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THE ROLE OF ENTREPRENEURSHIP IN THE MODERN POLITICAL PROCESS: CONCEPTUAL FOUNDATIONS OF THE STUDY

Abstract

This article analyzes the role of entrepreneurship in the modern political process. The key idea is that in a post-industrial society, entrepreneurship not only acts as a driving force of economic development but also significantly determines the direction and dynamics of the political process. The political process is characterized as a complex dynamic state of the political system, allowing for a comprehensive analysis of entrepreneurial activity in the context of modern political actors. This has significant methodological importance for the study of various political phenomena, institutions, and processes. It is stated that the modern political process is impossible without the participation of economic elites, who today influence the content and nature of politics. In post-industrial society, personal development is seen as a key to progress and rapid economic and political growth. Entrepreneurial activity serves as an important mechanism of social adaptation, which, according to the author, most effectively ensures the mutual development of both society and the individual.

Based on the analysis of views on entrepreneurship formed in Western socio-political and economic thought, it has been established that entrepreneurship concepts occupied a somewhat peripheral place in both classical economic theory and political thought. Gradually, scholars identified entrepreneurship as a separate, independent economic activity and assigned it a specific role in both political and economic processes. The dialectical-materialist and neoliberal paradigms have been identified as the conceptual foundations for studying the interaction between entrepreneurship and power in the functioning of the political process

in post-industrial society. The comparison of these approaches has provided a comprehensive analysis of how entrepreneurship and power interact in modern society, where economic and political processes are intertwined.

Keywords: entrepreneurship, post-industrial society, political process, political system, politics, power.

Introduction

In the **challenging** conditions of the aggressive war against the Ukrainian people, the issue of civil society's participation in ensuring the state's defense capability and the efficiency of its political system becomes critically important. Until recently, the role of non-state actors in national security was mostly limited to the participation of civil organizations in maintaining public order, while private security companies focused on the safety of financial and economic activities. This activity was also concentrated on military-patriotic education and non-governmental information-analytical and research structures oriented towards security. These roles were outlined in several regulatory documents, including the «National Security Strategy of Ukraine,» approved by Presidential Decree No. 105/2007 dated February 12, 2007, which stated: "Civil society institutions, including through public oversight of state authorities' activities in this area, should play a significant role in implementing national security policy. The active work of civil society institutions will strengthen the guarantees of legality, human and civil rights, and ensure that the national security system is adequate to national interests and the economic capabilities of the state" [1].

However, as demonstrated by the events at the start of the full-scale war waged by Russia against Ukraine, the role of the civil sector and state-civil interaction in ensuring national security was largely underestimated, as was the experience of some countries in involving the population in state defense. For example, one of the reasons Finland was able to maintain its independence from the Soviet Union was the widespread armament of its population and the implementation of territorial defense mechanisms. Similar strategies have been applied in peaceful Switzerland and in Israel, which has been in a constant state of armed conflict throughout its history. In Ukraine, territorial defense units, businesses, entrepreneurs, and ordinary citizens in the form of volunteers and donors have played and continue to play a crucial role in the fight against the enemy.

All this demonstrates that a modern state cannot function effectively without harnessing the vast potential of civil society, whose economic foundation is made up of businesses and entrepreneurship. Consequently, the contemporary political process is significantly influenced by entrepreneurship as a driving force of the economy in post-industrial society.

The issue of state-business interaction is presented in a number of studies in both foreign and domestic political thought. Notable contributions have been

made by scholars such as H. Arendt, J. Barber, Z. Bauman, D. Bell, M. Burns, U. Beck, Z. Brzezinski, J. Blondel, J. Baudrillard, P. Bourdieu, I. Wallerstein, M. Weber, E. Wilner, J. Habermas, F. Hayek, A. Giddens, P. Drucker, G. Simmel, W. Sombart, M. Castells, P. Koslowski, G. Le Bon, K. Marx, L. Mises, R. Michels, S. Moscovici, K. Nordström, J. Ridderstråle, R. Robertson, A. Smith, A. Toffler, E. Fromm, F. Fukuyama, N. Chomsky, J. Schumpeter, among others.

Research Methods

The **methodology of studying** the role of state-business interaction in the modern political process includes the dialectical method to identify the interdependence of political and business functions in contemporary society; the historical method to examine the development of scientific concepts of entrepreneurship; the systems method to understand the unity of the institutional and functional aspects of the political process as an integrated system in the context of modernity; and the comparative method to identify general and specific features, prerequisites for the emergence, functioning, and influence of entrepreneurship on the modern political process.

Thus, the aim of this article is to analyze conceptual approaches to studying the interaction between government and business in the modern political process.

Research results

Today, **entrepreneurship emerges** as one of the powerful driving forces behind the development of post-industrial society. It serves not only as an effective mechanism for social organization at the economic level but also significantly influences the direction and dynamics of the political process. This is particularly relevant in the current stage of societal development, where this phenomenon can counteract the negative effects of globalization and help overcome crises. On the other hand, the issue has always been the balance between the personal interests of entrepreneurial actors and the needs of society as a whole.

Regarding the concept of the political process, at least two meanings can be distinguished. In a broad sense, the political process is viewed as the evolution and reproduction of the political system under the influence of various factors that determine its overall dynamics. In a narrower sense, the political process is perceived as a set of actions by various social and political actors who interact with one another. It should be noted that in modern literature, there are many different interpretations of the political process. Among them, the most widespread is the view of this concept as a comprehensive characterization of the dynamic state of the political system. This approach allows for a thorough analysis of political actors and their activities, which has significant methodological value for studying various political phenomena, institutions, and processes, and is therefore considered classical in political thought.

We share the view of scholars who define the political process as «a form of functioning of the political system of society, evolving in space and time, being one of the social processes and differing from legal, economic, ideological, and spiritual-cultural processes in its qualitative characteristics. It is the definition of a specific, result-oriented process of a certain scale (e.g., forming a political party, holding elections, etc.); it reflects the real interaction of political actors, which is carried out not according to the intentions of political leaders or party programs, but as a result of the action of many diverse internal and external factors. It also shows how individuals, social groups, and government institutions, with all their stereotypes, goals, and prejudices, interact with each other and with the state, fulfilling their specific social roles and functions; it constitutes a set of actions by both institutionalized and non-institutionalized political actors in realizing their specific functions (or dysfunctions) in the sphere of power, which ultimately ensures the development (or decline) of the political system” [2, p. 517]. Alongside the concept of the «political process,» the category of political space is used in scientific discourse, denoting the multidimensional world in which political relations unfold concerning the acquisition, use, and retention of power.

Despite the different characteristics of the political process, its main components include factors and environment, participants or actors, their actions and interactions, norms that regulate relations, the level of equilibrium, and the continuum of its development. The essence of the political process can be better understood through the analysis of the political activities of its individual actors. The subjects of the political process are all the real participants in political life who are bearers of political relations and initiators of changes in these relations.

The subjects of the political process are classified into social and institutional groups, depending on their role in politics and their influence on the political system. They always strive to realize certain interests in the political sphere. The motivation, direction, and nature of their behavior depend on the degree to which they are aware of these interests. Especially important are those who hold political power and manage its resources. The primary actor is the state, which should represent and protect the interests of the entire society. Elites, due to their personal qualities and abilities, also play a significant role in the political life of the country. In post-industrial society, entrepreneurs play an important role among the subjects of the political process.

The transition from a totalitarian regime to democracy and from a planned economy to a market one first occurs at the level of agreement among political and economic elites and leaders regarding the chosen course of the state’s development. Afterward, the conscious implementation of policies aimed at forming democratic institutions and ensuring their viability begins, alongside the establishment of civil society.

Thus, the political process is impossible without the participation of economic elites, who today influence the content and nature of politics. It is well known that the development of human activity, productive capabilities, and spiritual forces is a prerequisite for the progressive development of society. In a post-industrial society, personal development is seen as the key to progress and rapid economic and political growth. For any historically determined type of society, human activity has always been, and still is, an essential mechanism of social adaptation. In a post-industrial society, one form of such adaptation is entrepreneurial activity, which, according to scholars, most significantly ensures the mutual development of both society and the individual.

Researchers believe that the terms «entrepreneurship» and «entrepreneur» were first introduced into academic discourse by the Irish economist Richard Cantillon in the 18th century. He developed one of the earliest theories of entrepreneurship, which was presented in his work *Essai sur la Nature du Commerce en Général (Essay on the Nature of Trade in General)*. In his studies, Cantillon sought to define the concepts of «entrepreneur» and «entrepreneurship.» An analysis of his views shows that he understood entrepreneurship quite broadly, considering risk and uncertainty as its main characteristics.

Richard Cantillon viewed entrepreneurship as a special kind of activity, particularly using farming as an example. He classified everyone engaged in economic activity as entrepreneurs, with the exception of farmers and fixed-wage workers, emphasizing that unlike entrepreneurs, the latter only hope to sell their services for profit, subjecting themselves to even greater risk. Thus, Cantillon identified three key groups of economic actors: landowners, wage workers, and entrepreneurs. Although these ideas were likely not new, Cantillon was one of the first to clearly articulate them and transform everyday concepts into scientific terminology [3].

The French economist Jean-Baptiste Say made the next significant contribution to understanding entrepreneurship. Having personal experience in running a business, Say had a broader practical background than most other economists of his time. He was the first to highlight the entrepreneur as a central figure in the economic process, placing the entrepreneur at the center of both production theory and the theory of wealth distribution.

J. -B. Say clearly distinguished between an entrepreneur and a capitalist: the entrepreneur acts as an intermediary between the owners of the means of production (capitalists) and consumers. The entrepreneur combines the means of production into a single productive mechanism, playing a creative role as an organizer. To do this, the entrepreneur must possess prudence, perseverance, and deep knowledge of both their field and the economic environment. Additionally, they must have the ability to control and manage the process. Say emphasized the importance of entrepreneurial efforts in improving production, especially in the

industrial sector, although he did not make entrepreneurship the central object of his scientific study. He defined profit as the surplus after the payment of interest, wages, and rent [4, p.10].

According to J. -B. Say, thoughtless consumption deprives a person of the resources that prudence advises them to save. Imprudence throws a person into the power of random circumstances. Such a person presents a sad picture, as they blindly wander through a wealth of resources; sometimes, what they most desire is within reach, but they pass it by without noticing and instead consume what they should have saved.

J. -B. Say not only emphasized the influence of the individual on the economy but also stressed that a society's economic prosperity depends on the moral qualities of its citizens. The entrepreneur, endowed with special moral traits, is the key figure leading society toward economic development. An entrepreneur does not merely skillfully balance profits with expenses and manage wealth efficiently; they are also internally free, controlling their passions, desires, and needs. The entrepreneur is not an impersonal economic actor—his success is determined not only by economic factors or business skills but also by state policy and a unique set of individual qualities.

In the works of thinkers like the French economist Anne Robert Turgot and the English economist David Ricardo, entrepreneurship was viewed solely as an economic phenomenon, and the entrepreneur as someone performing a specific economic function. In his work «Reflections on the Formation and Distribution of Wealth», Turgot defined entrepreneurs as part of the class engaged in the production of industrial goods to meet society's needs. Similar views were expressed by Ricardo, who focused on entrepreneurs as economic actors concerned with the production and distribution of wealth [5, p.579].

Thus, in classical political economy, the economic process appeared automatic and autonomous. The entrepreneur's role as a leader or manager was considered minor, with the entire system of views based on the analysis of average subjects (*homo economicus*) who possess no special abilities. English political economy was based on the idea of equilibrium, achieved through the influence of entrepreneurs, consumers, and workers on the price of goods. Notably, Adam Smith occasionally referred to the entrepreneur as an "undertaker", "master", "merchant", or "capitalist". The capitalist's task was to accumulate capital. With this capital, he hires diligent workers, provides them with means of subsistence, raw materials, and tools, and leaves them the rest of the work. In other words, businessmen simply advance real capital, subjecting it to risk [5, p. 11]. Thus, Smith defined the functions of those who take on all the issues of utilizing capital, acting as intermediaries between capitalists and workers. However, in this case, they still remain authorized agents of the capitalist.

In general, it can be argued that A. Smith equated the entrepreneur with the capitalist. In his time, this did not seem contradictory, as in the economic practice of that period, these roles often overlapped. The further spread of this concept can largely be explained by Smith's immense authority. In our view, the entrepreneur, unlike the capitalist, seeks to create conditions in which the worker becomes just as important to the employer as the employer is to the worker.

The teachings of the eminent German philosopher Karl Marx had a significant influence on the development of ideas about entrepreneurship. Despite his focus on capital accumulation, Marx viewed economic activity as an automated process, giving the capitalist-entrepreneur secondary importance in creating the value of goods and making them non-essential to the production process. Marx's approach to entrepreneurship and the capitalist-entrepreneur can be considered innovative. He rejected the perception of the capitalist as a personality, seeing him merely as a bearer of a particular economic function. According to K. Marx, the capitalist is «capital personified, endowed with will and consciousness» [6, p. 11]. As personified capital, with an absolute passion for enrichment, the capitalist is respected, but remains just another cog in the societal mechanism.

For this reason, the personality of the capitalist, unlike other thinkers and philosophers, was not of interest to K. Marx. The fact that the capitalist organizes, manages, and controls the production of goods, according to the philosopher, does not change the nature of this production. Any capitalist, according to K. Marx, is subject to the laws of the capitalist mode of production, acting on him as external, coercive factors [ibid, p. 162].

Karl Marx was also one of the first to note that the primary motive of entrepreneurial activity is wealth accumulation. He compared the entrepreneur to a «rational treasure collector,» emphasizing that their rationality lies in the constant increase of value through the continuous engagement of wealth in economic circulation.

Marx's innovation also manifested in his attempt not only to reveal the essence and functions of entrepreneurship and the entrepreneur but also to examine their transformations and historical role. The philosopher believed that the capitalist holds historical significance and has the right to exist only as the embodiment of capital. The capitalist promotes production for the sake of production itself, which, according to Marx, stimulates the development of society's productive forces and creates the material conditions for a new, more progressive social formation where the foundation will be the full and free development of the individual.

Prominent representatives of the historical school, Max Weber and Werner Sombart, adhered to a different approach to entrepreneurship, focusing on the historical-ethical aspects of capitalism [7]. The ideas of these thinkers remain relevant today. Their names are associated with the creation of a unique culture of capitalism and the formation of a new mentality and worldview that characterize

the person of a new type. Sombart developed the concept of the socio-cultural basis of entrepreneurship, while Weber expanded on it, developing a categorical-conceptual apparatus that allowed for a deeper understanding of the relationship between entrepreneurship and cultural and social factors. In his studies, W. Sombart focused on the personality of the entrepreneur, seeking to trace the evolution of Western capitalism through the evolution of personal structures. The entrepreneur, according to W. Sombart, must be «threefold: a conqueror-organizer-trader» [3, p. 6].

Max Weber's approach to entrepreneurship can be described as cultural, as he discovered that the value orientations and motivations inherent in capitalist forms of economic activity are determined by socially significant elements of culture. In his view, the foundation of entrepreneurship is systems of value orientations, motivations, and behavioral stereotypes, which were shaped under the influence of Protestant religious values. Weber repeatedly emphasized that Protestant ethics rationalizes the lives of believers, organizing and subordinating them to general norms, directing them toward specific goals. According to Weber, the main activity of the entrepreneur is the rational management of the enterprise and ensuring its profitability. He emphasized that this involves the moral legitimization of entrepreneurship. The historical uniqueness of Protestant ethics lies in its creation of specific value orientations toward continuous investment and the ongoing development of production, which became the spiritual foundation of capitalist society.

Austrian and American economist Joseph Schumpeter had a different view of entrepreneurship. He defined its essence through the function of introducing innovations into production, creating new combinations of production factors, and integrating them into the economy. Schumpeter emphasized that entrepreneurship contributes to societal development by implementing new combinations, which include: the creation of new goods for consumers, the discovery of new production methods or the use of existing goods, the exploration of new markets, the search for new sources of raw materials, as well as changes in the structure of production, and more [2, p.256].

J. Schumpeter's ideas were further developed by Austrian economist and Nobel laureate Friedrich Hayek. He viewed entrepreneurship as a process of searching for and exploring new economic opportunities. Hayek noted that entrepreneurship thrives especially in modern society, where the spread and active use of new technologies lead to constant changes in communication methods, forms of interaction, types of personalities, and overall ways of life, creating new opportunities for entrepreneurial activity.

Conclusions

Concluding the analysis of views on entrepreneurship formed in Western socio-political and economic thought, the following generalizations can be made.

Firstly, it is clear that concepts of entrepreneurship occupied a somewhat peripheral position in both classical economic theory and political thought. Secondly, some thinkers did not distinguish any entrepreneurial function at all, believing that production and investment processes did not require important decision-making, risk assessment, or foresight. Thirdly, it was during this period that the methodological «error» of economic science was established, where economists assumed that economics was one thing, and culture another. Fourthly, gradually, scholars identified entrepreneurship as a separate, independent economic activity and assigned it a certain role in the political process.

Given the above, the study of the interaction between entrepreneurship and power in the functioning of the political process in post-industrial society requires the definition of appropriate conceptual foundations. In our view, the dialectical-materialist and neoliberal paradigms can be chosen as such bases. The dialectical-materialist approach allows us to explore how changes in economic conditions affect social structures and political relations, considering the development of society as a process of interaction and contradictions between different classes and social groups. That is, the dialectical-materialist approach views human beings as fundamentally practical and active, embodying all societal relations. Entrepreneurial activity is determined not only by its natural connection to the process of developing the productive forces of society but also by its role as a determinant of certain social processes, including the political process, although its essence is primarily directed at satisfying the material needs and interests of individuals.

The neoliberal approach, in turn, focuses on market mechanisms, individual rights, and minimizing state intervention in the economy. It allows for the study of how entrepreneurial activity and market relations influence political decisions and the formation of political power in post-industrial society. This approach is characterized by an orientation towards values and ideals not only within the profit system but also beyond it. The primary meaning of entrepreneurial activity is to achieve a state of organic unity between wealth and freedom as a harmony of the individual and social, and the social significance of the individual. Therefore, the defining element is the self-realization of a person in the sphere of entrepreneurial activity and within the symbolic political space. An important principle of the neoliberal paradigm is that it allows for the active and equal inclusion of all members of society in political and economic transformations.

A comparison of these approaches can provide a comprehensive analysis of how entrepreneurship and power interact in modern society, where economic and political processes are intertwined.

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РОЛЬ ПІДПРИЄМНИЦТВА В СУЧАСНОМУ ПОЛІТИЧНОМУ ПРОЦЕСІ: КОНЦЕПТУАЛЬНІ ЗАСАДИ ДОСЛІДЖЕННЯ

Резюме

У статті аналізується роль підприємництва в сучасному політичному процесі. Ключовою ідеєю є те, що в постіндустріальному суспільстві підприємництво постає не тільки рушійною силою економічного розвитку, а й значною мірою визначає спрямованість і динаміку політичного процесу. Політичний процес охарактеризовано як комплексну характеристику динамічного стану політичної системи, що дозволило всебічно аналізувати підприємницьку діяльність в контексті діяльності суб'єктів сучасної політики, яка має суттєве методологічне значення для вивчення різних політичних явищ, інститутів та процесів. Констатовано, що сучасний політичний процес неможливий без участі економічних еліт, які сьогодні впливають на зміст і характер політики. У постіндустріальному суспільстві в розвитку особистості вбачається запорука прогресу і швидкого економічного й політичного зростання. Важливим механізмом соціальної адаптації постає підприємницька діяльність, яка, на думку автора, найбільшою мірою забезпечує взаєморозвиток суспільства і особистості.

На основі аналізу поглядів на підприємництво, сформованих в західній суспільно-політичній та економічній думці, з'ясовано, що концепції підприємництва займали деяке периферійне місце як в класичній економічній теорії, так і в політичній думці. Поступово підприємництво вчені виділили як окрему самостійну господарську діяльність і відвели їй певне місце в політичному й економічному процесах. В якості концептуальних засад дослідження взаємодії підприємництва і влади у функціонуванні політичного процесу в

постіндустріальному суспільстві визначено діалектико-матеріалістичну та неоліберальну парадигми. Порівняння цих підходів забезпечило всебічний аналіз того, як підприємництво і влада взаємодіють у сучасному суспільстві, де економічні та політичні процеси переплітаються.

Ключові слова: підприємництво, постіндустріальне суспільство, політичний процес, політична система, політика, влада.

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