developed to provide armies with armor and uniforms, initially in Chinese armor manufacture, due to progress in the metalworking industry [XIU 11]. Much later, the two world wars of the 20th Century also led to very significant technical and scientific progress (in the fields of chemistry, motoring, aviation, telecommunications, computing, etc.), producing the industrial system that we know today and that has provided so many business creation opportunities.

In this context, characterized by constant transformation of science and technology, business opportunities are detected [KIR 73] or created [SCH 11] by daring entrepreneurs. Yet, the vast majority remain copycat entrepreneurs [ALD 11] who, thanks to business creation, seek to earn their own place in a society where they do not yet have one. These last resort entrepreneurs [CAS 82] rarely hit the economic headlines, however. They meld into the mass of constantly disappearing businesses. Can entrepreneurs succeed by taking lessons from those who have failed? It is a difficult question, because public policies that support entrepreneurship by consolidating networks of entrepreneurs do not always provide the necessary resources. Indeed, [SHA 03] criticizes these public policies for giving a distorted view of entrepreneurial reality, which does not encourage

entrepreneurs to develop a winning spirit. But can everyone have a winning spirit? Of course not: entrepreneurs are not genetically identical.

This influx of entrepreneurs is supposed to contribute to the renewal of economic and social structures by forming new routines that will in turn help create a new techno-industrial path. But is this really the case? Although technical progress means that new ideas from entrepreneurs are contributing to the emergence of new consumer goods, machines and services, social structures and practices remain more or less the same. Indeed, we can compare production organization at the dawn of the first industrial revolution, which was based on “putting-out”, or home-based work, with the economic model of businesses such as Uber and Airbnb. These two businesses, which have rapidly become multinational, were founded in the San Francisco area of the United States in 2009 and 2008 respectively, each by a trio of young entrepreneurs: Garrett Camp, Trakis Kalanck (current company director) and Oscar Salazar for Uber and Brian Chesky, Joe Gebbia and Nathan Blecharczyk for Airbnb. They belong to the same generation (born at the beginning of the 1980s in the United States) and studied technology and industrial design at university. Yet, they did not found their businesses as soon as they had completed their studies. They all experienced a period of difficulty and unemployment first. They are therefore excellent examples of the 21st Century entrepreneur.

Indeed, the emergence of businesses such as Uber and Airbnb since the end of the 2000s is a recent example that has made the headlines due to concerns raised about their innovations. Uber and Airbnb portray themselves as innovative businesses that are a fundamental part of a collaborative or sharing economy. The two businesses connect customers with chauffeured vehicles and accommodation, generally for short periods (for holidays or a professional trip, for example), respectively. The distinctive feature of this type of service is that in both cases the object of the exchange belongs not to the firm but to the driver or the owner. Uber and Airbnb act as an intermediary between a driver who owns a vehicle and an individual who needs to travel somewhere. This means that in both cases, the driver or the owner of the accommodation owns the goods on which the service is based.

This situation is now causing controversy among taxi drivers and hospitality industry professionals, who see it as unfair competition. However, Uber and Airbnb stress that this type of service creates activities and jobs, as well as simply connecting two individuals with reciprocal needs.

Our aim here, however, is to look beyond this opposition and to compare the “uberization of society”, as the phenomenon has recently been dubbed, with the production practices that appeared at the dawn of the first Industrial Revolution: “putting-out”, or home-based work [BRA 79, VER 97]. During the 18th Century, when industry was beginning to develop, this was generally due to merchants and entrepreneurs seeking to bypass the guilds that organized the markets and competition. This, alongside other methods, is what Uber and Airbnb are currently doing in France and other countries, to both taxi companies and hotel industry professionals. Table 1.2 summarizes the topic.

Proto-industry		Uberization model	
Entrepreneur	Worker	Entrepreneur	Worker
Provides raw materials to be transformed	Owens his own work tool (loom)	Connects worker and consumer through the intermediary of a digital platform	Owens his own work tool (car)
Does not control the worker's working hours	Is self-employed rather than salaried; generally a farmer receiving supplementary income	Does not control the worker's working hours	Is self-employed rather than salaried; often an auto-entrepreneur
Absence of fixed costs Variable costs only (buying raw materials available to workers)	Bears the fixed costs related to maintenance of the work tool	Significant economies of scale and scope due to use of the digital platform by an increasing number of individuals (workers and consumers)	Bears the fixed costs related to maintenance of the work tool, but also variable costs (petrol, water bottles available in the vehicle)
Absence of a labor contract in favor of a commercial contract between the parties		Absence of a labor contract in favor of a commercial contract between the parties	
Buys the production carried out by the worker	Non-salaried income	Takes a commission on the price of each fare and repays the worker directly via bank transfer	Non-salaried income

Table 1.2. *Comparison between the economic models of protoindustrialization and uberization*

In view of the above, a parallel can be drawn between the work organization method of proto-industry and that of uberization. In both cases,

the relationship is not between an employer and a (salaried) employee, but between two contractors who agree to sign a commercial contract, avoiding the subordinate relationship of an employment contract for a salaried employee. The study of this evolution is particularly interesting today, since more than 90% of the working population in industrialized countries work for a salary, a type of work that only appeared in the 18th Century. This evolution is a move towards flexible work, which is supported in France, for example, through the status of the auto-entrepreneur, which was created in 2008 and now represents more than 50% of business creations.

1.4. Current definitions of entrepreneurship, or the institutional recognition of the entrepreneur

Along with the economic theories of entrepreneurship that have been put forward over the centuries, the definition of the entrepreneur has developed considerably. International organizations have been attempting to precisely define entrepreneurship since the 1990s, in order to quantify it more easily. The vocabulary of entrepreneurship has certainly evolved considerably over the centuries, to take into account the evolution of business (initially the development of intrapreneurship). The definitions of entrepreneur and entrepreneurship are becoming more global to encompass all of the economic situations that arise from creativity and innovation, since entrepreneurship is so often confused with these two activities.

According to the OECD's 'Entrepreneurship at a Glance' (2011 edition), entrepreneurship is a phenomenon that exists in every country in the world, in very varied forms, therefore producing very varied results that are not necessarily related to the generation of financial wealth. They can be related to job creation, the handling of inequalities, or environmental issues. Focusing on commercial entrepreneurship, the OECD identifies three elements: entrepreneurs, entrepreneurial activity and entrepreneurship:

- entrepreneurs are individuals (business owners) who seek to generate value through the creation or development of an economic activity, by identifying and exploiting new products, processes and markets;
- entrepreneurial activity is the human activity that consists of undertaking something with the aim of generating value through the creation or development of an economic activity, by identifying and exploiting new products, processes and markets;

– entrepreneurship is the phenomenon associated with entrepreneurial activity.

The report writers highlight the following points:

– distinguishing between entrepreneur and entrepreneurial activity: entrepreneurial activity always implies the presence of entrepreneurs, but entrepreneurs can exist independently of entrepreneurial activity. For example, people working in a business can exhibit entrepreneurial behavior without being shareholders or owners of the business in question (for example, businesses owned by shareholders or trust funds and managed by paid employees);

– the concepts of entrepreneur and entrepreneurship are not relevant only to small businesses and independent workers. Large businesses can exhibit entrepreneurial behavior;

– not all businesses are entrepreneurial. Entrepreneurial businesses are those that aim for novelty, whether in creating or identifying new processes, products or markets:

– many studies have focused exclusively on successful entrepreneurs. However, failure is an important part of the entrepreneurial process, partly because lessons can always be drawn from it and partly because entrepreneurs who have failed are still entrepreneurs, and have by definition taken risks;

– governments generally encourage entrepreneurship, because it is beneficial to a country's economic growth. But how? Financially? Should they support economic growth by contributing to solving environmental problems or by promoting social integration? The entrepreneur has multiple missions.

In this sense, as Julien and Cadieux [JUL 10] rightly stress, the definition of entrepreneurship encompasses a wide range of activities and is not limited to the creation of a small business: pure creation, spin-off firms, business takeover, development and growth of a business and intrapreneurship. A large business can spark the creation of a business. This statement may initially seem insignificant, but it is, in fact, important, highlighting the link between the economics of the entrepreneur and industrial economy, which

Marshall demonstrated at the end of the 19th Century. This broad notion of entrepreneurship led the two authors [JUL 10] to this definition: “Entrepreneurship is human action, supported by the surrounding environment, that generates market value through the creation or development of an economic activity, evolving with this value until it ultimately affects the economy, all with the aim of better meeting the individual and collective needs of a country.” Entrepreneurship is, in this sense, a socially embedded economic fact (with emphasis on the environment, which incorporates many variables, including the market, because the purpose of entrepreneurial action is to produce goods and services that meet human needs).

1.5. The plural entrepreneur

Entrepreneurship is a plural phenomenon that incorporates a wide range of situations: from the entrepreneur who creates a new technological trajectory to the illegal traders in a market. Against a backdrop of high unemployment, business creation is often seen as a way to get into the employment market. Success is not guaranteed, because these entrepreneurs do not have the necessary resources to complete their project in good conditions and, above all, may not be psychologically prepared for it. Business creation is more common in developing than developed countries, primarily due to the absence or near absence of the social state, which provides income support in periods of unemployment, although many of the resulting businesses are informal (90%, according to official figures). In 2015, Uganda became the most entrepreneurial country in the world, followed by a number of other countries in sub-Saharan Africa. Fear of failure is much less in these countries than in France or even in the United States⁵, probably because most individuals live in conditions that are much more difficult than in industrialized countries, which may encourage them to opt for emigration, sometimes illegally.

The Global Entrepreneurship Monitor has defined this phenomenon in a society that relies increasingly on the market in distinguishing necessity

⁵ http://lentreprise.lexpress.fr/creation-entreprise/les-pays-ou-il-y-a-le-plus-d-entrepreneurs-ne-sont-pas-ceux-que-vous-croyez_1697632.html.

entrepreneurship and opportunity entrepreneurship (Table 1.3). This typology evokes necessity entrepreneurship, the last resort entrepreneur cited by [CAS 91] – an individual who creates a business out of despair at not finding salaried employment.

Necessity entrepreneurship or obligation of business creation	Opportunity entrepreneurship or business creation to generate wealth and prestige
Creating a business to create a job Creating a business due to dissatisfaction with current salaried employment Obligation from family to resume the family business	Prospect of profit/desire to gain wealth Social recognition/gaining prestige Personal achievement and fulfillment Understanding of an unsatisfied market opportunity

Table 1.3. *Necessity entrepreneurship versus opportunity entrepreneurship*