

Introducing the reserve economy and its potential: understanding firm behaviour and role of space

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ABSTRACT

Schumpeter's theory of development assignment of paramount role to the entrepreneur and innovations, that is the role of businesses and business development, within an economy is indisputable. The nature of the businesses and the varied significance of the role has led to binary categorisation of formal vs informal; small vs large businesses, with varying degree of positive/negative connotations attached to the groupings. Being entrepreneurial is often linked to establishing a business, although the two may not necessary be the same; the latter however bring the tangible benefits to the economy, and the former has the potential. In any economy, individuals survive by either working for someone (being employed in government or private sector), running business (from as simple as vegetable stall to sophisticated business venture) or by transfer income /donations. There is need to have many individuals or group of individuals starting enterprises employing themselves and/ or others.

Keywords: Reserve economy, entrepreneur, innovations.