

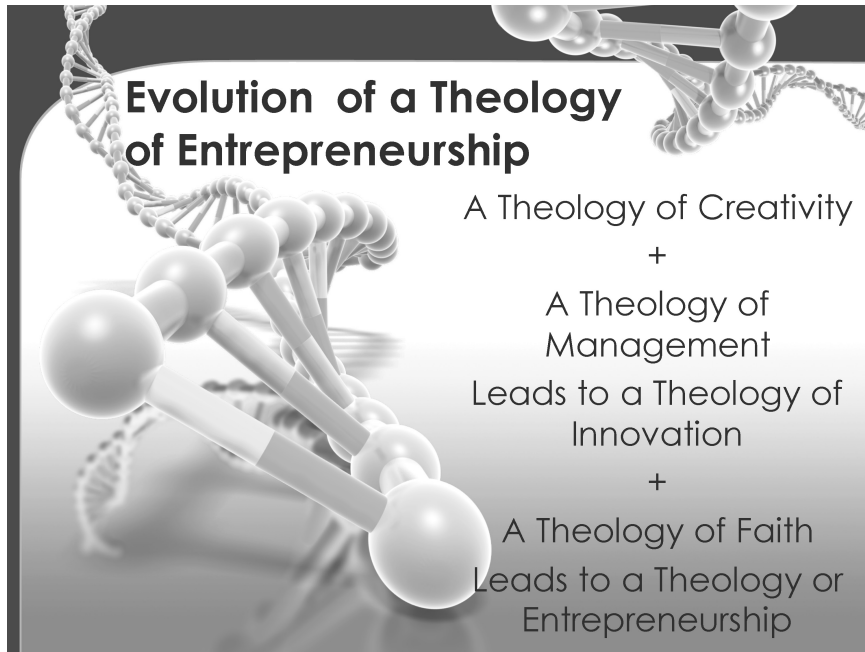
## Creativity, Innovation and Entrepreneurship

*Technological Innovation*

*Psychological Theories – Entrepreneurship*

*Relationship Between Righteousness and Achievement*

*Cooperative Entrepreneurship in the West*



### Technological Innovation

Capitalism is built on the creativity of those at the grassroots of society. It is frequently commented, though debateable, that small business is its primary driver.

In the pastoral context of the Old Testament we have examined *land* and *resources*. But we live in what is now called the fourth industrial revolution where the technological speed of ideas is

multiplying exponentially. Jacques Ellul, the great French philosopher, sociologist and theologian wrote of this in the 1980's in the *Technological Society*, predicting the increasingly technologically determined man. We need to take the principles from these Biblical contexts and apply them to current *industrial technologies* and from this decade on to *information technologies*.

*Creativity, which underlies innovation* is a critical element for survival in such an environment. Innovation combines *creativity* (2) and *management* (8) skills. It is inherent in godliness as it marks the very core nature of God the creator, and Jesus the liberator, who brings the *freedom* (10). A nation that is full of creativity and innovation is perhaps not too far from God!<sup>1</sup>

*We are a nation of enthusiastic adopters. We embrace technological change and its associated benefits...the pace at which technology is transforming our lives is exponential* (Chartered Accountants Australia and New Zealand, 2015, pg. 6).

**This is critical for survival.**

*Disruptive technologies, which create new markets and displace existing ones, are the new normal, and given New Zealand's relatively healthy economy and flexible regulatory environment, we appear to be well placed to evolve and prosper* (ibid).

New Zealand banking systems, for example, are ranked as number one globally in pioneering new payment methodologies (Watson, 2016 pg. 5). Technology companies are also experiencing high revenue growth and success in the United States markets. A new approach to funding, peer to peer lending such as Harmony, or TradeMe, grew to US\$267 million in New Zealand.

## Psychological Theories - Entrepreneurship

An early approach to development economics was a search for those sociological and psychological factors critical to the emergence of a significant class of entrepreneurs. The fundamental theses (McLelland, 1964; Everett E. Hagen, 1971), was that internal value systems are the critical factors in transforming the environmental factors. He called these values, n-achievement.

He extended the work of sociologist, Max Weber (1947), who analysed religious impact on economic organization of the society. He identified religious beliefs as a driving or restraining force for generating entrepreneurial activity. Religious beliefs play a crucial role in determining the behaviour or actions of the entrepreneur towards generating or limiting profit. Weber was the first among the social scientists, to posit that entrepreneurial growth is dependent upon ethical values.

This was in opposition to other theories of development (mostly stemming from sociological and economic world views) that stress the systems as the critical factors in national development. As Marx (1974) says:

*The mode of production in material life determines the general character of the social, political and spiritual processes of life. It is not the consciousness of men and women that determine their existence, but on the contrary their social existence that determine their consciousness.*

(Hence his rejection of God as a tool of the bourgeoisie).

The Bible affirms the internal value systems as causative of national prosperity, though not neglecting systems, structural changes and institutionalisation of values. Jesus moved from legal structures that bound his nation to values systems as preeminent. *It is from within, from the heart of a person that come lust, theft, murder, adultery covetousness, wickedness, deceit...* (Mark 7:20-22). The whole focus of Jesus is captured in the beatitudes of the Sermon on the Mount (Matt 5:1-12). The Kingdom which he brought is a Kingdom *not of food and drink, but of joy and peace in the Holy Spirit* (Rom 16:17). Christian growth occurs as we are *not conformed to this world, but transformed by the renewal of our minds* (Rom 12:2). This is a transformation of values.

Two aspects of these psychological theories are significant for Christians:

*Studies of the family have shown, for instance, that for a boy three factors are important in producing high "n" achievement (a measure of achievement orientation), parents' high standards of achievement, warmth and encouragement, and a father who is not dominating and authoritarian... Other studies have shown that fathers must be respected by their sons; but after the boy is capable of achieving something for himself, his father must stop directing every step he takes if the boy is to develop a strong concern for achievement.* (McLelland, 1964, pg. 176).

Another study shows that *the two great waves of achievement concern in England were each associated with Protestant reform or revival.* For example, *The strong concern for Christian perfection in this world tended to produce an achievement orientation in Methodist parents and their sons, which turned boys to business* (McLelland, pg. 177). Fifty years after the revivals the country reached a peak of achievement as these men and women entered national leadership. As the Bible says, *Righteousness exalts a nation* (Isa 32:17).

Woodberry (2012), in a more recent, ground-breaking, statistically analysed study expands on McLelland and Max Weber,

*This article demonstrates historically and statistically that conversionary Protestants (CPs) influenced both the distribution of resources in societies and the rise and spread of stable democracy around the world.*

*CPs influenced democracy directly by shaping democratic theory and institutions and indirectly by creating religious incentives for elites to disperse economic and political power. CPs wanted people to read the Bible, thus they initiated mass education and mass printing. Moreover, organizational forms and tactics that CPs developed to spread their faith proved useful for sustaining long-term, nonviolent social movements. CPs used these new organizational forms and tactics to transform their home societies and to moderate colonialism. When faced with CP competition, other groups copied these innovations. Without CP competition, they did not and these innovations were delayed for decades, even*

*centuries. Thus, CP competition drastically increased ordinary people's access to education, printed material, news, and organizational resources – whether or not they converted to Protestantism. Moreover, the reform movements spurred by CPs increased the rule of law and fostered the creation of early political parties. Together these factors increased the probability of stable democratic transitions.*

Hagen also tells us of a necessary change in worldview from traditional to modern society. In modern society, an achiever is one who *sees the world as an orderly place* (77). He is one who is in control of his destiny. This is not possible in animistic societies, subject to the whims of spirits, with a cyclical view of life. It is a return to the Biblical concept, that humanity was made to rule and to have dominion over the earth that Hagen *discovered* here.

Both these family changes and the change in the worldview may be generated when significant minority segments of the society follow the scriptures. Toynbee (1972), in his *Study of History* developed the thesis that a suppressed minority is the key to changes within civilisations.

In New Zealand, it is evident that the re-emergence of Maori culture, in an environment where treaty reconciliation created opportunities, has released a wave of energy from an oppressed minority. Similarly, immigration of gifted people from foreign nations such as India, even though the initial years are hard (or perhaps because they are hard), results in enormous energy being expended in their new homeland. Migrants with character and skill are an asset economically to any nation. The hard processes of migration generates enormous motivation to succeed. The demotion from being top level professionals, bankers, businessmen in their home country to being struggling migrants creates a passion to achieve.

These have become the basis for the emergence of both a literature on entrepreneurship, and jumped disciplines into spiritual formation and organizational psychology in a literature on values. Benjamin Tonna, a Catholic bishop in Malta (who I first met, discussing his book on *The Gospel for the Cities*), and Brian Hall, an Anglican psychotherapist developed a whole progressive system of 125 values in the Hall-Tonna values system (Hall, 1995, pg. 32).

These build on the classical Greek question as to what is a virtuous person? Aristotle developed a short list including *prudence, temperance, fortitude, and justice*. Aquinas added Paul's list of *faith, hope and charity* to become the seven Christian virtues. From the 1960's a values clarification movement developed, differentiating values from virtues. The human development theories of Kohlberg (1981) on moral development in education, Maslow (1954) on psychological development stages, and Fowler (1981) on *Stages of Faith* contributed to attempts to identify the various life stages and the emergence or prioritising of different values at each stage. These they related to organizational development processes and phases of lifestyle growth.

This values approach has its critics. The major error in these theories is the resultant attempts by developing nations to exorcise those values which are thought to impede economic *development* and adopt not only Western customs and structures but to internalise Western values. The apparent significant controls by Americans on definitions used in the global development world, means the goal is to emulate American values. As Foucault (1972) says, "Knowledge is power" and the significant centralization of knowledge in the marketing of US educational systems globally is a model case study of how that works. The internet has enabled us to create an alternative collegial global system with the MATUL but there are few models.

Values must be evaluated, not against Western values, but against a universal, infinite reference point – the character of a loving, righteous, unchanging God. For example in Filipino culture, *hiya* (shame), *pakikisama* (getting on well with people), *utang na loob* (fulfilling mutual obligations) must not be rejected but those aspects of them that are parallel to the values of the beatitudes need to be emphasised and Filipino Christian character developed. One of my students, Sajira Awang, interviewed Filipino Christian leaders. As she compared their values against the literature which put down Filipino cultural leadership from a Western perspective, highlighting negative effects of certain values, she discovered that these leaders among the poor were opposite, displaying the positive side of these values, in genuinely Filipino leadership. Thus Kiwis need to define their own criteria for development. I would suggest that process combines these values of the Kingdom of God with certain Kiwi values.

## Relationship Between Righteousness and Achievement

*A dollar is not value, but representative of values, and at last of moral values*

Ralph Waldo Emerson.

The above theories when linked to economic achievement and entrepreneurship serve the Economic God. Entrepreneurship thus involves an important set of character values. Knowing that God in the scriptures is critical. Not knowing him, means the values become distorted. This emphasis on achievement when secularized can also neglect one very significant factor.

The whole of the Old Testament is a panorama of examples of a principle that Marx, Rostow and others seem perhaps not to have grasped, despite its well-documented historical case studies. We can restate a perspective from Leviticus:

HARD WORK + GOD'S BLESSING = PROSPERITY  
HARD WORK – GOD'S BLESSING = ECONOMIC DISASTER

God's blessing is intimately connected to righteousness. We can rewrite the equation (though it is not an equation but a relationship of a nation with an infinite being).

WORK + RIGHTEOUSNESS = PROSPERITY  
WORK – RIGHTEOUSNESS = ECONOMIC DISASTER

The land is fruitful. Humanity is to work to obtain its fruits, but we do not do so in an objective, impersonal universe. It is ordered for God is ordered. It follows well-defined and observable laws for He is righteous. But it is personal for its creator is personal. His personal involvement can multiply our work a hundredfold, as he blessed Abraham and Jacob and Isaac.

## Cooperative Entrepreneurship in the West

I have spent my life training *social entrepreneurs*. The social entrepreneur adds to economic value systems, moral ideals and hence other moral values. From multiplying many organizations through the years, we have put together training for slum leaders at Masters level. We began to realise that several of our courses paralleled what they do in business schools, only we start with people with access to a few hundred or few thousand dollars not millions or hundreds of thousands. The principles are the same, the processes and structures and outcomes different.

There are plenty of courses out there on entrepreneurship, so I won't go into the processes. What we are interested in, in this study, is Biblical reflection on such processes and how these might modify the New Zealand context. The Biblical basis is a powerful motivator and theoretical framework.

*I was in Mumbai and spoke to a gathering of 200 Christian businessmen on the open air roof of a building. I have rarely had so much fun. In the next 30 minutes I would introduce them to 50 characteristics of the nature of God in Genesis chapter 1 that would transform the business culture of Mumbai. They did not believe it. So we began to unpack these – creativity, productivity, the artistry of God as he made all things good, his ability to create things that create other things... (we can't even get computers to reproduce yet)...*

## Small Cooperative Entrepreneurial Businesses

Once poor people have access to capital through ownership of land as collateral or through one of the cooperative savings mechanisms, the capacity to then make money off the capital becomes the next issue to resolve. One of my friends with some years in training of

entrepreneurs advised me that 1 in 40 have the gifts, character and skills set (labelled PEC's or Personal Entrepreneurial Characteristics), to be successful in pioneering new businesses.<sup>ii</sup>

In my classes on urban spirituality, I often begin with a presentation on entrepreneurial spirituality. Faith, wisdom, work, are all essential elements of the spiritual man or woman. They are also integral to Pentecostal teaching. It is also an interesting exercise to contrast the PEC's above with the character of disciples. That character is often forged in contexts of noisy, emotional poor peoples' churches where a vision of vocation is taught, where a sense of destiny is clear, where a constant spirit of faith is encouraged, where hard work, diligence, thrift, and integrity are expected.

## 'Slumdogs' and Street Boys become Bakers<sup>iii</sup>

Abishek Gier is living proof that the gospel of the Kingdom is *good news to the poor*) He is a creative businessman using his gifts to put people in the slums of Delhi to work and to touch their lives in every way. Abishek Gier had such a desire to study business that he looked for ways to make the money to pay for school. He was good with technology, so he started manufacturing computers and selling them for Rs8,000 a piece. Then he launched into another profit-making venture, printing designs on t-shirts. He managed to get a great client - KLM Airlines. The airline ordered sweatshirts with the KLM emblem and bought in bulk.

Once he made it into his Sales and Marketing class, he met a staunchly radical Hindu young man with a negative opinion of Christians. Abishek noticed one day that the man looked unhappy. He went to him, put his hand on his shoulder and asked, "What has happened?"

"I just lost my father," the young man said. "He was killed in a road accident yesterday. And I don't know how I will continue studying this course." Abishek told him, "We'll work together." From then on, Abishek shared the income from his two businesses, totally paying for his friend's education as well as his own.

After business school, Abishek started a bakery, employing people from the slums as workers. He and his partners, a Christian couple, were committed to running the business with Christian values. It has been very profitable

Along with the bakery, Abishek also started a ministry with street children, renting a house where boys could find shelter at night. Now the boys have a place to get cleaned up, eat an evening meal and participate in Christian activities, get breakfast in the morning, and the opportunity to go to school.

This is one outworking of a believer with a high gifting in entrepreneurship utilizing it for social enterprise.

## Entrepreneurs and Worker Ownership

One entrepreneur called me from Seattle and asked me a question, *Is the small business in the city today the equivalent to the farm in the Jubilee?* For the small business is that which creates wealth. He went on to describe how he had been the entrepreneur behind five businesses. But as he built them he worked to transition the businesses to *worker ownership* and *worker decision-making*. He is not the only one developing this concept (see Rosen, 2005). It leads to greater productivity, greater excellence and greater equality.

With our national cultural commitment to egalitarianism, what if New Zealand required all foreign companies to move towards worker ownership as part of the requirements for entry? I know some economists would say that New Zealand already has too high countries and this would add one more known to lead the world in such a concept? recruit a certain kind of businessman? company is a first step. The reward for their increase in their shares.

This principle of cooperation is also critical individual starting a business has a 80% five years, whereas if three people work as a complementary skills, the probability is of

**Worker Ownership**  
Entrepreneurs  
committed to equality  
as a goal, need to  
consider how to  
progress towards  
worker ownership and

barriers to entry for foreign burden. But what if we were Would that morality actually Workers gaining shares in the hard labour is seen in the

for the rule of thumb that an probability of failing within team to form a business with 80% success in five years,

confirming the Biblical principle of *cooperative working* together. These odds can be improved through training in core entrepreneurial skills.

In a later chapter we discuss how revivals and a Christianity of holiness or discipleship and the discipling of national structures are essential elements to the integrity, trust, hard work, creativity needed for a country to produce successful entrepreneurs.

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<sup>i</sup> The flip side of the argument is that if the gospel does not impact a growing percentage of New Zealanders, the innovative, and creative nature of God inherent in the birthing of our culture (by shiploads of Methodist and Baptist non-conformists in Auckland in 1862 and in other cities by Presbyterians and Anglicans) will decline.

<sup>ii</sup> Test yourself with the analysis at: [www.empretec.unctad.org/wp-content/uploads/2015/09/EG\\_eng.compressed.pdf](http://www.empretec.unctad.org/wp-content/uploads/2015/09/EG_eng.compressed.pdf)

<sup>iii</sup> Lausanne Committee on World Evangelization, 2004.