

Eugene Eteris and Daina Vasilevska

BUSINESS IN A NEW CENTURY:

Challenges and Outcomes

Political economy and
Entrepreneurship in
Europe and the World

Eugene Eteris and Daina Vasilevska

BUSINESS IN A NEW CENTURY: Challenges and Outcomes

**Political economy and
Entrepreneurship
in Europe and the World**



Riga 2023

UDK 33(4)
Va782

Eugene Eteris and Daina Vasilevska

Business in a new century: Challenges and Outcomes

Political economy and Entrepreneurship in Europe and the World

Reviewers

Jelena Pundure, professor of Riga Technical University, Dr.oec., Latvia

Udo E. Simonis, professor, Social Science Research Center Berlin (WZB), Germany

The monograph has been recommended for publication by the Turība University Science Council (protocol No. 8/2022, 15.12.2022)

Cover design **Una Spektore**

ISBN 978-9934-543-39-5

© Biznesa augstskola Turība, 2023, 424 lpp.

© Eteris Eugene, 2023

© Vasilevska Daina, 2023

© Spektore Una, 2023

Contents

Preface 9

Introduction 10

Part I

Modern challenges for business: global and European dimension 19

1.1. Harnessing globalization: multiple efforts in entrepreneurship 21

1.2. Modern global growth under critical conditions 28

1.3. Challenges at the European level 32

 1.3.1. Digital agenda: global and European challenges 34

 1.3.2. Sustainability issues in the European context..... 38

 1.3.3. Digital sustainability 40

 1.3.4. EU’s digital economy and society: corporate perspectives 42

1.4. Fiscal and monetary policies: national issues and business 45

1.5. Reliance on the states’ responsibility: European perspectives 49

1.6. European “green deal”; incentives for business 53

 1.6.1. Sustainable growth models 55

 1.6.2. Business in “transitional economy” 60

 1.6.3. Financing “circularity” 61

 1.6.4. European energy: complex issues and contemporary solutions.... 63

Part II

Political economy for new entrepreneurship 73

2.1. Western political economy: planning vs. liberal “growth” 75

 2.1.2. German governance tradition: ordoliberalism 77

 2.1.3. French political-economy’s tradition 80

2.2. Planning and governance in the EU 83

2.3. International economics: balancing European “interests” 85

2.4. Healthy economy – healthy business 91

2.5. EU economic governance: assisting member states’ growth 93

2.6. Assessing European and national economic governance framework 96

2.7. Business through post-pandemic challenges..... 101

 2.7.1. Transforming political economy and business 102

 2.7.2. Digital transformation: effect for business 107

 2.7.3. “Green deal”: incentives for business in EU-27 108

 2.7.4. European energy and climate: incentives for growth
 and business 111

2.7.5. Example: Spanish renewable project	116
2.7.6. Recent notions in modern political economy	118

Part III

Business perspectives in the European “social market economy” 127

3.1. Political economy in national growth: theory and realities.....	131
3.2. Latvian political economy: background factors for business	136
3.2.1. “Social rights” priorities	139
3.2.2. Politics in action: Latvian approach to entrepreneurship	142
3.3. Smart growth for business: challenges for the Baltics	145
3.4. National priorities in political economy: “life events”	149
3.5. “Social guarantees” and effect for business	154
3.6. Good governance and sound political decision-making	158
3.6.1. European aspects in political economy	159
3.6.2. European support for Latvian farmers	162
3.7. Emulating success stories	167
3.8. Happiness as a driving factor in growth.....	170
3.9. Social economy and business: new aspects in entrepreneurship	172
3.9.1. Social market companies in the European Single Market.....	174
3.9.2. “Social enterprises”: incentive for business	176
3.10. Re-power the EU: vital perspectives in European energy security	181
3.10.1. Priorities in financing REPower EU program	182
3.10.2. Sources of “re-powering” European strategy and “smart investment”	183
3.11. Sustainable development goals in Europe: assessment of progress ..	185

Part IV

Assisting entrepreneurship: the role of science, technology and innovation 195

4.1. Making business fit for the future: corporate perspectives	197
4.2. Science and business: modern technological trends	200
4.2.1. Science and research in the EU and Baltics: impetus to progressive growth	202
4.2.2. Innovations for SMEs and commercial use	204
4.2.3. Science and research for corporate competitiveness	206
4.2.4. Science in re-shaping national economy and supporting business.....	206
4.3. Achievement in science for a perspective entrepreneurship.....	210
4.4. Digital transformation in socio-economic development	213

4.4.1. Future and emerging technologies: some examples	213
4.4.2. Digital issues in the Baltics: Estonian example	218
4.4.3. Start ups in Estonia	219
4.5. European support for entrepreneurship	221
4.6. Science and business: effects for public health sector	224
4.7. Business technology in modern entrepreneurship	225
4.7.1. Business technology's new trends	228
4.7.2. Teaching business technology: educational facilities	230
4.7.3. Business technology (BT) in the Baltic Sea region	231
4.7.4. Business technology and modern governance	232
4.8. Youth employment and entrepreneurship	235

Part V

Recovery and resilience in the EU states: multiple effects for business ..245

5.1. Crisis aftermath: some pros and cons	248
5.2. Coordinated efforts in tackling the pandemics' consequences	251
5.2.1. National recovery: effect for undertakings	252
5.2.2. EU rescue plan: key supporting areas	254
5.2.3. EU's economic forecast and states' governance	258
5.2.4. National productivity boards, NPBs: corporate effects	260
5.2.5. NPBs in some EU states: examples	260
5.3. Post-crisis lessons for the Baltic Sea region's states	264
5.4. Socio-economic challenges and remedies	266
5.4.1. After pandemic: digital consequences	267
5.4.2. Educational aspects	269
5.5. Perspectives for entrepreneurship	270
5.5.1. Financial governance: after crisis	271
5.5.2. European banking union in perspectives	272
5.6. After-Covid: composing a resilient economy's plan	275
5.7. Changes in the "state aid": EU's temporary framework	278
5.7.1. EU-states' financial support	281
5.7.2. Box: Swedish example.....	282
5.8. Crisis management: European examples	285
5.8.1. Institutional flexibility: virtual diplomacy in action	285
5.8.2. Hybrid approach to online meetings	287
5.8.3. EU's financial support to the states: examples	288

Part VI

Business, economy and society: a conglomerate of challenges

and solutions 297

6.1. Corporate perspectives in a transitional triangle: economy-society-business	300
6.2. Ideology and anatomy of business: new aspects in entrepreneurship	303
6.2.1. Business ideology	304
6.2.2. Anatomy of business	306
6.2.3. Vital elements in business anatomy	307
6.3. EU's support for businesses	309
6.4. Innovative approach to corporate activity	310
6.5. Digital society, business and economy	312
6.6. Employment and the "future of work"	314
6.7. Minimum wage as a social solution	316
6.8. "Smart specialization" in Europe and business	318
6.8.1. 3S strategy: past and present	319
6.8.2. Smart specialisation strategies: key elements	320
6.8.3. Science, research and innovation in 3S: specifics for the Baltic States	321
6.9. European corporate future: holding the "spirit of entrepreneurship"	323
6.9.1. Common features in the EU's "corporate legislation"	324
6.9.2. Educational facilities: teaching business technology, BT	325
6.9.3. BT in the Baltic Sea Region: "smart tourism"	326
6.9.4. Business technology: towards corporate future	327
6.10. New European growth model: towards sustainable business	331
6.11. EU Digital Market Act: main part of the Union's digital strategy and business.....	336
6.11.1. Online "gatekeepers" are forced to comply with the rules	336
6.11.2. DMA's benefits	338

Part VII

Corporate taxation: European and global challenges 343

7.1. Global consensus-based solution in international taxation.....	346
7.2. European taxation issues	349
7.3. Business sector: VAT and corporate taxation.....	360
7.3.1. VAT in Europe: vital component in econometric integration's analysis	361
7.3.2. VAT in the EU: "the golden rule"	362
7.4. EU tax policy: supporting recovery and resilience in the member states ...	366

7.5. Combating money laundering, ML: new EU efforts..... 370

7.6. DEBRA: new Commission initiative in corporate taxation 374

7.7. Housing taxes in Europe and the world: facing fundamental reforms . 378

 7.7.1. Residential taxes: basics 379

 7.7.2. Reform options 381

Part VIII

**European industrial policy and business through challenges
and reforms 387**

8.1. European industrial strategy..... 390

8.2. Additional efforts in a “renewed” industrial strategy 393

8.3. Creating European industrial alliances 395

8.4. Financial institutions in supporting industrial strategy..... 396

8.5 European industrial policy: implementing reforms in
 the member states 398

8.6. Industry sector in managing European twin-transition..... 399

 8.6.1. EU-wide legal protection for local skills, crafts and industries ... 401

 8.6.2. Intellectual property in EU: expected changes 402

 8.6.3. Geographical industrial protection: effect for business 403

8.7. “Reinventing” business through science, research and innovation 405

8.8. Legal stumbling blocks in the strategy’s implementation 407

8.9. Innovations for the European corporate future: EU’s additional support .. 410

Conclusion..... 414

Supplements 420

Authors' recent publications

Eugene Eteris

Quality education as a key to addressing global challenges, February 2023. – University World News, in: <https://www.universityworldnews.com/post.php?story=20230203095914813>

Modern Educational Revolution: Challenges and Solutions. – Lambert Academic Publishing, LAP, Berlin; 2022. ISBN 978-620-5-51787-1. In: <https://morebooks.shop/shop-ui/shop/product/9786205517871> . Book in seven languages at: <https://www.morebooks.shop/shop-ui/shop/translation-bundle/8b5689a6540>

New Era for the Political Economy and European Integration. – Latvian Academy of Sciences Yearbook - 2022, – Zinatne Publish. 2022

Sustainable Issues in Global and European Context. In “EU-LV project “Challenges for the Latvian State and Society and the solutions in International Context (2018-2022). Latvian Strength for the Long-Term Development”. October 2022

European Future: Main Challenges in Modern Integration Process. – Lambert Academic Publishing, Berlin. 2021; In: <https://morebooks.shop/store/gb/book/european-future:-main-challenges-in-modern-integration-process/isbn/978-620-3-58285-7>; the book in several languages in: https://www.morebooks.shop/gb/translation_bundle_42004ea0740

Latvian science policy: European dimension. – Latvian Academy of Sciences Yearbook, 2020 – Riga, 2020. In: http://www.lza.lv/images/stories/YearBook_2020.pdf

Teaching sustainability: modern challenges. – Lambert Academic Publ. Berlin. 2019. ISBN: 978-620-0-30779-8. In: <https://www.lap-publishing.com/catalog/details/store/gb/book/978-620-0-30779-8/teaching-sustainability:-modern-challenges?search=Eugene%20Eteris>

Modern European science policy: challenges and opportunities for Latvian perspective growth. 2019. – SIA Medicinas Apgards Publ., Latvia

Latvia in Europe and the world: growth strategy for a new centennial. – Zinatne Publishing House, Riga, Latvia, 2018

Modern European Law for Businessmen: Lisbon Treaty in action. – RSU Publ., 2012, Latvia

Daina Vasilevska

Development of digital competencies of public servants as the basis for effective e-governance in Latvia. (D.Vasilevska and B.Rivza), <https://www.scopus.com/authid/detail.uri?authorId=57211415205>, 2021

E-commerce Market in the Baltic Countries: State-of-the-Art and Trends of Development. (D. Vasilevska and I. Sproge) https://link.springer.com/chapter/10.1007/978-3-030-44610-9_60, 2020

Factors of the effectiveness of innovative development of Baltic States in the context of digitalization. (D. Vasilevska and B. Rivza) <https://www.sgem.org/index.php/elibrary?view=publication&task=show&id=6981>, 2020

Green entrepreneurship as a factor of sustainable economic development in Baltic States. (D.Vasilevska and B.Rivza), <https://www.scopus.com/authid/detail.uri?authorId=57211415205>, 2018

Preface

This book's idea unites several aspects of modern national socio-economic development inspired by the events of the 4th Industrial Revolution in the 21st century, sustainability and climate change challenges:

- first, to show the most prominent global and European challenges that states, citizens and businesses are presently facing;
- second, to analyse the “united factors” of politics and economics in dealing with these challenges and specific European “social market economy” environment in dealing with new political-economy patterns;
- third, the role of science, technology and innovation both in national wellbeing and in efficient business management;
- fourth, the state-of-art in the EU's national recovery and resilience plans in the post-pandemic period and in assisting entrepreneurship.

As the book is mainly about “business in the new century”, a couple of chapters deal with such issues as corporate perspectives (including an in depth analysis of ideology and anatomy of business, smart specialisation strategy, and European corporate future, etc.), modern corporate taxation challenges, and perspectives of European industrial policy and businesses.

The book is written in view of orienting readers about fundamental issues facing wellbeing, socio-economic progress and entrepreneurship's future. Modern society needs concise understanding, first of what is going on in modern business in Europe and the world, and second, to figure out the perspectives of people's expectations in taking up a bumpy road in the perspective entrepreneurship.

Many of the parts were composed initially as small articles and earlier versions in the international business magazine “The Baltic Course” (www.baltic-course.com) and on the Institute's web-page at: <http://www.intetrin.dk>; these publications provide readers with additional information on issues discussed in the book.

Introduction

European states and the global community are slowly returning to new post-covid realities while fiercely combating to reduce hardship to millions of families and negative effects on the economy. In their efforts to move forward on existing challenges, protect workers and consumers, increase energy security, etc. state and regional leaders have to accelerate, protect and modernise businesses, as well as facilitate the national “spirit of entrepreneurship”.

There are already some lessons learned from the pandemic, as well as that of spring-2022 Russia-Ukraine military conflict and other critical situations in the financial and energy sectors. They all have shown that both national governance and the business community are active in supporting the backbone of national growth, i.e. entrepreneurship; for example, the EU institutions are acting swiftly to avoid long-term problems to social-economic development, while the member states are slowly moving towards limiting the negative effects of job losses (through the extensive use of generous EU-states support) and short-term working schemes.

With EU unemployment already back below its pre-pandemic level and company bankruptcies remaining around a third lower than long-term levels through the pandemic, it is clear that such bold political-economy measures have been quite fruitful in practical corporate/business activities and sustaining the entrepreneurship spirit. The general opinion is that fundamental changes in growth patterns, would transform consequently political and economic governance, while turning whole national development models onto new perceptions, proceedings and perspectives. Some of the expected fundamental changes have been reviewed in the present book providing business entities and governing elites with an updated insight into “revised” national perspective growth patterns.

It is not only that the pandemic crisis has temporarily terminated socio-economic progress which occurred in Europe during the last decade: it will have long-lasting repercussions on the economy and society, thus challenging both many people’s decent life and the ways corporate entities run their businesses. In this context, the global governance and the European integration model will have to step-up their efforts to contain the threat posed to businesses, workers and ordinary people by accelerating recovery and delivering on perspective politico-economic guidance. These efforts shall be resolute and sufficient to provide for innovative actions to complement already existing initiatives. One

thing is evident enough: the current crisis serves as a wake-up call for changes in contemporary social, political, economic and entrepreneurship structures and systems.

Therefore the book's main idea has been to show existing challenges to contemporary governance at the global and European level, revealing main directions towards optimal national political-economy systems, underlining the most probable transformations in entrepreneurship and business models, as well as making some predictions on "life in post-pandemic" reality.

The book consists of introduction, eight parts and conclusion; each part includes a list of notes, references and additional reading.

The **first part** presents the challenges (global and European) for existing policies and approaches to governance and business; among the most vital are: digitalisation and climate change measures, sustainability and circular economy, energy efficiency, clean transport and city planning with all their effects on entrepreneurship and corporate strategies.

Dynamic global changes in all walks of life, in particular during and in post-pandemic crisis, have dramatically "re-charged" traditional and emerging contemporary approaches to national economics and entrepreneurship. In order to get in line with the new trends, existing companies have to be very sensitive to these changes; modern changes in business technology and management are also affecting all spheres of future work conditions, as well as governments' perspectives on such issues as mitigating climate change, sustainable and circular economy, waste management and digital transformation, corporate social responsibility, etc. Therefore, corporate entities, entrepreneurship in general and the governance elites have to watch closely the main global and European trends and their consequences on perspective growth patterns and national survival.

Both governing elites and, in particular, corporate management have to be very sensitive to these global challenges and try to transpose them into effective and competitive national development political priorities.

For example, facing climate change challenge, the post-pandemic period offers a unique chance to steer national economies away from carbon energy sources. Volatile energy prices and substantial EU subsidies would force the introduction of a carbon tax: e.g. oil and gas companies as well as steel producers and carmakers are already taking active steps towards consequential transformations.

However, getting national economies on sustainable paths requires climate-friendly and more affordable investment: all EU states and corporate

entities are supposed to “seize the momentum” through restructuring governance models in the present political-economy structures followed by a corresponding “restructuring” in business models.

Some “global projects” can have an effect on European corporate interests and activity, e.g. a detailed analysis is needed to look through the China's Belt & Road Initiative for the EU member states, including some recommendations on how businesses may address the corresponding challenges. In global competition some countries have shown progressive “guidance” in reaching a sustainable growth: thus, China has adopted in mid-2020 “six stability spheres” in national development: i.e. employment, financial sector, export, internal investment, foreign direct investment and internal consumption’ and it would be interesting to compare these stability sectors with the European political priorities.

The **second part** provides an assessment of the importance of a political-economic balance in modern European development models with the adequate effect for the modern type of business. The COVID-pandemic has accelerated some of the global challenges’ effects on political-economy’s changing patterns, including some new aspects in growth paradigm, such as sustainability, climate change, circular economy, digitalisation, “green agenda”, etc.

As a rule, entrepreneurship activity and competitiveness to a great extent depend on a country’s governance system and the elites’ approach to the inherent connections between politics and economics, where the politics represent scientifically defined national political priorities, while economics is responsible for practical implementation of national socio-economic strategies. The present chapter includes a short description of the modern state-of-art in approaches to political economy at different times and in some EU countries; such analysis would assist decision-makers in “composing” modern-type national political economy structures in the EU states and countries in the Baltic Sea region. (1)

Modern European political priorities for the period of up to the end of 2024 are concentrated on completely different from other global regions six spheres: European “green deal”, socio-economic growth, digital transition, promoting European values, stronger role in global affairs, and strengthening democracy. (2)

Under the new recovery instrument, the so-called *NextGenerationEU*, the Union institutions will support the member states’ investments and reforms essential for a sustainable recovery. Under the new EU long-term programs totaling about €2 trillion, the member states will design national recovery plans

which would inevitably include sustainable, green and digital transition; such transition opens tremendous new opportunities for entrepreneurship.

The **third part** reveals entrepreneurship perspectives in the European “social market economy” concept, as well as in national (and in the Baltic States, in particular) economic and political priorities. A modern state’s socio-economic development agenda can be perspective only through evolving into a new type of political economy, which represent a new stage in national growth strategy with a progressive “business climate”. For example, the Baltic States’ governance system went through numerous “ups & downs” in its evolution during last three decades; its new stage signifies a complex transformation in political and economic structures influenced by new global and European challenges, making the whole socio-economic system functioning in a different way. Some of the “new realities” include necessary changes in the political and economic systems, such as e-governance, robotics, artificial intelligence and a lot of others. All that shall provide a perfect background for sound entrepreneurship and good business in the Baltic States.

Looking at the corporate perspectives, one has to remember that the general entrepreneurship definition has been stable for several decades if not centuries: as a popular “business dictionary” explains, it is “the capacity and willingness” to organise and manage a business venture in view of making profit; hence the business equivalent in British English is *undertakings*, i.e. any corporate activity is undertaking risks in a pursuit for profit. The risks were numerous all the time, and recent pandemic only multiplies them in quantity and “quality”. The possibilities and options of being a successful entrepreneur have been evolving drastically: for example, during the last century quite a few “qualities” were sufficed to be possess (except luck) –innovative initiative, basic skills and sufficient capital. Presently, the capital is readily available from both private and private sources, “basic skills” are taught in modern schools; the only valuable resource is innovative ideas (often within the national priorities).

As a result, business has been flourishing in Europe and the world: there are presently about 600 million entrepreneurs with over 7 billion population in the world, and over 23 million in the EU with about 500 million people. However, the “corporate dynamics” is rapid: about 22 per cent of all of SMEs fail within the first year and only one third of all companies manage to get through their 10th year, which can be considered quite a success; besides, the SME’s “aging” is increasing: about 60 per cent of startups are between the ages of 40 and 60. But still, all the mentioned modern challenges can alter that statistics to the positive if these challenges are taken seriously by the governing elites. For

example, it appears that presently construction is the most popular profession for entrepreneurs, followed by retail, real estate and consulting with about 10 per cent each. However, the creative professions are in the seventh place and marketing is at the very bottom with less than 2 per cent.

The large majority of successful entrepreneurs are actually middle-aged men who have been in the industry for quite some time; the most successful undertakings are in the US with about 600 (!) billionaires at present. (3)

Any business activity is closely connected to the state's existing and potential natural and human resources, e.g. land, climate, labour and capital, to name a few. Most important still for entrepreneurship is the "spirit of innovation and risk-taking" combined with the general nation's ability to perspective growth and survival in the global competitive market. (4)

Usually, the following "seven ways" of a proper entrepreneurship are mentioned in a traditional approach to business: creativity, critical thinking, and ability to face risks, personal independence, safe management, personal branding and social connections. (5)

A novelty in the European entrepreneurship is "social enterprises" with a common denominator that all their activity is constantly addressing people and society's interests to produce positive impact on local communities and pursuing social causes.

The book's **fourth part** analyses the role of science and technology in a progressive modern business development using the so-called "work smarter, not harder" concept. At present turbulent period and particularly after pandemic crisis, unprecedented approaches and specific decision-making in all spheres of socio-economic growth have been seen. Under coherent reforms, the scientific community is the only valuable resource in the EU and in the member states to help the governments in formulating optimal answers to new visions in changing policies, governing structures, businesses and universities.

European "science policy framework" is divided between numerous EU institutions and the member states through the so-called "shared division of competence": the EU provides guidance and funding, while the states implement perspective science and research achievements. It is quite notable, that traditional *research and development* (R&D) are transforming in the European science policy into *research and innovation* (R&I), or even *science, research and innovation* (SRI), showing modern trends toward innovative approach in socio-economic development. Therefore, it is important that states' R&I be closely integrated into the European-wide "scientific environment" based on common EU research efforts. As to the EU's financial assistance, the next seven years'

budget includes “maximizing the impact of EU research and innovation in the member states progressive development”; and the EU’s long-term budget for research is significantly increased.

As the Baltic States lack adequate financial recourses, some serious analysis shall be undertaken to prioritise limited funding along the most vital for national competitiveness’ directions in growth. Some new R&I directions have already appeared in the EU and the Baltic States, e.g. “human brain project”, which provides additional understanding of the human brain and its diseases, as well as perspective directions in graphene and quantum research. But the Baltic States and Latvia have to figure out their own specific and progressive R&I spheres corresponding to the existing national needs and priorities.

The **fifth part** presents some post-pandemic effects on governance, as well as on entrepreneurship and corporate activity in Europe and the Baltic States. European trend on recovery and resilience in the member states has a strong effect on business. National governance reactions presently have shown all the complexities and controversies of the crisis’ effects on the socio-economic issues in the EU states. The “situation” has turned into a “quiet acceptance” of huge financial injections from the EU, the member states and global institutions into post-pandemic” period followed by certain volatility about the aftermath’s perspective with one definite resolution: the world after coronavirus will be a different place!

It is clear that politicians at all levels will be asked by the citizens to forcefully manage the crisis with quick recovery and resilience to follow. It can be done in two ways: repeating former actions by throwing a lot of money into “old- economy patterns”, or creating a new approach with “smart growth” and green economy. It is a huge opportunity for both the states and the EU institutions to re-direct national economies towards a new European growth strategy based on “green deal”, coherent digitalization and sustainability to increase states’ resilience.

Particular attention in this part of the book is devoted to new trends in entrepreneurship inspired by the 4th Industrial Revolution. Business technology can definitely work as vital stimuli in transferring corporate practice onto progressive and future-oriented paths.

This part reflects modern challenging issues in business, social-economic development and corporate strategies. Some fundamental transformations in contemporary national governance are already visible, such as modernising business and society while “converting” national economies on sustainable way through digital transformations, changing working conditions and corporate

management. Other transformations are on the radars in the national decision-making process: the governance structures are struggling to keep to the general and fundamental socio-political connotation in the modern development strategies of preserving peoples' health and wellbeing.

The **sixth part** analyses the inherent connections between the modern "efficiency triangle": business, economy and society; e.g. European social market economy concept is showing the ways business in the states can be "fit for future". New aspects for business and entrepreneurship are seen in innovative approaches to corporate activity, in digital aspects in society and economy. Interesting consequences for business are provided by the recent concept of "smart specialization strategy", the so-called 3S.

European social market economy provides also some perspectives for the "corporate future", including legislation, training and business technology, employment issues and "future of work", etc. which encompass a variety of forms for businesses and organisations (SMEs and cooperatives, mutual benefit societies and non-profit associations and foundations). As a practical example, the minimum wage agenda is analysed.

The book's **seventh part** reveals one of the vital aspects in business "survival", i.e. corporate taxation, both in Europe and globally. It has been generally acknowledged that both the sources of international tax system during the last century and some basic concepts of tax residence have been outdated.

Business practices are now regularly carried out in "favourable" states without being physically present; the digital transition in economies has also led to new opportunities in manipulating traditional taxation principles through numerous tax planning/facilitating schemes. Current corporate taxation regimes are unable to provide a stable and just system for governments trying to impose counter measures to prevent tax avoidance and evasion. Global and European community is anxious to create a just system through a dual approach to corporate taxation.

Additionally, modern European and global efforts to combat money laundering are revealed.

Finally, the book's **eighth part** reflects the EU's efforts in streamlining the member states' industrial policy and business through challenges and reforms. Industry is a key and important part of the EU and the member states growth: the sector includes tens of vital industries: in energy and aviation, construction and health, in motors and tourism, in pharmacy and manufacturing, etc. Together

with the twin transition through climate neutrality and digital economy, new European industrial strategy ensures increased role of industrial sectors in the states' recovery and resilience plans.

Besides, this part of the book attracts attention to the new industrial strategy's implementation in the member states and corresponding alterations in innovative businesses. It is evident that progress in the EU member states is mainly based on industrial sectors' development: the term "industry" presently includes several sectors: from manufacturing and agriculture, to ICT, tourism, retail trade and public health, etc. However, the EU's Treaties depict "industry" as just a "supporting Union competence": which means that this vital sphere of national growth rests solely in the hands of national governance, the fact that makes industrial strategy' implementation rather complicated.

Notes and references

1. <https://www.janisroze.lv/lv/gramatas/akademiska-un-profesionala-literatura/ekonomika-uznemejdarbiba/latvia-in-europe-and-the-world.html>
2. https://ec.europa.eu/info/strategy/priorities-2019-2024_en
3. <https://www.smallbizgenius.net/by-the-numbers/entrepreneur-statistics/>
4. <http://www.businessdictionary.com/definition/entrepreneurship.html#ixzz3xv9ci0nt>
5. <https://www.entrepreneur.com/article/290269>; some arguments against such "enumeration" can be seen in: <https://www.shopify.com/encyclopedia/entrepreneurship>