

# AMERICAN JOURNAL OF ENTREPRENEURSHIP

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June 2020

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# Introduction to June 2020 Issue

**David Mitchell**  
**University of Central Arkansas**

There is always more to be done. Volume 13(1) June 2020 accomplishes that task. We never fear that all of the questions will have been answered. We never fear that there will be no research left to do. The current issue includes a variety of scholarly work in entrepreneurship, but every paper leads to more questions. We welcome a broad variety of research on entrepreneurship in the many ways in which it exists. Murphy, Tuszynski, and Jackson give us questions about causality and well-being. There is still much to be done on both of these topics. Plemmons answers some questions about bankruptcy law, but she ends with questions about entrepreneurs facing risk and exit. She asks how changes to bankruptcy law impact entry and exit of small unincorporated firms. Crawford and Barber dedicate their entire essay to a call for more work helping educate rural entrepreneurs on the issues of transition, exit and succession planning. Youngberg and Hall ask whether increased labor mobility for scientists and engineers increases or decreases patent quality. Their mixed results suggest that more work is left to be done particularly in regards to defensive patenting. They also ask why they can only weakly support knowledge spillovers when others have found strong evidence. Again, more work to be done.

Crawford and Barber write convincingly about the need for more education for rural entrepreneurs. They show that there is a lack of understanding for small business owners for transition, exit, and succession. We are excited about the number of questions ask about this specific area of rural entrepreneurship. Recall that the American Journal of Entrepreneurship has published many articles including a special issue 7(2) on rural entrepreneurship. We also did a special issue 6(2) on entrepreneurship education from a regional perspective.

Youngberg and Hall use patent data to untangles two opposing effects of labor mobility for scientists and engineers. The mobility could increase productivity of invention by encouraging higher-quality patents through specialization and agglomeration. But increased labor mobility could also encourage defensive patents and a reduced desire by firms to invest in R&D. They find that doubling the rate of industry level labor mobility for scientists and engineers decreases patent quality. Results from doubling the rate of regional level mobility are mixed, but they suggest an increase in patent quality. What impacts exit? Entrepreneurs are trying to minimize risk and bankruptcy is one way to do that. Professor Plemmons analyzes the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (BAPCPA). Small businesses are often unincorporated, and therefore the financial assets and debts of the company cannot be separated from the owner. Bankruptcy serves as a crucial form of partial wealth protection for self-employed individuals and small-business owners. Dr. Plemmons analyzes the impact on small businesses' entry and exit rates. She finds that BAPCPA decreased the entry rate of small businesses by approximately 4.91 percent and increased the exit rate by 2.74 percent. While the effects vary substantially across industries, the variation cannot be explained through differences in homestead-exemption levels among states. We are left with more questions about the impact of homestead exemptions and bankruptcy for small business owners.

Murphy, Tuszynski, and Jackson use 30 years of data to analyze the bi-directional relationships between five areas: Well-Being, Social Capital, Economic Freedom, Economic Growth, and Entrepreneurship. Four of these are well analyzed in the American Journal of Entrepreneurship, but we have not spent much space analyzing well-being. Well-being is subjective but the authors try to measure it with survey data from the General Social Survey (GSS). The authors use a variety of dynamic approaches in an attempt to tease out some causality. In doing so, they might have the record for the most regressions ever in an article in the American Journal of Entrepreneurship. Using their techniques, we find the unsurprising and the very surprising. They find a positive effect of entrepreneurship on well-being. But then surprisingly they find negative effects of entrepreneurship indicators on economic growth. Those conflicting results suggest there is more work to be done.

MITCHELL

In this issue we continue to include a book review. This is still new, but our editorial board decided that book reviews were a viable contribution to our understanding of entrepreneurship. In the last issue we featured a review of *Small Town Big Money: Entrepreneurship and Opportunity in Today's Small Town* by Colby Williams (2018). In this issue we feature a review of *Harvard Business Review - Entrepreneur's Handbook* by Zach Gochenour. We're very happy that the book focuses more on being agile with a lean mindset than on more traditional business plans.

Of course, we would be remiss if we did not thank our referees. We could not have a peer reviewed journal without them. Reviewing a manuscript is generally a thankless task, but we are very grateful to our referees. They do a wonderful job evaluating the manuscripts we are sent. More importantly, they provide authors with valuable feedback to help them improve their research.