

ENTREPRENEURSHIP PROMOTION AS A MEANS TO SECURE PEACE



An analysis as to how the European Union
can utilize Entrepreneurship Promotion
as a means to Secure Peace through
International Development and
Cooperation Policy

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EXECUTIVE SUMMARY

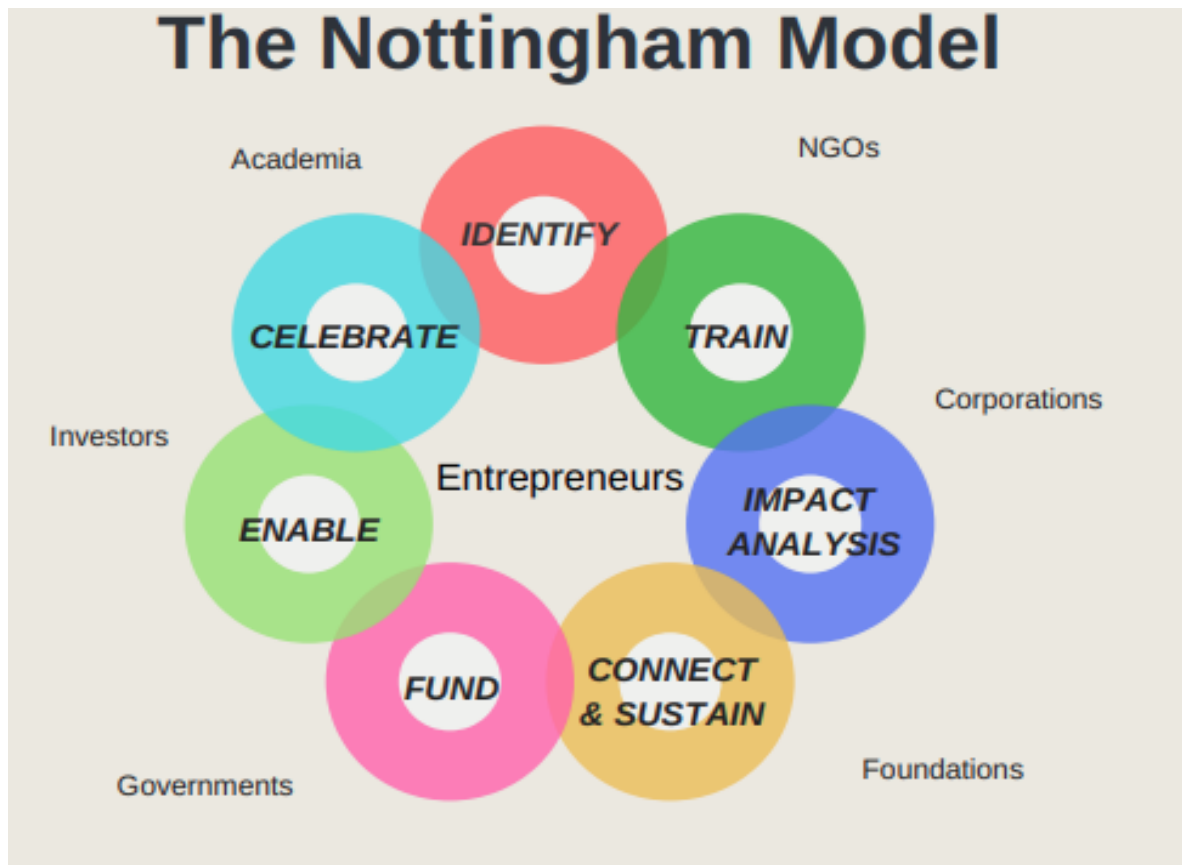
This research examines how the EU can utilize entrepreneurship promotion as a means to secure peace through international Development and Cooperation policy. This research revolves around the notion that jobs are the foundation of political stability, and the absence of economic opportunities leads way for violence and the destruction of CS.

The notion of joblessness standing at the core of political instability and the destruction of CS is demonstrated through examples of The Arab Spring Revolutions. The idea of joblessness leading to involvement with extremist NSA is demonstrated through examples of ISIS' recruitment techniques, focusing on economic incentives and belonging. This thesis references empirical studies which establish Rwanda as a 'textbook case' for successful entrepreneurship promotion in the developing world, yielding results in post-conflict reconciliation and the perception of poverty alleviation. The Rwandan example demonstrates that economic promises do act as a tool for managing social conflicts and as a means to secure peace.

This thesis recognizes the untapped potential in the EU's current approach to private sector development and more specifically, entrepreneurship, in the broader scheme of Development Cooperation Policy. Therefore, the use of extensive desk research and qualitative interviews prove essential in the creation of a theoretical framework to elevate entrepreneurship promotion as a means of development. The model of focus throughout, is The Six+Six Model which focuses on six pillars of activity, and the six actors needed to erect said pillars, in the creation of an entrepreneurial ecosystem. However, primary data has lead to the conclusion that The Six+Six Model is inadequate in certain areas, leading to the creation of The Nottingham Model.

Therefore, this research recommends The Nottingham Model as a means to promote entrepreneurship in the scheme of international Development and Cooperation policy. Entrepreneurship promotion is a viable and legitimate means of securing peace; this research recognizes that securing peace abroad, also yields results in terms of peace 'at home' in light of extremist NSA. The Nottingham Model is laid out on the following page.

Figure 1: The Nottingham Model



LIST OF ABBREVIATIONS

ANDE- Aspen Network of Development Entrepreneurs
BEEP- Babson Entrepreneurship Ecosystem Project
CoE- Council of the European Union
CoR-Committee of Regions
CS- Civil Society
DG DEVCO- Directorate General Development Cooperation- EuropeAid
EC- European Commission
EEAS- European External Action Service
EIA- Environmental Impact Assessment
EU- European Union
EU DEVCO policy- European Union Development Cooperation policy
GED- Global Entrepreneurship and Development Index
GEM- Global Entrepreneurship Monitor
MENA- Middle East and North Africa
NGO- Non governmental organization
NSA- Non-state Actors
OCG- Organized Criminal Gang
OMG- Organized Motorcycle Gang
PEARL- Partnership for Enhancing Agricultural in Rwanda through Linkages
SDG- Sustainable Development Goals
SME-Small to Medium Enterprises
UN- United Nations
UNCTAD-United Nations Trade and Development
UNCTOC- United Nations Convention against Transnational Organized Crime
UN GA- United Nations General Assembly
UNODC- United Nations Office on Drugs and Crime
VC- Venture Capital
WDR- World Development Report
WGI- World Governance Indicators
WJP- World Justice Project

TABLE OF CONTENTS

INTRODUCTION	1
RESEARCH STRUCTURE	4
LITERATURE REVIEW	6
JOBLESSNESS, VIOLENCE, DESTRUCTION OF CS AND POLITICAL INSTABILITY: THE ARAB SPRING REVOLUTIONS	6
JOBLESSNESS: CREATING OPPORTUNITIES FOR EXTREMIST NON-STATE ACTORS	7
WHY ENTREPRENEURSHIP?	8
RWANDA: A ‘TEXTBOOK CASE’ FOR ENTREPRENEURSHIP IN THE DEVELOPING WORLD	9
THE RWANDAN GOVERNMENT’S ROLE IN CREATING OPPORTUNITIES FOR RWANDAN ENTREPRENEURS	10
RWANDAN ENTREPRENEURSHIP: CATALYZING POST-CONFLICT RECONCILIATION AND PERCEPTION OF POVERTY ALLEVIATION	11
RWANDANS REINVESTING IN RWANDA	12
DEFINING ENTREPRENEURSHIP	12
DEEPER EXAMINATION OF UTILIZED DEFINITION OF ENTREPRENEURSHIP	13
WHAT IS THE ENTREPRENEURIAL ECOSYSTEM AND HOW CAN IT BE INFLUENCED?	14
MODELS FOR AFFECTING THE ENTREPRENEURIAL ECOSYSTEM: THE SIX+SIX MODEL IN LIGHT OF NINE PRESCRIPTIONS FOR CREATING AN ENTREPRENEURSHIP ECOSYSTEM	16
IDENTIFY	17
TRAIN	18
CONNECT & SUSTAIN	18
FUND	19
ENABLE	20
CELEBRATE	21
KEY PLAYERS IN DEVCO POLICY	23
ISSUES WITH INTERNATIONAL DEVELOPMENT: WARNER BROS. STUDIO ANALOGY	24
SUMMARY OF LITERATURE REVIEW	25
METHODOLOGY	27
QUALITATIVE VERSUS QUANTITATIVE	27
QUALITATIVE DESK RESEARCH	28
QUALITATIVE SEMI-STRUCTURED INTERVIEWS	28
PRIMARY SOURCES VERSUS SECONDARY SOURCES	29
INDUCTIVE VERSUS DEDUCTIVE APPROACH	30
RESEARCH ETHICS	30
RESEARCH LIMITATIONS	31
LIMITATIONS OF BUDGET AND GEOGRAPHICAL LOCATION	31
INTERVIEW LIMITATIONS	31
LIMITATIONS WITH OFFICIAL EU WEBSITES	32
DELIMITATIONS	32
FINDINGS	34

ARAB SPRING: A CRY FOR DIGNITY	34
ROLE OF JOBLESSNESS IN EXTREMIST NON-STATE ACTOR RECRUITMENT	35
SUCCESSFUL ENTREPRENEURSHIP: RWANDA	36
ROLE OF ECONOMICS IN SOCIETY AND THE ENTREPRENEURIAL ECOSYSTEM	37
THE SIX+SIX MODEL	38
KEY PLAYERS IN DEVCO POLICY	39
EU'S PAST AREAS OF ACTIVITY IN THE REALM OF ENTREPRENEURSHIP	41
WARNER BROS. STUDIO ANALOGY	42
NEW POSED ISSUES WITH INTERNATIONAL AID	43
<u>DISCUSSION</u>	<u>45</u>
THE ROLE OF PROFIT RETURN IN DESTRUCTION OF CIVIL SOCIETY: ARAB SPRING	45
POTENTIAL NEGATIVE OUTCOMES OF ENTREPRENEURSHIP PROMOTION: EXTREMIST NON-STATE ACTOR EMPOWERMENT	46
POTENTIAL NEGATIVE OUTCOMES OF ENTREPRENEURSHIP PROMOTION: WORSENING OF CONFLICT DYNAMICS	47
RWANDA: REACHING THEIR OWN DEVELOPMENT GOALS	48
SDG1	49
SDG2	49
SDG4	49
SDG9	50
ENTREPRENEURSHIP AND THE ECOSYSTEM	50
ISSUES WITH INTERNATIONAL AID: QUESTION OF OWNERSHIP AND SUSTAINABILITY OF AID	51
WARNER BROS. STUDIO ANALOGY	52
AN UPDATED SIX+SIX MODEL: THE NOTTINGHAM MODEL	53
ADDRESSING ISSUES OF OWNERSHIP, AND LOCAL AGENCY IN SUSTAINABLE DEVELOPMENT	54
ADDRESSING THE RETURN OF PROFITS IN DESTRUCTING CS: RULE OF LAW MONITOR	55
OVERCOMING ISSUES OF EXTREMIST NSA EMPOWERMENT: TRAIN	55
ADDRESSING THE WARNER BROS. STUDIO ANALOGY: CONNECT & SUSTAIN	56
THE SEVENTH PILLAR: IMPACT ANALYSIS	57
OVERCOMING ISSUE OF ENTREPRENEURSHIP WORSENING CONFLICT DYNAMICS	57
PLACING EMPHASIS ON ENVIRONMENT	57
<u>MAIN CONCLUSIONS</u>	<u>58</u>
HOW IS PEACE SECURED?	60
<u>RECOMMENDATION</u>	<u>FOUT! BLADWIJZER NIET GEDEFINIEERD.</u>
<u>REFERENCES</u>	<u>FOUT! BLADWIJZER NIET GEDEFINIEERD.</u>
<u>APPENDIX</u>	<u>70</u>
CURRENT SDGs:	70
STUDENT ETHICS FORM	71
INTERVIEW TRANSCRIPTIONS	73
INTERVIEW TRANSCRIPTION: FRIEDRICH BOKERN	73
INFORMED CONSENT FORM: FRIEDRICH BOKERN	83
INTERVIEW TRANSCRIPTION: LAURE ROGES AND MARC LITVINE	84
INFORMED CONSENT FORM: LAURE ROGES	98
INFORMED CONSENT FORM: MARC LITVINE	99
INTERVIEW TRANSCRIPTION: MATTHIAS FROM DENECKERE	100

INFORMED CONSENT FORM: MATTHIAS DENECKERE	118
INTERVIEW TRANSCRIPTION: NIKA SALVETTI	119
INFORMED CONSENT FORM: NIKA SALVETTI	125

INTRODUCTION

Karl Marx was correct in stating that economics is the foundation of all politics, further on, the most crucial economic condition of every person in the world, is jobs (Worldview, 2018). All over the world, losing a job translates to losing more than just income. Jobs provide a fundamental source of self-respect and social identity; when a country is saddled with extreme unemployment, this poses an issue not only to the individuals, but to the society as a whole (WDR, 2013). Steven R. Koltai, economist and former Senior Adviser for Entrepreneurship at the United States (US) State Department, believes that economic despair is the cause, rather than the result, of political, religious and cultural friction (Koltai & Muspratt, pg. 46). Further on, it can be said that political unrest “amplifies the underlying malaise,” stemming from high unemployment (Koltai & Muspratt, pg. 46). The 2013 World Development Report (WDR) examines the relationship between jobs and social cohesion; the empirical results draw a relationship between unemployment, trust and civic engagement (WDR, 2013). Being unemployed affects “key elements of social cohesion,” which later affects the society’s capacity “to manage collective decision making peacefully,” leading way for violence and general political unrest, ultimately, deteriorating civil society (CS) (WDR, 2013). Extreme joblessness in a society can rupture “economic and social ties,” while breeding mistrust and “damaging people’s sense of community and hope for the future,” (WDR, 2013).

The feelings of despair that accompany joblessness create a unique vulnerability, particularly amongst unemployed youth, who may turn to violent or criminal activity to “compensate for the absence of self-esteem,” and belonging that a job would provide (WDR, 2013). Oftentimes unemployed youth find this self-esteem and belonging through involvement with Organized Criminal Gangs (OCGs) or extremist Non-State Actors (NSA). This concept is mirrored in the findings of a United Nations (UN) Office of Counter- Terrorism study, stating that “economic factors and lack of meaning in life,” made moving to Syria to fight more attractive (UN News Centre, 2017). The report further points out that a typical fighter is most likely “young and disadvantaged economically, educationally, and in terms of the labor market,” (UN News Centre, 2017). It can be said that the decimated dignity and economic ruin that results from joblessness is a recipe for extremism that cannot be ignored, especially due to the threat extremist NSA abroad, pose for European security ‘at home’. This threat to European Security can be demonstrated through the Paris Attacks (November 2015); The Brussels Bombings (March

2016); The Nice Attacks (July 2016); Manchester, Barcelona, London¹...the list could go on. Add footnote. The destruction of CS and violence that accompanies joblessness is at the root of political instability. This allows extremist NSA to flourish; the high unemployment rates in the lands in which these extremist non-state actors breed, need to be addressed.

Studies have pointed out the transformative power of jobs in Rwanda, in particular, entrepreneurship, which has contributed to post-conflict reconciliation and perception of poverty alleviation add citation. The social benefits yielded from the introduction of pro-entrepreneurial policies and liberalization of key sectors in Rwanda lead to questioning the way in which legitimate job creation could be elevated as a means of development. Entrepreneurship is viewed as one of the most effective responses and tools to tackle lack of economic opportunities in developing and fragile states; making entrepreneurship the focus of research throughout. In light of the entrepreneurship, Koltai believes it is an extremely powerful tool, “not just because it creates jobs and grows economies,” but because jobs and economic growth “bring political stability,” and underpins a peaceful CS (Koltai & Muspratt, 2016 pg.19). This further lead to an examination as to how the European Union can utilize entrepreneurship as a means to secure peace through International Development and Cooperation (DEVCO) policy.

When examining the EU’s activities in the realm of entrepreneurship it can be said that there are policies that promote entrepreneurship *within* the EU *for* EU citizens, the most recent being the European Commission’s (EC) ‘The Entrepreneurship 2020 Action Plan,’ (TE2020AP, 2017). Although, the EU clearly recognizes the importance of entrepreneurship and has applied it ‘at home’, there is an untapped potential in the broader international development scheme. In light of entrepreneurship being elevated as a means of development, EuropeAid or also known as DG-DEVCO along with the European External Action Service (EEAS) are key players in the formulation of DEVCO policy interventions. DG-DEVCO states that entrepreneurship and diversification of the economy are encouraged; yet little information is found on comprehensive projects that legitimately promote entrepreneurship (European Commission, 2017). A 2014 Communication from the Commission to the European Parliament (EP), The Council (CoE), The European Economic and Social Committee (EESC), and the Committee of the Regions (CoR) titled “a Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries,” recognizes the importance of job creation in the international development scheme (European Commission, 2014).

¹ These attacks are well known; therefore, no need to formally reference.
<https://edition.cnn.com/2015/12/17/world/mapping-isis-attacks-around-the-world/index.html>

The Communication lays out extremely important and necessary goals to create a stronger role of the private sector, yet the need to address aspects simultaneously has not been recognized (European Commission, 2014). There are no holistic or comprehensive interventions that address the various goals of this communication as an interconnected entity; instead, small projects have been put in place to address individual goals of the Communication. For example, in light of creating a more conducive business environment, a project was put in place in Paraguay which “reduced the total time for administrative procedures needed to export meat,” rather than creating a holistic project that also addresses other aims of the communication such as, “increasing access to finance and deepening financial inclusion,” (European Commission, 2014). This is a massive issue in the international development scheme, especially in regards to private sector development, due to the interconnectedness of the private sector. This untapped potential in approaching private sector growth in an interconnected manner, leads to the central research question, “How can the EU utilize entrepreneurship promotion as a means to secure peace through International Development and Cooperation Policy?”

It must be noted that in discussions surrounding bolstering the private sector in the scheme of DEVCO policy, the EU focuses mainly on Small and Medium Sized Enterprises (SME) (European Commission, 2014). Due to the lack of consolidated definitions in the study of entrepreneurial economics, it is crucial to establish what exactly is meant when entrepreneurship is discussed. Throughout, the definition of entrepreneurship is referenced from Koltai, which focuses entirely on innovation and serious job creation. More specifically Koltai defines an entrepreneur as “a person with the vision to see a new product or process, and the ability to make it happen,” (Koltai & Muspratt, 2016 pg. 21). It should be distinguished that this definition of entrepreneurship does not encompass just any small business owner or SME, but business owners who are taking advantage of market opportunities with focus on innovation (Koltai & Muspratt, 2016 pg. 20). Innovation and serious job creation stand at the core of this definition. A prime example of this version of entrepreneurship is Uber. By no means did Uber invent the mobile phone, or the taxi, or even the concept of ordering a taxi with a mobile phone- but they completely innovated the ‘taxi experience’, including the means of employee recruitment (Koltai & Muspratt, 2016 pg. 20). Due to the interconnectedness of actors and areas of activity in the private sector, the EU simply cannot ‘do’ entrepreneurship promotion without assessing the entrepreneurial ecosystem.

Keeping the central research question in mind, it is also essential to clarify what is meant by “as a means to secure peace,” in light of entrepreneurship promotion and DEVCO policy. For the sake of

this research, secure peace is defined as: stabilization catalyzed through addressing key issues that contribute to the political instability of a country; contributing to the freedom of fear and the managing of social conflicts. It should be noted that this definition blurs the lines of negative and positive peace; freedom of fear implies the absence of violence, demonstrating negative peace, while at the same time, by addressing key issues that contribute to political instability, positive outcomes are to be expected, demonstrating positive peace (Tilahun, 2015). This definition recognizes that securing peace in developing countries yields results in terms of security and peace ‘at home’ due to the threat extremist NSA pose. This definition of ‘secure peace’ should be viewed through the lens of peace economics. Peace economics is about the “creation of stable structures of peace,” further on, peace economics revolves around “invulnerability, irreversibility and the foolproof, unconditional viability of peaceful social systems,” (Gurashi, n.d.). This definition of secure peace, viewed through the lens of peace economics, recognizes the pivotal role of economics in the design of “governance, trade, and social investments policies that are peace- promoting,” (Gilpin, 2017).

While there is abundant literature concerning EU DEVCO policy, and abundant literature concerning economics and entrepreneurship; there is little literature concerning the legitimate use of entrepreneurship promotion as a means of development, in the form of a holistic and comprehensive project. More specifically, this notion has not been examined through the lens of the EU. This research utilizes knowledge from consulted experts in the field of economics and the field of international development and cooperation, in aims of answering the central research question at hand.

Research Structure

For the reasons outline above, and as previously mentioned, the central research question of this thesis attempts to answer, reads as follows:

How can the European Union utilize Entrepreneurship Promotion as a means to Secure Peace through International Development and Cooperation Policy?

In aims of providing a concrete answer to the central research question, the research of this thesis is guided by the following sub questions:

1. What is the current situation of EU DEVCO policy stakeholders?
2. What can be considered obstacles to international development and cooperation?
3. How is entrepreneurship defined throughout this research due to lack of consolidated definitions?
4. What is the entrepreneurial ecosystem and how can it be influenced?

5. Why use entrepreneurship as a means to secure peace?

The research adheres to the following structure, with the aim of providing an answer to the central research question, guided by sub questions. Firstly, the introduction establishes that jobs and economic promises are the underpinnings of political stability. Further on, lack of jobs and economic promises can lead to violence, the destruction of CS, and overall, political instability.

The following section, the Literature Review, is used to present a clear overview of the existing academic literature in line with the central research question; this chapter also defines key terms and ideas in light of various experts and scholars. The Literature Review draws the line connection between entrepreneurship, job creation, economic growth, political stability and a peaceful CS. This section examines the Arab Spring Revolutions in light of joblessness leading way to violence and the destruction of CS; in light of ISIS, this section also examines the role of joblessness in extremist NSA involvement. Rwanda is used as a ‘textbook case’ for sustainable economic development, focusing on the actions taken in the newly liberalized coffee sector.

The Methodology chapter presents an overview of research methods utilized throughout, while justifying the combination of desk research and qualitative semi-structured interviews.

The third chapter, Findings, presents primary data by outlining key outcomes of the semi-structured qualitative interviews conducted with experts in the applicable fields. Moving on, the fourth chapter, Discussion, comparatively outlines the outcomes of the research presented in the Literature Review and Findings chapters. Lastly, the Conclusion/ Recommendation chapter is presented, where all research is concluded and a recommendation is provided, through the creation of an updated model for promoting entrepreneurship.

LITERATURE REVIEW

As previously mentioned, the Literature Review is used to present a clear overview of the existing academic literature in line with the central research question; this chapter also defines key terms and aspects in light of various experts and scholars. More specifically, the literature review consists looks into the notion of joblessness leading to the destruction of civil society and violence in light of the Arab Spring Revolutions, alongside the notion that joblessness can lead way to involvement with extremist non-state actors, in light of ISIS; this chapter uses Rwanda as a ‘textbook’ example of sustainable economic development, focusing on actions taken in the pivotal coffee sector. This section further examines the utilized definition of entrepreneurship and the entrepreneurial ecosystem, with reference to models for affecting the ecosystem. The literature review proves essential in establishing why entrepreneurship promotion should be elevated as a means to secure peace through international development and cooperation policy.

Joblessness, Violence, Destruction of CS and Political Instability: The Arab Spring Revolutions

The Tunisian Arab Spring Revolution of 2010 further exemplifies how jobs truly are the foundation of political stability and more specifically, how joblessness can lead to violence and destruction of CS. It must be noted that Tunisia is a middle-income countries, and are not considered, ‘developing’ but are examined to demonstrate the potential violence that can ensue stemming from joblessness (TWB, 2018). In the paper, *The Economics of the Arab Spring*, Malik and Awadallah discuss how the Arab revolutions were not fueled by the sole desire of democracy, but rather, by the anger felt in regards to the lack of economic opportunities available (Malik & Awadallah, 2013). Malik and Awadallah go on to note that the revolutions “had a clear economic underpinning,” and were fueled by “poverty, unemployment and lack of economic opportunity,” (Malik & Awadallah, 2013). Further warning, that the hypes generated by these revolutions can easily way to despair, raising the spectrum of future political vitality without providing a “concrete economic response,” (Malik & Awadallah, 2013). Koltai poignantly points out that he believes more often than not that economic despair is the cause, not the result, of political, religious, and cultural friction, stating, “political tension amplifies the underlying malaise that comes from high unemployment,” (Koltai & Muspratt, pg. 46).

The revolutions were ignited through the individual act of Muhammad Al Bouazizi, a poor 26-year old man who could not find employment after his studies; he refused to join the “army of unemployed youth,” as it has become known in Tunisia (Al-Arab & Hunt, 2011). Muhammad was only met with obstacles in his aims of overcoming poverty, leaving him jobless, angry and hopeless. Al Bouazizi

ignited the Arab Spring Revolutions through setting himself on fire as an act of protest; at the same time, Al Bouazizi ignited a revolution amongst fellow Arabs, who were angry with the same issues stemming from lack of economic opportunities (Simon, 2011). Khadija Cherif of the Paris based, Federation of Human Rights Leagues stated that Muhammad Al Bouazizi became “a symbol for all the young college graduates who were unemployed,” going on to state that Al Bouazizi was “a catalyst for the violent demonstrations which followed,” (Al-Arab & Hunt, 2011).

It should be no surprise that the Tunisia’s unemployment rate amongst university graduates was approaching 50 percent at the time; therefore, support for the cause was not scarce (Simon, 2011). The Arab Spring Revolution that spread across Arab borders resulted in numerous deaths demonstrating the correlation between joblessness, political instability and the destruction of civil society (Simon, 2011). The Egypt Independent, reports that during the uprising, “more than 330 Tunisians were killed and 2,174 were injured,” while noting, “police were responsible for 79 percent of the deaths and 96 percent of the injuries,” (AFP, 2012). The Washington Post mentions that in Yemen, the Arab Spring Revolutions resulted in the deaths of more than 2,000 people and in 22,000 people injured in 2012 alone (al-Haj, 2012). Koltai mentions that, “the Middle East and North Africa (MENA) region is home to the highest youth unemployment rates in the world,” and that if economic opportunities are not provided, more violence is to be expected (Koltai & Muspratt, pg. 29). This notion is then elaborated on by pointing out that high unemployment rates translates to “millions of lives stunted by economic despair,” creating “legions of frustrated, idle, angry and impressionable teenagers,” which leads way for “instability and chaos that spills over borders,” (Koltai & Muspratt, pg. 29). This leads to the next point within the correlation of joblessness and violence: high unemployment can lead to involvement within extremist NSA.

Joblessness: Creating Opportunities for Extremist Non-State Actors

Koltai points out that today, “the lands of breathtakingly huge numbers of jobless youth are the lands of extremism and the lands where threats to peace and prosperity spawn,” going on to mention that, from Al- Qaeda to the Islamic State, “terror and instability breed where young men cannot find jobs,” (Koltai & Muspratt, pg. 39). It is important to note that Koltai believes that joblessness is the root cause of the chaos that challenges international security, noting that it is not the *only* cause, but the root cause (Koltai & Muspratt, pg. 40). Koltai states that amongst young people who join rebel movements, “one in every two do so because they cannot find a job,” he goes on to point out that unemployment stands at the very heart of hopelessness, and “when political remedies do not exist, violence is often

the recourse,” (Koltai & Muspratt, pg. 39). The 2013 WDR, draws a connection between jobs and social cohesion, it makes mention that unemployed people, particularly unemployed youth, lack hope for the future, and may turn to violent or criminal activity to “compensate for the absence of self-esteem and sense of belonging that a job might otherwise provide,”; this may be found through involvement with OCGs or extremist NSA (WDR, 2013). The decimated dignity and economic ruin that results from joblessness is a recipe for extremism that cannot be ignored, especially due to the threat extremist NSA abroad pose for European security at home (WDR, 2013).

The economic exploitation of the vulnerable, unemployed is reiterated in a *Business Insider* interview with an ISIS defector. The ISIS defector goes by the pseudonym Abu Khaled, who states that majority of fighters are there because they needed money, not because they hold the same extremist Islamic beliefs (Bender, 2015). Khaled goes on to discuss how the welfare state the brotherhood has created, provides a house, electricity, a wife, and extra money for each child or parent that is living with you (Bender, 2015). Khaled elaborates on how the political instability of Syria, further “decimated the economy,” and affected all members of society (Bender, 2015). More specifically, this helps ISIS recruit doctors and construction workers; Khaled notes “these salaries are a powerful lure for people who might not otherwise be able to support their families- or for people just hoping to get rich,” (Bender, 2015). Khaled discusses how once recruited, ISIS will pay doctors “between \$4,000 and \$5,000 a month to keep them from running off to Turkey,” (Bender, 2015). Another ISIS defector mirrored the same sentiments stating, “so many local people have joined them; they were pushed into Daesh by hunger,” (Bender, 2015). This demonstrates how extremist organizations can manipulate recruitment based on economic promises rather than extremist beliefs (Bender, 2015).

Why Entrepreneurship?

Economic despair and joblessness are at the root of the issues discussed in the previous section, demonstrating the need for alternative economic opportunities to be provided. Keeping the definition of secure peace at the forefront, securing peace abroad, contributes to securing peace at home. This section recognizes that traditional means of addressing extremist NSA have not succeeded, and establishes entrepreneurship as a vital tool for job creation. Lastly, this section uses Rwanda as a ‘textbook case’ of economic development, more specifically, the transformative powers of entrepreneurship.

Entrepreneurship is viewed as a vital tool for addressing high unemployment rates, specifically, entrepreneurship that is focused on innovative approaches to market opportunities and high- scale job

creation (Koltai & Muspratt, 2016 pg. 11). It is noted that there are a myriad of reasons people join extremist groups, but one extremely telling common denominator seen amongst fighters is joblessness (Bender, 2015). Entrepreneurship is a crucial tool not just because it combats joblessness (creates jobs and grows economies), but because jobs and growth bring political stability and underpin a CS (Isenberg, 2010).

Traditional means of addressing extremist non-state actors have not succeeded; the need for an alternative is elaborated on by British author and diplomat, Rory Stewart, in light of coalition efforts to combat ISIS, stating that counterinsurgency and state-building was used in Iraq in 2008 to combat a very similar group, Al-Qaeda (Stewart, 2014). Stewart goes on to state “we invest \$100 billion a year, deployed 13,000 troops and funded hundreds of thousands of Sunni Arab militiamen; and the problem has returned, six years later, larger and nastier,” (Stewart, 2014). This demonstrates the need to attack these issues in an alternative manner, by providing sustainable economic development, more specifically, jobs (Stewart, 2014). Peruvian economist, Hernando de Soto’s revolutionary work tied peace and prosperity to economic opportunities, stated, “The West must learn a simple lesson: economic hope is the only way to win the battle for the constituencies on which terror groups feed,” (de Soto, 2004). So how can economic hope be provided for the unemployed in the developing world?- Jobs. How do we create jobs? - Entrepreneurship.

The next section examines Rwanda; more specifically, the activities of the Rwandan Coffee Cooperative, COOPAC, are explored in hopes of concretely demonstrating the positive results yielded through successful entrepreneurship; and further demonstrating why entrepreneurship should be used as a means to secure peace.

Rwanda: a ‘Textbook case’ for Entrepreneurship in the Developing World

This section examines successful entrepreneurship through the lens of Rwanda’s newly liberated coffee sector. Rwanda is examined first, due to the fact it is a developing country with a very recent and violent history of ethnic conflict, and secondly, due to the introduction of pro-entrepreneurial policies and liberalization of key industries, such as the coffee sector (Tobias, Mair & Barbosa-Leiker, 2013). Studies have pointed to how government action in the creation of pro-entrepreneurial policies and the liberalization of the coffee sector has resulted in Rwandan entrepreneurs taking economic advantage of the liberalized sectors (Tobias, Mair & Barbosa-Leiker, 2013). These new economic opportunities have resulted in perception of poverty alleviation and has aided in post-conflict reconciliation (Tobias, Mair & Barbosa-Leiker, 2013). This section is crucial in demonstrating why

entrepreneurship promotion is a legitimate and viable option in securing peace. Rwanda is to be used as a ‘textbook case’ for the utilization of entrepreneurship as an important driver of development and economic growth (Ortmans, 2013). First, a brief examination of the actions taken by the Rwandan government provides insight to the role of government in entrepreneurship and more specifically, the opportunities that were created for Rwandan entrepreneurs. This leads to a deeper look at successful Rwandan entrepreneur, Emmanuel Rwakagara Nzungize’s, coffee cooperative, COOPAC.

The key notions to grasp from this section include: the Role of the Rwandan Government creating opportunities for entrepreneurs; Entrepreneurship has created jobs; The role of jobs in yielding results in post-conflict reconciliation and contributes to perception of poverty alleviation; lastly, how Rwandan entrepreneurs reinvest in their own communities.

The Rwandan Government’s Role in Creating Opportunities for Rwandan Entrepreneurs

Rwanda is a country that from the dust of genocide went on to become one of the top rated countries in Sub-Saharan Africa in the World Bank’s *Doing Business Report*. In 2010 alone, Rwanda jumped from 143rd to 67th in the World Bank’s *Ease of Doing Business* report; currently (2018), Rwanda’s global ranking is 41 (Mwai, 2017). Rwanda’s global ranking can be credited to “smart government engagement,” creating a supportive entrepreneurial ecosystem (Ortmans, 2013). Since 2001, The Rwandan government has been spearheading entrepreneurship through “entrepreneurship-friendly reforms, privatizing major banks and liberalizing most industries,” (Tobias, Mair & Barbosa-Leiker, 2013). Entrepreneurial policies were not solely incorporated into the overall strategy in Rwanda, but were emboldened under the leadership of President Paul Kagame; he specifically put entrepreneurship at the front and center of economic policy through the Rwanda National Innovation and Competitiveness initiative (Mwai, 2017). The Rwandan government developed a strategy that focused on leveraging local strengths, and liberalizing the markets that house local strengths (Tobias, Mair & Barbosa-Leiker, 2013).

The Rwandan government’s action has allowed for Rwandans to make use of this newly created entrepreneurial infrastructure, erecting entrepreneurship-led opportunities on the ground (Mwai, 2017). These economic opportunities bring people from different ethnicities together in a depoliticized environment, with a shared economic incentive (Ortmans, 2013). Now, a further look into Emmanuel Rwakagara Nzungize is taken, with focus on how the entrepreneurial ecosystem allowed for him to found the coffee cooperative, COOPAC, and what this has truly resulted in for Rwandans (Coopac, 2017).

Rwandan Entrepreneurship: catalyzing Post-Conflict Reconciliation and Perception of Poverty Alleviation

Emmanuel's parents fled Rwanda during times of conflict, raising Emmanuel in Congo, but the freshly liberalized coffee industry, sparked the entrepreneurial light within Emmanuel and prompted him to return to Rwanda (Tobias, Mair & Barbosa-Leiker, 2013). Emmanuel gained entrepreneurial experience in Congo, starting various businesses which proved to be the entrepreneurial-foundation of knowledge that would be applied in COOPAC's activities (Coopac, 2017). After initially setting up the coffee cooperative with 110 members, Emmanuel found innovative ways to increase the quality of coffee exports by setting up washing stations for coffee beans which contributed to increased prices of the coffee beans, and further on, increased profits (Coopac, 2017). Later on, Emmanuel secured Fair-Trade certification for COOPAC, opening up the global market (Coopac, 2017). Access to the global market in addition to the export of specialty coffee beans resulted in higher incomes for all members of COOPAC, which resulted in higher quality of life and the perception of poverty alleviation (Tobias, Mair & Barbosa-Leiker, 2013).

Not even a decade has passed since the Rwandan genocide occurred, and affected all members of society; today "approximately 20 percent of Rwanda's coffee farmers are genocide widows and orphans," (Boudreaux, 2007). The once heavily politicized coffee industry of Rwanda disincentivized working together and by that, reinforced ethnic division amongst Hutus and Tutsis (Boudreaux, 2007). The new liberalized coffee industry now requires all Rwandans to work together, through shared commercial effort (Tobias, Mair & Barbosa-Leiker, 2013). Dr Timothy Schilling of Partnership for Enhancing Agricultural in Rwanda through Linkages (PEARL), stated:

"By bringing villagers together to work toward a common economic goal, cooperatives have helped Rwandans with the monumental task of reconciliation, since genocide widows work side-by-side with the women whose husbands are in jail for participating in the killing... what's reconciliation if its not people who have conflict getting together and talking," (Boudreaux, 2007).

This same notion is mirrored through Rwandan Minister of Agriculture Anastase Murekezi words:

"Industry has certainly contributed to reconciliation...in every village we've had this very bad experience with genocide. Coffee producers were both victims and killers. Afterwards, the killers were imprisoned. Their wives and their children were at home. Close by were the survivors of the genocide. The victims were living next to the families of those who killed. But now, we have the experience of people working together. Now, we can value each family based on its real achievements in improving quality and quantity of coffee, not on ethnicity. This is a new value: a focus on work and results," (Boudreaux, 2007).

The liberalization of the coffee sector unleashed new entrepreneurial opportunities for rural Rwandan coffee farmers, and provided legitimate economic promises that encouraged coordination (Boudreaux, 2007). By expanding opportunities for entrepreneurship, the Rwandan government created opportunities for people to meet and work together in a depoliticized environment, with a shared goal of economic prosperity, that is neither Hutu nor Tutsi (Tobias, Mair & Barbosa-Leiker, 2013). In addition to entrepreneurship (in the coffee sector) aiding reconciliation in Rwanda, the perception of poverty alleviation is monumental (Boudreaux, 2007). Higher incomes resulted in higher quality of life, and that paired with reconciliation, contributes to perception of poverty alleviation (Boudreaux, 2007).

Rwandans Reinvesting in Rwanda

It is important to recall that the Rwandan coffee cooperative, COOPAC, has Fair Trade Certification (Coopac, 2017). This Fair Trade certification indicates to potential buyers of Rwandan coffee that all coffee farmers receive fair wages and work and lives in fair conditions (FairTrade, 2018). This Fair Trade certificate also ensures that coffee cooperatives such as COOPAC partake in Fair Trade initiatives; Fair Trade initiatives, in the case of COOPAC, include the building of “schools, health-care clinics, roads and bridges,” along with local development programs for women and youth (Coopac, 2017). In addition to the Fair Trade Initiatives, COOPAC promotes and provides “shade tree saplings and agroforestry education to all members,” this contributes to maintaining the cooperatives “strict organic practices,” (Coopac, 2017). This demonstrates that successful entrepreneurship can yield development results outside of private sector growth (Boudreaux, 2007).

Defining Entrepreneurship

Several theories have arisen throughout time about the role entrepreneurs play in economic growth. One recurring problem in the analysis of entrepreneurship is, as pointed out in the article “The Role of Entrepreneurship in Crisis,” is in regards to the defining of entrepreneurs and entrepreneurship; as there is not one, consolidated definition of used by economists (Galindo Martin & Méndez Picazo, 2010). When discussing the potential role of entrepreneurship in the scheme of EU DEVCO policy, it is crucial that one definition of entrepreneurship is used. Although, many economists have differing definitions of entrepreneurship and further, the role it plays in economic growth, there are many

similarities rooted in the theories; this further points out the importance of utilizing one specific definition of entrepreneurship throughout the research.

Deeper Examination of Utilized Definition of Entrepreneurship

Throughout this research, the definition of entrepreneurship used, is referenced from Steven R. Koltai. Koltai defines an entrepreneur as “a person with the vision to see a new product or process and the ability to make it happen” (Koltai & Muspratt, 2016, pg.20). In the book, *Peace Through Entrepreneurship*, authored by Steven R. Koltai and Matt Muspratt, a distinction is made in regards to the definition of entrepreneurship and what constitutes someone as an entrepreneur; stating, that not every person who owns a business is considered an entrepreneur, rather they are small business owners (Koltai & Muspratt, 2016 pg.21). The need for innovation and bringing new processes and products to the market is what makes someone an entrepreneur (Koltai & Muspratt, 2016 pg.21). Koltai’s classification simply states, a lot of people own dry cleaning companies which makes them small business owners, but if that small business owner innovates the entire process by incorporating drive-thru services while utilizing 100% environmentally sensitive chemical processes or carbon-neutral energy consumption- that is innovation, that is entrepreneurship (Koltai & Muspratt, 2016 pg.22). Koltai’s definition of entrepreneurship, with Schumpeterian values, “is about disruption, high growth, scalability, and serious job creation,” (Koltai & Muspratt, 2016 pg.20).

Although, many have debated the broadness of Koltai’s definition, he justifies the use of this broad definition with two notions. Koltai’s first justification on the use of broader entrepreneur definition, is that his definition does not require one to have an engineering degree to be an entrepreneur; often times people automatically associate entrepreneurship with the use of technology but that is not always the case (Koltai & Muspratt, 2016 pg.23). This leads to the introduction of three different levels of innovation: no-tech; low-tech; and high-tech (Koltai & Muspratt, 2016 pg.23). While keeping the central ideas of Koltai’s definition of entrepreneurship at the forefront, those being innovation and job-creation, he states that sometimes no-tech and low-tech companies often create more jobs than high-tech companies (Koltai & Muspratt, 2016 pg.23). An example of no-tech entrepreneurship is Starbucks (Koltai & Muspratt, 2016 pg.23). Starbucks innovated the coffee shop experience and now have locations on all corners of the world; Starbucks by no means invented coffee, but innovated the coffee experience. Another example of no-tech entrepreneurship pointed out by Steven R. Koltai is Uber (Koltai & Muspratt, 2016 pg.24). Again, Uber by no means invented taxis or mobile phones, or even

the concept of carriage for hire, but Uber did innovate the taxi experience, including means of recruitment (Koltai & Muspratt, 2016 pg.20).

The second justification he uses in defense of this broader definition is the idea that entrepreneurs are everywhere, “entrepreneurs are men and women, rich and poor, Christian and Muslim and otherwise; they are found in every country, be it democratic or authoritarian, industrialized or developing,” (Koltai & Muspratt, 2016 pg.15). Koltai furthers this justification by recalling famous entrepreneurs such as Mark Zuckerberg, or Bill Gates, stating that these entrepreneurs had the opportunity to grow in ideal conditions, comparing them to prize-winning roses (Koltai & Muspratt, 2016 pg.21). Koltai goes on to defend that in his experience, entrepreneurs are more comparable to crabgrass rather than roses (Koltai & Muspratt, 2016 pg.21). Koltai further explains his analogy, “crabgrass is everywhere; It does not require good soil, fertilizer, or careful tending; crabgrass pushes through the cracks in broken pavement in abandoned lots littered with broken glass and detritus” (Koltai & Muspratt, 2016 pg.24). This entrepreneurial-personification of flowers and crabgrass points out the importance of the entrepreneurial ecosystem; the entrepreneurial ecosystem is discussed in the following section in regards to its importance and how it can be influenced.

What is the Entrepreneurial Ecosystem and how can it be influenced?

This notion of the entrepreneurial ecosystem was touched upon in the previous section “Defining entrepreneurship,” with reference to Steven R. Koltai’s entrepreneurial crabgrass analogy (Koltai & Muspratt, 2016 pg.21). It is recognized that entrepreneurs are everywhere but through this analogy, entrepreneurs in developing states are more comparable to crabgrass because crabgrass grows everywhere, although, it may be lacking in good soil, fertilizer, careful tending (Koltai & Muspratt, 2016 pg.15). As mentioned in the previous section, entrepreneurs like Steve Jobs, Mark Zuckerberg, and Bill Gates are examples of “prize-winning roses that have grown in ideal conditions,” (Koltai & Muspratt, 2016 pg.15). Koltai is not alone in the biological-entrepreneurial analogy, The Kauffman Foundation, a private foundation which is focused on education and entrepreneurship, compares entrepreneurs to new trees or weeds; “while traditional economic development sees only the forest, the new trees and weeds are pushing the edge of the forest, evolving to make the forest better,” (Kauffman Foundation, n.d.). The whole notion behind the entrepreneurial ecosystem, is questioning how easy it is to plant seeds and what nutrients are needed to aid their growth into Koltai’s prize-winning roses or The Kauffman Foundation’s Forest (Koltai & Muspratt, 2016 pg.15). This notion of entrepreneurial ecosystems is crucial to take into account when considering how the EU could utilize entrepreneurship

promotions as a means to secure peace, simply because, The EU can not ‘do’ entrepreneurship promotion without assessing the entrepreneurial ecosystem; entrepreneurship promotion and assessing entrepreneurial ecosystems go hand-in-hand (Koltai & Muspratt, 2016 pg.21).

Works by Pennings (1982), Dubini (1989), Van de Ven (1993) and Bahrami and Evans (1995) were the first to coin this notion of an entrepreneurial environment, in order to give importance to some of the influencing variables that affect the ease of being an entrepreneur, such as regional economic and social factors. These works on the entrepreneurial environment shifted the research from personality-based, individualistic research to broader research that incorporated the role of social, cultural and economic forces in the entrepreneurship process (Dodd & Anderson, 2007). A modern day example of an ecosystem can be seen in Hollywood- not only actors flock to Hollywood, but many who are interested in the broader movie business do so as well, those include people working in lighting, costume, set design and the list can go on (Koltai & Muspratt, 2016 pg.31). People head to the Hollywood, the ecosystem of the movie business because that is simply where the action is. While, the most well known entrepreneurial ecosystem is Silicon Valley.

These aforementioned works disseminate the idea that the community and culture have a significant impact on the entire entrepreneurial process. Although, many attributes of successful entrepreneurial ecosystems are shared amongst researchers and practitioners, there is not a widely shared definition of the entrepreneurial ecosystem or shared model for affecting it. For the sake of this research, entrepreneurial ecosystems are defined, as “a set of interdependent actors and factors coordinated in such a way that they enable productive entrepreneurship within a particular territory,” this definition embodies elements from various economists’ definitions of the entrepreneurial ecosystem (Stam & Spiegel, 2016). As pointed out by the previously mentioned economists, measuring an ecosystem is not an exact science but the current trend is to “examine regions where startup activity thrives and study the factors that make for especially strong ecosystems,” (Koltai & Muspratt, 2016 p. 89).

When considering entrepreneurship promotion, one must take the ecosystem into account before any projects could be legitimately implemented (Stam & Spiegel, 2016). This is essential mainly due to the amenable nature of an ecosystem; ecosystems can be grown, cultivated and influenced (Koltai & Muspratt, 2016, pg. 89). The idea is that boosting this ecosystem, will allow for the crabgrass and sprouts to flourish, and hopefully one day become prize-winning roses (Koltai & Muspratt, 2016, pg. 90). Koltai, points out that ecosystem bolstering is exactly what is “required in fragile, emerging and developing markets burdened by huge numbers of unemployed people,” (Koltai & Muspratt, 2016, pg.

100). When keeping the central research question at hand, it should be noted that this is what it would mean for the EU to ‘do’ entrepreneurship promotion- the goal of the EU is not picking winners or guaranteeing that startups succeed, but rather, fostering a nurturing environment, in a very targeted manner, that increases the odds that a region’s entrepreneurs will be met with success (Koltai & Muspratt, 2016, pg. 100).

Amongst prominent works discussing the entrepreneurial ecosystem, it can be agreed that building an ecosystem is more than just designing tax-exempt categories for particular industries; instead, ecosystem development combines different activities and actors (Stam & Spigel, 2016). Various models have been employed to assess the entrepreneurial climate and further on, which actors need to be involved to create a more conducive ecosystem (Koltai & Muspratt, 2016; Pennings, 1982; Dubini, 1989; Van de Ven, 1993; Bahrami & Evans, 1995).

The previous section addresses what the ecosystem is while the following section addresses how the ecosystem can be influenced and bolstered. It is essential to grasp that entrepreneurship cannot be successfully promoted, if the entrepreneurial ecosystem has yet to be assessed and further on, bolstered.

Models for Affecting the Entrepreneurial Ecosystem: The Six+Six Model in light of Nine Prescriptions for Creating an Entrepreneurship Ecosystem

Many models/ principles/ prescriptions for designing an entrepreneurial ecosystem are in existence; for the sake of this research the Six+Six Model coined by Koltai is utilized. Although, the models are all slightly differing in nature, many are rooted in the same concepts and actors, to demonstrate this, the Six+Six Model is examined (where applicable) in light of Isenberg’s ‘Nine Prescriptions for Creating an Entrepreneurship Ecosystem,’ The Six+Six Model is utilized throughout the research due to the workable nature of the model. Other models were examined and researched, proving that the Six+Six Model provides a more legitimate means of assessing the ecosystem, and further providing legitimate means to affect the ecosystem; whereas, other models simply provided theories but not legitimate actions to be taken to affect the ecosystem (Koltai & Muspratt, 2016 pg. 88). Other models consulted in research such as “George Mason University’s Global Entrepreneurship Development Institute,” (GEDI) only focus on the “national level assessment,” while other models such as “Innovation Rainforest Blueprint, are specifically aimed at local ecosystems,” (ANDE, 2013). The Six+Six Model is more versatile, allowing for it to assess both national and local ecosystems (Koltai & Muspratt, 2016 pg. 88).

Koltai's Six+Six Model is based off six pillars that encapsulate what the ecosystem is dependent on, followed with the six actors needed to help erect said pillars (Koltai & Muspratt, 2016 pg.100). The Six+Six Model can be used as a guiding, initial diagnostic of an ecosystem, further identifying which pillars of the ecosystem are in need of bolstering; mainly, this model aides in the designing of individual programs that address the local conditions of the beneficiary country (Koltai & Muspratt, 2016, pg. 102). It is crucial to grasp the interconnected nature of the entrepreneurial ecosystem, Daniel J. Isenberg, founder of Babson Entrepreneurship Ecosystem Platform (BEEP), states that "ignoring the interconnected nature of the ecosystem elements can lead to perverse outcomes," (Isenberg, 2010).

The six pillars of the Six+Six Model are based on the following areas of activity:

- "Identify;
- Train;
- Connect and Sustain;
- Fund
- Enable (public policy)
- Celebrate," (Koltai & Muspratt, 2016).

Each of the aforementioned pillars of the Six+Six model is elaborated on, but as mentioned before, NGOs, foundations, investors, governments, academia and corporations are the actors needed to contribute to one or more pillars for this model to flourish (Koltai & Muspratt, 2016 pg.103).

Identify

Moving on to the first pillar of the Six+Six Model: Identify (Koltai & Muspratt, 2016 pg.111). The entrepreneurs within a society need to first be identified before further examination can be done (Koltai & Muspratt, 2016 pg.111). In the discussion of entrepreneurial ecosystems, many have agreed on using business plan competitions as a means to identify, or as Koltai states, they "are a good way to shake the tree and find a community's entrepreneurs," (Koltai & Muspratt, 2016 pg.111). Koltai states how important it is to recognize that entrants in a business plan competition are coming in different shapes, sizes and at different stages of gestation; Koltai further makes note of competitions which are divided in categories, such as "tech versus non-tech," or "early stage versus growth-stage entrepreneurs," help equalize the "playing field," (Koltai & Muspratt, 2016 pg. 112). It must be noted that many entrepreneurs do not have the skills needed to successfully operate a business, even if they were able to win a business plan competition; this leads to the second pillar (Koltai & Muspratt, 2016 pg. 111). Any of the aforementioned six actors, can spearhead business competitions (Koltai & Muspratt, 2016, pg. 112).

Throughout research, it has been made clear that most models assume that entrepreneurs in society have been identified already, whereas the Six+Six Model works under the assumption that entrepreneurs exist in all societies, but there is still a need for them to be legitimately identified (Koltai & Muspratt, 2016 pg. 112).

Train

The second pillar: Train, revolves around the fact that local entrepreneurs need to be trained in basic skills needed for operating a business; this pillar is entirely about skills development (Koltai & Muspratt, 2016 pg. 115). Koltai discusses how all entrepreneurs can benefit from training from a core curriculum of “Business ABCs,” those being “basic finance and accounting; competitive analysis; marketing; human resources and organizational development; selling and pitching,” (Koltai & Muspratt, 2016, pg. 115). Sources of training can be received through friends, mentors, foreign investors, and NGOs (Koltai & Muspratt, 2016, pg. 114).

Connect & Sustain

The third pillar focuses on the idea of Connecting and Sustaining entrepreneurs (Koltai & Muspratt, 2016, pg. 120). In all discussions of the entrepreneurial ecosystem, it has been agreed that the notion of ‘connect and sustain’ is one of the most integral aspects of a successful entrepreneurship ecosystem. Feld states that, “successful entrepreneurial ecosystems have multiple attributes,” but visible entrepreneurs in a society that are connected can be considered “the heart of a successful ecosystem,” (Feld, 2012). Koltai has boldly stated that mentoring, “is the single most critical determinant of success or failure for a startup,”; further discussing how connecting an entrepreneur “with someone who has been-there-done-that is vital,” (Koltai & Muspratt, 2016, pg. 53). Speaking more broadly of the entrepreneurial ecosystem Koltai points out that, “mechanisms that deliver experience and encouragement for startup founders are a key presence in strong ecosystems,” (Koltai & Muspratt, 2016 pg. 53). The Connect and Sustain pillar also encompasses the idea of shared workspaces, meet-ups and incubator and accelerator programs (Koltai & Muspratt, 2016 pg. 114). The difference between incubator and accelerator programs could best be described in the following: an incubator “is usually (but not always) a physical space that provides temporary premises for an entrepreneur at the early stage to develop a concept or refine a product or service, or develop a business plan or pitch,” While on the other hand, accelerator programs, “are more virtual or run only short-term in physical residence, and are for startups that are further along,” (Koltai & Muspratt, 2016 pg. 114). Accelerator

programs are for businesses that need more specific mentoring, who may be in the process of fine-tuning products and service (Koltai & Muspratt, 2016 pg.114). Both incubator and accelerator programs do the same thing through the lens of sustain, which is providing startups with the support and mentorship they need “to help them grow,” (Koltai & Muspratt, 2016 pg.114).

This core idea of Connect and Sustain is present in Isenberg’s “Nine Prescriptions for Creating an Entrepreneurship Ecosystem,” under prescription eight, “Don’t Over-engineer Clusters, Help Them Grow Organically” (Isenberg, 2010). Clusters refer to this notion of connecting companies, entrepreneurs, specialized suppliers, training institutions etc., and further sustaining the relationships (Isenberg, 2010). Prescription eight of Isenberg’s model recognizes the importance of connecting and sustaining, while highlighting the fact that clusters occur organically and the government being unable to “breed” clusters (Isenberg, 2010). This prescription focuses more on limiting the government’s involvement in the emergence of clusters, while the Six+Six Model focuses more objectively on the emergence of clusters. Although, the focus of Isenberg and Koltai’s models differ slightly, both models recognize the importance of clusters, alongside, connecting and sustaining entrepreneurs and their business ventures (Isenberg, 2010; Koltai & Muspratt, 2016).

Fund

The fourth pillar focuses on Funding. Quite obviously, this pillar is critical because as with any business or venture, if there is no capital, there is no business (Koltai & Muspratt, 2016 pg.115). Koltai points out that regardless of the location of an entrepreneur, majority of the time, an entrepreneur’s first dollars usually come from the entrepreneur themselves (Koltai & Muspratt, 2016 pg.115). Koltai further points out that in some more developed economies, angel investors may provide early-stage support, which further down the line leads to “venture capital (VC) and then debt (for example, bank loan and mortgages), to strategic partnerships with larger firms and private equity,” (Koltai & Muspratt, 2016 pg.115). Koltai discusses that a sign of a strong ecosystem is the presence of “multiple mechanisms for funding the best ideas and a mature financial apparatus for companies further along,” rather than money being distributed for every idea (Koltai & Muspratt, 2016 pg.113). This pillar also works on the basis that everywhere in the world, even in the poorest of countries, there is an elite class (Koltai & Muspratt, 2016 pg.113).. This elite class may have been storing money in London or Switzerland, but encouraging the local elite to invest in local startups will activate local money and help bolster this funding pillar (Koltai & Muspratt, 2016 p.114).

Isenberg elaborates on this notion in prescription four: “Favor High Potentials,” (Isenberg, 2010). It is pointed out that if governments start handing out money indiscriminately, the market will be flooded with overvalued, poor-quality deals, and this will act as an obstacle for private equity investors to make money (Isenberg, 2010). Today, microfinance for small-scale entrepreneurs has become mainstream, Isenberg believes that if resources are limited, programs should try to first focus on “ambitious, growth oriented entrepreneurs who address large potential markets,” (Isenberg, 2010).

Again, both models embody the same idea, highlighting the importance of gaining access to capital, and more specifically, that capital cannot be indiscriminately distributed to everyone (Isenberg, 2010). The Six+Six Model recognizes that there are many different ways of receiving funding, while Isenberg’s prescription, focuses on the idea of favoring the entrepreneurial initiatives that have the highest potential (Isenberg, 2010; Koltai & Muspratt, 2016).

Enable

Moving on, the fifth pillar focuses on enabling (through public policy) (Koltai & Muspratt, 2016 p.115). Since corruption is one of the most decisive reasons as to why startups fail, public policy must be conducive to entrepreneurship; “startups should be enabled rather than hindered by the regulatory environment,” (Koltai & Muspratt, 2016 p.115). This pillar focuses on the ease of doing business within a community (Koltai & Muspratt, 2016 p.116). Koltai points out, that this includes parameters regarding “tax incentives, and all the political and institutional factors that can help or hurt a startup,” (Koltai & Muspratt, 2016 p.115). Although, the focus of this pillar is on the government, non-governmental actors can be enabled as sources of pressure (Koltai & Muspratt, 2016 p.116). For example, The World Bank’s *Doing Business* report provides a comprehensive quantitative account of business regulations in over 180 economies, aimed at encouraging governments to adopt more entrepreneurship-friendly regulations (TWB, 2017). This report further provides a world ranking based on how effectively a country is enabling entrepreneurship, and since, as Koltai points out, “no one wants to be last at anything,” this report provides legitimate reasoning for NGOs to apply pressure (Koltai & Muspratt, 2016 p.116).

This pillar is heavily discussed in all models researched; in Isenberg’s “Nine Prescriptions for Creating an Entrepreneurship Ecosystem”, prescription nine: “Reform Legal, Bureaucratic, and Regulatory Frameworks,” he specifically points out the fact that this area of activity is presented last in his theory (Isenberg, 2010). This is due to the fact that he noticed that this area is often the first and exclusive focus of governments, while in fact, the government has a “more comprehensive and holistic role to play,” stressing the interconnected nature of all entrepreneurial ecosystem-building models (Isenberg,

2010). It is further pointed out that entrepreneurship happens in the time spent negotiating regulatory reforms, in the absence of said, regulatory reforms (Isenberg, 2010). With reference to Koltai's crabgrass analogy, Isenberg discusses that numerous entrepreneurs have found success "despite inhibiting legislation and bureaucracy" later on using their found success, to help "push for reform," (Isenberg, 2010). Various reforms have been linked to having a positive impact on entrepreneurship and further venture creation, such as decriminalizing bankruptcy, shielding shareholders from creditors, along with shifting workers' unemployment protection from making termination difficult to providing support for the unemployed (Isenberg, 2010).

Both, Koltai and Isenberg's models recognize that the government has a crucial role in the building of an entrepreneurial ecosystem, but that this area of activity does not need to come first per se (Isenberg, 2010; Koltai & Muspratt, 2016). The last section established the crab grass analogy, essentially, that entrepreneurs are everywhere and can succeed despite the inhibiting red tape, but it is the role of the government to try to ease this process (Isenberg, 2010). Both Koltai and Isenberg state there will not be truly effective reform "in the absence of all 'softer' approaches government can take to building ecosystems," this includes education and celebration of entrepreneurs (Isenberg, 2010). It is clear the government has an important role to play in aiding the ecosystem, but it is not the only actor responsible (Koltai & Muspratt, 2016 pg. 20).

Celebrate

The sixth pillar focuses on celebrating (entrepreneurs). Going back to the Hollywood example, a strong ecosystem for the movie business- everyone in Hollywood thinks it is 'cool' to be in the movie business (Koltai & Muspratt, 2016 pg.31). This same idea needs to be applied to an entrepreneurial ecosystem; a strong entrepreneurial ecosystem is one where it is 'cool' to be an entrepreneur, for example, Silicon Valley (Koltai & Muspratt, 2016 pg.31). This notion of celebrating is very important, by celebrating entrepreneurs within a community, other members of the community recognize entrepreneurship as a viable and legitimate career path (Koltai & Muspratt, 2016 p.139). A culture that does not celebrate entrepreneurship is amenable to change, through the celebration of local entrepreneurs who do in fact, succeed (Koltai & Muspratt, 2016 p.139). Entrepreneurship is not globally celebrated or accepted as a viable career path (Koltai & Muspratt, 2016 p.139). For many citizens in the developing world, it is more attractive to take a government job or a job for a NGO than to start your own business (Koltai & Muspratt, 2016 p. 140). One way to bolster this pillar is to invest in journalism training (Koltai & Muspratt, 2016 p. 140). Koltai justifies this because, "the robustness of an entrepreneurship ecosystem is reflected in how much ink is spent on the subject," stressing that activities taken under this pillar must aim to increase "the quantity and quality of startup coverage,"

(Koltai & Muspratt, 2016, pg. 138). The difficulty with this is that in many developing countries, journalists are well versed in covering new happenings by major companies or corporations (e.g. Coca Cola), but have no idea how to cover a new startup (Koltai & Muspratt, 2016 p.139). In the West, entrepreneurs are also celebrated through shows such as Shark Tank, and The Dragon's Den, inspiring the materialization of good ideas by fellow entrepreneurs who tune in (Isenberg, 2010).

This notion of celebrate is present in almost all models for affecting the entrepreneurial ecosystem. For Isenberg, it is prescription five: "Get a Big Win on the Board," (Isenberg, 2010). Isenberg points out that visible successes that highlight the tangible rewards, aid in reducing the perception of entrepreneurial barriers and risks; essentially, showing locals how successful their neighbors have become from entrepreneurship helps diminish the societal fears about entrepreneurship (Isenberg, 2010). Governments must help in this area of activity; celebration of entrepreneurs can be done through "media events, publicized awards, touts in government literature, speeches and interviews," (Isenberg, 2010). Isenberg refers to this notion as "the law of small numbers," that by sharing the success story of even one entrepreneur ignites the imagination of the public and inspiring imitators (Isenberg, 2010).

Both models place a heavy importance on the idea of celebrating entrepreneurs in a society. It is important to grasp that each country, region, and community can have different opinions on entrepreneurship (Isenberg, 2010; Koltai & Muspratt, 2016). Therefore, assessing the entrepreneurial ecosystem is essential to determine which actions will be most successful in affecting public opinion (Isenberg, 2010; Koltai & Muspratt, 2016).

Concluding, the Six+Six Model is a clear and concise way to assess the entrepreneurial ecosystem of the given country, region or community. To summarize, the six pillars of activity are: Identify; Train; connect and Sustain; Fund; Enable; and Celebrate. The actors that need to be present in one or more pillars are: NGOs, foundations, investors, governments, academia and corporations (Koltai & Muspratt, 2016). It should be noted that this model is not a step-by-step roadmap to building an entrepreneurial ecosystem, because it works under the idea that the climate in each potential region is different, so different pillars will need to be bolstered (Koltai & Muspratt, 2016, pg. 113). Koltai elaborates on this idea by stating that in a very healthy ecosystem, you might see the following interactions between actors and pillars:

"a NGO running a bookkeeping training program for startup founders; a foundation sponsoring a business plan competition with a seed grant for top prize; a university engineering department building a prototyping and testing facility; multiple angel investors

and VC firms looking for deals; town hall encouraging business formation by subsidizing work space on Main Street and a key minister championing entrepreneurship nationally; a major corporation sponsoring an incubator to house new firms that could become customers or suppliers,” (Koltai & Muspratt, 2016 p. 115).

Key Players in DEVCO policy

Currently, the European Commission’s Directorate-General for Development and Cooperation (DG-DEVCO), also known as EuropeAid, is one of the Directorate-General of the European Commission (EC); this materialized in 2001, Development and Cooperation-EuropeAid was created through the merging of the EuropeAid External Cooperation Office and the Directorate General for Development and Relations ACP countries (European Commission, 2013). DG DEVCO works with other “commission services, EU institutions, and Member countries on development matters,” but is viewed as a single reference for all stakeholders, in or outside of Europe on development and cooperation (EC, 2015).

The EEAS and EuropeAid have multiple shared competencies; It should be noted that the EEAS and EuropeAid, jointly propose programming (European Commission, 2015). In the scheme of international development, the EU has two different types of programming, thematic and geographic; thematic programs are implemented “using a horizontal approach,” focusing on thematic issues such as “improving education and protecting health,” (European Commission, 2015). Whereas, geographic programs focus on development priorities, “in cooperation with the beneficiary countries,” (EC DCI, 2016). The EEAS has a larger role in geographic programming due to the fact, they are the ones on the ground in EU delegations, spearheading development cooperation discussions (European Commission, 2015). There are currently 141 delegations and offices around the world; they have the power to “readjust aid priorities to respond to needs,” in host countries (EC, 2015).

The broader DEVCO policy and interventions is dictated by the EU’s commitment in achieving the current UN Sustainable Development Goals (SDGs); this commitment spans from internal to external policies (EC SDGs, 2017). The current SDGs build upon the MDGs and converge with the post 2015 Development Agenda (EC SDGs, 2017). The UN General Assembly (GA), along with a set of 17 SDGs and 169 associated targets (EC SDGs, 2017), formally adopted the 2030 Agenda for Sustainable Development. It should be noted that the main goal of international development has been and still is

to “end poverty in all its forms, everywhere,” ²(EC SDGs, 2017). Based off these different areas of priority laid out in the SDGs, EuropeAid breaks down DEVCO policy into different sectors (EC, 2017). This allows for the intended goals and area of action to be more clearly defined. Currently the sectors are divided in the following categories: “Human Rights and Democratic Governance; Food and Agriculture; Economic Growth; Infrastructure; Environment; Energy; Migration and Asylum,” (EC, 2017). These sectors are further broken down with focus areas.

Keeping the central research question in mind, a deeper examination into the sub-sectors of the Economic Growth sector is taken due to the economic aspect of the central notion. This sector is further categorized in the follow subcategories: “Private sector Development; Aid for Trade; Regional Economic Integration; and Public Finance and Macroeconomic Assessment,” (EC, 2016). Under Private Sector Development, it is stated that DEVCO policy “encourages entrepreneurship and diversification of the economy,” yet there is no information found on legitimate projects that were implemented with the sole aim of “encouraging entrepreneurship,” in a holistic manner (EC, Private sector Development, 2016). The introduction makes mention of a communication, in light of private sector development, but as established, the communication has not been adopted in the form of holistic, interconnected projects (European Commission, 2014). Further on, communications have no legal effect, rather communicate the thinking of the EC (EC, 2015).

Issues with International Development: Warner Bros. Studio Analogy

In the book, *Peace Through Entrepreneurship*, Koltai and Muspratt present a thought-provoking analogy in regards to the movie production company, Warner Bros. Studio, and the role of the people and/or governments in designing development projects. This analogy defines the need to have people with private sector experience involved in the design of development projects aimed at private sector growth.

Koltai and Muspratt discuss how Warner Bros. Studio, is a globally recognized brand with the largest film and television studio in the world. What is interesting is that Warner Bros. Studio does everything in the movie and television industry, *except* making the actual movies and television shows (Koltai & Muspratt, 2016, pg.145). Koltai and Muspratt go on to recognize, “it [Warner Bros. Studio] employs several thousand people; it finances, distributes, markets, and holds the copyright for many of your

² A list of the current SDGs is provided in the appendix for further reference.

favorite movies and television shows; it owns and exploits ancillary rights, as well as selling themed toys, t-shirts, and video games that spin off the biggest hits,” (Koltai & Muspratt, 2016, pg.145). So if Warner Bros. Studio, or any production company for that matter, is not responsible for making the movies and television shows, who is? Small production companies (Koltai & Muspratt, 2016, pg.145). These small production companies are the ones creating the content and the ones responsible for our favorite movies and television shows (Koltai & Muspratt, 2016, pg.146). The role of the production company here is to finance these small production companies; this includes the studio “assigning support staff like accountants, line producers, legal and subcontractor personnel- and just as important, sell (distribute) the final content,” (Koltai & Muspratt, 2016 pg. 146).

Therefore, it can be understood that the production companies are not comprised with the creative people penning classics, rather, production companies are responsible for aiding the production of the creative content, and ensuring it will reach a wide audience. Koltai and Muspratt go on to point out that, “even in a creative industry, it is not the large corporation that delivers creativity and innovation,” (Koltai & Muspratt, 2016 pg. 146). Koltai elaborates on this notion by presenting an analogy: asking the government to develop and implement innovative entrepreneurship development programs “is a lot like asking Warner Bros. Studio to have its own employees pen classics like Harry Potter, or A Clockwork Orange,” (Koltai & Muspratt, 2016 pg. 146). It is simply not possible or expected (Koltai & Muspratt, 2016 pg. 146). This analogy leads to questioning how many people responsible for coming up with private sector/ entrepreneurship projects, actually have private sector experience. There is no information found on EuropeAid websites in regards to the amount of people working in the private sector, have private sector experience.

Summary of Literature Review

The literature review examines key players in the scheme of EU DEVCO policy, with EuropeAid and EEAS standing at the core (European Commission, 2015). The lack of information found on EU websites in regards to the amount of people working in private sector development, with private sector experience and more broadly, a lack of information on past actions taken to “encourage entrepreneurship,” lays out the essentialness of obtaining an interview. Further on, the literature review concretely demonstrates the definition of entrepreneurship utilized throughout in an essential examination of varying definitions and theories behind entrepreneurship. This leads to a deeper look into the notion of entrepreneurial ecosystems and the notion that ecosystems are amenable to change; there are a number of models in existence to affect the entrepreneurial ecosystem (Koltai & Muspratt,

2016 p.15). For the sake of the research, Koltai's Six+Six Model is the model of reference throughout, but is examined in light of Isenberg's 'Nine Prescriptions for Creating an Entrepreneurial Ecosystem,' The literature review further establishes key notions about the role of joblessness in political stability. A deeper examination into The Arab Spring Revolutions demonstrate that joblessness can in fact, lead way for violence and the destruction of CS; further on, high unemployment rates, particularly amongst youths, is worrying due to the growing numbers of extremist NSA which poses a threat to international security.

Rwanda is examined as a 'textbook case' for entrepreneurship in the developing world, in light of the post- conflict reconciliation and perceived poverty alleviation yielded through entrepreneurial opportunities (Tobias, Mair & Barbosa-Leiker, 2013). The rising incomes and new skills learned attributed to perceived poverty alleviation and suggest that the government's actions in aiding entrepreneurship and liberalizing the coffee sector "pays large dividends in terms of both economic development and peace," (Boudreaux, 2007).

METHODOLOGY

Whenever one looks to further analyze, investigate or research any given topic, one must use different methods of researching to ensure the overall quality of the research. It is essential to analyze the topic of research to determine which sub questions will help guide that research, and further on, which methods will be utilized to reach a sufficient answer to the central research question. These research methodologies can best be broken down into qualitative versus quantitative research; and inductive versus deductive reasoning while having the option to consult primary or secondary sources. While the introduction lays the groundwork, essentially providing the ‘why’ behind the research; this section, addresses ‘how’, ‘who’, ‘what’ and ‘where’ (Dudovskiy, 2015).

Qualitative versus Quantitative

The main difference between qualitative and quantitative research is that the former relies on the quality of information and details gathered (Dudovskiy, 2015). Whereas, the latter focuses on research that can be expressed in terms of quantities; this includes graphs, surveys, questionnaires or polls (Dudovskiy, 2015). It can be said that the major difference between is that quantitative data “tends to be broad,” while qualitative research “tends towards depth,” (Saunders, Lewis & Thornhill, 2009). Oftentimes, researchers will use a combination of methods to ensure the most accurate and reliable results. It can be said that this research has been conducted through the lens of the qualitative methodology due to the more theoretical nature of the central research question at hand; this implies that quantitative data through the form of surveys is not useful or applicable in light of the topic at hand. The aim of the research is to determine the way in which the EU can legitimately elevate entrepreneurship promotion as a means of development; this concept does not deal with the individual opinions of EU citizens, as this is a project that would be implemented in a beneficiary country. Quantitative data for this research would prove useful if the researcher is in a position to survey new recruits of ISIS or other extremist NSA groups and examine the reason behind recruitment. Since the researcher is not in a position to poll opinions in such a manner, qualitative sources are most utilized throughout. Although, it should be noted that majority of qualitative desk research sources, provide personal accounts of individuals recruited in extremist NSA groups, so again, deeming quantitative data as inessential.

It can be said that throughout, research has been divided in two categories, the first category focuses on the EU aspect of the central research question, while the second category is concerned with entrepreneurship promotion. The aim of the research is to seamlessly tie research from both categories together, providing an overall answer to the central research question.

Qualitative Desk Research

This research relied mainly on qualitative research, in the forms of desk research and semi-structured interviews. Qualitative desk research includes consulting both primary and secondary sources; this proves essential in gathering in-depth and varied information that allows one to consider all perspectives. In the realm of qualitative desk research, business and academic journals, government websites, books, and empirical studies are consulted. In regards to the entrepreneurship aspect of the central research question, economists and organizations focused on entrepreneurship are consulted with the aim of determining the way in which entrepreneurship promotion could most effectively be implemented. Due to lack of consolidated definitions in the realm of economics, establishing a definition and understanding of entrepreneurship is essential; this is done through consulting primary sources, being the original writings of economists.

This research uses the examples of The Arab Spring Revolutions, Extremist NSA and Rwanda to demonstrate key notions relating the topic. The Arab Spring Revolutions were examined through the lens of local and international newspapers, trying to provide an accurate picture of the situation. The role of joblessness in extremist NSA is examined through published interviews with ISIS defectors, alongside UN publications. Rwanda is provided as a ‘textbook’ case for development through a deeper look into two empirical studies, focused on the Rwandan coffee sector and the introduction of pro-entrepreneurial policies; these studies act as primary sources due to the empirical nature of the study (Dudovskiy, 2015).

Qualitative Semi-Structured Interviews

Qualitative semi-structured interviews provided the research with primary data; due to the fact primary sources include all things original, therefore, all interviews, act as primary sources (Ithaca College). The semi-structured approach of the interviews is chosen with the aim that new information would be learned. Taking this approach consists of having main areas of discussion or questions laid out beforehand, allowing the researcher to further question or clarify an interviewee based on their responses. It has been said that qualitative interviews are best when questions are asked in an open-ended manner, in order to gain more spontaneous answers rather than “rehearsed positions,” (Gilbert, 2015).

The interviewees are chosen due to their first-hand experience in the field of economics or international development and cooperation. It should be recognized that in answering a central

research question, the researcher is not an expert on the topic beforehand, but rather reaches out to experts to provide more thorough information; for this reason, a structured interview would not provide the organic exchange of knowledge that is sought out.

Laure Roges and Marc Litvine, EuropeAid employees of the private sector for Latin America, provide essential information in regards to clarifying all aspects of EU DEVCO policy, and help provide answers to aspects not found or understood in the initial qualitative desk research. An interview with Roges and Litvine is crucial due to the fact they work under private sector development in the Latin American Regions; interviews with EuropeAid employees working in other priority sectors, such as, Infrastructure or Agriculture, would not have been as useful due to the central notion at hand being entrepreneurship promotion (Roges, L & Litvine, M. personal interview, Jan 18, 2018).

Matthias Deneckere, policy officer, from the European Center for Development Policy Management (ECDPM) provide crucial contributions that affect the overall recommendation (Deneckere, M. personal interview, Jan 23, 2018). Deneckere experience and knowledge in the realm of international development provided more candid responses about EU DEVCO policy.

Friedrich Bokern is the founding chairperson of an independent nonprofit organization based in Lebanon; the nonprofit organization uses a methodology that blurs and combines the lines of conflict transformation and humanitarian aid; Bokern also worked as an adviser to the President of the European Parliament (EP) under former Polish Prime Minister, Jerzy Buzek (Bokern, F. personal Interview, Jan 4, 2018). Bokern proves to be an essential interview due to his background both on the ground in Lebanon and in the EP.

Lastly, Nika Salvetti is interviewed due to her background in economic development; Salvetti has had years of experience on the ground implementing socio-economic projects, while also having experience in researching and lecturing at places such as UPEACE (Salvetti, N. personal Interview, Jan 7, 2018).

Primary Sources Versus Secondary Sources

Consulting both primary and secondary sources is crucial in successfully answering the central research question at hand. Primary sources include all original sources consulted in the aims of answering the central research question; whereas secondary sources are based off primary sources and do not include original data but rather, thought analyses and opinions on primary data (Saunders, Lewis & Thornhill, 2009). Primary sources that are utilized throughout include all EU websites, in

addition to all European documents and legislation that outline the EU DEVCO policy. Primary sources provide the groundwork of understanding, to then further consult secondary sources that may critique the initial primary source. Primary sources include all things original, therefore, all interviews, regardless of the structure will act as a primary source (Ithaca College).

Inductive versus Deductive Approach

The difference between deductive and inductive reasoning can best be understood in the following manner: deductive reasoning begins with a theory, which leads to a hypothesis, which leads to the observation or test of the hypothesis, lastly, leaving you with confirmation or rejection of the hypothesis and initial theory (Dudovskiy, 2015). Whereas, Inductive reasoning the opposite is done; one starts with an observation, which leads to question whether or not there is a pattern within that observation, moving on to a hypothesis and lastly leading one to the theory (Dudovskiy, 2015). Due to the nature of the individual research at hand, inductive reasoning is used, going from broad generalizations to specific observations with a further deductive approach. The initial observation lead to the finding of a theory, this lead to examining the theory through general observations down to specific observations in light of the negative aspects of joblessness in a society. Ultimately concluding in the deductive approach of confirming, denying or altering the existing theory, in light of the Six+Six Model and further, establishing its implementation.

Research Ethics

The ethics behind research has been said to be one of the most important aspects of research (Saunders, Lewis & Thornhill, 2012). This research has recruited the use of human subjects to conduct primary data through the form of semi-structured interviews; this therefore demonstrates the need to be sensitive of human research ethics (Saunders, Lewis & Thornhill, 2012). To adhere to The American Psychological Association's (APA) guiding principles for ethical research conduction, all interviewees signed an informed consent form (APA, 2017).

Having interviewees fill out an informed consent forms ensures they are aware of the topic and aims of research; provides opportunities for interviewees to clarify aspects prior to agreeing to an interview; informs interviewees the interview is recorded, and more specifically, only the researcher has access to said recordings; informs interviewees that pseudonyms can be used; and lastly, gives the interviewee the option to stop the interview at any time. The informed consent form most clearly demonstrates the APA's "Principle E: Respect for People's Rights and Dignity," (APA, 2017). Other APA principles are used to guide the way in which the researcher conducts and presents the findings; these include aspects relating to the integrity and responsibility of the researcher in "promoting accuracy and truthfulness," and the need to not insert individual biases in research (APA, 2017). It can be said that biased research

impacts the public and the subjects negatively (Saunders, Lewis & Thornhill, 2012). Therefore, this research paints an honest and clear picture of obtained primary data.

“Principle D: Justice,” lays out the need for all researchers are entitled “to benefit from contributions of psychology and to equal quality in the processes, procedures and services being conducted,” (Saunders, Lewis & Thornhill, 2012). This principle is adhered to through the final publishing of the overall research allowing other researchers to access and benefit from.

Research Limitations

Research limitations are considered all influences and aspects that the research cannot control (Dudovskiy, 2015). These include all shortcomings, influences, and conditions that are out of the researchers hand, which further places “restrictions on the methodology and conclusions,” (Gilbert & Stoneman, 2016). There are several limitations present in the scope of research.

Limitations of Budget and Geographical Location

Limitations of budget and geographical location restricted the scope of the research. As previously established, related topics such as The Arab Spring Revolutions, Extremist NSA and Rwanda are examined in depth via qualitative desk research. The research would be enriched if the researcher was able to travel to the Middle East and North Africa (MENA) region and examine, first-hand the situation, and more specifically the role of joblessness. This would have provided the research additional primary data and would have allowed the researcher to potentially demonstrate how entrepreneurship promotion could be legitimately incorporated in a specific beneficiary country. Further on, if the researcher was able to travel to Rwanda, a more current re-examination into the coffee sector could have been done. The empirical studies referenced in discussions of Rwanda are not from 2018, therefore, a re-examination would prove useful in painting the picture of the situation today; this would further legitimize the research at hand. As previously established, quantitative data would have proved useful if the researcher was given the opportunity to travel to aforementioned places to conduct applicable primary research.

Interview Limitations

Another limitation is in regards to the interviews. The interview with Deneckere was conducted in person in Maastricht, Netherlands; interviews with Roges and Litvine were conducted via Skype due to their location in Brussels, Belgium. The limitation here is present with the interview with Salvetti due to her being based in Vietnam. There is a 12 hour time difference between Vietnam and where the

researcher is based, which acted as an obstacle in arranging a convenient time for a Skype interview. Therefore, a list of questions was sent to Salvetti, allowing for the researcher to ask follow up questions via email based on the responses. A Skype interview with Salvetti would have contributed more to the research due to the more in-depth responses that are provided via oral conversations; rather than written communications.

Limitations In regards to Official EU websites

Another limitation found in the research is in regards to the EU's official websites, specifically in regards to DG-DEVCO/ EuropeAid website. The EU jargon and layout of the websites, at times made areas difficult to research, pointing out the essentialness of obtaining an interview. The EuropeAid website does not provide a clear overview of all projects and outcomes of EU DEVCO interventions, which further pointed out the crucialness of an interview.

The EuropeAid website provides a contact form where interviews can be requested, although it is essentially useless, which acts as a limitation. Twelve different contact forms were filled out over the course of three months with little and often times, no response. This pushed the researcher to contact EuropeAid's Twitter account and discuss the issue, but even that proved useless. The conducted interviews with Roges and Litvine were made possible through the researcher's own initiative, due to the uselessness of the contact form. Upon realizing that the contact form would not prove helpful in arranging an interview, the researcher sought out EuropeAid employees on various platforms. These platforms include LinkedIn and Twitter. Being able to gain an interview via the initial contact form would have provided the researcher with more time to conduct other potential interviewees, but rather, an enormous amount of time and effort was placed on obtaining an interview with EuropeAid.

Delimitations

Delimitations consist of the boundaries set by the researcher (Gilbert & Stoneman, 2016). For example, the aim of this research is not preoccupied with the legitimate fiscal implementation of a specific beneficiary country, but focuses more on the theory behind entrepreneurship promotion and how it can be elevated as a means of development. The research does not take into account the amount of money or the funding instruments that would be used to finance this project. This research recognizes the untapped potential in the EU's current approach to private sector development, and therefore, aims to recommend an improved theoretical approach, focused on an interconnected and

holistic project. Delving into details surrounding funding instruments could act as a point of research in and of itself, and therefore, would only detract the overall aim of *this* research.

FINDINGS

The literature review and the qualitative desk research that accompanies it, lays the basis for expert interviews. Experts in the field of economics and international development and cooperation are consulted to provide supplementary information to the research. The interviewees of this research are, Laure Roges and Marc Litvine of EuropeAid; Matthias Deneckere from ECDPM; Friedrich Bokern founding chairperson of non-profit organization in Lebanon (R&R) who has experience in the EP; and Nika Salvetti, former lecturer at UPEACE and development economist³

Arab Spring: A Cry for Dignity

The topics of interest from the literature review- The Arab Spring Revolutions; Extremist NSA; and Rwanda, are more deeply examined through interviews with experts in the field of economics and international development.

When asked about Arab Spring and whether or not it was a cry for economic opportunities rather than a cry for democracy, Deneckere stated, “indeed, lack of employment opportunities have been a critical factor in the destabilization of certain regions,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere further makes mention of the quickly growing youth populations in places where the economy is not growing at the same pace, leading to “a big structural problem,” (Deneckere, M. personal interview, Jan 23, 2018). Whereas, Bokern believes that the Arab Spring Revolutions were the people’s cry for dignity rather than the specific cry for economic opportunity (Bokern, F. personal Interview, Jan 4, 2018). Bokern notes that economic liberalization and fostering entrepreneurship in Syria failed due to the fact all the money went “into the pockets of the regime,” (Bokern, F. personal Interview, Jan 4, 2018). Deneckere shared similar ideas using an example of the region near the Delta River, in light of government contracts with big oil companies exploiting the oil rich region (Deneckere, M. personal interview, Jan 23, 2018). This became an issue because the government failed to reinvest in the communities and societies of the region who were experiencing negative side effects from the big oil company’s presence (Deneckere, M. personal interview, Jan 23, 2018). Deneckere claims that obviously that “created a lot of grievance amongst the local population,” going on to note, “if they lose their income and this is not being compensated in one way or another, or they do not see the money coming back from the capital towards investments in infrastructure, to investments in education and other economic opportunities, then this creates huge problems,” (Deneckere, M. personal interview, Jan 23, 2018). He further demonstrates that the government’s lack of incentive to

³ More detailed information on interviewee’s backgrounds is located in the Methodology Chapter.

invest back into the region was a big issue because “it has been a reason of violent clashes with the government,” (Deneckere, M. personal interview, Jan 23, 2018).

Deneckere also mentions that he believes the cry for economic opportunities does not stand in opposition to the cry for democracy, stating that they are more “two sides of the same coin,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere justifies this idea by stating, “it is not so much a matter of creating a strong economy, but also how the economic gains that are created return to society,” (Deneckere, M. personal interview, Jan 23, 2018). While Bokern elaborated on this in light of states which modernize from above, that “a small elite has been profiting much larger than the last population from any forms of modernization, including economic modernization,” (Bokern, F. personal Interview, Jan 4, 2018). Bokern goes on to recognize that yes there is clearly anger about the economic situation, but to be careful in saying this is the *only* cause (Bokern, F. personal Interview, Jan 4, 2018).

Role of Joblessness in Extremist Non-State Actor Recruitment

When discussing extremist NSA, Deneckere believed NSA to be one of the biggest threats to international security (Deneckere, M. personal interview, Jan 23, 2018). He immediately uses the examples of the Paris, Brussels and Berlin attacks to justify his stance; however, he does note “that is not the only security threat to Europe,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere also recognizes how the notion of interstate-war, “is from the past and it is indeed, extremist NSA that are the main threat,” today (Deneckere, M. personal interview, Jan 23, 2018). Deneckere goes on to point out that a lot of research has already confirmed that “the lack of economic opportunities have played a huge role in the ability of such terrorist organizations to mobilize young people,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere discusses how extremist NSA use economic incentives to make joining seem like a legitimate career path; more specifically Deneckere mentions that Boko Haram was able to recruit a young Nigerian man to join for “more or less \$6,” due to the “huge lack of economic opportunity in the regions where they [Boko Haram] are from,” (Deneckere, M. personal interview, Jan 23, 2018). Bokern makes note of the relationship between joblessness and extremism but chooses his words very diplomatically by stating, he doubts to “construct a monocausal correlation between the two factors because it is part of the broader picture,” although he recognizes there is a relation “for sure,” (Bokern, F. personal Interview, Jan 4, 2018).

In a discussion of extremist NSA and joblessness, Roges recalled her work for an NGO in Cameroon that tried to tackle extremism; the NGO aimed to improve living conditions so individuals would be less likely to enroll in extremist groups (Roges, L & Litvine, M. personal interview, Jan 18, 2018).

Roges goes on to mention that in her opinion, all development contributes to higher quality of life, and therefore, “contributes to limiting enrollment in these groups,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Whereas, on the other side of the coin, Deneckere warns that it is possible to “do development in ways that actually make security and stability worse than before if you do not have a sufficient understanding of how the society in which you are intervening functions,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere elaborates on the potential negative outcomes of development, more specifically how entrepreneurship has the potential to empower terrorist non-state actors; he uses an example of a woman starting a restaurant in Mogadishu, Somalia (Deneckere, M. personal interview, Jan 23, 2018). Deneckere presents the issue of Somalian OCGs that “threaten local entrepreneurs for protection money,” further on, he mentions that these OCGs have “close ties with Al-Shabaab,” and the collected protection money “helps support the terrorist activities of Al-Shabaab,” (Deneckere, M. personal interview, Jan 23, 2018). While all interviewees agreed that the economics contribute to the overall quality of life, which does indeed, play a role in joining extremist organizations, which pose a threat to international security.

Successful Entrepreneurship: Rwanda

The literature review provided the basis of questioning that was used in interviews, in establishing Rwanda as a ‘textbook case’ for sustainable economic development, and more specifically, entrepreneurship. All interviewees agree that Rwanda is a very good example of not only economic development but “evolving from civil conflict to a relatively stable and prosperous country,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere goes on to note that more specifically, he thinks it is “a really good and encouraging example of entrepreneurship and economic development,” due to the benefits yielded (Deneckere, M. personal interview, Jan 23, 2018). While, Salvetti agrees with Deneckere by stating it is a “great example of the positive impact of business growth led economies under political guidance,” (Salvetti, N. personal Interview, Jan 7, 2018).

In light of entrepreneurship efforts aiding reconciliation and perceived poverty alleviation, Deneckere emphasizes the importance of this depoliticized environment, recognizing that a depoliticized work environment is especially important “in a country that has a history of huge tensions between different parts of the population,” (Deneckere, M. personal interview, Jan 23, 2018). Salvetti recalls her work in Kosovo during the conflict with Serbia, specifically a conversation with a taxi driver; the taxi driver said to Salvetti, “If you want that we reach peace and we don’t fight with our neighbors, you have to make sure that we can get jobs and set up businesses, even with our enemies, because in the end, no one likes dying and we want to believe that there is a better future,” (Salvetti, N. personal Interview,

Jan 7, 2018). However, Deneckere raises a valid point discussing how entrepreneurs, especially, from a country shrouded in conflict, have the potential of worsening the conflict dynamics of a country, by for example, only hiring people from their ethnic tribe, or gender discrimination etc (Deneckere, M. personal interview, Jan 23, 2018). This demonstrates the importance of entrepreneurs in developing countries to have a solid analysis of the potential consequences of their business on society, both positive and negative (Deneckere, M. personal interview, Jan 23, 2018).

Role of Economics in Society and The Entrepreneurial Ecosystem

All Interviewees stressed the idea that the local context, in which a development project aims to be implemented in, is crucial to the success of the project.

When Salvetti was asked about the role of economics in society, and more specifically if she believed economics were the underpinnings of peaceful CS, she agreed (Salvetti, N. personal Interview, Jan 7, 2018). Salvetti elaborated on this by stating that she agrees, “not because she is an economist by profession, but because our world system is governed and overruled by economics entangled with politics,” (Salvetti, N. personal Interview, Jan 7, 2018). Salvetti goes on to discuss how this can also be worrying if we want to achieve sustainable peace because “we are now facing enormous challenges in relation to economic disparities within nations and between countries, which aggravate inequality at regional levels,” (Salvetti, N. personal Interview, Jan 7, 2018). The role of economics is further elaborated on by stating, “we need economic stimulus to create jobs, thus prospects of a new future and more positive life,” (Salvetti, N. personal Interview, Jan 7, 2018). Litvine mirrors the importance of economic growth by stating that it is “absolutely necessary for development,” and that “economic growth is driven by the private sector,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). When asked about the role of an entrepreneur in society, Salvetti notes that it is, indeed, a very important role, but only “if and when they can contribute to address societal and environmental challenges,” (Salvetti, N. personal Interview, Jan 7, 2018).

When Salvetti was asked about the entrepreneurial ecosystem, and the crucial role of an enabling environment with ‘ideal conditions,’ she agreed that the ecosystem affects the success of the venture (Salvetti, N. personal Interview, Jan 7, 2018). Salvetti points out that a mistake in a lot of economic development projects, “is assuming everybody is born an entrepreneur,” (Salvetti, N. personal Interview, Jan 7, 2018).

While Bokern backed up notions of the entrepreneurial ecosystem by stating, by stating “you always need to assess the local environment and what factors impede the freedom of agency of entrepreneurial

development; then you work on eliminating these,” (Bokern, F. personal Interview, Jan 4, 2018). Roges states that through her professional experience in this field that “you have to see how important it is to always be in touch and consult and define the need, together with local governments and organizations, and people who are there in the countries, who can tell you what is needed,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Salvetti goes on to discuss that not just the local context needs to be assessed but also “its characteristics from an institutional and stakeholder perspective,” she continues with need to “consider the holistic vision which looks at economic, social and environmental aspects,” (Salvetti, N. personal Interview, Jan 7, 2018).

The Six+Six Model

When discussing the Six+Six Model it was important to gain opinions on aspects of the model when looking to implement a new project within the scheme of the EU. The opinions of these experts prove crucial. The key contributions from interviews stressed the importance of the Train pillar.

All interviewees viewed the model as comprehensive and in depth. Although Bokern warned, “When you develop a model it has the advantage of simplifying things and gives you a bit of a road map,” however, he goes on to state, “there are advantages in any sort of model,” (Bokern, F. personal Interview, Jan 4, 2018). Deneckere makes note of the “very comprehensive model that has identified a lot of critical issues in the whole idea of promoting entrepreneurship in general,” (Deneckere, M. personal interview, Jan 23, 2018). When asked about most crucial features of the model, Deneckere notes that the train aspect of the model is “really essential,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere also notes the importance of the Train pillar in light of the soft skills associated with entrepreneurship, which are “insufficiently being promoted in a lot of the educational systems in developing and fragile countries,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere supports the potential in entrepreneurship promotion by using an example from the Niger territory region that provided training opportunities to people who were ex combatants, with the overall aim of reintegration (Deneckere, M. personal interview, Jan 23, 2018). The training opportunities ranged from “courses in more technical or vocational types of training, really focusing on a specific skill or sector,” to “courses on entrepreneurship,” (Deneckere, M. personal interview, Jan 23, 2018). The results proved that the ones who opted for the entrepreneurship courses were skilled in a wider area of work, while the ones who focused on vocational training, gained a skill set that proved to be too narrow (Deneckere, M. personal interview, Jan 23, 2018). Those who opted for entrepreneurship, “were more successful after the end of the program in developing their own employment, employing themselves

and having a viable income; they were more versatile and could more easily adapt to the circumstances of the context,” (Deneckere, M. personal interview, Jan 23, 2018).

Key Players in DEVCO policy

During interviews discussing the key players in the scheme of EU DEVCO policy, the aim is to paint a clear picture of which actors are involved and how a project could go from proposal to implementation. This contributes to answering the overall research question, employees from EuropeAid and experts in the field of International Development and Economics are consulted to provide a wide range of opinions, although, this section mainly focuses on the responses from EuropeAid employees, Litvine and Roges.

Roges and Litvine of EuropeAid stated that EuropeAid as it is today, was born through the 2011 merging of AidCo and the Directorate General Development (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Before this merging, the work on policies and the work on programs and operations in the scheme of international development and cooperation were split (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine from EuropeAid has stated that the current design of EuropeAid has a “double architecture,” meaning that the program activities are split in two areas: thematic and geographic (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine justified this separation of programs by stating, “it is logical that there are thematic issues which are world wide because the problems are world wide,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine elaborates on this by using democracy and climate change as examples; “democracy is not the preoccupation of one country, it is a world wide preoccupation, which is of course, designed with specific problems in each country, but it is a worldwide preoccupation,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Geographic programs on the other hand, are implemented with the aims of addressing the needs of the specific country; this is done by the EEAS in discussion with the beneficiary countries (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine further elaborates on the role of the geographic directorate through his own experiences in Latin America, stating they “are in charge of geographic, regional programming, continental programs which cover all of Latin America; the issues we are raising are exactly the kind of problems they are trying to resolve,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). In regards to this “double architecture,” Litvine makes note that the separation between the thematic directorates and geographic directorates is not big, and that they all work together, but the separation is clear in terms of

instruments used, ⁴“sometimes people are confused, even ourselves,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018).

Clearly defining how international development projects go from proposals to implementation is crucial to establish when keeping the central research question in mind. EuropeAid is a directorate general of the EC, part of the executive branch of the EU; EuropeAid is responsible for managing the budget and contracts of the EU’s activities in international development (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Deneckere elaborates on this by noting the role of the EEAS as “a service to the commission that pulls expertise on thematic issues, as well as country issues,” going on to distinguish that “the EEAS is much more the political hub of the EU institutional setup,” (Deneckere, M. personal interview, Jan 23, 2018). It should be noted that both EuropeAid and the EEAS need to work together when designing development programs (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Deneckere notes that, “the EU development policy usually functions on the basis of multiannual programs,” this means that for each country, or region the EU wants to cooperate with, a seven year program “is agreed with the partner country government on a set of two to three priority sectors,” (Deneckere, M. personal interview, Jan 23, 2018). Every seven years, new programs are designed with the EEAS leading the programming discussion process (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Deneckere notes the logical role of the EEAS here, due to the very wide network of delegations (EU embassies), “they [the EEAS], have eyes on the ground, through this diplomatic network which allows them to maintain this dialogue with the partner governments and civil society on the ground,” (Deneckere, M. personal interview, Jan 23, 2018). The EEAS and EuropeAid work together on actually drafting a program that “will guide the use or disbursement of funds for the next seven years” based off the input from partners on the ground gathered by the EEAS (Deneckere, M. personal interview, Jan 23, 2018). Litvine notes the role of the EEAS by clarifying that, “all what is politics and negotiation with the countries is lead by the EEAS,” and now there is a “quite important separation between development cooperation and political relations,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018).

When examining how EuropeAid further interacts with other EU institutions, Litvine compared EuropeAid to a country, where “the commission is the administration,” although EuropeAid still has the right to propose along with the EEAS (Roges, L & Litvine, M. personal interview, Jan 18, 2018). The parliament has the right of scrutiny, they assess the activities of EuropeAid “and give their

⁴ It was established that the aim of this research is preoccupied with an improved theoretical approach, not the needed funding instruments.

opinion, they can vote for or against those programs, but mainly, we have to propose the programming to the MS” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). It should be noted that the proposed programming is “a fully prepared project,” meaning that it includes completed feasibility studies and implementation modalities (Roges, L & Litvine, M. personal interview, Jan 18, 2018).

EU’s Past Areas of Activity in the Realm of Entrepreneurship

Keeping the central research question in mind, the entrepreneurial activities taken in the private sector growth by EuropeAid are examined. As established in the Literature Review **section: Key Players in DEVCO Policy**, goals of private sector growth focus on the diversification of economy and encouraging entrepreneurship. This aspect of the interview is crucial when looking to answer the central research question, especially due to the lack of information provided on their website about legitimate projects or actions taken in encouraging entrepreneurship.

When asked to provide examples of how entrepreneurship was encouraged, Litvine stated that in Latin America, they have a specific way of working which is geared by the idea that, “the private sector should help the private sector,” further elaborating that, “this is always the way in which we work towards the development of entrepreneurship,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine notes that the money available “is quite reduced in comparison to the needs,” therefore, they try to work with the leverage effect (Roges, L & Litvine, M. personal interview, Jan 18, 2018). This means EuropeAid essentially provides assistance, to the ones who are providing assistance to the companies who are building up the private sector (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine demonstrates by stating, “we are working in intermanagerial bodies like the Chamber of Commerce or sectorial associations in order to help their members and sort of touch a large number of companies, in particular SMEs which are 99% of the companies” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine discusses how Latin American entrepreneurs and many private companies “see the reduction of inequalities as an opportunity for them and the market is enlarging by giving purchasing power to the poor population,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine makes note that this is how entrepreneurship is encouraged in Latin America, “but in other parts of the world it is a little bit different,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018).

When asking Litvine and Roges if there were any projects in place that are similar to the Six+Six model or embody the same notions in regards to entrepreneurship promotion, alongside assessing the entrepreneurial ecosystem, it was established that nothing of that nature is in place in Latin America. Roges stated, “We don’t have a program that specifically focuses on that [entrepreneurship

promotion],” Roges further makes note that there are no interventions focusing on entrepreneurs that “covers the whole spectrum to really push entrepreneurship and make the best of it,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018).

Warner Bros. Studio Analogy

The Literature review presented the Warner Bros. Studio analogy. This analogy leads to questioning how many people responsible for coming up with development interventions aimed at private sector growth, actually have private sector experience. Due to lack of information available in the initial desk research, the interview was essential.

When the analogy was initially presented in the interview Litvine demonstrated his understanding by referencing his own background in agronomics (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine furthers this by using an example of an economist working on a development project who wants to cut trees to grow mais, but suggests that if the world price of mais drops, they can replace the mais again with apple trees (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine goes on to point out, “you need to know how long it will take for apple tree to start producing,” for it to be a beneficial intervention (Roges, L & Litvine, M. personal interview, Jan 18, 2018). When specifically asked about the amount of people working in private sector growth, who have private sector experience, no concrete answers were initially provided. Roges made note that they are “trying to have a mix of backgrounds,” while Litvine pointed out that he, himself has private sector experience, “but the colleagues in my unit don’t so it can be really difficult,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Litvine did recognize that although, they don’t know exactly how many people have private sector experience, each geographic unit, “has some kinds of specialists in the private sector,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018).

Upon an email follow-up, Litvine clarified that the thematic unit on trade and private sector development is comprised of 25 people, all who have private sector experience. Litvine went on to mention that figures regarding the amount of people working in the delegations, who have private sector experience, are extremely difficult to get, “as most of them have their own administration and repartition of tasks with a mix of local agents, contract agents (of European Nationality) and officials,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018).

New Posed Issues with International Aid

Looking at other issues of aid was essential to the research in establishing a model that could overcome potential obstacles with international aid. During an interview with Bokern, he claimed international aid is destroying local agency; while, Deneckere noted that current issues with development stem from a question of ownership and the sustainability of development (Bokern, F. personal Interview, Jan 4, 2018). While Salvetti noted that, “traditional ways of development have been criticized widely,” she claims some of the biggest issues with aid are in relation to the modalities of distributing it (Salvetti, N. personal Interview, Jan 7, 2018). The most relevant issues with international aid are discussed below.

Bokern makes note of the problem in the broader concept of development. He goes on to describe the current view of development in regards to the implied power relationship; “It implies the power relationship already where I am powerful and you are not, it takes away agency from the people we serve, (Bokern, F. personal Interview, Jan 4, 2018). Bokern claims that during his time with Relief & Reconciliation (R&R), working with Syrian refugees in Lebanon, that “the inner Syrian solidarity schemes have always been 10x more efficient than any international aid coming in,” (Bokern, F. personal Interview, Jan 4, 2018). He goes on to discuss how International NGOs (INGOs) throwing money at the problem have contributed to lower levels of inner Syrian solidarity (Bokern, F. personal Interview, Jan 4, 2018). Bokern speaks of his experience working at the Syrian border where he has seen, “local agency, local resilience being destroyed by international aid,” (Bokern, F. personal Interview, Jan 4, 2018). Bokern uses the example of a local Lebanese man who was doing fantastic work as a Director of a Social Development Center of the Lebanese Ministry of Social Affairs, which is “the government solidarity scheme,” (Bokern, F. personal Interview, Jan 4, 2018). This man had 15 social workers under his authority and was very proactive, but the birth of his third child catalyzed an occupation switch (Bokern, F. personal Interview, Jan 4, 2018). Bokern goes on to state, “government salaries are not very high here, so he could not resist the temptation of the money crawl; now, he is a driver for Dennis Refugee Council, they pay 3x higher for a driver than the government did for his director position before,” (Bokern, F. personal Interview, Jan 4, 2018). Salvetti eloquently notes, “most of the time, we, the White experts, are guilty of presuming that we know better than the poor beneficiaries; in this way we deny understanding potential local opportunities, which, if nurtured and adequately supported, could lead to excellent and long lasting results,” (Salvetti, N. personal Interview, Jan 7, 2018). While Bokern mirrors this sentiment discussing how the people on the ground understand the situation better and what will truly work, rather than basing projects entirely based on priorities defined by Brussels, Geneva or New York (Bokern, F. personal Interview, Jan 4, 2018). Bokern

further this discussion by stating a stronger emphasis needs to be placed on the agency of the people, “even if there is a risk that some of the money might be abused,” (Bokern, F. personal Interview, Jan 4, 2018). There will never be perfect solutions but there is a need to approach international aid based on “a formula that balances and finds a good middle ground,” with agency of the people on one side, and “the need not to foster corruption and corrupted systems,” on the other (Bokern, F. personal Interview, Jan 4, 2018).

In an interview with Deneckere the question of ownership and the sustainability of development projects are presented as issues with international development (Deneckere, M. personal interview, Jan 23, 2018). It should be recognized that these issues are related. The issue of sustainability relates to the goals of the development project, and whether or not they are sustainable after the project cycle; whereas, the question of ownership plays a large role in determining the sustainability of the implemented project (Deneckere, M. personal interview, Jan 23, 2018). Deneckere elaborates on this idea by pointing out “there are certain limited time frames, but obviously you want the results to be sustainable beyond the time frames of your cooperation project and frameworks,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere goes on to discuss one key determinant in the sustainability of a project relates to “sufficient buy-in from the governments, societies, and communities you work with,” (Deneckere, M. personal interview, Jan 23, 2018). This is where the question of ownership affects the sustainability of the project. Deneckere made note that this question of ownership is a recognized issue in the global debate about international development, discussing how in the 2005 Paris Declaration, the question of ownership was elevated as “a key element of future development cooperation,”; but it is clear that a lot of actors “are struggling with precisely how to do this, how to involve the voice of local partners within their agenda setting and priority setting,” (Deneckere, M. personal interview, Jan 23, 2018).

DISCUSSION

This chapter seeks to analyze findings and add a supplementary dimension to the discussion by scrutinizing them in light of the conducted research from the literature review. The discussion takes the most relevant information from the findings; ultimately, applying this discussion is in the final conclusion and recommendation.

The role of Profit Return in Destruction of Civil Society: Arab Spring

The introduction and literature review provided the basis of research, which operates under the belief that jobs, is the foundation of a stable, peaceful CS. The literature review recognizes that a myriad of issues come into play when examining the destruction of CS, but that joblessness remains a core issue. The interviewees mirrored the importance of jobs in a society. When asked about the Arab Spring Revolutions being viewed more as a cry for economic opportunities rather than the sole cry for democracy Bokern noted that he viewed the revolutions as a cry for dignity rather than the cry for jobs (Bokern, F. personal Interview, Jan 4, 2018).. However, this research works under the assumption that jobs are a fundamental ingredient in the dignity of a person. Yergler discusses the psychological impact of becoming unemployed and states where people once saw themselves “possessing dignity and value, they now see themselves as possessing low value and little dignity,” (Yergler, 2017). Therefore, the argument that the Arab Spring Revolutions were a cry for dignity falls under the cry for economic promises.

Deneckere made the point that the cry for democracy and the cry for economic opportunities are not opposing battles but rather, two sides of the same coin (Deneckere, M. personal interview, Jan 23, 2018). Deneckere goes on to discuss that a strong economy is important to political stability, but the way in which these economic gains are returning to society, ultimately plays a large factor in the destruction of CS (Deneckere, M. personal interview, Jan 23, 2018). Both Deneckere and Bokern raise the issue of how the money and profits generated by a government return to society, affects civil society. Deneckere uses an example of the Niger Delta Region in light of big oil companies. **SEE SECTION X** the government contracts with big oil companies resulted in loss of income for the residents of the region, which contributed to the animosity, felt. This created problems because the individuals did not see this money coming back to their community, in the form of education or infrastructure, although big profits were being generated. This lead to violent clashes with the government; Bokern mirrors this issue by discussing the how the Syrian Government tried to

modernize from above, including economic liberalization, but all the money went to the people at the top (Bokern, F. personal Interview, Jan 4, 2018).

Overall, it can be said that jobs are a key component in political stability. The destruction of civil society and violence cannot be completely blamed on joblessness, as the interviews pointed out; the way in which profits return to society also play a key role in the destruction of civil society and just general animosity towards the government. The return of profits in society are affected by the rule of law and democracy, demonstrating entrepreneurship promotion would best fit in countries that have rule of law and a relative level of good governance.

Potential Negative outcomes of Entrepreneurship Promotion: Extremist Non-State Actor Empowerment

Again, the interviews provided a key opportunity to learn about aspects based off the experience of experts in the field of international development and cooperation. When discussing the idea of entrepreneurship promotion, aspects that were not previously considered are presented in the findings. These aspects are crucial to take into account when trying to answer the central research question at hand.

The introduction and literature review establish that jobs provide more than just incomes to people. Everywhere in the world, jobs are also a paramount source of self-identity and self-respect, in addition to providing a sense of belonging (WDR, 2013). Without jobs, the loss in income and all the psychological attributes associated with having a job, can lead way for extremism, especially amongst youth (WDR, 2013). ISIS and Boko Haram were examined with in light of their recruitment techniques; it should be no surprise that these extremist NSA flourish in regions where the unemployment rates are tremendous. All interviewees mirrored the idea of economic incentives being used as a recruitment technique for extremist NSA. Roges, of EuropeAid, made mention of her past experience working for an NGO which aimed to educate at-risk individuals in Cameroon, noting that she believes all development projects seek to increase the quality of life for individuals and increased quality of life, plays a role in limiting extremist enrollment (Roges, L & Litvine, M. personal interview, Jan 18, 2018). Roges believes that all development, in a way, contributes to higher quality of life, therefore, less extremist enrollment. While in an interview with Deneckere, he made note that “you can do development in ways that actually make security and stability worse than before, if you do not have a sufficiently good understanding of how the society in which you are intervening functions,” therefore, contradicting the view of Roges (Deneckere, M. personal interview, Jan 23, 2018).

Through Deneckere example of a Somali woman opening a restaurant in Mogadishu, the issue of how entrepreneurship could be used a tool to empower extremist NSA is raised (Deneckere, M. personal interview, Jan 23, 2018). **Add footnote referencing where this can be found.** The Mafioso-like techniques of the Somali OCGs play a role in empowering extremist NSA, through the collection of protection money. Due to their close ties with Al-Shabaab, the collection of this protection money then contributes to financing Al-Shabaab's activities (Deneckere, M. personal interview, Jan 23, 2018). This is an aspect that was not previously considered in the literature review but is taken into account in the Recommendation and is further applied in the model for affecting the entrepreneurial ecosystem.

It is important to point out that yes, in this manner, successful entrepreneurship has the potential of empowering terrorist organizations, but this is not a reason in itself to divest priority. This notion of OCGs is not subject alone to the developing world, but is also extremely prevalent in Western, developed societies. In Italy there is the Cosa Nostra, Camorra and Ndrangheta; Europol has stated that "the Calabrian Ndrangheta takes in almost EUR 44 billion," a year (Europol, 2015). In Finland there is a heavy presence of Organized Motorcycle Gangs (OMGs), such as Cannonball MC and the United Brotherhood; in Ireland there are nine identified OCGs; while France and Spain are especially known to have a mixture of OCGs from all over the world (Burbank, 2016). In Europe, the Italian mafias embody concepts "of family, power, respect and territory," while engaging in areas such as "money laundering, large scale drug-trafficking, corruption, currency counterfeiting," etc. (Europol, 2015). The Italian OCGs, are no different than the OCGs operating in the less developed world, therefore, this is not an aspect that should prohibit investments in entrepreneurship promotion in the developing world. This issue is kept in mind in the Recommendation and is further applied in the model for affecting the entrepreneurial ecosystem.

Potential Negative outcomes of Entrepreneurship Promotion: Worsening of Conflict Dynamics

The literature review presented Rwanda as an example of "entrepreneurship done right," this can be attributed to the Rwandan government's role in creating a conducive environment and liberalizing key sectors. All interviewees made mention that Rwanda is a very good example of development, and more specifically, "a really good and encouraging example of entrepreneurship and economic development and the different consequences they have," on a society (Deneckere, M. personal interview, Jan 23, 2018).

One key contribution gained from the interview with Deneckere is the potential of entrepreneurship worsening the conflict dynamics, in a country with a history of ethnic conflict (Deneckere, M. personal interview, Jan 23, 2018). For example, an entrepreneur may have a great business plan, but how can you ensure that the entrepreneur provides equal opportunities for both ethnicities? Will this entrepreneur only hire fellow Hutus or Tutsis? How can you ensure this entrepreneur will genuinely provide equal work opportunities for all genders?

This demonstrates the need of specifically taking into account *how* you do entrepreneurship in a country with a history of ethnic conflict. Further on, the potential of entrepreneurship worsening conflict dynamics lays out the importance of doing a solid analysis of all the consequences, both positive and negative, before funding is legitimately provided to the entrepreneur. This is an aspect that is further examined and applied in the Recommendation and is further applied in the model for affecting the entrepreneurial ecosystem.

Rwanda: Reaching their own Development Goals

The literature review provided a look into the specific entrepreneurial initiative of the coffee cooperative, COOPAC. The activities of the coffee cooperative resulted in perceived poverty alleviation and has aided in reconciliation amongst rural coffee farmers; this is due to higher and consistent incomes, new skills, and a depoliticized work environment which contributed to a higher quality of life overall (Boudreaux, 2007). As established in the literature review, the EU's international aid interventions are all established with the overall goal of achieving the UN's SDGs and the eradication of poverty in all forms, everywhere (EC, SDGS, 2017). This section explores the other benefits yielded through successful entrepreneurship in Rwanda. This section works under the assumption that if other goals of EU DEVCO policy are being achieved through entrepreneurship, this is contributing to securing peace. This is due to the belief that the aforementioned goals of the SDGs are in place to tackle issues in the developing world, implying that the achievement of these goals only benefits a country. No international development goals are set with disadvantageous intentions. The following section demonstrates how the activities of COOPAC touch upon achieving other SDGs, through their own initiative. It should be noted that through the Fair Trade Certification discussed in the Literature Review, the activities of COOPAC touch upon the following SDGs: 1;2;3;4;5;8;9;10. SDGs 1,2,4 and 9 are discussed below in light of how COOPAC helps partly achieve their own development goals.

SDG1

“End poverty in all its forms everywhere,” (EC SDGs, 2017). As was established, entrepreneurship has contributed to the perception of poverty alleviation. Which has been and still is, prioritized as one of the most crucial goals of international development (EC, SDGs, 2017). Pro-entrepreneurial policies allowed for Emmanuel to start his own coffee cooperative, which provided jobs for many fellow Rwandans, now, employing 8,000 members (Coopac, 2017). These Rwandan coffee farmers are now earning more money as a result of COOPAC and were able to finance their children’s schooling and put food on the table; these higher wages contributed to higher quality of life, further on, this higher quality of life contributed to lower perceived levels of poverty. If the number one goal of international development is the eradication of poverty, and entrepreneurial activities have yielded the perception of poverty alleviation amongst rural coffee farmers in Rwanda, then the untapped, transformative power of entrepreneurship promotion as a means of development needs to be unleashed.

SDG2

“End hunger, achieve food security and improved nutrition and promote sustainable agriculture,” (EC SDGs, 2017). The entrepreneurial activities taken in the creation of COOPAC has helped end hunger and improve nutrition while promoting sustainable agriculture. The Rwandans working for COOPAC now have more money, more money translates to more food on the table, more food on the table translates to improved nutrition. The COOPAC itself is responsible for promoting sustainable agriculture, specifically, the sustainable and eco-friendly cultivation of coffee beans. Further on, COOPAC promotes and provides “shade tree saplings and agroforestry education to all its members,” this is done so all members can adhere to “strict organic practices,” (Coopac, 2017).

SDG4

“Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all,” (EC SDGs, 2017). As mentioned previously, COOPAC has strict organic practices, and therefore provides shade tree saplings and agroforestry education to all members, to ensure members meet the standards. In addition, members of COOPAC also learn important skills such as how to “market their goods; negotiate contracts; deal with foreign buyers; navigate the ins and outs of Fair Trade Certification; improve communication skills; and exercise self governance by deciding how to distribute profits,” (Boudreaux, 2007). It is important to note that many of the skills learned through activities and experience at COOPAC will deem useful in other sectors. It is also noted that with this

training, the skill level of the country will increase through Rwandans passing on their knowledge of specialty coffee to other local growers (Boudreaux, 2007). Applicable Fair Trade initiatives in this category refer to COOPAC's contribution in the "construction of schools" (Coopac, 2017); an increase in quality and quantity of schools helps "ensure equitable quality education," (EC SDGs, 2017).

SDG9

"Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation," (EC, SDGs, 2017). COOPAC has contributed to the "construction of schools, roads and bridges, and health-care clinics" (Coopac, 2017). COOPAC has also contributed to the building of washing stations to help increase the quality of coffee, further increasing profits. COOPAC benefits from its investments in infrastructure such as roads and bridges, making the transportation of coffee beans easier and reduces risk.

The activities of COOPAC, demonstrate that other goals of EU DEVCO policy can be (partly) achieved through entrepreneurs giving back to their own society. For example, as the literature review established, the perceived poverty alleviation and reconciliation that has been experienced in Rwanda, is a reason in and of itself to further unleash the transformative powers of entrepreneurship. The aims of international development should be to build up a beneficiary country to a place where they can achieve their own SDGs and grander goals of development, on their own terms and in their own manner.

Entrepreneurship and the Ecosystem

All interviewees seemed to mirror the information found in regards to the entrepreneurial ecosystem. They made note of the local context and people being crucial to the sustainability and general success of any development project. During an interview with Salvetti, she raised the argument that a lot of times in economic development, people assume "that everyone is born an entrepreneur,". However, this is not the assumption this research operates under. The literature review established that entrepreneurs are, indeed, present in any country in the world- developed, developing, authoritarian, democratic. The notion of entrepreneurship promotion and assessing the entrepreneurship ecosystem does not imply that everyone is born an entrepreneur, rather, that entrepreneurs are present everywhere and have the potential to create jobs for fellow citizens; for the people who are not born as entrepreneurs. It should be noted that although people may be entrepreneurs, often times a lot of these people still do not have the skills to successfully scale up or run their venture effectively. In a discussion about the role of entrepreneurs in society, Salvetti, raised very interesting points that were

not previously considered. Salvetti notes that entrepreneurs do have a very important role in society, only “if and when they can contribute to address societal and environmental challenges,” going on to point out the need for a holistic approach that looks at “economic, social and environmental aspects,” (Salvetti, N. personal interview, Jan 7 2018). Salvetti also mentions the idea of balancing “the triple bottom line, People/ Planet/ Profit,” when designing economic projects (Salvetti, N. personal interview, Jan 7 2018). The emphasis on the planet and sustainability was not considered in the literature review, this is an aspect that will be addressed in the overall model for assessing and bolstering the entrepreneurial ecosystem.

It is essential to grasp that the EU simply cannot ‘do’ entrepreneurship promotion, without assessing the entrepreneurial ecosystem first. The entrepreneurial ecosystem consists of internal and external variables that affect the ease of doing business in a given country. It is also important to recall from the literature review that ecosystems are amenable to change and turbo charging. Koltai presents an analogy which best demonstrates the role of the ecosystem; entrepreneurs lives Steve Jobs and Mark Zuckerberg are examples of “prize-winning roses that have grown in ideal conditions,” whereas, entrepreneurs in developing countries are more comparable to crabgrass (Koltai & Muspratt, 2016 pg. 15). This personification of crabgrass is due to the fact that crab grass grows through the cracks of the pavement, even if it is lacking in good soil, fertilizer and careful tending (Koltai & Muspratt, 2016 pg. 15).

Issues with International Aid: Question of Ownership and Sustainability of Aid

The interviews provided a key opportunity to learn first-hand, from the people with actual experience in the field of international development, what they find to be the main issues and obstacles. Establishing some of the key issues in international development provide an opportunity to further adjust the proposed model of entrepreneurship promotion, to overcome said issues.

In the interviews the question of ownership and the sustainability of development projects was raised. Bokern made note of how international aid is destroying the local agency of the people on the ground, which goes along with the issues raised by Deneckere, in regards to the question of ownership and the sustainability of development. The issue partly stems from the fact that us, as Salvetti puts it, “white experts,” believe we know better than the people on the ground (Salvetti, N. personal Interview, Jan 7, 2018). If there is not enough buy in from the local population, then the project will not be sustainable past the project cycle. The question of ownership revolves around the idea that countries should be put in charge of their own development, with external donors and organizations only playing a “supportive

role,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere makes note that in his opinion; local agency and ownership “go hand-in-hand,” all ultimately affecting the sustainability of the intervention (Deneckere, M. personal interview, Jan 23, 2018). The question of ownership comes into play here because if people are unsure of who is doing what and what the exact roles are, then the development project will not have a life beyond “the support that comes from the countries,” (Deneckere, M. personal interview, Jan 23, 2018). Deneckere also made note that this question of ownership is recognized in the global debate surrounding international development and cooperation, but in practice, it is clear that a lot of actors are struggling with how to achieve this (Deneckere, M. personal interview, Jan 23, 2018).

In light of local agency, Bokern emphasizes the need to protect the local agency of the community in which international aid is being implemented (Bokern, F. personal Interview, Jan 4, 2018). Deneckere elaborated on this by stating this demonstrates the “need for donors to maintain a closer dialogue with local communities, private sector and civil society in the project implementation as well as in identification of needs, planning, monitoring, and evaluation,” rather than leaving all dialogue to be focused on the national governments of the beneficiary country (Deneckere, M. personal interview, Jan 23, 2018). Bokern noted that there is not one perfect solution for this dilemma but that international development needs to be approached in a more balanced formula between international donors and the agency of the people, ultimately affecting the sustainability of the project (Bokern, F. personal Interview, Jan 4, 2018).

Warner Bros. Studio Analogy

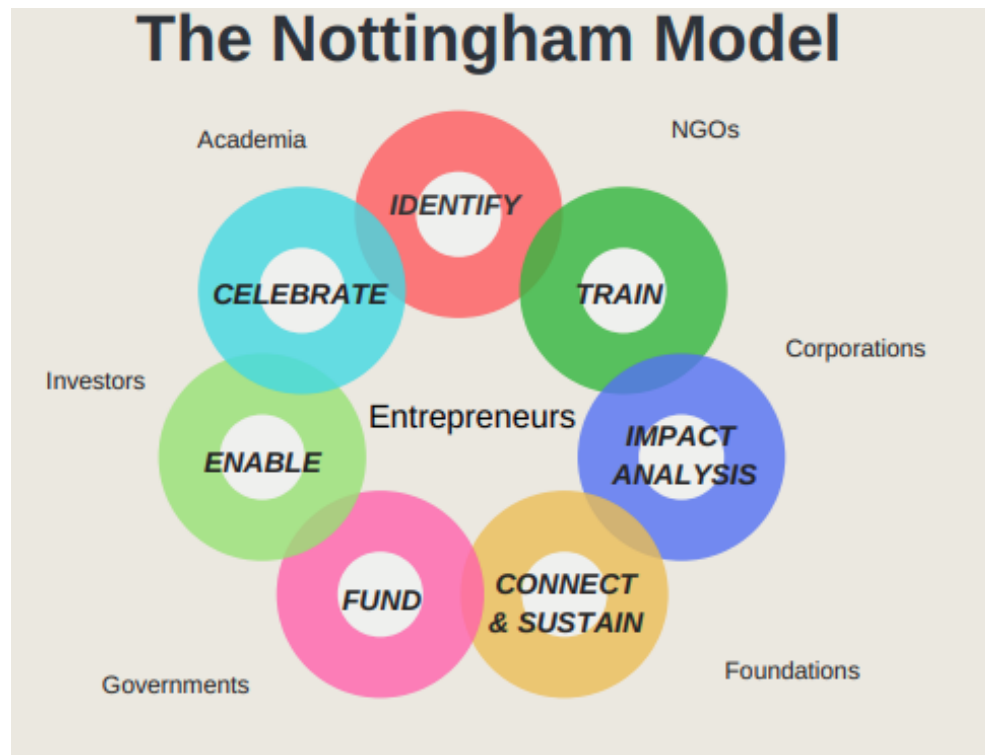
The interviews provided an interesting opportunity to ask EuropeAid employees about aspects that were not found online. The literature review presents the analogy of Warner Bros Studio, in light of the essentialness of having people with private sector experience, designing development projects focused in the realm of the private sector. Roges and Litvine of EuropeAid understood this analogy quite clearly but were unable to provide concrete numbers in regards to the amount of people with private sector experience, but suggested that the Human Resources unit would have more information. Litvine made note that having people with a mix of backgrounds is important but that his fellow colleagues don’t have private sector experience so it can “be really difficult,” (Roges, L & Litvine, M. personal interview, Jan 18, 2018). The follow up interview provided concrete numbers in regards to the thematic unit on trade and private sector development, who apparently, all have private sector experience. The thematic unit is comprised of 25 people (Roges, L & Litvine, M. personal interview, Jan 18, 2018). The lack of initial numbers leads to questioning whether or not the EU has recognized

the importance of involving people with private sector experience into the scheme of private sector development. The varying responses demonstrate that this essential aspect of designing and implementing interventions with private sector veterans is not a priority, when it should be placed at the forefront. Litvine recognized that the numbers of people working in delegations with private sector experience is unclear and those numbers are hard to attain (Roges, L & Litvine, M. personal interview, Jan 18, 2018). The people working in the delegations are the ones spearheading development discussions under the umbrella of the EEAS; how can these people have proactive discussions in light of private sector development if they do not actually have the experience to back it up? If they do not have the first-hand experience *within* the private sector, how can they truly expect to implement successful projects (Koltai & Muspratt, 2016 pg. 147)? This aspect is kept in mind and is further applied in an updated model.

An updated Six+Six Model: The Nottingham Model

The following section presents an adjusted version of the Six+Six Model in the aim of designing a more comprehensive and holistic project that can overcome issues with aid; The Nottingham Model is provided below. It should be noted these key issues from the findings that are applied to an adjusted model are as follows:

- The issue of ownership, and local agency affecting the sustainability of development
- The potential of entrepreneurship empowering extremist NSA
- The potential of entrepreneurship worsening conflict dynamics
- Return of Profits in Society contributing to the destruction of CS
- Emphasis on Environmentally sound practices
- Warner Bro. Studio Analogy

Figure 1: The Nottingham Model

Addressing Issues of Ownership, and Local Agency in Sustainable Development

Due to the findings, certain aspects and pillars are adjusted to incorporate or overcome information in the findings sections, leading to the creation of a new model. In regards to the issue of ownership and local agency ultimately affecting the sustainability of the development, this model relies on the resources present in the beneficiary country. This model is not about picking winners and losers of entrepreneurship but rather creating a conducive environment for entrepreneurs to flourish, implying this model relies almost entirely on the local agency of the people. The role of ownership and local agency in entrepreneurship is more clear-cut than other priority sectors due to the fact entrepreneurs are their own agents. Bokern discusses the idea that entrepreneurs are their own agents stating, “they pursue their idea in exchange with international ideas, but what is often lacking for them is the resources and the freedom to do so,” (Bokern, F. personal Interview, Jan 4, 2018). Access to the needed resources plays a further role in affecting the sustainability of the development. Overall, it can be said that the question of ownership and local agency is more defined in a program focused on entrepreneurship promotion because entrepreneurs are their own agents. The sustainability of the

development in this case, would then rely on the support from other actors in accessing resources and financing activity.

Addressing the Return of Profits in Destructing CS: Rule of Law Monitor

It has been established that jobs are a key component in political stability. The destruction of CS and violence cannot be completely blamed on joblessness, as the interviews pointed out; the way in which profits return to society also play a key role in the destruction of CS and the general animosity felt towards the government. The return of profits in society are affected by the rule of law and democracy, demonstrating entrepreneurship promotion would best fit in countries that have rule of law and a relative level of good governance. Before entrepreneurship promotion projects are implemented, the rule of law of a potential beneficiary country can be measured. Rule of law includes formal legal frameworks while aiming “at justice based on the full acceptance of human dignity,” which is closely linked with “established, democratic and accountable state institutions,” (CSCE, 2017). There are a number of good governance/ rule of law monitors that can be utilized before implementing interventions based on entrepreneurship promotion. For example, the World Justice Project (WJP) Rule of Law Index is a “new quantitative assessment tool designed to offer a comprehensive picture,” of the extent to which countries abide to the rule of law. The WJP Rule of Law Index looks at aspects such as “government powers; absence of corruption; fundamental rights; regulatory enforcement; effective criminal justice, etc.,” (WJP, 2010). This is just one example of how the rule of law and governance can be measured but other models are in existence, such as The World Bank’s World Governance Indicators (WGI) project (CSCE, 2017).

Overcoming Issues of Extremist NSA Empowerment: Train

The issue of entrepreneurship potentially empowering extremist NSA is not a reason to divest priority from entrepreneurship to another sector. SECTION X of the discussion established that OCGs are present in all corners of the world, developing and developed alike. Combatting OCGs that help finance the actions of terrorist organizations, “requires partnerships at all levels,”; it can be said that developing countries need more guidance in bolstering the capacity in which OCGs are countered (UNODC, 2018). The United Nations Convention against Transnational Organized Crime (UNTOC) is viewed as an important tool, which “provides a universal legal framework to help identify, deter and dismantle OCGs,” (UNODC, 2018). In the developing world many OCGs flourish in environments that are lacking in proper “criminal justice systems and conventional law enforcement,” therefore, more attention needs to be placed on building up these areas (UNODC, 2018). For example,

specialized law enforcement units can be trained to help combat the presence of OCGs who collect protection money and further help finance extremist NSA activities. The UN Office on Drugs and Crime (UNODC) also provides online training for police forces along with a Criminal Justice Assessment Toolkit to help guide actions (UNODC, 2018). UNODC has been employed in many places all over the world, providing rule of law assistance to national governments (UNODC, 2018). So although, OCGs are present in all corners of the world, developed and developing alike, this is not a reason to divest priority from entrepreneurship. Rather, global efforts to combat OCGs, specifically OCGs with ties to extremist non-state actors, need to be utilized.

While conducting both primary and secondary research, a clear emphasis has been placed on the train pillar due to the idea that many entrepreneurs do not have the skills to turn ideas into tangible, sustainable businesses. The Nottingham Model recognizes the interconnected nature of actors and pillars and therefore, extends the train pillar to include local security forces and local civil society groups to receive training in combatting OCGs with ties to extremist NSA groups. Training to combat OCGs with ties to extremist NSA will benefit the entire society, not just the entrepreneurs, and therefore, contributes to securing peace overall.

Addressing The Warner Bros. Studio Analogy: Connect & Sustain

The lack of initial numbers leads to questioning whether or not the EU has recognized the importance of involving people with private sector experience into the scheme of private sector development. The varying responses demonstrate that this essential aspect of designing and implementing interventions with private sector veterans is not a priority; when it should be placed at the forefront. Litvine recognized that the numbers of people working in delegations with private sector experience is unclear and those numbers are hard to attain (Roges, L & Litvine, M. personal interview, Jan 18, 2018). The people working in the delegations are the ones spearheading development discussions under the umbrella of the EEAS; how can these people have proactive discussions in light of private sector development if they do not actually have the experience to back it up?

This leads to incorporating a new aspect under the Connect and Sustain pillar focused on involvement of private sector veterans in delegations. Each delegation should have a small team comprised of people with private sector experience; they will spearhead discussions in light of private sector development with beneficiary country governments. In addition, these private sector teams can act as a source of advice for entrepreneurs navigating the private sector.

The Seventh Pillar: Impact Analysis

The issue of entrepreneurship potentially worsening conflict dynamics and the need for environmentally sustainable practices are addressed in the creation of a new pillar: Impact Analysis. This seventh pillar is focuses on the essentialness of completing a solid analysis of all potential consequences of an entrepreneurial venture, both negative and positive. These analyses will need to be completed before any money is legitimately distributed to entrepreneurs.

Overcoming Issue of Entrepreneurship worsening Conflict Dynamics

Deneckere raised the issue of how entrepreneurship can worsen conflict dynamics in a country if equal opportunities are not provided to all citizens (DENECKERE). In countries with a history of ethnic conflict, conflict analyses can prove useful. Conflict analyses are deeper than just a social impact report due to the range of factors examined; aspects such as the history of the conflict, the actors involved and their perspectives, the structural and proximate causes and the dynamics of how these elements interact,” are examined (GSDRC, 2017). Further on, conflict analyses take into account open-conflict, surface-conflict and latent-conflict, making it extremely comprehensive (GSDRC, 2017). Conflict analysis reports look at the issues in light of their relationship with conflict, instability and peace (GSDRC, 2017). It should be noted that a conflict analysis is a versatile tool because it takes a multilevel, multidisciplinary approach in laying out the key conflicts in a country (GSDRC, 2017). Conflict analyses “aim to improve the positive impacts and minimize the negative impacts of working in conflict-affected countries by ensuring practices are conflict-sensitive,” (GSDRC, 2017). Many NGOs, donors, multilateral organizations and research institutes have their own conflict analysis tools. In developing countries that are not shrouded in conflict, other beneficial analyses exist, such as “gender-sensitive conflict analysis,” which specifically looks at the “gendered dimensions,” of conflicts in a country (GSDRC, 2017). Having analyses that clearly lay out and define some of the issues in the country and of the startup, help put pressure on entrepreneurs in ensuring equal work opportunities are provided.

Placing Emphasis on Environment

In the interview with Salvetti, the need for entrepreneurs to address environmental challenges was raised. Salvetti discussed the need for balancing the people (entrepreneurs), the planet, and profits (Salvetti, N. personal interview, Jan 7 2018). This emphasis on environment is not included in the original Six+Six Model; therefore it is included under the Impact Analysis pillar of the Nottingham Model. To ensure entrepreneurs in the developing world are not further damaging the environment

through their practices, an Environmental Impact Assessment (EIA) is a mandatory aspect of this pillar. An EIA is designed “to assess the impacts of a proposed project,” while “identifying and examining the likely environmental effects,” (UNEP, 2018). In addition to environmental impacts, an EIA takes into account “inter-related socio-economic, cultural and human-health impacts,” both positive and negative (UNEP, 2018). It should be noted that the way in which EIAs are conducted varies from country to country but there are fundamental steps that need to be taken. These steps include not just identifying potential problems, but also providing potential solutions to said issues. An EIA helps define the potential influence a proposed project will have on the society, including people and environment aspects (UNEP, 2018).

To conclude, the seventh pillar: Impact Analysis makes it mandatory for entrepreneurs to have EIAs present before money is distributed. If there are issues present in an EIA, this will indicate the areas that need to be further adjusted to ensure green practices are adhered to. In light of the issues raised in regards to entrepreneurship potentially worsening conflict dynamics in a country shrouded with ethnic conflict, a more in depth conflict analysis would prove useful. Overall, an EIA will prove very useful and act, as a source of education bringing attention to aspects entrepreneurs may not have previously been aware of.

CONCLUSIONS

The main conclusions from the research, which contribute to the final recommendation, revolve around the fact that jobs are the foundation of political stability. Jobs provide much more than incomes to a society, therefore, the absence of economic opportunities leads way for the destruction of CS and violence (WDR, 2013). This research has come to the conclusion that economic despair is the root cause, rather, than the result of political, religious and cultural tension (Koltai & Muspratt, pg. 46). Economic despair, especially amongst youth in countries with extremely high unemployment rates, creates opportunities for extremist NSA to take advantage of (WDR, 2013). Extremist NSA utilize economic incentives as recruitment techniques alongside promises of belonging to gain support for their cause (UN News Centre, 2017). The high unemployment rates abroad pose a threat for European Security at home, demonstrating the need for alternative means to secure peace in the scheme of EU DEVCO policy.

The actions taken in Rwanda in creating entrepreneurial opportunities for Rwandans has aided in post-conflict reconciliation and the perception of poverty alleviation (Tobias, Mair & Barbosa-Leiker, 2013). The specific actions of COOPAC demonstrate that entrepreneurs help build up their own society, and more importantly, contribute to achieving their own development goals. The resulted poverty alleviation is a reason in and of itself to further examine the transformative powers of entrepreneurship as the eradication of poverty in all forms, everywhere, is a guiding goal of international development (EC, SDGs, 2017). Further on, international development should set beneficiary countries up to be independent and reach their own development goals, therefore entrepreneurship is again an extremely viable means of achieving this.

Although the EU states that they “encourage entrepreneurship and the diversification of the economy,” there are many gaps in the interventions (European Commission, 2015). The EU does not currently approach entrepreneurship promotion in a holistic and comprehensive manner, which is naive and essentially useless, due to the interconnected nature of the entrepreneurial ecosystem and more broadly, the private sector. For entrepreneurship to be successfully promoted as a means of development, an assessment of the entrepreneurial ecosystem needs to be completed, which determines the areas of the ecosystem in need of bolstering, to create a conducive ecosystem. The model of research throughout is the Six+Six Model, but through conducted research, this model has been deemed as inadequate in certain areas. For example, The Six+Six Model does not place address the potential of entrepreneurship empowering extremist NSA, or emphasis on the environment, or the

potential of entrepreneurship worsening conflict dynamics. The Nottingham Model takes these latter two aspects into account under the creation of a new pillar: Impact Analysis; the former aspect is addressed under the Train Pillar. The Warner Bros. Studio analogy is addressed under the Connect & Sustain Pillar, ensuring that delegations have a small team of private sector veterans aiding the design of private sector development projects. Primary and secondary research proved essential in developing a more comprehensive and holistic means of elevating entrepreneurship promotion as a means of development. The Figure below more clearly lays out the Nottingham Model and the actors needed; the actors are presented on the outside of the figure due to the notion, that a healthy ecosystem has multiple actors present in multiple areas. The Nottingham Model also transforms the notions of pillars from the Six+Six Model to a more circular interconnected model, to represent the interconnected nature of the entrepreneurial ecosystem.

How is Peace Secured?

For the sake of this research, secure peace has been defined through the lens of peace economics, blurring the lines of positive and negative peace. The research has in fact, concluded that joblessness and lack of economic promises is the root cause (but not the only) of political instability and the destruction of CS and violence that accompanies it. Therefore, by creating economic opportunities through entrepreneurship, key issues of political instability are addressed. The Rwandan example demonstrates that economic promises do act as a tool for managing social conflicts and contributing to the freedom of fear amongst the society (Tobias, Mair & Barbosa-Leiker, 2013). Secure peace is further demonstrated through entrepreneurship in light of extremist NSA; if people, specifically, unemployed youth, are provided legitimate jobs and do not need to rely on the economic incentives of Extremist NSA, this will yield results in securing peace, both home and abroad.

RECOMMENDATIONS

As previously established, the aim of this research is not preoccupied with the legitimate and fiscal implementation of a specific beneficiary country, but focuses more on the theory behind entrepreneurship promotion and how it can be incorporated as a means of development. The interconnected nature of entrepreneurship and the entrepreneurial ecosystem demonstrates the need for an interconnected and holistic project approach, therefore, The Nottingham Model is recommended.

For The Nottingham Model to be taken from an idea to a tangible sustainable development project, EuropeAid and EEAS must jointly propose the programming. The role of the EEAS is to discuss with the potential beneficiary country government and agree on the type of intervention and the priority areas; EuropeAid and the EEAS work together to work out the details of the multiannual programming. Entrepreneurship promotion would best be adopted in the form of a geographic program that can address the specific situation in each country. Further on, issues of the way in which profits return to society affecting the destruction of CS demonstrate that this project would be most successfully implemented in countries with rule of law and relatively good governance. The issues with international aid in light of the question of ownership, local agency and the sustainability of the development are not as prevalent under the priority sector of entrepreneurship due to the fact entrepreneurs are in fact, their own agents. As mentioned above, the Sustainability of the development is further solidified under Connect & Sustain, through the incorporation of private sector veterans in the scheme of international development and cooperation; this also addresses the Warner Bros. Studio analogy. Other aforementioned issues in light of potential negative outcomes of entrepreneurship are addressed under the creation of a new pillar: Impact Analysis.

Due to the untapped potential in the EU's current approach to encourage entrepreneurship, this research focuses on an improved theoretical approach, leading to the creation of the Nottingham Model. The research would further benefit from a series of case studies, examining the legitimate implementation of the Nottingham Model in various beneficiary countries, and more specifically, various entrepreneurial ecosystems. This would further lay out the needed timelines and funding mechanisms, demonstrating in a more concrete manner, how entrepreneurship promotion can be elevated as a means of development.

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Appendix

Current SDGs:

- 1. End Poverty in all its forms, everywhere.**
- 2. End Hunger, achieve food security and improved nutrition, and promote sustainable agriculture.**
- 3. Ensure healthy lives and promote well-being for all at all ages.**
- 4. Ensure inclusive and equitable quality education and promote life-long learning opportunities for all.**
- 5. Achieve gender equality and empower all women and girls.**
- 6. Ensure availability and sustainable management of water sanitation for all.**
- 7. Ensure access to affordable, reliable, sustainable and modern energy for all.**
- 8. Promote Sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.**
- 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.**
- 10. Reduce inequality within and among countries.**
- 11. Make Cities and human settlements inclusive, safe, resilient and sustainable.**
- 12. Ensure sustainable consumption and production patterns.**
- 13. Take urgent action to combat climate change and its impacts.**
- 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development**
- 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt the reverse land degradation and halt biodiversity loss.**
- 16. Achieve peaceful and inclusive societies, rule of law, effective and capable institutions.**
- 17. Strengthen Means of Implementation and revitalize the global partnership for sustainable development.**

Student Ethics Form

**European Studies
Student Ethics Form**

Your name: Hannah Remo

Supervisor: Isabel Dusterhoft

Instructions/checklist

Before completing this form you should read the APA Ethics Code (<http://www.apa.org/ethics/code/index.aspx>). If you are planning research with human subjects you should also look at the sample consent form available in the Final Project and Dissertation Guide.

- a. ☐ Read section 3 that your supervisor will have to sign. Make sure that you cover all these issues in section 1.
- b. ☐ Complete sections 1 and, if you are using human subjects, section 2, of this form, and sign it.
- c. ☐ Ask your project supervisor to read these sections (and the draft consent form if you have one) and sign the form.
- d. ☐ Append this signed form as an appendix to your dissertation.

Section 1. Project Outline (to be completed by student)

(i) Title of Project:

How can the EU utilize Entrepreneurship Promotion as a means to secure peace through international development and cooperation policy?

(ii) Aims of project:

This project aims to look into the feasibility of implementing a new theoretical approach to entrepreneurship promotion, due to the untapped potential in the EU's current approach to DEVCO policy.

- (iii) Will you involve other people in your project – e.g. via formal or informal interviews, group discussions, questionnaires, internet surveys etc. (Note: if you are using data that has already been collected by another researcher – e.g. recordings or transcripts of conversations given to you by your supervisor, you should answer 'NO' to this question.)**

YES

If no: you should now sign the statement below and return the form to your supervisor. You have completed this form.

This project is not designed to include research with human subjects . I understand that I do not have ethical clearance to interview people (formally or informally) about the topic of my research, to carry out internet research (e.g. on chat rooms or discussion boards) or in any other way to use people as subjects in my research.

Student's signature _____ - date _____

If yes: you should complete the rest of this form.

Section 2 Complete this section only if you answered YES to question (iii) above.

(i) What will the participants have to do? (v. brief outline of procedure):

Take part in a semi-structured interview. Questions are provided beforehand in addition to the informed consent form alerting subjects of their rights. Interviews will be directly transcribed, so the information can be accurately analyzed.

(ii) What sort of people will the participants be and how will they be recruited?

Subjects are recruited under the basis of experience and knowledge in the applicable fields of international development and cooperation; economics and entrepreneurship. Interviews will be gained through email request. Interviews are conducted via personal communications.

(iii) What sort stimuli or materials will your participants be exposed to, tick the appropriate boxes and then state what they are in the space below?

Questionnaires[] ; Pictures[] ; Sounds [x] ; Words[x] ; Other[] .

(iv) Consent: Informed consent must be obtained for all participants before they take part in your project. Either verbally or by means of an informed consent form you should state what participants will be doing, drawing attention to anything they could conceivably object to subsequently. You should also state how they can withdraw from the study at any time and the measures you are taking to ensure the confidentiality of data. A standard informed consent form is available in the Dissertation Manual.

(vi) What procedures will you follow in order to guarantee the confidentiality of participants' data?

Personal data (name, addresses etc.) should not be stored in such a way that they can be associated with the participant's data. The informed consent form further notifies subjects of their rights in terms of confidentiality.

Student's signature: **date:**

Supervisor's signature (if satisfied with the proposed procedures): **date:**

Interview Transcriptions***Interview Transcription: Friedrich Bokern***

43 Minutes 38 seconds.

HR: Thank you so much for agreeing to an interview making time to chat with me, in our prior emails I told you a bit about my thesis and research but just for a refresher, my definition of entrepreneurship focuses on innovation, market opportunities and high scalability and serious job creation, this type of private sector involvement is different from Small and medium sized enterprises, because it focuses on creating jobs for fellow citizens. For example, this definition does not include any small business owner say an owner of a dry cleaning company. Through my definition Uber is an example of entrepreneurship, by no means did Uber invent the mobile phone, or the taxi, or even the concept of calling a taxi with a mobile phone, but they completely innovated the entire experience. From calling a taxi to the means of hiring. So throughout the research, I am trying to draw a clear cut line connection between joblessness and violence and further on, political unrest and the destruction of civil society will be drawn; examining how entrepreneurship focused on innovation and job creation could be a feasible response as a means to secure peace in the development scheme of the EU.

So could you first give me a little background information on yourself and what do you consider to be the main focus areas of your career?

FB: Yeah, of course career is a big word for me because I have never thought in such terms. You know now, I am calling from the Syrian border in the North of Lebanon, from the the peace center for our small organization, relief and reconciliation for Syria which we established five years ago together with a group of friends, from Syria and from abroad in response to the Syrian crisis. I lived myself in Syria in 2008 for a couple of months, and then learning Arabic and doing some research for my PhD which has never been finished so I shouldn't mention it too much. But this was kind of the development out of some specific interests I have had throughout my professional life in which were very much connected to the Bosnian war back then, something like my political awakening when I was young. I still remember the falling of the wall, my mom put me in front of the TV and said its important, but i was too young to connect to it emotionally or to grasp the meaning of it, so for me it was the Bosnian war at the beginning of the nineties and we were very active. From this experience it was also my first political job, working in Mostar besides studying in Berlin so I was going a bit back and forth. But from this experience came my main two interests, which is on one side, European Integration and on the other side conflict transformation, especially for conflicts with an identity dimension, So I am reluctant to call it religious wars because they are not religious, they are wars. But you know they have this dimension of diversity, and of different convictions, backgrounds, identities

etc. So from there, I started my studies in Berlin, I continued to pursue first, a master in Paris. I did my studies half in France, half in Germany so I'm holding two masters in political science from Paris and Berlin and my first work- I mainly divided my work in between two pillars as well- one is European politics, and I worked mainly, first in the German Bundestag first as assistant of chief of staff and then for member of parliament in the European Affairs Committee, then I changed to chairman of the European Affairs Committee for liaison with France and Brussels also. I later pursued it later at the European Parliament in Brussels where my last position was as advisor to the president of parliament from 2010-2012, for former Polish Prime minister Jerzy Buzek, he was very decisive figure also in the democratic change in the Eastern bloc, he was in fact the founding chairman of solidarity movement in Poland which was one of the main important movements that brought down the iron curtain. Very rich experience, of course. So that was one side of my professional life, the other side, I always had my foot in academics. I was lecturing at Sciences Po in Paris for four years, and pursuing different research projects, one was in the suburbs of Paris in 2005/2006 when there were the big riots, in Brussels and the Middle East. I continued lecturing at l'université catholique de Louvain in Belgium, and here in Beirut later on besides the work for the Ngo. So academic life was always a pillar and the pursuit, in the academic terms my main focus was indeed European integration but even more inter-religious conflict transformation, Right? So Conflict transformation, peace building with an inter religious aspect, especially in regard to dialogue with Islam, which was very much a personal interest for me, this dialogue between mainly the Abrahamic religions, between Jews, Christians, Muslims. I am coming from the Christian perspective of course, but also then with the modern world and the agnostic principles, atheism. You know a very broad understanding of dialogue you'd say.

HR: Wow, that's so interesting, I have so many questions for you just based on what you said! So with Relief & Reconciliation in Syria, through research I found that R&R operates under Belgian law, but in Lebanon. But how does this work in practice, operating under Belgian law but in Lebanon?

FB: Well of course it is operating here at the Syrian border; it is of course a legal challenge. I mean we operate under both laws. We established one international non-profit organization, that is Relief and Reconciliation for Syria AISBL under Belgian law indeed, with headquarters in Brussels, indeed. Noting that our headquarters are merely entertained by volunteers, so we don't have permanent headquarters stuff. All our staff is here at the Syrian border and we do have a second legal entity which is Relief and Reconciliation Lebanon, which is our Lebanese brand which is its own Lebanese non profit organization, operating under its own Lebanese law, so that means that our center here and operations here are under Lebanese law right? A framed agreement between both, which means that RR international is providing the funding and sending volunteers but the local operations are governed by Lebanese law and headed by a Lebanese board. So these operations between both boards which can

sometimes be a little bit complicated but it is doable and is a solid foundation because many NGOs in this area are working in the legal grey zones, many even of the big NGOs even of the UN system are working illegally. So as we have volunteers posted here at the center, which is considered an unsafe zone by many embassies, it was very important to us to have a very solid legal foundation, that we are not acting illegally right?

HR: So you mentioned the UN organizations, what are some of the issues with the international organizations currently in Lebanon, at the Syrian Border, working in this legal grey zone?

FB: there are many issues and indeed it is a big topic, and i intend to publish on this question in the foreseeable future, if I can find some time. Because you see, first of all, to tell you a little bit about our approach, what we are trying to do in our work is to combine conflict transformation with humanitarian aid, which usually are two different worlds, they are two different methodologies. Already the time horizon is very different, right, humanitarian aid by definition is emergency aid right? Whereas conflict transformation, peace building, takes a long time, even a generation, sometimes more to see tangible results. So it's a different logic and try to combine them both by uniting all communities present, really opposed groups, right, opposed confessions here at the local level, around the common cause- the future of the youth. So that it is a point, almost that everyone can agree, that our children should have a better future, and it is a little bit implementing this basic idea which came out of my research in the field of conflict transformation that dialogue is a nice thing. I have been a part of this world for a bit, you know, every two months, you have a fancy conference in a nice 5 star holiday, somewhere nice... say, somewhere on Cyprus for example, etc. You find always the same people, and they all agree with each other. You always have the Muslim sheik, you have some Jewish Rabbi, you have etc etc. You have some professors, some politicians and they all agree. So dialogue is very fine, but it is not dialogue that saves, it is more the practices of working together. Trust comes more out of deeds than words right, if you learn that you can work and rely upon each other, on the words, in the work, in the daily cooperation, there, something like trust emerges. Where words alone can even destroy trust if they are not followed by deeds. I'm making a nice speech now and telling you now oh tomorrow at 7 in the morning I will send you all the documentation you need, and I'm not doing it, you will trust me less right (laughs). It is quite easy; it is a little bit of fundamental understanding European integration itself, why did European integration work out so well? It was not because of some peace conference, like after every other war, but because of this idea of Jean Monnet and Robert Schumann, this solidarite de faite, the de facto solidarity, so small steps. Lets first put together coal and steel first, and manage it together and if we can see that we can trust each other, in the management of these sensitive industries we can continue with other fields. This is even the secret of European integration, this de facto solidarity, some even today call it diapraxis, so not dialogue but

diapraxis. And this is a bit of our fundamental idea, that ok we don't have coal and steel in Syria, fortunately perhaps, but we do have the youth and we can all agree that our children should have a better future. So let's work together, we come in as outside actors to facilitate this cooperation, so it's a very strong community based approach. So we as foreigners, outsiders, submit ourselves to directives of local authorities under the one condition that there is consensus amongst all. Then that leads me a little to the experience here with humanitarian aid and a little bit of development policies, because the biggest biggest biggest problem I see for humanitarian aid and development policies is neocolonialism. The power gaps. It's the big power gaps that come from those who are rich and developed and those who are in need and in a situation of distress.

HR: When you speak of this combining humanitarian aid and conflict transformation, and kind of blurring the lines of both in this new type of project, do you receive any support from the EU or does the EU do anything to help R&R on the ground?

FB: Well financially, not. We have deliberately chosen as a strategy among our board of directors that we want to restrict public funding to a maximum of 50% of our resources. Why? Because the public funding of development policies, of humanitarian aid itself is already a problem. It is needed, there is a need for transfers right, of resources. But it is also part of the problem because what you see with the big NGOs that are trying to copy a bit the model of UNHCR, also with the personal career path most people working for the big international NGOs, they dream of becoming one day a UNHCR or UNICEF officer, you know that the golden goal- to work for the UN. so they all behave, the UN officers are diplomats, officially, even though they work in humanitarian aid, and there is a big contradiction in that because in my understanding humanitarian front workers can not be the same as diplomats. It is totally acceptable that diplomats have a special status, they represent a certain country or organization so I don't question it, but i question the fact that humanitarian aid workers are behaving like diplomats, and have all the privileges of diplomats and live here in luxurious compounds with swimming pools and with 10,000 dollars net income for a job starter, which is ridiculous. So there is the existing power gaps that are already there, because of our passports, because of our knowledge, because of our education, there are already huge huge power gaps between us, internationals from the west and those we serve. Instead of minimizing these power gaps, they are reinforced, and they are broadened even by this very new colonial attitude of we come in and save you, its very patronizing...

HR: Rather than teaching them how to fish, you are trying to give them a fish in a very non-legitimate way almost...

FB: You can say that, but even teaching you how to fish can be kind of patronizing as well because you know, this word empowerment for example- let me empower you- what gives me the right to empower you? It implies the power relationship already where I am powerful and you are not. It takes

away agency from the people we serve. Something very concrete i have seen over the last five years of living at the Syrian Border, you know, the inner Syrian solidarity schemes, have always been 10x more efficient than any international aid coming in- 10 times more efficient. However, they were destroyed the last five years by throwing money at the problem by the international NGOs, today we have much less inner Syrian solidarity then we had five years ago; and it has been monetized, there has been a bubble of salaries, now the local salaries for local Lebanese staff, are three times higher for a person without any academic degree than my entry salary at the German parliament, it is just ridiculous right? So I have seen really local agency, local resilience being destroyed by international aid. Let me give you an example, this person I know, he is not a close friend, but I know from other local community leaders and local NGOs that he has been doing a fantastic job as a director of a social development center of the Lebanese ministry of social affairs, so the government solidarity scheme you could say. He has been doing a very good job, he has had 15 social workers under his authority and he was fantastic, he was proactive and really helping people; but then he had his third child. You know the government salaries are not very high here, so he could not resist the temptation of the money crawl. So what did he become? Now he is a driver, for Dennis Refugee Council, they pay 3x as high for a driver than the government did for his director position before.

HR: Wow... that is an issue. So do you think that there is a way the European Union could create a development program that focuses on boots-on-the-ground to help build up this Syrian Solidarity? Do you think this is even possible?

FB: I think it is possible, I think it is very much possible. I do not have a silver bullet yet, but it is worth working on it. So any program that can be designed should rely mainly on the agency of the people concerned.

HR: This brings me to my other point, in a situation where there are extremely high unemployment rates, through my research I have come across that some of these people aren't joining extremist groups or extremist movements because of their beliefs necessarily, but because of this economic underpinning. Even with the Arab Spring Revolution, it wasn't about Egyptians wanting democracy but more that Egyptians were angry that they did not have a way of putting food on the table. Now with your experience with post-conflict transformation, and your studies on inter religious wars, what are your thoughts on this idea that there is a clear economic underpinning in a lot of these issues?

FB: There is a point for sure, but you have to be very careful with that. So I doubt to construct a monocausal correlation between these two factors. It is part of the broader picture, you see the extremist fighters you have from Saudi Arabia, they were all in a very good position, Osama Bin Laden came from one of the richest families right? So I think yes there is anger about economic situation, but you can not reduce it to that, you can focus your research on this factor because it is

totally legitimate and is one of the factors right? But you have to be careful to say this is the only cause...

HR: Well one of many variables, but a large one as well..

FB: The cry of the Egyptian revolution was you know (three words in Arabic)- so bread, freedom and human dignity, so from many people I have met, they said we don't care about if we have hardship, economic hardship, its alright, its part of the transition its part of our struggle, but what we want is to be treated in dignity. Right? Which brings me back to this question of agency, which goes back to fundamental rights, we are talking here about torture states which tried to modernize from above, and where a small elite has been profiting much larger than the last population from any forms of modernization and also economic modernization. You know Syria in the years of 2000s, for instance, was opening up economically and was liberalizing, fostering entrepreneurship but all went into the pockets of the regime. In a situation where you don't have a rule of law, it is very hard to promote entrepreneurship because entrepreneurship relies on a rule of law and rule of law relies on a certain type of ethos, on ethics right? On a certain discourse of things you do and things you don't do. So there has been much written about the protestant ethos of America for instance, of Capitalism. I think it is very relevant what Max Weber wrote, it is not monocausal, once again. There are many factors. And it's very hard to untangle them entirely and to say ok and make a mathematical relation out of it but still it is very relevant to bare in mind that the development of a society that relies on very many premises.

HR: When you make note of how the money is going directly into the pockets of the elite, this project I am proposing or so, is trying to go around some of these issues. So instead of giving money to invest and help foster this entrepreneurial ecosystem within a community, one of the benefits of the EU creating this new project focused on promoting entrepreneurship is to go around this red tape in a way and empower the individuals rather than the individuals relying on various international organizations, coming in teaching, assessing the local climate and creating sustainable jobs and sustainable economic development. So I am curious, what your thoughts are on this... When discussing entrepreneurship promotion, you have to take the entrepreneurial ecosystem into account, so you assess the local climate and the actors involved to determine the 'ease of doing business', So with your background of post-conflict transformation, this is kind of what I am looking at. So with Rwanda, for example, came from the dust of genocide and introduced these new pro-entrepreneurial policies, the policies were changing, the people were becoming informed and completely transformed the country and specifically the coffee sector. Now Rwanda is one of the top ranked countries by the World Bank in Sub Saharan Africa, a lot of people think it was because of the introduction of pro-entrepreneurial policies and fostering entrepreneurship. Do you think if guiding policies by the

beneficiary country were guaranteed, do you think this would be a more desirable means of development, of economic development? Where the lines of humanitarian aid, development aid, and this post-conflict transformation become a bit blurred?

FB: Yeah. No definitely it is. Anything that helps is good right? Now I don't know the details of the case of Rwanda, I have read a little bit about it but I have never lived there. So I cannot say about the successes and shortcomings of this model. What I can say, is once again is what I would like to stress, is the importance of agency. Yes, you need two things; you need an exchange of ideas, academic exchange, exchange of knowledge, is fundamental right? The second thing that is fundamental is resources, is solidarity, is transfers, you need money to do things. You need a control of the resources, which are still utterly unfair share in the world. Much of the wealth of the west has been generated through imperialism and exploiting others, through slavery and imperialism and that is often forgotten. So there were stealing with the right of the stronger one, things from resources from others. There needs to be a form of transferring resources into the hands of people so that they can make a difference. So both is needed, but the most important thing is agency and that is one of the big shortcomings and also EU development programs that everything is designed this whole thing of project cycle management, which is very shortsighted you know, the NGOs here and the humanitarian aid are stuck in these 6 month project cycles, and they are totally donor driven by priorities that some smart asses, if I may, have come up with in Brussels or Geneva or New York, right? So I am sorry, but they do not know better what is going on here in the field, and what can work out than the people on the ground. The people on the ground will always know better. So there must be a stronger emphasis on agency of the people on the ground, even if it is a risk that some of the money might be abused. So the who challenge is to find a solution for this dilemma which will never be perfect, you will never have perfect solutions. But you know to approach it at least, to try and find a formula that balances and finds a good middle ground, between the dilemma on one side to give agency to people on the ground, and other the side of course, the need not to foster corruption and corrupted systems not to give resources only to the hands of the powerful.

HR: So many interesting points, actually one thing I am looking to discuss if I can get an interview with someone from the EuropeAid offices in Brussels, is in regards to the employees of the economic growth sector of EuropeAid, how many of those people actually have economic backgrounds and have actual experience in the private sector? Because they are now are trying to apply this abroad, but may not actually have ideas based on concrete experience in the private sector, and as you said are now making decisions when the people on the ground know best. But when you discuss these different agencies and actors, this is what I am proposing in this Six+Six model...you have six pillars of activity and six actors. The six actors are NGOs, foundations, academia, investors, governments and

corporations are the actors needed to contribute to one or more pillars. The six pillars are based on the following: Identify; Train, Connect and sustain; Fund; Enable (public policy); and lastly, Celebrate. One of the main arguments I have for this idea is that there are entrepreneurs and are in every country, whether it be Christian, Muslim, Jewish, etc. Entrepreneurs exist everywhere, I am curious what your thoughts are on these six pillars and the six pillars involved creating this project.

FB: I saw what you wrote, but am not entirely familiar with the details of this model. So of course it does make sense, but also as you know, like i said, economic entrepreneurship relies on premises that are outside the economic realm, like rule of law for example, a certain stability so there are many other factors that come in. so when you develop a model it has the advantage of simplifying things and gives you a bit of a road map, there are advantages in any sort of model, especially if you are looking to create a new project in the scheme of the EU.

HR: One of the issues you discussed is in regards to the rule of law, which is like the security-development nexus. Which is essentially that the EU does want to give money to beneficiary countries if they cannot ensure that they have rule of law and good governance, but you can debate that the countries without rule of law and good governance are the countries that potentially need the EU's development money the most; that is something that needs to be addressed because they fall in this development limbo where no one is helping them. So one of the arguments/ what needs to be addressed for this entrepreneurship promotion project, is when you have a society with a lot of entrepreneurs within it they can act as this internal constituency, that pushes good governance and demands good governance from their government and demands that these people are accountable. What are your thoughts on this idea?

FB: Absolutely. I agree, I think the fostering of entrepreneurship is definitely a good way because it addresses one of the problems that I stressed, the question of agency. If you have entrepreneurs, of course, by definition they are their own agents. So they pursue their idea in exchange with international ideas, so what is often lacking for them is the resources and the freedom to do so. We have seen many innovative ideas, even here in the stressful situation of a refugee camp, but of course, they don't have the liberty to work, they are illegal, once they step foot outside of the camps they risk being arrested. Once they start a business, they risk being cheated because they do not have any legal protection, they don't have any rights. So anything that helps to foster the agency of people and that gives them what is needed is the exchange of ideas, and what is needed is resources, and what is needed is shortened amount of legal protection from the community. So these things have to go together, it obviously depends case to case in a local environment, you always need to assess at the local environment and what factors impede the freedom of agency for entrepreneurial development.

And then you need to work on eliminating these, lack of resources is one, lack of funding is one, lack of legal certainty is one so these are the situations I know.

HR: All these issues you mentioned are things I am trying to address, even by creating an EU project that is more long term, that does put boots on the ground but not just volunteers, but with actual entrepreneurs who have been-there-done-that, peacekeepers, diplomats, scholars to help build up all these different aspects, do you think it is more beneficial to put these people on the ground and assess the local climates or do you think it is more beneficial to give that money to Syrian and Lebanese organizations that are more independent and local rather than through the big IGOs?

FB: Let's say the most fundamental part is to give money, point. To those who are in need and those who are in distress, and that is one of the biggest criticisms of the big humanitarian aid that is received from the EU or the UN, that maximum of 10% of money donated is in fact reaching those who in need. All the rest of, half of it, you already know is, eaten up by the administration itself and the consultancies who are designing the projects, and then the big NGOS. I call it the golden triangle- the triangle between donors, international NGOs that depend on them, and the consultancy business that is designing the project and evaluating them. They eat up already, through the consultancy branch half of the money and for the administration- Half of the money goes to the NGOs. The NGOs then start the big international food chain, where at least five subcontractors. For example, Germany is giving money to the EU, the EU is giving money to say, Save the Children International, after a program that is designed by a consultancy in Geneva, then Save the Children gives money to a big Lebanese NGO for implementing, then this Lebanese NGO then gives money to a smaller regional Lebanese NGO, and then this gives money to some informal NGO groups of Syrians. Each one of them takes 20% of administrative costs, so in the end, maximum of 10% of the money donated by the international community, by the taxpayers for humanitarian aid that arrives to those in need. This is outrageous.

HR: Now is there a way to fix this- Is there a way to be more efficient with the development money and these projects? Is it even possible to cut out some of these middle men, is there a way to implement a project directly?

FB: There definitely is, there definitely is. Today, we are in the age of the internet, we are connected, you don't need any more of these consultants sitting in Brussels or Geneva designing a project, people can do it here. So of course, they do not know the discourse so well and are not hanging out in the same circles because most projects move forward due to personal relationships. Its because the guys from the agencies, the consultancy agencies and the Save the Children headquarters in Geneva are hanging out at the same bars as the UNICEF guys who distribute the money. 95% of the decisions are based on the personal relationships.

HR: It is crazy, makes me think how anything is ever going get done if things don't change. I know you have an appointment to get to right now, but I just wanted to thank you for taking the time to talk with me and share your opinion!

FB: Yeah no problem, I am sorry, I wish I could talk longer, I am curious to the final outcome of your thesis so please send it to me when you are finished!

Informed Consent Form: Friedrich Bokern**Informed Consent Form*****How can the European Union utilize Entrepreneurship Promotion as a means to secure peace through International Development and Cooperation Policy?***

Many economists and politicians alike agree that jobs and job creation are the foundation of political stability and civil society. Further on, that there is a correlation between joblessness and violence leading to, political unrest and the destruction of civil society; this research aims to demonstrate the promotion that the implementation of entrepreneurship helps pacify and stabilize developing and or fragile countries as a means of development. Currently, within the EU DEVCO policy, there are gaps within the policy that specifically focus on the promotion of entrepreneurship within developing states, as a means to secure peace and more broadly, a means of sustainable economic development. There are policies that promote entrepreneurship within the EU for EU citizens, such as the Commission's 'The Entrepreneurship 2020 Action Plan,' yet, this concept has not been applied in the form of a permanent project, in the broader international development scheme, (although, the EU clearly recognizes the importance of entrepreneurship promotion and have applied it 'at home'). It must be noted that entrepreneurship promotion is not a 'silver bullet' that will solve all issues, but many of the aforementioned goals of EU DEVCO policy and the overall, UN's MDGs and SDGs could be achieved through the help of successful entrepreneurship promotion. This untapped potential in EU DEVCO policy leads to the central research question: "How can the European Union utilize entrepreneurship promotion as a means to secure peace through international Development and Cooperation policy?"

If you agree to take part in this study please read the following statement and sign this form.

I am 16 years of age or older.

I can confirm that I have read and understood the description and aims of this research. The researcher has answered all the questions that I had to my satisfaction.

I agree to the audio recording of my interview with the researcher.

I understand that the researcher offers me the following guarantees:

All information will be treated in the strictest confidence. My name will not be used in the study unless I give permission for it.

Recordings will be accessible only by the researcher. Unless otherwise agreed, anonymity will be ensured at all times. Pseudonyms will be used in the transcriptions.

I can ask for the recording to be stopped at any time and anything to be deleted from it.

I consent to take part in the research on the basis of the guarantees outlined above.

Signed: _____

Friedrich Bokern

Date: 3/1/2018

Interview Transcription: Laure Roges and Marc Litvine

- EuropeAid-Private Sector Growth- Latin America

Interview length: 62 minutes 48 seconds

HR: Thank you very much for agreeing to speak with me. So I sent some questions to Laure already but basically I'm looking at the EU's DEVCO policy for my thesis. There is a bunch of information online but right now I am just trying to get the information from your point of view and experiences with working with EuropeAid. I know as Laure mentioned via email that you both don't work directly in entrepreneurship but whatever information you could provide is very much appreciated.

Firstly, can you both give me some information about yourselves and what you consider the main focus areas of your careers to be?

ML: Wow, look I start my career almost 40 years ago by starting working with INGOs, consult offices, and i have been technical assistant and then finally officially working for the EU for 20 years now so I worked in Latin America and Africa, mainly central Africa, and central America since 2012 and now I am based at the headquarters. Academic degree is at the same time economics and agriculture but in my career overseas I worked for anything, which is development cooperation external policy, and politics and trade issues and everything else. So it's quite a lot of different things, nothing perfect of course.

HR: Wow very interesting, and what about you Laure?

LR: So I graduated in development economics and international and European law and I Have been working in development and cooperation for the past 8 years we're going to say, for consultancies, NGOs, international organizations, on different sort of topics going from social development to human rights issues and now here I started working at DEVCO 7 months ago, 8 months ago, so I am still kind of new here and I am in charge of private sector development. I have always focused more on the Latin American region.

HR: Very cool! Staying in line with the DEVCO policy, I took an online course that linked the historical processes and the institutional architecture of global politics to the development of EuropeAid. So I am just curious as to how the DEVCO policy evolved, leading to the emergence of EuropeAid?

LR: That's more for Marc because I was not there! (laughs)

ML: Well DEVCO and EuropeAid are more or less the same, simply two names for the same institutions. We organize in a system with two kinds of things, one is geographic and one is thematic, and we are crossing those two kinds of divisions. On the contrary, for example, to the World Bank, we have a very separate institution regarding investigation and thematic issues and those were

implementing programs. In our case, the separation is not so strong; there is not a big division so we are working all together. That means that we are working with different kind of instruments and sometimes people are confused, even ourselves by the way. But it is working. Initially, DEVCO was consisted only of Development Cooperation but since commissioner, Mimica took the seat we are working on international cooperation which is a little more than simply development cooperation with all the issues which is quite important for Latin America of working with graduated countries. I think everything about our policy, the recent evolution of policy you can find a summary in a communication on the European Consensus, the recent one, the one of last year.

HR: I was under the impression that EuropeAid was formed through the merging of two offices?

LR: Yes, before there was AidCo that was our general aid co and directorate general development, so before the work on policies and the work on programs and operations were split, but they were merged after that. This was in 2011

ML: In fact, there was a big separation due to the instruments, you know the EDF, was something drawn outside of the commission budget because it was conceived out of the voluntary contributions of Member states for ACP countries- mainly Africa and the small pacific and Caribbean countries- while, all the cooperation with the rest of the world was on an instrument called ECI- development cooperation instrument mainly for Latin America, south Africa and the rest of the world, north Africa and Middle East. Then there was a decision to change our policy toward neighborhood, and not working on a base of demand driven system but on some kind of contract of development- this is the new neighborhood policy in fact which is a little bit different. The reason why all these neighborhood countries are in a separate directorate and been on to the near directorate so they have more or less the same instruments as us but they do not have the same political background in terms of cooperation. So I was in a delegation but I am done and happy not to have been took by all those movements, I was doing my job in my countries and at the same time, there was a big reform which was the creation of the EEAS- and this is related too. All what is politics and negotiation with the countries is lead by the EEAS.

LR: You know what the EEAS is?

HR: Yes- the European External Action Service.

LR: Because sometimes, we speak in abbreviations with colleagues and in the beginning myself I was a little lost (laughs)

HR: By any chance is it possible to speak up a little bit? The connection is not super clear right now.

ML: Yes no problem I will move closer to the phone. So When the EEAS was created, all the political relations with those countries was transferred to EEAS, including what the political situation was with the ACP which was merged before that with development cooperation, so now we have quite an

important separation between development cooperation and political relations which is good and bad at the same time. All these stories you can find in some interesting documents, in particular, ECDPM published a number of interesting documents on that. You know them I suppose?

HR: Yeah, I actually have an interview with someone from ECDPM on Tuesday I believe.

ML: Yes, in my view they have an excellent overview of the issues.

HR: Ok perfect, thank you. So now, we talked a little bit how EuropeAid emerged, separating political relations and development cooperation but the current situation of EuropeAid- who comprises EuropeAid? I know there are eight directorates who coordinate activity but is there interaction between directorates? What does this look like in practice?

ML: Our political backgrounds allow us to move and to make cooperation if of course, lead by the EEAS in its relations. In particular, for us, regarding Latin America, we have a system, which has summits. The EU selects summits. And within these EU select action service, summit, our document, our background is the declaration of heads of states and the action plan. So all what we are doing fits in this action plan. DEVCO is not implementing in totality of the action plan because there are other directorates also involved, like DG- RTD, Research Technology and Innovation, For Erasmus, what is education and so on. But always, we refer to this action plan for Latin America, this is our basic background. In function of that we discuss and negotiate with the countries our different programming, then I told you before, we have this double architecture, one is thematic and one is geographic. Our colleagues in thematics, dont program in the same way as us, they program *thematics*, This means all the countries are competing for funds like they have a thematic program with NGO. Of course, this is a little bit different and they are simply publishing a core of proposals and they choose the best proposals according to the committee, which has been set up by that time for this purpose. But this is different, majority of the funds are coming from the geographic directorate.

HR: Oh ok..

ML: Complicated huh, I told you it was complicated! (Laughs)

HR: (laughs) It is very complicated, and this is why I appreciate you both taking the time to speak with me because even researching online, I think it took me about two weeks of researching to understand some of the ideas you just presented, so I really appreciate it!

ML: Yes it is logical that we have thematic issues which are world wide because the problematics worldwide. If you think of climate change, climate change is a worldwide problem, of course we cannot reduce climate change by the preoccupation of one single country, it is a worldwide thematic, that is why we have those thematic programs. The same, by example, for the NGOs and democracy. Democracy is not the preoccupation of one country- it is a worldwide preoccupation, which of course, is designed with specific problems in each country, but it is a worldwide preoccupation.

HR: That makes sense; now what kind of different avenues of aid exist? Essentially, what kinds of aid are available? I know you can give beneficiary countries money, or you know projects can be implemented, but how do you decide what kind of package is going to be distributed?

ML: each seven years, we make a programming exercise with those countries. Because of course, I speak mainly of the geographic programs we are in charge of it will be easier- we cannot implement a program in a country that does not want this program, that is obvious, it would never work. We have a discussion with the countries regarding the kind of cooperation they would like to have with us and we would like to implement with them. This is a very frank discussion, sometimes easy, sometimes a little difficult. So we are in charge of geographic, regional programming, continental programs which are covering all over Latin America- mainly, we don't have any problems with them. The issues we are raising are exactly the kind of problems they are trying to resolve, so we have an amount of money, which has been decided by the parliament and by the member states and in function of that we try to reduce the number of areas in which we can work in combination with them. In our case, we have a special system that we don't have a regional body that is fully recognized by the countries to discuss with, so we are discussing with all the countries together. So that's how it works. In other parts of the world they have a regional body, they can discuss with the regional body and receive a mandate with their member states to discuss with us and we discuss with a single (CANT UNDERSTAND)- 16:50

HR: So how does EuropeAid as an entity of the European Commission interact with the other EU institutions?

ML: Ok the commission is, if you compare us to a country, the commission is the administration. But we have the right to propose, so with the EEAS we are proposing a number of areas in which we would like to work. Afterward, we discuss with those countries, like I said, but also when the discussion is over with the parliament. The parliament has the right of scrutiny, so they look at what we are doing and give their opinion, they can vote for or against those programs. But mainly, we have to propose our programming to the member states, the member states in principle, they are informed. In fact, we are always respecting their view and we have to present what we are doing so we should be current with them and their policies. In case of difference between them there is a voting process.

HR: Now has there ever been a situation where you wanted to implement a project somewhere, and you did not receive the support from parliament and the member states? Do they have the ability to say no to these projects? Or do you go back and revise and then go for a second opinion?

ML: It is a permanent discussion, so when the program isn't accepted we have defined the programming in annual programs. So each year, we propose 1, 2, 3 projects, to the member states, depending a little bit on the size of our programs, and member states they can give their opinion, they

can reject it, they can accept, they can stir a discussion among themselves there is a voting process. But of course, if we want to work correctly, we have to discuss with them before going to the presentation of these annual programs. We are discussing with the member states administration all the time, mainly, in the field, at the level of embassies or development agencies.

HR: Once you have the project, you get the approval from all the necessary stakeholders, so how does an idea for a project go to implementation?

ML: What we propose to member states is not an idea; it is a full-prepared project. So we had already the feasibility studies done, so at that moment all the modalities to implement are defined. It depends on the project, you have different modalities to implement a project, usually the commission itself is not implementing a project, so we command someone else to implement it- could be, a system of supervening to a non-profit organization or it could be supervision to an international organization, it could be a call for proposal for different INGOs or it could be state contracts, so with a system of budgetary support in exchange of a process of reform, improving the governance- there are many implementing modalities. This is normally, defined before presenting the project to member states.

HR: Ok, so now, staying along with the implementation of these projects. Obviously, you write the report and have all these modalities are laid out, but when you go to implement the project, life happens and implementation does not goes as planned. Has this happened before? Can you describe some of these obstacles in the implementation you need to tackle, when coming up with these projects?

LR: The thing is that when a contract is signed with an institution then there is a whole project proposal with the logical framework and the benefactivities and the monitoring set up so we are always in constant contact with the organizations implementing the projects. We conduct monitoring missions, we receive reports and they contact us and in this way we can go visit it and we can follow up on the project implementation. So this closed monitoring allows us to be aware of possible problems or challenges that we can hopefully solve quickly or prevent them from happening. And then when there is something that does not go right, we take measures to try to fix it and to try and guarantee the results for the intervention will be reached, that is the job of the project manager.

HR: Very interesting. I have researched some issues with development aid, in general, not EU specific. I just want to know what your opinions on this notion of “success, scale, and fail,” where a very successful project that worked in Kenya, Africa, and now maybe they want to replicate it in Latin America, and expect the same success or results, in different areas. So often then donor money pours in, they implement it somewhere else only to have it fail. Do you see this within EuropeAid’s activities? What are your thoughts on this idea?

ML: Look, our projects are adapted to the local situations. So what is good for Africa, or for central Africa, may not be good for South Africa or Latin America. We have excellent projects here in Latin America, some people were asking to transfer the project to another part of the country, I said ‘wait, wait, wait’ you have to study first if it is feasible or not, and each country is different. In Europe, we have a number of common backgrounds and common histories, but it is not the case all over the world. We are working a lot to the exchange of experience and people are looking for the experience they would like to have from, by example, Europe. But sometimes the transfer of experience is not feasible and that is also an analysis we can do.

LR: Just a point based on my experience, not only here, but other organizations where I used to work. I think that you have to see how important it is to always be in touch and consult and define the need together with local governments or organizations or people who are there in the countries who can tell you what are needed. That is where you would see that maybe there is a need and maybe the context is a little similar, so maybe we can draw some inspiration from something that was implemented somewhere else, adapting it to the local situation and specific problems you want to tackle in that country; but you can’t, from Brussels, decide that there is intervention that worked somewhere that will work in another part of world, or even in another region of the same country, you need to speak with the local people.

ML: what you can define from Brussels is the global objective of outcome, but not the output and not all the methodologies to get this outcome.

HR: but now are there any similar projects in place, say for example, there is a project in Senegal that is similar to a project in place in Latin America?

ML: Yes, there is some of course. When we see by example, if you want to have clean water in the cities, it is quite similar from Senegal to someplace in Latin America, but this is toward the management of city, there is some experience that could be transferred from one part to the other one. But once you have ___ in terms of public policies. Government’s don’t always have the same views so you have to define ...

LR: The interventions are supposed to be demand driven so it really depends on what the countries or what the beneficiaries need, and some interventions, yes, it is possible, that the same kind of intervention works in one context can work in another, but that is not always the case. So it is really a case-by-case assessment

ML: We had in the past, in Latin America, a very nice project on decentralization, working with the centralized authorities like municipality department and so on, and they tried to transfer this experience to Africa. In fact, it will be, but this is an exception. They tried to do the same regarding private sector and it will not be done.

HR: Now why won't this be done with the private sector? Is it that there are too many variables?

ML: Because the private sector compartment in Africa is different than it is in Latin America

HR: So how does EuropeAid actually measure the efficiency or the successfulness of a project?

ML: We have a full team of people which is defining a number of indicator, a number of outcome indicators, output indicators, we have this famous logical framework which is helping us to merger that. So in three words, I would have some difficulty answering this directly (laughs).

LR: That was what I was telling you before, for each intervention we have a specific set of results, specific objective, general objective, with objectively verifiable indicators for each of them. And the organization implementing the project are supposed to report on the degree of achievement of those, and then from here we monitor how it is done, and you also have other tools. We have other tools like what we call the ROM- Results oriented monitoring. So we can organize missions as experts, who go and assess if a project is functioning or not and why and which measures we can take to improve it, if it was well designed or not. We also have a unit here in EuropeAid, which is in charge of conducting evaluations of our strategies and giving recommendations on how to improve them. There is a whole set of tools to ensure the results plans are achieved and normally the designing and implementation of projects is always getting better and better.

HR: I am aware that EuropeAid breaks down into different sectors, but how many people work in each sector? and how many people working in the private sector growth sector, actually have private sector experience?

LR: This is very hard to stay, there must be some statistics online about the number of staff of DG DEVCO- and per unit I am not sure. (says to marc: how many people work in the private sector on DEVCO?)

ML: I don't know.. I don't know exactly, but I think that in this sector there is a unit that is dealing with private sector and trade, which are not exactly the same, it should be around 25 persons over there. Plus there is people inside of our delegation and some are specialized in the private sector things and in each in geographic unit you have some kinds of specialists in private sector. This is very difficult as a question I think, probably, our Human resource unit could answer you..

HR: No problem, but would you say that on average, more people do have experience within the private sector or more people have a more political, international development background within the public sector?

LR: You mean out of the people working in the private sector growth?

HR: Yes, if they have had private sector experience before or if they have only been working within the political context of the public sector?

LR: I think it really depends, I think we are trying to have a mix of backgrounds because you need both in the end. So it really depends, I think it is a bit of both.

ML: I have private sector background, but the colleagues in my unit don't so it can be really difficult.

HR: Throughout my research for my thesis, I read a quote about how when your designing private sector growth projects with people who don't have private sector experience, it is like going to Warner Brothers studio and asking an employee from Warner Bros. to write a movie like Harry Potter for example, it was this idea of how the people are trying to create projects to influence the private sector of developing countries, but have no private sector experience, and what this kind of means for private sector development in the end.

ML: I understand quite well, like for example, myself I am agronomist, so I know what a plant is, I worked in the private sector for years but I know what a tree is. And then suddenly, I got an economist say "look, all these apple trees we cut and replace with mais and next year if the world price of mais is dropping we replace it with apple trees," you need to know how long you need for an apple tree to start producing. It is true, experience in a specific sector is needed; but the commission is exercising quite a lot of its work so we always have the experience of experts, which is quite good.

HR: On the EuropeAid website under private sector development, it is stated that international development and cooperation "encourages entrepreneurship and diversification of the economy," I was hoping you could first share how the EU defines an entrepreneur and secondly, can you please give me some examples of how entrepreneurship and diversification of the economy was/ is encouraged?

ML: Well diversification of the economy is a long term and macro-economic decision and I'm sorry to say this is belonging to the countries themselves and what they define for that. It is easy to say we will change cocoa tree and a very close by another production; this is something quite important for terms of diversification of the economy. Regarding entrepreneurship, we in Latin America, we have a specific form of working, which is for us, the private sector should help the private sector. This is always the way in which we can work to development of entrepreneurship. The amount of money we have is quite reduced in comparison to the needs we try to work with the leverage effect, so were working in intermanagerial bodies like chamber of commerce, or we call it in Spanish, gremios, which is sectorial association, in order to help those sectorial associations, to help their members and sort of touch a large number of companies or in particular SMEs, but SMEs also is 99% of the companies. So that is our way for working, but in other parts of the world it is a little bit different, it depends. But we strongly believe that the private sector should be the one to help the sector and then we can push this private sector to act.

HR: What are your thoughts on this idea of the private sector helping achieve other aforementioned goals of DEVCO policy. So for example, in Rwanda, the government introduced reforms, and pro-entrepreneurial policies, in addition to liberalizing key industries, and now this allowed for Rwandan entrepreneurs themselves to invest in their region, and now, for example, one of the coffee cooperatives that I looked at, started making specialty coffee beans are making a lot of money. Now the Rwandan man who started this coffee cooperative, now gives back and helps with the construction of schools, roads, bridges, health clinics, and this is all just because he wants to give back to his own society. What are your opinions on entrepreneurship actually helping achieve other goals of DEVCO policy through private sector solutions?

ML: I don't know exactly what the situation in Rwanda is because I have not been there since a long, long time but you know, first of all, economic growth is absolutely necessary for development and economic growth is driven by the private sector. If the private sector, would like to go beyond the economic role, they have a social policy, we strongly push it, in terms of what we call corporate social responsibility and this is part of a policy. If the private sector is ready to enter with the public institutions to work for development, why not? We are respecting the view of the country, in some countries they can do it, in some countries they cannot, building schools, ok that is good, but if you have some kind of schools reserved for rich people then we are not present for helping that, of course. The reduction of the disparities and inequalities is one of our motivations to make international cooperation. Then if we have the private sector in Latin America, is also to reduce inequalities, inequalities between the private sector in Latin America and in Europe but also among the private sector within the very same countries, where you have different levels of technology. We don't speak of coffee producers in that case, we speak about real industries. In Latin America, 80% of the populations are in the city.

HR: Staying in the realm of entrepreneurship and the private sector. Throughout my research I found a connection between economics and peace, and further on, jobs are the foundation of peaceful, civil societies, I just want to get your opinion on this as well. Peruvian economist, Hernando de Soto argue that the Arab spring revolutions were not about Tunisians and Egyptians wanting democracy necessarily, but was more about these people being angry about the lack of economic promises and economic opportunities provided by the state and de soto says, "We must learn a simple lesson: economic hope is the only way to win the battle for the constituencies on which terror groups feed,". So the concept here is also saying that jobs are the foundation of civil society and political stability and without that, this can lead to violence and anger within the society. So what are your thoughts on this connection between joblessness and civil society?

ML: This is a big question that is a little bit outside our scope of work. There is a strong relationship between economic goals and the climate of investment and trading. If there is no peace in the country, the climate in investment is done creating. Even worse, companies are leaving the countries like it is the case, in some countries in the world. Long-term stability is necessary for that, it is not always with peace unfortunately, with some countries we have heavy concerns but I think there is nothing else to say. Of course, when you have peace and happiness, things are going well and private sector is investing because they see a long-term possibility to have a market and secure their investment, that's obvious.

HR: Now when you discuss securing investments, for the sake of research this relates to the entrepreneurial ecosystem of a country so the ease of doing business, the regulations, and investments....

ML: Just an addition, we observed recently in Latin America, that many entrepreneurs, many private companies, see the reduction of inequalities as an opportunity for them. The market is enlarging by giving purchasing power to the poor population, it is curious how they are contentious of that, this is not the case in all countries all over the world by the way.

HR: So now discussing entrepreneurship. In my research I am proposing that a new permanent project be implemented that assesses the local climate with a specific model and decides which areas of the entrepreneurial ecosystem of said country needs to be built up, it shows you the areas of focus. Is there anything already in place, similar to this within the scheme of EuropeAid, in terms of comprehensive project that involves different actors, both public and private

ML: we are not financing directly to the private sector, we are financing policies and that is quite different. When we try to push the private sector and entrepreneurship, we push an organization that has a large focus; we are not pushing a specific project in particular.

HR: Sorry I think you misunderstood me, when I talk about the private sector there, this model about entrepreneurship looks at rural Rwandans, currently in Rwanda. The whole idea is that entrepreneurs are everywhere, whether your in the West, East, North, South, a developing country, a developed country, authoritarian, democratic, the idea is that there are entrepreneurs everywhere. This entrepreneurship package I discuss, is talking about building up the entrepreneurial ecosystem, and allowing for these entrepreneurs in society to start their own businesses and where they can contribute to the private sector themselves and create jobs for fellow citizens.

LR: Here in the unit, as far as regional programs for Latin America are concerned, we do not have a program that specifically focuses on that, because I imagine that you are talking about intervention focusing on entrepreneurs, but covering the whole spectrum to really push entrepreneurship and make the best of it, including, for example, I could think about education and training and also all the

economic aspects, and investments and infrastructure. So here, we do not have that but maybe in other parts of the world, EuropeAid has it. I don't know, in that case maybe those from the thematic unit will know more than us, as we told you before, we only cover Latin America and we don't know of all the interventions in the world.

HR: No of course not, but still painting a picture of the situation in Latin America is very useful. So next, I wanted to briefly discuss the security-development nexus and how EuropeAid tries to overcome this, because you can argue that the countries that are not secure, and do not have good governance, need the help of Europe most.

ML: Ok that's a big debate. The fact that the EC is working in the security-development nexus is quite new, until recently there was no way we could be involved in security issues. So now, we observe that development, well more that insecurity, can be an impediment to development, that's why we have to tackle security in that manner. When we speak about security, we don't speak about military intervention or things like that or training police, that's good for our government. This is not DEVCO business, what we are doing is how to train policy towards human rights concern, how to give access to justice for vulnerable groups, in particular the case of women in many countries, how to have an alternative system for resolving conflict in some countries, how to help security force to collaborate on one country to another one, deal with the direct problem from a health point of view, not from a security point of view; how to help countries work together regarding criminalities or criminal groups, or things like that. At the national level, more or less it is the same, we are not financing their material or their trainings. That is a little bit of what we are doing.

HR: I am curious about this as well because I look into how non-state actors, like ISIS and Boko Haram, are really what pose a threat to European Security. This is demonstrated through all the attacks, Paris, Brussels, for example. This growing group of non-state actors abroad now threaten European security 'at home'. So even with ISIS, a lot of the people are on economic promises and economic incentives rather than extremist beliefs. Investing in the building up of countries with high unemployment rates, specifically, entrepreneurship promotion could yield results in terms of European Security.

LR: For example, the NGO where I was working before, we were supporting education in rural areas of Cameroon, and seeing it as a way of limiting the fact that people that people enroll in extremist groups because they are unhappy because they don't have anything to eat, they really are in poor living conditions. The theory, and in practice it has been verified, that if you help them improve their living conditions, they would turn less towards extremist groups. So development, in a way, contributes to limiting the enrollment in these groups, this is my personal view, not an institutional view (laughs).

HR: This is exactly what I am saying, going into these countries and investing and building up these places is crucial to European Security at home now because things are getting worse abroad, and for example, ISIS is providing doctors with \$4,000/ \$5,000 dollar salaries a month to keep them from running off to Turkey. So if you're a doctor and have no other way of providing for your family, you're going to join whatever you have to put food on the table. The concept here is that entrepreneurship is viewed as a job-creating tool and that there are so many other benefits that come from successful entrepreneurship that address different sectors and goals of development as a result of successful entrepreneurship.

ML: You are right but it is complicated. If you take a rural country, like there in Africa, so there is all the problems- access to land, which is complicated, demography which is complicated, perhaps you have all the money you want for living but you don't have medical care. So the situation is much more complicated that cannot be fully analyzed from outside, once you are there, there are many more factors involved, besides just having a job, because you can have job but it might not be enough.

HR: Is there anything about development policy that I have not asked and you think I should know, anything else that is crucial?

ML: Many things, sorry to tell you but there are many things (laughs). It is not a science, it is an approximation, and our development policy is very complex and covers many many factors. What is lacking, is what we are doing in terms of negotiation because one part of the financial programs, the other part which is also very important is all the policy dialogue we have with those countries. This is less public, perhaps, but it is very important. All the countries in the world want to appear on the international scene- they want to be present, they want to discuss, and we are discussing with them, we are discussing on things such as international relations but also important thematic issues, including access to justice, including climate change, including education. This policy dialogue is held by our delegation world wide, in each delegation we have a number of persons in charge of these policy dialogues with the national government institutions, civil society and so on. And this is as important as all of our programming projects, this dialogue is also taking place at the international forum, the main one being the United Nations, but not the only one but I think this is quite important. So in the commission, our policy is published in a number of, what we call, communications. Communications from the commission to the council and to the parliament and normally there is an answer, we have a full set of communications, a number of files, you will see we have communications on many many subjects- many more than we discussed. They are public by the way.

HR: In your opinions, what is the most significant European document on development? Would it be the most recent European Consensus?

ML: Ok I already spoke to you about the European Consensus; the other documents are the legal basis on which we are working, which are all the regulations from 2014. The regulations establishing the DCI and all the other instruments, there are 6/7 legal base regulations, which explain the way in which we can work. Another very important document is of course, the Cotonou agreement, because the Cotonou agreement is really comprehensive and specific. Then there is things DEVCO is not managing, or not publishing, but it is development also, all of what you can find on the trades website, regarding trade. Our trade relations and the EU's trade relations are part managed according to human rights concerns. It is quite important and quite well explained over there. Let me think a little bit, you have sectoral communications, you have also regarding security, there is a number of communications which has been published by the SNGO, regarding climate change. Then you have regional instruments indeed. I'm trying to read everything and I have, but there is also, regarding research and innovation, which is very important there is a number of important thematic issues over there, but I am sorry, myself, I don't know them.

HR: No don't worry, you have been such a big help. My last question for you both is what is your favorite part about your job?

LR: (laughs) for me, the nicest part is when you go on a mission to a country and you meet the beneficiaries of some interventions that you helped shaped and monitored, or worked on- and they thank you for it and they actually share and show you the impact that it had on their life. I have to say, that I was afraid that working for the European Commission I would gain a lot in terms of policy, and being at the heart of the debate, but that I would be farther away from the beneficiaries, but in fact, this is not the case. So that is the thing that I prefer, but also in our unit we are working in a specific way of being directly in touch with the people on the ground in Latin America. It is very nice, and it is a very nice working environment, with a lot of people from different countries as well. I am just being very positive but it's because I believe it and I really enjoy it.

ML: My response is a little bit different. I am really pleased when I see a Latin American country, saying "look you have helped, I have now learned how to for example, manage my budget, and now I am teaching other countries how to do it, so thanks to you I can teach someone else,"- and this is wonderful. You would be very pleased to see it.

HR: Yeah I can imagine, its sustainable. You get to see all the benefits and everything you have directly contributed to- it must be the coolest feeling.

ML: Yeah it is, and I don't want to see my name in the publication or anything else, this is not needed (laughs).

HR: If only everyone shared that point of view... I just wanted to thank you both for taking time to talk to me, I really appreciate it.

LR: Well thank you! Please send us a copy of your thesis when it is done, we are interested in reading it. If you have any other points or things you would like to know about you can send us emails and we will try to respond as best as possible.

HR: Wow I really appreciate that because I had so many issues trying to get in contact with employees of EuropeAid, I told you a little bit about it via email, I think I must've submitted about 20 contact forms via the EuropeAid website within two months because I never heard back, so I ended up tweeting at the EuropeAid account, it was a problem so thank you very much!

LR: (laughs), It was no problem, it was our pleasure!

HR: Have a good day!

LR: Yes you too and good luck!

Informed Consent Form: Laure Roges



Informed Consent Form

How can the European Union utilize Entrepreneurship Promotion as a means to secure peace through International Development and Cooperation Policy?

Many economists and politicians alike agree that jobs and job creation are the foundation of political stability and civil society. Further on, that there is a correlation between joblessness and violence leading to, political unrest and the destruction of civil society; this research aims to demonstrate the promotion that the implementation of entrepreneurship helps pacify and stabilize developing and or fragile countries as a means of development. Currently, within the EU DEVCO policy, there are gaps within the policy that specifically focus on the promotion of entrepreneurship within developing states, as a means to secure peace and more broadly, a means of sustainable economic development. There are policies that promote entrepreneurship *within* the EU for EU citizens, such as the Commission's 'The Entrepreneurship 2020 Action Plan,' yet, this concept has not been applied in the form of a permanent project, in the broader international development scheme, (although, the EU clearly recognizes the importance of entrepreneurship promotion and have applied it 'at home'). It must be noted that entrepreneurship promotion is not a 'silver bullet' that will solve all issues, but many of the aforementioned goals of EU DEVCO policy and the overall, UN's MDGs and SDGs could be achieved through the help of successful entrepreneurship promotion. This untapped potential in EU DEVCO policy leads to the central research question: "How can the European Union utilize entrepreneurship promotion as a means to secure peace through international Development and Cooperation policy?"

If you agree to take part in this study please read the following statement and sign this form.

I am 16 years of age or older.

I can confirm that I have read and understood the description and aims of this research. The researcher has answered all the questions that I had to my satisfaction.

I agree to the audio recording of my interview with the researcher.

I understand that the researcher offers me the following guarantees:

All information will be treated in the strictest confidence. My name will not be used in the study unless I give permission for it.

Recordings will be accessible only by the researcher. Unless otherwise agreed, anonymity will be ensured at all times. Pseudonyms will be used in the transcriptions.

I can ask for the recording to be stopped at any time and anything to be deleted from it.

I consent to take part in the research on the basis of the guarantees outlined above.

Signed: Laure Roges

Date: 19/01/2018

Informed Consent Form: Marc Litvine



Informed Consent Form

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Signed: _____

Date: August 1st 2019

Interview Transcription: Matthias from Deneckere

Interview Length: 77 minutes 52 seconds

HR: Ok through our emails, I have told you about my thesis and how I am focusing on entrepreneurship promotion, and my definition of entrepreneurship focuses on innovation, market opportunities and high scale job creation, I have some questions for you and some ideas that I would like to get your opinion on. So if you could please give a little bit of background information on yourself and what you consider to be the main focus areas of your career?

MD: I am working now as a policy officer here at ECDPM in the security and resilience program which is one of our several thematic programs that we have here at the center. My specific focus of my research is on EU: crisis response and peace and security policies and especially how these are linked to development so that includes policy advice, that includes evaluations and own initiative research and policy analysis on these matters.

HR: Obviously today we are here today at ECDPM, and I know ECDPM is an independent think tank regarding international development and cooperation but I was just hoping you could give me more information about what the daily activities look like?

MD: So ECDPM stands for European Centre for Development Policy Management. That was founded in the late 80s, as an independent knowledge center focused on the relations between the EU and what is called the ACP group of states. ACP stands for African Caribbean and Pacific, it is basically a group of states comprising most of the ex colonies of the European member states. That is based on the framework of cooperation the so-called Cotonou partnership agreement. We as a center were founded to feed into the debate on cooperation between these two groups of countries with independent and knowledge analysis. Over the years, we have somewhat evolved from a focus on only EU- ACP towards a focus now on EU- Africa Relations- looking at Africa as a continent as whole. Including the relations between the EU and the African Union and also the regional economic communities of the African continent. And that is quite significant because that also includes North Africa and they are excluded from the ACP format. We have a number of programs within ECDPM focused on specific thematic areas, so security and resilience is one of them, which is my program, but we also have programs focused on migration for example, we have one focused on economic cooperation and trade and another one with agriculture and food security, we have a program focused on African governance and institutions etc and there are a few others as well. The type of activities we do are basically three fold- we do independent research, secondly we obviously publish our findings and knowledge with which we try to engage the public and policy debate, we try to feed independent knowledge into these. Thirdly, we also conduct on sort of advisory type of tasks, upon request of our partners which are a

number of EU Member States, but that can also be EU institutions, civil society organizations, everyone who is interested in the work that we do.

HR: Oh wow, so the reports and things you publish could actually influence the policies because the presence of the member states and institutions who are reading the publications and receiving them?

MD: Yes well, the word influence we try to avoid because we are not an advocacy organization, we are not promoting and particular position or stance in regards to the issues we work on. What we rather want to do, is to feed independent knowledge on what for example, the implications of certain policy choices could be.

HR: So just generally speaking, getting to development, what do you consider to be some of the biggest obstacles with development aid?

MD: I think if I can maybe pick two of the bigger issues that are also very much being debated in the global debate on development. One of them relates to the sustainability of results of development, and the other relating to the question of ownership.

HR: Now what do you mean by both of these? Could you please elaborate on them both?

MD: So basically, if we do development cooperation we want to achieve certain results. Especially in the EU context, it is explicitly stated that the ultimate objective of EU development policy is the eradication of poverty on the long term. Now since development cooperation, especially the more traditional development aid type of cooperation is project based. There are certain limited time frames, but obviously you want the results to be sustainable beyond the time frames of your cooperation project and frameworks. A key element in realizing that is ensuring that there is sufficient buy in from the government's you work with, the societies and communities we work with. From whatever you are working on so say, the development of an educational system or curricula for school or whether it is a health system that you are trying to develop, the buy-in from local stakeholders is incredibly important to also make sure it has a life beyond the actual cooperation and beyond the support that comes from the donor countries. That is why the ownership question is very important and currently, well there already have been talks about how to do this for many years, in 2005 the famous Paris Declaration where the ownership question was one of the things that seemed to be a key element of future development cooperation, but we see that a lot of donor agencies are struggling with precisely how to do this, how to involve the voice of local partners within their agenda setting and priority setting. I think that that is still a challenge for the future as well. Related to that, is also the predictability of aid, because development is a long term process the support that you give also has to be predictable over the years. If you shift your funds one year to different priorities, different regions it is very hard to create sustainable results. Over the last few years, we see a tendency to focus aid more on those priority areas and countries that are so to say, higher on the political agenda of decision-makers, for

example if migration suddenly becomes a big thing then a lot of aid will go to those countries that are either sources of irregular migration or transit countries. But that might shift over the years, but we see that there is a bigger influence of so to say the day-to-day politics in the agenda setting of development which undermines the predictability of aid.

HR: In an interview with EuropeAid, Marc Litvine, head of sector for Latin America who has experience in the HQ as well as delegations stated that, ECDPM has published a number of interesting documents that discuss how development cooperation is separated from political relations, so a little bit of what you were just discussing as well. But Marc Litvine said that this “is good and bad at the same time,”. Can you please elaborate a little bit on why these are separate and potential benefits or disadvantages to this separation?

MD: The way Marc phrased it, the split between political relations and development cooperation, can be interpreted in different ways. What i think he means, which is in line with what we as a center say is that, traditionally, historically, development cooperation has very often been seen as a rather technical business, detached from the bigger priorities of foreign policy- foreign policy, diplomacy, which are very much interest based, which is a tool for countries to advance their national interests. Whereas, development cooperation has traditionally been seen more as an instrument of solidarity, with the less developed countries in the world. That is for example, reflected in, the fact that a lot of countries have separate development agencies that are not directly linked to the ministries of foreign affairs for example. So in a way, that is an institutional reflection of the will to keep development away from the more political diplomacy. Now, the thing is that there are two problems with that. The first, is that you cannot deny even if you try to keep development away from the traditional foreign policy there are still political choices involved. You still have every donor country or agency has a limited amount of funds it can spend and choosing where to spend on, which regions, which sectors are political choices. Secondly...

INTERRUPTED BY COLLEAGUE.. Sorry where was I?

HR: Discussing how there are still political choices to be made...

MD: another thing is that, which also relates to development being approached as a more technical thing is that, is that very often it has been framed around relations between on the one hand, a donor country which has two assets at its disposal those being: money and technical knowledge. Whereas, the partner country is a beneficiary of these two, again also, in relation to the question of ownership which i raised earlier, i think it would be beneficial for a framework for development and cooperation to actually raise it to from a donor/ beneficiary relation to one of two more or less equal partners that can engage in a more political dialogue about what the priorities are. So that means that it is actually ok for a donor country to think about its interests, as long as it also gives the political space to the

beneficiary country to also be explicit about what it sees as interests, and base cooperation off where these two meet. Base the system of mutual interests, that is particularly even more necessary in a time when we see a huge diversification of donor countries where it is not only the US and European countries anymore, but we also see China engaging in development and cooperation, we see countries like Saudi Arabia are increasingly active in these domains. That also gives political leverage to partner countries to pick and choose which donor country offers them the best deal. That is why i think it also time for Europe to adapt its models to this reality.

HR: That's a very good point. But staying in line with DEVCO policy, could you give a brief analysis as to how this policy is kind of decided on and then implemented within the scheme of the EU. So for example, the role of the European External Action Service and how that affects EuropeAid's activities.

MD: DEVCO or EuropeAid which is the same thing is a directorate general of the European Commission which is the executive branch of the European Union. That means that DEVCO is responsible for managing the budget of the EU when it comes to development and it has two main instruments for that- the DCI- Development Cooperation Instrument and the EDF- The European Development Fund. I am not sure if it necessary to go into detail, but the EDF is mainly focused on the ACP countries where the DCI is a bit more focused on all the other countries that are not ACP as well as a couple of global challenges like addressing climate change for example. So the commission and DEVCO is very much a manager of funds, they manage money and contracts etc. Whereas, the EEAS is a service to the commission that comprises or that sort of pulls expertise on thematic issues as well as country issues. So here they are much more the political hub in the EU institutional set up. Now where these two specifically cooperate is when designing development programs then the two institutions need to cooperate. Specifically, the EU development policy usually functions on the basis of multiannual programs, so for each country or each region that the EU wants to cooperate with through its development policy usually a 7 year program is agreed with the partner country government on a set of two to three priority sectors- for example, education, climate change and infrastructure, something like that. There are a list of priorities, that is sort of like a menu that can be chosen from. It is that every 7 years new programs have to be developed and it is the EEAS, that has the lead over this programming process- so the whole process of deciding which, together with the partner countries, which priorities they will work on, that is where the EEAS is in the lead. Also because the EEAS, has the asset of a very wide network of delegations which are the embassies of the EU in some 190 countries, so they have so to say, eyes on the ground, through this diplomatic network which allows them also to maintain this dialogue with the partner governments and civil society on the ground. That is why the EEAS is in the lead in collecting input from partners on the ground and then

working together with DEVCO on actually drafting a program that will guide the use or the disbursement of funds for the next seven years.

HR: So is it possible, I know that MS obviously have a role in this and they are spoken to by the EEAS and EuropeAid, but can the MS invest in their own international development schemes?- so what if they say to the EU, for example, that the EU has not prioritized one country but we think that this should be a massive priority, so can they invest in their own initiatives?

MD: Yes absolutely. It is important to realize that according to the EU treaties, development and cooperation is, what is called in EU jargon, a shared and parallel competence. So that means that the EU is, as per the treaties, mandated to development cooperation policy. While at the same time, the members state, also keep that right to develop their own development policies, so one does not exclude the other. The EU is seen to be in a somewhat advantageous position because it pulls money from different member states, it also can benefit from certain economies of scale. For example, it is present in way more countries than any EU member state is. At the same time, it adds yet another layer of course in the way that the money is being channeled. However, the EU, so the European Commission also has a coordination mandate, so it does not just manage its own programs but it is also mandated to try and coordinate all the development policies of the 28 member states and try to make sure that there is somewhat coherent or somewhat of a coherence between the different policies in a given country. For example, in Mali the local EU ambassador is in charge of coordinating with the different other EU member states present in that country, to make sure that the different development activities of each member state and the European commission engagements are in, as much as possible aligned. So that of course gives freedom to the Member states to prioritize their own interests where they deem that necessary while at the same time trying to ensure coherence. Now there are two other things that are important and that is that within the council of the EU, which is the institution that comprises the 28 member states and one of the institutions that approves all legislation, there is a delegated committee that focuses on or that gives policy orientations for the overall EU development policy that has to be implemented by the commission. They also monitor implementation of that, that is another way that member states can keep an eye on whatever the European Commission does with its development policy and can also try to give certain directions or orientations.

HR: Now on the other side of the coin, so what if one country does not agree. For example, there is a lot of hostility between an EU MS and a beneficiary country and in the whole scheme of EuropeAid approaching MS and the Council of Europe and a member state does not want to comply with this sort of development? Has this ever happened before or what would happen in this situation? Does it need to be unanimous?

MD: I can't really give an immediate example of such a thing. Strictly speaking there is not unanimity requirement. How it functions for example, is when the European Commission, DEVCO says it wants to fund a certain infrastructure project, lets say in Mali, there is one MS that would not agree with that. Well there are certain checks and balances built into the way the way in which the Commission can decide, in principle the commission has the right of initiative so they can propose things, but it still, each financing decision has to be approved by- sorry for using EU jargon- but what by they call, comitology. Comitology is basically an additional level of control that is built into the EU decision making procedures, meaning every decision of the European Commission to spend money on a certain project still has to be approved by a committee of thematic experts, in this case on development and MS representatives. Very often these MS representatives are no high-level diplomats, or politicians but are more specific experts with no political cloud of an ambassador for example. They are more there to check the proposals of the commission in terms of the inherent quality rather than on the, you know they do not have direct telephone lines with the ministry of development of their country. But should there be a particular reason to disagree with the commission, then it could potentially block whatever the commission proposes, but like I said there is no unanimity required, so not every MS has a veto- you would need a rather critical mass of MS to block the proposals of the commission.

HR: OK...that's a lot!

MD: Yeah I know! (Laughs)

HR: In the international development community, I have come across this notion of "success, scale, fail,"- the idea that when there is success found with one project in a certain region, then donor money floods in and then the project is scaled up and implemented in a different region or country where the results cannot be replicated, ultimately leading to the project failing. What is your opinion on this idea?

MD: I have never read the term, "success, scale fail," but it makes a lot of sense to me and again links to what I said earlier, of the rather technical approach that is often being used in development and not taking sufficient account of the politics. What I mean with that is that you cannot design a perfectly working program to support certain, say, agricultural sector in a southern African country and try to replicate in a country that is completely different in terms of climate etc. there are these obvious reasons why not every country that works in one country could work in another. A simple example to show the importance of knowing the context in which you are working. And again, climatological differences can make an impact, but there are also more subtle difference that can have a huge impact- cultural differences, language differences, sometimes people don't even manage to have people on the staff that speak the local languages of the communities in which it works. Again for food security, there can be certain religious norms for dietary requirements that are not sufficiently taken into account when designing a food security program. Not sufficiently taking into account these context-related

factors is one of the reasons why many projects have failed in the past, especially in cases where they tried to copy success stories that worked in one context, in another context.

HR: Ok so do you have any examples of sustainable development projects ‘done right’ or ‘done wrong’? Maybe not necessarily sustainable economic development

MD: I can give for an example, a couple of years ago we did some an evaluations of research and innovation. So the support of DEVCO to research and innovation in developing countries around the world. I had a rather minor role in this project, but one of the projects we looked at was support that was given by the European Commission to the development of a new type of coffee bean in Ethiopia. That is where there was more of a resistance to a particular disease that happened ten years earlier and had occurred several times in the country and that of course, has a considerable impact on incomes of local farmers. Because of course, if they don't have coffee to sell, then this obviously has an enormously big impact, and then it can also be a cause of famens for example if people lose their incomes. Especially, in the horn of Africa region, Ethiopia, Somalia have been very vulnerable to this type of crisis. So that is why the European Commission invested money in the development of a new type of coffee bean that was more resistant to this particular disease and this has indeed contributed to more resistance to food crises and certain diseases with all the positive impacts of sustainability including also their economic activities and income. So that is a good example of a sustainable project that I worked on.

HR: In developing countries, and within societies everywhere things are so interconnected; any sort of area of policy can be related to another. Do you think that the European Union has taken a holistic approach to the development of a beneficiary country? Because the way it is now, there are divided sectors and and areas of activity, but that there are so many opportunities for a more holistic approach to the development scheme could be taken because the interconnected nature of societies. In your opinion, do you think that the EU does take a holistic approach to development?

MD: This is a difficult question because even the European Union despite being one of the bigger donors of aid around the world, I think the US is still number one in terms of official development assistance, but the EU is also pretty high, still has only a limited amount to spend. It cannot spend it on any or every sector that is of relevance, and you are right, everything is interconnected but at the same time, it is important to use that money in a strategic way. And that is the reason why it has the model of channeling your money to a limited set of priorities, a limited set of sectors that are ideally agreed upon through dialogue with your partner government- has been the model that the EU follows and most of the EU MS also follow. Trying to find those sectors that indeed have the biggest added value and impact in a particular society or country, at the same time, there have been attempts to approach it in a more holistic way. The coordination with MS, which I already mentioned, is an important tool for

that. The EU very often, in the field, coordinates not only with EU MS but with other donor governments, or agencies like UN agencies, UNDP or NGOs etc. So very often, you have these coordination mechanisms in the field, that try to ensure that there are no critical sectors that are being ignored for example. Whether or not this really functions, there are some good stories and some less successful stories, it's a difficult exercise. Another thing that the EU has tried to do, it has a policy of so called comprehensive approach, where basically the EU tries to make sure that all the different, wider EU external action tools it has available, ranging from security to peace building to economic development, social development etc, trade policy to approach that in a coherent way by coordinating in advance who does what, and how the different sectors could impact each other negatively, but also how they could find certain synergies. So that is another way of trying to formulate a more holistic way of doing development.

HR: Ok so the next couple of questions I have for you I just want to get your opinions and thoughts on some ideas. Throughout my research, I have discovered the connection between economic and peace, further on implying that jobs are the foundation of peaceful, civil societies. For example, many economists state that the Arab Spring Revolutions were not about Tunisians or Egyptians wanting democracy, but rather they were frustrated and angry at the government and society for the lack of economic promises available. What is your opinion on this, and more broadly, the role that economics play within a society?

MD: I think your observation is right, that employment opportunities or the lack of employment opportunities have been a critical factor in the destabilization of certain regions for example, in Western and Central Africa. The reason for that is Africa is seeing a huge population growth at the moment, the latest figure I read was 65% of the total African population are currently young people, I am not sure what precisely the cut off age is, I believe it must be 25 or so. But in any case, you have a huge population in search for jobs, whereas the economy is not growing at the same rate- that creates a big structural problem. Indeed, I think that a lot of research has confirmed that for example, in regions like Northern Mali, or like Northern Nigeria, which have both been subject to attacks by violent extremist organizations like Boko Haram, like Al- Qaeda in the Islamic Maghreb, that the lack of economic opportunities have played a huge role in the ability of such terrorist organizations to mobilize young people. I once read a figure that Boko Haram more or less 6\$ US dollars to be able to convince a young Nigerian guy to join their forces. That is because of indeed, there is a huge lack of economic opportunity in the regions where they are from. What I want to add to that is that what you discuss about the Arab Spring Revolutions makes a lot of sense, however, all the countries that the Arab Spring Revolutions took place were not the poorest countries in the world, they were middle income countries- Tunisia, Syria, Egypt etc- So that leads me to the conclusion that the distinction you

make with economic opportunities on one hand and the demand for democracy on the other are not really contradicting each other but are rather two sides of the same coin. What I mean with that, it is not so much very often a matter of creating a strong economy but it is also how the economic gains that are being created return to society. So there is a matter of inclusivity of the economy of the state, one particular example could be, the south of Nigeria, where you have a region around the Delta of the Niger river, which is a very oil rich region, and the central government of Nigeria has given licenses to big oil companies to exploit these natural resources and obviously gather a lot of revenue from that. However, what it failed to do was to reinvest at least a part of the gains that it got from that, in the communities and societies in that particular region. That of course, created a lot of grievances amongst the local population, because a lot of them are used to depending on agricultural activities for their livelihoods and incomes, and suddenly they see that the land they used to work on is now being given to the big companies, in order to exploit the oil. If they lose their income and this is not being compensated in one way or another, or they do not see the money coming back from the capital to invest in infrastructure, to invest in education and other economic opportunities then this creates huge problems. And indeed, in the region has been a reason, of violent clashes with the government, between organized armed groups. The link with democracy comes in there, in that sense, that the reason why the money did not flow back to the region was because the government did not have an incentive to do so. Their position in power does not depend on the votes from the people there, because although Nigeria is a better example from the region, Nigeria still has a relatively flawed democracy. If you look for example the region where Boko Haram is active, around the lake Chad region. Basically there are four countries bordering there- You have Cameroon, Chad, Nigeria and Niger- for all four countries, the lake Chad Region where Boko Haram is active is interland, it's not the area of the country where the capital is or most of the economic activities are. So again, each of these governments of these four countries do not have huge incentives for investing in these regions, that again, creates a breeding ground for extremism and violence etc. So I would argue that if each of these countries would be more democratic, there would be fewer issues with good governance, with corruption etc and that there might be a better basis for not only for stability but economic development.

HR: So we spoke about extremism a bit because I also came across in my research that the people derive life meaning from jobs so if they don't have jobs, particularly amongst youth, they can search for that meaning somewhere else, and often times extremist groups provide that meaning in addition to the economic incentives. During Hillary Clinton's time as Secretary of State, one of her key contributions to American Foreign Policy was the QDDR. The QDDR is especially significant in the international community because it was one of the first policies that "recognized the connected

between economics and peace and security in the world's trouble spots," further on recognizing that "the consequences of poverty and instability abroad," poses issues for "peace and security at home". The QDDR acknowledged that the biggest threats to international security had become non-state actors; rather than formal standing armies. Most importantly, this policy recognized the need for economic development to be inflated as a means of development to combat extremist non-state actors to preserve peace and security at home. Does this recognition exist in any European Documents? If so, is it recognized within the scheme of development or security?

MD: In a way this is linked with another concept you sent me, which is the security development nexus,

HR: yeah we can discuss that now as well,

MD: So what does the security-development nexus say?- It says, in order to do sustainable development, you need to have some certain level of security before you can develop development activities. However it also works the other way around, in order to have sustainable peace you need to invest in prosperity in economic and social development etc. So it goes in both ways, so that is very much the logic that is being said here, investing in economic development to preserve peace and security. Indeed, not only in those countries but with also the potential to advance your own security interests. So this is a concept that has actually been around for quite some years, I believe it was really made popular back in the day by UN secretary Kofi Annan, I think he once gave a speech or a particular report that was really focused on the development nexus, and after that, a lot of countries sort of picked up on that, including the EU. It is actually quite present if you read a lot of the foreign policy documents of the EU, I think the first one that really integrated this idea was back in 2001 when the commission published a so called communication, which is basically a policy document of the commission on conflict prevention, which precisely made this point, if we invest in development and do development in a way that also takes into account conflict dynamics, of the fact you are not just building schools everywhere, but taking into account how that might have a positive or even sometimes a negative impact on certain conflict dynamics, and that this can contribute to stabilization and peace. So the link between development and peace and security was already made back in those days and has been picked up in some other documents as well, I think there were council conclusions in 2006 or 2008 that were specifically focused on the security-development nexus, and if you read the most recent policy statements, which are the EU Global Strategy for Foreign and Security Policy of 2016 and the 2017 revised European Consensus on development and then both of these documents sort of one way or another, incorporate this idea that security and development go hand in hand. If I can add one more point, because in terms of operational or implementation of its policy the EU has a dedicated financing instrument, the so called instrument contributing to stability and peace- ICSP-

which is a small sort of fund that the European Commission uses to invest mostly in conflict or post-conflict situations. One of the priorities of this instrument is indeed, economic development. For example, the instrument is being used to provide employment opportunities in the Gaza strip, to avoid people from joining extremist groups.

HR: And this is in the form of projects? For the instrument contributing to Stability and Peace? That's in the form of projects rather than money just going to these countries?

MD: That's in the form of the projects that are in the case of the Gaza strip that are usually implemented, by UN agencies so UNHCR is active there, I think there is a sort of cash for work system for work behind that, it is not really about promoting entrepreneurship or creating sustainable employment, but it is more about creating livelihoods and incomes for the people in the Gaza strip- also to avoid, again mostly young people, from joining the ranks in this case of Hamas or other radical organizations.

HR: Really quickly, staying in line with the Security-Development Nexus. In my research, I had a difficult time with it, because I couldn't grasp the idea of it. In my eyes, the countries that are not secure, maybe do not have good governance or rule of law- couldn't you argue that those are the countries who need the help most who need development aid the most, they need the help of donors to build up the situation, but yet the EU says "well that country is not secure, and maybe it is not smart to put our money there right now when we could give it to someone else,"

MD: Exactly. Well that's exactly the problem that the security-development nexus concept tries to address. Take an unstable country, Central African Republic for example, very limited security, so what the security-development nexus says is indeed, development, precisely because it tries to be long term can be a rather risky investment. We don't want to put our money and commit to a seven year program if we don't know how the security situation will evolve. So what the security-development nexus says is we should join hands- on the one hand development actors and the other hand security actors. For example, we will combine the deployment of military stabilization operation in Central Africa Republic, that can be under an EU flag, that can be under a UN flag, under an African Union Flag, several options. They are deployed to maintain a basic level of security and stability for the population and that provides an environment where you can start to think about other development projects. For example, blue helmets from the UN are there to make sure that there are no huge attacks in the capital, that provides at least some basic security to start thinking about reopening new schools, building new roads etc. So that is the logic behind that. Of course, deploying peacekeeping operations cannot go on, although there are examples, should ideally not go on for twenty years.

HR: I want to get your opinion on this idea of traditional means of addressing radical non-state actors has not worked. British author and diplomat, Rory Stewart, in light of coalition efforts to combat ISIS, stated that counterinsurgency and state-build was used in Iraq in 2008 to combat a very similar group, Al-Qaeda, he further goes on to state “we invest \$100 billion a year, deployed 13,000 troops and funded hundreds of thousands of Sunni Arab militiamen; and the problem has returned, six years later, larger and nastier,” (Stewart, 2014). What is your opinion on this idea?

MD: That’s a million dollar question. First of all, state building is an incredibly ambitious way of putting your money in. The idea that you go into a country and completely rebuild state institutions is fine on paper, but then you need to have the resources to back it up. Look at how European countries evolved, they were also not built in ten years, it took centuries. Very similar things happen now in the Middle East or central Asia or wherever so the question here is whether state building is a realistic policy objective. A second reason why I think they have failed is because they are often designed built on the premise that they act in a vacuum. Take for example, Iraq, the Saddam regime collapsed, so international countries come in and think that they operate in a vacuum, that there are no institutions in place and therefore need to be rebuilt. I think that is a wrong assumption, even without a central government, there are institutions in place- at the local level, at the community level, these can be informal institutions but there will be actors there to make sure education is being provided for children. Very often around churches for example, or religious groups; the same for health services- there will be actors there will be local communities, local chiefs, that will be there to provide security to the people. So if you come in as a foreign government and say, we are going to rebuild your state, well then you need to prove that you will have an added value for normal people in those countries. They have to see the benefits of what you do or else they won’t see whatever you do as in their interest and therefore you won’t be able to build the legitimacy that is needed for the state structures that you are building to sustain over the years, even when you as a foreign country, leave the country. State building is, first of all they are just too ambitious and secondly, they are not sufficiently taking into account those local very often, informal institutions and actors that are already present on the ground and performing the duties that are otherwise provided by the state.

HR: What do you think that the biggest threat to European Peace and Security is right now?

MD: You framed your previous question around the idea that threats are no longer standing armies, but non-state actors. First you need to be careful with the term non-state actor, it can mean a lot of things- companies are non-state actors, NGOs are non-state actors, and churches are non-state actors. So I think it is good to be as specific as possible for your research. But I think you are right. A lot of the threats to Europe are indeed, terrorist groups, who are not directly affiliated to a government or state and indeed, the attacks in Paris and Brussels and Berlin and London etc are proof of that. Of

course, that is not the only security threat to Europe, and maybe not even the most important one, if you look at the numbers, but maybe that's not the best way of looking at it. You see that the way the EU currently does its analysis of its security threats you see that actually the old analysis of inter state war is again, pretty strong in there. Back in 2001 after 9/11 everyone was saying "interstate"-war between two countries that is from the past and it is indeed non-state actors that are the main threats. We see that since 2014, that has shifted back and that is particularly related to what happened in Ukraine. Where a part of the country has been annexed by Russia- that has really invigorated this threat analysis that is also focused on threats coming from neighboring countries and not only from non-state actors. So the phrase was very often used, that since 2014 we see the return of geopolitics. This is a sentiment that is particularly strong, obviously, in the Eastern European countries, the Balkan state countries like Poland etc that are geographically close to Russia but also have historical ties with Russia because of the cold war. So in the way that the European union currently defines its security threats, non-state actors play but once again neighboring countries, state actors are actually quite prominent in there. A third element I would add, is that maybe it does not always make sense to look at it from an actor perspective, but look at wider phenomena like climate change, overall stability in Africa and the Middle East can have also a major cause of irregular migration and forced displacement into Europe, which is also putting quite some pressure on societies in Europe. So that's what I am saying, not only looking at the actors but looking at the wider dynamics can be perceived as security threats.

HR: So more specifically I wanted to discuss entrepreneurship, and entrepreneurship promotion within the development scheme of the EU. Right now I am using a model coined by Steven R. Koltai, called the Six + Six Model, which focuses on: Identify; Train; Connect and Sustain; Fund; Enable; Celebrate. During an interview with two people from EuropeAid, who represent the activities in Latin America were saying that there are currently there are no projects in place that focus on this comprehensive, holistic approach to private sector growth or the economic growth aspect of a country. This is what I mean when I talk about a more holistic approach, because the six areas of activity need to be built up by NGOs, foundations, investors, academia, governments, and corporations. So I just want to know what your thoughts on this model are, or if you think anything crucial is being left out of this model. So Identify focuses on works on the notion that entrepreneurs are present in every society be it developed, developing, in the east, in the west, authoritarian or democratic. So the entrepreneurs within the society first need to be Identified. This can be done through business plan competitions etc. Train works under the notion that although the entrepreneurs in the society may have been identified, and maybe had the skills to win a business plan competition; most likely don't possess the skills or training

to run a successful company. So educational resources that transfer knowledge and build real skills need to be provided. This could be from academia, or even entrepreneurship hubs, mentors, friends, foreign investors as well. Connect and Sustain is this notion that entrepreneurs need to be connected to people who have been-there-done-that. Many economists have stated that this is one of the most crucial aspects that determine the success of a startup. This could be done through incubator programs or extended mentorship arrangements. Funding is quite obviously important. Any successful business needs to have access to finance activity. It is noted that only the strongest entrepreneurship ecosystem supplies options at each stage. Often, anywhere in the world, entrepreneurs dollars that go into the startup are their own- not the money of angel investors, venture capitalists, the bank etc. In practice, angel investors may emerge to provide early-stage support- leading to venture capital and then debt (bank loans, mortgages)-to strategic partnerships with larger firms, and private equity. Enable (public policy).- This area assesses whether or not startups are enabled rather than hindered by the regulatory environment. This is the area of the model that addresses red tape- tax incentives, rule of law, and all political/ institutional factors. Here obviously the government is the key actor involved, but NGOs can also act as a source of pressure based of rankings received in the World Bank's Ease of Doing Business report. Celebrate. Lastly this idea works on Isenberg's "law of small numbers,". Entrepreneurship and entrepreneurs need to be celebrated and elevated within society so people know that entrepreneurship is a legitimate, viable career option. In the most famous entrepreneurship ecosystem, Silicon Valley, everyone there thinks it is 'cool' to be an entrepreneur; but this idea is not present in all corners of the world. For example, in Ghana, it is more socially accepted to take a job with a bank or within government, or an INGO, rather than taking the risk to start their own company. It has been stated that the amount of ink spent on the subject is a good indicator of the ecosystem, so NGOs and governments and academia could help in journalism training for example. Where reporters do not know how to report on the latest startup happenings, but know how to report on big companies like Coca-Cola. Entrepreneurs need to be presented as role models within the community.

MD: I think it is a very comprehensive model that has identified a lot of critical issues in the whole idea of promoting entrepreneurship in general. One point under the train part, I think it is really essential. What is often being perceived is that there is a certain skills mismatch in the way that education programs, especially at the tertiary level, in for example in Africa are being designed. I was recently in Tunisia, to look at also how innovation it was actually part of this evaluation I mentioned on research and innovation, and one of the messages we kept hearing is that a big part of the young people have degrees in social sciences and humanities which is fine of course, fine but that the share of young people who are pursuing a degree in more technical, engineering kinds of degrees is actually too little to really provide a solid foundation for developing for example, a more robust industrial

economy. That was seen as something that whether there is a certain skills mix match between how people are being trained and what the ambitions of the country are. More generally, it is also often observed, that the skills associated with entrepreneurship which are more of a set of soft skills are also insufficiently being promoted in a lot of the educational systems in well let's say, developing and fragile countries in particular. Interestingly, there has been a program recently run by the Nigerian government in the Niger territory region I was talking about earlier that provided training opportunities to people who were ex combatants. So they used to be part of an armed group but they have let down their arms, so to reintegrate them into society they had the option to take a number of training courses in different areas. Some of them opted to take courses in more technical or vocational types of training, really focusing on a specific skill or sector. Whereas others took courses on entrepreneurship. Apparently, those who took the courses in entrepreneurship, were more successful after the end of the program in developing their own employment, employing themselves as entrepreneurs and having a viable income. Whereas those who took vocational or technical training did not because their focus was too narrow, focusing on particular activity where the entrepreneurs were more versatile, and could more easily adapt to the circumstances of the context in which they lived. I think building these skills is very important and that there is a big demand for that, so that is why I specifically support that you incorporate this into your model. One more point I have is on the funding. One of the big problems, particular in fragile and post-conflict environments, is exactly that. Investing in such countries is risky business. You don't know how the situation will evolve after the conflict has ended- the path from conflict to stability is not a straight path. There are numerous examples of countries that are falling back into violence after peace agreements, and that of course does not provide a very conducive environment to receive investments, also from public entities like the EU. However, there are certain innovative models currently being explored, I am not sure if you had a look at the European External Investment Plan- The EIP- I think that is actually quite key to your topic. This is a critical example of an innovative attempt to finance and leverage investments for economic development for fragile countries. So basically it is a fund where the EU puts some seed money, if you like, that is trying to encourage private investors to put additional money in. It is a sort of guarantee fund. The investment plan is to attract investments to be invested in infrastructure and key economic sectors for economic development in fragile countries. The interesting part is that it kind of combines the private investment with also the ambition to create a more conducive environment for entrepreneurs and economic development by trying to invest, or by trying to give technical assistance to governments in developing the right regulatory frameworks for example, for intellectual property protection, in creating smoother government structures, investing in infrastructure, training and education as I mentioned before, so this is a new program. It is hard to say at this moment if it is successful or not, but this seems to be one of

those really good examples that fits nicely with your topic so that is something you should do some research on. What I want to add in that, if you are looking at post-conflict and fragile countries, there is a huge diversity with the type of countries you work in. I believe you focus on Rwanda; Rwanda is a relatively successful example of evolving from civil conflict to a relatively stable and prosperous country.

HR: Yeah I actually reference it as a “textbook” case of post-conflict development and reconciliation.

MD: Yeah exactly. But there are other countries of course, that have seen quite a different path. Central African Republic or Mali, which have seen continuous, ups and downs of violence. You talk for example, about bureaucracy and red tape. In most of these countries there is not even a bureaucracy. In the vast parts of the Central African Republic, there is no government present. So there is not even that basis to start working on a regulatory environments for entrepreneurship, or if there is bureaucracy it is very arbitrary. It is not based on complicated procedures, it is based on corruption, it is based on whatever ethnic tribe you belong to, whatever your political membership is, or even gender of course, we know that very often it is much much more difficult for a woman to get a loan than a man to get a loan in these countries. So the arbitrary nature of how government works in these countries is an additional complexity that needs to be taken into account when designing such a program. It would work in countries that are a bit more advanced in their stabilization and reconciliation processes, like Rwanda but in other countries, there probably needs to be even more work done on the foundations, in terms of good governance and stability.

HR: Successful entrepreneurship consists of creating jobs for fellow citizens, and allowing for market opportunities to be taken advantage of by the entrepreneurial citizens of the beneficiary country. This creates opportunities for the private sector to help achieve other aforementioned goals of DEVCO policy. For example, in Rwanda, a coffee cooperative was started by a Rwandan man. The entrepreneurial ecosystem allowed for this man to start his own cooperative. Further on, the cooperative has Fair Trade Certification, which means they take part in Fair Trade Initiatives, where they are given money to invest in their region and address local needs. This includes the building of schools, roads, bridges, health clinics etc. In addition to giving back to the community, the cooperative provides education to their members in addition to the new skills they learned through producing specialty coffee. What are your thoughts on this idea of successful entrepreneurship yielding results in other areas of development? Because this is one of the points I want to make in my paper, that the EU can ‘do’ development more efficiently- actually develop these countries so they can achieve their own goals.

I also want to discuss, Within two studies “Towards a theory of transformative entrepreneuring: poverty reduction and conflict resolution in Rwanda’s Entrepreneurial coffee sector,” and “State Power, Entrepreneurship and coffee: The Rwandan Experience,”- the correlation between entrepreneurship and post-conflict reconciliation is drawn. Stating that by government action in liberalizing the coffee sector, created a depoliticized environment for people to work together with a shared economic goal. There is also a correlation between entrepreneurship and perception of poverty alleviation pointed out. Stating that the entrepreneurial opportunities in creating a coffee cooperative for specialty coffee also contributed to rising incomes, new skills and opportunities, leading to higher quality of life contributing to the overall perception of poverty alleviation.

MD: Exactly. I think the Rwandan example is a very good example in how investing in one area can benefits many other sectors and a much larger portion of the population as well. I think this is a really good and encouraging example of entrepreneurship and economic development and the different consequences they can have. Probably, what is an additional point about the specific project you mention in the Rwandan case, because you mention the depoliticized environment. That is very important in a country that has a history of huge tensions between different parts of the population, so how do you do that? I can give you a negative example as well, not a concrete example but something I just thought of now. There are certain things that need to be taken into account *how* you do entrepreneurship promotion in countries like this, this is also the notion of conflict sensitivity that I referred to earlier. Actually two examples, you can give a loan to an aspiring businessman where you have different ethnic tribes, in order to make sure, that all the positive effects you discuss. It is important to know precisely what he is going to do, are you sure that when he starts his business that he will give equal opportunities to people from other tribes or will he only employ people from his tribe? The same could be said about gender equality etc. This is a good example of someone who starts a business and the way he designs this business is very important and i think that is why entrepreneurship promotion programs, for example, when they give loans to entrepreneurs, they should do a solid analysis of what the potential consequences of the project that are being proposed for the loan could be in alleviating or making worse some of the conflict dynamics in a country. If there are already tensions with different parts of society, different religions is a different example, it could even have potentially even negative effects. The second example, is Somalia. In Somalia, I recently read an article, which gave the story of a woman who moved to Mogadishu, she was Somalian but used to live in Europe for all her life, and decided to move back to Mogadishu. She starts her own business, it was a small business, it was a restaurant I believe, so not the type of bigger enterprises you are talking about. She got a small loan to develop this business but the idea indeed is, I mean giving opportunities for enterprising, entrepreneurial women in Somalia. The political of economy of Somalia is such that

there are a lot of what I would call, criminal gangs is the best way to describe them, that will threaten local entrepreneurs for protection money. They have very close ties with Al shabaab, the terrorist organization that is active in the region, and a lot of the revenue that they get through the protection money that they collect, helps support terrorist activities of Al Shabaab. That is another example of how promoting entrepreneurs in certain contexts could even empower terrorist organizations. So that's another example as to how you need to do a solid analysis of which context you are working in before deciding what to support and how to support it.

HR: Yeah that is actually something I have not considered.

MD: I don't mean these points as criticisms on your model, but just additional points to take into account.

HR: Yeah I really appreciate it, looking at potential outcomes from the other side of the coin as well. But is there anything else you would like to add? Is there anything you perceive as crucial that I have not asked?

MD: No I don't think so. I made all the points I wanted to make, most of the answers to a lot of the questions you asked contained this element of context-sensitivity and conflict-sensitivity. I think that is something that is extremely important when you are trying to design programs in fragile or conflict affected environments, whether it is about entrepreneurship promotion or education programs or any kind of social services- this is incredibly important. Very often the security-development nexus is also being interpreted as if we do development, then we contribute to security. That is a rather naive interpretation of the security-development nexus, because you can do development in ways that actually make security and stability worse than before if you do not have a sufficiently good understanding of how the society in which you are intervening functions.

HR: All right! Thank you very much, thank you for time, I learned a lot of interesting things so I appreciate it.

MD: No problem, and please send me your thesis when you are done, I would like to read it and think that this idea you have proposed is quite comprehensive and in depth.

Informed Consent Form: Matthias Deneckere**Informed Consent Form**

How can the European Union utilize Entrepreneurship Promotion as a means to secure peace through International Development and Cooperation Policy?

Many economists and politicians alike agree that jobs and job creation are the foundation of political stability and civil society. Further on, that there is a correlation between joblessness and violence leading to, political unrest and the destruction of civil society; this research aims to demonstrate the promotion that the implementation of entrepreneurship helps pacify and stabilize developing and or fragile countries as a means of development. Currently, within the EU DEVCO policy, there are gaps within the policy that specifically focus on the promotion of entrepreneurship within developing states, as a means to secure peace and more broadly, a means of sustainable economic development. There are policies that promote entrepreneurship *within* the EU for EU citizens, such as the Commission's 'The Entrepreneurship 2020 Action Plan,' yet, this concept has not been applied in the form of a permanent project, in the broader international development scheme, (although, the EU clearly recognizes the importance of entrepreneurship promotion and have applied it 'at home'). It must be noted that entrepreneurship promotion is not a 'silver bullet' that will solve all issues, but many of the aforementioned goals of EU DEVCO policy and the overall, UN's MDGs and SDGs could be achieved through the help of successful entrepreneurship promotion. This untapped potential in EU DEVCO policy leads to the central research question: "How can the European Union utilize entrepreneurship promotion as a means to secure peace through international Development and Cooperation policy?"

If you agree to take part in this study please read the following statement and sign this form.

I am 16 years of age or older.

I can confirm that I have read and understood the description and aims of this research. The researcher has answered all the questions that I had to my satisfaction.

I agree to the audio recording of my interview with the researcher.

I understand that the researcher offers me the following guarantees:

All information will be treated in the strictest confidence. My name will not be used in the study unless I give permission for it.

Recordings will be accessible only by the researcher. Unless otherwise agreed, anonymity will be ensured at all times. Pseudonyms will be used in the transcriptions.

I can ask for the recording to be stopped at any time and anything to be deleted from it.

I consent to take part in the research on the basis of the guarantees outlined above.

Signed:

A handwritten signature in black ink, appearing to read 'Matthias Deneckere', written over a horizontal line.

Date: 23/1/2018

Interview Transcription: Nika Salvetti**1. Could you please give a little bit of background information of yourself? What do you consider to be the main focus areas of your career?**

After graduating at the University of Rome in Economics, I pursued the development career by leaving for Guatemala, a developing country facing challenging socio-economic problems and at that time (1993), a long lasting conflict.

Since then I spent almost 20 years in the field carrying out the implementation of socio-economic development projects in post conflict countries. Beginning with Guatemala, I continued in Northern Uganda, Lebanon, Indonesia, then Egypt, Costa Rica, Bangladesh and now in Vietnam. Thus my career path started in development cooperation and slowly converted in academic research. Currently I am finalizing my PhD on understanding the motivations of local business leaders to behave in socially responsible manner in the garment sector of Bangladesh. My main focus of interest is on CSR, Sustainability, Economic Development and economic recovery, especially in post conflict countries.

2. Through your experience, how would you define sustainable economic development and what are some staples of economic development projects?

Sustainable economic development should take into account the local context and its characteristics from an institutional and stakeholders perspective. Thus I don't think it is possible to generalize on this definition if not applied to a specific local context. For Sustainability, we should consider the holistic vision which looks at both the economic, social and environmental aspects. Thus if an economic project aims at sustainability should ensure to balance the triple bottom line, People/Planet/Profit, since the design of the project itself. To give an example, when you try to boost the creation of local enterprises, you have to think beyond the basic business equation of 'profit equals revenues-costs', and look at the potential impacts of your businesses on the local economy, society and environment. So that Profits derive from the deduction of costs+externalities from revenues. This is quite difficult in LICs as the cost opportunities are quite limited. And even in emerging economies where the business motto of the majority is making profits at any costs. But without reasoning and educating the future entrepreneurs in this way, we are raising the chances of business failures to the impossibility of coping with the costs of externalities in the proximate future (i.e. just think at the contribution of business to water pollution. What will happen when water will not be usable anymore for any business activities? The future costs are too high to not be considered).

3. What do you consider to be some of the biggest obstacles with development aid, in general, not necessarily EU specific, but just general issues with aid, (for example, aid capital getting lost in the process and not reaching intended people)?

Traditional way of development aid has been criticized widely. The problem is not about if we need or we don't need aid is about the modalities of distributing aid. Since 2005 the new policy on Aid for Trade is trying to support a smooth transition from traditional aid, allocating funds to countries without specific conditionality, to responsible trade. This is based on the assumption that traditional aid doesn't work and that we need to establish a more equal relationship with Southern Countries and LICs. Thus we can help them by investing responsibly in areas and sectors of needs for development and in change we get our industry gain from sharing knowledge, signing contracts, etc. Yet we don't have enough empirical evidence that this transition is effective to create a more 'equal' distribution of wealth.

4. Do you have any examples of aid projects that were not successful, or “aid done wrong”? What do you think made this project unsuccessful?

I was engaged in Food Aid projects in Central America and Africa. These were the worst cases of aid allocation. Why? Because it was a smart way to dump our Northern food overproduction to those countries in need. The problem with that is not to take into consideration the local interests and preferences. So that Guatemala highlands was soon fed by Maize from USA or Sardines from Europe, the former destroying and competing with the local production of maize and the latter getting stuck in storages because it was not appreciated by the locals (of course they never ate sardines in their lives!). Other challenging projects are the ones which combine economic development with peace reconciliation. Thus any business strategy is mainly focused on 'bringing peace' rather than creating the feasible and viable business conditions for the new businesses. Thus the result was the waste of funds and human resources.

5. More specifically, do you have any examples of economic development that may not have been successful? Why do you think this was not successful?

Another Macro economic development project initiated by the IMF in Latin America was to stop subsidizing the coffee economies of Latin America in favour of South East Asian economies, especially Vietnam, in return of economic and political stabilization. While this approach literally destroyed the Latin American production of coffee and put on the knees thousands of farmers (not only rich ones) and indirectly helped the spreading of drugs production and distribution, it helped enormously Vietnam which suddenly became a relevant world trade partner in coffee. However the quality of the Vietnam coffee is not as profound and rich as the African or Latin American one, and this on the long term benefitted the few coffee farmers who survived the last almost 20 years of

economic crisis in the sector but did not help the hundreds of local farmers to get back to their old activity.

6. On the other side of the coin, can you please give an example of a successful economic development project, or “aid done right”?- what made these aid projects successful in your opinion?

In Guatemala, I was in charge of the economic rehabilitation project of the Highlands affected by the war. We tried out all sort of agro productions, housing construction attached to micro-credit schemes. The only product which sustained on the long term was the production of potatoes seeds. Why? Several factors. First we made a deal with the biggest producers and importers of high quality seeds from Europe, who guaranteed the farmers the key inputs of production and access to the market. Secondly we trained local farmers with governmental officers of the Min of Agriculture. Thirdly we banked on the fact that the national institute of seeds just dismantled for inefficiency. At local level, the climate and soil conditions were optimal to produce potatoes seeds. The farmers used to plant seeds in the past and they knew about it; with little training they were able to master the production process. Thus having taken into account all macro economic factors plus the local circumstances, made the project successful.

7. What role do you think economics plays in developing states? (for example do you believe that economics are in fact, the underpinnings of a successful, stable, civil society?)

Indeed, not because I am an economist by profession but because our world system is governed and overruled by economics entangled with politics. This is not necessarily good as we are now facing enormous challenges in relation to economic disparities within nations and between countries which aggravate inequality at regional level. A very concerning situation if we want to achieve sustainable peace.

8. Throughout the research for my thesis, I have discovered the connection between economics and peace, further on that jobs are the foundation of peaceful, civil societies. For example, economists like Hernando de Soto argue that the Arab Spring revolution was not about Egyptians wanting democracy but more about Egyptians wanting economic promises, he states, “we must learn a simple lesson: economic hope is the only way to win the battle for the constituencies on which terror groups feed,”. The concept is that often times people will join extremist groups due to economic promises, rather than actual beliefs. What are your thoughts on this connection between joblessness and civil society?

Interesting topic. I also believe that one fundamental pillar to build a society after war is to stimulate the economy and create jobs. But this can be achieved when at the same time the state functioning is re-established, justice is put back at work and that the basic services are provided, within sufficient

conditions of safety and security. In Kosovo when there were still conflictual issues with Serbia, we were trying to understand what could be done to bring hope and look at the future. A taxi driver gave me a straight forward answer “if you want that we reach peace and we don’t fight with our neighbours, you have to make sure that we can get jobs and set up businesses even with our enemies, because at the end no one like dying and we want to believe that there is a better future”. This gave me the drive to design and implement several economic-development projects in all the Balkans (tourism development; business incubators; wine production; agro processing; bees and cattle cooperatives; sustainable fishing; etc.)

9.What role do informal markets, and dead capital for example play in economic development aid?

Very important as most of the LICs survives out of informal economy. Not sure what you mean by ‘dead capital’ as I don’t actually understand why capital, if available, can be dead. Aid might even contribute to more informality. Going back to the example of Food Aid, if food is given as a donation and it is competing with local produces, the local market will react to that, by either reselling the donated food and by abandoning the local production and setting up other productions, most of the time informal or illegal.

10.This concept of the security-development nexus, where countries want to ensure where they are providing development aid is secure, has good governance and is not corrupt for example. But on the other side of the coin it can be argued that the countries lacking in good governance are the country that need development aid most, what are your thoughts on this topic?

The nexus security-development needs to be interpreted from a more ‘safety and stability’ point of view. So if after the war, countries are struggling to go back to track in terms of economic development and stability, all investments are crucial to support this process. Thus aid might be seen as a sort of investment to rebuild society. Something else is saying that aid is allocated mostly to those countries which need to boost good governance and democracy. In this case I do believe on ‘conditional’ aid as to prevent or reduce corruption and mismanagement of funds. The big challenge occurs with humanitarian aid, when a country is struck by natural disasters (i.e. Haiti) and by civil war (i.e. Syria). If aid is provided to an unstable and illegitimate country, out of humanitarian calls, it is quite certain that part of aid will end in the wrong hands. But then what to do? Let all the victims and civilians die?

11.What role do you think entrepreneurs have on a society?

Very important if and when they can contribute to address societal and environmental challenges and if, as Porter and Kramer claim, they contribute to create shared value. For that I mean that an entrepreneur which invests in a country just for the sake of profit, would not necessarily have a

relevant role to play in society. I don't believe on the fact that making money is an end by itself. Making money is a tool to sustain your business and to contribute to society.

12. Rwanda- When discussing entrepreneurship promotion as a means of development to secure peace, the entrepreneurial ecosystem is crucial to take into account- the local climate and actors involved in the entrepreneurial process that determine the 'ease of doing business'. Rwanda came from the dust of genocide, and introduced new pro-entrepreneurial policies that transformed the country, specifically the Rwandan coffee sector. Now Rwanda holds one of the top rankings from the World Bank in Sub Saharan Africa. If entrepreneurship promotion projects were implemented with ensured guiding policies introduced by the beneficiary country, would this make it a more desirable means of development?

Rwanda is a great example of the positive impact of business growth led economy under political guidance. And indeed the key ingredients of success were political will to boost the economy and forget the past, the readiness of local business people and society and the international consensus in supporting Rwanda in this process.

However, if I take the case of Colombia, which took a similar approach, the positive results are not yet so evident. Again all depends on the local context.

13. This notion of peace through entrepreneurship is crucial to take into account because entrepreneurs are everywhere, in every country on this planet. Steven R. Koltai elaborates on this notion in his book Peace Through Entrepreneurship, Investing in a startup culture for security and development. Koltai recognizes that entrepreneurs are everywhere, but believes that entrepreneurs in developing/ failing/ fragile states are more comparable to crabgrass because crabgrass grows everywhere, although, it may be lacking in good soil, fertilizer, careful tending, the idea is that crabgrass "pushes through the cracks in broken pavement in abandoned lots littered with broken glass and detritus," (Koltai & Muspratt, 2016). Koltai goes on to point out that entrepreneurs like Steve Jobs, Mark Zuckerberg, and Bill Gates are examples of "prize-winning roses that have grown in ideal conditions," (Koltai & Muspratt, 2016). What are your thoughts on this idea?

I share what Koltai states in relation to the 'ideal conditions'. Indeed these are fundamental to achieve such success. But then you should also consider the individual, its skills, ability and motivations which made him a leader in its own field. I do also believe that besides the 'external' ideal conditions, you need to have people who own the skills and the ability to master their jobs. And this is a mistake a lot of economic development project make, which is assuming that everybody is born as an entrepreneur.

14. Why do you think this notion of entrepreneurship promotion has yet to be genuinely incorporated into economic development aid? When entrepreneurship is successfully promoted,

it could help achieve many of the aforementioned goals of EU development policy and the UN MDGs and SDGs in general?

It is there especially if you look at the different projects of UNDP, ILO, IFC, WB, etc. What I think is still missing is linking labour offer with labour demand in a specific market. So it is not enough to generate entrepreneurs if there is not sufficient demand for their activities, services or goods. Matching skills to what the market needs might be a better formula then creating x number of jobs for the sake of it.

15. Do you think a permanent project focused on the Six+Six Model, providing boots-on-the-ground could help combat obstacles to foreign aid? Boots on the ground in the form of mentors, actual entrepreneurs who have been-there-done-that, peacekeepers, diplomats, scholars could help ensure the goals of economic development aid are met? Are there any issues you see within a project like this?

Who are the boots on the grounds? White collars which teach the local what to do? I don't believe in this old fashion approach. The field experience I gained, gave me a lesson. Nothing is possible to achieve if the local will and interest is not existent. So you can force democracy, jobs, capital on a society but if this society is not ready to accept and assimilate it, it will never be possible to obtain positive results in the ground. The local voice is important and needs to be understood and carefully analyzed. Most of time, we, the white experts, are guilty of presuming that we know better than the poor beneficiaries. In this way we deny understanding potential local opportunities which if nurtured and adequately supported could lead to excellent and long lasting results.

16. Is there anything about this notion of peace through entrepreneurship or anything about economic development that you want to add that may have not been asked?

Economic prosperity is one of the crucial tools to achieve peace but it is not the only one. If safety and security are not re-established through legitimate governments and good governance and the rule of law, economy could serve as a tool to keep alive conflict and warlords. At the same time we need economic stimulus to create jobs, thus prospects of a new future and more positive life. I think the current approach and vision of the SDGs is a promising way to potentially address aid and other mechanisms to achieve goals, which are perceived 'common' and 'urgent'.

Informed Consent Form: Nika Salvetti



Informed Consent Form

How can the European Union utilize Entrepreneurship Promotion as a means to secure peace through International Development and Cooperation Policy?

Many economists and politicians alike agree that jobs and job creation are the foundation of political stability and civil society. Further on, that there is a correlation between joblessness and violence leading to, political unrest and the destruction of civil society; this research aims to demonstrate the promotion that the implementation of entrepreneurship helps pacify and stabilize developing and or fragile countries as a means of development. Currently, within the EU DEVCO policy, there are gaps within the policy that specifically focus on the promotion of entrepreneurship within developing states, as a means to secure peace and more broadly, a means of sustainable economic development. There are policies that promote entrepreneurship *within* the EU for EU citizens, such as the Commission's 'The Entrepreneurship 2020 Action Plan,' yet, this concept has not be applied in the form of a permanent project, in the broader international development scheme, (although, the EU clearly recognizes the importance of entrepreneurship promotion and have applied it 'at home'). It must be noted that entrepreneurship promotion is not a 'silver bullet' that will solve all issues, but many of the aforementioned goals of EU DEVCO policy and the overall, UN's MDGs and SDGs could be achieved through the help of successful entrepreneurship promotion. This untapped potential in EU DEVCO policy leads to the central research question: "How can the European Union utilize entrepreneurship promotion as a means to secure peace through international Development and Cooperation policy?"

If you agree to take part in this study please read the following statement and sign this form.

I am 16 years of age or older.

I can confirm that I have read and understood the description and aims of this research. The researcher has answered all the questions that I had to my satisfaction.

I agree to the audio recording of my interview with the researcher.

I understand that the researcher offers me the following guarantees:

All information will be treated in the strictest confidence. My name will not be used in the study unless I give permission for it.

Recordings will be accessible only by the researcher. Unless otherwise agreed, anonymity will be ensured at all times. Pseudonyms will be used in the transcriptions.

I can ask for the recording to be stopped at any time and anything to be deleted from it.

I consent to take part in the research on the basis of the guarantees outlined above.

Signed: 

Date: 1st March 2018