Entrepreneurial Activity and Economic Growth and Development: The Case of the Visegrád Group of Countries

Natanya Meyer*
Associate Professor, University of Johannesburg, South Africa

Daniel Meyer
Professor, University of Johannesburg, South Africa

Abstract:

Entrepreneurship has significantly influenced economic growth and development. Industrialization marked the beginning of free-market systems, which enabled entrepreneurs to drive economic advancement primarily via the promotion of invention and efficient allocation of resources. Therefore, the research seeks to examine the relationship between entrepreneurial activity and its impact on both economic growth and economic development within the Visegrád group. The study employed a quantitative research design, utilizing annual secondary time series data spanning from 2006 to 2019. Two sets of variables were chosen. The initial set pertains to the descriptive analysis. The study incorporated the yearly percentage increase in the gross domestic product (GDP) per capita and the rate of new business formation, which serves as an indicator of entrepreneurial activity among small and medium-sized enterprises (SMEs). Additionally, a composite development index was built to evaluate the overall economic development levels. Multiple variables were employed, including GDP per capita, new business density, and the age dependency ratio. The econometric research included variables, namely GDP per capita at constant prices in US dollars, new business density (NBD), which served as a proxy for SME entrepreneurship, and the age dependence ratio, expressed as a percentage of the working-age population. The findings indicate that the development of entrepreneurship plays a crucial role in the economic and social advancement of post-communist nations, aiding their transition to market-oriented systems.

Keywords:

Catalytic purification, deoxo-catalyst, H2-O2 recombination.