THE ROLE OF THE ENTREPRENEURIAL UNIVERSITY IN TRANSFORMING EMERGING MARKETS INTO KNOWLEDGE ECONOMIES

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Abstract - Mauritius, a small island economy off the coast of Africa, has been cited repeatedly as an economic success story by the IMF and World Bank. There is general consensus that Mauritius is an emerging market and has passed the stages of the agricultural and industrial economy and is rapidly transforming into a knowledge economy. With a Global Competitiveness rank of 45thamong 137 countries (World Economic Forum, 2018), Mauritius seems to be on the right track. However, Executive Opinion Surveys conducted by the same organization indicate that "Insufficient capacity to innovate" and "Inadequately educated workforce" are among the top three "most problematic factors for doing business in Mauritius."Without addressing these issues, emerging markets like Mauritius would face a tough time becoming a knowledge economy. In order for these countries to evolve into a knowledge economy, they imperatively need toembrace the Triple Helix Model and focus on creating entrepreneurial universities.

The triple helix model initiated in the 1990s by Etzkowitz (1993) proposes shifting the industry-government dyad that defines an Industrial Society to a triad that consists of industry-government-academia in the Knowledge-based Society. The Triple Helix model postulates that innovation and economic development in the Knowledge-based Society relies primarily on the role of academia (university) and the hybridization of components from university, industry and government to create new formats for producing, transferring and applying knowledge.

In a Triple Helix model, the university embarks on a "third mission," as Ranga, Perälampi and Kansikas (2016) puts it, and becomes the Entrepreneurial University. It goes beyond its traditional mission of teaching and research to put knowledge to use and take leadership in socio-economic development by partnering with industry and government (Etzkowitz and Leydesdorff, 2000). The university takes a pro-active stance to create and put knowledge to use. Technology clusters such as Silicon Valley in California and Bostonin Massachusetts are prime examples of regions where universities are becoming increasingly entrepreneurial and leading the Triple Helix model.

The purpose of this research is to examine what emerging markets such as Mauritius are missing on their quest to become knowledge economies and how they can learn from models of innovation and entrepreneurship from U.S. academia to devise an effective Triple Helix framework. To do this, we first use newly developed human capital datasets and borrow methodological concepts from the trade policy literature to empirically examine the state of education policy in Mauritius. We also use empirical facts to highlight where Mauritius positions itself on a global scale in terms of its educational system and innovation capabilities. In addition, we empirically demonstrate how education policy is impacting economic development in Mauritius. We then use the results to motivate our research that Mauritius needs to strategically enhance its Triple Helix model. We propose a framework that captures this model and provide examples of innovation and entrepreneurship models that are currently being implemented in U.S. business schools and how emerging markets like Mauritius can possibly learn from these to create a distinctive knowledge economy. The strength of our model is that emerging markets can successfully learn, design, launch and benefit from such innovative and entrepreneurial models of higher learning if they wish to emerge as knowledge economies.

Keywords - Knowledge Economy, Triple Helix, Entrepreneurial University, Innovation and Entrepreneurship

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