

The Concept of Local Economic Organization As An Instrument to Support Local Entrepreneurship*

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Abstract

Supporting local entrepreneurship by business environment institutions is essential for activating relations of local stakeholders. In the economic and social space, there are many business environment institutions supporting the economy and acting on many levels of stakeholder connections. Local economic organizations are a proposal to build and activate relations at the local level within the commune. An important role in this activation is played by local governments which, apart from carrying out their activities within the scope of their competences, play the role of an intermediary between all local stakeholders, in particular SMEs. Research on the impact of these relationships on local entrepreneurship was carried out in 2020 as part of the first stage of the Regiogmina project. The conducted research was aimed at identifying the existing mechanisms of enterprise support by local governments in Poland and in 14 European countries, as well as in South Korea and the USA, and covered the area of cooperation mechanisms between local governments and entrepreneurs.

As a result of the research, the concept of a local economic organization (LOG) was proposed as a formal institution supporting local entrepreneurship at the commune level, the initiator and supporting entity of which will be the local government, but it will be appointed and supervised by local entrepreneurs. The second stage of the implementation project allowed to present the developed concept to local governments and local entrepreneurs in selected municipalities and to initiate preparations for the establishment of such organizations.

The purpose of this study is to present the concept of the LOG and to present preliminary conclusions from the implementation part of the project as a pilot.