

ACTIVITY 5.1

Entrepreneurship in Ancient Mesopotamia

For almost a century, from 626 to 539 B.C.E., the Neo-Babylonian Empire thrived in Mesopotamia. Its capital was Babylon, a city on the Euphrates River near present-day Baghdad, Iraq. The Neo-Babylonian Empire was very powerful and controlled large parts of the Near East. Nebuchadnezzar was a famous Babylonian ruler during this period. He carried out extensive projects to improve and expand Babylon. For example, he worked on improving irrigation throughout his realm.

Entrepreneurs assume the risk of organizing productive resources to produce goods and services, drawing upon their skills and initiative to launch new businesses with the aim of making a profit. Entrepreneurs are risk-takers. Entrepreneurs have been around for thousands of years. Throughout the Neo-Babylonian Empire and the early years of Persian rule over Babylon, entrepreneurship thrived in the Babylonian economy. Ancient entrepreneurs invented businesses such as banking, renting, contracting, and investing.

Babylon needed entrepreneurs to survive, because it had few natural resources. Almost all building materials had to be imported. The soil in Babylon was good for crops, but the area lacked adequate rainfall. Babylonian farmers depended on irrigation canals to bring water from the Tigris and Euphrates Rivers to grow crops. The Babylonian kings were responsible for having the irrigation canals dug and maintained.

Entrepreneurship in Babylon began in the temples, which were important religious and economic centers. The priests were also entrepreneurs. That's because most temples owned a lot of land but lacked enough workers and draft animals to make the land productive. The temples rented some of their land to farmers, and the farmers worked the land in exchange for a fixed payment in goods or cash. These farmers were entrepreneurs who usually took on considerable personal risk by investing in equipment needed to farm the land they rented.

Entrepreneurship developed elsewhere in the Babylonian economy. In the sixth century B.C.E., entrepreneurs carried agricultural products and other goods from rural areas into the cities. These entrepreneurs specialized in transport and marketing. They brought needed raw materials to the cities and paid money to rural people who needed it to pay for goods and services, taxes, rent, and irrigation fees. During this period in history, other entrepreneurs were engaged in producing and selling food products and textiles.

In Babylon, entrepreneurs were well-respected members of the community. Many entrepreneurs did not belong to rich and influential families—just as in the modern age, an entrepreneur in ancient Babylon could rise from humble beginnings to a position of influence in the community.

Also similar to today, entrepreneurs in Babylonian society took significant risks to set up businesses. Many entrepreneurs were very successful and made significant profits. Other entrepreneurs faced economic ruin when their business ventures failed. However, entrepreneurs in the Neo-Babylonian Empire discovered new ways of doing things that improved the lives of the people who lived in those times and beyond.

SOURCE

Wunsch, Cornelia. "Neo-Babylonian Entrepreneurs." In *The Invention of Enterprise: Entrepreneurship from Ancient Mesopotamia to Modern Times*, edited by David S. Landes, John Mogyk, and William J. Baumol, pp. 40–61. Princeton, NJ: Princeton University Press, 2010.

ACTIVITY 5.2

Textile Production Worksheet

Price you expect to sell your textiles for: 45 shekels of silver per textile unit

PLAN your design BEFORE you do anything with the paper or other resources!

You are entrepreneurs in ancient Babylonia! Your group will design a sample textile and decide how many of those textiles you are going to produce. Use the sheet of paper you are given and the materials listed in the following table. As entrepreneurs, you need to produce an enticing textile that people will want to buy. Pay attention to the costs involved in producing each textile unit and the price you expect to sell each unit for. Account for all materials and tools you use in producing your sample textile by completing the table below.

Resource	Cost	Number Used	Total Cost
Paper	5 shekels	1	5 shekels
Buttons	5 shekels per button		
Glue stick	5 shekels per textile		
Markers	3 shekels per color		
Ruler	4 shekels per textile		
Scissors	5 shekels per textile		
Stickers	1 shekel per sticker		
Workers (your group)	5 shekels per textile	1	5 shekels
Yarn	1 shekel per foot		
TOTAL COST OF EACH TEXTILE UNIT			

After you have accounted for all of the materials you used to make your textile sample, enter the total cost in the box at the bottom of your table.

Answer the following questions:

1. How much do you expect each unit of your textile will cost to produce? ____ shekels of silver
2. How much do you expect to sell each unit of your textile for? ____ shekels of silver
3. What do you expect your profit will be on each unit of your textile you sell? ____ shekels of silver

ACTIVITY 5.3

Textile Price Cards

35 shekels of silver	47 shekels of silver
45 shekels of silver	33 shekels of silver
50 shekels of silver	37 shekels of silver

ACTIVITY 5.4

Textile Profit Worksheet

Now that you have produced and sold your textile, answer the following questions:

From your Textile Production Worksheet:

1. How much did it cost to produce each unit of your textile? ____ shekels of silver
2. How much did you expect to sell each unit of textile for? ____ shekels of silver
3. What did you expect the profit for each unit sold to be? ____ shekels of silver

From the Textile Price Card you drew:

4. How much did each of the units of your textile that you produced sell for? ____ shekels of silver

Carry out calculations to answer these questions:

Subtract the costs of producing each unit of your textile (Question #1) from the amount that each textile unit actually sold for (Question #4) to get your profit or loss per unit of textile.

5. Did you earn a profit or suffer a loss on each unit of textile you produced? _____
6. How much was your profit or loss? _____ shekels of silver