

The Entrepreneur is the Creator of Civilization

CONGRATULATIONS 50 YEARS ANNIVERSARY

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SIMON KUZNETS

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SIMON KUZNETS KHARKIV NATIONAL UNIVERSITY OF ECONOMICS

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Civilization, Its origin and meaning

- ▶ Civilization: the way individuals treat each other, based on non-political and non-religious ideologies, built on the culture of production and commerce, and rule by law. Latin: civilis; English: civil, citizen. Urban: City of Ur, ban: from/out of.
- ▶ The Neolithic Revolution, Urban revolution and creation of cities (Childe, 1936). Ur, Mesopotamia, 10000 B.C (Abram left Ur, became first and only friend of God, turned himself into a businessman, Abram was very rich in livestock, in silver and in gold (Genesis 13:2). The Wheel, Cuneiform,(writing). The Golden Rule: “Whatever you want men to do to you, do also to them” (Matthew 7:12).
- ▶ Ur: King Hammurabi`s code 1792 -1750 B.C: One of the earliest laws, contained 282 rules of commerce (Tamkarum, the Babylonian merchant).
- ▶ Schumpeter (2008, p. 74): The Ephor - a Phenomenon of Development “*He makes possible the carrying out of new combinations, authorizes people, in the name of society as it were, to form them, he is the ephor of the exchange economy*”.

Good Life and Non-electoral based Democracy

- ▶ Ephor: 5 ephors leaders (overseers, holy role) of ancient Sparta, superior to the two kings.
- ▶ Aristotle: *“The end and purpose of the polis is the good life”*.
- ▶ Adam Smith: Good life = material goods, intellectual and moral excellences of character.
- ▶ 3 development stages: Civilized individuals, Half-civilized individuals and savage individuals (non-literates).
- ▶ Jean-Baptiste Say, the personal quality of the Entrepreneur: *“Judgment, perseverance, and a knowledge of the world as well as of business. In the course of such complex operations, there are an abundance of obstacle to be surmounted, of anxieties to be repressed, of misfortunes to be repaired, and of expedients to be devised”*.

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- ▶ Schumpeter (2008, p. 78): *“Entrepreneurs do not form a social class in the technical science, as, for example, landowners or capitalists or workmen do. (-) It can put its stamp on an epoch of social history, can form a style of life, or systems of moral and aesthetic values; but in itself it signifies a class position no more than it presupposes one”*.
- ▶ Mark E. Warren (2003); Fundamental democratic norm, which means that individuals should have equal opportunities of influencing the collective decisions affecting themselves.
- ▶ Mark Casson (1982; 23) The entrepreneur: *“someone (...) a person, not a team, or a committee, or an organization. Only individuals can take decisions; corporate bodies only arrive at decisions by aggregating votes”*.
- ▶ Sandal (2017) *“Innovation is made by people for people, while democracy is both the creator and the creation of that process”*.