



Economic Research-Ekonomska Istraživanja

ISSN: (Print) (Online) Journal homepage: https://www.tandfonline.com/loi/rero20

Egoism and cooperation in economic development - a historical approach

Marek Tomaszewski

To cite this article: Marek Tomaszewski (2021) Egoism and cooperation in economic development - a historical approach, Economic Research-Ekonomska Istraživanja, 34:1, 3293-3308, DOI: 10.1080/1331677X.2021.1874461

To link to this article: https://doi.org/10.1080/1331677X.2021.1874461

© 2021 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group.



0

Published online: 01 Feb 2021.

Submit your article to this journal 🖸

Article views: 1936



View related articles

View Crossmark data 🗹



Citing articles: 1 View citing articles 🗹

OPEN ACCESS

Routledge

Egoism and cooperation in economic development - a historical approach

Marek Tomaszewski 🗈

Departament of Innovation and Entrepreneurship, Uniwersytet Zielonogórski (University of Zielona Góra), Zielona Góra, Poland

ABSTRACT

Inter-human cooperation has existed since the Paleolithic era, but its character has changed over time. Initially, it was instinctive, later forced, but nowadays it is voluntary. Already in the 18th century, Adam Smith wrote that society could not exist without cooperation. Human civilization was built by cooperating specialists supported by ever newer technologies. The subject of the article is the role of egoism and cooperation in human economic development throughout history. The research method used was a review of the literature of authors from various historical epochs, starting from antiquity and the Middle Ages, through the Renaissance, the first, second and third industrial revolution, up to the present day. The conducted research has shown that cooperation affects relationships between people and helps suppress the internal egoism of man, about which St. Augustine, Machiavelli, Hobbes, Hume, Malthus and even Charles Darwin wrote. The predominance of selfish or altruistic attitudes inevitably affected the development and collapse of many countries and even civilizations.

ARTICLE HISTORY

Received 16 July 2020 Accepted 6 January 2021

KEYWORDS Eqoism; cooperation; economic growth

JEL CLASSIFICATION B1; O33; O4; P13

Introduction

Interpersonal cooperation was and still is necessary for the development of enterprises, regions, states and even civilization. However, its occurrence is influenced by many conditions, including the self-serving behavior of its participants. Since prehistoric times, man has had to answer the question of whether to be guided by his own (selfish) interests or the good of the community. Nowadays, despite the fact that we live in completely different conditions than, for example, in the Paleolithic era, the question of the relationship between selfishness and cooperation still remains valid. Equally important is social pressure, which eliminates selfish behavior. However, the degrees of cooperation and the level of its complexity has changed. In the Paleolithic era, human relations were relatively simple and existed within one plane - the clan.

© 2021 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group.

CONTACT Marek Tomaszewski 🖾 m.tomaszewski@wez.uz.zgora.pl

This is an Open Access article distributed under the terms of the Creative Commons Attribution License (http://creativecommons.org/ licenses/by/4.0/), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

The consequence of selfish behavior was most often the death of the egoist and his immediate family. On the other hand, in modern times, areas of cooperation can be very diverse. These areas may include family, enterprises (micro and global corporations), inhabitants of settlements (small villages as well as metropolitan areas), inhabitants of regions, countries or even entire continents. In such conditions, selfish behavior of individuals or relatively small social groups may contribute to the deterioration of the living conditions and health of larger communities. A contemporary example of cooperation may be the European Union, which is a platform for clashes between selfish national interests and community (supranational) goals. The initiative to jointly purchase vaccines and other medical supplies by the European Union during a pandemic is a positive example. On the other hand, the manifestation of national egosm presents itself in the protection by individual states of key economic sectors which have a destructive impact on the natural environment. Another example of selfish behavior is the protection of VW in the context of the "Dieselgate" scandal by the German authorities, or the protection of the mining industry by the government in Poland. In both cases, the interests of narrow groups (compared to the population of the EU as a whole) are placed before the interests of the general public.

In this context, the aim of this article was to show how the relationship between cooperation and egoism has influenced the economic and civilization development of man over the centuries.

Cooperation and egoism in the Paleolithic era

In the epoch when man gained food by way of gathering and hunting, cooperation was instinctive (Gide, 1914). Greater chances of survival were ensured by functioning in a family (clan), which included related families. In these families, men dealt with safety and hunting, and women gathered the fruits of the undergrowth, looked after children and prepared meals. Any prey found or hunted constituted joint property and was eaten together (Apicella & Silk, 2019). During this period, the life of the individual was identified with the life of the whole family, while the consequence of the individual's separation from the family was most often death (Wojciechowski, 1923) The condition for the family's survival was, therefore, cooperation between individuals, which was manifested primarily in the joint acquisition of food and defence against predators, while the criterion for the division of labour and duties was the gender and physical condition of the individual. It is worth emphasizing that cooperation was not used in the production of everyday objects, because they were manufactured by their users entirely on their own, in accordance with the principle of self-sufficiency.

Along with the growth of the family population, the first egoistic behaviours began to appear, which irreversibly influenced the development of human civilization. This was related to the emergence of the family as a basic social unit and the loosening of relationships with distant relatives. From that moment on, man was forced to make decisions: whether to be guided by the interests of the whole community (distant relatives) or the immediate family. The first consequence of the decision taken was the cessation of maintaining a bonfire common to the entire clan, around which all members of the family ate meals. Instead, each family had their own shelter, in which they maintained a fire and ate meals. Joint feasts of the whole clan were held only on the occasion of important celebrations or holidays and were aimed at integrating the clan. They were held in permanent places of worship, and the followers made pil-grimages from a considerable area (Scham, 2008).

Cooperation and egoism after the Neolithic Revolution

The transition from nomadic to sedentary (agricultural) lifestyle meant a change in the lifestyle of contemporary communities. The commencement of agricultural activity provided food for a growing number of members of the community in the limited area of the tribe.

Over time (with the increase in population), families began to divide into several clusters of separately managing groups, which still kept in touch with each other to provide common defence against strangers (Wojciechowski, 1923).

It should be noted that at this time, cooperation already occurred on two levels, that is, between units within the cluster and between clusters within the tribe (Fotouhi et al., 2019). In this way, in addition to family ties, people began to share the duty of defending the land, which provided them with food necessary for survival. A lack of land was identified with a lack of food and death. Patriotism developed from this obligation, which meant readiness to shed one's own blood to defend the land and other tribe members. At the same time, opportunistic behaviour became more ingrained in the relations between clusters, which in extreme cases led to internal tribal struggles for power or for resources.

In permanent places of worship there began to appear temples, around which permanent settlements grew. Todate, the oldest discovered temple is a building located in Göbekli tepe, and which dates back to around 11,000 BC (Curry, 2008). A characteristic feature of this settlement was that its inhabitants did not make their living by farming, but by working for the temple.

In the period of 7400–7300 B.C. there were already urban settlements in which buildings built of bricks did not have doors and windows (e.g. Çatalhöyük in Turkey). To get inside, you had to get up the ladder to the roof and only from the roof could you enter the interior. Taking the ladder prevented unauthorized persons from entering the house. The outer walls of the interconnected houses were walls that restricted access to wild animals and bystanders, which improved the safety for the residents. This also contributed to the fact that individuals could devote more time to the production of necessities (Hodder & Cessford, 2004). Consequently, there was an increase in supply, which enabled the individual to produce more than he was able to consume. Over time, specialization began to deepen and labour productivity increased. A new social class began to be responsible for security - warriors who made the war craft. Knighthood and aristocracy grew out of this class over time.

Particularly noteworthy is the emergence of the aristocracy, which concentrated people who had land and livestock. This class began to decide about the division of labour in the local community, i.e., food from fields and animals was given to those who followed the will of the ruler. To ensure social order, the aristocracy paid for warriors and priests. Consequently, the egoistic aspirations of the aristocracy led to the creation of a dictatorship. The creation of the first local dictator's palace discovered by archaeologists in Aslantepe dates back to 3.35-3.1 thousand BC (Frangipane, 2016; Özdoğan, 2007). Dissatisfaction of residents with the dictatorship led to the killing of the dictator and burning down the palace.

Improvement of work efficiency and loot obtained during wars increased the wealth of some communities. Such people's goods were no longer sufficient. They began to look for the benefits of more specialized work, which resulted in the appearance of the first craft workshops, which satisfied the needs of these people. With the increase in demand, craftsmen became less and less dependent on farm work, while more and more time was devoted to craft work. In addition, the growing trade with other settlements stimulated an increase in the supply of specialized products.

Antiquity

Changing human living conditions also left their mark on interpersonal cooperation. The increase in population caused an increase in the demand for the labour needed to participate in food production. For this reason, a new form of cooperation appeared, which instead of instinctive nature was of a forced nature (Gide, 1914). The emergence of slavery was the first innovative form of cooperation in human history. What is more, even expeditions for new slaves could be called cooperation in the field of innovation, because participating in these expeditions were many people who had to cooperate with each other, and the purpose of the expedition was to obtain the "innovative" factor of production, which slaves were.

Ethical aspects related to this form of cooperation were the subject of discussion in ancient Greece. Aristotle (2020), among others, said that "some people are free by nature and others, slaves, which state of slavery is both useful and just for the latter." He claimed that "it is right for the Hellenes to rule over the barbarians, since the barbarian and slave are by nature one and the same." On the other hand, he considered it unethical to sell Greek citizens into slavery.

The approach to slavery has changed over time. In ancient Greece, slaves were usually treated as family members who were adopted over time. However, in ancient Rome, for example, the Cato and Dalby (1998) and Cato (1934) recommended that slaves be treated worse than oxen, because slaves are less efficient than these animals. It was also interesting that the Romans' approach to slaves changed depending on the slave supply. During the heyday of the Roman empire, when large numbers of slaves were brought to Rome as a result of new conquests, the approach to the captives was inhuman. However, along with a decline in new conquests and, as a consequence, a reduction in the influx of slaves to Rome, more care was taken of them.

This forced form of cooperation was most strongly associated with egoism that occurred on both sides. New slaves were obtained by deception and use of physical strength, aided by the advantages that the civilization of ancient countries gives. Modern tactics, training and an advantage in armaments left potential victims no chance of defending themselves. The slaves thus acquired along with their children did not work effectively. Their effectiveness decreased as the conditions in which they lived deteriorated. The symbol of the extensive development of the economy at that time was the latifundia, on which thousands of slaves worked in inhuman conditions. Their productivity was definitively lower than that of the free citizens who worked on their own farms. In addition, slaves were not interested in implementing new solutions to improve the quality and productivity of work. For this reason, Varro (1934), in his study *De re rustica* recommended the employment of free people for jobs requiring greater involvement.

The operation of the latifundia posed a threat to medium and small farms that could not withstand the competition. Society became poorer and there were limited human resources that could serve in the Roman legions. To prevent this type of tendency, a new form of cooperation was introduced, i.e. the colonate. This cooperation consisted in former slaves paying large landowners for a lease on small plots for the purpose of running small farms. Problems with payment on a massive scale led tenants to become increasingly dependent on large landowners, the consequence of which was the introduction of actual serfdom, which formed the basis of the feudal system. The consequence of the colonus system was the loosening of the bond between the farmer and the landowner and the strengthening of the bond between the farmer and the land he cultivated.

Middle ages

Craft and trade activities constituted another field for establishing cooperation between families. Guilds and associations appeared, and as a result of such guilds families of merchants were brought together, as were the guilds of a family of craftsmen producing a given product. The purpose of establishing these entities was for mutual help, ensuring the high quality of work performed, joint implementation of distant expeditions, distribution of food during hunger and protection against lawless knights. Admission to the guild followed after many years of practice and after the candidate seeking membership provided proof of his aptitude (Schalk, 2017). Over time, proof of talent was replaced by cash payments of ever increasing value. Such a tendency can be treated as opportunistic behaviour, which was aimed at maintaining the socio-economic position of existing masters and their descendants (Epstein, 2008). Journeymen, who had no family or social connections with the existing guild authorities (Antoine, 1909) could not accumulate funds to pay for the "proof of recognition" required by the guilds, therefore they could not open their own studios and were sentenced to work for life with their foreman (Ogilvie, 2004).

It is also worth adding that the guilds and the city councils under their influence tried to hinder the introduction of new machines for streamlining the production process, for fear of losing the monopoly, lowering prices and, consequently, lowering the income obtained by the workers involved in their production. A documented example of opportunistic behaviour on the part of public institutions can be found in the second half of the 13th century in Paris, where there was an official ban on the simultaneous use of two manual spindles in silk turning plants. Also, according to unconfirmed sources, the Gdańsk municipality in 1580 issued a ban on the use of specialized and more efficient tape shuttles (Szczeciński, 2008).

Egoism on the part of public authorities in implementing innovative solutions had far more serious consequences than just those related to the textile industry. This had already been seen in antiquity. According to one anecdote, the Roman emperor Tiberius ordered the decapitation of the inventor of unbreakable glass (Baumol, 1993; Finley, 1965; McGrath, 2005). His successor, Emperor Vespesian, rejected the design of a water-powered freight crane (Cameron, 1997). The reasons for such opportunistic behaviour were related to the state's attempt to protect the interests of a particular social group. Emperor Tiberius protected the assets of the aristocracy and the interests of glass producers. The motives of the emperor Vespesian were based on his fear of maintaining social peace. He believed that the mass use of cranes would deprive porters of work, who then, deprived of living conditions, without a stable source of income, would cause riots directed against him.

Egoism on the part of public administration in implementing new solutions was not limited in time or territory. In feudal Japan, production and work on new types of firearms were limited (Diamond, 1999). These restrictions were dictated by the need to protect the interests of the samurai class who exercised power. A samurai who had spent his life perfecting himself in the art of killing could have been shot by a representative of a lower class (peasant, merchant or burgher), who would only need a brief training in the use of firearms. The duration of such training could be counted in days, possibly in weeks. The possibility of a samurai being killed by representatives of the lower social classes set a dangerous precedent that could have shaken the social order of the time and contributed to the loss of power by the Japanese aristocracy.

In the medieval Islamic world, the printing press was banned (Landes, 1999). This ban was an attempt to counteract sacrilege and heresy, which is particularly important in societies based on a religious foundation. The lack of such machines meant that religious books were very expensive and inaccessible to the majority of society. The consequence of this state of affairs was the maintenance of a monopoly on the interpretation of religious writings in the interests of the ruling authorities. Disrupting this monopoly could have caused religious and political instability.

The administration of the Chinese emperor Xuande (1433) issued a ban on shipbuilding with more than one mast, despite the fact that such ships were already successfully built in earlier years, as evidenced by a number of expeditions of Admiral Zheng He (Chaudhry & Garner, 2007). The Chinese emperor was afraid that the commanders of the fleet would become independent of him and, as a consequence, try to seize power all over China.

Despite the fact that in the Middle Ages book publications were mostly written by clergy, the first mention of opportunism falls in this period. Saint Thomas Aquinas wrote for the first time about this problem. In his work entitled *Summa Theologiae* in the thirteenth century he wrote that the common property, constituting the property of the monastery, should be used by people who can care for the common good and are not inclined to appropriate it. Using today's terminology, it can be said that he was referring to people with high social capital.

Renaissance

The Renaissance as a new era in the development of the civilization of man was a consequence of the negation of the medieval social order. The hypocrisy of the clergy, the decreasing role of the aristocracy in social life and the simultaneous increase in the wealth of the middle class, as well as numerous geographical and scientific discoveries, changed irreversibly the social relations prevailing at that time. The consequence of these changes was the transformation of the feudal system into a capitalist system (Stankiewicz, 2007). The workforce that freed itself from serfdom and the accumulation of capital favoured the creation of somewhat large or small enterprises. These entities, instead of slaves, employed free people, which translated into increased economic efficiency. At the same time, human work was increasingly supported by more and more complex machinery and equipment. This is how the beginnings of a new economic school we today call mercantilism began to take shape, and which in the following centuries laid the foundations for the development of classical economics.

Geographic discoveries that occurred in the Renaissance created new areas for economic penetration. However, they required high capital expenditure, work and dedication of many people. That is why the exploration of new lands was initially commissioned and financed by strong monarchies. Over time, the aristocracy and rich townspeople joined the group of investors. The alliance of interests of various social groups led to the spread of commercial and production activities, which were supported by protectionist policies pursued by monarchies. As part of this policy, barriers were set for the inflow of processed goods from abroad and for the outflow of gold abroad. However, the acquisition of foreign markets and the acquisition of new sources of raw materials were supported.

To increase the benefits of foreign trade, an innovative form of cooperation was established, which was a joint-stock company. The precursor of joint-stock companies was the East India Company, which was founded in 1600. Over time, similar companies were established in the Netherlands (1602), Denmark (1616), France (1664) and even Sweden (1731) (Jerzemowska, 2013; Stern, 2009).

The British East India Company is considered to be one of the first joint-stock companies whose shares were publicly traded. The company was managed by the Board of Directors, while its statute was adopted and updated by the British Parliament. For the safety of its shareholders, their liability was limited to the amount of capital invested in the company (Irwin, 1991; Smith, 2018).

Companies of this type received a monopoly from their monarchs to conquer a given area of the globe and then conduct trade in these lands. The granting of the monopoly was to compensate for the risk associated with this type of activity. In addition, these companies had extensive political and administrative powers that went far beyond traditionally understood commercial activities. They could contain political treaties, declare war and form alliances. They had the right to mint their own currency and even the right to collect taxes (Vartavarian, 2014). For the purposes of their activities they had their own armies (Robinson, 1786). The power of the first companies can be demonstrated, inter alia, by the fact that the number of armed

forces under the control of the British East India Company, at its heyday, was even twice as high as the number of the regular British army (Steensgaard, 2017).

The first joint-stock companies were also an excellent example of the functioning of corporations that did not comply with the principles of corporate social responsibility. The company director acted like the eponymous prince from the book by Niccolò Machiavelli. Bribery, political machinations and the initiation of wars to achieve economic goals were commonplace practices. Adam Smith in his day called the East India Company a "useless, bloody monopoly" (Smith, 2011; The Economist, 2011).

Industrial age

The industrial age can be divided into three periods, which include: first, second and third industrial revolutions. The first industrial revolution covers the period from the second half of the 17th century to the end of the first half of the 19th century. At this time, there is a transition from an agriculture-based economy to an industry-based economy. In addition, the activity of craft workshops and manufactories is disappearing in favour of factories based on the work of steam engines. Although the first steam engines were created at the end of the 17th century, the practical implementation of this innovation for the needs of industrial activity does not occur until 1769, when J. Watt perfects the Thomas Newcomen steam engine and finds its application in mining. In the following years, the steam engine found applications in the textile industry (1784) and transport (1803 - the first steam ship, and in 1825 the first steam locomotive).

The second industrial revolution was caused by the rapid development of science, which resulted in the appearance of a number of inventions from the turn of the century (Bottomley, 2019). Among them, it is worth mentioning: refining of oil done in 1852 by I. Łukasiewicz, construction of a light bulb by T. Edison in 1879 and development of an internal combustion engine by R. Diesel in 1892. This revolution lasted until the end of World War II.

The twilight of the industrial age began after World War II, but there is no precise date for its definitive end. Part of the scientific community believes that this was the moment when the computer was invented, the Internet was created, or the service sector came to dominate the economy (Luterek, 2004).

The first industrial revolution encountered very strong resistance in various social strata. Both the aristocracy and the working class were opponents of this revolution. In France and other continental European countries where the aristocracy was in power, political elites tried to block the process of industrialization (Acemoglu & Robinson, 2000). This was due to the fact that the significant increase in the wealth of the bourgeoisie and the social aspirations of this social class began to threaten the position of aristocracy. The bourgeoisie were most often the owners of banks, industrial and commercial enterprises, while the aristocracy owned landed estates. An economic school called physiocracy was part of this conflict between the bourgeoisie and the landowners and glorified agricultural activity at the expense of industrial activity. According to F. Quesnay's economic tables of activity, industrial, commercial and banking were included in the so-called sterile class, which did not produce new

value, but processed raw materials previously produced by nature. In contrast, only agriculture generated all added value.

Even more strongly did the aristocracy oppose industrialization in countries where absolute monarchy was in force (Tsarist Russia and the Austro-Hungarian Empire). In these countries, socio-political changes were seen as a result of technical progress (Mosse, 1992). For example, passenger rail transport was treated as a carrier of revolutionary ideas (Gerschenkron, 1970).

However, workers protested most against industrialization and the introduction of machinery into factories, who feared that the machines would take away their jobs (Argersinger & Argersinger, 1984; Hobsbawm, 1952). The first protests against the introduction of machinery to factories had already appeared in 1674 in England and concerned looms used in the textile industry. Subsequent protests by the "machine destroyers" or the Luddites and their successors continued, intermittently, for almost two centuries (Clancy, 2017; Horn, 2015; Szczeciński, 2008). It is worth noting that the innovations implemented at that time, based on the introduction of steam machines into production, not only did not contribute to employment reduction, but on the contrary, caused a significant increase in the demand for labour. However, a noticeable improvement in the economic situation of the workers took place only after 1816 (Humphries & Schneider, 2019).

With the beginning of the Second Industrial Revolution, the first cooperative movements appeared. The association of Rochdale in Great Britain, which started its activity in 1843, is considered to be a pioneer in this respect. Initially, the association's activities boiled down to raising the capital necessary for further development and selling good quality food products to members of the association at reasonable prices that were bought directly from producers (Watts, 2017). With time, when the problem of excess capital appeared in the cooperative, new construction, industrial and agricultural enterprises began to be opened alone or in cooperation (Krzywicki, 1903). Thus, the innovative form of cooperation, which the cooperative constituted, began to implement cooperation in the field of innovation.

The cooperative also had a conflict of interest that led to opportunistic behaviour. Some members expected that the cooperative would provide them with daily necessities at the lowest possible price. Others, in turn, expected that the cooperative, in order to maximize profits and dividends paid, would focus on the production and sale of those products that generated the highest profits. This divergence of interests eventually led to the withdrawal from the cooperative of those members who expected maximum profits and dividends. They began to invest their capital in jointstock companies that were listed on the capital markets.

During the first and second industrial revolution, cooperation was most often established within closed social groups whose determinants were family, nationality, religious beliefs or a similar professional profile. Members of Jewish communities (Mosse, 1987) were very active in this respect, which is confirmed by research carried out by P. Windolf (2011). For example, in Germany before the outbreak of World War I, in the group of people sitting on the supervisory boards of multiple companies at the same time, Jewish origin was as much as 25% of this population (Stokman & Wasseur, 1976).

Conditions conducive to achieving success in business projects implemented by entrepreneurs of Jewish origin Windolf (2011) included: 1) social solidarity, which provided an advantage in the fight against entrepreneurs from other communities, 2) a higher level of education, qualifications and knowledge that enabled effective management of planned projects, 3) experience in banking and financing of large investment projects.

Strong cooperative networks were also built among representatives of the Quakers religious association (Sahle, 2018). It was a relatively small community, with a strong cultural identity, cemented by the need to defend itself against persecution by the rest of society. The trust that underlay cooperative relationships in this community was based on shared religious beliefs and family relationships. Quakers cooperation enabled the development of a joint financing system for investment projects (Prior & Kirby, 1993). The Quakers' cooperative networks went beyond the borders of a single country. Their personal contacts enabled the effective flow of information about products, markets and entities operating on them. Initially dispersed capital became accumulated in joint ventures whose interests were in commerce, production and even investments related to railway infrastructure (Turnbull, 2014). It was their joint effort that led to the financing of the first railway line, which was established in England in 1825 connecting the cities of Darlington and Stockton. Other projects that were successfully carried out by the Quakers were, among others: Barclays bank, Cadbury's confectioneries and Lloyds insurance company.

Another group that relatively often undertook the implementation of cooperative projects during the first industrial revolution were members of elite social clubs (Curtin, 1998), which was particularly evident in Great Britain. Members of one of these clubs from Glasgow in the eighteenth century, thanks to their contacts in Great Britain, the Americas and in Europe, developed the so-called tripartite trade. This relied on the fact that British manufactured goods were sent to Africa, where slaves were bought in exchange, which in turn were sent to America (Rönnbäck, 2015). The money obtained from the sale of slaves in America and the Caribbean bought tobacco, rum and other tropical products, which were then imported to Great Britain and continental Europe. The products imported here were sold through their own chain of stores with colonial goods.

Tobacco Lords, as they were sometimes called, sought to tie American tobacco growers with loans they gave before the harvest. However, after the harvest, buyers bought tobacco at discounted prices from growers. Growers got good prices and attractive credit as long as they had creditworthiness. After losing creditworthiness, the attractiveness of the prices and interest on the loan drastically worsened, preventing repayment of earlier loans (Devine, 1975).

Small family businesses also played an important role during the first industrial revolution. Interestingly, these companies did not compete with each other but cooperated, forming a substantial part of the industrial structure. As a result of the consolidation of units of this type the first industrial enterprises arose, which fact was most visible in the textile sector (Cookson, 1997).

Discussion

As mentioned above, cooperation and egoism are inextricably linked and have influenced community life since the dawn of time. The goal of cooperation was always the survival of the species, even at the cost of the death of individuals. In turn, egoism resulted from the self-preservation instinct and targeted actions aimed at the survival of the individual, even at the expense of the other representatives of the species. The contradiction between the interests of individuals and the interest of the general public was reflected in the dispute between the nominalist and realistic approach to the social group, which has been ongoing between sociologists since the nineteenth century. According to the nominalist approach, a social group is a set of units that constitute it. According to this approach, the primary importance is played by an individual who, depending on the situation, may exhibit altruistic or egoistic behaviour. Supporters of the nominalist approach were, among others, J. S. Mill (2016), H. Spencer (1884) and V. Pareto (1994). In realistic terms, however, society is a new, supra-individual entity that affects individuals. A. Comte (2001) was one of the proponents of the holistic perception of the social group.

A. Smith (2011) also spoke on the side of realists in this discussion, who stated that society cannot exist without cooperation, which is a consequence of the division of labour. It is cooperation that contributes to the fact that society is more than the sum of its parts. One could even say that human civilization was built by the cooperation of specialists supported by increasingly new technologies (West, 1990). In addition, Durkheim drew attention to the occurrence of feedback between cooperation and society.

On the one hand, cooperation contributed to the evolution of the whole society, and on the other hand, without interpersonal relations in society, man would not overcome his internal egoism (Durkheim, 1933; Nie et al., 2019).

Thomas Hobbes, who believed that man is a beast whose nature must be tamed by social contracts (Hobbens, 2010), spoke in a similar vein. Similar views were previously presented by Machiavelli, who claimed that "all people are evil" (Machiavelli, 2010); St. Augustine, who wrote that "man is born with original sin, while good is a gift from God"; and numerous philosophers in ancient Greece who thought that people by birth were hedonists and egoists. Adam Smith later expressed a similar tone, formulating the concept of homo economicus (Smith, 2011), as did David Hume, Robert Malthus and even Karol Darwin.

The approach presented by Hobbes shows that interpersonal cooperation is a manifestation of the subjugation of the real human nature, while opportunism and egoism are episodes during which man shows his true face. From the Hobbenian philosophy of the human beast, Charles Darwin's theory emerged, according to which competition does not occur between species, but between individuals. As a result of this competition, only those units that are best suited to the prevailing conditions have a chance of survival.

Social consequences

Hobbes' views were an inspiration for the creators of totalitarian systems such as fascism or communism. If only the best-adapted individuals can survive in nature (e.g., the Aryan race in fascist doctrine), then humans can help it select the strong individuals over the weak. This is a step towards the introduction of eugenics, whose supporters were, inter alia, W. Lenin, K. Marx and F. Engels, and their follower was, in turn, A. Hitler.

At the same time, it should be remembered that neither too far-reaching cooperation nor too far-reaching egoism are beneficial to society. In an extreme form, cooperativism can lead to the introduction of a centrally controlled economy in a totalitarian state (Bankowicz, 2004). In this situation, society is being repressed by a government that respects neither civil rights nor human rights. In the name of the higher good, which amounts to the protection of the national interest, the protection of a chosen social class or acting in the name of religion, power can interfere in every sphere of social and economic life. In such a situation, a central distribution system appears, i.e., central supply and demand planning, and social or state ownership dominates the economy and the monopolization of the economy is deepened (Begg et al., 2005). Along with the progressive monopolization of social life, the authorities with increasing brutality suppress all manifestations of egoism of individuals, calling such behaviour a subversive element and explaining it as actions directed against the state. At the same time, by means of intrusive propaganda and the cutting off of independent sources of information, the state tries to consolidate its positive image in society. In such a system, there is a decrease in social capital, which is manifested in a decrease in social trust, a lack of reciprocity and equality in relations between the state and citizens, and less respect for legal provisions (Matysiak, 1999). At the same time, features such as passivity, denunciation and obedience are promoted.

In turn, too far-reaching egoism causes chaos and destruction in society. In such conditions, the law becomes powerless against individuals who use violence and corruption.

Practical implications

As mentioned above, neither excessive state co-operation (expressed by ever stronger centralization and nationalization) nor consent to excessive egoism of individuals is beneficial to economic development. This means that the state should be very careful in this matter, so as not to be exposed, on the one hand, to allegations of authoritarian motives or, on the other, to excessively weakening the role of the state. For this reason, the state should limit its activities to developing social capital and supporting barriers limiting the egoism of individuals.

Such actions should boil down to: 1) listening to and responding to the demands of institutions representing both entrepreneurs, employees and consumers; 2) supporting the system of vocational and higher education; 3) ensuring the independence and improving the efficiency of justice; 4) supporting local government and non-governmental organizations; 5) building an informed society in which the individual is willing to actively participate and develop individual business.

History has shown that only free people who have an active influence on the conditions in which they live are effective employees who care about the development of their qualifications. In such conditions, they can become part of the social division of labor, both nationally and internationally, which favors the occurrence of interpersonal and inter-organizational cooperation.

Conclusions

To conclude the analysis of the impact of selfishness and cooperation on economic development, reference should be made to the theory of economic development by Schumpeter et al. (1960), who emphasized the role of endogenous factors in the economic development of countries in his works. The cooperation coordinated by the creative entrepreneur facilitated the accumulation of capital, which was spent on the implementation of ground-breaking projects. On the other hand, the selfishness of entrepreneurs can be counted among the reasons for the occurrence of creative destruction, which on the ruins of old entities creates conditions for the emergence of new ones, but at a higher civilization level. In this respect, Schumpeter's theory of economic development fits in with the concept of the Italian philosopher Giambattista Vico, [2011], who observed that on the ruins of a fallen empire a new civilization is emerging, which is at a higher level than the previous one [Sobeski, 1916, p. 32].

In past epochs, Schumpeter's theory, although it was not officially formulated, was massively implemented. Didn't the settlers of the Neolithic Revolution need a charismatic leader who coordinated the settlement process and approved of the taming of animals? Didn't the ancient Greeks need heroes who made expeditions for free labor. Can't Christopher Columbus and the Tobacco Lords be called managers who were looking for sponsors to find new sources of raw materials and markets? It can therefore be said that cooperation throughout time contributed to the development of human civilization, and the egoism of individuals limited by social pressure created the foundations on which new, more modern civilizations were created.

Disclosure statement

No potential conflict of interest was reported by the author.

ORCID

Marek Tomaszewski D http://orcid.org/0000-0003-2590-5159

References

Acemoglu, D., & Robinson, J. (2000). Political losers as a barrier to economic development. American Economic Review, 90(2), 126–130. https://doi.org/10.1257/aer.90.2.126

Antoine, K. (1909). Kurs ekonomii społecznej. Gebethner i Wolf.

- Apicella, C. L., & Silk, J. B. (2019). The evolution of human cooperation. *Current Biology* : CB, 29(11), R447-450. https://doi.org/10.1016/j.cub.2019.03.036
- Argersinger, P., & Argersinger, J. A. E. (1984). The machine breakers: Farmworkers and social change in the Rural Midwest of the 1870s. *Agricultural History*, 58(3), 393–410.

Aristotle & Beresford, A. (2020). The Nicomachean ethics. Penguin Books.

Bankowicz, M. (2004). *Totalitaryzm, w: Słownik społeczny*. red. B. Szlachta. Wydawnictwo WAM.

Baumol, W. J. (1993). Entrepreneurship, management, and the structure of payoffs. MIT Press. Begg, D., Fischer, S., & Dornbusch, R. (2005). Economy. T. 1. PWE.

3306 👄 M. TOMASZEWSKI

- Bottomley, S. (2019). The returns to invention during the British industrial revolution. *The Economic History Review*, 72(2), 510–530. https://doi.org/10.1111/ehr.12701
- Cameron, R. (1997). A concise economic history of the world. Oxford University Press.
- Cato, V. (1934). On Agriculture, Loeb Classical Library 253. Harvard University Press.
- Cato, M. P., & Dalby, A. (1998). Cato on Farming. De Agriculture, Prospect Books.
- Chaudhry, A., & Garner, P. (2007). Do governments suppress growth? Institutions, rent-seeking, and innovation blocking in a model of schumpeterian growth. *Economics & Politics*, 19(1), 35–52. https://doi.org/10.1111/j.1468-0343.2007.00301.x
- Clancy, B. (2017). Rebel or rioter? Luddites then and now. Society, 54(5), 392–398. https://doi. org/10.1007/s12115-017-0161-6
- Comte, A. (2001). The positive philosophy. Batoche Books.
- Cookson, G. (1997). Family firms and business networks: Textile engineering in Yorkshire, 1780–1830. Business History, 39(1), 1–20. https://doi.org/10.1080/00076799700000001
- Curry, A. (2008, 18 January). Archaeology. Seeking the roots of ritual. *Science (New York, N.Y.).*), 319(5861), 278–280. 10.1126/science.319.5861.278 https://doi.org/10.1126/science.319.5861.278
- Curtin, P. D. (1998). Cross cultural trade in world history. Cambridge University Press.
- Devine, T. M. (1975). The tobacco lords: A study of the tobacco merchants of Glasgow and their trading activities 1740–1790. Edinburgh.
- Diamond, J. (1999). Guns, germs, and steel. W. W. Norton.
- Durkheim, E. (1933). The division of labor in society. The Macmillan Company.
- Epstein, S. R. (2008). Craft guilds in the pre-modern economy: A discussion. *The Economic History Review*, 61(1), 155-174. https://doi.org/10.1111/j.1468-0289.2007.00411.x
- Finley, M. I. (1965). Technical innovation and economic progress in the ancient world. The Economic History Review, 18(1), 29. https://doi.org/10.1111/j.1468-0289.1965.tb01659.x
- Fotouhi, B., Momeni, N., Allen, B., & Nowak, M. A. (2019). Evolution of cooperation on large networks with community structure. *Journal of the Royal Society Interface*, 16(152), 20180677. https://doi.org/10.1098/rsif.2018.0677
- Frangipane, M. (2016). The transition between two opposing forms of power at Arslantepe (Malatya) at the beginning of the 3rd millenium. *Türkiye Bilimler Akademisi Arkeoloji Dergisi*, 4(4), 1–24. https://doi.org/10.22520/tubaar.2001.0001
- Gerschenkron, A. (1970). Europe in the Russian mirror: Four lectures in economic history. Cambridge University Press.
- Gide, C. (1914). Zasady Ekonomii Społecznej. Gebethner i Wolff.
- Hobbens, T. (2010). Leviathan or the matter, forme and power of a common wealth ecclesiasticall and civil. Yale University Press.
- Hobsbawm, E. (1952). The machine breakers. *Past and Present*, 1(1), 57–70. https://doi.org/10. 1093/past/1.1.57
- Hodder, I., & Cessford, C. (2004). Daily practice and social memory at Çatalhöyük. American Antiquity, 69(1), 17-40. https://doi.org/10.2307/4128346
- Horn, J. (2015). Machine-breaking and the "threat from below" in Great Britain and France during the Early Industrial Revolution. In M. T. Davis (Ed.), *Crowd actions in Britain and France from the middle ages to the modern world* (pp. 165–178).Palgrave MacMillan.
- Humphries, J., & Schneider, B. (2019). Spinning the industrial revolution. The Economic History Review, 72(1), 126–155. https://doi.org/10.1111/ehr.12693
- Irwin, D. A. (1991, December). Mercantilism as strategic trade policy: The Anglo-Dutch Rivalry for the East India Trade. *Journal of Political Economy*, 99(6), 1296–1314. https://doi. org/10.1086/261801
- Jerzemowska, M. (2013). A contribution to meet Indian corporate governance. *Management* and Finance, 11(2), 127–142.
- Krzywicki, L. (1903). Stowarzyszenia spożywcze: Ustęp z dziejów kooperacji. Członkowie Stowarzyszenia Spożywczego.
- Landes, D. (1999). The wealth and poverty of nations. W. W. Norton.

Luterek, M. (2004). Zmiany w strukturze społecznej i modelu życia jednostki: od społeczności opartych na łowiectwie i zbieractwie do społeczeństwa informacyjnego, w: Społeczeństwo informacyjne i jego technologie, red. B. Sosińska-Kalata, M. Majerska, W. Gliński. Wydawnictwo SBP.

Machiavelli, N. (2010). The Prince. Helion.

- Matysiak, A. (1999). Sources of social capital. Wydawnictwo Akademii Ekonomicznej we Wrocławiu.
- McGrath, R. G. (2005). Connecting the study of entrepreneurship and theories of capitalist progress. In Z. J. Acs & D. B. Audretsch (Eds.), *Handbook of entrepreneurship research: An interdisciplinary survey and introduction* (pp. 639–660). Kluver Academic Publischers.
- Mill, J. S. (2016). A system of logic, ratiocinative and inductive. Wentworth PR.
- Mosse, W. E. (1987). Jews in the German economy: The German-Jewish economic elite, 1820–1935. Oxford.
- Mosse, W. E. (1992). An economic history of Russia, 1856-1914. Taurus.
- Nie, P. Y., Wang, C., & Cui, T. (2019). Players acting as leaders in turn improve cooperation. *Royal Society Open Science*, 6(7), 190251. https://doi.org/10.1098/rsos.190251
- Ogilvie, S. (2004). Guilds, efficiency, and social capital: Evidence from German proto-industry. *The Economic History Review*, 57(2), 286–333. https://doi.org/10.1111/j.1468-0289.2004. 00279.x
- Özdoğan, M. (2007). Amidst Mesopotamia-centric and Euro-centric approaches: The changing role of the Anatolian peninsula between the East and the West. *Anatolian Studies*, 57, 17–24. https://doi.org/10.1017/S0066154600008462
- Pareto, V. (1994). Uczucia i działania. Fragmenty socjologiczne., PWN, Warszawa.
- Prior, A., & Kirby, M. (1993). The Society of Friends and the Family Firm, 1700–1830. *Business History*, 35(4), 66–85. https://doi.org/10.1080/00076799300000129
- Robinson, F. (1786). The life of hyder. S. Hooper.
- Rönnbäck, K. (2015). The transatlantic slave trade and social stratification on the Gold Coast. *Economic History of Developing Regions*, 30(2), 157–181. https://doi.org/10.1080/20780389. 2015.1075384
- Sahle, E. (2018). Quakers, coercion, and pre-modern growth: Why Friends' formal institutions for contract enforcement did not matter for early modern trade expansion. *The Economic History Review*, 71(2), 418–436. https://doi.org/10.1111/ehr.12485
- Schalk, R. (2017). From orphan to artisan: Apprenticeship careers and contract enforcement in The Netherlands before and after the guild abolition. *The Economic History Review*, 70(3), 730–757. https://doi.org/10.1111/ehr.12422
- Scham, S. (2008). The World's First Temple. *Archeology Magazine*, November/December, 61(6). https://archive.archaeology.org/0811/abstracts/turkey.html.
- Schumpeter, J. A., Grzywicka, J., & Górski, J. (1960). Teoria rozwoju gospodarczego. PWN.

Smith, A. (2011). Wealth of nations. Penguin Books.

- Smith, E. (2018). The global interests of London's commercial community. *The Economic History Review*, 71(4), 1118–1625. https://doi.org/10.1111/ehr.12665
- Sobeski, M. (1916). *Giambattista Vico, Twórca Filozofii Historyi Metafizyka Libelta*. Nakładem księgarni M. Niemierkiewicza.
- Spencer, H. (1884). Wstęp do Socyjologii. Nakład Gebethnera i Wolffa.
- Stankiewicz, W. (2007). History of economic thought. PWE.
- Steensgaard, N. (2017). The Asian Trade Revolution: The East India companies and the decline of the seventeenth century. University of Chicago Press.
- Stern, P. J. (2009). History and Historiography of the English East India Company: Past, present, and future! *History Compass*, 7(4), 1146–1180. July, https://doi.org/10.1111/j.1478-0542. 2009.00617.x
- Stokman, F., & Wasseur, F. (2002). National networks in 1976: A structural comparison. In J. Scott (Ed.), Social networks: Critical concepts in sociology (Vol. III, pp. 336–356). Taylor & Francis.

- Szczeciński, J. (2008). Z dziejów włókiennictwa. Czy Leonardo da Vinci przewidywał istnienie fabryk włókienniczych? Zaawansowane technologie wykończalnicze. XXIV Seminarium Polskich Kolorystów. Wydawnictwo Fundacji Rozwoju Polskiej Kolorystyki.
- *The Economist.* (2011). The East India Company. The Company that ruled the waves, 17th December.
- Turnbull, R. (2014). *Quaker capitalism. Lessons for today.* Centre for Enterprise, Markets and Ethics.
- Varro. (1934). De Re Rustica, Loeb classical library. Harvard University Press.
- Vartavarian, M. (2014). An open military economy: The British Conquest of South India Reconsidered, 1780–1799. Journal of the Economic and Social History of the Orient, 57(4), 486–510. 10.1163/15685209-12341356. https://doi.org/10.1163/15685209-12341356
- Vico, G. (2011). New science. Penguin Books, Ltd.
- Watts, D. C. H. (2017). Building an alternative economic network? *The Economic History Review*, 70(1), 143–170. https://doi.org/10.1111/ehr.12340
- West, M. A. (1990). The social psychology of innovation in groups. In M. A. West & J. L. Farr (Eds.), *Innovation and creativity at work: Psychological and organizational strategies* (pp. 309–333). John Wiley & Sons.
- Windolf, P. (2011). The German-Jewish Economic Elite (1900 1930). Zeitschrift Für Unternehmensgeschichte, 56(2), 135–162. https://doi.org/10.17104/0342-2852_2011_2_135
- Wojciechowski, S. (1923). Kooperacja w rozwoju historycznym. Wydział Propagandy Związku Polskich Stowarzyszeń Spożywców.