Is Capitalism Really Endangered? Some Remarks Upon the “Entrepreneurial Function” and Schumpeterian Routine

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Synopsis

Schumpeter thought that capitalism was doomed to disappear. The specific threat against it is a dangerous routine (called in this paper “schumpeterian routine”) at work in large-scale businesses, which ineluctably contaminates the whole economic system with big firms spreading in economic life. For Schumpeter, the growing importance of teamwork in these big firms could lead to “the obsolescence of the entrepreneurial function”.

This “entrepreneurial function” is at the heart of capitalism: entrepreneurs are in the midst of creative destruction and, to earn exceptionally high profits, make revolutionary “new things” that cause the instability of capitalism.

Our point is that, in fact, capitalism is not presently endangered. It efficiently resists schumpeterian routine and the “entrepreneurial function” is not about to become obsolete. Moreover, the action of schumpeterian routine in big firms remains to be proven and the hypothesis of generalization of large-scale businesses in economic life is not supported by facts. Big firms can be useful, side-by-side with little firms, if governments succeed in finding “the right blend” necessary to economic growth.

Key words
capitalism, creative destruction, entrepreneur, routine, “entrepreneurial function”, innovation, monopoly, Biosphere

Opening remarks

With the financial and economic crisis that began in 2008, policy makers acknowledge that some rules of capitalism must be modified. But despite collapses of banks, mortgage foreclosures and tragic losses of jobs, capitalism appears to be still a viable economic system.

Yet Schumpeter was convinced of the vanishing of capitalism, at least since 1909. He acknowledged that “all the features and achievements of modern civilization are, directly or indirectly, the products of the capitalist process”. But, this “Civilization of Capitalism” was nothing more than an “intermezzo”.

It was doomed to disappear, and give way to socialism, not because of its failure but because of its success:

“Can capitalism survive? No. I do not think it can.”

Also he added in 1943, one year after the first edition of Capitalism, Socialism and Democracy: “the decay of capitalist society is very far advanced by now”.

After the fall of the Berlin Wall in 1989, capitalism appears to have won the ideological war against the alternative economic system; what went wrong
in Schumpeter’s prediction?

It could be answered that there is a problem of the definition of the successor of capitalism: “an order of things which it will be merely matter of taste and terminology to call Socialism or not” and in that case “a system which as yet is but a mental image”.

Nevertheless, in our opinion, the importance of Schumpeter’s arguments is about the modalities of this declining. According to him, the specific threat against capitalism was neither environmental nor financial but the “obsolescence of the entrepreneurial function”. This was in Schumpeter’s view the result from an ineluctable propagation of routine. Is this hypothesis supported by facts? We will try to answer this question after examining the functioning of schumpeterian capitalism. We will see that the notion of routine is complex but that schumpeterian routine can be put to rout in a capitalist economy.

1. Capitalism seems doomed to disappear

Schumpeter put forward the hypothesis of a routine at work in the economic system. He did not say where it comes from; we just know that routine is treacherously corrupting capitalism, especially in big firms. Schumpeter thought that routine would provoke the end of the capitalist process. According to him, who seemed resigned to the idea that routine is growing in influence, it will destroy the capitalist system.

Before turning our attention to the “entrepreneurial function”, we are about to see rapidly the process of creative destruction and the major part it plays in the instability of capitalism.

1.1 Creative destruction and capitalist evolution

Creative destruction plays an important role in the evolution of capitalism.

1.1.1 Creative destruction

In capitalism, there is a “process of creative destruction”. This notion has been coined for the first time by Schumpeter in Capitalism, Socialism and Democracy, to explain the incessant renewal of the structures. He says:

“This process of Creative Destruction is the essential fact about capitalism. It is what capitalism consists in and what every capitalist concern has got to live in.”

Each entrepreneur is in the midst of this process and each firm has to live with it.

For Schumpeter, creative destruction is a “process of industrial mutation [...] that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one”. It can be illustrated by Kondratieff’s long waves, since each wave “reveals the nature and mechanism of the capitalist process better than anything else. Each of them consists of an ‘industrial revolution’ and the absorption of its effects.” In other words, capitalism means successions of expansion and recession.

This transformation of the economic structure is due to innovation, a notion progressively elaborated by Schumpeter. First, in his Theory of Economic Development..., he used the idea of “new combinations”: "Development in our sense is then defined by the carrying out of new combinations. This concept covers the following five cases: (1) The introduction of a new good [...] or of a new quality of good. (2) The introduction of a new method of production [...] (3) The opening of a new market [...] (4) The conquest of a new source of supply of raw materials or half-manufactured goods [...] (5) The carrying out of the new organization of any industry [...]”.

In 1928 he explicitly spoke of “innovation” in “The Instability of Capitalism”:

“[..] new combinations of existing factors of production, embodied in new plants and, typically, new firms producing either new commodities, or by a new, i.e. as yet untried, method.
od, or for a new market, or by buying means of production in a new market. [...]. That is what we call ‘innovation’."

Later, in 1939, Schumpeter wrote:

"[...] we will simply define innovation as the setting up of a new production function. This covers the case of a new commodity, as well as those of a new form of organization such as a merger, of the opening up of new markets, and so on".¹⁸

Finally, he used the term "new things"¹⁹ to speak of the new products, new methods, and so on, which feed the evolution of capitalism:

"The fundamental impulse that sets and keeps the capitalist engine in motion comes from the new consumers’ goods, the new methods of production or transportation, the new markets, the new forms of industrial organization that capitalist enterprise creates."²⁰

Those innovations “compete with the old products and old methods not on equal terms but at a decisive advantage that may mean death to the latter. This is how ‘progress’ comes about in capitalist society”.²¹

In capitalism, there is an unending swell of “new things” against the economic structure, and this causes the “recurrent rejuvenation of the productive apparatus.”²² For this reason, a result of creative destruction is a charnel house of enterprises and, consequently, a lot of people on the dole. Cox and Alm have noticed that if job losses and business closures are immediate, creations are only for the long term.²³

Of course Schumpeter was conscious of this danger; despite his aversion for governmental interference on economic life, he suggested some intervention to prevent “avoidable unemployment”.²⁴

1. 1. 2 Capitalism cannot be stationary

For Schumpeter, capitalism means change.²⁵ It is a restless change: “Economic progress, in capitalist society, means turmoil”²⁶, says he. This is due to creative destruction, which is a “perennial gale”²⁷ working at a “tremendous pace”.²⁸ He also mentioned “the instabilities, which arise from the process of innovation”²⁹ and makes capitalism a restless process.

“As a matter of fact, capitalist economy is not and cannot be stationary. Nor is it merely expanding in a steady manner.”³⁰

Therefore a stationary economic system has nothing to do with capitalism: “Stationary socialism would still be socialism but stationary capitalism is impossible, is, in fact, a contradiction in terms.”³¹

And capitalism could not exist without the “entrepreneurial function” at work in little firms.

1. 2 The “obsolescence of the entrepreneurial function”

The “entrepreneurial function” is inherent in capitalism. “This function [...] consists in getting things done.”³² Schumpeter added in 1947 that “getting new things done” is “a process which produces consequences that are an essential part of capitalist reality.”³³ And only the schumpeterian entrepreneur can do this.

1. 2. 1 The schumpeterian entrepreneur and exceptional profits

The trade of schumpeterian entrepreneurs is to make revolutionary innovations. To reach this goal, they have to triumph over ganged hindrances and, particularly, interests threatened by “new things”. This is not an easy job:

“To overcome these difficulties incident to change of practice is the function characteristic of the entrepreneur.”³⁴

For Schumpeter, “successful innovation is [...] a task sui generis. It is a feat not of intellect, but of will. It is a special case of the social phenomenon of leadership. Its difficulty consisting in the resistances and uncertainties incident to doing what has not been done before, it is accessible for, and appeals to, only a distinct type which is rare.”³⁵ Furthermore, entrepreneurs face this challenge because they are looking for exceptional profits.
Something must incite some people to take the “entrepreneurial function”. Before throwing themselves, body and soul, into the arena of creative destruction they have to be convinced of earning “surplus profits”. (36) Considering the resistances and uncertainties mentioned above, those profits have to be exceptionally high to “lure capital on to untried trails”: (37)

“Spectacular prizes much greater than would have been necessary to call forth the particular effort are thrown to a small minority of winners, thus propelling much more efficaciously than a more equal and more ‘just’ distribution would, the activity of that large majority of businessmen who receive in return very modest compensation or nothing or less than nothing, and yet do their utmost [...]” (38)

Schumpeter knew perfectly that potential entrepreneurs could have motivations other than profits. (39) Moreover, “surplus profits” are not that hallucinogenic because schumpeterian entrepreneurs are not perfectly rational; their rationality is “bounded” to use the terminology of Simon. (40) In Schumpeter’s thought, entrepreneurs anticipate despite uncertainties about the success or failure of entering into business. They are quite able to evaluate their chances and will act only if “exceptionally favorable situations are likely to arise”. (41) They seem perfectly conscious that they will fight a merciless war.

Nevertheless, one day the schumpeterian entrepreneur is no longer motivated. Since creative destruction is dangerous for his business, he begins to inhibit the action of new innovators. The former pioneer gives up the “entrepreneurial function” and resists change. And if he makes enough profit and investment, he is in a fair way to build “the typical large-scale unit control”. (42) This is the best way to be shielded from creative destruction, efficiently impose “new things” on the existing economic structure, receive “surplus profits” and, if possible, indefinitely enjoy them.

But the schumpeterian entrepreneur will there-
Schumpeterian routine is so pernicious that no one seems able or even thinking to change the course of business-as-usual. He added in 1946: “the individual leadership of the entrepreneur tends to lose in importance”. Consequently, less and less people feel able to cope with the “entrepreneurial function” which becomes less and less remunerative and dangerous. With decreasing profits, the schumpeterian entrepreneur loses his raison d’être. Then Schumpeter asked and answered in November 1946: “does the importance of the entrepreneurial function decline as time goes on? There are serious reasons for believing that it does.”

Ironically what rendered some techniques or methods or means of production obsolete becomes passé itself, hence “the obsolescence of the entrepreneurial function.” This “tends to automatize progress” and, consequently, the economy would lack revolutionary “new things”.

Of course, innovation does not stop (and profits are still possible). But “improvement could be expected to become more and more automatic”, hence a stationary evolution of the economic system, as feared by Schumpeter. We have seen, this will be fatal to capitalism.

1.2.3 Other remarks on “the obsolescence of the entrepreneurial function”

1.2.3.1 The escape of entrepreneurs

Schumpeter thinks that routine not only impedes revolutionary innovations but also weakens resistance to revolutionary innovations: “environments which have become accustomed to economic change [...] instead of resisting, accept it as a matter of course”. He added, in 1947, “[...] modern milieus may offer less resistance to new methods and new goods than used to be the case.” Innovations have not the same impact as in the beginning of capitalism since those “modern milieus” are familiarized with progress and become more and more blasé about novelties:

“The resistance which comes from interests threatened by an innovation in the productive process is not likely to die out as long as the capitalist order persists [...]. But every other kind of resistance [...] has well-nigh vanished already.”

Therefore routine acts not only on entrepreneurs but also on consumers whose spending make surplus-profits.

For entrepreneurs, this game seems definitely no worth playing. This perspective of an ever-flooding routine dampens the enthusiasm of potential entrepreneurs who surrender to routine or escape from economic doldrums, seeking for another place in the world. And Schumpeterian entrepreneurs, who are already rare in the economic system, become even scarcer. To counterbalance this unattractive job, she or he who could have been schumpeterian entrepreneurs chooses a more fulfilling life (who would not?), which means other activities than business. Schumpeter was well aware of the fact that “there are possibilities outside the business sphere”, this was a cause of concern for him and he even became cautionary:

“Human energy would turn away from business. Other than economic pursuits would attract the brains and provide the adventure.”

And for him “adventure” does not seem to mean something like trying to find the sources of the Nile but rather something like a coup, suggesting that routine could also have risky consequences.

Before examining the reality of the vanishing of capitalism we have to say some words on Schumpeter praising big monopolies.

1.2.3.2 An apologia of big firms

Schumpeter stands up for monopolies. For him, they are essential to capitalism “because the monopoly enjoys a disproportionately higher financial standing” and also because “there are advantages which [...] are as a matter of fact secured only on the
monopoly level”.

Moreover, big concerns have got enough equity capital. All things considered, he says: “What we have got to accept is that it [the large-scale monopoly] has come to be the most powerful engine of that [economic] progress and in particular of the long-run expansion of total output [...]”.

And as for high prices imposed on consumers, despite the fact that it could take some time in a lifetime, he claims that this “rigidity is essentially a short-run phenomenon.”

But how could we forget that, according to Schumpeter himself, his entrepreneur has no choice than to create a big monopoly, mount the scaffold of routine and dig the grave of capitalism? Is it pertinent to say that routine is the fate of big businesses and at the same time that “the large-scale establishment unit of control must be accepted as a necessary evil inseparable from the economic progress”? The answer could be given by McCraw who speaks about Capitalism, Socialism and Democracy of “a mode of irony largely unknown in the discipline of economics.”

Capitalism could not exist without the “entrepreneurial function” which causes instability. If “entrepreneurial function” vanishes, capitalism likewise vanishes. Our contemporary economic system, though, has proven otherwise.

2. Capitalism is not endangered

Capitalism is presently not endangered. Schumpeter thought that routine was so irrepressible that it could counterbalance any beneficial condition for capitalism. Something went wrong in his prediction of a vanishing capitalism. Some researchers try to see if innovation can really be damped. Others think that the complexity of the notion of routine could moderate the statement of a routine antagonistic to innovation.

After examining those opinions we will see that the hypothesis of routine gnawing big firms cannot be proven. Moreover, the hypothesis of the generalization of schumpeterian routine is not supported by facts. And big businesses do not invade the whole economic life.

2.1 Innovations cannot stop

2.1.1 Doubts about knowledge

Langlois thinks that “the obsolescence [of the entrepreneurial function] thesis is wrong” thanks to a “schumpeterian tension” occurring “between the Schumpeter who comes to praise entrepreneurship and the Schumpeter who comes to bury it”.

According to him “conscious rationality, for Schumpeter, is in fact becoming increasingly adequate to the job of dealing with the radically new”. For Langlois, this means that the field of knowledge is expanding, rendering useless the “bounded rationality” necessary to take decisions in an unknown environment. But he does not believe that unlimited knowledge could destroy capitalism, precisely because there are doubts about the role of knowledge in the process of innovation.

2.1.2 “Conspicuous consumption” and infinite demand for new products

As we have mentioned before, Schumpeter thought that “modern milieus” were taking “new things” as a matter-of-fact. But, according to Booth, consumers too could overcome routine in a capitalist economy. The Veblen’s notion of “conspicuous consumption” could explain why “The wealthy are usually the leaders in adopting new goods that embodies new technologies.” As long as people will purchase goods others, lower on the social and economic scale, cannot afford, new needs will be created, especially among the richer consumers who purchase expensive goods to impress others with their economic and social status. Hence a never-
ending demand for “new kinds of goods that can be new ways to demonstrate status.”(71)

2. 1. 3 “Routines” are involved in innovation

Closely considered, routine is not necessarily hostile to innovations. For Nelson and Winter, routines could encourage innovations and ease their diffusion to the economic system. For Festré and Lazaric, they are intimately anchored in Schumpeter’s thought.

2. 1. 3. 1 New combinations of routines

Nelson and Winter consider that routines can trigger off innovation when routines conceived to solve specific problems fail to do their job. They think that “Problem-solving efforts that are initiated with the existing routine as a target may lead to innovation instead”.(72)

According to them, the notion of innovation defined by the schumpeterian concept of “new combinations” shows that innovations can be made with routines:

“Innovation in organizational routines consist, in large parts, of new combinations of existing routines.”(73)

Therefore “new routines come to organize a larger fraction of the total activity of the system”(74) and concluding that there is a simple opposition between innovation and routine becomes difficult.

2. 1. 3. 2 Omnipresent routines

Festré and Lazaric think that economic behaviors described by Schumpeter involve routines: “routines play a dual role in Schumpeter’s analysis”.(75) This “duality” helps them to classify routines into two groups. One is made with routines “linked to inertia and to stability”.(76) They are not dampening innovation since they are part of the educational background of entrepreneurs who use them for introducing innovations in the existing economic system. In the other group, routines are linked with the diffusion of innovations and “result from creativity and institutional change”.(77) They have got a negative connotation especially because “this process leads to the gradual fading of the characteristic of novelty and hence, the routinization of the function of entrepreneurship and leadership.”(78) Festré and Lazaric notice after Nelson and Winter that routines are not necessarily hostile to innovation because of the usefulness of the first type for innovation and the role of the second in their diffusion. They think, “routines constitute the general feature of human behaviour in Schumpeter.”(79)

2. 2 Innovations must remain revolutionary in a capitalist economy

Schumpeter had in mind the antagonism between routine and revolutionary innovations.

2. 2. 1 The “flash of genius” versus schumpeterian routine

Contrarily to some impressions, Schumpeter was well aware of the role of routine in innovation. As said above he thought that capitalism is over when, everywhere in economic life, “innovation itself is being reduced to routine”(80) because of the obsolescence of the entrepreneurial function. If the diversity of routines moderates the thesis of their harmfulness for economic progress, we cannot forget that for Schumpeter “new things” have to be revolutionary. What threatens capitalism is not the end of innovation but its “mechanization”.

For that reason, we think that among different routines there is a genuine schumpeterian routine that dampens revolutionary innovations. And it must be overcome with the “flash of genius”,(81) which triggers off the revolutionary “new things” that cause the instability of capitalism.
2. 2. 2 The hypothesis of schumpeterian routine gnawing big firms is not yet supported by facts

The action of schumpeterian routine in big firms has to be proven. According to us, this routine is above all due to the renouncement of the entrepreneur who creates a large-scale firm for imposing “new things” and securing a position of monopoly. He has to recruit, himself or by delegation of power, the staff who, as Schumpeter thinks, will necessarily open the door to routine. Then he becomes isolated since there is no other choice than giving the job of innovating to boards of engineers.

If we interpret Schumpeter, we can see that cooperation between these specialists and the entrepreneur is impossible and that for unknown reasons he does not dismiss them. On the contrary, he forgets his can-do spirit and gives up the “entrepreneurial function”. But is this so automatic? The emerging of schumpeterian routine in big firms could be intrinsically dependent on the characters of the people at work. Trying to make an idea of the real influence of this routine would require a sample of big firms and some statistical tests. This is not the subject here but it is hard to believe that each member of an organization is doomed to become a victim of schumpeterian routine and that a sum of individual renouncements could be extrapolated to economic life. The schumpeterian hypothesis of inhibiting routine in big firms remains to be proven.

We think that Schumpeter probably exaggerated the importance of the individual entrepreneur while minimizing the role of “the teamwork of specialists” in the creation of revolutionary “new things”. It does not seem to be the case in the real life where, for example, collective work in the PC-industry was essential for the informational revolution.

2. 2. 3 “The right blend” of big and little firms

Nevertheless, even if Schumpeter were right, an inhibiting routine in big firms could not destruct capitalism because the schumpeterian hypothesis of the generalization of inhibiting routine is not supported by facts and because resistances against routine are always at work.

2. 2. 3. 1 Big firms have not thrown away little firms

In 1928 Schumpeter noticed the coexistence of two opposite historical types of capitalism; the “competitive” one and the “trustified” one. The first type meant individual firms and entrepreneurs, the second big companies. He seemed concerned by the growing importance of the second type, which was shouldering aside the “entrepreneurial function”, and he thought that it was the case in the United States during the Second World War. But his opinion about the inexorable increase in the number of big firms, hence the generalization of routine, is not supported by facts.

Contrarily to Schumpeter’s belief, inhibiting routine is not transmissible to the whole economic system and, therefore, cannot render obsolete the “entrepreneurial function”. In virtue of a combination of small and big firms, the “competitive” type of capitalism has never disappeared and both historical types of capitalism are living together. This, in our opinion, could explain the survival of capitalism.

If the schumpeterian hypothesis of the “entrepreneurial function” at work only in little firms is true, then revolutionary “new things” can emerge thanks to the survival of little firms that are an efficient routine-killer. They can be considered like pockets of resistance (in the same positive meaning as the French Resistance) against routine, hence the sheltering of the “entrepreneurial function”.

2. 2. 3. 2 The quest of “the right blend”

Moreover for Baumol, Litan and Schramm, “the much greater challenge is to design and implement
[macroeconomic] policies that foster growth in the long run." They are targeting firms that play a crucial role in economic growth. According to the three economists, there are “four different conceptions of capitalism: state-guided, oligarchic, big-firms, and entrepreneurial.”

We can see that little and big firms are not necessarily enemies or considered as antagonistic: they can work together in an economic system because there is “a critical balance of big firms and entrepreneurial capitalism” to ensure the best possible growth in each country. And policy makers have to discover “the right blend”.

Thanks to the “entrepreneurial function”, revolutionary “new things” are not condemned to stop. This seems to be the key to the longevity of capitalism; a different conclusion from what Schumpeter noticed, one century ago, with a false or genuine pessimism.

**Conclusion**

Schumpeterian routine cannot triumph over the “entrepreneurial function”. Therefore revolutionary innovations remain possible, hence the survival of capitalism.

We think that Schumpeter’s thought should also be considered now from the viewpoint of threats against the Biosphere. This “region of the Earth, in land, sea or atmosphere, in which life exists” has changed since the times where he wrote *Capitalism, Socialism and Democracy*. As Passet demonstrated in 1979, in his seminal book *L’Économique et le vivant*, human impacts have become of paroxysmal importance with the expansion of economic activity on the Earth. Moreover, economists, forgetting the importance of the Biosphere, have progressively submitted it to the economical sphere and reduced pollution to “externalities”. Passet argues that economics should serve the Biosphere.

In the first half of the 20th century, Schumpeter was not unaware of nature. He said:

“This evolutionary character of the capitalist process is not merely due to the fact that economic life goes on in a social and natural environment which changes and by its change alters the data of economic action; this fact is important and these changes (war, revolutions and so on) often condition industrial change, but they are not its prime movers”.

And we guess that, now, he would take the “natural environment” into account; these threats to the Biosphere will offer new “chances” to capitalist enterprise after being one of its consequences. New needs will be created by the economic system itself, as Schumpeter thought. Thanks to the “entrepreneurial function” and to collective work, inventions will be transformed into “new things” that will help to implement a “strong sustainable development”.

Thus the ineluctable climate change could ironically become one of the “prime movers” of industrial change. Will it change radically the evolution of capitalism? All what we can say is that, as long as there will be humans, “entrepreneurial function” will work, hence capitalism in Schumpeter’s sense.

The Biosphere is directly endangered by human behavior, not capitalism. The question of the disappearing or not of capitalism is that of the man in the Biosphere.

(I am grateful to my colleague Mrs. Linda Veno-Kan who kindly read my English. The final responsibility is of course mine).

**Bibliography**


*Booth Douglas E., Hooked on Growth: Economic


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Notes

(1) For Yoshikawa, it is time to study Schumpeter in parallel with Keynes, especially because Schumpeter’s evolutionary economics shows that expansion will necessarily succeed to recession. See: 吉川洋「いまこそ、ケインズとシュンペーターに学べ：有効需要とイノベーションの経済学」, Yoshihikawa Hiroshi, Economics of John Maynard Keynes and


(5) Ibid., p. 130.

(6) “Can socialism work? Of course it can!” (Ibid., p. 167). This “Of course it can!” that open the third part of Capitalism, Socialism and Democracy is for McCraw a provocative statement. “He [Schumpeter] is now writing in a full ironic mode, like the satirist Jonathan Swift”, says McCraw who remembers Schumpeter’s youth in Vienna’s coffeehouses where “speakers won admiration for their sarcasm and wit, no less than for the cogency of their arguments.” (McCraw, Prophet of Innovation: Joseph Schumpeter and Creative Destruction, Belknap, 2007, p. 360).

(7) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 61.


(10) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 187. He adds: “no socialist will accept the Russian experience as a full-weight realization” (Ibid.).

(11) This is the label of the chapter VII of Capitalism, Socialism and Democracy (Ibid., p. 82-86). But it is also question of creative destruction in other chapters.

(12) Ibid., p. 83.

(13) Ibid. (with the small reservation, in a footnote, that these revolutions are not really incessant).

(14) Ibid., p. 67.

(15) In this paper, we will focus on innovation only, not on imitation.

(16) Schumpeter, The Theory of Economic Development..., op. cit., p. 66. This idea of combinations will be used by Nelson and Winter about routines (see infra).


(20) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 83.

(21) Ibid., p. 32.

(22) Ibid., p. 112.


(24) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 90. More precisely: “Situations emerge in the process of creative destruction in which many firms may have to perish that nevertheless would be able to live on vigorously and usefully if they could weather a particular storm. [...] Finally, there is certainly no point in trying to conserve obsolescent industries indefinitely; but there is point in trying to avoid their coming down with a crash and in attempting to turn a rout, which may become a center of cumulative depressive effects,
into orderly retreat.” (Ibid.)
(25) “Capitalism, then, is by nature a form or method of economic change” (Ibid., p. 82).
(26) Ibid., p. 32.
(27) Ibid., p. 84.
(28) Ibid., p. 91.
(30) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 31. He added that capitalism “not only never is but never can be stationary” (ibid., p. 82)
(32) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 132
(36) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 105.
(37) Ibid., p. 90.
(38) Ibid., p. 73-74.
(39) Schumpeter thought that “no economist who knows something about the realities of business life will hold for a moment that sense of duty and ideals about service and efficiency play no role in shaping businessmen’s behavior. Yet the same economist is within his rights if he bases his explanation of that behavior on a schema that rests on the profit motive.” (Ibid., p. 286, note 3).
(41) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 90.
(42) Ibid., p. 101.
(43) Ibid., p. 195.
(44) Schumpeter, Business Cycles..., op. cit., vol. 2, p. 1038. He also wrote “[capitalism] creates, by rationalizing the human mind, a mentality and a style of life incompatible with its own fundamental conditions, motives and social institutions [...]” (Schumpeter, “The Instability of Capitalism”, op. cit., p. 72). He said later that this could be “the really significant phenomenon” (Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 153).
(45) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 162.
(47) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 132.
(50) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 131. “The Obsolescence of the Entrepreneurial Function” is the title of a subdivision of the twelfth chapter of Capitalism, Socialism and Democracy (Ibid., p. 131-134)
(51) Ibid., p. 134.
(53) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 132. These “environments” are “social” rather than “natural” (ibid., p. 82).
(55) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 132-133.
(57) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 131.
(60) Ibid., p. 106.
(61) Ibid., p. 93.
(62) Ibid., p. 106.
(63) McCraw, Prophet of Innovation..., op. cit., p. 359.
(65) Ibid., p. 296.
(66) Ibid., p. 292.
(67) “Does the growth of economic and technical knowledge in fact imply that innovation is
becoming predictable and routine? This is matter of some dispute.” (Ibid., p. 293).


(70) Ibid., p. 11 es.

(71) Ibid., p. 31.


(73) Ibid.

(74) Ibid., p. 135.


(76) Ibid.

(77) Ibid.


(79) Ibid., p. 30.

(80) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 132.

(81) Ibid.

(82) Schumpeter, “The Instability of Capitalism”, op. cit., p. 70.

(83) Baumol, Litan, Schramm, Good Capitalism, bad Capitalism, and the Economics of Growth and Prosperity, Yale University Press, 2007, p. 6. For Baumol, Litan and Schramm, an entrepreneur is not necessarily a person. They think that it is not exactly a “type”, as thought Schumpeter, but “an entity, new or existing, that provides a new product or service or that develops and uses new methods to produce or deliver existing goods and services at lower cost” (Ibid., p. 3). This entity has got two roles: the creation of “new things” and their imitation they can sell at lower prices. The authors name them respectively “innovative’ entrepreneurs” and “replicative’ entrepreneurs”(Ibid.). For them, innovation is “the marriage of a new knowledge, embodied in an invention, with the successful introduction of that invention into the marketplace” (Ibid., p. 5).

(84) Ibid., p. 11.

(85) Ibid., p. 229.

(86) Ibid., p. 234.


(88) Passet, L’Économique et le vivant, Payot #401, 1979.


(90) Schumpeter, Capitalism, Socialism and Democracy, op. cit., p. 82. Emphasis added.


資本主義は本当に絶滅の危機に瀕しているか -「企業者機能」とシェンペーター的ルーティンについての一考察

ルーグ ユーグ*1

Synopsis 邦訳

シェンペーターは、主に独占的企業内ではたくらルーティンが、経済システム全体に蔓延してゆき、「企業者機能の無用化」を招く結果、ダイナミズムを失った資本主義は消滅する運命にあると考えた。本論ではこの仮説を検討する。

大企業内でのルーティンの働き、また経済体において大企業の一般化というシェンペーターの仮説は必ずしも具体的事実によって裏付けられない。経済体がルーティンの侵攻に対し効果的に抵抗し、シェンペーターいうところの「企業者機能の無用化」は起こらないことを示す。

キーワード 造的破壊 企業者 ルーティン 企業者機能 イノベーション 独占企業

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