

Наукове видання

**КОНКУРЕНТОСПРОМОЖНІСТЬ  
ТА ІННОВАЦІЇ:  
ПРОБЛЕМИ НАУКИ ТА ПРАКТИКИ**

присвячена видатному вченому-економісту О. Г. Ліберману

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**МАТЕРІАЛИ**  
**МІЖНАРОДНОЇ НАУКОВО-ПРАКТИЧНОЇ**  
**ІНТЕРНЕТ-КОНФЕРЕНЦІЇ**  
**«КОНКУРЕНТОСПРОМОЖНІСТЬ ТА ІННОВАЦІЇ:**  
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## Development with less political interference

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“To produce means to combine materials and forces within our reach. To produce other things, or the same things by different method, means to combine these materials and forces differently. In so far as the ‘new combination’ may in time grow out of the old by continuous adjustment in small steps, there is certainly change, possibly growth, but neither a new phenomenon nor development in our sense. In so far as this is not the case, and the new combinations appear discontinuously, then the phenomenon characterising development emerges. (---) Development in our sense is then defined by the carrying out of new combinations [3, p. 65]”.

The spontaneous and discontinuous changes in the production function are associated with factors of industrial and commercial life, not with market demand and the preferences of the end consumers. The carrying out of new combinations, according to Joseph Schumpeter [3], means that the production means are withdrawn from the processes in which they have previously been engaged, and they are never recruited from useless, protentional sources in society, be it unemployed manpower, unsold raw material, unused production capacity etc. The carrying out of new combinations is by Schumpeter well-defined ‘enterprise’ and those individuals who undertake the function are called ‘entrepreneurs’ [3]. Being an entrepreneur is not a profession; Nevertheless, it may imply a new and better lifestyle, moral and aesthetic values, but it is not a permanent condition, and it cannot be inherited or delegated. Development consists in employing existing resources in a new and different way, and different way of employments. Saving remains a marginal method of economic

growth, as it has been for centuries, but entrepreneurial profits, arising from the command of the means of production and channeled through the market to the successful entrepreneurs, have dramatically changed the world and its face as well as the traditional doctrine of the formation of capital.

Innovation means being able to do different things and things differently, lower production unit costs and transform production and society to a relatively higher level. This process creates and develops modern democracy and is perfectly executed by entrepreneurs. Successful entrepreneurs are not heroes, and they are not motivated by any kind of hedonism. They are not out to serve themselves, but the fruits of their achievements are beneficial to individuals and society. They are not servants or representatives of political parties or parliaments, ideologies, religious systems, employees, under commands, or any other system of government over man, they are truly independent individuals who enjoy the nature of freedom.

Their actions are legal, they never intentionally break the law, but their successful entrepreneurship has the power to change the law. No one can hire an entrepreneur or delegate entrepreneurship to anyone, successful entrepreneurship is an act sprung from personal creativity, it cannot be inherited from father to son or achieved through theoretical education.

Practical and theoretical education and science-based research are important, it effectively counteracts the false dogmas and stigmatizations surrounding entrepreneurs, entrepreneurship, innovation and entrepreneurial profits. Scientific theories of entrepreneurship cannot be used as manuals or handbooks in innovation and economic development, either at the micro or the macro level.

Scientific theories about the entrepreneur and innovation are effective analytical tools for a deeper understanding of structures and incentives that act as driving forces for the individual and thus lead to strengthened economic and democratic development. They should not

be taken as examples to follow. The diffusion and adaptation processes are means of spreading innovations to industries, sectors, countries and global markets.

The successful entrepreneur is a leader by himself and his enterprise. No one can take over his position. The entrepreneur has the ability to see the result of the innovation in the market long before the activity has been launched. This personal quality is strictly individual. As an individual, the entrepreneur has the right to protection against any interference with his privacy, family, home, and correspondence as well as attacks upon his honor and reputation [4].

The entrepreneur has the right to ownership of entrepreneurial profits. Profits are not a motivating factor for the entrepreneur; it only serves as evidence that a successful innovation has taken place. It is not possible to accurately determine the total sum of entrepreneurial profits that a single innovation can produce until it has become the usual way of producing and running mainstream life in society, representing a new and static equilibrium. Still, it is very relevant to consider the individual net capital accumulation.

A High-Net-Worth Individual (HNWI) is a person who possesses liquid assets valued at \$1 million or more, included money held in bank or brokerage accounts, excluding assets like a primary residence, collectibles or durable goods. High-Net-Worth Individuals are not equally distributed throughout the world, regions or within a nation. Individual wealth distribution 2023 includes North America: 7,9 million, Asia-Pacific: 7,4 million, Europe: 5,8 million, Latin America: 600.000, Middle East: 900.000, Africa: 200.000 [1].

HNWI consists of individuals with a variety of different sources behind capital accumulation, but only individuals who have entrepreneurial profits are of interest to us. HNWIs are encompassing successful entrepreneurs distributed around the world. Based on a scientific international research on books and libraries internationally searching the world's libraries covering 103 libraries in 42 countries on four continents, in coun-

tries and areas with low per capita income, the same questions were asked to the researcher by local informants “explain the poverty process to us – why are we so poor and the others so rich, how can we be equipped to increase the quality of life for our own family, neighbors and the nations and how can the individual contribute to the democratic development of the countries? [3, p. 51]”. Still many people believe that political interference in development is the only way to a prosperous, independent and happy life for individuals, families, nations and the world. Unfortunately, this is not justified.

The research has shown that the need for independent science, information on entrepreneurship, the entrepreneur and entrepreneurial profit is enormous among scholars, local individuals and governments in all corners of the world. Development is the carrying out of new combinations, this is an action from the individual entrepreneur and less political interference in the process will undoubtedly increase and strengthen the democratic process at national as well an international level.

### Literature

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