

Contents

	Summary .....	.5
1	Introduction .....	.9
	PART I: MODELLING	
2	Theory and Modelling .....	.15
2.1	Definitions .....	.15
2.2	Micro and meso perspective .....	.16
2.3	Macro perspective .....	.17
2.4	Modelling the number of self-employed .....	.19
3	Some simple models .....	.21
3.1	Mixed equation for the number of self-employed .....	.21
3.2	Straightforward modelling of entry and exit .....	.21
3.3	Exercises with a constant net entry rate .....	.22
3.4	Conclusion .....	.25
4	Introducing an equilibrium rate and an error correction term .....	.27
4.1	Model 2: Equilibrium relationship and error correction .....	.27
4.2	Exercises with model 2 .....	.29
4.3	Conclusion .....	.31
5	Adding gross entry and exit .....	.33
5.1	Model 3: Modelling gross entry and exit separately .....	.33
5.2	Exercises with model 3 .....	.33
5.3	Conclusion .....	.36
6	Adding explanatory variables to the entry equation .....	.37
6.1	Model 4: Explanatory variables .....	.37
6.2	Exercises with model 4 .....	.38
6.3	Conclusion .....	.42
	PART II: SCENARIOS	
7	Scanning the future by means of scenarios .....	.45
7.1	Introduction .....	.45
7.2	Characteristics of the reference scenario .....	.45
7.3	Alternative equilibrium curves .....	.48

8	A change in the economic growth rate	53
9	A change in the error correction parameters	57
10	Changes in the propensities to start up a business	61
10.1	Increase in propensity to start up a business for young people	61
10.2	Increase in propensity to start up a business for women	62
10.3	Increase in propensity to start up a business for older groups	64
11	Reflections	69
	Literature	73
	Appendices	
I	Used variables and indices	75
II	Data and assumptions for future values	77
	List of Research Reports	79