



# Factors contributing to economic development: Entrepreneurship, trade policy, infrastructure, education

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## DESCRIPTION

Economic development refers to the process by which a country or region experiences growth in its economy, often measured by increases in Gross Domestic Product (GDP), employment, and standard of living. Economic development has been a focus of government policies and programs for decades, with the goal of improving the well-being of citizens and promoting a stable and prosperous society.

There are many factors that contribute to economic development, including access to education and healthcare, infrastructure development, natural resource management, technological advancements, and trade policies. In recent years, the importance of sustainable development has also become a key consideration, as governments strive to balance economic growth with environmental and social responsibility. One of the key drivers of economic development is entrepreneurship. Entrepreneurs create new businesses, products, and services, generating employment opportunities and stimulating innovation. Governments can support entrepreneurship through policies that encourage small business development, reduce bureaucratic barriers, and provide access to capital and training.

Entrepreneurs are individuals who identify opportunities and create new businesses or ventures to pursue those opportunities. They often take on financial risk in order to start a new venture and are typically motivated by the potential for financial gain or the desire to make a positive impact on society. Successful entrepreneurs are often characterized by their ability to innovate, take calculated risks, and

persevere through challenges. Their efforts can create new jobs, stimulate economic growth, and contribute to the development of new products and services that benefit society.

Another important factor in economic development is trade policy. Openness to trade can facilitate economic growth by providing access to new markets, allowing for specialization and economies of scale, and promoting competition and innovation. However, trade can also have negative impacts, such as the displacement of domestic industries and the exploitation of workers and resources in developing countries. It is therefore important for governments to pursue trade policies that are both beneficial and responsible. Infrastructure development is also critical for economic development. Transportation, communication, energy, and water systems are essential for the efficient functioning of the economy and the well-being of citizens. Investments in infrastructure can also create jobs and spur economic activity. Education and healthcare are important for both human development and economic growth. Access to education and training can improve the skills and productivity of workers, while healthcare can improve productivity and reduce the costs of illness and disability. Finally, natural resource management is essential for sustainable economic development. Natural resources provide the raw materials for production and contribute to the functioning of ecosystems that support human well-being. However, overexploitation and environmental degradation can undermine economic growth and threaten the well-being of future generations.

In conclusion, economic development is a complex and multifaceted process that involves

many factors, including entrepreneurship, trade policy, infrastructure development, education and healthcare, and natural resource management. Achieving sustainable economic development requires a balance between economic growth and environmental and social responsibility, and depends on the active engagement of government, business, and civil society.