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# Investigating the Impact of Entrepreneurship and Education on Economic Growth

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## Abstract

Developments and rapid changes in the international community, moving from traditional society to the information society, as well as changing the national economy to the global economy, require different solutions to enable economic growth and development in society. In fact, entrepreneurship, which is the concept of the discovery and exploitation of opportunities for value creation in the various sectors, is the basis for an all-round development. For this reason, to develop the countries pay special attention to the entrepreneurship is very important. So, this study is trying to investigate the effects of entrepreneurship and education on economic growth in 25 selected countries using the panel-data method in the period of 2001 to 2015. The results show that entrepreneurship and education have positive effects on economic growth, so that by increasing one percent of each variable, respectively, economic growth will increase by 0.41 and 0.21 percent.

**Key words:** Economic Growth, Education, Entrepreneurship, Human Capital, Panel Data.

## 1. Introduction

In today's world, the country which provides ideal situation for its entrepreneurs and decent infrastructures for creation of new creative ideas, can make progress in economic growth and development. The experience of developed countries shows that in all these countries entrepreneurs and entrepreneurship have had a vital role in their economic development. While also the unsuccessfulness of many developing countries is not paying enough attention to creation of new ideas and entrepreneurial activities (Shahbazi et al., 2014).

Entrepreneurs result in motivation as an important factor; this itself is the happening reason of many ideas and new thoughts in production of various products and commodities. Entrepreneurship designs the progress of beneficial activity progress and takes use of professional force in their special professions which itself is a reason of increasing efficiency in different sectors and results in improvement of economic growth and development in the society. Among the most important roles of entrepreneurship in the