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978-1-107-01976-8 - Entrepreneurship in the Global Economy: Engine for Economic Growth

Henry Kressel and Thomas V. Lento

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Entrepreneurship in the Global Economy

Entrepreneurs have long been drivers of innovation in developed countries. They start companies and create new industries that keep economies strong and prosperous. Today, however, in developing nations such as China, state-controlled economies are building robust industries at stunning speed and siphoning off jobs from the West. How can entrepreneurs function in the face of this challenge? Can they continue to create economic value in a globalized business environment? This book addresses the crucial issue of state planning vs. free enterprise and examines specific problems surrounding entrepreneurship in the global economy through nine case histories of entrepreneurial companies. It also looks at how and why government gets involved in economic growth and how entrepreneurs contribute to economic value. Based on this analysis, the authors argue that companies can succeed, even in controlled economies, by understanding the customs and policies of countries where they do business.

HENRY KRESSEL, a senior partner of Warburg Pincus LLC, has been responsible for investments in technology companies in the US, Europe, and Asia. He began his career at RCA Laboratories where he pioneered the first practical semiconductor lasers. He was the founding president of the IEEE Photonics Society and co-founded the IEEE/OSA *Journal of Lightwave Technology*. He is the recipient of many awards and honors, a Fellow of the American Physical Society and the IEEE, was elected to the US National Academy of Engineering, and is holder of thirty-one issued US patents for electronic and optoelectronic devices. He is the co-author of three previous books, *Semiconductor lasers and heterojunction LEDs* with J. K. Butler (1977) and *Competing for the future: How digital innovations are changing the world* (Cambridge University Press, 2007) and *Investing in dynamic markets: Venture capital in the digital age* (Cambridge University Press, 2010), both with Thomas V. Lento. He also edited *Semiconductor devices for optical communications* (Springer-Verlag, 1987).

THOMAS V. LENTO is founder and President of InterComm, a corporate communications consultancy specializing in technology companies. He has been a university professor, an ad agency executive, and Director of Communications for Sarnoff Corporation. In addition to collaborating with Henry Kressel on three books, he was editor of *Inventing the future: 60 years of innovation at Sarnoff* and co-authored Gregory H. Olsen's *By any means necessary: An entrepreneur's journey into space* (2009).

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For
Bertha Kressel
and
Takako Lento
with love

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A hallmark of the firm is the outstanding teamwork of its international professional staff, which brings to bear the required skills from all parts of the world as needed by its portfolio companies. As a result, the firm's partners work as a single entity and with a common purpose in promoting the success of its investments wherever they are located.

Lionel I. Pincus and John L. Vogelstein led the firm from the 1970s to 2002. Succeeding them in 2002, Co-Presidents Joseph P. Landy and Charles R. Kaye have continued its record of success. As Vice-Chairman of the firm, Dr. William Janeway had a major role in directing the firm's investment in technology businesses. All three have been involved, along with other partners, in the companies discussed here, which were Warburg Pincus investments. The partners who participated in one or more of these investments include Dr. Frank Brochin, Julian Cheng, Dr. Nancy Martin, Bilge Ogut, Chang Q. Sun, Barry Taylor, and Beau Vrolyk.

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