



*Edited by*  
Anders Örtenblad

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**Against  
Entrepreneurship**  
A Critical  
Examination

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palgrave  
macmillan

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Anders Örtenblad  
Editor

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*Editor*  
Anders Örtenblad  
School of Business and Law  
University of Agder  
Grimstad, Norway

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# Foreword

The chief characteristic of the mass man is not brutality and backwardness, but his [sic] isolation and lack of normal social relationships. (Hannah Arendt 1976, p. 315)

How did democracy finally die in the early C21st? When historians finally seek to answer this question, they will want to know the beliefs and knowledge of the day as well as the ways these were shaped and shared around the world. They will explore artefacts like the literature, the geological record, the archived multimedia that survived. These will show them that the leaders of the time knew about the damage they were doing to the planet and that they understood and amplified the voice of those who finally rejected the principles of democratic rule. These historians of the future will understand which arguments were used to justify the removal of social rights and elderly care, that cut access to medicines, worker protection and pensions. They will see that, while everyone could watch real time images of flood waters pouring into homes and great walls of fire tearing through villages, vast swathes of society were complicit in the removal of already inadequate strategies and techniques for halting climate change.

When they read these documents and look for who was to blame, they will repeatedly come into contact with an all powerful and omnipotent actor—the entrepreneur. This dynamic and transformative individual

will have had a seat at the table of every government and every international organization, legitimating and guiding these institutions. Entrepreneurs will have been deeply involved in policy detail too, helping to decide who pays how much tax and even setting the obligations of welfare claimants, job hunters, single mothers, refugees or disabled persons before they received funds to eat.

In schools and university careers services, students would have been encouraged to become entrepreneurs. The “real world” experiences of entrepreneurs were taken more seriously than the thoughts of ancient philosophers, discoveries of Nobel prize winning scientists, creations of artists or morals of prophets. Teachers, students and faculty will all prostrate themselves before entrepreneurs to receive the wisdom of their anecdotes and insights. The entrepreneur’s knowledge will have been lauded with awe, as if the words of a visionary prince, and consumed with equal fervour in the throne rooms of Europe’s palaces and households. Indeed the voice of entrepreneurs would have echoed into almost every home through the social media that entrepreneurs helped to create in a virtual world that they built.

Even traditional newspapers and TV will adore entrepreneurs, despite the entrepreneurs’ attempt to break with the past. The entrepreneur was fast because fast was better than slow and the future was better than the past. After the Cold War, entrepreneurs rebuilt the world with an entirely new reality that promised every person the chance to create their own futures and follow their own entrepreneurial vision. The belief that entrepreneurs should be as free to act as possible without restraint was a prerequisite for being accepted into late C20th civilisation. Valuing the ability of entrepreneurs to create would help replace democracy with liberty, freeing the world from petulant deliberation in bureaucracies for the thrilling opportunities offered by global governance.

Sometimes the entrepreneur could be kind. Sometimes the “he” could be a “she” or black or white or any kind of minority. Indeed for many a minority group refugee or migrant, becoming an entrepreneur was the only way they could join a society. The entrepreneurs’ own unique skills were seen to fix all of society’s problems, even those that faceless civil servants and ivory tower experts could not. Un-encumbered by the crippling caution of bureaucracy or the unjust burden of red tape, the

entrepreneurs always had better insights because they were entrepreneurial. They promised to deliver more services better than local governments did before. Entrepreneurs would regularly give of their time at rates generously discounted from their full market value. Entrepreneurs would often “give back” to society, just like Victorians did before the welfare state got in the way. Charitable causes, fund raising balls and monikered public buildings would celebrate their generosity, adding celebrity and political capital to the entrepreneurs’ celebrated monetary wealth.

Being a successful entrepreneur meant being a winner not a loser. So while many had participated in markets, only entrepreneurs could reset the rules of the game. Governments therefore listened to entrepreneurs as only winners like them could help a country beat the global economy to achieve “competitiveness”. Such a totalising project demanded that entrepreneurial vision permeated every dimension of life to balance work and life, quantify improvements of personal performances (in anything) and demonstrate the possibility of endless permutations of potential value creation. People admired the objectivity of his judgements and respected his cruelty when he dismissed his minions.

In recent years few have offered systematic critique of the idea of entrepreneurship or even offered value systems that directly contravene the necessity of the entrepreneur. Yet, as Hannah Arendt witnessed at the Nuremburg trials, it was the individuation of life and the destruction of normal relationships that let in the greatest of darkness. The pursuit of entrepreneurial outcomes has created all these. Taken together the impact of the entrepreneur on politics, science and knowledge, our understanding of who we were and want to be and how we value each other, has been extraordinary.

Yet the ultimate success of the entrepreneur is that they do not exist. In this era of entrepreneurs and entrepreneurialism, we have no agreed understanding of who or what they are. The entrepreneur is not a human trait or even a pattern of behaviour so much as a term that has been hurled onto individuals who have done valued things. More measured terms that once described business leaders such as “tycoon” or “speculator” have disappeared for the entrepreneur.

Defining what an entrepreneur is, is the epitome of decision making power. An entrepreneur is not a person so much as an “empty vessel” into

which meaning is poured, often for highly instrumental means. The discursive creation and extension of the term across societies, races, genders and into every site of human experience has not created convergence so much as celebrated difference. But it has done so without accountability for the destruction caused to existing arrangements and without commitment to the shared produce of such change.

For those who believe in democratic scrutiny, accountability and the rule of law, it is nothing short of baffling that the myth of the entrepreneur endures. The costs of the destruction of the public institutions that sustained and reproduced democratic systems surely exceed the entrepreneurial creations that replaced them? Open and competitive elections, that Schumpeter saw as foundational for democracy, have become widely abused in the social media empires created by the dot com entrepreneurs. The “gig economy” has more in common with the dystopian precarity work of the pre-industrial era than the promises of the knowledge based economy. Financial and political power is patently centralised leading authoritarian leaders into power with the banking of shady financiers and social media bots. Few incentives remain to participate in the social reforms required to create more equal, inclusive and sustainable societies.

We need to consider what our historians-of-the-future will see because entrepreneurs are uniquely unbound by material constraints. They have been custodians of the future since Fukuyama’s *End of history* (1992) thesis presented the Cold War’s historical divisions as a poor alternative to the emerging global order of liberal democracy and free market enterprise. Frank Knight’s 100 year old distinction between risk and uncertainty placed the entrepreneur as the creator of new forms of profit out of uncertainty. While managers exploited the known of the past by exploring the statistical groupings of markets, the entrepreneur would use these to speculate and organize for future needs.

So a simple question might be to ask the historians to assess how the entrepreneurs of the past fared. Did they create profitability, did they deliver societal need, have they eradicated historical division? It is unlikely that you think “entrepreneurs” have been successful if you have read this far, although many will choose to ignore the evidence presented in the following pages. More important than empirical validation is the need to develop insights and techniques that help to break into and expose the



myth of the entrepreneur. As today's political responses to enterprise and globalism take on the form of despotic populists, the reality of an enterprise society needs to be revealed more than ever.

The chapters here play a vital role in showing how we can do this. They show how the fetish of self-employment is less empowering than controlling and how the idea of enterprise has been weaponized to colonise, destroy and exclude. We learn that enterprise is an expression of power that has disengaged with society's challenges and eventually with the process of enterprise itself. At this particular moment of existential crisis in humanity, fairy tales of entrepreneurial success hide the dark side of entrepreneurial behaviours and the damage they cause. Enterprise policy is a form of powerful social control that colonizes many spaces and sustains a great deal of misery and injustice.

This is therefore an important volume that is both timely in its creation and vibrant in its call: to challenge the hegemonic discourse of enterprise. It demands a greater respect for truth and a more human understanding of what it means to live under the yoke of enterprise. It also requires us to see futures that are not dependent on entrepreneurs but different forms of society. The historians of today do not have to look far to find these. Our libraries are full of volumes telling us how uncertainty was turned into welfare, war into equality, famine into life and for years before the idea of entrepreneurship polluted public debate. Many of these tales invite alternative ideologies to liberal capitalism, show lives lived on more collective goals and link to sustainable, caring and democratic societies that can exist "against enterprise".

School of Politics and International Studies,  
University of Leeds, Leeds, UK

Charlie Dannreuther

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## Notes on Contributors

**Satu Aaltonen** is a researcher at the Department of Management and Entrepreneurship at the University of Turku, Finland. Her main topics of interest lie in employee-driven innovations, entrepreneurship policy and migrant entrepreneurship. She has published in *Entrepreneurship and Innovation*, *International Journal of E-Services and Mobile Applications* and *International Small Business Journal* as well as in several edited books. Her background is in social sciences.

**Eeva Aromaa** is a PhD student of Innovation Management at the University of Eastern Finland. She is interested in research areas such as human side of innovation, circular economy, co-creation, sensemaking and qualitative research methods. She has published her research in *Qualitative Research in Organizations and Management: An International Journal*, *International Journal of Human Resources Development and Management*, *International Journal of Entrepreneurship and Innovation Management* and *International Journal of Knowledge Management Studies*.

**Ann Starbæk Bager, PhD** Associate professor, Head of the Center for Narratological Studies at SDU's department of Design and Communication. She's part of defining the field of organizational discourse and storytelling activism. Ann's research and teaching concerns organizational and leadership in regard to matters of sustainability,

storytelling/narrative, discourse, ethics and communication. She has published broadly at publisher/journals such as Routledge, John Benjamins, Palgrave, Communication and Language at Work, Tamara and Journal of Philosophy of management.

**Dieter Bögenhold** is a professor in the Faculty of Management and Economics at the University of Klagenfurt at Klagenfurt, Austria, and Head of the Department of Sociology, and the doctoral program “Entrepreneurship, Innovation and Economic Development”. His research areas include social stratification, consumption and life-style studies, interdisciplinary studies, economic sociology, history of economic thought. He has published more than 250 contributions including numerous books.

**Philip Cooke** was University Research Professor in regional economic development (1991) and founding director (1993) of the Centre for Advanced Studies, University of Wales, Cardiff. In 2013 he was appointed Research Professor at the Mohn Centre for Innovation & Regional Development, Vestlandet, Bergen. His research interests lie in studies of Green Innovation, Regional Innovation Systems, Knowledge Economies, and 4.0 Industry. In 2006 he received the Honorary Doctorate in Economic Geography, University of Lund, Sweden.

**Charlie Dannreuther** who works in the School of Politics and International Studies at the University of Leeds, has provided critiques of SME policy in the EU and UK through regulationist, constructivist, and linguistics approaches. Currently general secretary of the European Association of Evolutionary Political Economy, Charlie has 20 years training policy elites from around the EU and 10 years leading large research networks.

**Pascal Dey** is Professor of Value-Based Management at Bern University of Applied Sciences (Switzerland) and Associate Research Fellow at the University of St. Gallen (Switzerland). Before coming to Bern, he was Associate Professor at Grenoble Ecole de Management, France. Pascal's current research interests are in the domain of social business models, digital entrepreneurship, social entrepreneurship and disability inclusion, entrepreneurial narratives and storytelling, and the spatio-temporal dimension of alternative organizing.

**Daniel Ericsson** received his PhD from the Stockholm School of Economics and is currently Professor in Organization and Leadership at Linnaeus University. He is particularly interested in understanding how entrepreneurship is constructed in society, and in exploring different ways of writing within the social sciences. His award-winning thesis, *Kreativitetets mysteriet* (“The Creative Mystery”), was for example written as a postmodern detective novel fiction. His latest book is *Organizing hope—narratives for a better future* (2019, co-edited with Monika Kostera).

**Denise Fleck** is Professor of Strategic Management and Organizational Studies at Coppead Graduate School of Business, UFRJ, Brazil. Her research program on Responsible Growth offers a dualistic perspective of the impact corporate growth may have on the development of individuals, organizations and society. The more than 50 completed studies on long-lived organizations provide evidence of the dualistic role entrepreneurship and growth may play in fostering or precluding individual happiness, organizational survival, and societal well-being.

**Fabiola H. Gerpott** is professor of leadership at the WHU—Otto Beisheim School of Management, Germany. She received a double PhD in business administration (Jacobs University Bremen) and psychology (Vrije Universiteit Amsterdam). Her research blends communication science, management research, and organizational psychology to study differences between how people perceive the organizational world and what is actually happening. Her areas of interest cover leadership, entrepreneurship, knowledge sharing, and learning.

**Frederik Hertel**, PhD Associate Professor in Organization, Communication and Management. Before returning to academia, he worked for 12 years as a project manager and for a short while as head of development in public organizations. He has published articles on Leadership, Everyday Creativity in Organizations, Educational Anthropology, Philosophy of Management and Organizational Communication. He is right now engaged in case studies on leadership in Danish cooperative organizations.

**Ulla Hytti** is Professor of Entrepreneurship at the University of Turku, Finland. Her research focuses on entrepreneurship, particularly on entrepreneurial identities and entrepreneurship education including critical perspectives. Ulla was the European Entrepreneurship Education Research Laureate in 2019. Ulla has been co-editing various Special Issues and books. She is Associate Editor for *Journal of Small Business Management* and President-Elect for the European Council for Small Business and Entrepreneurship.

**Ove Jakobsen** is professor of ecological economics at Centre for Ecological Economics and Ethics at Nord University Business school. He has published a large number of books and articles, nationally and internationally focusing on transformative ecological economics, anarchism as a political platform for ecological economics, business ethics, circulation economics and sustainable societies. Jakobsen is often invited as keynote speaker and facilitator on conferences, seminars, workshops and public meetings.

**Kenneth Mølbjerg Jørgensen, PhD** is Professor in organization at Aalborg Business School, Aalborg University. His research interests comprise power, storytelling, ethics, sustainability and learning in organizations. He teaches sustainability, ethics, leadership development and Human resource management. Kenneth has authored, co-authored and edited numerous books, articles and book chapters in amongst others Scandinavian Journal of Management, Business Ethics—A European Perspective, CBS Press, Sage and Nova.

**Alex Kevill** is a lecturer at the Centre for Enterprise and Entrepreneurship Studies at Leeds University Business school. His area of research focus on the micro-foundations of dynamic capabilities in micro-enterprises, Entrepreneurship and social exclusion. Alex has published in a wide range of international journals, guest edited a Special issue on entrepreneurship and social exclusion and contributed to several book chapters in the area of entrepreneurship and diversity.

**Alfred Kieser** is Professor emeritus at the University of Mannheim. He studied Management and Sociology at the University of Cologne and



Carnegie University, Pittsburgh. He received his PhD in Management from the University of Cologne. His research interests include the history of organization, management consulting, organizational learning, and entrepreneurship. He published e.g. in *Administrative Science Quarterly* and *Academy of Management Annals*.

**Jerzy Kociatkiewicz** is a professor of Human Resource Management at the Institut Mines-Télécom Business School. His research interests sit broadly within organization theory and include organizational space and experience, sensemaking, and narrative processes within and around organizations. He has published in a variety of journals including *Journal of Business Ethics*, *Management Learning*, *Organization Studies*, and *Annals of Tourism Research*. With Zygmunt Bauman, Irena Bauman, and Monika Kostera he co-authored *Management in a Liquid Modern World*.

**Monika Kostera** is Professor Ordinaria and Chair in Management at the Jagiellonian University in Poland and Professor at Södertörn University, Sweden. She has also been professor and Chair at Durham University, UK and Linnaeus University, Sweden. She is the author, co-author and editor of over 40 books in Polish and English; and of numerous scientific articles. Her current research interests include organizational imagination, disalienated work and organizational ethnography. She is member of Erbacce Poets' Cooperative.

**Bekir Emre Kurtuluş** is an Assistant Professor at Kuwait College of Science & Technology, Kuwait. He conducts research on institutional theory, entrepreneurial orientation, the dark side of leadership, the dark side of personality and the toxic work environment. His current research focuses on the dark side of personality and its impact on individuals. He taught organizational behavior, organizational theory, leadership and strategic management classes to the BA, MBA, and Ph.D. students.

**Anna-Maria Murtola** teaches global political economy at Auckland University of Technology. Her research focuses on cultural studies of capitalism, contestation of commodification, and critiques of capitalist socialization. She has published on entrepreneurs who are critics of com-

modification; entrepreneurship and expropriation; and entrepreneurship as a cause of financial crisis. She is a member of the left think tank Economic and Social Research Aotearoa in New Zealand.

**Anders Örténblad** is Professor of Work Life Science at the University of Agder, Norway. He is the editor-in-chief of *The Learning Organization*, and has edited books for publishers such as Edward Elgar Publishing, Oxford University Press, Palgrave Macmillan, Routledge and Sage. His main research interest is learning in and by organizations. He likes books in which different positions on a topic are debated, and has founded the book series Palgrave Debates in Business and Management.

**April J. Spivack** is an assistant professor of management in the Wall College of Business at Coastal Carolina University, USA. She has published her research in *Academy of Management Perspectives*, the *Journal of Business Venturing*, and *Entrepreneurship, Theory and Practice*. Her current research interests include the entrepreneurial experience, the changing nature of work, and creativity and well-being outcomes of human-environment interaction.

**Vivi M. L. Storsletten** is associate professor at Centre for Ecological Economics and Ethics at Nord University Business school. She holds a PhD in Ecological Economics, publishes articles and book chapters both nationally and internationally, is active in interdisciplinary course development and holds lectures within philosophy, responsible leadership and global citizenship, dialogue for practitioners, eco-preneurship and change processes, ecological economics and business ethics.

**Kiran Trehan** is Professor of Entrepreneurship and Pro-Vice Chancellor at the University of York UK, her research areas are entrepreneurship, diversity and leadership development within small firms. Kiran's interests coalesce around the theme of inclusive entrepreneurship, and include exploring the connection between diversity, minority enterprise and social and economic development with respect to entrepreneurship activities. She has extensively published a number of journal articles, policy reports, books and book chapters in the field.

**Priyanka Vedi** is a doctoral researcher at the University of Nottingham. Her research interests are focused around the emotional labour of professional workers in light of increasingly changing political and institutional contexts. She takes a multidisciplinary approach which encompasses fields of sociology, psychology, organisation studies and institutional theories. Priyanka has also contributed to projects within fields of entrepreneurship and management.

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# 1

## Background and Introduction: How Could Anyone Be Against *Entrepreneurship?*

Anders Örtenblad

Already a few years ago, there were almost 10 million people who had an addiction problem because of gambling, in the U.S. alone, and in the UK only the gambling addiction drained about 1.2 billion pounds per year (*North American Foundation for Gambling Addiction Help* 2016). Online gambling is even more addictive than any other type of game (Chóliz 2016). Gambling companies, especially the online ones, are very profitable (*Aria LLC* 2020; *GamblingClub* 2020). Celebrities, often already rich, are hired to do commercials, in order to generate more gamblers (Gunter 2019).

Most people would probably agree that this is one of the dirtiest of all (legal) businesses in the world. Insofar as the gambling industry (especially the online one) can be counted as “entrepreneurship”—many new online gambling companies have at least recently been started up—then it would probably also be correct to assume that many, not to say (almost)

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A. Örtenblad (✉)

School of Business and Law, University of Agder, Grimstad, Norway  
e-mail: [andersortenblad@yahoo.com](mailto:andersortenblad@yahoo.com)

all, people would be against (such) entrepreneurship. In relation to (some of) these entrepreneurs and the negative, often devastating consequences/implications they necessarily have for people, it would probably not even be a very controversial thing to do, to suggest that something such as “*exit*-preneurship” should complement “entre-preneurship”. Exit-preneurship could, for instance, be realized in terms of those companies/organizations that are harmful, or destructive in any other way, disappear (cf. Pedler et al. 1991, p. 36)—either through (metaphorically speaking) voluntarily jumping down a precipice, committing “organizational suicide”, or through being convicted in form of a “people’s court”, deciding on whether the most destructive organizations should be allowed to continue to exist or not.

However, this book is not about the dirtiest forms of entrepreneurship only, but about entrepreneurship in general. While (almost) everybody probably would agree that the online gambling industry is awful in many ways, it is reasonable to assume that very few would claim being against entrepreneurship whatsoever, in any form. Not least since “entrepreneurship” has become such a positively value-loaded term; for instance, which business school today does *not* include “entrepreneurship” in its profile, even among its areas of strengths (cf. Armstrong 2005)? The mainstream perspective of entrepreneurship—as well as the major part of the literature on entrepreneurship—is positive and uncritical (e.g., Armstrong 2005; Brandl and Bullinger 2009; Nightingale and Coad 2014; Parker 2012; Spicer 2012). It is exactly this exaggerated enthusiasm that “entrepreneurship” has come to be associated with—especially during the last few decades—, which gives reason for a book in which it is explored whether there is reason to be *against* entrepreneurship.

Sometimes, when something is given quite a one-sided image, there is a need to be critiquing—and even criticizing—, to explore if the one-sided image is a fair image, and to explore if there also is another side to it. One way of conducting such an exploration is to start by asking “why not the opposite?”, as suggested by Ohlsson and Rombach (2015, p. 151). This book explores the opposite of the mainstream, positive and uncritical image of entrepreneurship, and if there actually are any reasonable reasons to be against entrepreneurship in general. Such an exploration could offer a balance to the often one-sided debate on entrepreneurship.

It could also act as a catalyst for the generation of alternatives to entrepreneurship, or at least insights on how to do to entrepreneurship differently (Spicer 2012).

The literature that opposes such predominating, mainstream perspective is still scarce. It would, however, be unfair to say that there is no such literature whatsoever. In fact, a term has been coined for such stream of research, “critical entrepreneurship studies” (CES) (e.g., Verduyn et al. 2017, p. 37; see also Trehan et al., Chap. 7 in this volume). Thus, there are works that deserve to be mentioned that have explored darker sides of entrepreneurship.

This stream of critical literature includes—but is not limited to—suggesting entrepreneurship as potentially harmful for the entrepreneurs themselves, whose health may be jeopardized through stress (Akanke 1994; Boyd and Gumpert 1983; Buttner 1992). Another dark side to entrepreneurship is manifested by those who argue that the entrepreneurial personality is a bit dysfunctional or even a bit not-normal (e.g., Kets de Vries 1977; McKenna 1996; Hmieleski and Lerner 2016; Tucker et al. 2016). This kind of argument gives, in turn, rise to a critique of the overall “insanity” that there is to entrepreneurship.

There are also others who have taken interest in the personality of entrepreneurs but who have avoided psychologizing to such an extent as the studies that were mentioned above. One example is those suggesting that entrepreneurs are inclined to take risks and that their failures may cause negative effects (e.g., Olaison and Sørensen 2014). Another example is those who point at risks for the entrepreneurial firms that the entrepreneurs run or otherwise are involved in, such as Beaver and Jennings (2005) who see risks for those firms from the entrepreneurs’ egoistical attitudes, and Osborne (1991) who sees a potential for power abuse among owner-operated entrepreneurial companies. Hanlon (2014) suggests “capturing” and “harvesting” as an appropriate way of understanding entrepreneurship, rather than “creating”. Yet others have pointed at negative consequences for the employees in these entrepreneurial firms (e.g., Nightingale and Coad 2014). Some have pointed at destructive consequences for the overall economy, via “parasitical” activities such as rent seeking, tax avoidance and corruption (e.g., Baumol 1990).

Not least have quite a few scholars taken interest in entrepreneurship and discrimination. Many of those scholars have pointed at the gender-bias—and, consequently, discrimination of women—there is in entrepreneurship research, concept, discourse, policy, and/or practice (e.g., Ahl 2006; Ahl and Marlow 2012; Bruni et al. 2004; Calás et al. 2009; Goss et al. 2011; Ogbor 2000; Verduijn and Essers 2013; Vossenbergh 2014).

Entrepreneurship discourse has been criticized for having an overly strong focus on small firms, at the expense of firms of other sizes (Nodoushani and Nodoushani 1999), and for reproducing capitalist ideology (da Costa and Silva Saraiva 2012; Verduyn et al. 2017). Some have criticized the entrepreneurship discourse for turning everything to entrepreneurship, “we are all entrepreneurs now” (e.g., Brandl and Bullinger 2009; da Costa and Silva Saraiva 2012; Spicer 2012). There are also those who have criticized the discourse on and/or practice of the certain type of entrepreneurship that often comes under the notion of “social entrepreneurship”, for, e.g., conserving capitalism (e.g., Dey and Steyaert 2010, 2012).

This literature, and other similar literature, has definitely added important knowledge and perspectives, as a contrast to the uncritical mainstream literature on entrepreneurship. The present book strongly acknowledges this previous literature; it connects to it and even bases many of its reasonings on it.

## “Against” as a Twist

What makes this book slightly different from the previous critical studies of entrepreneurship is the twist towards “against” that is given to entrepreneurship in this book—that is, the intention to focus on *against*, and not only pointing out backsides of entrepreneurship. A number of scholars were invited to explore whether there may be reason to be *against* entrepreneurship—in part(s) or fully, against practice and/or against discourse. This book presents the results of this explorative journey (see Table 1.1).

If we start to look at on whose behalf the contributors claim that there is reason to be against “entrepreneurship” (parts/fully; discourse/practice), quite some of them (Bögenhold, Chapter 2 in this chapter; Ericsson,



**Table 1.1** Main arguments against entrepreneurship in Chaps. 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15

D	Ch. Authors	Against WHAT?	WHY against?	Perspective	Explicit alternative
I	2. Bögenhold	Entrepreneurship as term, in that it covers a variety of meanings	The use of the entrepreneurship term instead of other terms—such as self-employment—hides problems, causing them to be unsolved	Lexical semantics; pragmatism	
S	3. Ericsson	Entrepreneurship discourse	(Re)produces entrepreneurs without free will and agency	Marxist	
O	4. Jørgensen & Bager	Entrepreneurship discourse, especially neoliberal and capitalistic notions	Gives rise to control	Anti-neoliberal; anti-capitalist	
U	5. Hertel	Entrepreneurship discourse, especially the overly focus on individual entrepreneurs	The employees, within the entrepreneurial entities, runs the risk of becoming marginalized	Marxist	
R	6. Murtola	Entrepreneurship discourse, especially <i>entrepreneurial opportunities</i>	Harmful for those who unintentionally may harm themselves by doing anything in the name of <i>entrepreneurial opportunities</i>	Anti-neo-liberalist	
S	7. Trehan et al.	Rhetoric of the entrepreneurial opportunity as a panacea and driven by free choice, and entrepreneurship research that paints an overly positive picture of entrepreneurship	Hides political, structural and social inequalities in entrepreneurship, such as the socially excluded entrepreneurs, for which entrepreneurship often is driven by an economic need to survive	Institutional; systems psycho-dynamic	

(continued)

**Table 1.1** (continued)

Ch. Authors	Against WHAT?	WHY against?	Perspective	Explicit alternative
8. Gerpott & Kieser	Over glorification of entrepreneurship; research uncovering success principles of the individual entrepreneur	Many start-up fails, i.e. hardly a success for the entrepreneurs; risks stemming from having people in jobs they are not educated for	Ideological	Entrepreneurial teams
9. Jakobsen & Storsletten	Entrepreneurship in cases when principles such as increased growth and competition are defended	Unsustainable, for the environment and people in general	Philosophy of science (especially the concepts of <i>being</i> and <i>becoming</i> ); ecological economics	Eco-preneurship
10. Cooke	Entrepreneurship (practice and discourse) has come to be associated with lawlessness and arrogant, unconcerning, and people-unfriendly conditions	Employees, as well as people outside the organization, are not well taken care of, nor is the environment	Ideological; anti-neo-liberal	
11. Aromaa et al.	Manifestations of entrepreneurship passion	Entrepreneurship passion may restrain employee innovative behavior	Psychological: passion theory	
12. Kociatkiewicz & Kostera	Entrepreneurship practice in terms of transient and fluid structure; entrepreneurship literature presenting <i>familiarity</i> as an obstacle to innovation and growth	In organizations that lack homeliness and balance, people will not feel good	Humanistic; socio-economic	
13. Spivack	Inbuilt risks to become addictive	Harms those of the entrepreneurs that become addictive	Psychological: addiction theory	

14. Fleck	Irresponsible entrepreneurship practice	Negative consequences for all units of analysis including the entrepreneur, the entrepreneurial entity, organizational members, society and the planet	Dualistic; sustainability	Responsible entrepreneurship
15. Kurtulmus	Unconditional support of entrepreneurship	The same (dark) personality traits that are beneficial in entrepreneurship often cause harm for the entrepreneurial entity and its people	Psychological: personality traits	

Source: Author

Chapter 3 in this volume; Murtola, Chapter 6 in this volume; Trehan et al., Chapter 7 in this volume; Gerpott and Kieser, Chapter 8 in this volume; Spivack, Chapter 13 in this volume; Fleck, Chapter 14 in this volume), actually believe that the entrepreneurs—existing or potential ones—themselves run the risk of being hurt by “entrepreneurship”. Equally frequent is it, in the present book, that the contributors see risks for the employees in the entrepreneurial firms (Jørgensen and Bager, Chapter 4 in this volume; Hertel, Chapter 5 in this volume; Cooke, Chapter 10 in this volume; Aromaa et al., Chapter 11 in this volume; Kociatkiewicz and Kostera, Chapter 12 in this volume; Fleck, Chapter 14 in this volume; Kurtulmus, Chapter 15 in this volume). Less frequently taken positions are the environment (Jakobsen and Storsletten, Chapter 9 in this volume; Cooke, Chapter 10 in this volume; Fleck, Chapter 14 in this volume) and people outside the entrepreneurial firms (Cooke, Chapter 10 in this volume).

The arguments that are presented make it reasonable to say that there in fact is reason to be against entrepreneurship *discourse*. The entrepreneurship discourse is being critiqued in general (Ericsson, Chapter 3 in this volume), as well as certain aspects of it, such as the *term* “entrepreneurship” (Bøgenhold, Chapter 2 in this chapter), *neoliberal and capitalistic notions* (Jørgensen and Bager, Chapter 4 in this volume), the *focus on individual entrepreneurs* (Hertel, Chapter 5 in this volume), the talk about *entrepreneurial opportunities* (Murtola, Chapter 6 in this volume; Trehan et al., Chapter 7 in this volume), and the *overly positive picture of entrepreneurship* (Trehan et al., Chapter 7 in this volume; Gerpott and Kieser, Chapter 8 in this volume).

The arguments presented in the book suggest that there is, in addition, reason to be against (at least) some *aspects* of entrepreneurship *practice*. Such aspects include the *unconditional support* that is given to entrepreneurship (Kurtulmus, Chapter 15 in this volume), certain *irresponsible entrepreneurship practices* (Fleck, Chapter 14 in this volume), *inbuilt risks to become addictive* (Spivack, Chapter 13 in this volume), *transient and fluid structure* of entrepreneurship organizations (Kociatkiewicz and Kostera, Chapter 12 in this volume), *manifestations of entrepreneurship passion* (Aromaa et al., Chapter 11 in this volume), *arrogant, unconcerning, and people-unfriendly conditions* (Cooke, Chapter 10 in this volume),

and the *defense of increased growth and competition* (Jakobsen and Storsletten, Chapter 9 in this volume).

Whether there also is reason to be against *all* entrepreneurship practices whatsoever, is a question that is bit more delicate to answer; to convincingly argue against entrepreneurship in total, one would probably need to include a suggestion for some kind of alternative to “entrepreneurship”. A few alternatives are actually presented in the current book, alternatives that do not necessarily replace “entrepreneurship” as such but turns it into something less harmful. The ones most explicitly presented are those offered by Gerpott and Kieser (Chapter 8 in this volume), who suggest *entrepreneurial teams*, Jakobsen and Storsletten (Chapter 9 in this volume) who suggest *eco-preneurship*, and Fleck (Chapter 14 in this volume) who suggests *responsible entrepreneurship*. Even if a few alternatives in fact are suggested in this book, there may nevertheless be reason to (1) develop the existing alternatives further, in more detail, (2) consider if there are any other measures that can be taken that even better than the already existing alternatives may help to decrease the harmful consequences from entrepreneurship, and (3) develop alternatives that not only develops existing entrepreneurship in a positive direction but that endeavor to replace entrepreneurship as such.

## An Outline of the Remainder of the Book

From a social constructionist perspective, there is not always a very clear border between “practice” and “discourse”. These two terms have nevertheless been used as a dimension, on which the chapters have been placed in an order so that the first chapters are more in line with suggesting arguments against entrepreneurship *discourse*, while the last chapters of the book deal with being against entrepreneurship *practice*. Chapters appearing in the middle of the book do not necessarily include an equal (50–50) amount of arguments against entrepreneurship discourse and entrepreneurship practice, but could be considered to be more about entrepreneurship practice than any of the preceding chapters, as well as more about entrepreneurship discourse than any of the following chapters.

Unlike many other books, the main concept of attention for the book is not given any firm definition in the introductory chapter. Neither is there any chapter in the book that exclusively discuss definitions of this concept and present one definition, to be used by all other chapter contributors. The chapter authors have been free to define entrepreneurship in any way of their preference. To define “entrepreneurship” in a way so that all agree is not an easy task to accomplish. All the way since Schumpeter (1947) suggested that there is a difference between “inventor” and “entrepreneur”, the issue on how best to define entrepreneurship has been discussed, among entrepreneurship scholars. It is, of course, open for discussion, whether “entrepreneurship” should be given one, clear and distinct definition that everybody could agree with and stick to, or if the concept should remain what it—as it seems—currently is, namely more of an “umbrella device” (Hirsch and Levin 1999).

Chapter 2, “Self-employment and entrepreneurship: not only productive but also unproductive and destructive”, authored by Dieter Bögenhold, offers a discussion of different meanings and definitions of entrepreneurship. However, Bögenhold’s aim goes beyond defining entrepreneurship. He criticizes that the term “entrepreneurship” is inconsistent in that it covers many meanings and interpretations. A consequence of the many meanings that the term is given, according to Bögenhold, is that the entrepreneurship concept is often misleading—especially in equating entrepreneurship with self-employment. This is also the reason Bögenhold holds *against* entrepreneurship, thus, especially *against* the definition and common understanding of the term.

Chapter 3, “Notes on a fetishist war machine”, authored by Daniel Ericsson, is also focused on the discourse on entrepreneurship. Ericsson argues, based on a Marxist reading of a case company (Boo.com), that the discourse on entrepreneurship contributes to the formation of a colonizing war machine—“everything” turns into “entrepreneurship”. On that basis, Ericsson questions the discourse on entrepreneurship and its consequences to such an extent that he suggests that there may be reason to be *against* (the discourse on) entrepreneurship. Kenneth Mølbjerg Jørgensen and Ann Starbæk Bager have authored Chap. 4, “Keep the machine running: entrepreneurship as a practice of control in the neoliberal economy”. Just like the above chapters, Jørgensen and Bager are

arguing *against* entrepreneurship discourse, which they claim is a practice of control, and they illustrate their arguments through two stories about entrepreneurship. Just like in Chap. 3, Jørgensen and Bager criticize that “everything” tends to come in terms of “entrepreneurship” as well as “economic value” and “human capitals”; environmental and societal problems that are caused by capitalism, are—through entrepreneurship discourse—transformed into “market opportunities”, giving rise to that capitalism can outsource and deny the consequences of its actions. This is the main reason they put *against* entrepreneurship (discourse). Also Hertel, in Chap. 5, “Fetishizing the entrepreneurship”, is mainly arguing *against* entrepreneurship discourse. Just like the author of Chap. 3, Hertel bases his arguments on a Marxist reading, in this case of a book on entrepreneurship, authored by a Danish entrepreneur. Hertel argues *against* the contemporary discourse on entrepreneurship, which he claims legitimates the logic on profit maximization and, in turn, inequality and ecological crisis.

In Chap. 6, “Entrepreneurship *ad absurdum*”, Anna-Maria Murtola connects to a few of the above chapters and argues that the entrepreneurship discourse has come to colonize our lives; Murtola argues that the entrepreneurial imperative posits that everyone should model their lives on the imagined figure of the entrepreneur, and that everything is to be regarded as “opportunities”, while hiding things such as exploitation. She exemplifies this overly optimistic discourse by a case of attempts by women to sell space on their skin for tattoo advertising. Murtola argues that there is reason to be *against* entrepreneurship when entrepreneurship discourse and practice become tools to view such activities as “opportunities” while obscuring underlying asymmetries of power. Chapter 7, “Against entrepreneurship: unveiling social inequalities for minority entrepreneurship”, is authored by Kiran Trehan, Priyanka Vedi and Alex Kevill, who challenge the positive rhetoric surrounding entrepreneurship. Their argumentation is based on studies of ethnic minority entrepreneurs, for whom, the authors argue, entrepreneurship is often a necessity, due to structural and economic discrimination, rather than a career of choice. For such ethnic minority entrepreneurs, entrepreneurship offers a vulnerable living. Trehan et al. argue that there is reason to

be *against* entrepreneurship, as long as the (poor) conditions for ethnic minority entrepreneurs are not acknowledged, nor improved.

Chapter 8, “The fairytale of the successful entrepreneur: reasons and remedies for the prevalent ideology of entrepreneurship”, authored by Fabiola H. Gerpott and Alfred Kieser, criticizes the “heroization” of entrepreneurs—those who are successful are celebrated as entrepreneurial role models. Those who are successful are celebrated as entrepreneurial role models. Gerpott and Kieser suggest that it is not really possible to predict entrepreneurial mastery, and that it is the “entrepreneurial ideology” that is to be blamed for the heroization. The reason for being *against* (the over-glorification of) entrepreneurship, which Gerpott and Kieser put forward, is that the promises that are made often do not hold—for instance, entrepreneurial tries do not usually turn people rich, since most start-ups fail. Gerpott and Kieser end by critically reflecting whether “entrepreneurial teams” may be a way forward.

Entrepreneurship may also cause lots of harm outside of the closest sphere, such as to the environment. In Chap. 9, “From entrepreneurship to eco-preneurship”, Ove Jakobsen and Vivi M.L. Storsletten suggest that an entrepreneur is an economic actor who develops a business and who is responsible for the risks and rewards of her or his business venture. They argue *against* a definition of entrepreneurship which defends principles that characterize the dominating, reductionistic and product-oriented market economic business model. They suggest “eco-preneurship”, which is based on cooperation with humans and nature, as a fruitful alternative to “entrepreneurship”. “Eco-preneurship”, Jakobsen and Storsletten argue, implies that the business is not primarily driven by profits, and they believe that “eco-preneurship” is much more capable of creating socially and ecologically responsible businesses than what “entrepreneurship” is. Chapter 10, “Entrepreneurial insouciance (or imperiousness), the big risk shift and the entrepreneurship interregnum”, is authored by Philip Cooke, who suggests that lawlessness, iconoclasm, imperiousness and deliberate insouciance are reasons enough to be *against* entrepreneurship. Cooke argues, in relation to narrative case material, that neoliberalism, or the reckless deregulation of market guidance norms, is closely associated with fraudulent practices by entrepreneurs and innovators.



Furthermore, the author discusses deregulation and its free market “entrepreneurial” expression, outsourcing and its discontents, and globalization and its social depredations and yawning polarization.

Eeva Aromaa, Ulla Hytti and Satu Aaltonen are the authors of Chap. 11, “The dark side of entrepreneurial passion: restraining employee innovative behaviour?” They argue that most studies on entrepreneurship focus on positive outcomes. On basis of a case study of a small owner-manager-led firm, Aromaa et al. argue *against* manifestations of entrepreneurial passion, which—on basis of a critical examination of the case—may turn employees passive and restrain employee innovative behavior. In Chap. 12, “In defense of the comfort zone: against the hegemony of creative destruction”, Jerzy Kociatkiewicz and Monika Kostera argue—on basis of a longitudinal study of alternative organizations focused on the common good—*against* entrepreneurship insofar it implies stepping (or being pushed) out of one’s comfort zone, since this may contribute to erasing the homeliness and familiarity that all people need in the workplace. Thus, Kociatkiewicz and Kostera see the discourse of entrepreneurship as detrimental to finding the necessary collective structural solutions to the multiple social and environmental crises challenging contemporary organizations and societies, and conclude that the widespread glorification of instability is harmful to management, organizations and society. April J. Spivack, in Chap. 13 “Entrepreneurship addiction and the negative mental health consequences of entrepreneurial engagement among some entrepreneurs”, takes as a starting point that entrepreneurship is often regarded as positive in that it offers opportunities for autonomy and passion for the entrepreneurs. Spivack argues, to the contrary, that there are negative aspects of entrepreneurship engagement, such as that it may be addictive, and this is also why she suggests there may be reason to be *against* entrepreneurship.

Entrepreneurship may also be dangerous/devastating for the organizations that entrepreneurs create. For instance, in Chap. 14, “Against irresponsible entrepreneurship: a dual perspective on the impact of entrepreneurship on firm survival”, Denise Fleck argues that entrepreneurship affects firm survival in two opposite ways. On the one hand, it may contribute with innovation and organizational renewal, which are important for organizational survival. On the other hand, entrepreneurship may threaten

organizational existence, if one carries it out in an irresponsible manner, neglecting its likely side effects. Irresponsible entrepreneurship practice is also what Fleck argues *against*. In the chapter, Fleck explores entrepreneurship's destructive potential, likely pitfalls and adverse consequences on the continued existence of the firm and the environment. Finally, in Chap. 15, "The dark side of entrepreneurship: the role of the dark side of personality", Bekir Emre Kurtulmuş argues that the personality traits that quite some entrepreneurs possess, since they make a good base for succeeding as an entrepreneur, are proven to be harmful both for organizations and their people. Kurtulmuş suggests also that the lack of formal structure and less bureaucracy that often is the case in entrepreneurial organizations, increases the negative impact of the entrepreneurs' dark personalities. He argues *against* unconditional support of entrepreneurship, and suggests that entrepreneurship may be harmful to others, in that certain personality traits influence owners/leaders' behaviors and decisions in such a way that their behavior and decisions become unethical. The entrepreneurs' almost egoistical attitude may not only cause negative economic outcomes, the author argues, but also undesirable working conditions for employees.

In his Afterword, Pascal Dey argues that critique as the act or gesture of being "against" is never static but is contingent on the object of the confrontation. If the object of the critique changes, then the form and substance of that critique must change too. Dey suggests that the academic discourse on entrepreneurship has developed a remarkable interest in social, political, and ethical issues in recent years. Dey thus argues that this "social turn" in mainstream entrepreneurship literature requires a rethinking of the general parameters of critique on the part of the critical community. As a first step in this direction, Dey develops the outlines of a critique adapted to the changed circumstances of entrepreneurship research, Critique 2.0.

## For the Future

In summary, it is reasonable to conclude that there are strong arguments against the (current, mainstream) entrepreneurship discourse, and likewise there are strong arguments against aspects of entrepreneurship practice. It is difficult to say if these strong arguments against aspects of

entrepreneurship practice are enough for being against entrepreneurship practice in total, for two reasons:

1. “entrepreneurship” is not that easily defined (see, e.g., Bögenhold, Chap. 2 in this volume), which also leads to that it is not that easily demarcated (i.e., how to tell what is “entrepreneurship” apart from what is “*not* entrepreneurship”), in turn implying that it is not easily said whether the aspects that one reasonably could be against, together fully make up “entrepreneurship”;
2. to convincingly being completely against entrepreneurship practice, *in total*, there is a need for a replacement—that is, if there were *no* entrepreneurship (practice) at all, what would then happen? Would humans even survive?

On basis of these concluding thoughts, a few recommendations for further research and authoring on entrepreneurship can be outlined.

One recommendation is, naturally, to see to that the discourse on entrepreneurship is transformed into a more relevant discourse. The definition of entrepreneurship, of which there seems to be strong reasons for an update, is one important part of it, but it is not enough—there is also a need to transform the way we talk about entrepreneurship. The present book is a step in that direction, but this transformation should preferably not be separated from the mainstream discourse on entrepreneurship, but rather integrated into it. Another recommendation for further studies is to investigate whether there are other aspects of entrepreneurship that there are reasonable arguments against, and whether there are other reasons for being against entrepreneurship than those suggested in this book (see Table 1.1). A final recommendation is to improve entrepreneurship practice; in terms of:

- (1) suggesting more or less minor changes to existing entrepreneurship practice, which therethrough could be turned less destructive through reducing the negative consequences that are dealt with in this book (as well as in other literature);
- (2) further developing the alternatives to mainstream entrepreneurship practice presented in this book, especially *entrepreneurial teams* (suggested by Gerpott and Kieser, Chap. 8 in this volume), *eco-preneurship*

- (suggested by Jakobsen and Storsletten, Chap. 9 in this volume), and *responsible entrepreneurship* (suggested by Fleck, Chap. 14 in this volume);
- (3) creating other alternatives than those suggested in this book, to mainstream entrepreneurship practice, which may offer reasons to be against current, mainstream entrepreneurship practice, *in total*, and—thus—avoid all negative consequences stemming from the practicing of entrepreneurship.

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# 2

## Self-employment and Entrepreneurship: Productive, Unproductive or Destructive?

Dieter Bögenhold

### Introduction

In various countries, discussions on economic policy are led by some fundamental ideas which drive policy instruments. Especially those instruments which are intended to foster economic prosperity, social wealth and job creation are based upon a very few statements of belief. The core idea is that entrepreneurship has to be supported in order to increase the number of new companies and, consequently, to improve labour market incentives. Schumpeter's (1942/2000) philosophy that new swarms of entrepreneurs lead to positive business booms is always in the background as an inspiring credo. Since entrepreneurship is hard to define or measure, pragmatically, an equation is operationalized in almost all policy documents by diverse national and supra-national agencies, parties, governments and policy organizations in which entrepreneurship is defined as self-employment. In other words, strengthening entrepreneurship—both conventionally and

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D. Bögenhold (✉)

University of Klagenfurt, Klagenfurt, Austria

e-mail: [dieter.boegenhold@aau.at](mailto:dieter.boegenhold@aau.at)

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practically too—means strengthening the ratio of self-employment. According to this thought, rising figures for self-employment can be interpreted as an indicator of policy success.

This chapter argues that it is too simple to set up an equation between self-employment and entrepreneurship and between increasing self-employment and increasing entrepreneurship. In most cases the terms self-employment and entrepreneurship are used synonymously, although strictly speaking these terms do not mean the same. The chapter aims to clarify the meaning of these terms which raise semantic difficulties and problems of interpretation.

The chapter is about (i) a critical discussion of the term entrepreneurship, (ii) the differences between being an entrepreneur and being self-employed and (iii) the observation that high rates of self-employment are ambiguous because they do not only reflect wealth and prosperity but also reflect high rates of unemployment and poverty in societies as well. In a nutshell, entrepreneurship (as a term) covers too many different items simultaneously that it should not be used scientifically. Several reasons cause confusion: (i) specific behaviour and social psychological dispositions, (ii) specific segments of companies and (iii) newly emerging firms and labour market sections such as self-employment groups, which all include many different contents, domains, origins and destinations. This variety is multiplied by many specific combinations such as academic entrepreneurship, female entrepreneurship, micro entrepreneurship, migrant entrepreneurship, rural entrepreneurship, social entrepreneurship, to name but a few. In sum, the multiplicity is too broad to take them under just one single term. “Against entrepreneurship” is just the claim for a critical examination and differentiation.

## **Critical Discussion of the Term Entrepreneurship**

While most scholars currently working in the field of entrepreneurship take the term as given, it is eye opening to explore the changing contents of the term in the history of economic thought, including some contradictory interpretations over time and simultaneously. Different



interpretative issues surrounding the word entrepreneurship are overlooked and the use of the term is often based on selective associations. Not only did the nature of entrepreneurship change during the historical processes of the twentieth century but also the academic treatment of entrepreneurship in the history of economic thought has changed and is inconsistent (Bögenhold 2019a). Different approaches coexist and academic discussion on entrepreneurship is trying to develop typologies of the different concepts. A brief glance at selected classics in the field already serves to show how disparate the contents of the meaning of entrepreneurship have been and still are (Kuratko 2006; Hébert and Link 2009; Landström and Lohrke 2010). Popular encyclopaedias (Westhead and Wright 2002; Shane 2002) show the variety of topical associations, applications and changing interpretations.

Just scanning some selected but relevant works within the history of economic thought during the last 250 years reveals that it is necessary to differentiate between (a) what entrepreneurship is, and (b) what entrepreneurship can be. One side of the talk about entrepreneurship covers phenomena which include dynamic, fast-growing firms, which form the core of hope in the economic policy debate. This practical field is closely related to further discussion on how to raise funds, especially through venture capital markets. Another, less spectacular, form of entrepreneurship covers both the emergence of new micro firms without the intention or possibility for growth and of many diverse new developments in small business (including so-called social entrepreneurship). Such small businesses are often also effects of labour market changes and which are mostly connected to low income levels rather than themselves being potential new multipliers. Additionally, we have a growing segment of sustainable “ecosystem” entrepreneurs (Volkmann et al. 2019). Between those two poles and their different and sometimes competing applications and economic and social realities, Bögenhold (1985, 1987) subdivided the field by introducing another two poles, which mark a “logic of self-realization” at the one end and a “logic of necessity” at the other. Of course, the combinations and shades of grey in between are manifold.

It is not only that the contents and applications of the term entrepreneurship have changed across the decades and centuries but also that they are subdivided and segmented nowadays. We come across such a variety of

different entrepreneurial categories and related discussions about them that we might wonder how all those specific issues can be interpretations of the same word; among them are female entrepreneurs, migrant entrepreneurs, freelancer entrepreneurs, academic entrepreneurs, micro-entrepreneurs, agricultural entrepreneurs like farmers and fishermen, team entrepreneurs, senior entrepreneurship in retirement, or social entrepreneurs, so that the divergences are sometimes greater than the common attributes they share. Schumpeter described the entrepreneur as the “captain of industry” (Schumpeter 1963, p. 78), while other authors deal with sustainable eco-entrepreneurs in niches of the economy. Sometimes entrepreneurship is used to describe or express a specific economic behaviour (“entrepreneurial behaviour”); sometimes whole nations or regions are described as more entrepreneurial than others where cultural forms of alertness and mentality are discussed, in which case entrepreneurship is very much linked to the issue of opportunity finding (Shane and Venkataraman 2000; Davidsson 2015); other times firms or start-ups are put under the umbrella of entrepreneurship; and finally individual people are regarded as more or less effective entrepreneurs. Taken together, it is extremely obvious that despite the establishment and revival of entrepreneurship during the last three or four decades on the international stage, the term entrepreneurship itself is vague and not precisely defined. Problems occur with the inner segmentations of the content of the term but also with the overlaps with other concepts such as innovation or self-employment (Stam 2008). We can conclude that entrepreneurship has multiple meanings and consequences (Bögenhold 2004).

In view of the variety of different interpretations, entrepreneurship emerges as a “hodgepodge” (Shane and Venkataraman 2000, p. 217). It is honest when researchers point to the heterogeneity of entrepreneurship semantics but it is questionable when they decide *not* to “restrict [themselves] to a singular meaning of entrepreneurship, but ... instead fully embrace heterogeneity and differences” and when they call for “diversity in entrepreneurship” (Welter et al. 2017, p. 317). In my view, academic terms, as scientific tools, should possess clear contours and content. Researchers and students should be able to refer to definitions which are shared inter-subjectively and which are robust in order to recognize them as definitions. Otherwise, entrepreneurship as term is in danger of getting “ideological delusion” (Schumpeter 1949; Ogbor 2000).

## Entrepreneurship between Being Productive, Unproductive and Destructive

Entrepreneurship is mostly regarded as a very productive source of economic creation and recovery. It is, by itself, the fundamental impulse which keeps “the capitalist engine in motion” (Schumpeter 1942/2000, p. 83). The conventional belief is that entrepreneurship creates and drives modern economies over and over again. In fact, despite having no clear understanding of what entrepreneurship really is, as the previous discussion indicated, this general but vague statement provides some evidence. However, not all of the observations point in the same direction. Especially William Baumol’s (1990) often cited article *Entrepreneurship: Productive, unproductive, and destructive* demonstrated that entrepreneurial action can be in accordance with an economic renewal but it can also be unproductive or destructive. Baumol’s article is considered one of the most cited sources in entrepreneurship research (Boettke and Piano 2016; Lattacher 2018).

Baumol (1990) insists on acknowledging the institutional framing of societies, focussing heavily upon historical contexts. Different times show different institutional settings which have completely different legislations and societal aims. Those framings are the “rules of the game” (Baumol 1990, p. 894) and they matter for the way in which economies evolve. Entrepreneurial activities, naturally, also correspond to changes in the rules of the game, with Baumol providing illustrations from Ancient Rome, medieval China and the earlier Middle Ages up to more recent economies.

Baumol explains that

entrepreneurs are always with us and always play *some* substantial role. But there are a variety of roles among which the entrepreneur’s efforts can be reallocated, and some of those roles do not follow the constructive and innovative script that is conventionally attributed to that person. Indeed, at times the entrepreneur may even lead a parasitical existence that is actually damaging to the economy. How the entrepreneur acts at a given time and place depends heavily on the rules of the game. (Baumol 1990, p. 894)

The institutional framing of entrepreneurship with which Baumol (1990) considerably extended the previous discussion provided by Schumpeter (1942/2000) or Kirzner (1973) is the “most satisfactory framework” for discussing entrepreneurship policy (Minniti 2008, 2016).

According to Baumol (1990), entrepreneurs may be divided into two categories, namely productive and unproductive ones, whereby the unproductive ones are divided into subgroups like rent-seeking entrepreneurs and destructive entrepreneurs, including the organizers of criminal groups. A steady change in the institutions surrounding and framing economies and societies at their given times determines the relative rewards of the different groups. In other words, even criminal groups like the Mafia may be very entrepreneurial but they are not considered to comply with the innovative and positive image of entrepreneurship (in a public understanding).

Destructive entrepreneurship must be seen through the eyes of crime economics:

Crime economics often limits itself to the destructive aspects stemming from merely illegal activities. Mafia investments in the legal economy and mafia entrepreneurship are also an underestimated source of latent conflict that is costly to the economy and society. (Champeyrache 2018, p. 157)

In addition, a vast range of contributions on entrepreneurship in the so-called informal economy (Williams et al. 2017) and especially in developing countries (Sauka and Chepurensko 2017; Cieslik 2017) provide social and economic pictures which do not reflect contemporary stereotypes of entrepreneurship, which are mostly designed as a “one-size-fits-all” policy which ignores history and culture as well as related institutions and their principal rationalities. What Baumol pioneered has been continued as research trying to *contextualize entrepreneurship*, to understand “when, how, and why entrepreneurship happens and who becomes involved” (Welter 2011, p. 165). Contextualizing entrepreneurship is—nomen est omen—the exemplification of a question for the rules of the game (Zahra et al. 2014; Welter et al. 2016; Welter et al. 2019). The Baumol-Welter-view indicates the variety of different phenomena which all are synthesized under the term entrepreneurship without taking into

consideration that so diverse activities exist which oscillate between productive, unproductive and destructive.

## **Self-employment and Entrepreneurship: A Difficult Interaction**

To summarize, entrepreneurship as a term is not precisely defined. A glance at the relevant literature indicates that no consensual understanding exists about the scope of the term. It has covered and still covers different circumstances, including firms and firm sizes and firm populations, individual actors, socio-psychological mentalities in societies and labour market categories such as self-employment, and very often even just part(s) of the above, depending on researchers' interests. The most conventional practice is to translate entrepreneurship into self-employment. In this sense, the postulated political need to strengthen entrepreneurship will consequently mean to strengthen the rate of self-employment.

Scanning public policy institutions and governments worldwide and analysing their documents always shows a pragmatic translation of entrepreneurship into self-employment. The call for entrepreneurship becomes translated into a call for new business start-ups and for people to enter the occupational area of self-employment. In this sense, rising self-employment is regarded as a stimulus toward fresh social and economic blood in the economy.

Of course, innovation and the restructuring of actors and organizations are always needed in contemporary economies but too little account is taken of the fact that even self-employment is fragmented into different classes of actors having different socio-economic attributes, rationalities and related biographies. Among this category of people, the potential keys for future positive developments may be found just as easily as the opposite, e.g. people who are self-employed since they have no other chance in the labour market of getting a job.

In addition, too little acknowledgment is paid to the fact that we always have different markets simultaneously, which are constituted by different agents following different aims and having different histories. If

we do not think about markets as institutions which are always in transition and always embedded in a cultural framework, the issue under discussion is sterile and formal, non-institutional and distant from reality. Recent new developments, such as the emergence of IT technologies, have found a new discussion forum under the label of digital districts, which has its own interface with the debate on regional network economies. It has been forcefully argued that we are entering the state of a new “network society”. From the perspective of a changing economy in general, and the dominant modes of expansion of small businesses in particular, this may appear as a simple matter of fact.

The long-term historical decline in self-employment has come to a relative standstill. In fact self-employment has even experienced a slight revival since the 1980s, although different countries show different patterns of concrete development. Looking at self-employment rates reveals a specific level of self-employment at a specific time, but this view hides the fact of inter- and intragenerational social mobility behind the figures. In other words, the figures may remain the same while, at the same time, multiple inflow and outflow dynamics are taking place. Sociological stratification and mobility research shows high dynamics between wage-dependent work and unemployment on the one hand and self-employment on the other. In other words, self-employment as a labour market category continuously receives fresh blood and loses old blood through diverse forms of exits. These labour market dynamics and social mobility patterns in particular are of great interest to researchers focusing on the division of occupations and related dynamics in the economy.

The ambivalent issue is that self-employment shows some degree of stability and continuity in terms of size while its inner composition is changing continuously. To use a metaphor, looking at self-employment is like looking at a river which is always flowing and which always keeps the same name but whose identity is changing physically.

If the widely used practice of translating entrepreneurship with self-employment generally is followed, as is very often the case in public policy discourse, we include all the marginal and problematic issues of self-employment which are not acknowledged when respecting the positive public statements on entrepreneurship because they lack solid academic reflection.

Conventional discourse about self-employment is very often unsatisfactory since there is no clear acknowledgement of its heterogeneity. Interpretations tend to refer to an average type, which does not exist in practice, and there are problems of coherence, demarcations and overlap. Examining macro-level patterns of self-employment, a number of patterns emerge. Firstly, self-employment includes both marginal and privileged positions, within individual countries and also in international comparisons. It can put people at risk of precariousness and poverty, especially in the gig economy, or it can be a vehicle to bring wealth to individuals and enterprises, contributing jobs and economic growth to society. Secondly, people increasingly switch between wage- or salary-dependent labour and self-employment and hybrid forms of employment as forms of micro entrepreneurship are combined with dependent labour. Too little attention is paid to the fact that self-employment ranges from hybrid entrepreneurs to entrepreneurial billionaires and vice versa (Bögenhold 2019b).

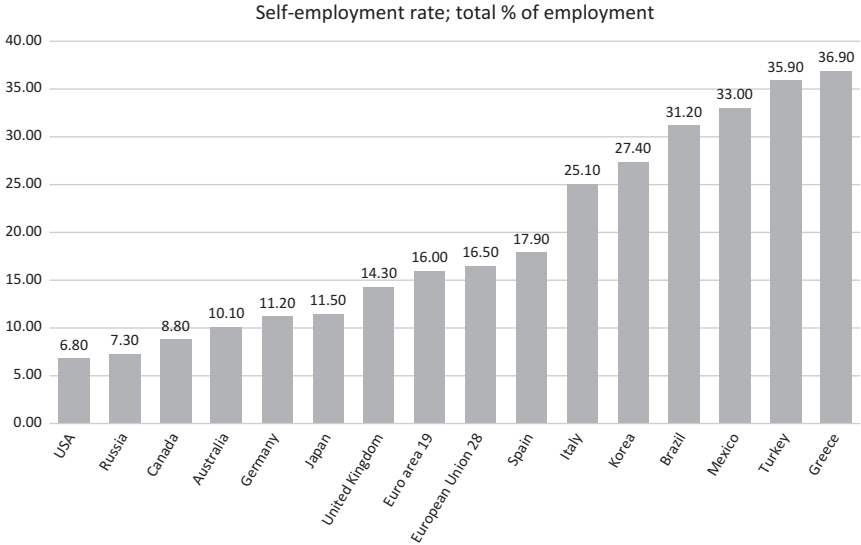
The socioeconomic heterogeneity of self-employment may mirror the “diversity of entrepreneurship” (Welter et al. 2017, p. 317) but—even better—it teaches us the lesson of *not* using the terms entrepreneurship and self-employment interchangeably. Taking a look at the statistics, we see that in Europe more than 70% of self-employed people are working in companies without further employees, mostly in micro-firms or as freelancers (Bögenhold and Klinglmair 2016). Rather than engaging in career paths, these actors are permanently moving from contract to contract or from “gig” to “gig”, always on standby for new demands, or freelancers who are permanently at the direct disposal of customers asking for individual services (Burke 2011; Burke and Cowling 2015; van Stel and de Vries 2015; Kitching and Smallbone 2012). Additionally, an increasing number of actors combine employment activities which are in self-employment *and* in salary dependency simultaneously. They are commonly called “hybrids” (Folta et al. 2010; Shevchuk and Strebkov 2017; Bögenhold and Klinglmair 2017). Further research is needed to evaluate whether those phenomena are increasing, whether they are forced or chosen and whether they are biographically temporarily or permanently intended. However, all these different phenomena point to the fact that they indicate and reflect changing work organizations, new

boundaries to and problems of the concept of companies much better than when companies and company owners get a one-to-one fit, one self-employed person being one company and vice versa (van Stel 2005). The “blurred boundaries” (Bögenhold and Fachinger 2013; Bögenhold et al. 2014) between dependent work and self-employment are also of interest since they overlap each other. Also, hybrids are observed here and permanent processes of social mobility in terms of inflow and outflow mobility occur (Cieslik 2015).

Different studies have introduced the idea that increases in unemployment rates push self-employment rates. For a sample of eight countries based upon OECD Labour Force Statistics in a time series from 1950 to 1987, Bögenhold and Staber (1991) could show that changes in unemployment positively influenced changes in self-employment. In their study of 17 OECD countries, Staber and Bögenhold (1993) found that other different institutional factors are partly responsible for variations in self-employment. Especially the availability and generosity of unemployment insurance schemes can explain, at least partially, relative self-employment variations and levels. Acs et al. (1992) came to comparable conclusions when including further variables in their analysis.

Blanchflower (2000) explored a large set of data for OECD countries from 1966 to 1996, suggesting that self-employment is predominantly male and more prevalent among older age groups than it is among the young. Constant and Zimmermann (2014) analysed labour market transitions between self-employment, gainful employment and unemployment across the business cycle comparing the performance of migrants and locals (non-migrants) in Germany. They showed the same cycles for self-employment but to different extents. The transition to self-employment of Germans was three times higher. Evans and Leighton (1990) found that unemployed white men are nearly twice as likely as wage- or salary-dependent workers to enter self-employment. Thurik et al. (2008) argued in a more differentiated fashion that there is both a “recession-push” and a “prosperity-pull” aspect of the relation between unemployment and self-employment. In their analysis of a broad sample of countries worldwide, Falco and Haywood (2016) reported the varying attractiveness of self-employment for different degrees of education and professional backgrounds while Dvouletý (2017) showed a weak but





**Fig. 2.1** Self-employment rates on international comparison based upon OECD labour force statistics. (Source: the author's own calculation based upon OECD labour force statistics, OECD: Paris)

positive relationship between self-employment and unemployment for the Czech Republic. The more specialized people are, the higher the appeal of self-employment. In all, there is no ultimate consensus about the links between unemployment and intentions to become self-employed but worse labour market conditions with high or increasing levels of unemployment always serve as a kind of proxy for such intentions, serving as a logic of need.

Different countries show different patterns of concrete status, development and self-employment rates (see Fig. 2.1).

## Brief Lessons

Without going into great detail, there is one empirical lesson to be learned: those countries with comparatively high self-employment rates are countries with high levels of unemployment and vice versa. Countries with lower

self-employment rates are mostly countries with lower unemployment figures and, additionally, higher ranks for wealth and development. What can be taken from these observations is that the equation of self-employment with an unclear definition of entrepreneurship should not be taken further. The term entrepreneurship is currently oscillating between hybrid forms with dependent work on the one hand and entrepreneurial billionaires on the other hand (Bögenhold 2019b).

Economic systems of work are complex systems of interrelations, causes and consequences. By claiming the need to increase self-employment as a medicine for a lack of prosperity, vitality and growth, the data can, in fact, suggest a relationship in the opposite direction: high and climbing self-employment rates are less the medicine but more likely the disease, namely not enough growth, not enough prosperity and too few jobs in a formal labour market. Hence, people have to escape into self-employment to at least have this chance to participate in the employment system.

Researching and publishing on entrepreneurship has become very popular but various problems have also been revealed. Firstly, entrepreneurship is a vague and somehow empty term which has already been given many meanings. Secondly, Baumol (1990) coined the formulation that entrepreneurship also has unproductive or even destructive elements which serve as the dark sides of a discussion about entrepreneurship. While entrepreneurship is usually seen in optimistic and bright colours, these unproductive and destructives dimensions also have to be acknowledged, both historically and in current societies. This chapter contributes to this discussion by offering some reflections on the contradictory meanings of entrepreneurship and the problem of identifying entrepreneurship with self-employment as is so often the case, at least in public policy discourse and documents. Serious difficulties arise when talking about entrepreneurship in a narrative way without bringing order and system into those competing and often hazy interpretations. Last but not least, a general discussion should attempt to combine an explanation in economics, which is rather economically-functionally oriented, with an explanation with a sociological-institutional focus. This combination will focus more on the dimensions of social rationalities, biographies, careers, job patterns and new labour market configurations as well as various other dimensions.

The term entrepreneurship is inconsistent and misleading since it covers a variety of different meanings and interpretations that a commonly shared and precise definition is missing. Entrepreneurship covers too many different items simultaneously that it does not qualify as a proper scientific term. Different meanings are overlapping and they range from specific behaviour and social psychological dispositions, specific segments of companies to newly emerging firms and labour market sections such as self-employment groups. All of them include many different academic contents, domains, origins and destinations. This variety is multiplied by many specific combinations such as academic entrepreneurship, female entrepreneurship, micro entrepreneurship, migrant entrepreneurship, rural entrepreneurship, social entrepreneurship, to name but a few. In sum, the multiplicity is too broad to take them under just one single term. The meaning of being “against entrepreneurship” is the conclusion and recommendation to look for more adequate semantic terms and applications which avoid misunderstandings.

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# 3

## Notes on a Fetishist War Machine

Daniel Ericsson

### Introduction

The discourse on entrepreneurship can in many regards be understood as a war machine: with great missionary capacity, it conquers all those in opposition, subsumes almost every corner of the Western world and establishes a ruling class of self-made men (cf. Ericsson 2010). This war machine has indeed been harshly criticized (cf. Ogbor 2000; du Gay 2004; Jones and Spicer 2005; Perren and Jennings 2005; Berglund and Johansson 2007), but its colonizing tendencies seem to be disregarded. This is not least the case within the many social and processual turns within the field of critical entrepreneurship where ideas on a widened, non-economical empirical base for entrepreneurship are proposed, and attempts are made to rewrite the discourse (cf. Hjorth 2003; Hjorth and Steyaert 2004). The outcome of these turns is not less entrepreneurship, but more and more—until practically “everything” is turned into

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D. Ericsson (✉)  
Linnaeus University, Växjö, Sweden  
e-mail: [daniel.ericsson@lnu.se](mailto:daniel.ericsson@lnu.se)



entrepreneurship (cf. Steyaert and Katz 2004). One could thus argue that such critique functions as a “discursive plug-in device for the war machine” (Ericsson 2010, p. 190).

In this chapter, it is argued that the war machine installs a fetishist relation towards entrepreneurship. The arguments stem from a Marxist reading of the rise and fall of the company Boo.com,<sup>1</sup> and it leads to a questioning of the discourse on entrepreneurship and its consequence of depriving entrepreneurs their agency and turning them into mere objects of desire—larger than life, yet at the same time beyond life. With such fetishism in mind, there is good reason to be against the discourse on entrepreneurship; it simply risks promoting unethical and irresponsible behaviour.

Boo.com is not an ordinary case of entrepreneurship. It is an extreme one: the company was established in the midst of the Millennium hype around the Internet and grossly capitalized upon investors’ expectations regarding return on investment (ROI). In retrospect it was a dayfly, but a very costly one. It is estimated that well over \$100 million of venture capital was burnt, and the company is considered to be one of the major dot-com failures of all time (Lindstedt 2001). The narrative behind Boo.com, however, in many regards serves as a blueprint for ordinary entrepreneurship, from idea generation and the spotting of an opportunity through the materialization of the idea and the creation of an organization to finance-led upscaling and rent-seeking. It is the depressing ending of the company that is out of the ordinary, but it is at the same time the very fall of Boo.com that lays the fetishist moral bare. And as such, Boo.com represents a warning to all those being inexorably in favour of entrepreneurship, thus aligning their interest with the war machine.

In the following, the Marxist concepts of reification and anthropomorphism are briefly introduced, as well as Marx’s notion of fetishism. In the perspective of this Marxist framework, the entrepreneur stands out as synonymous with “the capitalist”, that is, someone who (through others) produces goods through which use values are converted into exchange and surplus values; however, focus is at the same time directed towards the *relation* between the entrepreneur and the things the entrepreneur produces. This relational view forms the basis for the interpretation of the Boo.com case, which is presented as a narrative with five phases. As the

story unfolds, a tentative theory on entrepreneurship as a fetish can be discerned, as well as the hidden secrets of the war machine.

## On Reification and Anthropomorphism

In terms of use value, Marx (1867/1952) disputes the naïve understanding that attributes a thing's use value to the thing itself. Use value does not arise as a thing's given response to specific needs, but resides in the relation between the thing and its users in terms of usefulness. Consequently, Marx is critical of inscribing a thing's exchange value into the thing itself. Exchange value arises in and through social processes in which different things' use values are compared with each other.

This relational epistemology of value attribution of things may be self-evident. A fundamental idea within Marxist theory is, however, that our understanding of such self-evident "facts" becomes flawed as soon as a thing occurs as a commodity in a market. As soon as "wood" is transformed into "a table" and this table is produced for, and sold on, a commodity market, it transforms, Marx writes almost poetically, "into something transcendent... [I]t stands on its head, and evolves out of its wooden brain grotesque ideas" (1867/1952, p. 31). As a commodity, the table becomes *enigmatic*—lost is, at the very same time, the user's immediate experience of use value, and the user's ability to see the social significance of all the work that is put into the commodity. The thing becomes something objective, out of subjective control.

This Marxist idea, György Lukács (1924/2000) came to call *reification*. As a concept within social science, however, it is perhaps best known through Peter Berger and Thomas Luckmann's (1966/1991) constructionist framework as an inalienable aspect of all human coexistence, and as such, not only reserved for the circulation of commodities. Berger and Luckmann's idea is that we are all born into an ordered and institutionalized reality, and that this reality is traded to us as an objective reality, for us to internalize and transform into subjective reality.

In the dialectic between these realities, reification lurks as a risk—and as an opportunity. On the one hand, reification tends to make us forget our own agency. As the institutionalization process continues, reification

represents the extreme phase during which we risk perceiving the world deterministically, as a reality over which we have no control. Reality becomes an *opus alienum*. On the other hand, reproduction of the social order would be significantly hampered and weakened without reification. That is, reification constrains what we believe we can accomplish, but enables (re)productive action.

From reification, the step is not far from *anthropomorphism*, that is, the attribution of human characteristics and qualities such as consciousness, needs, interests and wills to non-human entities, such as social institutions. In his theory of the fetishistic nature of the commodity, Marx even inscribes reification and anthropomorphism as reciprocal processes. In order to find an analogy with the glamour of capitalism, causing man to forget his own agency, we must, Marx writes, “have recourse to the mist-enveloped regions of the religious world”:

In that world the productions of the human brain appear as independent beings endowed with life, and entering into a relation both with one another and the human race. So it is in the world of commodities with the products of men’s hands. This I call the *Fetishism* which attaches itself to the products of labour, so soon as they are produced as commodities. (Marx 1867/1952, p. 31)

Although Marx himself did not make a distinction between reification and anthropomorphism, there may be political reasons in doing so. When Lukács (1924/2000) launched the concept of reification, it therefore was put in opposition to anthropomorphism. Lukács’s idea was, in accordance with Marx’s thinking, that the social classes were reified into passive objects under the yoke of capitalism. Lukács argued, however, that through anthropomorphization, the classes could be recognized as active forces in the development of society by means of conscious class struggle. Lukács thus placed anthropomorphism in the service of the proletariat against capitalism and its reifying consequences. Critics, however, have argued that only people are endowed with human agency. Breathing life into collective entities such as classes does not lead to societal change; instead, it contributes to exacerbating the deterministic tendencies in society (cf. Silverman 1970).

## The Rise and Fall of Boo.com

Having outlined the Marxist concepts of reification (in terms of deterministic objectification), anthropomorphism (in terms of the attribution of human characteristics to non-human constructs), and fetishism (in terms of the worship of an enigmatic commodity), attention now turns to the Boo.com case. What comes to mind, looking through the Marxist lens? What types of relations between the entrepreneur and the things produced can be discerned, and in what way do processes of reification, anthropomorphism and fetishism contribute to the company's rise and fall?

### (1) *Opportunity knocks*

The story starts when childhood friends Kajsa Leander and Ernst Malmsten reunite as adults in the beginning of the 1990s, one with experiences from modelling, the other with experiences from the literary world. Together they organize a poetry festival in New York; they start a publishing company; and they establish themselves as successful IT entrepreneurs through the company *Bokus*, a Swedish equivalent of Amazon. As they sell Bokus in March 1998, they become millionaires overnight, finding themselves in a unique situation at the time: money on hand, and already with a track record as Internet entrepreneurs (Malmsten et al. 2002, p. 19).

Malmsten realizes that the rapid development of the Internet represents a golden opportunity for them to position themselves as serial entrepreneurs, but that they have to act swiftly; otherwise, the opportunity will be foregone. Shortly after the sale of Bokus, they therefore decide to invest their newly acquired capital and good reputation in building an e-commerce website centred on a strong pan-European brand. What kind of e-commerce does not really matter to them, the important thing is to get the company up and running as quickly as possible. "Fashion" comes up as a wild idea, and soon enough a business idea starts to form: to offer an online store in which the customers by revolutionary 3D technology and "body scanning" can try out the clothes as if it were "for real" (Malmsten et al. 2002, pp. 1–24). The brand, *Boo.com*, emerges in an

equally random manner: the only requirement is that the brand name should be short, simple and sufficiently universal to appeal to the masses:

Our goal was to be as much on everyone's lips as other brands that had become an inseparable part of everyday life. If you want to quench your thirst, drink Coca-Cola; if you want a practical car, drive a Ford; if you want to be urban and cool, buy your gear from boo... The trick was to promote [boo.com](#) not simply as an online store, but as a lifestyle. In doing this, Kajsa and I felt we had a great advantage over a lot of the other brands, because we believed in everything we claimed for boo. We ourselves belonged to our target audience of the young, educated and fashion-aware... If there was one quality, besides a dogged persistence, that we prided ourselves on, it was a sense of style. We seemed to have a knack of making whatever we turned our hands to contemporary and eye-catching. (Malmsten et al. 2002, p. 123)

The company's vision becomes to “democratize the fashion world” by connecting “ordinary people”, wherever they are in the world, with the latest fashion trends.

\* \* \*

The entrepreneurs behind [Boo.com](#) seem to be well socialized into the societal role of the “entrepreneur”: they know what to do, what is expected of them, and whom to identify themselves with. Through their “track record” they have appropriated an objectivized (dis)position in society that separates them from “ordinary people”, and they now seek to maintain this (dis)position by letting [Boo.com](#) represent a materialization of their very own (dis)positions. One could indeed argue that Leander and Malmsten externalize a reified life-style elevated to entrepreneurship—conditioned by the market—and that they now not only have to attend to the entrepreneurial heirloom that has been handed to them, but also to (re)produce it by acting quickly and utilizing their resources. Leander and Malmsten's entrepreneurship is in this sense self-evident; they engage in *entrefied* actions, that is, entrepreneurship and reification simultaneously.

At the same time, it is clear that the entrepreneurs at this stage have neither lost their sense of agency nor the insight that use value must be approached in a relational manner. Without the opportunity for the customer to be able to try on a garment, the website will be of no value—for the customers and for the entrepreneurs themselves. The entreification can therefore be seen as a productive means of converting use value into exchange value.

(2) *The set-up*

How much money do you need to “democratize the fashion world”—\$10 million? \$20 million? Leander and Malmsten have no idea, and therefore decide to seek cooperation with Patrik Hedelin, an investment banker who helped them close the Bokus deal, in order to raise the needed capital. With Hedelin on board, the financial viability of the project becomes a key issue, as well as making contact with potential investors. British investor Jeffrey Leeds, however, hardly believes his ears as they approach him, suggesting that they probably will need \$2 million. His message to them is loud and clear: “If you want people to take you seriously you can’t go looking for unserious money” (Malmsten et al. 2002, p. 30). You have a unique background, a unique idea, there is Internet hysteria: raise your aim!

The trio get the message, and a feverish hunt for investors begins in which only the best are good enough: Goldman Sachs, Morgan Stanley, Deutsche Morgan Grenfell... After a lot of ifs and buts, JP Morgan strikes a deal with Boo.com in August 1998, and the strategy is to attract \$100 million over the upcoming 18 months and secure contracts with “key partners”. JP Morgan is to get 7% of all the capital they manage to raise, but this “success fee” is to be converted to shares in Boo.com to be sold after the initial public offering (IPO).

Based in London, the entrepreneurs begin to set up their company by contracting headhunters, tax consultants, IT suppliers and advertising agencies. In October 1998, the first recruits are hired—a number of young, well-educated, and well-paid executive assistants. In February 1999, 15 employees work in the office in Carnaby Street and offices are quickly established in Stockholm, Munich and New York. In July, the

company has 200–300 employees, “the cream in every sector” (Malmsten et al. 2002, p. 209), and offices in Paris and Amsterdam. In January 2000, the company has over 400 employees in ten countries (Lindstedt 2001, p. 253).

The expansion costs—and the contracts with employees and partners—are, to say the least, extravagant (Lindstedt 2001, p. 189). The employees are even encouraged to live a jet-set life and to be the “coolest in London” (Lindstedt 2001, p. 101). A rumour has it that one of the executives managed to spend \$250,000 in travel expenses in only one month (Lindstedt 2001, p. 190).

Behind the luxury façade, however, the technological platform does not develop as planned. In August 1999, 18 subcontractors are working to link together all the databases into a coherent online platform without anyone coordinating their work (Malmsten et al. 2002, p. 231), and the idea of 3-D body scanning seems impossible to realize. This is also the case with the idea of having a virtual shop assistant, Miss Boo.

Miss Boo is Kajsa Leander’s ewe lamb, and she is supposed to carry the brand. As such she must fully symbolize the company, and great efforts are therefore made to give her the right personality. Working closely with the design team, Leander wants her to be street smart and healthy—but not too healthy! She should look as if she had just come out of the Betty Ford clinic, without being “a junkie” (Malmsten et al. 2002., p. 197). Her hairstyle is in this regard given specific attention (Malmsten et al. 2002, p. 211), and the world’s leading hairdressers are called in to style her so that she follows the fads, without, for that matter, looking as if she is trying to adapt: “She’s such a fashion victim that she’s always on top of what’s going on”, Leander concludes (cited in Malmsten et al. 2002, p. 259).

Looking cool is however just one part of Miss Boo’s appearance. She has to talk in a cool manner as well. Therefore, a stable of journalists, copywriters and translators are hired to develop her language. Leander is searching for a transatlantic hip language, but not too idiomatic:

How old are you Miss Boo?

None of your business, but I’m legal, I’m a registered voter, and this is my natural hair colour.

What's your background?

For somebody two-dimensional my background is remarkably deep. I've been educated in all the best stores and television commercials. I have a degree in taboo violation. I've been around the world many times, I went around it today in fact, and I speak seven languages including English and American.

Do you like boys or girls?

Naturally.

What are your measurements?

Don't get fresh with me. How big is your screen? (Malmsten et al. 2002, p. 260)

It wasn't exactly Chekhov, Malmsten admits (Malmsten et al. 2002, p. 260), but it was fun. It created engaged debates about where she came from, what type of TV shows she liked and so on. This commitment also spread to the technology department where they tried to develop her personality on their own: "Someone in the tech team created a program that made her wink when you passed the cursor across her breast" (Malmsten et al. 2002, p. 211).

Also in the press, Miss Boo becomes something of a pet. Her picture is suddenly everywhere, and it's considered only to be a matter of time before she knocks Nicole Kidman off the cover of *Vogue*. Most often, commentators highlight her striking resemblance to Leander, but when she is likened to the big-breasted action heroine Lara Croft, Leander becomes upset. Miss Boo is supposed to help the customers, she argues, not shoot them, and certainly not make love to them (Malmsten et al. 2002, p. 197).

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Initially, the entreification is not entirely perfect; the duo haven't yet mastered the language of capital. The alliance with Patrik Hedelin speaks in favour of such an interpretation, as does the meeting with the British investor. As they gradually learn to speak—and live—in accordance with the (dis)position they are appropriating, brought closer to the market by the help of JP Morgan, Boo.com turns into a matter of capital



requirements, risk, liquidity and success fees. Soon enough, the company becomes a commodity, an enigma, which obscures the use value and its relation to the social context. In this perspective, Miss Boo appears as the ultimate capitalist fantasy from which grotesque ideas evolve—not for nothing an externalization of a former model: an object to worship, to be tickled and seduced by. An object which, in all its mystery, not only eludes its creators, who submissively do everything to try to “understand” her and capture her personality, but also the market. The entreification is in this sense intertwined with a market-adapted *entrepomorphization*, a process of anthropomorphizing entrepreneurship. The entrepreneurial thing comes to life, with a language, a look, a hairstyle and a temper. Miss Boo becomes a fetish.

(3) *Money, money, money...*

Due to the high ambitions of their project, and its subsequent technological problems, the entrepreneurs are constantly on the move in search of investors. London, San Francisco, New York, Stockholm, and Jeddah quickly pass by, as they go from one venture capitalist to the other, from one fashion house to the other and from one banker to the other. In the first investment round organized by JP Morgan, the trio make 40 presentations to prospective investors, like a rock group on tour (Lindstedt 2001, p. 85).

Their target is primarily investors who can contribute not only financial capital, but also skills in sales and marketing of consumer goods. In this respect, the French luxury goods conglomerate Louis Vuitton Moët Hennessy (LVHM) is considered to be of key importance. With LVHM on board, they would have bait to attract other investors (Lindstedt 2001, p. 93). But such relationships cost. LVHM is therefore offered a 10% discount; however LVHM’s main owner, Bernard Arnault, is not easy to please. He thinks Boo.com is already valued too high, and does not even bother seeing them.

What were they to do? The only possibility was to try to persuade Bernard Arnault in person. He was 55 and a Frenchman—how to get in contact with him? Now it was all about taking advantage of the situation. A

Frenchman like Arnault could of course be flattered by a beautiful, young, blonde woman. (Lindstedt 2001, p. 94, my translation)

JP Morgan and the three Swedes thus agree that it must be Kajsa Leander who takes the initiative, and after a lot of persuasion she finally gets an audience at the LVHM headquarters. “Dressed for success” with a watch from Cartier, Hermès scarf and Gucci shoes, Leander presents the company’s vision and the prototype website (Malmsten et al. 2002, pp. 96–98). As Miss Boo is shown, there is a devilish silence—until it’s broken by Leander.

“So what do you think?” she asked.

Her simple candour seemed to catch Arnault by surprise.

“I like it,” he said, with a faint smile. (Malmsten et al. 2002, p. 97)

In financial terms, Arnault’s words mean that LVHM invests \$3.8 million. And with LVHM on board, Sedco invests \$5 million and Benetton \$3.2 million. As the round closes in February 1999, Boo.com has an estimated value of nearly \$40 million.

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As a fetish, Miss Boo has, as all fetishes have in “the mist-enveloped regions of the religious world” to use the poetic language of Marx (1867/1952, p. 31), a use value. Used properly, the fetish can make the gods (read: the venture capitalists) dance. Kajsa Leander’s meeting with Bernard Arnault hereby reveals the intended purpose of *entrepomorphization*, to convert exchange value into surplus value and estimates of ROI. In this capitalization process, Miss Boo appears as an extravagant subject, only to be subordinated by the capitalist’s “invisible hand” and devilish glances—which is a fate she shares with many under the capitalist regime, and which not even the renowned serial entrepreneur Kajsa Leander can escape. If *anthropomorphization* was placed in the service of the proletariat in Lukács’ class struggle, then *entrepomorphization* is here placed in the service of capitalism.

(4) ... and even more money...

The result of JP Morgan's efforts in the second investment round in April 1999 is a disappointment. Despite expenses of a small fortune, they only manage to persuade one investor, Eden Capital, to invest \$7 million (Malmsten et al. 2002, p. 175). Patrik Hedelin therefore starts to act on his own, and by using his personal contacts, he gets Bain Capital to put up another \$6 million. The relation with JP Morgan now becomes strained, and even more so as Boo.com is appraised in both the *Industry Standard* and the *Financial Times*. It is believed that Boo.com soon will be introduced at the Nasdaq, and perhaps also on the London or Frankfurt exchange (Malmsten et al. 2002, p. 178).

During the summer of 1999, it becomes clear that the entrepreneurs disagree on how the financing is to be handled. Leander and Malmsten recommend continued confidence in JP Morgan, while Hedelin would like to see a collaboration with Goldman Sachs, which has shown good faith in the company by agreeing to invest \$3 million to the contested valuation of \$170 million. Such faith leads Leander and Malmsten to accept Hedelin's proposal to arrange a so-called "beauty contest" between Goldman Sachs and two other leading investors who have shown interest, Morgan Stanley and Crédit Suisse First Boston.

On August 6, 1999, the beauties are lined up, downtown Manhattan. First up is Morgan Stanley which plays its trump card; Mary Meeker, Queen of Wall Street. "When she supports a company, she has the total confidence of the market," they are assured (Malmsten et al. 2002, p. 225). Then it is Goldman Sachs's turn, the investment firm that has handled more Internet companies than Morgan Stanley and Crédit Suisse First Boston together, and only works with the very best, such as America Online, Yahoo and eBay. Goldman Sachs's presentation totally overwhelms them, but Crédit Suisse First Boston has something up their sleeve that the other beauties lack: an IPO valuation of the company of \$690 million.

The dollar signs were still in our eyes when they led us out an hour later. But it was a tough decision. As the sleek, black Lincoln town car whisked us off to the airport I thought of Paris trying to make up his mind about

which of the three goddesses should have the golden apple. (Malmsten et al. 2002, p. 229)

In retrospect, Malmsten concludes that [Boo.com](#)'s faith was not all Paris's, but Tantalos's (Malmsten et al. 2002, p. 230). Not only was their achievement illusory, their pursuit was unattainable. Even before the beauty contest in New York, he knew that [Boo.com](#)'s technology was corrupt. The launches had been postponed five times, and the consultant firm Viant, hired to analyse the situation, had just presented their verdict: the whole platform is flawed, and the only way out is to ask the investors for more money and start all over again. At best, the website could be launched in nine months (Malmsten et al. 2002, pp. 230–231).

Not only is the source code full of bugs and no systematic work is being undertaken to correct it, but the databases intended to integrate the product catalogues, customer stock and distribution are set up in such a way that customers either will not be able to place orders or will get the wrong items delivered. "A nightmare," Malmsten recalls (Malmsten et al. 2002, p. 231).

In response to the situation, employees in London are called to a crisis meeting on August 18. The rumours have spread in the organization, and Malmsten is preparing an encouraging "speech to the people". Instead of sticking to the planned "Friends, Romans, Countrymen"-rhetoric, he finds inspiration from the world of literature:

"I'm an insect," I began. It was rather an unconventional line. I had been thinking of Gregor in Kafka's story, "Metamorphosis", the man who wakes up one day to find that he is a beetle. Our predicament, it occurred to me, was similar. While we grappled with the technology problems, we were on our backs unable to move. Like Gregor, we had to try to turn ourselves over. (Malmsten et al. 2002, p. 236)

The speech is engaging and enthusiastic, and it is met with resounding applause. *It's been tough so far, but that's just the beginning. Now we have to work even harder to do what no one else has done before. The whole world is waiting for [Boo.com](#).* So runs the message, and a new deadline is

presented: November 1. “This time we’re going to stick to it”, Malmsten promises (Malmsten et al. 2002, p. 237).

It’s a race against the clock. The company’s reputation is severely damaged due to all the cancelled launches, but 230,000 pre-registered users still impress the market. The recently closed investment round is reopened, and investors queue up to place their money. Although \$23 million is now raised, it doesn’t conceal the fact that the company is leaking like a sieve.

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In the service of capitalism, the entrepreneurs slowly but surely become graven images, enchanting both the capital market and themselves. In the dialectic between the objects of entrepreneurship and the entrepreneurial subjects, future exchange values are discounted in such a manner that the future is mistaken for the present, and a feeling of invulnerability, or even immortality, arises. For a second, capitalism’s gender regime is even reversed; it is the feminized “beauty” that gets to pick and choose among the cavaliers. Behind the façade, the beauty is turned into a Kafkaesque beast, a beetle—which symbolically speaking is a particularly appropriate circumscription of the seed of destruction that the technology represents. Ever since the conception of Miss Boo, her source code has been full of “bugs”. Symptomatically, Malmsten’s entrepreneurial (dis)position offers only one answer to the situation: the beast shall be conquered with more entrepreneurship. For anyone who knows Kafka, the agency is, however, now forever lost. Gregor Samsa, the protagonist of Kafka’s novel *The Metamorphosis* (Kafka 1915/1996), did indeed manage to turn himself over as he woke up one morning transformed into vermin, lying on his back, but he never regained his forlorn powers. Severely harmed by his father, and disowned by his entire family, he finally withdrew himself to die. Just as Gregor Samsa loses his agency, the entrepreneurs no longer own Boo.com; it is Boo.com that owns the entrepreneurs.

##### (5) *The ending*

On October 5, 1999, Boo.com makes a “soft” launch (Malmsten et al. 2002, p. 265). A limited number of “friends and acquaintances” are

invited to test the system on a “secret” domain. It is a minor success. The technical problems in the form of slow and unreliable customer management persist, but the goods seem to reach the customers on time. When the sales statistics arrives, they show that on October 23, the company received 528 orders worth \$51,538 (Malmsten et al. 2002, p. 268). Such information causes the entrepreneurs to regain their vitality.

The “hard” launch takes place on November 3, at 8.59 am. It is Ernst Malmsten himself who, to the great excitement of the employees, presses the button to make Boo.com go public: “we had finally achieved our goal—to transform boo from an exciting idea into a living, breathing internet company” (Malmsten et al. 2002, p. 277).

The excitement however quickly vanishes. When the statistics from the first six hours are analysed, it turns out that Boo.com has had 25,000 visitors, but only received 80 orders. And the day after the launch, Boo.com receives severe criticism from James Ledbetter at the *Industry Standard*:

Eighty-one minutes to pay too much money for a pair of shoes that I’m still going to have to wait a week to get? The first time I wrote about boo.com everyone wanted to know what the name meant. Now I know: it’s the sound a reviewer makes. (cited in Malmsten et al. 2002, p. 279)

The next setback comes at the end of November, when yet another investment round is planned. Federated Department Stores, owners of more than 400 department stores, including Macy’s and Bloomingdales, has been identified as the primary strategic target this time, and the idea is to offer Federated’s owners a \$10 million investment at a value of \$410 million. Federated’s owners are, however, highly concerned about the company’s high burn rate and low sales figures, and therefore decide to wait and see how things develop over the upcoming Christmas holidays (Malmsten et al. 2002, p. 296).

At the same time, a heated board meeting is held at Boo.com. It is revealed that the company is not able to handle more than a couple of weeks of operations without immediately raising capital in the order of \$20 million. The board members are upset, but eventually assign JP Morgan to try to persuade the existing shareholders to continue their support. As an incentive, the valuation is now lowered to \$285 million.

But the incentive backfires, and JP Morgan returns with a long list of demands on the company: the burn rate must decrease, the technical problems must be solved, and Malmsten and Leander must themselves invest \$3 million. In addition, the shareholders demand that Hedelin is fired (Malmsten et al. 2002, p. 300).

The entrepreneurs counter by suggesting an IPO, but both Goldman Sachs and JP Morgan declare that Boo.com is not yet ready for the Nasdaq. Panic is now starting to spread, and Malmsten hastily presents an action program that involves the closure of a number of side projects, layoffs, and \$27 million in savings.

The action program is in vain. The downsizing is not enough, and the funds raised in the spring of 1999 are used to keep the company barely afloat. The valuation of the company sinks like a stone, and as the ultimate proof of the company's crisis, key professionals start to leave the company voluntarily. A last hope is tied to Texas Pacific, an American company specializing in making non-profitable companies profitable through aggressive cuts. The owner Abel Halpern is willing to contribute \$50 million—but to a humiliating zero valuation (Malmsten et al. 2002, p. 356). The offer is rejected by the shareholders.

On the morning of May 17, 2000, Leander and Malmsten make a last effort to save their company, as they sit down in the company's "war room" to call on old and new investors for help. No one responds to their distress. The very same day, Boo.com goes into liquidation. At night, an anxious Ernst Malmsten calls his parents in his hometown of Lund, Sweden:

"It's a catastrophe," I lament. "I'm finished."

They're shocked, but try to offer comforting words.

"Nobody is dead. It's just a company, not a human being," my mother says.

"Think of it as a Harvard MBA," suggests my father. (Malmsten et al. 2002, p. 384)

\* \* \*

More entrepreneurship means continued, and intensified, entreification and entrepomorphization. The actors around Boo.com continue to

confuse use value with exchange value and exchange value with surplus value; the focus on the use value of bringing the latest fashion to ordinary people is bit by bit replaced by a hunt for sales—which in turn is replaced by an obsession with ROI. At the same time, the social significance of the work laid down in the product melts into air. The markets are gradually being prepared for “more entrepreneurship” and Boo.com transforms, in the words of Ernst Malmsten, “from an exciting idea into a living, breathing internet company.”

That the breathing is largely artificial is something that Malmsten suppresses—or simply does not acknowledge. It might be a cynical interpretation, but Malmsten actually admits that the goal was not to create use, exchange or surplus values. The goal was anthropomorphization: no more, no less. Boo.com was, from beginning to end, about breathing life into an idea.

As the inflated idea finally is punctured every allegation of false consciousness among entrepreneurs, employees and investors about the ontological “state of affairs” is devoid of meaning and consequences. No one is dead. It was “just” a company.

## The Secret of the War Machine

And so the story continues; the discourse on entrepreneurship remains intact. No harm is done, and no casualties taken. The war machine continues to (re)produce entreification and entrepomorphization: on one hand, entrepreneurship is (re)produced as an object in a deterministic manner; on the other hand, the entrepreneurial “things” are endowed with life, as if they were agents acting of their own will. With the rise and fall of Boo.com in perspective, three tentative propositions on the fetishist war machine can be discerned.

First of all, entrepreneurship is enabled and constrained by entreification. Appropriating a socially reified entrepreneurial (dis)position, entreification is (re)productive, at least at the first stage. In and through entreification, the actors and their actions, expectations and strategies are formed in such a way that they are entitled to produce “things” for a market without a priori inscribing use or exchange values into the “things”



themselves. However, at a later stage in the process, closer to the market, when the actors subjectively have appropriated, and by others objectively been assigned, a legitimate entrepreneurship (dis)position, the entreification process turns counterproductive. The entrepreneurs lose their sense of agency. On the one hand, they objectify themselves; on the other, they objectify their actions, becoming increasingly abstract and enigmatic in relation to the “things” they do, both to themselves and to others. The concrete and relational use values are obfuscated by abstract and intrinsic exchange values—which in turn function as glittering prizes on the market for entrepreneurship.

Secondly, entrepreneurship presupposes entropomorphization. Without entropomorphization, no entrepreneurship, and without entrepreneurship, no entropomorphization. Under the conditions of the market, life is breathed into the entrepreneurial “things”; they are entropomorphized into fetishes to worship, invest in, and perhaps most importantly, to capitalize upon. And in the service of capitalism, this also becomes the faith of the objectified actors. The entrepreneurs are no longer humans of flesh and blood; deprived of their agency, they reappear as gods, larger than life yet at the same time beyond life.

Thirdly, the product of entrepreneurship seems to be (more) entrepreneurship. If the intended consequence of entrepreneurship is to convert exchange values into surplus values, then the unintended consequence is to promote (more) entrepreneurship. When utility values, exchange values and surplus values melt into air, just like the actors, all that is left solid is the entrepreneurial (dis)position—conveyed by the entrepreneurial war machine. And therein lies its secret—and the reason for being against entrepreneurship—it (re)produces entrepreneurs without free will and agency.

## Note

1. An earlier version of this chapter was previously published in Swedish (Ericsson 2004). The empirical part is here edited, condensed and revised, whereas the Marxist reading of the case is elaborated upon to fit the theme of the book.

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# 4

## Keep the Machine Running: Entrepreneurship as a Practice of Control in the Neoliberal Economy

Kenneth Mølbjerg Jørgensen and Ann Starbæk Bager

### Introduction

We begin this essay on entrepreneurship with a quote from Pablo Picasso which can be seen when visiting the Picasso Museum in Malaga:

Every act of creation is first an act of destruction

The point is that genuine and socially responsible entrepreneurship is an act of creation as well as an act of destruction. We argue against the current neoliberal and capitalistic notions of entrepreneurship. We argue

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K. M. Jørgensen (✉)  
Aalborg University, Aalborg, Denmark  
e-mail: [kmj@business.aau.dk](mailto:kmj@business.aau.dk)

University West, Trollhättan, Sweden

A. S. Bager  
University of Southern Denmark, Sønderborg, Denmark  
e-mail: [bager@sdu.dk](mailto:bager@sdu.dk)

that there is little if no act of creation in dominant discourses of entrepreneurship. There is no destruction either. There is no destruction because entrepreneurship as it is being understood in dominant economic discourses does not break with neoliberalism. Therefore, the act of creation is a continuance of the destructive rationales of capitalism without changing anything. Instead it often amplifies dominant economic order, capitalism, and therefore reproduces and amplifies some of its worst consequences: Ruthless relations of consumption and production that produce the anthropocene. Entrepreneurship is a “repair” discourse that represents a capitalist answer to the problems created by capitalism.

To be more specific, the role of entrepreneurship is framed to save capitalism so that capitalism can continue ruthlessly on its path towards even more production and even more consumption. When we argue against entrepreneurship our criticism is pointed explicitly towards the neo-liberal discourse on entrepreneurship and its market orientation in general together with the discursive structures that an entrepreneur has to navigate. We have nothing particular against entrepreneurs or entrepreneurship per se. On the contrary we find entrepreneurship important for creating new beginnings, such as more sustainable and socially responsible organizational practices. Our argument is, however, that the dominant discourses on entrepreneurship do not invite for such new beginnings.

A capitalist can be depicted as a “white man” who assumes no responsibility for the problems he creates. This “white man” is a metaphor for a male-dominated Western colonial logic of neoliberal economic rationality, which claims that we are only responsible for ourselves and our own happiness. Entrepreneurship is a narrative hoax that covers up assuming no responsibility. Between the lines, this narrative entails that capitalism has no responsibility for social, cultural or ecological problems. Milton Friedman (2007) famously claimed that the only responsibility of capitalism is to increase the corporation’s profit. Toni Morrison once said that “[t]here is no bad luck in the world but whitefolks” (Morrison 2010, p. 89). But such whitefolks need entrepreneurship in order to stay out of trouble and assume no responsibility. Secondly, the aim of a narrative of entrepreneurship is to glorify an ultra-liberalist version of capitalism where these whitefolks do not have to assume responsibility for the earth and for its people and communities.

Subsequent deregulation, cut-down of the public sector, rising inequalities and rising uncertainties are important consequences. When individuals are driven out in precarious situations, they tend to be willing to work more for less money and they become more politically docile. The discourse on entrepreneurship serves the people with capital while those without capital suffer the consequences. Again, the narrative that reads in between the lines is to assume no responsibility for the earth, communities and societies. This is happening while the clock is ticking towards irreversible climate changes and while more and more people are being put in precarious situations in growth-mania economies that only benefits the most privileged parts of the population.

This dark narrative of entrepreneurship serves two functions. Firstly, environmental and social problems are diverted away from the corporations, which have produced them. Second, entrepreneurship is the narrative that covers up the loss of a number of employee privileges in the private and public sector. Secure jobs become more performance dependent and employees are increasingly assigned to time limited and part-time positions. Employers can ask more from the employees for less money. The welfare state, which provided safety and security for all is gradually dissolved in favour of a model, where people are their own enterprises where they sell their services on a competitive market and where they are framed as the masters of own fate.

The social democratic government in Denmark—yes it was the social democratic government—invented the term *the competitive state* and downsized the public sector and privatized a number of public welfare services. In the midst of these change stands the innovative, flexible, hard-working and always smiling entrepreneur. Two cases illustrate the points concerning entrepreneurship. One is the call for entrepreneurship to create a circular economy (CE) within the plastic sector. It is typical for capitalism to reduce an environmental problem to a problem of entrepreneurship. Plastic pollution is in this case presented as a great business case.

The second case is about immigrants as exposed citizens who are expected to find their entrepreneurial spirit and become self-sufficient within an institutional system, which is at the same time hostile and do not really recognize them as proper citizens with other cultural norms and heritage. Immigrants comprise in this case especially refugees and workers from

Eastern Europe as citizens, who are in many ways in liminal situations: They find themselves in a foreign country, which in many ways is hostile to them. They experience culture and language gaps and they are left to the alienating welfare system, which affords assimilation to Danish culture rather than integration processes with respect to their cultural differences. In many ways they have to conform to the Danish welfare system's rules and norms with little or no assistance. Yet they are expected to become self-sufficient and entrepreneurial. Dominant discourse seems to speak the narrative: "help them as little as possible because they are here to take advantage of the welfare system". This is a narrative, which is similar to the societies of control narratives of the sick, unemployed or otherwise marginalized and exposed people as lazy and irresponsible.

Agamben coins the term *the state of exception*, which he believes has become the normal condition in Western societies because it is a way of legitimizing the suspension of rights and obligations (Agamben 1998). Today we witness that these so-called crisis situations have material consequences for many people. Older people have to reinvent themselves at 50+ (Tomlinson and Colgan 2014; Garcia-Lorenzo et al. 2019). People in liminal situations are forced into becoming entrepreneurs (Garcia-Lorenzo et al. 2018) and critical employees in public organizations have absolutely no space to debate whether new entrepreneurial setups are reasonable (Abildgaard 2017).

The chapter is organized as follows. First, we discuss entrepreneurship and its current popularity in public policy discourses. Second, we describe the case of circular economy innovation with a particular focus on the plastic economy. Theoretically, we incorporate Benjamin's (Benjamin 1999) notion of anthropological materialism to explain the character of capitalism as fundamentally destructive at its core. We follow up with a case concerning immigrants and entrepreneurship which spotlights some of the exclusive and unifying mechanisms of municipal entrepreneurial processes. Finally, we draw out the conclusions and argue for the need for a critical scrutiny of entrepreneurial practices and its current ultra-liberal circumstances in a capitalist economy. Such critical scrutiny gives rise for a discussion that challenges the current ultra-liberal ethos of our Western society and towards an entrepreneurial ethics that foregrounds a collective, earthly and sustainable future.

## What Is Entrepreneurship and Why Is There a Focus on Entrepreneurship?

Schumpeter's theory of creative destruction (McCraw 2009) put innovation and entrepreneurship in the centre of economic growth. Rather than the equilibrium focus of traditional economics, focus was redirected towards innovation and change. Since the 1990ies organizations like OECD and the economic policies of states began to emphasize technology, science and innovation. Product and process innovation, organizational and social innovation etc. are now a central part of economic policies. In the midst of such economic logics stands the entrepreneur, who create new start-ups, or find innovative solutions in existing companies and organizations. He, because in most cases, the entrepreneur is portrayed as a man (Berglund 2012), is flexible, dynamic, mobile, communicative and visionary whether he works in private or public organizations, whether he begins a new company or is engaged in transforming and reforming established practices. To be an entrepreneur is to be sexy. To be part of a bureaucracy is to be grey and boring.

Generally, entrepreneurship has been defined to be when individuals perceive anomalies in dominant narratives and generate counter narratives to challenge and alter dominant practices and stories. These individuals may shape new practices in the domains of business, government, and/or society. This definition of entrepreneurship puts the focus on individual qualities and resembles the notion that liberalism is the path towards entrepreneurship while states, public organizations and institutions should be reduced to a minimum in order to ensure maximum motivation and competition. The neoliberal ethos that we know today follows this logic in its praise of entrepreneurship. Competition, deregulation, privatization and slogans like the competitive state follow the neoliberal order of neoclassical economics where the dynamics of the market place provide the law of leadership of both private and public organizations (Osborne 2010). In this world, nothing counts outside of economics and markets. This argument about entrepreneurship does not merely serve the rich and the powerful. It is also outright deceptive and wrong. The idea that entrepreneurship is shaped by superior individuals, who are

motivated by necessity and competition, is a myth. In fact, it is often the state that drives most innovation and entrepreneurial activities (Mazzucato 2013).

But the state is not and cannot be a grand hero of economics. Instead it has to be the successful entrepreneur. As noted by Bager et al. (2018), successful business leaders that started out as entrepreneurs are greatly admired and recognized. The “Heathrow School of Business” or other “Airport Business Schools” boom with successful stories about entrepreneurs, autobiographies of the lives of Sloan, Iacocca, Jobs, Ferguson and so forth. These are examples of the images of heroes that accompany entrepreneurship discourse (Berglund 2012). It is interesting to see how much shelf space in airport book stores that is actually reserved for that kinds of books. This is a reflection, we think, of the hero image of entrepreneurs. The entrepreneur is then located within what is called the Great Man theory (Spector 2016) while it is rarer to look at the complex interactions and social conditions of events that surround entrepreneurial engagement.

As noted by Bager et al. (2018) the economic success of such people often overshadows serious ethical flaws which are part of complex business histories. The dark sides of Disney (Boje 1995), Microsoft, Apple or Facebook are often overshadowed by the economic success of such businesses and the entrepreneurs who put these corporations where they are today. Jeff Bezos, the founder of amazon and the world’s richest man, wants to have people travelling in space while he does not pay taxes of the many billions that he makes (Hamilton 2019; Huddleston jr 2019). Hannafey (Hannafey 2003, p. 99) has in fact argued that entrepreneurs are often willing to do anything in order to succeed. She also notes that entrepreneurs face unique conditions of business and moral uncertainty. The moral flaws that many also attribute to entrepreneurs is perhaps in fact caused by such conditions of high risk and uncertainty that for many self-enterprising entrepreneurs is a personal risk where the stakes are high.

In that sense, ethical flaws are something created and maintained in the material-discursive networks that surround entrepreneurial action. Many times, entrepreneurs have to make ethically flawed decisions in order to succeed. Competition drives this situation to the extreme and seems to produce this thoughtlessness that characterizes the banality of



evil (Arendt 1971, 2006). Entrepreneurs are then neither superior, nor ethically flawed in comparison with other “normal” people. Ethical or non-ethical action belongs just as much to problematic and often extreme situations rather than to the moral character of individuals. Judith Butler defines the term precariousness for capturing an exposed, insecure, uncertain and vulnerable position in society (Butler 2006). Butler uses the term to describe people who constantly have to fight for food, shelter and other basic conditions of life.

But precarity can also be used as an organizational and disciplinary device. Performance management, job insecurity, constant organizational changes like mergers and acquisitions, outsourcing, technological changes, assessment and control systems etc. are means to keep people on their toes, constantly and all the time. Deleuze (1992) has framed this type of governance and power as typical for control societies, which he distinguished clearly from disciplinary types of control. The characteristics of the modes of control in relation to economic thinking, organizational and employment characteristics are summarized in Table 4.1 (see Jørgensen and Klee 2014).

Accordingly, entrepreneurship is part of a neoliberal control society, which has become inscribed in most economic policy and practices in the Western world. People are not framed as human beings but human capitals who are associated with financial expectations and investment opportunities (Brown 2015). Deregulation, mobility of money and people, performance-based wages, competitiveness are some of the means of a highly affective economy that should leave us naked and vulnerable to the forces of the market economy. Even well-educated and experienced academics find it difficult to accommodate to neoliberal universities (Valero et al. 2019; Jørgensen 2018).

This neoliberal notion of entrepreneurship is far away from societal entrepreneurship that takes place through the infrastructures provided by the state (Berglund et al. 2012). Societal entrepreneurship would thus imply a different policy concerning entrepreneurship, while the neoliberal policies strip people of every protective layer to become entrepreneurs. Neoliberal discourses dominate entrepreneurship as it serves a neoliberal economy of deregulating and down-sizing the public sector while individualizing responsibility. This discourse serves only the rich,

**Table 4.1** Disciplinary power versus societies of control

	Disciplinary power	Societies of control
Economy	Production economy	Global device economy
Strategy	Planning and optimization	Emergent strategizing
Organization	Factory, bureaucracy	Corporation
Governance mechanism	Hierarchy, standardization, writing and surveillance in regard to correct performance	Performance management and assessment according to numerical standards
Core competences	Discipline, reliability and accuracy	Entrepreneurship, innovation and risk willingness
Control principles	Direct surveillance from supervisors and managers	Internalization of control through mechanisms for self-governance and management
Motivational driver	Sanctions and punishment	Competition and precarity
Market value	Experience	Measured according to performance here-and-now
Principles of employment	Long term stable contracts, stable career patterns, collective agreements	Flexible arrangements, individual agreements and negotiations, short term temporary contracts

Source: Author

who are then not supposed to take responsibility for societal problems or issues. The only responsibility is to increase the profits of the corporation. Next we will look at the case of plastic pollution to illustrate how the concept of entrepreneurship is being used to make sure that companies do not become accountable for the problems they create.

## Entrepreneurship as a Response to Plastic Pollution

An entry into a critical analysis of the policies concerning solving the plastic pollution is found in the writings of Walter Benjamin (Benjamin 2016). Benjamin has been described as an anthropological materialist with an intense interest in arrangements of spaces, artefacts and materiality.

Materialism is for Benjamin central for understanding the relations between people and the world. Humans work and interact with physical things. Materialism questions the practices and the relations in which such work and interaction takes place. Modalities such as artefacts, spaces and materiality are perceived as being integral and inseparable parts of being human. In questioning practices, Benjamin focuses on waste, in particular "...the commodity trash of mass production" (Leslie 2008, p. ix), for questioning our relations of consumption and production.

Since Benjamin's death in 1940, consumption and waste quantities have increased almost exponentially. Technological achievements and economic growth have led to continually growing consumption. This tendency has also resulted in increased awareness of scarce resources. Waste has gathered considerable political attention. However, this seems to be out of distress rather than of desire. There is no desire to fundamentally break with existing economic systems. So prevailing economic discourses turn a problem into a resource of which private companies can create jobs, profit and economic growth. Benjamin would probably see this as an elegant way to derive attention from the problem, which basically stems from excessive use of resources and consumption. By describing the amount of waste as a resource, attention is directed away from political regulation and intervention and toward the many potentials in waste. The entrepreneur plays an important role in this political agenda. In fact, instead of political regulation and reduction of plastic production, the entrepreneur is the figure and hero who is going to solve the problems of plastic pollution.

Plastic waste is an excellent case since many of the issues of Western culture and the ruling economic mindset are reflected directly in plastic use and plastic waste. Two characteristics of plastic hit the nail here concerning plastic pollution. First, plastic is a synthetic product. Second, it is slowly degradable. Thereby, focus is placed on two key issues, which are immanent in the Western economy. One concerns the actual use of resources. Plastic products are primarily produced from oil, which means that they are made from raw materials that cannot immediately regenerate themselves—at least not at the required speed to keep up with plastic production.

Subsequently, it is difficult to get rid of plastic, as it is nonorganic material. Therefore, it ends up as waste in industry, households and

nature including the oceans. Today we have 8 giant plastic “islands” floating in the oceans. Plastic is cheap and easy to produce. According to sources, more than half of the plastic has been produced in the years from 2004 to 2017 (DAKOFA 2017). They expect that this number will be quadrupled in 2050. Furthermore, by 2050 it is estimated that there is going to be as much plastic in the oceans as there are fish (Festersen 2018). Marine life as well as our lives are severely endangered by plastic. According to our interpretation of the policies of the EU and the Danish government, the solution to this global crisis is not regulation or prohibition but entrepreneurship.

This is evident from the new plastic plan from EU, which was published in January 2018 and the Danish plastic plan, which was published in December 2018 (European Commission 2018a; *Miljø- og Fødevarerministeriet* 2018). It has been argued in another article (Jørgensen and Svane 2020) that the discourse of the plastic plans reflects the CSR strategy “Shared Value” where focus is to turn societal problems into business opportunities (Porter and Kramer 2011). This may be a more softer approach than Milton Friedman’s infamous statement that a corporation’s social responsibility is to increase its profits (Friedman 2007). “Shared Value”, however, stays firmly within a neoclassical approach to CSR where the autonomy of business companies is emphasized above all. Social innovation and entrepreneurship, which are concepts that belong to the shared value discourse, have to be seen in this light.

Both the plastic plan from EU and the Danish translation of this plan into a Danish plan emphasize that they do not believe in regulation. Instead they appeal to reason and collaboration among stakeholders and above all the plastic pollution is a “great business case” where solving plastic pollution can go hand in hand with business, jobs, growth and profit. The means is among other things to think in terms of circular economy where plastic waste is considered a resource instead of a problem. So, within the plastic economy we are looking for entrepreneurs for recycling, so that we can keep production and consumption going at the same or even a higher pace than before. The headline from the EU is as follows: “Plastic waste: a European Strategy to protect the planet, defend our citizens and empower our industries” (European Commission 2018a). Thus, the plan:

...will protect the environment from plastic pollution whilst fostering growth and innovation, turning a challenge into a positive agenda for the future of Europe. There is a **strong business case** for transforming the way products are designed, produced, used, and recycled in the EU and by taking lead in this transition, we will create new **investment opportunities and jobs**. Under the new plans, **all plastic packaging on the EU market will be recyclable by 2030**, the consumption of **single-use plastic** will be reduced and the intentional use of **microplastic will be restricted**. (*European Commission 2018a*, p. 1, emphasis added)

Even if the plan also contains regulation, it is the positive narrative about growth, investments and jobs, which dominates. Plastic waste is recognized as a very big problem. The following numbers give some indications of the problem (*European Commission 2018b*, pp. 6–7):

- 49 million tons plastic is demanded every year in the EU;
- 1.5 million people are hired in the plastic industry. They generate a turnover of 340 billion Euros;
- Plastic recycling is very low compared to glass, paper and metal;
- Plastic waste was about 26 million tons in 2015. Packaging is by far the largest (59%);
- Less than 30% of plastic waste is collected for recycling;
- Landfill and combustion is still very high (31% and 39%). While landfill is falling, combustion is increasing. The value of plastic packaging is lost after a very short amount of time;
- The demand for recycled plastic is only 6% of total demand in Europe;
- Plastic production and combustion increases the CO<sup>2</sup> emissions with 400 millions of tons every year;
- Globally it is estimated that between 5 and 13 million tons plastic waste (1.5–4% of total production) end in the ocean every year. In the EU it is about 150,000–500,000 tons of plastic waste that end up in the ocean.

It is concluded that neither in Europe, nor on global scale, has recycling of plastic been a sufficiently strong business case. Plastic recycling is very low compared to other sectors. Yet, EU presents a vision of a circular

economy within the plastic industry, which is based on what they call reason and common sense rather than regulation. This is a strategy that the Danish action plan also reproduces (*Miljø- og Fødevareministeriet 2018*). The vision of EU and the Danish Government is to create a circular economy. Among others the visions from the EU are formulated as follows (*European Commission 2018b*, p. 9):

- In 2030, all plastic packaging must be recyclable and reusable in a cost-effective manner;
- Changes in production and design should make it possible to get higher recycling and reuse rates on all key applications. By 2030, more than half of the plastic waste generated in Europe should be recycled;
- EU's recycling capacity must significantly expand and modernized. It must be quadrupled by 2030, which should lead to 200.000 more jobs;
- Recycled plastic must be seen as an attractive resource for industry;
- The plastic value chain should be much more integrated.

The visions sound great but these must be seen in the light of a production, which is expected to grow exponentially. Furthermore, it is remarkable how few demands, that the EU policy and the Danish government put on the industry. EU and the Danish government do not seem to believe in regulation but emphasize reason and common sense. In other words, transformation is voluntary. The Danish plastic action plan contains a stunning number of 27 different initiatives to reduce the plastic pollution but the amount of money that they set aside for fighting the plastic plan is stunningly low also, only 50 million DKK. Subsequently, the plastic action plan is criticized heavily for its lack of ambition by a number of NGOs (*Plastic Change 2018*).

In regard to our focus in this article, it is entrepreneurship along with reason and common sense, which are going to solve the problems. To dramatize the point, the life of the oceans is put in the hands of the entrepreneurs while those industries, which have created the problems in the first place are left untouched. They do not face hard regulation but can sit down and wait. This interpretation that remarkable few demands are put on the industry is supported by the fact that many of the 27 different initiatives in the Danish action plan are devoted to research and

knowledge creation. This implies that Denmark is not taking immediate action to a very high degree. Instead the government sits back and waits until the entrepreneurs have solved the problem, until we have forgotten the problem or hope that the problem turns out to be much smaller than what everybody say it is. Entrepreneurship is in this case part of a narrative hoax of capitalism, which reformulates a disastrous or at least potentially disastrous problem into an entrepreneurial business case.

## **Municipalities Engaging People in Liminal Situations into Becoming Entrepreneurs**

Our second case is from an EU-supported project on entrepreneurship and job creation for people of foreign descent (Netværk for Iværksætter og Jobskabelse i KASK, 2020). The overall project was a co-creative collaboration between municipalities, educational centers, business centers and entrepreneurial hubs in the Kattegat-Skagerrak area, which is the seas between Denmark, Norway and Sweden. Researchers from Aalborg University also took part in the project. We analyze the part of the project that aimed to support integration of citizens of foreign descent into the labor market by engaging them in one-man, micro- and new established companies.

Part of the quest was to create jobs and retain qualified staff in peripheral regions in a Danish municipality where they experience depopulation problems and worker shortage. At the same time the municipality housed a range of unemployed immigrants that experienced integration issues and were a financial strain to the municipality. So, the project aimed to kill more birds with one stone: on the one side to take on the social responsibility and help unemployed immigrants into the labor market for instance through entrepreneurship; and on the other side to secure a relevant and qualified labor force in the peripheral region. The researchers' job was to provide relevant presentations on storytelling and facilitate co-creative workshops involving the collaborators to help foster sustainable collaborations between the involved stakeholders. The researchers were inspired by the Scandinavian dialogic tradition of Action

Research (AR) and its aim to provide dialogic spaces in which organizational and other relevant stakeholders co-create scopes and activities in the project according to their own experience and needs (Frimann and Bager 2012; Gustavsen 2005). The concept that was applied is called a “Workshop for the Future” (in Danish: “Fremtidsværksted”) and consists of three phases: the critique-, utopia- and realization phase (Duus et al. 2012).

In the following we will display stories from these co-creative workshops. The stories are derived from empirical data (audio recordings and transcripts) and posit how immigrants, municipality, educational center and business center employees reveal frustration and issues of depersonalization and alienation as a consequence of the (municipal and political governed) conditions for integration and entrepreneurial job creation processes in the neoliberal economy.

## **The Workshop of the Future**

In the first workshop the researchers created a space in which different perspectives and experiences from diverse stakeholders were investigated. The overall aim was to listen to voices of relevant actors with experiences from integration and job creation processes involving entrepreneurship together with the co-creation of new avenues for future practices. The workshop involved municipal job and integration consultants, an employee from the local business center, a local entrepreneur with 35 years of experience with different startups together with experience as an employer of immigrants. Besides, two immigrant women from respectively Russia and Africa and two facilitative researchers were involved.

In the process it quickly became clear that all participants had experienced frustration and critical issues in relation to job and integration processes involving immigrants and entrepreneurship.

In the critique phase, issues of the provided conditions for immigrants in entrepreneurship quickly became the main subject of the conversation. The two women told stories of how their educational degrees and skills gained in their native countries were not accepted in Denmark due to legislative requirements.



The Russian woman told how she tried to open a hairdresser and beauty salon in her house in Denmark but very quickly encountered limitations and resistance from the Danish system as her educational competencies gained in Russia was not accepted in Denmark. Therefore, she couldn't live up to the Danish legislative requirements to be an entrepreneur and run a hairdresser salon and had to give up her dream. Instead, she was encouraged to enter into an educational program to become a nursery assistant that she later dropped out of due to issues of cultural barriers, and because she couldn't take care of her children at home. She told that taking care of the children at home is a central value to her and her Russian culture.

The African woman told a similar story of how she wanted to become an entrepreneur and run a tailor shop in her home in Denmark as she used to do in her home country, so that she could look after her children from home. Again, Denmark legislative requirements put a stop to the project and she was encouraged into a social and health care assistant educational program in order to keep her social security. As a consequence, she did not thrive and went through a period of depression followed by a divorce after which she dropped out of the educational program.

Both women accepted the invitation to the workshop as they haven't given up their entrepreneurial dreams and wanted to help others through contributing with their experiences to the project.

Both women expressed a strong desire and willingness to be integrated in the Danish society. Nevertheless, they told stories about feelings of alienation and frustration due to the conditions and the governmental demands that they had to fit in to in order to gain municipal support. They further told stories about huge personal losses and states of depression as consequences of a depersonalized process.

The local entrepreneur added similar stories and provided aspects from an employer perspective. He told how he in his different companies have had three immigrants employed over time. In the beginning of the employments he gained assistance from the municipality in the form of economical support. All three times he spent a huge amount of time to deal with formal issues in order to live up to bureaucratic and municipal requirements of for instance evaluation and documentation. He further tried to help the

immigrants start up their own businesses but they gave up due to similar aspects as the two immigrant women. He told how he was familiar with other business owners who wanted to help immigrants and help them either by employing them or help them become entrepreneurs but have given up due to time consuming and complicated demands from the municipality and business center. He further explained how the immigrants struggled with language and cultural issues where they did not get any help.

The municipal job and integration consultants expressed similar frustrations toward the government-imposed regulations and conditions that they are to navigate and enforce in their meeting with immigrants. They expressed frustration toward the conditions that they can provide together with the scarce economical resources they can offer. Data from the workshops reveals how they experienced identity dilemmas concerning how they want to meet and help the immigrants, while regulations at the same time prevent them from helping them.

Data from diverse co-creative workshops disclose similar stories of frustration and insufficiency from the governmental and business center workers. Furthermore, they show the precarious and challenging conditions that immigrant entrepreneurs face in the Danish system. While municipalities, consultants, business centers and private persons wanted to help immigrants becoming job owners or entrepreneurs, strict regulations worked against entrepreneurship. The point is thus that on one hand there is a huge push that immigrants should become entrepreneurs. On the other hand the system does everything to make it difficult for the immigrants to become entrepreneurs. One of the employees from the municipality in Denmark told at one point that the minute that immigrants just mentioned that they were thinking about starting their own business, the municipality was obliged to take the monthly integration support away from them. So immigrants are pushed into entrepreneurship to take care of themselves. On the other hand, the system does a lot to prevent them from becoming entrepreneurs. Immigrants thus become caught in a narrative of entrepreneurship.

## Conclusions

We have presented arguments and two cases which spotlight some of the flaws and consequences that we detect in entrepreneurial practices in an neoliberal capitalist economy.

We have argued how entrepreneurs historically have been forced into making ethically flawed decisions due to states of competition, profit-orientation, precarity and high risk. Such critical conditions are embedded in the current capitalist ethos of our Western society that permeate and govern the structures and arenas that entrepreneurs are forced to maneuver. We have further highlighted how the entrepreneur is depicted as the hero that are leading our society toward a better world by offering new and seemingly sustainable innovations. Nevertheless, the capitalist market conditions prevent the entrepreneur to grasp the nettle and actually provide innovations that take our planet's social and material resources and communities into account.

The plastic waste case shows how governmental discourses frame and enact waste as a resource that are covering up discourses, that are less appealing for businesses and corporations, leaving aspects such as political answerability and regulation to be a pipe dream. Instead, trust is placed with entrepreneurs and the goodwill of and collaboration between multiple stakeholders in the name of capitalistic growth and market competition values. Here, circular-economy is playing an important role in the narrative hoax (of plastic as a resource) that shifts focus away from the source of the problem: that we keep producing plastic and maintain capitalist market values.

The immigrant case highlights how people in liminal situations are excluded from entrepreneurial processes due to de-humanizing and strict government-imposed regulations and requirements. Such requirements leave little space for kindness and humanizing aspects and favour capitalist values of profit optimization and economic growth. The chapter have spotlighted some of the current states of entrepreneurial practices. As stated by Bager et al. (2018), time is up for taking an ethics perspective toward entrepreneurial business that shifts focus away from maintaining the capitalist machinery and toward a more collective and earthly ethics.

We are against entrepreneurship discourse because as we have illustrated entrepreneurship is a narrative which protect corporations from taking responsibility from the problems they have created. Instead of plastic

pollution being a matter of strict regulation, prohibition and restrictions, the entrepreneur is brought in as a figure who can solve the problem and repair capitalism without changing what causes the problems in the first place. In the second case, entrepreneurship is used as a “bait” for the immigrants while in reality they are being excluded by the regulations in the Danish system.

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# 5

## Fetishizing the Entrepreneurship

Frederik Hertel

### Introduction

This chapter is critical towards entrepreneurship and even more towards the contemporary discourse on entrepreneurship. A departure from Marx (1990) makes it almost too comfortable to criticize entrepreneurship as the very backbone of capitalism. However, instead of repeating the obvious, we will concentrate on developing a critic of the contemporary discourse on entrepreneurship. We will aim to present the thesis that the present discourse on entrepreneurship contains a unique form of worship transferred from the phenomenon Marx (1990) once called the *fetish of the commodity*. Marx's concept describes how the social relations between people involved in the production are being hidden when the commodity is being introduced at the market. Here, at the market, the relation between people involved in the production is being transformed into a relation between commodity and money exchanged in a market. We will

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F. Hertel (✉)  
Aalborg University, Aalborg, Denmark  
e-mail: [fhl@business.aau.dk](mailto:fhl@business.aau.dk)

aim to illustrate how the worship of the commodity reaches a new form in the contemporary discourse on entrepreneurship. It is a phenomenon we provisionally will name the fetishism of entrepreneurship. The fetishism of entrepreneurship runs from rationality and our analysis shows how relations not only in the entrepreneurship organization but also the entrepreneur's privacy sphere are being handled in terms of cost-benefit. The remarkable aspect of the phenomenon, fetishism of entrepreneurship, is that it uncovers the social relations and while doing so implicitly legitimates and praises the rationality which forms its worldview. We are critical to this discourse on entrepreneurship since it legitimates a utility value, which produces unequal social relations based on the logic of profit maximization. We furthermore identify profit maximization as the main driver in contemporary sociological and ecological crises.

Jesper Buch is in a Danish, and to some extent, a European context a well-known millionaire, business angel, a former top entrepreneur and author to several Danish books on entrepreneurship. He founded the global internet-based food order and delivery service company named "Just Eat" but cashes in after disagreements with the new CEO he hired. On Facebook, Buch (2018a) defends his latest book (Buch 2018b) based on his own start-up case as a suitable handbook for future entrepreneurs. The Danish Master of Science (MSc) in Economics and Management, Master of Arts in Philosophy and journalist Rune Selsing (2018), who reviewed the book for a major Danish newspaper, does not share Jesper Buch's opinion, and consequently criticizes the book for being poor and for offering useless advice on entrepreneurship. Jesper Buch states that the sales figure speaks for themselves and concludes that Selsing's review is sadly mistaken. Buch and Selsing disagree on quality, on who can conduct a review, and on the criteria suitable for a review of a book on entrepreneurship. Despite these disagreements, they both implicitly recognize the book as a non-fiction handbook for future entrepreneurs. They both explicitly identify Jesper Buch, the author, as the narrator of the book. We should probably underline that we will differentiate between the narrative voices applied in Buch's (2018b) book. However, Ricoeur (1992, pp. 150–151) explains that the autonomy of written discourses produces a breakaway from the author's original intentions. It is a decontextualization of the written discourse, which makes re-contextualization an



essential part of the reading process (Ricoeur 1992). The autonomy of the written discourse enables us to produce a critical hermeneutic analyze (Ricoeur 1992) of the handbook on entrepreneurship as a novel and a narrative construction which contains important ideological elements of the discourse on entrepreneurship. The intention is not just to present a critic of the discourse on entrepreneurship but to reveal how written discourses (narratives) contribute to the production of hegemonic discourse on entrepreneurship in contemporary society.

*All in* (Buch 2018b) contributes to the signification connected with entrepreneurship as part of a general discourse on entrepreneurship in society. The book is part of a literary genre produced by contemporary or former entrepreneurs. The authorship plays an important role since it produces a strong ethos (Aristoteles 2007), which appeals to wannabe entrepreneurs. The French philosopher Pierre Bourdieu (2005, 2007) describes how people in a specific field gain different symbolic capitals. He describes symbolic capital produced because of wealth, social connections and educational background, but he also states that other types of symbolic capital could exist in specific fields of society. We argue that Jesper Buch gains e.g. symbolic capital because of the economic capital he got from selling shares in Just Eat. However, he also gains a new symbolic capital from being known as a former successful entrepreneur. We argue in the following that this new symbolic capital results from a symbolic exchange with the fetish of the commodity (Marx 1990). The symbolic exchange means that the fetish character of the commodity (Marx 1990) successfully introduced to the market becomes a new symbolic capital being attached as a sticker to the entrepreneur. The target group of readers connects this symbolic capital to the narrative voices while re-contextualizing (reading) the book (Buch 2018b). This produces as we shall see some interesting paradoxes in the reading process. One of these paradoxes is portraying the narrator as successful despite his claims of not having what it takes to become an entrepreneur. This is an example of how the entrepreneurship literature produces a mythical image of entrepreneurship which legitimates the social relations between people involved in the production of goods or services offered to the customers. We are against the contemporary discourse on entrepreneurship mainly since it produces an unrealistic image of the entrepreneur and while

doing so legitimates social relations based on utility value and profit maximization.

## The Content of the Narrative

This section summarizes the very essence of the narrative (Buch 2018b) we are analyzing. The first pages of the book introduce the climax, which is the narrator purchasing a brand new Porsche 911/996. This event marks, in the narrative structure, the completion of the narrator's (hero's) project. It is therefore also the climax of the narrative and a transmission (Greimas 1974) of the ultimate gift to the hero (narrator). Greimas (1974) identify 6 basic narrative elements (object, subject, helper, receiver, opponent and sender) that form three different axes: desire, power, and transmission. The desire axis is the aim of the hero, while the power is the conflict between the hero, the helper, and the opponent. Finally, the transmission axis is the reward being transferred from the sender to the receiver (hero/narrator).

In this narrative, we are dealing with a narrator having a desire to become a successful entrepreneur. The narrator explicitly states that Porsche is a reward (gift) offered to the narrator for proving to be a full-scale entrepreneur. The Porsche functions as a metaphor for an extraordinarily wealthy, successful bachelor with a unique upper-class position in society. Presenting the Porsche as a gift or reward on the transmission axis already during the book introduction enables the narrator to build a stronger ethos as an entrepreneur and coach for wannabe entrepreneurs. However, as we shall see in a short while, the Porsche is mainly a substitute for the actual reward or gift.

Introducing the climax on the first pages creates a reversed narrative *home-out-home* structure. The *home-out-home* structure refers e.g. to a novel starting at the hero's home location and where plot events force the hero to leave his home to face some challenges (out) enabling him to return home at the end of the story. However, after the teaser follows a presentation of the narrator (hero) and his project, which is becoming a successful entrepreneur. The conflict axis is whether the narrator has the luck and can develop the competences, skills, and knowledge required to

fulfill his project. Several characters such as the co-founders, employees and close family take a double position as the narrator's opponents and as helpers. The drivers and progressive plot element of the narrative is a combination of e.g. an upcoming competitor, the breakdown of the company's IT system, etc. Briefly described are challenges solved by merging the competing companies and by organizational developing, internationalization, management, business economics (managerial economics, financial economics), etc. More important for the development of the narrative is the recruitment of a new "corporate" CEO who slowly reduces the power and influence of the narrator and founder of the company. Several crying bouts and a major breakdown force the narrator to cash in and return to home. In the home-out-home narrative structure is the home position divided between the narrator's early dream about becoming an entrepreneur and his later dream about his previous life as an entrepreneur. The crying bouts and the major breakdown can be perceived as a transitional narrative stage leading to a spiritual quest involving the Camino. The Camino walk, also known as the Way of St. James, is a pilgrimage route to the Santiago Cathedral in Galicia, Spain. However, the spiritual quest is not limited to a transitional stage but is an essential theme involving previous descriptions of the narrator's inner conflicts and fight for personal development and growth. The book is undersurface an *existentialistic bildungsroman* about a narrator developing from a child to adulthood (entrepreneur). The *bildungsroman* is a term used for describing a novel or short story describing the development or education of the principal character from childhood to maturity. The young narrator perceives entrepreneurship as a road to end-pleasure but entrepreneurship is for different reasons unable to help the narrator proceed from fore-pleasure to end-pleasure (Freud 1985, p. 108). In the Freudian theory, fore-pleasure is the excitation and sexual tension while end-pleasure describes the pleasure of gratification (Freud 1985). Our point is that the narrator somehow feels forced to cash in before he reaches the point where his entrepreneurship produces the desired redemption. This means that the narrator experiences tension and fore-pleasure but never reaches the point of gratification. So, when the narrator cashes in he turns away from the fore-pleasure of entrepreneurship which could lead to the redemption and end-pleasure. He can dream about his previous life as an

entrepreneur and he can get close to wannabe entrepreneurs, but he cannot return to his previous life as an entrepreneur. He is, like a *Sisyphus character*, doomed to dream about being an entrepreneur. In Greek mythology, Sisyphus cheats the Gods and is being convicted to push stones to the top of the hill just to see them rollback down-hill again (Mikalson 2009, p. 321).

The essence of the narrative can be cut back to a social-realist story on how a son of an alcoholic father breakaways from his background and gains success as an entrepreneur. The narrative adds ideology to the discourse by perceiving entrepreneurship as a possible road to redemption. One could, therefore, expect the narrative to have either a happy end where the narrator's project is achieved or a sad end where opportunities are missed and redemption stays unfulfilled. However, the narrative negates both opportunities and introduces an unsatisfied end where the narrator finds himself forced to cash-in and leave the business. Cash-in means leaving the (entrepreneurial) road to redemption, and the consequence is a narrative with an unsatisfied end. To sum up; our analysis shows that the narrative on the surface-level contributes to the predominant discourse on entrepreneurship in society but undersurface reveals the unsatisfied end that cannot offer the narrator the desired redemption.

## The Old Man's Tale

In this section, we will analyze the role of the Porsche in the narrative. Porsche is in the narrative an important metaphor since it signifies new money produced by the upcoming entrepreneur. The Porsche is being introduced at three different points of the novel, but the author introduces it in a reversed narrative order. The right order would start with goal setting (get a Porsche), continue with goal achievement (receiving the keys), and end with adjusting/changing goals (exchange the Porsche with a family car). First, in the teaser, the narrator signs the contract, receives the keys, and drives away at high speed. This forms the second point in the narrative structure of plot elements, and here the Porsche is a metaphor for the successful entrepreneur. Second, the Porsche introduced as a target or aim defined by the narrator as a child and pursued

during the narrator's strive for a breakthrough as an entrepreneur. Third, the Porsche is during the aftermath and end of the narrative exchanged with an Audi station wagon. The exchange symbolizes the end of the period as an entrepreneur and results in adjusting values. It is important to notice that the narrator adjusts, but he does not significantly change his values.

On the surface level, the Porsche is a rather trivial sign signifying success, *nouveau riche*, and a unique position in society. However, at the subsurface level, the Porsche plays a tricky role since it implicitly presupposes that the expression produces identical signification for the boy, the youngster, and the mature man. If this was the case, then the boy, the youngster, and the mature man would share the same coding system or interpretant (Peirce 1998). The coding system or interpretant refers to the way we as human beings produce meaning while interacting with others and/or with meaningful signs in our surroundings. However, this is not possible since the production of meaning depends on the context, influenced by the person's attitude and continually changed because of experience (Mead 1984). Here it is important to acknowledge that it is the mature man who just exchanged his Porsche for an Audi who presents the childhood dream of a Porsche. The meaning of the primordial childhood dream differs from the dream now presented by the mature man. We could probably exemplify this by imagine the meaning of a Porsche in mind of a child growing up in a home with an alcoholic father. Alcoholism has a tendency to occupy a whole family, not leaving much room for the nurturance or attention to the children. In this situation could the boy's dream of a Porsche signify his wish of getting attention, care, and nurturance. However, to assume that the boy, the young man, and the mature man produce identical meaning is nothing but a conscious or unconscious attempt to create a similarity between dissimilar objects (Adorno 2017) and it is, therefore, a matter of ideology. Besides, is it also a matter of reducing the boy, the youngster, and the mature man to the same person.

Benjamin (2007, p. 92) once wrote that "...traces of the storyteller cling to the story the way the handprints of the potter cling to the clay vessel". The handprints of the mature man cling to his description of his own boyhood dream and reduce its complexity to a phenomenon

identical to the mature man's ideological tale on entrepreneurship. The mature man's tale is not only running from but also contributing to the reproduction of the hegemonic discourse on entrepreneurship found in society.

## Sensus Communis

The Viconian philosophy uses the concept of *sensus communis* describing the common, often unconscious and shared values, norms, and understanding in a certain society and sometimes across societies. From *sensus communis* is the concept known as common sense developed, but since it has a different meaning, we will here stick to the Viconian *sensus communis*. Here in this section we will use the concept to describe the discursive norms and social practices required for turning the narrator into a full-scale entrepreneur. The narrator has to build an organization to become an entrepreneur. We argue that the narrator's use of "I" and "We" covers a division or conflict between the entrepreneur and the members of the organization he builds, his family, etc. Our main method is tracking the author's use of *deixis*. Deixis describes a pointing function in the language (Halliday 2004, p. 39). Deixis anchors the content and the speech situation in a context. Deixis reflects the attitude of the speaker (Wille 2011, p. 208) and it helps the reader to understand e.g. who the author refers to, the time, and place of an event.

The obvious place to start this analysis is undoubtedly at the beginning of the novel where the narrator receives the keys to his new Porsche 911/996. The narrator explains through the use of personal pronominal (deixis) but also through references to places (deixis), that the car results from his development, his journey, and his company. Afterward, the author changes his style of writing and starts addressing the reader directly. This is comparable with films where the fiction breaks down since the actor suddenly starts communicating directly with the camera. Here another narrative voice, the teller, normatively claims that whenever an entrepreneur succeeds, his/her perception of his/her approach and aim will change (Buch 2018b). The entrepreneur will realize that he/she strove not only for himself alone but also for the family, blood brothers,

and society (Buch 2018b, p. 13). The novel contains a paradox between a bragging, selfish first-person narrator and the voice of a teller claiming that the reader should perceive the narrator's selfishness as a matter of altruism. However, it is neither a real-world division nor a division in psychological terms but a dreamlike image of an ascetic entrepreneur who is succeeding, almost on his own, like a modern Robinson Crusoe and still capable of producing a divine service to consumers. It helps produce a discourse including an altruistic narrator fighting for his family, blood brothers, and society. The narrative transforms the act of a selfishness narrator into a matter of altruism. This transformation is only possible since the narrative situates the entrepreneur in the very center and all others, e.g. the family, the people involved in the production of services etc., in the story's periphery.

While describing the relation to team members, who are mainly employees, the narrator uses the inclusive "we". It is suddenly not the narrator's travel, walk or development but a united team without division (Buch 2018b, p. 64). However, the illusion of the undivided team is in contrast to the author's typology of employees, a leading co-founder and an advisor supervising the narrator. The author follows this division between actors by a discourse on how an entrepreneur strategically can motivate his/her employees by using social activities or by offering social capital (Portes 1998).

At the very end of the novel, the narrator is suddenly phrasing the rhetorical question: Has the company made any difference? The answer offered is unsurprisingly "yes". However, the confirmation does not contain an inclusive "we have made a difference" but a strange first-person singular: "I have saved many people a lot of time" (Buch 2018b, p. 131, our emphasis). The novel expresses what seems to be the narrator's sincere wish of being a team member. However, the relation between the narrator and the main characters are being described in strategic terms rather comparable to Buber's (2004) I-It relation. The I-It (Buber 2004) relation describes a mechanic and rationalistic approach to the other. We here conclude that the discursive norms and social practices produced in the narrative covers the relation between people involved in the narrative and thereby reflects Marx's (1990) description of the fetishism produced when a commodity is being introduced to the market.

## Cosmology

In anthropology, the concept of cosmology refers to "...the theory of the universe as an ordering whole, and the general laws which govern it" (Barnard and Spencer 2005, p. 129). We can explain it as the very ontology of a certain group of people. Here we will understand cosmology as the narrator's basic beliefs that build on his perception or understanding of reality. The narrator describes the close family as a disturbing element and on the latent level, the narrator believes that his success is a consequence of his ability to avoid being disturbed by the family (Buch 2018b, p. 20). The relation to the family is later in the novel followed up by a remark about the narrator's relation to the early fiancé which seems to be a superficial relationship built on the narrator's need for supper and a place to sleep (Buch 2018b, p. 36). The narrator's understanding of the relation to the fiancé can appear slightly twisted while he claims that he is doing it all for "them" (Buch 2018b, p. 36).

While analyzing the novel, it becomes clear, as previously mentioned, that the narrator has several visible helpers, such as business angels, business partners, friends, and co-workers. These are essential for the success he achieves, but they are not enough to become an entrepreneur. To become a successful entrepreneur, the narrator must prove that he contains several characteristics that comprise rational and supernatural components. The supernatural components are basically the paradox produced when the narrator claims that he had the ability to succeed despite his lack of what it takes of resources, know-how, etc. But it is also the ability to make the right decisions despite limited knowledge. The narrator claims that his entrepreneurship starts with an idea and despite that; It is strong and sustainable is it not enough to ensure success. A great number of people, the narrator states, develop sustainable ideas but still fail as entrepreneurs.

Among the characteristics, the narrator has knowledge of the field of operations. This description results from the narrator's reconstruction of his own life story. However, the narrator's knowledge learned at work in bars and in the restaurant-industry is valuable while analyzing the potential market and developing a business model producing a surplus. The



narrator concludes, from a retrospective perspective, that his knowledge and competences were insufficient but the reader is paradoxically somehow left to conclude that the narrator's knowledge and competences were suitable for creating a successful business. This paradox is a parallel to the common saying that bumblebees cannot fly but they still do since no one told them otherwise. The ability to achieve the impossible is an essential part of the discourse or riddle on entrepreneurship, where the entrepreneur, like bumblebees, gods or wizards, do what others consider impossible. In the discourse are entrepreneurs presented as people with a very poor understanding of their own abilities combined with divine insight into consumer behavior, product innovation, etc. We link the discourse on entrepreneurs to the fetish character of the commodity the entrepreneur introduces at the market (Marx 1990). When the entrepreneur shows success, he somehow gains a new form of symbolic capital (Bourdieu 2005, 2007). It is a new form of symbolic value not included in Bourdieu's sociology. However, the symbolic exchange means that the fetish character of the commodity (Marx 1990) successfully introduced to the market becomes a symbolic capital or attribute attached to the entrepreneur enabling him to do what others consider the supernatural, magic, and impossible.

After getting the business up and running, the narrator develops detailed descriptions of procedures in the organization and he develops Key Performance Indicators (KPI) required for managerial accounting. We can describe these and comparable elements as part of a rational approach to entrepreneurship. However, despite its importance, the rational approach is not a guarantee for success. The narrator must be eloquent, self-confident, and stay enthusiastic about the business plan. The combination of rational and irrational elements is the essence of the narrator's belief-system and cosmology. Entrepreneurship is in this narrative (Buch 2018b) presented as the eccentric's existentialistic battle for success and survival. The skilled and quick-witted entrepreneur gains success despite an unfair fight against his opponents; The community, competing companies, and other entrepreneurs. In the discourse on entrepreneurship, society is an opponent producing several obstacles such as taxes, toll, and legislation. Ordinary people appear envious and fight against the entrepreneur with a *who-do-you-think-you-are* attitude.

Competing entrepreneurs and companies produce comparable tripping, which the narrator must defeat if he wants to gain success. Undersurface is the novel a tale about the unequal existentialistic battle between the subject, its opponents, society and envious fellow citizen.

## The Replicated Fetishism

In this section, we will return to the results of our previous analysis of the narrative construction and discuss what it can teach us about the discourse on entrepreneurship in society. Our main argument will be that “All in” (Buch 2018b) not only fetishizes entrepreneurship but replicates or double the fetishism. The first sign of fetishism appears while reading the book as a narrative construction while analyzing the book on a meta-level as a concrete example of entrepreneurship reveals another layer of fetishism. Selsing (2018) might be right about the book offering poor advice on entrepreneurship. However, Buch (2018b) might also be right while claiming that Selsing’s review is badly mistaken since the book is not a self-help book on entrepreneurship; it is a concrete example of entrepreneurship and it implicitly produces a new fetishism of entrepreneurship. We will first return to our analysis and catch up and explain the first-order level of fetishism, thereafter we will return to the second-order level.

The narrative construction analyzed in this chapter was Jesper Buch’s handbook on entrepreneurship and our analysis revealed a narrative construction that shortly described is a social-realist novel about a boy perceiving entrepreneurship as a tool for breaking away from a troubled background involving, probably among other difficulties, an alcoholic father. The novel neither introduces a happy end where the protagonist succeeds nor a sad end where the protagonist fails. The end of the novel is an unsatisfied end which leaves the narrator unable to reach end-pleasure. Our analysis reveals a contradiction between the surface level where entrepreneurship is the road to end-pleasure and the undersurface level where the narrator is being caught in a dead-end somehow in-between fore- and end-pleasure. Where the narrative on the manifest level pays a tribute to and consequently fetishizes entrepreneurship, the

undersurface level contradicts the fetishism and reveals an ideological aspect of the entrepreneurship discourse in society.

The narrator claims that the main aim to strive for is actually not one's family but wealth (Buch 2018b, p. 37). Wealth in the pure sense is the motivation factor, and this is clear while describing the closest family (Buch 2018b, p. 20). According to the narrator should an entrepreneur inform his girlfriend or fiancé and children that he will have no time for anything else than his firm in the following five years (Buch 2018b, pp. 125–126). Succeeding as an entrepreneur will, according to the narrator, change everything and the entrepreneur will afterwards be economically independent. The narrator argues that the economically independent entrepreneur will have the ability to fulfill the dreams of his girlfriend or fiancé. The narrator states (Buch 2018b, p. 125) that children are affected by an absent father. It is nevertheless claimed that financial independence will enable the narrator to compensate for the previous absence. It is important to notice that the description of the relation between the narrator and his family is being described in terms of economic exchange. The narrator receives food, a place to sleep, and nurturance for his child in exchange for the ability to fulfill the girlfriend's future dreams. It is an alienation of relations between human beings, which reflects the exchange of commodities in society.

When the mature man repeats the youngster's dream of a Porsche, it produces a reinterpretation of the original dream. The reinterpretation functions as a Viconian metaphor (Vico 2013) since it focuses on the similarity between different things and it, therefore, leaves a residue of otherness. More important to us is how the unconscious reduction of the meaning originally included in the youngster's dream contributes to the narrative construction. Here, it helps to establish progressive plot elements involving experiences from boyhood, manhood, and maturity. However, it is an artificial construction and an example of the ideology involved in the discourse on entrepreneurship.

We agree with Buch (2018b) that Selsing's review of the book "All in" (Buch 2018b) is mistaken. The book is not a traditional self-help book on entrepreneurship, and it is probably right that it cannot offer any substantial advice on entrepreneurship. However, the production of the book is entrepreneurship, and it exemplifies how the innovative entrepreneur

(Jesper Buch) introduces a new commodity at the market. The sales figures (Buch 2018b) show that the new product is a major success. Selsing is right in claiming that the book's target group, *wannabe entrepreneurs*, cannot learn much from the guidelines and advice presented by Buch. However, wannabe entrepreneurs can learn a lot from observing how they become customers in Buch's entrepreneurial book-project. The ability to reduce wannabe entrepreneurs to consumers adds new plot elements to the ongoing story about the entrepreneur. The narrative (Buch 2018b) and the story about the successful entrepreneur add new meaning to the discourse in society on entrepreneurship. It is a discourse established by transferring meaning from the phenomenon described by Marx (1990) as the fetishism of the commodity. The fetishism of the commodity is a matter of hiding the social relation between the people involved in the production and adding new meaning or symbolic value to the commodity. Our argument is that the discourse transfers part of the value produced because of the fetish of the commodity is being transferred to the successful entrepreneur and this is the phenomenon we call the *new fetishism of entrepreneurship*. This analysis shows that the discourse on entrepreneurship produces a negation of the negative image Marx (1990) includes in his fetishism of the commodity. Here, social relations reflect the logic of the market and the entrepreneur takes the spotlight while employees in the production are being marginalized. We are against the contemporary discourse on entrepreneurship since it legitimates the logic of profit maximization produces inequality and causes an ecological crisis.

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# 6

## Entrepreneurship *ad absurdum*

Anna-Maria Murtola

### Introduction: Skin for Sale

In early 2017, the national media in Aotearoa New Zealand reported the case of a “solo mum” who put up for auction a part of her skin for tattoo advertising purposes. In her sales pitch, she explained that “You are getting the chance to own a piece of my body with your name, business name, your own design, or hey, even just ‘brand’ me” (Wynn 2017a). The purpose of the auction was to raise NZ\$4,000 towards tuition fees for a law degree, which in turn would enable her to provide her young daughter with “the best start in life”. It was reported that she “needed to get creative if she wanted to avoid student debt” (Wynn 2017a). Thus, she announced: “Tattoos are obviously for life so who could resist a unique and unusual chance of lifetime advertising?”

This is not the first time skin has been put up for auction in this way on this online platform. In 2012 one woman was paid NZ\$12,450 to

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A.-M. Murtola (✉)

Auckland University of Technology, Auckland, New Zealand

e-mail: [amurtola@aut.ac.nz](mailto:amurtola@aut.ac.nz)

have the logo of a local strip club tattooed on her buttock. Her first attempted listing a couple of years earlier had been removed by the website before the auction could proceed. In 2016, another woman was paid NZ\$6,500 to have an artist's website address tattooed in the same place. This is also not the first time that the practice of tattoo advertising appears globally. In the early 2000s there was a wave of such offerings of skin for sale in the wake of the dot-com boom, leaving scores of people with permanent tattoos on their foreheads, faces and elsewhere, often of now defunct companies. These tattoo recipients involved men as well as women. The most famous case is "Billy the Human Billboard" who amassed 39 permanent corporate tattoos across his body, including several on his face (Watt 2012).

The enthusiasm for this permanent tattoo practice soon waned, and most tattoo advertising campaigns since have used temporary tattoos. Every now and then, however, cases of permanent tattoo advertising continue to appear, most recently in 2018 of a homeless man who was offered and accepted 100 euros for having a British stag party tattoo the name and address of the groom on his forehead. The homeless man characterized the experience as akin to "winning the lottery" (Jones 2018).

Both the skin, and tattoos as inscriptions on the skin, are symbolically important (*Body and Society* 2018). The skin operates as a symbolic boundary between inside and outside (Patterson and Schroeder 2010). Tattoos often function as important signifiers (DeMello 2000). As permanent inscriptions on the body they are often acquired for a specific symbolic purpose. They can operate as important markers of identity and group affiliation, of deviance or rebellion, or of social position and achievement. Tattoos can act as markers of agency, anchorage, belonging and ownership. They play a prominent role in many religions. Above all, they are instruments of communication (Wyman 2010).

My concern here is in this practice of entrepreneurship, in which people see bringing their skin to market for the purposes of tattoo advertising as an entrepreneurial opportunity. It is a matter of entrepreneurship in terms of the seizure of a perceived opportunity to create a new good or service. Here I want to emphasize the context of the entrepreneurial act. It is important to note that a practice such as selling areas of skin for someone else to use as an advertising canvas involves clear gender and

class elements. My argument here is that although “entrepreneurial” in the abstract can sound great, it is always enacted in specific contexts, within specific limits. It is these contexts and limits that at times render the entrepreneurial imperative absurd. The analysis here therefore highlights the need for caution in the universal push of entrepreneurial ideology into all corners of life.

In sum, there is reason to be against entrepreneurship when entrepreneurial ideology and practice serve to hide underlying structural asymmetries of power and privilege, as if such underlying conditions had no bearing on the kinds of opportunities available and likely to be seized in particular contexts. There is reason to be against entrepreneurship when its discourse of freedom and opportunity serves to obscure material and structural constraints, attributing individual responsibility for success and failure where much broader social dynamics are at play.

This chapter is structured as follows. The first section outlines the contemporary entrepreneurial imperative, not merely in terms of the economic but moreover the social importance of entrepreneurial behavior today. The second section establishes the centrality of entrepreneurship to the discourse of neoliberalism, and shows how this plays out in terms of a neoliberal subjectivity. The third section analyses tattoo advertising in terms of entrepreneurial opportunity and investigates the conditions in which skin is brought to market in this way, highlighting the prominence of the neoliberal discourse in the practice. The final section questions the entrepreneurial imperative and its ideological accompaniment by turning received ideas of market liberalism on their head.

## The Entrepreneurial Imperative

In a mundane sense, entrepreneurship merely refers to new business creation. In broader terms, entrepreneurship is about “the discovery, creation, and profitable exploitation of markets for goods and services” (*World Bank* 2011, p. 7). Shane and Venkataraman importantly define “the field of entrepreneurship as the scholarly examination of how, by whom, and with what effects opportunities to create future goods and services are discovered, evaluated, and exploited” (Shane and



Venkataraman 2000, p. 218). This is then not an analysis of the traits of an individual entrepreneur but of the connection between the individual and the context in which they operate, the so-called “individual-opportunity nexus” (Shane 2003).

Beyond new business creation, entrepreneurship has today come to play an important role in the social and cultural organization of life. Entrepreneurship has been touted as the cure to many social ills (Marttila 2012) from poverty (Bruton et al. 2013), to unemployment (Yunus 2017), to financial crisis (Jones and Murtola 2012) and even as the answer to the decline in American hegemony (Schramm 2006). Entrepreneurship is today widely seen as crucial for wealth creation and the development of national economies. The Global Entrepreneurship Index, which measures the “health of the entrepreneurship ecosystem” in different countries, opens with a testament to the importance of entrepreneurs: “Entrepreneurs improve economies and people’s lives by creating jobs, developing new solutions to problems, creating technology that improves efficiency, and exchanging ideas globally” (Ács et al. 2017, p. 3).

Above all, entrepreneurship is seen as a source of economic growth. According to Audretsch et al. (2006), entrepreneurship has long been recognized as crucial in developed economies. They identify the roots of today’s “entrepreneurial economy” in the mid-1970s, but argue that it really “took off” in the 1990s. Developing countries are now following suit. In China, for example, entrepreneurship plays a key role in the country’s national economic strategy (Tse 2016). In the words of China’s Premier Li Keqiang, “Mass entrepreneurship and innovation, in our eyes, is a ‘gold mine’ that provides constant source of creativity and wealth” (Li 2015). No wonder, then, that entrepreneurship has received so much attention as a kind of holy grail of economic growth as a proxy for development. As Sørensen (2008) argues, there is often a profoundly religious undertone to entrepreneurial discourse. This is important for grasping the generalized imperative to be entrepreneurial.

The perceived economic importance of entrepreneurship has led to its increasing role in other spheres of life. For example, a need has been identified to “infuse” education with entrepreneurship (Lackéus 2015). Students need to be *made* entrepreneurial: “How to make students more entrepreneurial is probably the most difficult and important question in

this domain” (Lackéus 2015, p. 6). Instilling an entrepreneurial ethos is thus a conscious social and political project (Bröckling 2015). Entrepreneurship has become not just an economic but also a social and moral imperative.

As Steyaert and Katz point out, “entrepreneurship in the last quarter of the twentieth century became a model for introducing innovative thinking, reorganizing the established and crafting the new across a broad range of settings” (2004, p. 182). They therefore argue for a broader understanding of entrepreneurship beyond its traditional context. According to them, entrepreneurship can be found in many unexpected places in society: in “the pursuit of the new, better or innovative; the identification of market needs or opportunities; the pursuit of gain or improvement of situation; and the use of exchange with others as a basis for all of the above” (Steyaert and Katz 2004, p. 191). Hence the need to study “the geographical, discursive and social dimension of the space in which entrepreneurship becomes inscribed” (Steyaert and Katz 2004, p. 193). Here I will analyze entrepreneurship in the context of neoliberalism.

## The Entrepreneur as Neoliberal Subject

Neoliberalism pertains to a set of politico-economic ideas implemented across the world since the 1970s, including policies aimed at the liberalization of trade, privatization of public amenities, deregulation and the idea of a “small state”, in essence amounting to the so-called “free” market. It has been described as “politically assisted market rule” (Peck 2010, p. xii). The implementation of neoliberal policies has gone hand in hand with a cultural change, radically changing the social fabric. Here the figure of the entrepreneur has taken pride of place.

Drawing on Foucault, Wendy Brown (2015) describes neoliberalism as a “governing rationality”, which rearranges categories available for experiencing everyday life. Particular categories become naturalized through a general shift in consciousness. “A governing rationality like neoliberalism organizes and constructs a great deal of conduct and a great many values without appearing to do so. It produces ‘reality principles’

by which we live without thinking about them” (Brown 2018). It makes certain decisions, actions and life choices appear better or more logical than others. Neoliberal rationality is “*productive* of certain kinds of social relations, certain ways of living, certain subjectivities” (Dardot and Laval 2013, p. 3).

Neoliberalism operates not by disciplining the body, but rather by “governing the soul” (Rose 1999). It does not involve anyone directly forcing anyone else to do anything. Instead, it organizes around the theme of freedom—what Rose describes as governance “*in the name of freedom*”—and is based on the ideal of “the autonomous individual ‘free to choose’” (Rose 2017, p. 304). The neoliberal subject takes responsibility for themselves and does not rely on the state or any other outside body for help, akin to the historical figure of the cowboy as “the archetype of the self-reliant individual” (Solnit 2018, p. 44). This self-reliance, however, essentially builds on a “hatred for dependency” (Solnit 2018, p. 46); a hatred still identifiable in contemporary neoliberal rationality. In contrast to the freedom of the cowboy, however, neoliberal freedom is strongly tied to “the market” and the plethora of commodities it has to offer.

Today, the entrepreneur has become “the neoliberal role model of social subjectivity” (Marttila 2012, p. 5). The market is at the heart of neoliberalism, and the entrepreneur is today the quintessential market actor. Dardot and Laval stress that neoliberal rationality seeks “to shape subjects to make them entrepreneurs capable of seizing opportunities for profit and ready to engage in the constant process of competition” (2013, p. 103). Likewise, Scharff explains how “entrepreneurial subjects relate to themselves as if they were a business, are active, embrace risks, capably manage difficulties and hide injuries” (2016, p. 108). Neoliberal subjects are market actors, standing alone and against their competitors, hoping that their risk-taking will pay off.

However, neoliberal entrepreneurship extends beyond opportunity recognition as such. It has turned inwards and become a project of self management, involving an “intense preoccupation with the self” (Rose 1999, p. 219). Here, “Individuals are to become, as it were, entrepreneurs of themselves, shaping their own lives through the choices they make among the forms of life available to them” (Rose 1999, p. 230). The

freedom of the neoliberal subject builds on the injunction to improve one's life chances through entrepreneurship. This boils down to the level of the body: "The body is now the product of a choice, a style, self-fashioning. Everyone is accountable for their body, which they reinvent and transform as they please" (Dardot and Laval 2013, p. 285).

This neoliberal entrepreneurship of the self is often played out in a financial register, following the model of financial portfolio management. It has become a matter of "adding value" to yourself, "a *process of self-valorization*" (Dardot and Laval 2013, p. 266). There are numerous self-help books, such as *Entrepreneurial You*, which promise to help you "build your brand", "monetize successfully", and teach you "how to amp up the earning potential of a 'portfolio career.'" (Clark 2017, p. 7). O'Flynn and Petersen (2007) argue that "the subject who masters the neoliberal repertoires of self, will most probably be recognised as more competent, marketable, and desirable in a society where neoliberal discourses are dominant" (O'Flynn and Petersen 2007, p. 461).

This entrepreneurial ethos spills over into the sphere of work, which is now recoded through the figure of the entrepreneur. Dardot and Laval argue that the neoliberal discourse means that "individuals must no longer regard themselves as workers, but as enterprises that sell a service in the market" (2013, p. 266). From an investment point of view, it means that "the entrepreneurial self must market its human capital in such a way as to find buyers for the skills and products it has on offer" (Bröckling 2015, p. xvii). This involves thinking of oneself as a business to invest in, marketize, nurture and grow, and often involves some form of "personal branding" (Vallas and Hill 2018). Rarely does this branding, however, take place in a literal sense as in the practice examined here.

## Tattoo Advertising as Entrepreneurial Opportunity

If entrepreneurship involves the seizure of opportunities to create new goods and services, as discussed above, the women here seeking to sell their skin for advertising purposes are entrepreneurs. Following

neoliberal rationality they are, above all, entrepreneurs of themselves, seeking to improve their life situations. They bring to market what they have to trade, in terms of “capital”: their skin. The language in the tattoo auction listing of a “unique and unusual chance of lifetime advertising” indexes the perceived entrepreneurial opportunity. These women have discovered a potential market opportunity for a new commodity that they believe they can exploit. This is entrepreneurship, if not of the most groundbreaking and innovative kind. Previous cases involving tattoo advertising also explicitly identify it as an entrepreneurial act, such as in the US in 2005 where a recipient of a temporary facial tattoo explained of his auction that one could say that it “caused me to catch the entrepreneurial bug, but you could also say that I had it before and that the auction was just a byproduct of that itch” (Fischer 2017).

What, then, are the conditions that surround, encourage and enable people to perceive bringing their skin to market as an entrepreneurial opportunity? What kind of an individual-opportunity nexus is involved? What enables and encourages a person to advertise the opportunity for someone else to “own” a piece of their body, or “hey, even just ‘brand’ me”? This analysis is not of the women involved but rather of the cultural elements surrounding them, both in terms of the discourses deployed by the women themselves in their descriptions of their entrepreneurial acts and in the media coverage of them. It is focused on analyzing the broader conditions that frame, enable and encourage particular acts of entrepreneurship. It is in the context of these that reasons for being against entrepreneurship can be found.

Although the motivations of those seeking to carry tattoo advertisements differ, there are common elements such as paying off debt, education, providing for one’s family, helping others, and hopes for a better future. In all three cases analyzed here, the women had other tattoos from before and a part of the proceeds from the auctions were to be donated to others. Despite the similarities, there are also marked differences in the media reporting on the cases. In the two earlier cases, some of the money earned was to be spent towards repaying debt. The first woman was reportedly made redundant twice in the year preceding her auction. The second was presented as a “blond bombshell” and a “wild girl” who liked “mooning” in public (Wynn 2017b). This is in stark contrast to the

narrative of the third woman, the responsible “solo mum”. Whereas the reporting on the first two cases was full of “butt jokes” (reports of the woman receiving “cheeky offers” of more than “bottom dollar”), the tone of reporting on the third auction differed completely. It was much more serious in tone and more respectful of the woman involved.

From this brief overview it is clear that both class and gender play a role here. Acknowledgment of debt to be paid and “solo” motherhood mark socio-economic position. The few websites promoting (now mainly temporary) tattoo advertising as a way to “make money with your body” are covered in click-advertisements of other ways to “earn easy extra cash” (Kennedy 2018). Although men can be bearers of tattoo advertisements, it is not by chance that the three cases addressed here are of women. In the first case, gender does not directly come to play in the discourse around the auction advertisement, but does in the eventual tattoo being of the logo of a strip club. In the second and third cases gender plays a strong role; in the second in terms of the deployment of sexuality (“blond bombshell who likes mooning in public”), and in the third in terms of responsible motherhood. These descriptions reveal a chronological progression between the cases from woman portrayed as victim (multiple redundancies), to empowered woman who takes charge of her life, to fully neoliberal subject.

In all three cases, but in particular the third one, the neoliberal discourse is strong. All have identified a market opportunity that they try to exploit in order to improve their own position in life. They do not turn to the state for help but instead “get creative” in order to take responsibility for themselves and make the most of the entrepreneurial, market-based freedoms they have. In the third case in particular, the reasons given for entrepreneurialism reveal the archetype of neoliberal subjectivity. Not only is the move intended to enable investment in the self through education (a law degree), but also investment in the future of their family (giving a daughter “the best start in life”, as if life were a competitive running race to be won). These women take their fate into their own hands, are not afraid of taking risks and “capably manage difficulties” (Scharff 2016, p. 108). Bringing their skin to market is their chosen way of expressing their market-based freedom. This is where questions need to be asked about the societal ideas surrounding such a choice

of action, about asymmetries of power between buyers and sellers, and about actual alternatives available.

The charity clause in the auction advertisements warrants attention. This is, after all, not an entirely socially condoned practice. Despite the general mainstreaming of tattooing, buyers of tattoo advertising tend to be more at the margins than the centre of society: strip clubs, gambling parlors and porn hubs rather than universities or supermarkets. There seems to be a need for atonement in the practice. Again, the buyer (not the seller) is given the freedom to choose their lucky charity. On the other hand, others express their “cheers for the noble human billboards of the 21st century” who are willing to make such a profound “sacrifice” beyond most others, “for their families or a good cause” (Xavier 2015). Either way, being tattooed for advertising purposes does not appear to be a generally desirable or socially admired career option.

Finally, it is important to note the role of the media in successful tattoo advertising attempts. On the one hand, there is something comforting in the fact that in this age of generalized commodification the idea of someone bringing their “hide to market” for a tanning (Marx 1976, p. 280) still bears shock value. On the other, this shock value is instrumental to the auction itself, in raising awareness and pushing up the bidding price. The US-based auction of facial tattoo space mentioned above involved considerable media work, including an eventual invited appearance on Good Morning America, resulting in a winning bid of US\$37,375. But, as the tattoo recipient here also made clear, after one successful stint the forehead tattooing strategy became “old news” and was unlikely to work out again. As he put it, “It’s difficult to create something so profound and innovative that every top morning show in America wants to have you on” (Fischer 2017).

From all of the above, the class elements in perceiving and pursuing tattoo advertising as an entrepreneurial opportunity should be clear. It is arguably a sacrifice, and even more so in the context of the neoliberal injunction to hone a portfolio self. It is not elites and the privileged who bring their skin to market. Their entrepreneurial freedoms and opportunities lie elsewhere, enabled by the broader range of “capital” at their disposal. Yet entrepreneurship continues to be pushed indiscriminately as a universally positive force without attention to discrepancies in the

underlying conditions enabling and encouraging particular forms of entrepreneurship, or potential effects of such entrepreneurship on the entrepreneurs themselves (such as potential impact of visible—say facial—permanent tattoos on job prospects and mental health).

The stratification of societies along class, race and gender lines has important implications for the freedoms and opportunities available to specific groups of people. Although I have primarily developed my analysis here along class lines, it is important to keep in mind that entrepreneurial freedoms are also circumscribed by gender elements. For example, the clear Madonna-whore dichotomy identifiable in the media treatment of the three women above has been associated with the reinforcement of patriarchy, and thus has clear bearings on women's freedoms and agency (see Bareket et al. 2018; de Beauvoir 2011). This applies to entrepreneurial opportunities also. For reasons of limited space, however, the in-depth analysis of gender aspects of the topic required to do it justice will need to take place elsewhere.

## Refusing the Entrepreneurial Imperative

There is something profoundly disturbing about tattoo advertising precisely in the context of a widespread social injunction to appreciate one's "human capital". Although the education to be bought with the proceeds from the tattoo auction may be perceived as an investment in the portfolio-self, the auction also involves a certain relinquishing of control over one's body. If neoliberal rationality involves a certain optimization of the body and mind, tattoo advertising involves limits on the freedom to "reinvent and transform" one's body as one pleases. It involves allowing a stranger control part of one's appearance, with their choice of design etched into one's skin. Of course, according to the neoliberal injunction, technically this is a free choice of the tattoo recipients, who choose to treat the skin of their bodies as a canvas that can be brought to market to be put to profitable use.

A savvy neoliberal subject treats their entire being as a collection of resources to be managed in the most profitable manner. This involves an internal split between the subject managing the collection of resources



and the object of resources to be managed, thus involving an element of externalization of the self. Wacquant (1995) gives an account of the “body work” that goes into developing the body, physique and skills of a professional boxer. He explains how “The fighter’s body is simultaneously his means of production, the raw materials he and his handlers (trainer and manager) have to work with and on, and, for a good part, the somatized product of his past training and extant mode of living” (Wacquant 1995, p. 67). Here the boxer essentially works on his “human capital” that then will determine his value in the boxing circuits and his chances of success.

In contrast, tattoo advertising involves the opposite: just skin, with little value-added involved. Or, a part of the self (skin) is sacrificed in order for investments in another part to take place (education), in an effort to increase the value of “the human capital portfolio”. This is a matter of enterprise, of marketing one’s resources, in order to find a buyer for the product (skin) and service (advertising) on offer. It is a case of what has been identified as “corporeal entrepreneurialism” (Hofmann 2010). Those who have limited “human capital” to marketize—in terms of limited value-added assets to rent out or sell on a market—can instead rent out or sell the raw material of their body. To be clear, there are ongoing struggles around these kinds of bodily practices. These include attempts to code them not in terms of mere commodities for sale, but as forms of skilled rather than unskilled labour, for example in the contexts of clinical labour (Cooper and Waldby 2014), sex work (Grant 2014) and gestational surrogacy (Vora 2015).

It is important to read the tattoo advertising practice in light of the neoliberal policy changes resulting in reduced social security and more precarious forms of work, such as the “gig economy”. Entrepreneurship is a perfect material and ideological accompaniment to cutbacks to the welfare state. There is a fine line between the language of entrepreneurial opportunity and the reality of restricted choice, sometimes more a matter of semantics and outlook than anything more tangible. This constitutes a retreat into a laws-of-the-jungle kind of sociality where everyone is expected to fend for themselves, rather than a form of advanced civilization. The easy neoliberal rhetoric of choice requires more detailed

scrutiny as to both the range and quality of actual choices available in particular situations.

The neoliberal rhetoric of market freedom, including the current ideology and practice of entrepreneurship, is based on an abstract idea of independence. Against this, Cockburn (2018) points out that dependence is not something out of the ordinary but a basic fact of all social life. Some dependencies, however, become more visible and get culturally coded more negatively than others. Developments over the past few decades, in particular, have involved a demonization of welfare-state dependency. Against this Cockburn provocatively asks, “which of us is not economically dependent? Isn’t reliance on inter-generational transfers of wealth also a form of dependence” (2018, p. 5)?

Cockburn notes that participation in markets has become perceived as a proxy for independence as such. Hence the important illusion of the “independent entrepreneur” (Jones and Murtola 2013). The problem is that, viewed from the other side, market liberalism is a form of dependence: market dependence. This is “dependence of people who are denied access to resources except through markets: housing, workplaces, even food” (Cockburn 2018, p. 18). As Wood (1994, 2002) points out, market dependence is an integral part of capitalism. She argues that “the distinctive and dominant characteristic of the capitalist market is not opportunity or choice but, on the contrary, compulsion. Material life and social reproduction in capitalism are universally mediated by the market, so that all individuals must in one way or another enter into market relations in order to gain access to the means of life” (1994, p. 15).

Having limited alternative options for subsistence and well-being means that “market opportunity” in reality quickly turns into market imperative (see also Wood 2002). What matters, then, is how a society politically organizes not its freedoms but its webs of dependence, and in whose interests.

## Concluding Remarks

One of the winners of the tattoo auctions declared that he was “reaching the masses using other people’s asses” (Wynn 2017b). This contains more than a kernel of truth. If this is the form that freedom takes in the twenty-first century, then surely we have taken a wrong turn somewhere down the road? Despite the liberal rhetoric to the contrary, the entrepreneurial efforts here are better analyzed in the broader social and cultural context of limited choice rather than that of endless opportunity, as generally pushed by the relentlessly optimistic entrepreneurial discourse. This offers a more grounded analysis of the actual, material conditions of entrepreneurship rather than an idealized and sanitized version completely removed from its reality.

To reiterate, there is reason to be against entrepreneurship when bringing your hide to market for a tanning comes to be perceived as an entrepreneurial opportunity, on par with any other entrepreneurial opportunity, and as a socially encouraged means to escape forms of dependence, such as debt in the tattoo advertising cases discussed here. There is reason to question the broad-based push towards entrepreneurship as a generic social and economic practice, coded positively as a great way to take individual responsibility, when it entirely overlooks inequalities of opportunity, power and privilege that constrain both the range and types of opportunities identified and seized in specific contexts, and their potential effects on specific entrepreneurs. Questions need to be asked about who gets to use other people’s asses for their purposes and, in contrast, whose asses become instruments to be used. The freedom involved in these two positions is not identical, regardless of the rhetoric of freedom of choice in which entrepreneurship is often entangled. These kinds of inequalities must be at the heart of any analysis of entrepreneurship and its individual-opportunity nexus.

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# 7

## Against Entrepreneurship: Unveiling Social Inequalities for Minority Entrepreneurship

Kiran Trehan, Priyanka Vedi, and Alex Kevill

### Introduction

This chapter explores the ontological differences between normative assumptions of entrepreneurship which place emphasis on economic growth, promoting wealth, prosperity and that militate against inequalities, and critical perspectives which draw attention to the political, structural and social inequalities of entrepreneurship. Popular rhetoric often glamorizes the entrepreneurial opportunity, positioning it as a path

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K. Trehan (✉)

University of York, York, UK

e-mail: [kiran.trehan@york.ac.uk](mailto:kiran.trehan@york.ac.uk)

P. Vedi

University of Nottingham, Nottingham, UK

e-mail: [Priyanka.Vedi@nottingham.ac.uk](mailto:Priyanka.Vedi@nottingham.ac.uk)

A. Kevill

Leeds University Business School, Leeds, UK

e-mail: [A.M.Kevill@leeds.ac.uk](mailto:A.M.Kevill@leeds.ac.uk)



towards the alleviation of social exclusion and inequalities. We argue against entrepreneurship based on neoliberalism ideals which focus on the ideas of agency, free markets, and new venture creation as mechanisms for individuals to attain economic wealth and rewards. Entrepreneurialism is advocated as an escape from the economic constraint faced by labor markets. In contrast we challenge this positive rhetoric surrounding entrepreneurship, and the merits of existing policy initiatives encouraging entrepreneurship as a career of choice against a backdrop of structural and economic discrimination. The case of ethnic minority entrepreneurs can challenge such rhetoric.

Rather than being a panacea, entrepreneurship is often thrust upon ethnic minority entrepreneurs due to economic necessity caused by labor market disadvantage and the “double disadvantage” of racism and resource disadvantage on the supply side. At the same time, entrepreneurship typically fails to overcome structural forces within wider society that disadvantage migrants/ethnic minority groups and push them into entrepreneurship in the first place. As such, whilst being positioned as a source of emancipation for minority entrepreneurs, it often does little to free them from societal oppression. Furthermore, entrepreneurship offers an inherently precarious and vulnerable living for minority entrepreneurs, with ethnic run businesses being more likely to have the survival of the business threatened than non-ethnic run enterprises (Wishart et al. 2018). This can push these individuals into further poverty rather than alleviating the poverty they face, as can the fact that migrant entrepreneurs are forced into market sectors that are over-concentrated in low entry threshold activities where the scope for up-scaling or diversification into mainstream markets may be limited. Migrant entrepreneurs can also be driven to operate in the informal economy mainly because of lack of formal finance mechanisms, and limited mobility and access to information and networks. This again hinders scalability and means such businesses offer an inherently vulnerable living to these entrepreneurs. Policies and programs aimed at ethnic minority entrepreneurs are also often developed based on overly positive assumption.

The chapter illuminates the dark side of entrepreneurship. Embedded within the context of critical entrepreneurship, we seek to expose the *taken-for-granted* norms of scholarship in this field, including its

ideologies, assumptions and narratives that posit entrepreneurial activity and practice as largely positive. Despite the phenomenon of entrepreneurship being very diverse, calling for divergence and multiplicity in its understanding, it is fair to contend that most of the available entrepreneurship research is functionalist in nature (Perren and Jennings 2005; Tedmanson et al. 2012). With only little exception, the extant discourse surrounding the notion of entrepreneurship positions it as a “positive economic activity” within the market (Calás et al. 2009). In this light, entrepreneurship as a field of scholarship has mostly been dominated by those interested in it as being a purely market-based, individualistic activity, which should significantly contribute to the economy (Verduijn et al. 2014). From theoretical perspectives in fields of psychology and economics, entrepreneurs are generally considered to possess *special* traits or an important set of behaviours which sets these individuals aside from the rest and drives the creation of new business. The focus on entrepreneurship activity as perceived as desirable and unquestionably positive obscures important questions which challenges traditional literature and discourse. The case against entrepreneurship raises questions of identity, ideology and unequal relations of power (Curran and Blackburn 2001; Johnson et al. 2001; Tedmanson et al. 2012; Verduijn et al. 2014). However, only few studies have aimed to counter the extant positive literature on entrepreneurship and explore the potentiality for the dark side.

In making the case against entrepreneurship, we unveil entrepreneurship by exploring the paradoxes, tensions and ambiguities from the perspectives of minority entrepreneurs—those groups whom can be considered as socially excluded and marginalized from society (e.g. migrants/ethnic minorities). The entrepreneurial context of advanced economies is increasingly being shaped by the growing and dynamic presence of *ethnic minority-businesses* (EMBs hereafter). Ethnic entrepreneurs in the US are more than twice as likely as native-born citizens to start new businesses, and 28% of all US companies started in 2011 had immigrant founders (Fairlie 2013). In the UK, ethnic entrepreneurs create one in seven companies and are twice as entrepreneurial as the British-born working age population (*Centre for Entrepreneurs* 2014). Evidence from the US (Anderson and Platzer 2007), UK (Nathan 2015; Nathan and Lee 2013) and mainland Europe (Baycan-Levent and Nijkamp

2009) also notes the trend for EMBs to be innovative and growth-oriented.

Minority entrepreneurs tend not to be the focus of mainstream literature on entrepreneurial activity, which instead focuses on the mystification of the entrepreneur as white and male (i.e. European) (Essers and Benschop 2007, 2009; Verduijn et al. 2014). These essentialist conceptualisations have come under increasing challenge in recent years—places and spaces have been created which allow room for a concerted focus on what has been termed *Critical Entrepreneurship Studies* (CES). Similarly, authors including Down (2006, 2010), Hjorth and Steyaert (2009), Nodoushani and Nodoushani (1999) and Ogbor (2000) have implied that more critical applications to the study of entrepreneurship are now crucial. Rehn and Talaas (2004), alongside several others, have also paved the scope in challenging dominant entrepreneurial scholarship by exploring alternative, often marginalised, narratives. And other key scholars have begun to challenge the entrepreneurial assumptions that are taken at face-value by shedding an important light on the experiences of minority entrepreneurs (Naudé et al. 2015; Ram and Trehan 2012).

In this chapter, we begin by introducing being against entrepreneurship, in order to counter the positive discourse on entrepreneurial scholarship to date, we embed our understanding of the increasing shadow sides to this notion in the context of critical entrepreneurship—our focus primarily helps to shed light on the activities and experiences of minority entrepreneurs. A focus on the shadow side reveals that entrepreneurs *become* entrepreneurs for more reasons than simple choice. For example, often it is the result of marginalization, discrimination and unemployment within the market that drives such decisions. We also introduce the importance of alternative theoretical perspectives and highlight the added value of these theories in exploring the dark sides of entrepreneurship. In contrast to traditional theories on entrepreneurship, these perspectives help to shed light on the unequal power dynamics, social relations and the importance of social cohesion amongst minority groups of entrepreneurs. We conclude by arguing for more integrated and nuanced approaches to the study of entrepreneurship in theory and practice.

## Against Entrepreneurship: An Institutional Perspective

An institutional perspective of entrepreneurship enhances our understanding of the phenomenon for several reasons. Firstly, entrepreneurship is a multifaceted concept—in order to appreciate the institutional context in relation to entrepreneurial activity, it follows that multiple and diverse means/units of analysis are required (Rath and Kloosterman 2000). Secondly, given that the study of entrepreneurship has been considered from competing traditional perspectives, for example, economic, psychological, sociological resource-based entrepreneurship theory, there is currently no complete paradigm that is able to shed light on both the positive and the negative experiences of entrepreneurial activity. Mainstream literature has focused primarily on positive experiences, whilst ignoring the negatives. There is, therefore, little understanding of the dark sides of entrepreneurship. The dark sides might be associated with entrepreneurs who respond to the institutional environment in light of increasing control by the state and their experiences of marginalization/discrimination at levels of the organization and society. It is important to explore and appreciate how minority entrepreneurs navigate these conditions.

Further to this, the institutional perspective helps to show that there are both “push” (necessity) and “pull” (opportunity) factors for the practice of entrepreneurship (Kloosterman 2010; Williams 2007). It shows that for social groups whom might be considered as socially excluded, the choice to become an entrepreneur is not necessarily driven by opportunity but, instead, by an economic need to survive (Harding et al. 2005; Maritz 2004; Williams 2007). This notion challenges the core of entrepreneurial scholarship and raises important questions.

Unlike traditional theories of entrepreneurship, an institutional perspective provides insight into the cultural and emotional aspects of economic activity—influencing individual decision-making and personal reasons for choice (Kristensen 1994). Changes within an institution shapes the organization and how economic and social aspects evolve through time/space (Thornton and Ocasio 2008)—these institutions are

thus key to understanding the nature of entrepreneurship in our current climate. In this light, an important aspect of institutional theory considers the perspectives of institutional logics as providing a promising analytical lens into the experiences of social phenomena (Thornton and Ocasio 2008; Reay and Hinings 2009)—and there has been some academic consideration given to this perspective in the context of “institutional entrepreneurship” (e.g. Misangyi et al. 2008; Tracey et al. 2011).

In addition, an important strand of the dark side of entrepreneurship considers the use of emotion, unequal power relations and social cohesion as informing the work of minority entrepreneurs. For example, within the context of institutional logics, the concept of social embeddedness provides a fruitful means of analysis (e.g. Zukin and DiMaggio 1990; Kloosterman 2010; Uzzi 1996, 1997). Social embeddedness, originally coined by Granovetter (1985), reflects the institutional logic of community orientation (Thornton and Ocasio 2008). The concept suggests that economic activity cannot be understood outside of the social context within which it takes place. Economic actors, therefore, are involved in a series of personal relations. In this light, migrant entrepreneurs are embedded within a (relatively) concrete network of social relations—customers, suppliers, banks, competitors, law enforcers etc. (Kloosterman 2010)—therefore, helping to highlight the importance of social capital, social relations and a sense of shared experience as central to migrant entrepreneurial work as a means of navigating other competing, institutional conditions (e.g. control by the state).

Academic scholarship has considered the notion of entrepreneurship from an institutional lens (Veciana 1999; North 1989; Hodgson 1998), shedding an important light on the influence of institutions on entrepreneurial activity. Limited attention, however, has been given to the dark side of entrepreneurship from an institutional perspective. Given the inter-disciplinary nature of institutional theory, allowing insight from disciplines including politics, sociology, psychology and other sciences, then a dialogue provided by institutional analysis to understanding the multidimensional texture of the dark sides to entrepreneurship can provide strong theoretical insights.

In this light, it is essential that (minority) entrepreneurship is considered from a wider perspective, scoping the way to critically explore the

negatives associated with entrepreneurial activity, specifically in relation to minority-group entrepreneurs.

## Against Entrepreneurship: Unveiling Inequalities

Much policy attention is given to the promotion of enterprise in disadvantaged areas and amongst under-represented groups. For example, Marti and Mair's (2009) study of entrepreneurship in a context of poverty illuminates the resourceful and effortful practices of individuals to overcome adversity. This kind of work has echoes in the more celebratory accounts of minority entrepreneurship. It reminds us that of the resilience of such communities, and their potentially valuable contributions to the urban economies, but studies of the everyday political communicative practices of migrant businesses are scarce. This section seeks to illuminate how systems psychodynamic can contribute to our understanding of the political, emotional, and relational work performed by minority entrepreneurs. In applying a systems psychodynamic lens, we explore the relationship of the organization as a system, specifically how diversity, power relations and emotions are experienced in the daily working lives of minority business owners. The political view of the small enterprise recognizes that the business owner is embedded in a web of social and economic relationships that both enable and constrain his/her scope for action. Systems psychodynamic—with its heightened sensitivity to emotional and political context—is particularly well-placed to elicit the complexity and multi-layered nature of diversity in small firms.

The lived experience of ethnic minority business owners is often neglected in small firms, organizational and management theory (Kets de Vries et al. 2007; Vince 2002; Trehan and Glover 2019). Psychodynamic theory can help us to explore the unconscious nature of entrepreneurial work by studying the extent to which ethnic minority entrepreneurs are constrained by organizational arrangements and their capacity to disrupt the status quo to effect change. Furthermore, the approach offers an additional view to the rational and economic approaches to work (Sievers

2009). “Diverse minority entrepreneurship is an emotional and political endeavour and not simply about resourcing and planning, but rather about intervening in the emotions and emotionality of organisation life” (James and Arroba 2005, p. 302). Finally, it is important to understand how minority entrepreneurs take up personal authority to manage power dynamics by mediating, manoeuvring and negotiating various manifestations of emotions and the discomfort of learning how to operate in new environments while simultaneously experiencing the adventure of venturing into new markets. In the next section, we explore the role of self-employment and entrepreneurship to illuminate the dark sides of entrepreneurship in the context of the lived experience of migrant entrepreneurs.

## Self-employment and Entrepreneurship

Over the past 50 years there has been growing participation of migrants in entrepreneurship in the UK, especially in establishing small businesses (Fairchild 2010). Migrant businesses contribute at least £40 billion a year to the UK economy, a contribution that is continually increasing as new national and international markets are opened up. Migrant entrepreneurs often provide employment, particularly in deprived areas, and play a highly visible and dynamic role in sustaining neighborhoods and transforming the economic and social landscape of cities in the UK. Small businesses have experienced an on-going process of transformation as they cope with austerity, new forms of competition, and the changing nature of work driven by new technologies, enhanced diversity, migration inflows, mutable local infrastructure, and alterations in the make-up of families and households. Self-employment is a necessity for some migrants. Waldinger (1986), Kloosterman et al. (1999) and Kloosterman and Rath (2001) have identified key motivating reasons why entrepreneurship is critical for migrant businesses.

Migrants may be pushed into entrepreneurship due to the discriminatory practices of employers, who either will not employ them, or fail to offer opportunities for progression (Light and Gold 2000). Parker (2009) reveals factors which prevent migrants from finding employment,

including employers' refusal to validate overseas qualifications, government regulation of the legal right to work, and cuts to funding for language classes. Entrepreneurship becomes a necessary option because other labor market opportunities are restricted. Equally important are pull factors, related to migrants' willingness and capacity to take advantage of economic opportunities. Business opportunities for migrants can include enterprises to meet a demand for goods and services which are specific to particular migrant groups. Portes (1995) suggests that such niche markets are frequently fulfilled by migrant businesses.

Tight-knit community relations among migrants have often brought together social networks which provide informal finance arrangements, entrepreneurial experience, and emotional bonding to share common strategic goals in business (Vershina et al. 2016). The notion of the "corner shop" migrant entrepreneur's willingness to work long hours and invest social capital in making a family business may be a stereotype, but it is nonetheless rooted in evidence (Vershina et al. 2011). When migrants are faced with limited employment opportunities, entrepreneurship can be a necessary vehicle for upward mobility.

For migrant entrepreneurs the drive into entrepreneurship can be seen in large part as a survival mechanism in response to job losses which, in a discriminatory job market, affect migrants even more heavily than other workers. It is also important not to underemphasize the barriers facing migrants in the wider job market, which may lead them to set up their own businesses. For example, a recent OECD report found:

Immigrants tend to be more likely to do temporary and part-time jobs—in Spain, more than half of immigrants, about 56%, have only temporary work, compared with 31% of locals. And, increasingly, immigrants are becoming self-employed. The reasons for this vary: It could indicate that immigrants are becoming more well established in their adopted countries and have the financial means to set up businesses; or it could be a sign that the barriers to finding a job are so high that it's easier for them to work for themselves. (OECD 2014, p. 90)

In order to understand entrepreneurial activity, we need to acknowledge the majority of academic attention has been given to resource-based



and opportunity-based theories of entrepreneurship—which tend to focus primarily on opportunity as being central to the success of entrepreneurial activity (Bates 2011; Van Praag and Versloot 2007). Considerably less attention has been paid to institutional theory in unveiling the dark sides of entrepreneurship.

## The Darker Side of Entrepreneurship

Scholarship in the field of entrepreneurial activity has considered the dark side of *the entrepreneur* (in relation to one's behavioural traits and personal characteristics that can make working for him/her difficult) (see Beaver and Jennings 2005; Osborne 1991; Kets de Vries 2002; Klotz and Neubaum 2016) and the dark side of *social* entrepreneurship (e.g. Williams and Kadamawe 2012). However, academic attention has not yet shifted to the dark sides of entrepreneurship as a means of economic survival (as opposed to growth). Here, we aim to expose these dark sides and shed light on the potential reasons for scholars being against entrepreneurship. As mentioned above, traditional theories on entrepreneurship emphasise a positive discourse on the topic that positions entrepreneurial activity in an unquestionably positive light (Tedmanson et al. 2012). This is because the archetypical entrepreneur—white, male and middle-class—is considered as an economic engineer, creating new business, creating new employment opportunities and contributing significantly to the economy (Bouncken et al. 2018; Tedmanson et al. 2012). Little academic attention has focused on the lived experiences of minority entrepreneurs who turn to entrepreneurship as a result of structural factors: unemployment, employer discrimination, poor access to national/international markets and feelings of social exclusion/marginalisation within institutions/society. There has also been little recognition of the cultural factors that help to bind these minority groups together: specific values and characteristics of the minority group, social solidarity amongst in-group members, informal networks, loyalty and flexibility and a sense of community/shared experience etc. (Baycan-Levent and Nijkamp 2009; Naudé et al. 2015). Setting the agenda for the various theoretical models addressing the late twentieth century rise of ethnic

minority entrepreneurship in many advanced Western economies is Light's (1972) insight that racialized minorities can achieve a surprising degree of entrepreneurial success by deploying the informal business resources of their own ethnic communities. Gradually, however, researchers became aware that this valuable explanation of the ready supply of entrepreneurs needed to be balanced by enquiry into the market demand. A critical approach to minority entrepreneurship elucidates that self-employment is often a response to economic necessity as opposed to economic growth. Importantly, although this stream of literature is currently limited, it does facilitate our understanding that not all entrepreneurs respond to opportunity, not all entrepreneurs can be responsible for creating significant new business/new jobs in the market in the context of increasing social inequality (Williams 2007; Levie et al. 2006).

## Thriving or Surviving

In recent years, it has become increasingly common for scholars to distinguish between push (necessity) factors—entrepreneurs who are forced into entrepreneurial activity as a result of absent/unsatisfactory employment options or blocked opportunities (Borooah and Hart 1999), and pull (opportunity) factors—entrepreneurs who respond to the conditions of the market and exploit business opportunity because they are attracted by the economic gains and financial independence that business ownership offers (Harding et al. 2005; Maritz 2004; Williams 2007). Whilst these notions have been explored within the context of informal sector entrepreneurs, they have not considered the experiences of individuals within the context of minority entrepreneurship. The importance of a “contextualized understanding of ethnic business formation and development” (Sepulveda et al. 2011, p. 491) is multi-faceted. Opportunity structures differ according to time periods, as Sepulveda et al. (2011) show in their study of EMBs in London. Minimal migration regulation and an economic regulatory regime that favoured globalization in the 90s and early 2000s were conducive to the arrival of EMBs with a diverse set of legal statuses. Today, there are restrictions which affect the access and growth potential of EMBs. Additionally, migrant entrepreneurs

(specifically new wave migrants) are affected by a “historical persistence of powerful structural limitations” (Nitu-Antoine and Feder 2013, p. 72). “For all their novelty, diversity and indeed potential creativity, new wave migrants do not enjoy immunity from the rules obeyed by their predecessor entrepreneurial minorities” and are confined to the very activities which have traditionally been an immigrant business domain (Nitu-Antoine and Feder 2013, p. 79). In this light, entrepreneurial minority groups may find themselves *surviving* as opposed to *thriving* with their businesses within an institutional context.

It is important to understand the motivations behind minority groups turning to entrepreneurship. From an institutional perspective, research finds that first generation migrants were forced into entrepreneurship in response to racial discrimination as opposed to presenting opportunities, combined with the need to feel independent and in control of their work/life. External institutional conditions, therefore, have pushed/pulled migrants into entrepreneurship (Light and Gold 2000; Ram et al. 2017) in light of other restricted labor market options (Borooah and Hart 1999), and thus this is not always a simple response to (blocked) opportunity by the minority entrepreneur. There are several reasons why migrants may be pushed into entrepreneurship and entrepreneurial activity—usually these are to combat economic and social disadvantage. One of the most common reasons implicates the discriminatory practices of employers—who either choose not to employ these individuals or do not offer adequate opportunities for career progression (Light and Gold 2000). As Parker (2009) suggests, factors have been uncovered which prevent migrants from finding suitable employment, including the refusal of employers to validate the merit of overseas qualifications, government regulation of legalities surrounding their work rights and funding cuts to language classes. By these measures, self-employment becomes an economic necessity for migrant entrepreneurs (and others!) given that the pursuit of alternative labor market opportunities are significantly restricted.

On the opposite side, also important in the context of minority entrepreneurship are the pull factors which are related to the willingness/capacity of migrants to take advantage of economic opportunities that present themselves (sometimes, in the face of blocked opportunities). For

example, business opportunities for migrants often require the firms to meet an exclusive demand for goods/services, specific to particular groups of ethnic minorities. Portes (1995) has implied that these niche markets are often fulfilled by the entrepreneurial activity of migrants—the process is facilitated by social networks and personal ties in various communities, and national/international connections for shared resource, capital/finance (Kloosterman 2010).

Following the above, then, as noted by Vershinina et al. (2016) there is also strong, “tight-knit” community sense amongst migrants that binds them together, socially and emotionally—helping to socially embed minority entrepreneurs within the local context in which they reside/work. This sense of community brings with it a network of informal finance, shared experience and social cohesion signifying to the migrants that they share a common strategic goal in business (Vershinina et al. 2016). In this light, when minority entrepreneurs are faced with limited employment opportunities, blocked career paths or discrimination within the market, then it is a common finding amongst these social groups that they turn to self-employment/entrepreneurial activity as a means of upward mobility and to economically survive within society.

In addition, research has noted that despite the recognition that several minority entrepreneurs do take advantage of opportunity when it presents itself and initiate small businesses in the context of the UK and Europe (Levie et al. 2006), this contribution is disproportionate and they are still more likely than their white counterparts to face additional barriers which may prevent their business potential from realisation (Ram and Trehan 2012). One such barrier, for example, refers to the perceived failure of mainstream business services to offer support to small/medium sized migrant enterprises. Often, migrant entrepreneurs fear that mainstream providers of business support are inaccessible to their business ventures and this support is therefore viewed as irrelevant to the context of migrant businesses (Carter et al. 2015). In addition, owners of small businesses are often reluctant to take advantage of public sector business support. In this light, research suggests that migrant entrepreneurs are much less likely to exploit local sources of capital, material and output markets, in addition to information regarding specific markets and

localised knowledge (Kalantaridis and Bika 2006). Indeed, the reverse is found to be true for native entrepreneurs.

In light of the above discussion, then considering an increasingly volatile, racially discriminating job market, migrant business owners are often *pushed* into entrepreneurship as an economic survival mechanism. They are often responding to blocked opportunities, job loss or inadequate career progression and these issues can affect migrants much more heavily than other workers. Importantly, whilst there is an acknowledgement that some migrant entrepreneurs have become well established in their adopted countries, and secure adequate financial means to set up their own businesses out of an increased desire for autonomy and control, for the majority of entrepreneurs there are increasing institutional barriers and challenges to finding suitable employment opportunities and therefore it becomes easier to work for oneself (OECD 2014).

## Conclusions

The preceding discussions posit a twofold rationale for being *against entrepreneurship*. Firstly, we are *against entrepreneurship discourse*, arguing against popular rhetoric of the entrepreneurial opportunity as a panacea. Instead, entrepreneurship is often thrust on individuals from ethnic minorities due to unequal power relations (e.g. control of the state/discrimination by employers). Often (minority) entrepreneurs are *surviving* as opposed to *thriving* and turn to self-employment due to economic necessity. Instead of being an overwhelming force for good, we argue against entrepreneurship as it can economically disadvantage minority entrepreneurs, whilst failing to overcome negative social structural constraints faced by them. Entrepreneurship also typically offers an unstable living to minority entrepreneurs, who become trapped in businesses with little opportunity to scale. Research suggests that there are dark sides associated with the experience of several entrepreneurs—these dark sides only become darker when considering the perspectives of minority group entrepreneurs (namely migrants/ethnic minorities) (e.g. Baycan-Levent and Nijkamp 2009).

Secondly, we are *against entrepreneurship research* that paints an overly positive picture of entrepreneurship. It is essential that entrepreneurial scholarship focuses on the experiences of socially excluded entrepreneurs and that it continues to remain critical of entrepreneurship as a means associated with only choice and opportunity. To support this, we have outlined the importance of alternative theoretical perspectives to those associated with mainstream entrepreneurial scholarship—highlighting the merit of both systems psychodynamic and institutional perspectives to the exploration of the dark side of entrepreneurship. Thirdly, we also argue that critical entrepreneurship studies importantly enable us to surface tensions, paradoxes and ambiguities present within the current literature. If entrepreneurship as a field of research is to reach its potential, it must engage with the full reality of the phenomenon of entrepreneurship, something that it currently fails to do comprehensively. At times, this may mean surfacing uncomfortable truths and challenging dominant discourses of the value of entrepreneurship to individuals, communities and societies. Remaining critical and shedding continuous light on the dark sides associated with entrepreneurial activity will allow scholars to ask important questions, raise important issues and uncover the unexpected in relation to entrepreneurial life for specific social groups.

Entrepreneurship is a multifaceted concept—the ethnocultural background of the entrepreneur is an important one to recognize when exploring the associated push/pull factors. Considering the above-mentioned theoretical perspectives and the literature to date, it is possible to explore the underlying reasons for the migrants' decisions/rationales behind entrepreneurial work; and scholarship in this field will contribute meaningfully to our current understanding of migrant entrepreneurship. In the long term, then, the emphasis on dark side of entrepreneurship is not only fruitful from the perspectives on the migrants/small business owners in an increasingly advancing economy, but also for the emancipation of those scholars who conduct research on this topic.

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# 8

## The Fairytale of the Successful Entrepreneur: Reasons and Remedies for the Prevalent Ideology of Entrepreneurship

Fabiola H. Gerpott and Alfred Kieser

### A Never-Ending Story: Defining the Successful Entrepreneur

Entrepreneurs are occupying an important role in our societies. They are heroes who bravely fight for the economy's growth. In spite of many stories about brilliant entrepreneurs that we daily read in the press, it does not seem easy to define what it is that makes an entrepreneur an *entrepreneur*. As Cole (1969, p. 17), a pioneer of entrepreneurship research, observed: “[F]or ten years we ran a research centre in entrepreneurial history, for ten years we tried to define the entrepreneur. We never succeeded”. Fifty years later, we still encounter difficulties when trying to

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F. H. Gerpott

WHU—Otto Beisheim School of Management, Düsseldorf, Germany

e-mail: [fabiola.gerpott@whu.edu](mailto:fabiola.gerpott@whu.edu)

A. Kieser (✉)

University of Mannheim, Mannheim, Germany

e-mail: [kieser@bwl.uni-mannheim.de](mailto:kieser@bwl.uni-mannheim.de)

find out what such different characters as Steve Jobs, founder of Apple, Sam Walton, founder of Walmart or Ingvar Kamprad, founder of IKEA, all successful entrepreneurs, have in common to get united under the label “successful entrepreneur” or “charismatic entrepreneur” (Gerpott and Kieser 2017).

In light of these ambiguous definitions, one is inclined to take refuge to a pragmatic solution like the one offered by Shaver and Scott (1991, p. 24) who suggested that “entrepreneurship is like obscenity: Nobody agrees what it is, but we all know it when we see it”. Relatedly, Jones and Spicer (2009, p. 37) describe the entrepreneur as a target of projection, “an empty signifier, an open space or ‘lack’ whose operative function is not to ‘exist’ in the usual sense but to structure phantasmic attachment”. As Jones and Spicer (2009, p. 55) conclude, “they [the entrepreneurs] are not valued because they ‘really’ contribute value to economic activity. Rather, the entrepreneur is one of the fantasies of economic discourse, a fantasy which we might have begun to unmask”.

Some scholars have indeed dared to unmask the secret of the successful entrepreneur by suggesting “that parts of this venturing sphere are fundamentally contingent, the possibilities arbitrary, and the guiding logic can be that of dumb luck and surprising fortune” (Görling and Rehn 2008, p. 94). Yet, many people would find it extremely difficult to accept that “Bill Gates is just an ordinary human being, wrought with his perfectly normal and human neuroticism” (Jones and Spicer 2009, p. 38). Instead, the public elevates entrepreneurs such as Bill Gates “to heroic status as if there is something unique to his psyche which is the ultimate cause of his economic successes” (Jones and Spicer 2009, p. 39). Accordingly, entrepreneurship scholars continue to search for psychological traits, or genetic dispositions—the “unique to the entrepreneur’s psyche”—which scientifically justifies elevating entrepreneurs such as Bill Gates to a status different from the status of ordinary mortals. Similarly, politicians continue to design policy interventions to motivate even more people to start the (almost-never successful) adventure of entrepreneurship. The broader public craves for stories of the successful entrepreneurs—all in the hope to be part of this success story one day. In an environment, where entrepreneurship is highly valued, showing entrepreneurial interest is a “safe option” (Brandl and Bullinger 2009). Upholding the entrepreneurial

ideology thus has a stabilizing function in Western societies that serves to uphold ideals of modern Western societies and techniques of control.

This chapter's authors take an interest in keeping the discourse about the ideological functions of the entrepreneur alive and in doing so intend to continue the project they started with an essay on *It's not charisma that makes extraordinarily successful entrepreneurs, but extraordinary success that makes entrepreneurs charismatic: A second-order observation of the self-reinforcing entrepreneurial ideology* (Gerpott and Kieser 2017). Luckily, the authors are not the only ones to take such a more unpopular view on entrepreneurship. Like the little gallic village in the comics on "The Adventures of Asterix" (Goscinnny and Uderzo 2004), a small but growing number of scholars resist the opinion of the majority. These scholars are concerned about the notion that the low success rates of entrepreneurs—on first sight—stand in stark contrast to the glorification rates of successful entrepreneurs. For example, the likelihood of surviving with a business five years after beginning the effort is less than 50% (Yang and Aldrich 2017). In contrast, the likelihood of students wanting to become an entrepreneur is more than 50% in many countries across the globe (Zetlin 2013).

This mismatch is a reason to consider being against entrepreneurship: What the majority (hyped role models), the popular (and often also the scientific press) tells us about entrepreneurship does not match the reality as clarified in many (much less hyped) studies. For example, the common conviction that startups contribute to economic prosperity by creating jobs is not supported by evidence. For example, Shane (2008, p. 154) argued that start-up founders are lonely riders who work on their own:

Estimates show that only about one-third of all start-up efforts result in the creation of a new firm. [...] But because just under one-fourth of firms (24 percent) employ anyone, we will need 12.5 people to try to start a new firm to get one new firm that employs anyone. Carrying this further, only 29 percent of new employer firms live ten years, and so 43.1 start-up efforts are needed today to have one new firm that employs anyone ten years from now.

Even if entrepreneurship results in new jobs, these jobs are often lower in quality because they tend to be part-time, offer few development perspectives and are not well-paid (Reynolds and White 1997). As we argue in Gerpott and Kieser (2017), startup entrepreneurs are only in rare cases engines of growth; most of the times, they are closer to being free riders who benefit from an economic upturn (Scott Shane 2009).

To preview the structure of this chapter, we first offer a brief review of critical research that discusses the successful entrepreneur as part of a larger ideology of entrepreneurship. We then turn to the majority view of scholarly researchers who still try to find the success recipe of entrepreneurship and elaborate on recent findings related to the mentally disordered entrepreneur. We elaborate on how-to-guides as a means to try to convince potential entrepreneurs (i.e., everyone in society) to engage in entrepreneurial activities. Lastly, we turn to entrepreneurial teams as one possible way out of the disarray. We close by critically reflecting while this still may not outweigh reasons to be against entrepreneurship—at least if established in the current world order.

## Critical Perspectives on the “Entrepreneurial Ideology”

A decade ago, Brandl and Bullinger (2009) published an essay on *Reflections on the societal conditions for the pervasiveness of entrepreneurial behavior in Western societies*. In their work, Brandl and Bullinger (2009) outline that the pervasiveness of entrepreneurship is grounded in the fact that entrepreneurship has become an institution in Western societies, which entails that the successful entrepreneur possesses legitimization for all his/her behaviors without questioning its justification. Ever since then, a (non-main)stream of research has developed that continues to question the pervasiveness of entrepreneurship both among academics and the broader public. We illustrate the most characterizing aspects of this discussions on the “heroic entrepreneur” by summarizing the book of Campbell Jones and André Spicer entitled *Unmasking the entrepreneur* (2009). This book asks in a highly original way what lies behind the



positive face of the entrepreneur and challenges the popular idea that entrepreneurship is a necessary and good thing.

Tracing the history of entrepreneurship, Jones and Spicer (2009) point out that the entrepreneur enjoyed a short conceptual existence as an economic “adventurer” in Jean-Baptiste Say’s *A treatise on political economy* (1971). About a hundred years later, Say’s adventurer experienced a resurgence as entrepreneur in Schumpeter (1934/2012, p. 132) *The theory of economic development* in which one reads that entrepreneurs

have not accumulated any kind of goods, they have created no original means of production, but they employed existing means of production differently, more appropriately, more advantageously. They have “carried out new combinations”. They are entrepreneurs. And their profit, the surplus, to which no liability corresponds, is an entrepreneurial profit.

Notably, this understanding of an entrepreneur has nothing to do with the heroization of contemporary entrepreneurs. In Schumpeter’s (1934/2012) eyes, the entrepreneur is a temporary phenomenon only existing during the formation of a business. After completing this task, the entrepreneur becomes an ordinary manager again, fulfilling the tasks necessary to run the business. In the contrary, contemporary descriptions of entrepreneurs have fundamentally changed. As Jones and Spicer (2009, p. 57) illustrate “the journalists’ behavior at the Financial Times and the Economist do not recount stories of entrepreneurs as rational, calculating machines trawling the seas of financial capital. Instead, their shanties about entrepreneurs tell of unruly and elusive creatures who do not obey the rules of logical economic behaviour”.

Today, entrepreneurs fascinate not only through their economic achievements but even more spectacularly through their adventurous activities:

When entrepreneurs are presented in the media and television, ... there is a persistent fascination in their seemingly unique personality, lifestyle, or individual foibles—anything but their economic calculations. This is mirrored in entrepreneurship research, which equally seems to both assume

and disavow the place of economics in the designation of the category of “entrepreneurship”. (Jones and Spicer 2009, p. 82)

Notably, the image of the extraordinary, unique and successful entrepreneur that is drawn in the scientific and popular press stands in stark contrast to the working life reality of and expectations for most people. As Jones and Spicer (2009, p. 111) state “[i]f the ideology of entrepreneurship is, at the most basic, the idea of the self-made man, the one who fights against all the odds, then this idea is out of touch with the realities of cooperative labour today”. The entrepreneur is depicted as a lonesome rider, someone who on his or her own “creates relatively stable and coherent patterns of interpretation and meaning” through the “articulation of story lines, plots and the use of narrative structure” (Jones and Spicer 2009, p. 13). As we will discuss at the end of this chapter, it is this focus on the individual entrepreneur that makes it so difficult to develop a counternarrative to the prevalent admiration of the lonely successful entrepreneur.

Interestingly, not every individual who engages in entrepreneurial activities and earns high entrepreneurial profit is lucky enough to be celebrated as a successful entrepreneur. That is, although these individuals fulfill the definition of entrepreneurship as engaging in activities that respond to a need by offering a business service or product, they fall out of the scope of what the ideology of entrepreneurship distributed in the Western world considers a relevant entrepreneurial contribution. Jones and Spicer (2009, pp. 86–87) vividly illustrate this phenomenon:

There are many other figures that haunt the contemporary economy who appear to be very entrepreneurial, but are not likely to gain the title of being an entrepreneur. These are often shadowy figures who lurk in the grey or black economy. They include people working without declaring their income, illegal workers, gamblers, small-time thieves, street hustlers, pornographers, arms dealers, forgers, prostitutes, drug dealers, and organised criminals of various kinds. These characters engage in what is highly entrepreneurial behaviour, that is, they find and create markets, they take risks, they perceive opportunities, they undertake business ventures [...] However, they are not normally recognised as “entrepreneurs”. [...] The

problem is that each of these characters cannot be identified or even thought about as an entrepreneur. [...] This renders us blind to all the “shady” forms of entrepreneurship that go on in contemporary economies. This blindness means that we make ourselves largely ignorant of a rapidly growing and vibrant sector of economic life.

To summarize, as we illustrated by illuminating the work of Jones and Spicer (2009), the entrepreneurial ideology not only upholds promises of individual autonomy and public appreciation through entrepreneurship, but also maintains existing power relationships by establishing clear rules on who is worth to be celebrated as an entrepreneur. As such, it is not a very inclusive ideology; it is largely the ideology of the white, male entrepreneur working in fields that have prestige and that are believed to require brilliance and genius.

## The Futile Search for Psychological Traits That Make Successful Entrepreneurs

In an earlier article, we (Gerpott and Kieser 2017) compared the entrepreneurship researchers’ disparate and futile search for psychological traits that explain a disposition toward entrepreneurship and toward success as an entrepreneur with the alchemists’ search for philosopher’s stone. Being a member of the group of believers and also actively practicing the rituals that communicate the secret insignia of inclusivity is what counts, not actual success. In this respect, entrepreneurship researchers are not so different from their study objects.

In 1956, William Whyte (1956), in his bestseller, *The organisation man* argued that companies were so in love with “well-rounded” executives that they fought a “fight against genius”. Today, as an article in the *Economist* (*In praise of misfits* 2012) found, “many suffer from the opposite prejudice”. Indeed, a common notion among entrepreneurship researchers is that traits such as overconfidence (Salamouris 2013) or narcissism (Mathieu and St-Jean 2013) positively link to entrepreneurship. This raises the question whether people with mental disorders might have a better chance of succeeding as entrepreneurs than people who are

considered mentally sane. Indeed, management researchers (Liu et al. 2019; Lerner et al. 2018; Antshel 2018; Gunia 2018) as well as popular sources increasingly discuss mental disorders as sources of entrepreneurial inventiveness. For example, the founders of Ford, General Electric, IBM and IKEA, not to mention more recent successes such as Richard Branson (the Virgin Group), John Chambers (Cisco), Steve Jobs (Apple) and Mark Zuckerberg (Facebook) were suspected to suffer from Asperger's Syndrome (*In praise of misfits* 2012). The journal *Academy of Management Perspectives* recently organized a symposium on mental disorders and entrepreneurship in which Lerner et al. (2018, p. 266) stated:

the search for micro-level drivers has led scholars to investigate the role of dispositions and conditions that have been traditionally pathologized, such as attention deficit/hyperactivity disorder (ADHD). The potential influence of ADHD looms large in the field of entrepreneurship as a spate of recent studies suggests a positive relationship with creativity, entrepreneurial orientation, and new venture initiation.

In their article, the authors suggest that ADHD should be neither stigmatized nor romanticized in the pursuit of entrepreneurial opportunities, but that it can—if managed wisely—contribute largely to entrepreneurial success. Of note, while the authors acknowledge that the differences that arise as a consequence of ADHD resemble the general advantages and disadvantages of employee diversity (e.g., age, gender, nation, education), they also note that “there seems to be something different about the diversity of perspective that connects ADHD to entrepreneurship” (Lerner et al. 2018, p. 281). Specifically, they assume larger effect sizes, more impactful consequences across different stages of the entrepreneurial process.

When considering this recent trend to study mental disorders as a potential blessing in the context of entrepreneurship, one is inclined to ask whether the solution to entrepreneurship researchers' disparate search for psychological traits that explain who becomes a successful entrepreneur thus ultimately lies in studying social outsiders. Indeed, as Wiklund et al. (2018, p. 199), discuss “while there are good reasons from the perspective of those with a mental disorder to further explore the role of

mental disorders in entrepreneurship, there are also theoretical incentives for exploring these relationships”. Although the authors remain rather unspecific about the exact theoretical value, practice has already happily picked up the focus on social outsiders: By now, tailored entrepreneurship programs for prisoners are available (Patzelt et al. 2014).

Related to the discussion on possible positive effects of mental disorders for entrepreneurs is the discussion “that positive attributes, such as energy, self-confidence, need for achievement, and independence, may sometimes devolve naturally into aggressiveness, narcissism, ruthlessness, and irresponsibility” (Miller 2015, p. 1). DeNisi (2015, p. 101) unveils the absurdity of Miller’s argument—and thereby that of the whole discussion about traits fostering entrepreneurship:

[W]e might extend Miller’s (2015) observations to suggest the possibility that many of the same traits that lead people to become entrepreneurs, when taken to extremes, can lead to their failure. That is, a person high on optimism may be more likely to become an entrepreneur, but a person too high on optimism may be more likely to fail. Therefore, rather than discuss the “dark-side” of these traits, it may make more sense to think about “excessively high levels” of these traits as being predictors of failure.

## How-to Guides for Those Who Want to Become Entrepreneurs

Those who set their sights on the career as an entrepreneur can choose among a multitude of how-to guides whose authors all claim that they “made it”—more or less effortlessly—and promise to pass on their talent and their knowledge to the readers:

I honestly believe that if I did it, you can do it. Why? Because I am anything but your typical businessman. I don’t have a business degree and I’ve never even taken a business course. But I know exactly how to structure a business and make it succeed. (That’s why my clients pay me handsomely to consult with them on their multimillion-dollar businesses.) And I am

putting it all down in this book as the ultimate guide for entrepreneurs. (Masterson 2012: Introduction: Success is not a roll off the dice)

Given that entrepreneurship is a desirable goal in Western societies that highly appreciate entrepreneurs (Brandl and Bullinger 2009), these how-to-guides have high chances to end up in the bestseller lists, thus further enhancing the ideology of the successful entrepreneur. Of course, as this is a very promising path to salvation:

Welcome aboard the good ship Freedom! Maybe you have joined this happy adventure as a willing passenger. Perhaps this cheery vessel has heaved-to, to rescue you from the lifeboat of redundancy while your previous employer sinks without trace. Or maybe you have been rescued, having being marooned on the dreary island of unemployment. For whatever reason you have decided—or been forced—to accompany us, you have just joined the finest and most fulfilling way to cruise through life. (Burch 2012, p. IX)

To be one's own boss, being able to decide when and how long to work and what kind of work seems to be a most attractive goal that can be realized through the decision to become an entrepreneur. How-to guides thus also emphasize the role of entrepreneurship in making the aspiring entrepreneur a better, more complete person:

[A]lthough this book may stray into other territories, its real objective is to examine how the individual can achieve their true worth and value—both financially and emotionally—by employing themselves. After all, whoever you are, you will never find a boss to employ you who will value and treasure you as much as you will for yourself. (Burch 2012, p. VII)

The American company Amway, a multilevel direct sales organization, demonstrates the power of the entrepreneurial ideology by connecting the ideologies of the American dream, the Protestant work ethic and capitalism as well as redemption through spirituality (Gill 2014). Each year, Amway turns thousands of individuals worldwide into entrepreneurs—into entrepreneurs who paradoxically have to follow a highly structured program. Creative destruction is not what is expected from them. As

“Amway distributors” they receive a very detailed how-to guide and are expected to purchase products either directly from the Amway organization or from another distributor and use these products as their own customers or sell them face-to-face. Recruiting or “sponsoring” people for a distributor role is also expected from them (Biggart 1989). Members are attracted with the promise of freedom which DeVos (1993, p. 334), the founder of Amway, in his “Credo of compassionate capitalism”, gives in this way:

We believe that owning our own business (to supplement or replace our current income) is the best way to guarantee our personal freedom and our family’s financial future. Therefore, we should seriously consider starting our own business or becoming more entrepreneurial in our current business or profession.

Some Amway distributors make it to millionaires (Holmes 2013). However, the overwhelming majority of distributors who work hard do not attain an adequate financial income. According to Amway’s statistics only about 2% of all active members who sponsor, and 1% of all active distributors, generate enough sales volume to qualify as a direct distributor (Pratt 2000, p. 463, FN 8). These statistics also indicate that the average monthly gross income for an active distributor has been around \$65. Distributors are also forced to buy training material what reduces their income.

To summarize, these how-to-guides offer an oversimplified image of the paths to success; an image that (far to) many people willingly accept. Whereas some of these guides focus on concrete steps to business entrepreneurship, a large majority even offers advice for all areas of life; one needs to become an “entrepreneur of the self” (Bröckling 2016). This idea culminates in the idea that successful entrepreneurs can become anything, even politicians in the role of head of state.

## The Entrepreneurial Team as a Remedy?

In 1987, Robert Reich (1987, pp. 77–78), Secretary of Labor in the Clinton Administration, reflected in a *Harvard Business Review* article:

Like ancient myths that captured and contained an essential truth, they [stories of enterprising heroes] shape how we see and understand our lives, how we make sense of our experience. Stories can mobilize us to action and affect our behavior—more powerfully than simple and straightforward information ever can. ... To the extent that we continue to celebrate the traditional myth of the entrepreneurial hero, we will slow the progress of change and adaptation that is essential to our economic success. If we are to compete effectively in today's world, we must begin to celebrate collective entrepreneurship, endeavors in which the whole of the effort is greater than the sum of individual contributions.

30 years later, entrepreneurship research at an increasing rate finds that teams successfully take the role of the entrepreneur (e.g. Agarwal et al. 2016). Entrepreneurial teams—defined as two or more individuals who pursue a new business idea and share ownership (Lazar et al. 2020)—are often even more effective than the individual entrepreneur (Cardon et al. 2017; Santos and Cardon 2019; Braun et al. 2018; Akhtar and Ort 2018; Knipfer et al. 2018; Gundry et al. 2016; Kollmann et al. 2017; Khan et al. 2015; Mol et al. 2015). However, so far the discourse on entrepreneurial teams is not particularly successful in superseding stories of the good old entrepreneurial heroes. That is, despite the fact that 85% of high-technology startups have two or more founders (Wasserman 2012), the predominant discourse still focuses on the single founder as a hero in modern society. The investors in the “investor capitalism” (Khurana 2002, p. 62) believe in the charismatic hero CEO; the entrepreneurial community would like to celebrate and “reward a small number rather than the actually productive force that we now have on our doorstep” (Jones and Spicer 2009, p. 111). The entrepreneurial hero is akin to the archetypal hero who experiences rites of passage and has to wage a perilous journey. The hero's initial call to adventure usually is precipitated by a chance circumstance and the most dangerous part of the



journey may be overland or on water but fundamentally it is inward, into the deepest recesses of the self, where the demons of fear lie in wait. Finally, the hero emerges transformed, possessing the power to bestow great benefits on humanity. Upon return, however, he or (very rarely) she is faced by “uncomprehending opposition” to the message before it is eventually accepted (Campbell 1949, p. 217). It is this mythical component of the entrepreneurial story that likely attracts many scholars and practitioners.

This mythical aspect was drastically reinforced by the Great Man cult which developed in the second half of the nineteenth century. A key promoter of this cult in Germany was the historian von Treitschke (1899, Vol 1: 6) who stated in one of his lectures:

Persons, men, make history. Men like Luther, Frederick the Great, or Bismarck. This great, heroic truth will always remain true; and how it happens that these men appear, the right man at the right time, will always remain a riddle for us mortals. Time is forming the genius but is not creating it. Certain ideas may well work in history, but how to imprint them into the brittle material is only granted the genius, which only reveals in the personality of a certain individual at a certain time.

Carlyle (1841/2013, p. 21), the most influential actor of the Great Man cult in England in the nineteenth century opened his series of London talks on heroes, which soon became very popular with the following explanation:

We have undertaken to discourse here for a little on the Great Men, their manner of appearance in our world’s business, how they have shaped themselves in the world’s history, what ideas men found of them, what work they did—on Heroes.

Carlyle intended to demonstrate how “the great man, with his free force direct out of God’s own hand” provided the “lightening” that shaped the world (1841/2013, p. 29).

As Spector (2016) points out, myths and fairytales about heroes might reflect and nourish basic psychological human needs. In his book *Group*

*psychology and the analysis of the ego*, Freud (1921/1967, p. 37) pointed out that the need for a single, special leader was essential, arising from the drive for dependency and love: “A little boy will exhibit a special interest in his father; he would like to grow up like him and be like him, and take his place everywhere”. Freud (1937/1967, p. 111) also noted that “through history, the great majority of people have a strong need for authority which they can admire”. Thus, a centuries-old tradition of narratives and basic psychological needs make a considerable contribution to understanding the persistence of the myth of the hero-entrepreneur (Whelan and O’Gorman 2007). Actual research on the effects of hero myths confirms Freud:

Heroes move us, not just emotionally but also behaviorally. They set a high bar for us and then dare us all to join them. Heroes take us places that give us rich rewards. They lift our dreams and aspirations. We crave heroes and identify with them. We want to be with heroes. We want to be like them, and we want to bask in their successes. ... We love to associate with successful, heroic people because they make us feel good about who we are. (Allison and Goethals 2011, p. 173)

This is not to say that newspapers completely neglect entrepreneurial teams. For example, the three highly successful Samwer brothers—founders of more than 75 companies—are the subject of many press reports. But these are largely not reports of success celebration. Instead, the Samwer brothers are described as “despicable thieves” (i.e., a reference to their business model consists of mimicking the best American e-commerce companies), and other entrepreneurs openly state they wonder “How do they sleep at night?” (Cowan 2012). Interestingly enough, even within this team of founders, the media often pick one seemingly particularly charismatic person and focus on this person to continue writing success stories of individual entrepreneurs (e.g. Ohr 2004). This raises the question how realistic it is that the glorification of individual entrepreneurs will ever be replaced by a more balanced focus on several individuals with different strengths and weaknesses who together make a successful entrepreneurial team.

## Conclusion

In this chapter, we have briefly outlined the main premises of the ideology of entrepreneurship and demonstrated examples of research that—against the knowledge that this is impossible—still tries to uncover the success principles of the individual entrepreneur. We also illustrated by referring to “how-to-guides” how the popular press tries to convince everyone of their potential to become successful entrepreneurs. The reason to be against this glorification of entrepreneurship is that it largely over-promises; evidence shows that many start-ups fail and do not contribute much to economic prosperity. The promises of entrepreneurship cumulate in the idea that successful entrepreneurs can do and become anything, even the political leaders of countries. We are convinced that this notion is highly debatable; it completely neglects the risks of having people in jobs they are not educated for. The prevalent one-sided description of the pros of entrepreneurship is like showing people only how much they could win in a lottery, but never ever mentioning somewhere the actual (almost zero) chances of winning. Entering this unfair game is not much better than playing with a thimble-rigger. Although entrepreneurial teams could be one way out of the heroization of single entrepreneurs, we are skeptical whether they will truly be a reason to stop being against entrepreneurship as it is popularized today. That is, even if eventually, the hero myth of the entrepreneur will be replaced by the myth of the entrepreneurial team as the hero, this will also be ideological since this necessarily simplifies a rather complicated process into an easy success recipe.

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# 9

## From Entrepreneurship to Eco-preneurship

Ove Jakobsen and Vivi M. L. Storsletten

### Introduction

We stand at a most critical moment in history;

humankind has to decide if its future lies down a track anchored in economic models based on the exploitation of nature, a track which is driving humankind towards ever more serious environmental, social and economic problems; or a track towards a future characterized by the protection and valuing of the vitality, diversity and beauty of the Earth's eco-systems. (Jakobsen 2019, p. 5)

From this point of view we argue that we need a change in a direction that is characterized by qualitative development more than quantitative growth. This change process has consequences for how we define and practice entrepreneurship. An entrepreneur is an economic actor who

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O. Jakobsen (✉) • V. M. L. Storsletten  
Nord University Business School, Bodø, Norway  
e-mail: [ove.d.jakobsen@nord.no](mailto:ove.d.jakobsen@nord.no); [vivi.m.storsletten@nord.no](mailto:vivi.m.storsletten@nord.no)



develops a business and is responsible for the risks and rewards of his or her business venture. The business idea typically includes new products or services rather than shifting the existing business model. Entrepreneurs are often described as agents of change focusing on growth within a market economic system. When we look at the state of the world today we notice that the major problems could not be understood in isolation. Entrepreneurship, even if it does lead to increased profits, is a bad idea if it escalates environmental and social disturbance.

On the one hand we argue against a definition of entrepreneurship which defends principles such as quantitative growth and competition, characterizing the dominating market economic business model. Eco-preneurship on the other hand represents a revolutionary step towards a new business model based on qualitative development and cooperation with humans and nature. What separates eco-preneurs from entrepreneurs is basic but divergent ontological understanding. Entrepreneurship denotes reductionism, focusing on things as such (being), while eco-preneurship is based on holism, focusing on processes (becoming). We propose that it is more likely that eco-preneurship within a holistic process perspective is motivated by creating businesses that are far more socially and ecologically responsible than entrepreneurship anchored as it is in the reductionistic product oriented business model primarily, if not solely, driven by profits.

The structure of our critical examination of entrepreneurship vs. eco-preneurship is organized in the following way. First, we critically explain entrepreneurship in a philosophy of science context. Second, we reflect on the connection between entrepreneurship and the mechanistic worldview. Third, we define and reflect on eco-preneurship linked to an ecological economic business model. Fourth, we compare and discuss similarities and differences between entre- and eco-preneurship and connect the two positions to their ability to handle the challenges described in United Nations's 17 sustainable development goals. Fifth, we conclude that entrepreneurship within the market economic business model is not suitable as a base for solutions to the challenges we are facing today. Therefore it is necessary to develop eco-preneurship based on the paradigmatic preconditions found in ecological economics. Finally, dialogue is introduced as a tool for converting the tension between entrepreneurship

(actuality) and eco-preneurship (potentiality) to powerful energy necessary for finding solutions to the environmental and social challenges we are facing today, for sure, locally, nationally and globally.

## Philosophy of Science

Since no agreed definition exists among scholars of “entrepreneurship”, it can be described as being in what Kuhn (1962) termed a pre-paradigmatic phase. The pre-paradigmatic phase refers to the period before a scientific consensus has been reached and different schools of thought exist side by side. In accordance with this definition entrepreneurship research is frequently presented in textbooks as a field that lacks an established ontology (a common description of reality) and epistemology (what is it possible to have knowledge about). As scientists may disagree about the purpose and fundamental premises of the discipline, fragmentation “hinders the full advance of knowledge, because it creates part without wholes, disciplines without cores” (Ucbasaran et al. 2001, p. 57).

However, we have indicators that help to make some of the fundamental preconditions in entrepreneurship research explicit. In textbooks, articles and reports, entrepreneurship is described as being central to the functioning of market economics. According the Organisation for Economic Co-operation and Development (OECD) report *Fostering Entrepreneurship*; “Entrepreneurs are agents of change and growth in the market economy” (OECD, cited in Westhead et al. 2011, p. 3). Competition is inherent to capitalist economy and “capitalism is only healthy when it is growing” (Archer 2019, p. 248). In order to detect profitable economic opportunities entrepreneurs are willing to take risks. Hence, it is reasonable to argue that entrepreneurship shares some of the dominating paradigmatic preconditions found in the market economic business model; growth, competition and strategic thinking.

An increasing number of research reports conclude that the global extraction and consumption of natural resources has reached a level that is unsustainable. In accordance with this statement Spash argues that; “The growth economy is leading to an inevitable series of ongoing crises, creating harm, death and destruction” (Spash 2017, p. 14). The challenge

today is how to develop solutions based on qualitative development and de-growth. In this perspective, entrepreneurship, anchored as it is in the dominating economic system, represents a problem more than the solution. UN's 17 sustainable development goals (SDG's) represent a gateway to awareness of the connection between entrepreneurship and capitalist market economy and consequently to rethink the paradigmatic preconditions on ontological and epistemological levels.

But, being in a pre-paradigmatic stage allows us to find defining paradigmatic preconditions that make entrepreneurship part of the solution to the challenges we are facing. To do this we anchor entrepreneurship in ecological economics and re-name it eco-preneurship. Then we have at least two contradictory positions that each could develop to be the dominating paradigm in the future, or maybe they might even exist side by side.

## Entrepreneurship Is Coupled to a Mechanistic Worldview

In order to clarify the alternatives on the ontological level we distinguish between mechanistic and organic worldviews. On the one hand, a mechanistic (atomistic) worldview states that the nature of everything that exists is composed of parts lacking any intrinsic relationship to each other. *Being* is more real than *becoming* and objects are more important than relations. Reality is studied as "static variables in isolated relationships" (Hjorth et al. 2015, p. 601). The idea is that the cause of any kind of activity is influenced from outside factors and not from inside. According to Capra and Luisi a machine must be controlled by "its operators to function according to their instructions" (Capra and Luisi 2014, p. 59). These ideas have great influence in management and leadership theory referring to efficient operations as top-down initiated. Entrepreneurship in such a perspective is reduced to no more than a mishmash of numbers and statistics. Some of the conclusions drawn about the real world by deduction from conceptual and theoretical abstractions indicate little awareness of the dangers outlined in UN's 17 SDG's.

This means that scholars in entrepreneurship are insufficiently aware of the fact that all concepts and theories are dependent on nature and the historical characteristics of the society. Scholars in entrepreneurship seldom criticize the connection to mechanistic market economy as it is more or less taken for granted. Often when scholars come up with explanations and understanding, they automatically perceive their knowledge to be universal. Instead, knowledge will change if the context changes. From an organic (holistic) perspective the nature of everything that exists is like a living organic whole. Everything is interconnected through a variety of relations. In Whitehead's (1985) process philosophy, *becoming* turns out to be more real than *being*, and relations come to be more essential than objects. According to the theory of autopoiesis, "a living system relates to its environment structurally—that is, through recurrent interactions, each of which triggers structural changes in the system" (Capra and Luisi 2014, p. 135). Social connections are progressively being constructed and reconstructed through flexible networks rather than formal organization. Activity is initiated by the organism itself, from within.

## Eco-preneurship Is Coupled to Ecological Economics

The idea that all entities are connected in cooperative networks is in opposition to mechanistic market economy, which postulates atomistic competition between autonomous actors. Accepting an organic ontology has important implications for both economic theory and practice. For example, it leads to an acceptance of the entrepreneurs as being co-responsible for the whole life-cycle of the products they develop and produce. According to process philosophy, human agents are inseparable from their environment. Even stronger, the environment is immanent in them, and conversely they are immanent in the environment which they help to transmit.

Since we are integrated parts of reality, we cannot place ourselves outside reality and catch objective knowledge by throwing our methodological nets out to catch "reality". The consequence is that entrepreneurial

research and action is focused on “improvement,” defined temporarily and locally, taking issues of power (which may affect the definition) into account. Eco-preneurship, based on organic holism, accepts that our knowledge of the world is always relative to who we are and what we are doing to acquire understanding. Knowledge of the world is always located in time and space, historically, socially, and culturally. This illustrates an essential characteristic of eco-preneurship as it accepts that the connection to the natural and social reality has normative implications. Process philosophy is relevant as a frame of reference if we are to understand many of the challenges of the present; it gives a deeper understanding of how everything is integrated in self-organizing social and natural systems. A consequence of being a co-creator is that agents also become co-responsible. This means that eco-preneurs are responsible for the consequences at the economic, social, and environmental levels.

On the methodological level eco-preneurship opens up a variety of research methods in a theoretically coherent manner, becoming aware of their strengths and weaknesses connected to a corresponding variety of issues. It recognizes that our access to this world is in fact limited and always mediated by our perceptual and theoretical lenses. Hence, it is a necessity to examine and re-think all our taken-for-granted assumptions along with the conditions that give rise to them. This perspective is more closely related to Feyerabend’s (1975) slogan “anything goes” than Kuhn’s (1962) rigorous definition of “normal science”. Reality, according to Feyerabend, involves human beings and their relations to culture and nature. What we recognize and understand depends on where and when we are living.

## Comparison Between Entre- and Eco-preneurship

In this section, we illustrate the connection between the two different perspectives in the following way (see also Table 9.1). Ontology represents the frame of interpretation; in the perspective of the philosophy of science it is of the greatest importance to be aware of and to make these preconditions explicit. All knowledge and all kinds of activity get

**Table 9.1** Entrepreneurship in contrasting contexts

	Entrepreneur	Eco-preneur
<i>Philosophy of science</i>	<i>Positivism</i>	<i>Critical realism</i>
1. Ontology	Mechanical	Organic
2. Epistemology	Positive knowledge	Value based knowledge
3. Methodology	Quasi experiments	A variety of methods
<i>Levels</i>	<i>Market economy</i>	<i>Ecological economics</i>
1. System	Atomistic competition/ Quantitative growth	Cooperative networks/ Qualitative development
2. Actor	Economic man	Ecological man
3. Practice	Strategy	Partnership

Source: Author

meaning by reference to the interpretative context. In mechanist inspired science the parts focused on are all that count while in organic inspired science reality is an integrated whole.

If we are to solve problems connected to UN's 17 SDG's, degradation of nature, the ever-increasing gap between rich and poor, financial crashes, such a change process has to be implemented concurrently on the individual, practical and systemic levels (Jakobsen and Storsletten 2019). Practice depends on systemic conditions and individual consciousness. Entrepreneurial practice within a competitive market economic system turns out differently from entrepreneurship with an ecological economic system. The same counts for the contrasting perspectives on human consciousness; are the entrepreneurs calculating "homo economicus" or are their activities reflecting values based on solidarity?

*Ontology* advances a question of change from a mechanical to an organic worldview. One consequence of this change is that economics becomes subordinate to ecology. It is essential to adapt economy to the limits of ecosystems, organic knowledge and understanding. The idea that natural science should provide knowledge that gives man power over nature must be replaced by an approach in which the goal is to learn from nature and develop knowledge that teaches us how we can best work together with nature, fulfil human needs and improve quality of life. The implication of this reasoning is that entrepreneurship should strengthen the life processes on individual, societal and ecological levels. In other

words, entrepreneurship has a normative function, concretized to contribute to solve UN's SDG's.

*Epistemology* is concerned with issues having to do with the creation and spread of knowledge in particular areas of inquiry. Epistemology asks what is knowledge, how is knowledge acquired, what can people know, what is the structure of knowledge, and what are its limits. Briefly, we can conclude that entrepreneurs within a positivist paradigm are searching for explanations of how entrepreneurs behave and what characterizes creative entrepreneurs with (economic) success. Entrepreneurship based on critical realism has a normative goal, how to contribute to the good life in the good society. Knowledge includes values and could be expressed in different ways, scientific papers, essays, music or drama. *Methodology* within a mechanical worldview very often refers to experiments and quasi experimental designs in order to come up with objective explanations of defined connections between different entities. In critical realism different methods are used to develop integrated value based knowledge anchored in practice.

On *systems* level (macro) the hard-core principle of market economy tells us that the market is made up of autonomous competing actors, and that growth is a main characteristic of a healthy economy. A system anchored in ecological economics describes the market as an integrated network of interdependent cooperating actors. The focus shifts away from objects toward relationships. Since the individual has to respect broad public values, a transition is required away from the egocentric economic man towards the solidarity characterizing the ecological man. Ecological economics, inspired by natural growth curves (increasing rapidly first, then stabilizing), makes it possible to initiate the continuous development of quality of life without increasing the consumption of natural resources. The focus on qualitative development points to major changes in business; many companies and whole industries will disappear, and new ones, more in line with ecological principles and humanist values, will take over.

The understanding of human consciousness is radically different in market economy and in ecological economics. On the individual level, ecological economics has significant implications for the definition of the economic *actor*. Instead of focusing solely on increasing profits (the

economic man), the economic actors put more weight on natural and social implications of production processes as well as products (the “ecological man”). A practical consequence is that eco-preneurs include information about the working conditions for the workers in the entire production process and the extent to which the production process meets environmental requirements, requirements for animal welfare, and health implications for all involved, the consumer included.

On *practice* level (meso), entrepreneurship within a market economic context based on positivism focuses on economic growth, anchored in competition and giving priority to profit maximizing activities. Negative social and environmental consequences are not taken into account; they are consequences of strategies where short term profits count. Eco-preneurs within the systemic conditions of ecological economics have close connections to their local culture. In this perspective, culture has both instrumental and inherent value, instrumental as a source of inspiration and inherent as the glue that connects the parts of society with each other. A network of creative entrepreneurs based on a partnership approach has access to superior information locally, nationally and internationally. By including social values, eco-preneurship helps to create (optimal) conditions for quality of life.

## **Against Entrepreneurship Escalates the Need for Implementing Eco-preneurship**

In Western societies, where the mechanical worldview has dominated since the eighteenth century, development is interpreted in the form of measurable indicators such as economic and technological growth. One of the most important features of mechanical thinking is that technical solutions can be transferred regardless of the cultural and natural context. The market economic business model based on competition between autonomous actors, is an illustrative example of a mechanical system that is supposed to stimulate growth and increase welfare wherever it is implemented and practiced. The idea is that the business model is universally applicable and therefore technology and top-down leadership become the most important tools for social change. Today’s global economy is a



network of financial flows that are mechanically constructed without a culturally conditioned ethical framework. The result is that entrepreneurship is “considered to be one of the critical issues in comprehending growth” (Braunerhjelm 2010, p. 3). The consequences are the reduced opportunities for genuine solidarity between people and care for nature. Worldwide, these problems are challenged through the UN’s definition of the 17 SDG’s.

Implementation of eco-preneurship, giving priority to solidarity, requires dialogue processes aimed at increasing the insight into the social, political, cultural and economic realities. Solidarity rooted in dialogic practice goes deeper. Eco-preneurship based on such “bottom-up” initiated solidarity helps everyone to be committed to mutual aid principles (Kropotkin 1909). It questions the assumptions and reasons behind the problems. We conclude that the time has come to question whether entrepreneurship rooted in growth, competition, smartness, new public management and efficiency is long overdue for critical review, and to be replaced by eco-preneurship which aims to develop societies based on quality, betterment, cooperation, wisdom, freedom and meaning. Dialogue between eco-preneurs and the local society is fundamental both in ecological economics and critical realism. A dialogue based community is rooted in processes that give people influence over themselves and the society in which they live. A dialogue based eco-preneurship involves, engages and inspires people to contribute in creative processes where individual and collective potential are clarified and realized. That is, dialogue is not primarily a means of finding solutions, dialogue is the very energy of social development. The goal is to develop communities and regions in which it is attractive to live. These thoughts are not new and have been advocated by a number of pioneering philosophers and social scientists throughout history. What is new is that a growing proportion of the population is expressing some of the same ideas. In order to create viable societies characterized by high quality of life in harmony with culture and nature, eco-preneurs are required at many levels.

Facilitating individual participation and involvement is an important driving force in eco-preneurship. Dialogue is thus more than a way of finding good solutions to specific challenges; dialogic relationships

represent an integral part of vibrant societies. Through dialogic interaction, people are interconnected, with each other, with culture and with nature. Dialogue plays a key role in the development of living communities characterized by high quality of life for people within the framework of sustainable ecosystems. The reason is that dialogue contributes to the establishment of and the development of dynamic ethical frameworks which are necessary conditions for co-responsible decisions and action. The starting point is accepting that life is all about relationships; all forms of life are interdependent. Humans are physically connected to ecosystems through air, water and soil. As social beings, people are connected through various forms of communication. Dialogues thus become an important prerequisite for cultural development. In order to develop a common understanding of norms and values that are both ethical and political, dialogic interaction is central.

A creative dialogue requires reciprocity and trust between the participants in connection with the exchange of thoughts, ideas and opinions. Through the development of judgment and dialogue, participants become more conscious of their own values and attitudes. By introducing one's own and others' values and assumptions, dialogic processes lead to the development of a common context for interpreting the challenges society faces. In order to arrive at the meaning behind what is being said, or the thoughts behind the words, it is as important to listen to the views of others as to express oneself. As an example, we can mention that dialogue helps to increase the ability to reach common understanding through philosophizing in a qualified way. Dialogues also improves the skills to express one's own thoughts and ideas in a clear way so that others understand what is being said.

## Concluding Reflections

This chapter contrasts two different perspectives on entrepreneurship: one is anchored in mechanistic market economy and the other in organic ecological economics. From these reflections we can conclude that we are not against entrepreneurship as such but rather we are against

entrepreneurship that operates within a business model based on an economic system that gives priority to increased growth and competition. Instead, we suggest that eco-preneurship anchored in a business model based in ecological economics is right if we are to develop solutions to the major challenges confronting the modern society. In order to make sure that the creativity does not take a wrong direction, it is important that researchers in entrepreneurship take the philosophy of science's related preconditions concerning ontology, epistemology and methodology into account.

To generate the needed energy to implement innovations on all levels, eco-preneurs have to make the tension between actuality and potentiality explicit. The aim is to energize the process that strengthens the vitality of self-contained and autonomous communities by establishing collaborative networking venues for dialogue, creativity, learning and development of common solutions. The implication of this reasoning is that eco-preneurship is not an end in itself but a means to strengthen the life processes in nature and society. The only valid purpose of eco-preneurship is to serve life processes in all kinds of social and ecological systems.

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# 10

## Entrepreneurial Insouciance (or Imperiousness), the Big Risk Shift and the Entrepreneurship Interregnum

Philip Cooke

### Introduction

One of the striking features of current evolutionary change in key global political economy optics is the decline of “entrepreneurship”. Still treated reverentially in a paradoxically burgeoning research literature, it is nowadays widely condemned for its “insouciance” (or disregard of established social norms of “trustworthiness”, human privacy and common fraudulence, such as identity theft), “imperiousness” (or presumption that it has sovereign rights to behave egregiously) and failure to manage fraudulent behavior by entrepreneurs (large and small; Ellson 2019). Like other parts of the changing capitalist landscape, stocks are also devaluing in “deregulation”, “outsourcing” and “globalization”. These are the frameworks that have provided the context of a neoliberal paradigm in which “entrepreneurialism” with all its ills (as well, no doubt, as some few

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P. Cooke (✉)

Mohn Center for Innovation & Regional Development, Western Norway  
University of Applied Sciences, Bergen, Norway  
e-mail: [cookepn@cardiff.ac.uk](mailto:cookepn@cardiff.ac.uk)

possible advantages) flourishes. We explore how these require regulatory reform in response to the negative connotations of large and small firm “entrepreneurship”. Briefly, the first of these three objects, deregulation, has had its reputation tarnished initially by the “Big Banks” (with associated “fintech” supply chains) and their reckless transgression of “moral hazard” seen in the Great Financial Crash of 2007–2008, then by the egregious “lawlessness” (Kauffman 2008) of “Big Tech” (e.g. Facebook, Google and their affiliates). Once “entrepreneurial” start-ups only a decade or two ago, these have carried over and influenced the gamut of bad practices described below into the larger corporate “entrepreneurial” world. They are allegedly associated with *inter alia* aiding hate mail, assisting fake news, abetting abuse of minors and minorities, invasion of privacy, stealing of personal data, interfering with electoral processes and fomenting (in Burma/Myanmar) at best, ethnic cleansing or, at worst, genocide of the Burmese Muslim Rohingya people. These specific misdemeanours are a product of the embedding of an “entrepreneurial culture” based on extremist liberalism of the kind captured in Facebook’s former corporate mantra: “Move fast and break things” (Taplin 2017) and one of Big Tech’s earlier shibboleths—which this author first heard at the UK HQ of the then prominent Digital Equipment Company (DEC)—uttered by a corporate interviewee in a telecoms research project (Cooke and Wells 1991) about innovation; “we preach—‘don’t ask permission, ask for forgiveness’” (since attributed to Grace Hopper, a computer programmer on the early ENIAC computer). If true, it has long been in the culture of software programming, a field notorious for its mistakes, product de-bugging crises and frequently “sloppy code” as typical of the Bill Gates era at Microsoft. So “anything goes” has been the defining principle of high-tech since the beginning.

In what follows in this brief chapter, the second section outlines three important, albeit nowadays creaking pillars of the neoliberal edifice that are described. First a discussion with narrative case material is offered on deregulation and its free market “entrepreneurial” expression, execution and effects ranging from corruption to inept implementation, to eventual but unwilling demise. Second, outsourcing (otherwise “open innovation” by which large corporate actors often cede ethical, environmental and economic responsibilities to small and medium-sized firms in *other*

jurisdictions to magnify profits) and its discontents, ranging from employee suicide, toxic pollution and collusive boundary blurring, are anatomized and found wanting. Finally, globalization (which is the apotheosis and culmination of the other two “entrepreneurial drivers”) itself is subject to scrutiny for its social depredations and yawning polarization of wealth and impoverishment that has led belatedly to a sad populist punctuation point in its brief interregnum. Next, the second section focuses on entrepreneurship insouciance and “imperiousness” (meaning being a law unto oneself); what is wrong with it and why entrepreneurs are voting with their feet such is the profile of entrepreneurship decline registered in the “business dynamics” of many countries. Such lawlessness, iconoclasm, imperiousness and—deliberate—insouciance are justification for being “against entrepreneurship”. Brief discussion and conclusions follow.

## Deregulation, Outsourcing, Globalization

Deregulation has been both hand-in-glove with neoliberal economics and shockingly complicit with the corporate interests supposedly being regulated. Probably the first casualty of global importance was the decision of the Clinton administration to champion “network neutrality” in the notorious Section 230 of the US Telecommunications Act of 1996. This exemplar allows us to explore further ways in which established practices of social and economic illegality and their means of prevention may bring about “surveillance capitalism’s” demise (Zuboff 2019). First, with respect to surveillance, it is instructive that in April 2018 it was announced that a celebrated UK business broadcaster and entrepreneur had taken steps to open a legal case in the UK law courts to prevent Facebook from posting illegal “fake” and fraudulent advertising material on its website. The aim of the court case was for such monopolies to be governed by a system of notification where they have the responsibility to inform the subject if an advertisement to ensure it was both genuine and consented to (Gibb 2018).

Such legislation was never mimicked in the UK legal code and like much else in US “digital capitalism” is taken as entitled practice by US

firms anywhere, informed by the hubristic Ayn Rand “Objectivist” existential boasts: “Who will stop me?” (Rand 1943). To clarify: Rand’s main character in “The Fountainhead” is a modernist architect, Howard Roarke, whose creative designs are not accepted by the established academy. Rand’s “Objectivist” assumption was opposed to any kind of Determinism and valued the creative contribution of the individual over the collective. It was thus a forerunner of neoliberal dogma, made popular by Clinton-Bush era Fed Chairman Alan Greenspan, progenitor of the “irrational exuberance” of so-called free market economics. The failure of this ideology ushered in the Global Financial Recession of 2008.

Finally, and briefly, on “deregulation”: the jungle that is social media “net neutrality” fades into relative insignificance compared to questionable practice in the finance industry. There, most “financial regulation” is effectively composed by lobbyists of the regulated, especially the Wall Street and City of London banks, mostly the former. One high frequency trading area (HFT) that functions through artificial intelligence (AI) had been legislated against and in 2010 re-legislated for allowing the practice of “spoofing”. This is an instructive moral versus economic/market conflict case arising from changing regulatory conventions. On 21 April, 2015 the financial trader and “lone entrepreneur” Navinder Singh Sarao was arrested in Hounslow, near London airport. The US Department of Justice had filed an extradition order to put him on trial in Illinois after charging him for his practice of “spoofing” futures markets. This meant entering orders without genuinely intending to buy or sell, which contributed to his trading profits of about \$40 million between 2010 and 2014. Part of the explanation of the criminalisation of spoofing is that regulatory attitudes to it changed with the rise of electronic or automated trading systems (ATS). Spoofing was harder to accomplish in a traditional public trading pit, where, as in a poker game, bluffing was not thought of as wrong, immoral or illegal. Rather, if it was accomplished successfully no punishment occurred. As MacKenzie (2015) concludes: “It’s a deep and difficult issue, and calls to mind an old Marxist word: contradiction”. Accordingly, stock market regulators are “captured”, often having to interpret blurred ethical and other rules let alone enforcing them. Meanwhile, traders habitually find new loopholes and technologies to outwit regulatory intentions. It can be concluded that speed



has, in effect, de-moralised the microgeography of HFT as an early “first mover” in the emergence of a dehumanised relational work of AI-type market relations.

Outsourcing, once evangelized as the apotheosis of global “competitive advantage” for its exploitation of cheap labor, deindustrialization of (unproductive) “rustbelt” economies, decimation of trade union power and prodigious addiction of consumers to commodity fetishism, has also been re-evaluated. The criticism started once stories began to appear in the press about “entrepreneurial” Apple’s outsourcing strategy towards China, where its main outsourcer, Taiwanese smartphone assembler Foxconn, began suffering press reporting of some nineteen worker suicides occasioned by the inhuman pace and boredom of their labor process. This led to Apple re-assessing its supply chain and requiring other sub-suppliers (e.g. for touchscreen technology) to be terminated for polluting local rivers with toxic cleaning fluids. Four environmental groups had also reported Foxconn and UniMicron of dumping heavy metals into two rivers that flow into the Yangtze and Huangpu Rivers, which supply Shanghai with drinking water.

More recently, in the UK, State outsourcing led to huge growth in:

- (a) auditing firms—the Big 4 (KPMG, EY, PWC, Deloitte) grew in size,
- (b) outsourcing firms (in UK) e.g. Carillion; Capita, Serco, Group 4, Interserve, Mitie etc. also grew as privatised state services (in 2018, Interserve had to seek £1 billion re-capitalisation).

A massive, lucrative market had opened up in the UK State Services Sector. Following this neoliberal “Small State” “entrepreneurial” experiment by successive governments, the results in terms of quality of service-delivery began to appear.

Initially, Carillion was officially bankrupted in 2017 with category (a) outsourcers KPMG disingenuously overlooking the financial underperformance of category (b) Carillion, for whom, KPMG was their official auditor. So we see how “entrepreneurial culture” is protected by “collusion”. An executive of KPMG admitted “the public are mistaken if assuming Big 4 auditors (KPMG et al.) judge business performance, we only

monitor rules of tendering and see if valid expenditures are expended". A case of "never mind the quality, feel the width".

Accused of favouring over-bidding to further "entrepreneurial" practices by what had been essentially "dull accountants", the State as chief client in these outsourcing deals then created a risky tendering climate in response to public criticism, which resulted in wins for "lowest bidder" outsourcers (even online auctions) in difficult, costly areas (like care and prisons). State functionaries and ministers frequently forgot or downplayed pension fund costs. The Carillion CFO referred to the "waste of money" occasioned by company pension contributions that resulted in the unfilled £500 million pension deficit. There was poor risk assessment by corporate boards. Governments did not insist on firm risk "hedging". Afterwards, the remorseful Serco CEO proposed "transparency", "open book accounting", "break clauses" and "living wills", as part of the tendering process and for firms to hand contracts back to government while also calling for re-regulation so that tendering firms must fund pensions properly. In other words, the Corporate sector was requesting that the Public sector ought to "protect" firms to act in their own best interests.

Globalization—to complete this little inquiry into the dark side of some key concepts that have begun falling into disgrace, domino-like of late, before returning to the task of briefly introducing that of entrepreneurship itself—is today (2019) less hegemonic than it was at least as little as long ago as 2016. This is proximately because of utterances and actions of Donald Trump, which themselves build upon a right-wing critique of deregulation, outsourcing and, finally, "entrepreneurial" globalization itself. Accordingly, the following quote seems premature, albeit facing aspects of the current dilemmas of political economy:

Inspired by a quote from Antonio Gramsci, the last ten years... (resembles)...an "interregnum"... Either way, the sense that what-went-before has, at most, only slightly evolved since the (financial) crash is a dominant narrative within political economy circles. What unites these accounts is a sense of stasis: that we're stuck, and we've been stuck for a decade. (Stanley and Hunt 2018)

We can agree with some of this but it can be argued that it is already a little belated. To complete the quote as Gramsci put it, in *Selections from Prison Notebooks* (1971),

The crisis consists precisely in the fact that the old is dying and the new cannot be born; in this interregnum a great variety of morbid symptoms appear. (Gramsci 1971)

These “morbid symptoms” we observed in securities trading are found also in the wider economy where firms now routinely lie about aeroplane guidance software (Boeing), automotive “default” emissions (VW), fake stories are rewarded, addictively, from advertisement “clicks” on social media (Bridge 2016; Zuboff 2019), energy firms are seen to have been regularly “gouging” customers (forcing UK government to “cap” prices) while banks and insurance firms increasingly engage in fraudulent schemes (PPI; sub-prime mortgages; exorbitant payday loans) to exploit their customers. Thus, “relational work” research (Zelizer 2012) has been timely and prescient in seeing how boundary lines between fraudulent and honest behaviour became blurred in the neoliberal “entrepreneurial” culture of complicity between poachers and bailiffs.

Earlier, this paper’s critique of Big Tech’s insouciance has elsewhere invoked strong regulation of the kind that broke up Standard Oil (Galloway 2017; Zuboff 2019). But this would have to be suitably advanced by the supposed augmentation of economic theory and practice in conceptualising today’s over-riding intangible over tangible production and wealth. Economists have yet to update modern GDP indices 85 years after Kuznets’ seminal report to the US Congress in 1934. Or, failing that, democratic political will to govern responsibly will be re-discovered by political jurisdictions once again learning successfully to seek to save democracy from capitalism’s worst depredations, also after approximately 85 years.

One observer elaborates a little on one of Stanley and Hunt’s (2018) “heterodox interventions”—universal basic income—that like its opposite “quantitative easing” grew to much greater prominence in the “interregnum” than it had in Oliver Cromwell’s time of Diggers, Levellers and the “pop-up mints” that printed money to pay soldiers in the English

Civil War (Manning 2017). We here refer to Lanchester (2019), albeit a late discoverer of this heterodoxy, in his *London Review of Books* article: “The next Industrial Revolution is coming: here’s how we can ensure equality”. Wolfgang Streeck’s (2016) five dark giants reside in the combination of robotics and artificial intelligence, intertwined with social polarisation, underconsumption, excessive wealth of elites and increased global insecurity which express with great poignancy the need for mass “lifelong learning” because peoples are confronted with:

...a vision of insecurity, projected across a working life. It is a clear principle of economic and political history—one we’re relearning today—that humans hate insecurity... In recent decades, we have seen a “great risk shift”. Individuals in temporary, insecure, gig-like employment are taking on risks that used to belong to the corporate sector. Not coincidentally, the share of GDP going to the corporate sector in profits has risen and the share accruing to labour as pay has gone down. (Lanchester 2019)

A new politics of inequality indicates that there is also revived public appetite for radical demands to curb private and raise public tax and spending. Nevertheless, such has been the rapid rise of globalization since the 1980s that it took both the deindustrialized “rustbelt” communities and their right-wing apologists some 30 years or more to grasp that they had been suckered by globalization and its handmaiden neoliberalist “entrepreneurial” ideology.

## Against Antepreneurship

Entrepreneurship, therefore, is by no means confined to small, or start-up businesses although many of the most prodigious firms on the planet began as precisely such entrepreneurial start-ups, notably in Silicon Valley. But the practices of both the surveillance capitalists and the latter-day emulators of their risk capital business model have tarnished Silicon Valley’s once-admired reputation. Nowhere more was their abiding insouciance vilified than in the form of the Googlebuses that ferry for free the rich programmers and other tech company employees from their

luxury skyscraper homes in San Francisco to their corporate campus workplaces Myslewski (2013). As one Berkeley academic reported of the resulting community activist protests that were widely seen:

“...as synecdoches for the anger that many San Francisco residents feel towards technological privilege and its facilitation of a widening of a class divide in the city”, and that the Google bus protests were “attempts to disrupt the smoothness of technological privilege’s spread”. (De Kosnik 2014)

Other “Big Tech” firms, such as Facebook, Apple, Yahoo and Genentech also began using such conveyances from 2008. Rushkoff (2016) had advocated variants on “universal basic income” as necessitated by entrepreneurial imperiousness and the “big risk shift” suffered in the precarity of the Googlebus protesters. He quoted an opinion on how entrepreneurial insouciance evolved rapidly into Big Tech’s “imperious” quest for “platform monopoly”:

...entrepreneurs are more focused on creating monopolies and extracting value than they are on realising the Internet’s potential to promote value creation by many players...but...the dominant platforms enjoy network effects that, over time, lead to dominant monopolies...which...brings creative destruction to a whole new level. (Rushkoff 2016, p. 87, quoting F. Wilson on Platform Monopolies)

This perspective has grown rapidly into a critique of the post-entrepreneurial, “rent-seeking” mentality of the contemporary corporation. In another book, it is argued:

In several sectors, the growing influence of large and global firms has increasingly had the effect of slowing down market dynamism and reducing the spirit of corporate experimentation. (Erixon and Weigel 2016)

Assessing the experiences of global companies, including Nokia, Uber, IBM and Apple, the authors explored three key themes: declining economic dynamism in Western economies; growing corporate reluctance to contest markets and innovate; and excessive regulation limiting the

diffusion of innovation. At a time of low growth, high unemployment and increasing income inequality, innovation-led growth was being disincentivised. The key reason for this was as follows. Such corporates increasingly spend their profits not on innovation but on share buybacks and other “rents”. Volkswagen’s and others’ emissions defeat devices were contemporary versions of destroying competition until the competition showed it had already or soon mimicked the “scam”. The authors show that so much were the likes of Kodak and Nokia wedded to their sunk costs in previous technologies that they were reluctant to do anything to protect their diminishing returns from their inherited rents. Thus they were unable or willing to avoid action that could prevent corporate death or near-death experiences. Even Microsoft, that bought the carcass of Nokia, suffered the “innovator’s dilemma” (Christensen 1997) of fearing to destroy the rents from Windows by re-directing software innovation to customised apps and new peripherals (Siilasmaa 2019). Meanwhile others recognised the corporate value of intellectual property as a protected source of rent that had the advantage of emasculating competitive corporate innovation. Thus, in another recent critique of monopoly:

...patents and copyrights reward the entertainment and pharmaceutical industries with monopolies known as blockbusters... (Lindsey and Teles 2017)

This puts to question whole rafts of academic research in regional, national or technological innovation systems that both (wrongly) equate “patenting” with “innovation” and then commit the further heroic indiscretion of professing that the former leads to the latter. A comparable argument about the feather-bedded comforts of corporate “rent-seeking” is made by Mazzucato (2018).

So finally, if corporate “entrepreneurialism” has turned into indolent “rent-seeking” practice what of the “business dynamics” of entrepreneurship in small and medium-sized firms and new business start-ups? The brief answer is they too are showing signs of awakening from insouciance and suffering from the “big risk shift” of many others, notably those confronted with the effects of job automation, on the one hand, and the

laziness of corporate “rent-seekers”, on the other. In sum, as authors like Haltiwanger et al. (2014) conclude:

...recent trends point to sustained declines in business dynamism and in entrepreneurship across a broad range of sectors in the US economy. While the causes and implications of this development are still being uncovered, it may suggest a lower growth economy and standards of living than otherwise would have been. (Haltiwanger et al. 2014, p. 2)

This view, referring to sector-wide findings for the US economy is supported for secondary study-reviews of many advanced economies in the world over varying, mainly recent, time-periods (Foster et al. 2006; Hathaway and Litan 2014; Decker et al. 2016; Bijners and Konings 2017; St. Amant and Tessier 2018; Roper and Hart 2018; Cooke 2019). Declines in entrepreneurship have registered varying levels and recentness in all countries studied (e.g. in OECD 2017). It has become significantly marked for graduates from higher education. Hence for US people with more than a high school diploma, entrepreneurship is a less common vocation than it was 25 years ago. The decline is especially pronounced among those with advanced degrees: in 1992, 4.0% of 25- to 54-year-olds with an advanced degree (beyond a bachelor's) were entrepreneurs. By 2017, this rate had fallen to 2.2% (Brookings/The Hamilton Project 2018; Aydin 2019).

Since the Great Recession more redundancies have led to a surge in such “start-ups” in the UK. Accordingly, there are 25% more sole traders than before 2007 but their combined turnover is lower and their profits were half that before 2007. A major study conducted by the UK's highly-rated Institute for Fiscal Studies (2019) showed that most who try self-employment in the UK fail swiftly while very few go on to employ ten people (the definition of “entrepreneur”). Sixty percent realised less than £10,000 in taxable income. Accordingly, 20% of businesses established by “sole traders” (defined as too small to pay VAT) close within a year and 60% close within five years. Not surprisingly, shared workspace investor WeWork's “prosecco-on-tap” business model for technology startup ecosystems, entrepreneurs, freelancers, small businesses and large enterprises suffered financial trouble in 2019 with annual losses of over \$2 billion

(Aydin 2019; Williams 2018). Accordingly, the Institute for Fiscal Studies questioned why government schemes were incentivising employees to start businesses which record low and falling incomes while less than a quarter make deductions for capital investment. For further analysis of the discovery that on a geographically broad scale “entrepreneurship” is no longer as fashionable as its apologists once proposed, a fuller narrative is contained in Cooke (2016, 2019).

## Discussion and Conclusions

We have thus presented an account of the status of “entrepreneurship” in the contemporary economic scene and it is much at variance with a certain benign perspective that most academic “entrepreneur” scholars and apologists in business and government prefer to believe. A representative contribution to boosting the low status of entrepreneurship research in the business literature was provided by Shane and Venkataraman (2000) in a highly-cited paper. They identified three questions entrepreneurship studies should study: first, how entrepreneurial opportunities exist; second, why and how some people not others discover these; and third, why and how the few can exploit these. Without elaborating at tedious length on these, it is nevertheless instructive that research into why and how entrepreneurship stagnates, fails and declines is not to be addressed.

We can gain some insight into the path to perdition of the origins of one allegedly illegal distortion of socio-economic “disruption” through the Silicon Valley lens as refracted by right-wing journalism-cum-politics in reading the beliefs of, first, a UK Brexit conspirator and, second, a high-tech “influencer” of a slightly earlier era. The politico-journalist is Britain’s (2019) new Minister for a “No-Deal Brexit”, former leader of the Vote Leave UK EU referendum campaign Michael Gove. He was also an early admirer of perpetrators of data harvesting from some 97 million private Facebook posts as manipulated by Cambridge Analytica aided and abetted by Victoria, BC’s Aggregate IQ algorithm coding firm. This was preparatory to the aforementioned plebiscite as is shown in the following.



...In the spring of 2014 Emmanuel Macron departed for Silicon Valley intent on building a tech start-up venture. Something I recognise from his adoption of a number of approaches that were used on the Vote Leave campaign... Mr. Macron's team contacted 100,000 voters and then...used algorithms to determine not just the opinions of the electorate but the intensity with which they were held. Vote Leave employed a remarkably similar approach. But, like Vote Leave, in deploying the tools and techniques of a tech start-up to so comprehensively disrupt the existing order, he has shown us the politics of the future. (Gove 2017)

As Gove says, this is exactly comparable to the UK Vote Leave data harvesting of innumerable voters to determine not only their unwitting opinions but the intensity with which they were held. All this was done without Gove, the former Justice Minister, acknowledging or even apparently caring about the probable illegality of invading the privacy of the French (or British) electorates “to disrupt the existing order”.

The origin of this new “view of the world” in which democratically agreed norms of non-invasive inquisition of voter or—for that matter—consumer intentions by nefarious means, was first knowingly articulated by Scott McNealy, founder of one of Silicon Valley's once iconic IT firms, Sun Microsystems, now an acquisition of another Silicon Valley giant, software firm Oracle. It became another variety of Silicon Valley geek-speak when McNealy commented that:

“You have zero privacy anyway,” Sun Microsystems chief executive Scott McNealy famously said in 1999. “Get over it.” (Popkin 2010)

Inspired by this, Facebook founder and CEO Mark Zuckerberg famously went on record imperiously speaking the same sentiments expressed by the big money data farmers that came before him: “none of the cool kids care about privacy. Neither should you”. “This past December (2009), Google Chief Executive Eric Schmidt glibly stated in a CNBC interview”, “If you have something that you don't want anyone to know, maybe you shouldn't be doing it in the first place” (Popkin 2010). So there you have the authoritarian, inquisitorial, surveillance philosophy in a nutshell—“Big Brother is watching you”.

So, to conclude this account of the deflation of the mythology of “entrepreneurship” at the hands of the “disruptors”, “influencers” and “iconoclasts” we have argued that “entrepreneurship” has developed a bad name whether at the hands of the corporate rent-seekers, deregulators, outsourcers and globalisers or their erstwhile emulators in the world of innovators, imitators and imperious forerunners. This judgement confirms and conforms with the data mobilised above which justifies swinging critique of “entrepreneurialism”’s transgression of social, economic, environmental and political norms of civilized behaviour in contemporary society. In both cases, reputations have declined as the “entrepreneurship ecosystems” have grown thinner while the corporate mega-budgets have burgeoned from their rent-seeking, profit-taking and tax-avoiding “culture” of entitlement. Both categories arose with the rise of neoliberal ideology and both are facing category-killers from the emergent critique of the social polarisation, excessive earnings and luxury consumption that characterises the kingpins of both. Right-wing populism, anti-immigrant rhetoric, precarity, excessive earnings and luxury consumption have arisen in the past but have so far been defeated by those suffering unacceptable austerity outcomes from the “big risk shock” of gig-like economic insecurity, minimum wages, sink-estate slum housing and fragile cognitive conditions as democracy once again confronts the spectre of unrestrained capitalism. These are more than sufficient reasons for being “against entrepreneurship” for its lawlessness, iconoclasm, imperiousness and—deliberate—insouciance.

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# 11

## The Dark Side of Entrepreneurial Passion: Restraining Employee Innovative Behaviour?

Eeva Aromaa, Ulla Hytti, and Satu Aaltonen

### Introduction

Most studies focus on the positive outcomes of entrepreneurial behaviour and emphasise the pivotal role of the passionate entrepreneur in determining firm success (Man et al. 2002; Ahmad et al. 2010). However, there is also a dark side in entrepreneurship as Kets de Vries pointed out as early as 1985. He suggested that the traits and behaviours of entrepreneurs that allow them to succeed in their businesses can prove to be detrimental in their roles as managers or co-workers (Kets de Vries 1985).

Research on entrepreneurial passion suggests that entrepreneurs have enthusiasm and love for their ventures (Cardon et al. 2009). For the

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E. Aromaa (✉)

Business School, University of Eastern Finland, Kuopio, Finland  
e-mail: [eeva.aromaa@uef.fi](mailto:eeva.aromaa@uef.fi)

U. Hytti • S. Aaltonen

Turku School of Economics, University of Turku, Turku, Finland  
e-mail: [ullhyt@utu.fi](mailto:ullhyt@utu.fi); [satu.aaltonen@utu.fi](mailto:satu.aaltonen@utu.fi)

owner-manager, a business bears meaning beyond economic utility, perhaps becoming an extension of the self. Consequently, the inner make-up of the key power holder greatly influences how the business is run. The owner-manager may meddle in even routine operations, centralise power and restrict others' initiative (Kets de Vries 1996). In the context of small companies, the owner-manager has the responsibility of serving as the primary brake or catalyst of innovative behaviour within the firm (Carrier 1996; Bouchard and Basso 2011; Castrogiovanni et al. 2011).

On the other hand, employee-driven innovations are found to be key sources of competitiveness for small- and medium-sized enterprises (SMEs) (Kristiansen and Bloch-Poulsen 2010; Hoeve and Nieuwenhuis 2006; Feldman and Pentland 2003). Research on employee-driven innovation places primacy on the idea that every employee can have innovation potential irrespective of their position or level of education (Kristiansen and Bloch-Poulsen 2010). This chapter discusses the tensions and contradictions between employee-driven innovativeness and entrepreneurial passion of the owner-manager. The overly positive view of entrepreneurship can therefore be challenged (Verduijn et al. 2014).

This chapter illustrates why there is a reason to be against such manifestations of entrepreneurial passion, which bring out some of the darkest sides of entrepreneurial management. This study addresses these manifestations by investigating the interplay between the owner-manager and the employees while analysing how entrepreneurial passion may restrain and condition employee innovative behaviour within a small firm. The study is based on an intensive case study in one Finnish small service company. Our results indicate that entrepreneurial passion restrains or conditions employee innovative behaviour, which means there is reason to be against "entrepreneurship"—or at least much more cautious than most of the previous literature has been. In terms of structure, this book chapter first provides a theoretical framework consisting of entrepreneurial passion, entrepreneurial management behaviour and employee innovative behaviour. Next, we continue by describing our methodological approach before presenting our main findings. Finally, we discuss the theoretical and practical implications.

## Theoretical Framework

### Entrepreneurial Passion and Entrepreneurial Management Behaviour

Entrepreneurship is an emotional journey (Baron 2008) and passion is embedded in its practice (Cardon et al. 2009). The interpretivist orientation views passion as a socially produced and reproduced phenomenon, where passion is mobilised in certain organizational situations and characterised by historically situated cultural and social practices (Gherardi et al. 2007). Entrepreneurial passion consists of “*consciously accessible, intense positive feelings experienced by engagement in entrepreneurial activities associated with roles that are meaningful and salient to the self-identity of the entrepreneur*” (Cardon et al. 2009, p. 517). From this perspective, passion becomes integral to entrepreneurial and managerial identity (Simpson et al. 2015). At its best, experiences of entrepreneurial passion aid in motivating coherent and coordinated goal pursuit (Cardon et al. 2009).

Previous studies have emphasised the positive consequences of entrepreneurial passion while overlooking the potentially negative side. Cardon et al. (2005) suggest that while entrepreneurial passion can be inspiring, it can also be hurtful to oneself and others, leading to dysfunctional consequences. Previous studies about the dark side of passion have suggested that the experience of passion may produce response patterns that are obsessive, blind or misdirected (Vallerand et al. 2003). For example, this dark force can be seen in entrepreneurs’ resistance to exploring alternative options (Cardon et al. 2009). Simpson et al. (2015) have criticised the current research on entrepreneurial passion for its teleological assumption: passion is understood as a solely positive emotion that influences entrepreneurs’ cognition and behaviour in a helpful manner.

The literature thoroughly highlights the pivotal role of owner-managers in running their firms. Management in small firms is unique, often characterised by personalised preferences and informality. Few studies have focused on the interactional nature of passion to investigate how entrepreneurs’ actions and performances of passion impact others. Although



leadership is a major entrepreneurial task, entrepreneurship research has primarily focused on the relationship between leadership styles and organizational performance (Vecchio 2003; Ensley et al. 2006; Hmieleski and Ensley 2007). However, affective experiences at work influence employees' behaviour (Seo et al. 2004) and Breugst et al. (2012) argue that there is a lack of knowledge about how managers' entrepreneurial passion influences employees' actions. In small companies, entrepreneurs and employees are in frequent and direct contact with each other, making it more likely that entrepreneurs will affect employee behaviour considerably (Ensley et al. 2006).

## Employee Innovative Behaviour

The employee innovative behaviour literature underscores that innovative behaviour extends beyond the right of the owner-manager and every employee has an innovative potential (Kristiansen and Bloch-Poulsen 2010). Innovative behaviour among employees has been defined in various ways and some definitions emphasise the phases from idea generation to idea implementation, others refer more to an attitude (Dorenbosch et al. 2005), or activities such as problem identification and finding solutions (Basadur 2004). Regardless of the vantage point, employees' innovativeness has been found to play an essential role in ensuring the competitiveness of SMEs (Kristiansen and Bloch-Poulsen 2010; Hoeve and Nieuwenhuis 2006; Feldman and Pentland 2003). Besides the economic value created for the company, the possibility for employees to engage in innovative behaviour and in innovations also improve the work life quality (Kristiansen and Bloch-Poulsen 2010). However, existing research suggests that employees cannot operate alone, but innovative processes can be seen as the outcome of a continuous interplay between the managers and employees (Heinonen and Toivonen 2008). Researchers have noted the need for the leader to be sensitive during the innovation process. Leaders should encourage innovation, evaluate and develop employees' ideas, act as role models and be innovators themselves; simultaneously, they must be careful not to be overly dominant and discourage

subordinates from expressing their ideas (Mumford et al. 2003; Hunter and Cushenbery 2011).

We argue that acknowledging the context (Welter 2011) is of the utmost importance in understanding employee innovative behaviour, particularly when investigating employee innovative behaviour and its potential barriers. For example, Aaltonen and Hytti (2014) demonstrated that the barriers caused by everyday work practices are important—even if commonly ignored in the innovation literature. Innovative behaviour among employees has primarily been studied in large firms and public sector organizations (Moriano et al. 2011). Following de Jong and Den Hartog (2007), our interest lies in expert services—but with a particular focus on the small firm context and the role of the owner-manager as a gatekeeper or promoter of such behaviour (see also Carrier 1996; Castrogiovanni et al. 2011, Aaltonen and Hytti 2015). Thus, our contribution rests in providing a more nuanced understanding of the interaction between the expressions of entrepreneurial passion and employee innovative behaviour in the small firm context.

## The Case Company

We conducted empirical research in a rental and real estate company. This micro-sized company has implemented several service innovations in the past few years. The owner-manager of the company is a middle-aged woman who established her agency in 1999 as part of a franchising chain and has been leading the company ever since. The company operates in a competitive field of business, making the constant renewal of service processes and new service innovation essential for survival. The owner-manager holds 70% of the company shares, while two employees each hold 15%. The owner-manager actively participates in the company's daily activities and informally leads the operational work. The open culture allows for abundant discussion and encourages co-operation between the owner-manager and employees.

## Methodology, Data Collection and Analysis

An event-based criterion was applied in selecting this case (Neergaard 2007), and for the purposes of this research, we rely on the idea of an intensive case study strategy (Eriksson and Kovalainen 2015). During the two-year research project which focused on managing and measuring innovation at work in a Finnish small and medium-sized companies, we built an understanding of the roles of the owner-manager and employees in their everyday activities by relying on different data sources gathered from the case company. The first author conducted participant observation for one week, participated in eleven office meetings, arranged two company development workshops and conducted four interviews with the entrepreneur and one with all employees. The analysis is based on the transcribed data from the development workshop, where the owner-manager, Paula (all names are pseudonyms), and three employees, Irene, Emma and Anna reflected on the company's innovation practices and related tensions (Aromaa and Eriksson 2014).

In the first phase of the analysis, we paid attention to the fact that the interaction between the entrepreneur and the employees was shaped by the role of the entrepreneur as the prime mover in almost all matters. This led us to investigate the case and findings through the theoretical lenses of the “dark side of entrepreneurial management” (Kets de Vries 1985) and employee innovative behaviour (Kristiansen and Bloch-Poulsen 2010).

## Results

In this section, we present relevant findings from our case company, where the owner-manager and the employees talk about the innovation practices of their firm. The seven extracts we will introduce fall into two thematic categories emphasising the role of the passionate entrepreneur: (1) the owner-manager as the leading innovator of the firm and (2) the owner-manager as the leading decision maker of the firm.

## The Owner-manager as the Leading Innovator of the Firm

**The owner-manager develops ideas alone.** At the workshop, the owner-manager discusses how she comes up with ideas during her leisure time during the weekends and holidays.

Yeah, I've had time to think. I've sat on the sauna bench, warmed in the sauna and done trips on a row boat. I have like a long process there where all the time I'm thinking about it [the idea], it just sort of grows and then I'm all like yes! I feel absolutely convinced that these are great ideas! And I can hardly wait to tell you all about them! (Paula, Manager)

Summertime is the most hectic season in the company. At the workshop the employees critically reflect on Paula's behaviour when she comes back to the office with her ideas.

While you are away, we have been working really hard. When you start with your ideas, we feel like you seem to have little respect for the work we have been doing during your time off. (Emma, Employee)

There is also another problem with owner-manager's habit of elaborating her ideas during the leisure time.

And you have thought it [the ideas] out so far in your head. And then you get terribly disappointed when we are not really excited about them. (Irene, Employee)

**Interpretation.** The owner-manager's habit of developing new ideas during her leisure time poses two problems. First, during the holiday season, the employees are very busy and work under pressure. When the owner-manager returns to the office with all her new ideas, the employees are not in a welcoming mood. The owner-manager's timing for presenting her new ideas is sometimes poor. The employees feel that she does not show them respect for working hard during her holiday when she presents new ideas immediately upon return. Second, the employees feel that

they are excluded from the innovation process because they are not involved in developing the ideas but are only presented the outcome that the owner-manager thinks is ready for implementation. As a result of the owner-manager's passionate but solitary brainstorming, the employees find it hard to make sense of her thought process. Sharing ideas at an earlier stage could reduce negative group reactions and save the owner-manager from the disappointing reaction of employees who are not excited about her ready-to-implement ideas which from the employees' point of view may be far from ready.

**It's like back to the drawing board.** When the owner-manager and employees reflect innovation practices of the company, the employee describes the owner-manager as the main innovator of the company. The employee raises a problem how the employees cannot see themselves as contributing to the innovation practice of the company.

All our new ideas start from Paula's black notebook. Her ideas are the liveliest and loudest, even shocking and upsetting. She presents her ideas as if to suggest that we will begin to act in a totally new way. It's like back to the drawing board. We [employees] can hardly recognise our own ideas at all. (Irene, Employee)

**Interpretation.** Even the employees perceive the owner-manager as the main innovator of the company. Although, in the small service company, the employees have an important role in the continuous development of the customer service practices such as developing documents, forms and checklists used in customer service processes, the divide is clear between the owner-manager and the employees. Owner-manager's radical innovations, noted in her black idea notebook and presented in a very passionate manner and pompous ways, construct the employees' ideas as incremental. It seems that even if the owner-manager is aiming to inspire the employees with her passion (Breugst et al. 2012; Cardon 2008), the employee's reflection in this extract illustrates her wish how the owner-manager should hold back her enthusiasm, which seems to produce patterns that are blind, causing some reluctance to discuss and re-evaluate her ideas flexibly (Vallerand et al. 2003; Cardon et al. 2009).

**The owner-manager presents too many ideas.** The owner-manager actively participates in trainings and projects. During the workshop, the owner-manager gives out ideas how they could develop customer service procedures. Suddenly, she questions the way how the company is adopting new things.

Do we...have too much of everything? Maybe we have too many ideas that we would like to implement. (Paula, Manager)

The employee immediately agrees with the owner-manager.

We try to adopt too many new practices and procedures that sound so good and fine. When we try to do everything, then we sometimes end up doing nothing. I think we should prioritise and schedule our ideas better. (Irene, Employee)

**Interpretation.** The owner-manager feels passionately about all her new ideas and wishes to implement them all simultaneously without questioning their importance or the organizational capacity. The extract illustrates how she is often in an intense, flow-like state of total absorption (Csikszentmihalyi 1990), which is associated with affects like enthusiasm and zeal (Smilor 1997). The owner-manager expects the organization to be agile and ready for change and have resources for implementation. However, the extract illustrates how from the employees' perspectives, this overly-passionate behaviour towards all new ideas causes them to try to adopt too many new practices and procedures, leading to distractions, work fragmentation and an inability to implement the ideas.

**Promoting ideas during the night-time?** The owner-manager's passion for elaborating ideas in any time of the day has ignored the practical issues from the employees' perspective.

Night-time is best for ideas! The daytime is too hectic with customer service. (Paula, Manager)

We don't have time to develop ideas when we are serving customers and when the telephone is ringing all the time. (Emma, Employee)

Developing new ideas should be scheduled to the calendar. If we have agreed that we do something, we should have time to do it! (Irene, Employee)

**Interpretation.** For the owner-manager, the lack of time for developing ideas is not an issue because she is flexible, finding time to develop new ideas. The owner-manager entrepreneurial passion makes it difficult for the owner-manager to slow down and realise that other work tasks and duties represent a major obstacle and limit employee ability to commit to the firm's renewal at her same level. Thus, while the owner-manager and employees all seem equally motivated to develop ideas, their different roles and emotional attachment to the company create a need for more systematic organization of firm innovation. Thus, there is a need for more systematic organising of innovation in the firm due to the owner-manager's and employees' differing roles and emotional attachment to the company (Aaltonen and Hytti 2015).

## The Owner-manager as the Leading Decision Maker of the Firm

**I can see how I grab things for myself.** The owner-manager reflects how she too easily participates in decision making concerning issues which are part of the employees' everyday decision-making activities in serving rental customers.

I can see how I scoop the issues and make the decisions on behalf of you. Even though you are making such good rental estimates and choosing exactly the same new tenants to the apartments as I would do. (Paula, Manager)

We all [employees] share an attitude that Paula is needed to come and say her final word. Everyone of us will wait until she comes and makes the decision. Only then we know for sure. (Emma, Employee)

**Interpretation.** Albeit wishing to delegate decision-making to the employees, the owner-manager takes care of the decisions and the employees have learned to avoid making independent decisions and ask the owner-manager first in order to avoid mistakes. The behaviour of the owner-manager resembles the patterns identified in what has been called

the “dramatic organization” where the owner-manager centralises power to herself and meddles in even routine operations (Kets de Vries 1996). In this small service company, the owner-manager feels emotionally responsible for not leaving the employees alone with decisions, which illustrates how her motive is more altruistic than egocentric.

**Let’s put this behind the ear.** In the workshop, the owner-manager had a certain habit of dealing with the ideas. For example, when an employee suggested an idea concerning collective information sharing after the trainings but the owner-manager was not fully convinced on the employee’s idea, the owner-manager answered to the employee by using the idiom.

Let’s put the idea behind the ear. (Paula, Manager)

The employee seemed to know how the owner-manager’s idiom was synonym for forgetting the idea.

No! We shall do this, because this is really important! (Irene, Employee)

**Interpretation.** In the company, the owner-manager and the employees elaborate ideas together but nobody documents them. They are only stored in the mind of the owner-manager who elaborates and combines them with other ideas. Hence, from her perspective they materialize in one form or another. From the employees’ point of view they disappear and are forgotten. The owner-manager always listens to the ideas of the employees, but from the employees’ perspective a great number of ideas disappear and they see the situation as if the ideas will be forgotten by the owner-manager. Owner-manager’s reluctance to implement the ideas of the employees associated with the simultaneous avoidance of the open rejection of them can be interpreted either as a form of the avoidance of conflicts, the demonstration of power or unwillingness to let the others to get enmeshed in her endeavour—the firm.

**The owner-manager taking many personal contacts.** The discussion in the workshop turns into customer relations and how to get ideas from the customers.



Getting ideas from the customers, I think it is the capability to read between the lines when talking with them. (Paula, Leader)

But our customers have personal contacts only with Paula. They can't contact us directly because we don't have our own, personal phone number or e-mail addresses. This is one reason why it is difficult for us to establish long-term customer relations. (Irene, Employee)

**Interpretation.** The owner-manager establishes personal connections with customers and the information on what was discussed remains only in her head. Thus, the employees cannot rely on continued customer contact as a source for new ideas and improvements. However, she wishes for the employees to take more initiative and to be more proactive in their customer relations.

## Discussion

In this study, we have found how the owner-manager's entrepreneurial passion restrains or conditions employee innovative behaviour within a small service company. First, we apply research focusing on owner-manager entrepreneurial passion (Cardon et al. 2005, 2009; Murnieks et al. 2014) to understand the behaviour of owner-managers as leaders and co-workers in their organizations. We also underline the pivotal role of owner-managers in running and influencing their firms (Beaver and Jennings 2005; Jones and Crompton 2009; Lans et al. 2011; Man et al. 2002). Finally, we rely on research into employee innovative behaviour (de Jong and Den Hartog 2007; Kristiansen and Bloch-Poulsen 2010; Basadur 2004), considering the interconnections between owner-manager entrepreneurial passion, management and employee innovative behaviour.

Previous studies have shown that the leader acting as an innovative role-model can increase idea generation in the whole company (see de Jong and Den Hartog 2007). However, our case study illustrates that the owner-managers need to be sensitive to the situation and style when considering the introduction of new ideas. Actions, performances and displays of passion may limit employees' innovative behaviour as it excludes

them from the innovation process in various ways. The passionate behaviour of the owner-manager deprives the employees of the opportunity to truly participate in the innovation process as they are sometimes only invited to the implementation phase.

We wish to emphasise that we do not view owner-manager entrepreneurial passion as purely negative or dysfunctional; however, in our case, it creates a social reality in which employees feel disempowered to produce ideas for new innovations. Instead, they are overwhelmed by those proposed by the owner-manager and assign her the role of innovation practitioner. Hence, the findings also illustrate the normalisation of employee behaviour to remain in a more passive role. In this sense, both the owner-managers and the employees are playing their roles accordingly.

From a practical perspective, if owner-managers wish to change their organizations' working practices, they need to become experts in analysing their own behaviours and practices in order to learn how to change them. The owner-managers wishing to engage their employees in innovative behaviour should restrain their passion. In meetings, they might purposefully be the last to speak and wait for employees to come up with ideas first before expressing their own ideas. It would also be beneficial to create particular events as "idea development meetings" in order to allow employees to come to meetings with a particular mindset and level of preparedness rather than turning every routine meeting into an innovation arena. In our view, these suggestions imply emotionally controlling one's passion for the business and getting things done. If the leader agrees that knowledge is dispersed throughout the organization, then tapping into that innovation capability is necessary for the future of the firm.

## Conclusions

Entrepreneurial passion of owner-managers has been understood primarily as a positive phenomenon. Meanwhile, the literature largely has ignored the interactional perspective regarding how this entrepreneurial passion impacts employees. On the other hand, employee innovative behaviour has been taken for granted and seen to be constrained by individual factors, such as education or personality. Consequently, existing

literature assigns responsibility for the employees to be innovative and engage in the innovation processes in the firm. The findings from an intensive case study on a small owner-manager-led firm illustrate how owner-managers' entrepreneurial passion for ideas and entrepreneurial management behaviour restrain and condition employee innovative behaviour. Consequently, this study contributes to understanding how employee innovative behaviour in small firms can be restrained by the owner-manager's entrepreneurial passion, which is a reason to be against entrepreneurship as a passionate accomplishment. A critical examination of the case shows how the passionate owner-manager performing the role of primary innovation agent casts the employees in more passive roles in terms of developing new ideas and acting innovatively.

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# 12

## In Defense of the Comfort Zone: Against the Hegemony of Creative Destruction

Jerzy Kociatkiewicz and Monika Kostera

### Creative Destruction as Permanent (Dis)order

We are against entrepreneurship because it distorts perspective, foregrounding the unusual, the unprecedented and the unsettled, and obscures the humdrum sociality that enables all the processes of organizing, including entrepreneurial ones, to take place. While activities that might be<sup>1</sup> subsumed under the term entrepreneurship have, for a long time, constituted a part of the organizational and managerial repertoire, the emergence of entrepreneurship as a significant academic discipline can largely be dated to the last decades of the twentieth century. While it

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J. Kociatkiewicz

Université Paris-Saclay, Univ Evry, IMT-BS, LITEM, Evry, France  
e-mail: [kociak@kociak.or](mailto:kociak@kociak.or)

M. Kostera (✉)

Institute of Culture, Jagiellonian University, Kraków, Poland

Södertörn University, Huddinge, Sweden

e-mail: [monika.kostera@sh.se](mailto:monika.kostera@sh.se)

is possible to find some predecessors—for example, Michael Perelman (1995) champions the nineteenth century economist David Ames Wells—the generally agreed-on foundational basis for entrepreneurship research (and leading, eventually, to virtual beatification of the figure of the entrepreneur) is Joseph Schumpeter’s analysis of business cycles culminating in *Capitalism, socialism and democracy* (1942). Schumpeter’s work, while introducing terms and framings crucial for entrepreneurship studies, was firmly rooted in the author’s home discipline of economics. Only since the late 1970s did the discipline emerge “from groups of isolated scholars doing research on small business to an international community of departments, institutes and foundations promoting research on new and high-growth firms” (Aldrich 2012, p. 1240). These days, the discipline’s claimed domain tends to be much broader, and most decidedly not limited to business ventures. A recent literature review article described it as follows:

Entrepreneurship refers primarily to an economic function that is carried out by individuals, entrepreneurs, acting independently or within organizations, to perceive and create new opportunities and to introduce their ideas into the market, under uncertainty, by making decisions about location, product design, resource use, institutions, and reward systems. (Carlsson et al. 2013, p. 914)

Bearing in mind the increasingly expansive usage of the term “market,” any creative, novel, or simply new activity (within or outside organizations) can be seen as a valid area of interest for entrepreneurship studies. We would not see it as particularly objectionable or even noteworthy (boundaries between academic disciplines are, and should be, extremely porous), if not for the set of problematic assumptions dominating much of entrepreneurship writing. According to modern classics, such as Bengt Johannisson (2005), entrepreneurship relies on transgressing boundaries and challenging structures and institutions. Entrepreneurship is a dynamic and vigorous lifestyle, a playful and creative approach to life and work (Johannisson 2005; Hjorth et al. 2003). The entrepreneur engages in creative destruction (Schumpeter 1949), questions the old and received, is nonplussed by tradition. He or she is always ready to test the



boundaries of what is real and possible, to explore new grounds and perhaps establish something new and unique in place of what is or is becoming obsolete in his or her energetic presence. Entrepreneurship is a paradoxical activity: a kind of anarchic organizing, a revolution and evolution at the same time, both a vision, as well as action, alone and with others, dependently and independently, making use of activity and reflection (Johannisson 2005). Even the description of entrepreneurial processes needs a new approach, getting rid of old notions and definitions. Old management books prove to be insufficient to embrace the immediacy, spontaneity, creation and playfulness that are at heart of the entrepreneurial engagement (Hjorth 2001). Indeed, the old fashioned terms emphasizing structure and strategy need to be replaced with a dictionary based on vocabularies ready to hold such ideas as passion and transcendence (Johannisson et al. 1997). Nothing is regarded as stable or given: even resources, the usual object of care of management, are not something given but can be extended, even created. The environment does not impose limitations like in traditional management thinking, but provides an endless space of possibilities (Johannisson 2005). Being entrepreneurial means engaging in the interplay between the agency of the individual, of the event and of the environment. This interplay is powered by innovation and renewal, affirmative of identities in the making. Everything about it is creative. It is both a perfectly emergent and immanent process of organizing. The process becomes a result and, at the same time, the medium for its emergence: bringing together of individualities and collectivities. Johannisson envisages the entrepreneur as a bricoleur, assembles and puts together new forms from the given, using things, processes, ideas and people as her or his building material. She or he can also be regarded as an organizational artist: transgressing constantly the known, seeking the original, needing a free space where they do not have to put up with the controlling social institutions.

The entrepreneur not only makes new realities happen around him or her but works actively to convince others to adapt to their vision (Johannisson 2005). The vision has to become a necessity for them, and where destruction and creation merge into organizing. It is, however, not a stable kind of organizing, but reliant on the unpredictable and subject to incessant change in time. Everything must nowadays be *entrepreneurial*,

from ordinary employment (Fleming 2017) to the university (Connell 2019). Entrepreneurship replaces production, argues Wendy Brown (2017), putting investment capital itself before any of its productive uses and employments. The person has become entrepreneurialized and disconnected from context and even meditation has been turned into an entrepreneurial fashion, as Ron Purser argues in his book on mindfulness, aptly titled *McMindfulness* (Purser 2019). It is clear that entrepreneurship has become mythologized (Kostera 2008), and it has become so in order to serve as a neoliberal mindset (Purser 2019), a glamorous make-up of the stark reality of precarization (Standing 2011) and a sleek legitimization of growing social inequality and misery (Bauman 2011).

Such conceptualization, coupled with the understanding of entrepreneurship as a positive force in society, underpins, or at least parallels, the more popular imperative of stepping (or being pushed) out of one's comfort zone. The ascendance of narratives vilifying the comfort zone accompanies the transformation of global society which Zygmunt Bauman described as a passage from solid modernity towards liquid modernity (2000) and interregnum (2012): a world where structures are not only transient and fluid, but also dysfunctional and unreliable. In this light, we see the discourse of entrepreneurship as detrimental to finding the necessary collective structural solutions to the multiple social and environmental crises challenging contemporary organizations and societies. We ground our argument in a longitudinal study of alternative organizations focused on the common good, and their participants concerns, difficulties and solutions regarding the possibility of offering the participants a sense of home and the comfort of belonging. Interestingly, one of us applied (successfully) for funding for one of this project's phases (the second, most extensive phase research-wise) framed as a study in of ecological entrepreneurship (ecopreneurship).<sup>2</sup> The label was soon abandoned, as the social actors were usually distancing themselves in rather categorical words from any kind of "entrepreneurship", while reacting more neutrally to "management" and completely positively to "organization" and "organizing".

## Method

The empirical material derives from a multi-sited study of alternative organizations conducted by one of the authors. Organizational ethnography allows the researcher to gain insight from the perspective of the social actors in the field, thus acquiring local knowledge, but also being able to understand the development of wider processes and their cultural meaning thanks to an immersion in the field (Van Maanen 1988; Watson 1994; Kostera 2007; Pachirat 2018). The entire study we refer to in this text has been in progress for seven years at the time of writing and concerns several layers of structure and culture construction in the field. The study touches several topics, including the theme of home which we are addressing in this chapter.

The initial phase took place in Polish work organizations and later several UK based ones were added. Many of them are cooperatives, but the collection also contains small and family businesses, informal organizations and public organizations. The contact developed through gatekeepers and networks and in the most intense phase, made possible thanks to a EU Marie Curie grant that one of us held, the number of studied organizations included 18 UK and 16 Polish organizations. Later 12 were selected for more prolonged contact and currently the number is down to one UK based and three Polish. The field, albeit consisting of organizations holding a common central characteristic, i.e. being value driven and not focused on profit as their first and fundamental goal,<sup>3</sup> displayed many differing social goals and organizational forms, which enabled the maximum variation case selection approach (Flyvbjerg 2011).

The main methods used were dependent on the phase of the study. In the first phase, in-depth recurrent interviews with a limited number of key informants from each organization were the dominant method, along with brief non participant and direct observations (Kostera 2007; Czarniawska 2014). In the second phase formal transcribed interviews were still the dominant method, however, instances direct observation were now more extensive and longer. In the third (current) phase, the prevalent method are informal (non-transcribed) interviews, complemented by direct and participant observations. All the names presented

in this text are pseudonyms, as we were concerned about the privacy of the social actors in our field and, following an ethnographic tradition, did not want to publicize their identity.

The material was, for the purpose of this chapter, analyzed by means of narrative methods (Gabriel 2000; Goodall 2000). We were looking for plots and metaphors pertaining to the idea of home and homeliness. The theme occurred spontaneously and was one of the fundamental metaphors often used both in formal and informal communication by the social actors in the field. It appeared in many of the interviews and conversations. We selected a few of the occurrences that we consider either typical or interesting and illuminating. By focusing on stories, we were both looking for ways of knowing (Gergen 1994) in the field, as well as aiming at gaining insight into the modes of sensemaking and sense-giving in the studied organizations (Weick 1995).

The entirety of the field can be described as alternative organizations, which recently are gaining increasing interest among organization scholars. Parker et al. (2007, 2014) call for a study of organizations outside of the managerialist mainstream, to better understand both the diversity and the alternatives to the limited textbook population. Among the publications addressing this gap are: “real utopias” or democratic workplaces (Wright 2010), social movements (Reedy et al. 2016), differing management styles and modes (Gibson-Graham et al. 2013), the re-introduction of the commons in management practices (Łapniewska 2017), and many others.

## Comfort Zone Creativity

While ideas of adventure, heroic tales and notions of creation and creativity were very strongly present in the collected material (Kostera 2017), another, equally prominent motif emerged, often and sometimes very intensely, in many of the studied organizations: that of homeliness. Building a non-antagonistic relationship between “home” and “work” was a common concern among the employees, with a widely spread belief that the workplace should be a kind of a home for the members of the organization. Thus, the issue of homeliness appeared often in discussions

and in interpretations of work practices provided by the workers, introduced into the discourse almost invariably by the employees rather than as a result of managerial initiative. Many organizations provided space for the workers where they could keep their private belongings and spend time together or alone. Sometimes they also encouraged them to use the space originally prepared for customers; for example, the employees of a vegan bar, The Vegan Place, tend to occupy some of the tables in the bar area, at times of less intense customer traffic but sometimes also at busy times. It was not unusual for customers to look somewhat askew at the happy company of cooperants chatting away at a table, while they had to wait at the door for some of the other lunch consumers to finish and leave their place for the next hungry person.

Some organizations depicted themselves as providing a kind of a home not only for the workers but also for the local residents. Thus, the employees of The Good Cooperative, a cooperative grocery store, prided themselves in the fact that the customers often struck up conversations among each other, while waiting in the queue. This was supported by the observations in the store. People often seemed happy to chat among each other, as well as with the employees (much more often than is the norm in Polish shops). On several occasions the cooperative deliberately provided their customers with cosy spots such as chairs and marked outdoor spaces where they could socialize after they have finished shopping. Several times, The Good Cooperative organized bigger and more formalized parties for customers and employees alike. On one occasion, it took place in the street outside the shop, and on others in spaces borrowed or rented from other alternative organizations. This organization also regularly held parties for the employees, either in its main office or in a space provided by another cooperative. On these events, people assembled to talk and socialize, but also to listen to lectures, take part in seminars and cook food together.

Premises utilized by many of the studied organizations, including the offices used for some time by The Good Cooperative, consisted of minimally adapted apartments. Consequently, these often included empty or underutilized spaces such as a sofa room or a bathroom with an actual bath as part of a small administrative office. These were often used by off-duty employees (and sometimes their acquaintances unaffiliated with the

organization) to rest, sleep, or take a shower. Such usage was rarely contested: for the most part, everyone involved seemed happy enough to share. The Dragon Coop, another Polish enterprise selling fresh vegetables and other local produce, used a tiny room to provide space for members to socialize during the winter months. In the summer, this space was opened up onto the street, and customers were invited to share the use. One of the interviewees expressed a conviction that working there felt like being at home, because “there is a sense of freedom possible only in a place when one feels good [...] and can *be oneself*” (Łucja).

But such sense of being at home is not necessarily limited to sharing a “homely” space or, indeed, to being present on the premises. Eric, a member of the English social enterprise Starlight offering conference and working space, explained that he started to feel at home when he stopped obsessing about being present at work.

I feel comfortable being myself at home. I don't worry about having a spat with people at home, because I know it's part of the process of understanding. And I feel a certain kind of kinetic energy when I'm at home. The kind of energy that comes from not worrying too much about the little things, focusing on the big things. It's about ignoring the chipped paint and instead, tuning into the vibe. (Eric)

Likewise, Zofia from GreenLife, a marketplace for independent vendors selling local organic produce in Warsaw, pointed out that both she (a founder and one of the key organizers) and the other workers needed to have free time away from work in order to be able to feel at home in the workplace. It is necessary to be able to disconnect, to have a life independent from work tasks and concerns. Work provides the organizers with a sense of stability and comfort, of coming back to, and being able to get away from, something well known, personal and social. It is in this sense that we find the notion of “home” particularly interesting. It recurs as a motif, signifying not only belonging, but familiarity and routine.

This becomes particularly visible in instances when a clear distinction is kept between “work” and “not work”. For example, employees at EduGamers, a successful and welcoming work organization focused on creating and running educational games for corporate and public sector

clients, maintain a clear distinction between different spheres of life. Agnieszka, one of the employees proclaimed: “people here treat work as work, not as everything, not as the whole world.” Diana, a co-founder of EduGamers, mirrored Zofia in insisting that people needed to have a life and time away from work in order to feel engaged and connected. But, she added, they also needed to be in control of their work, without necessarily sharing or making transparent all of their work activities.

Sometimes I come [to work] and I look around and I really have no clue what these people are doing. Sometimes I have a reflection that they are more at home that I am—in their work—[...] they do such things, they create games, projects, they talk about things, and I have a feeling that I am disconnected from a number of everyday things that happen. And I have a feeling that this is their world [...]. I have discovered that I enjoy it, that people do different things [...] that I don't know what they're doing. (Diana)

In the same organization there is a strong and recurrent narrative about the homeliness of the workplace. It is something people come back to, something “usual”, “everyday”, a “comfort zone” which one of the interlocutors presented in very proud and loving terms. She emphasized how good it was to be able to return to it over and over again and how it remained “just the same” even after the physical move to another office space.

Several of the cooperants of the Dragon Cooperative who, for one reason or another, had to be away from the shop for a longer time, expressed their “homesickness” to the ethnographer. They admitted to missing the place considerably, to cherishing images from the surrounding area of the city, the light and shadows of the space. At one occasion, during a prolonged observation in the field, the ethnographer was joined by an ex-member who had moved away to the countryside. While being happy there, she also said she missed the cooperative quite a lot. For more than an hour they both sat observing the work in the coop with a smile, and taking photos from time to time. The only difference was that the ethnographer was taking down notes and the ex-member was not. She later explained that she wanted to be there as intensely as possible, to take some of it with her when she went back home. She said that it was “just

like before” even if it “had changed quite a bit”—the place has been refurbished and there was much more abundant produce now than it used in “her time”. But this expression: “just like before”, we believe is a key to understand and appreciate the idea of homeliness, so central for these organizations. This as well as the notion of comfort zone—which inspired us to the writing of this text.

## Against Entrepreneurial Hegemony

The above stories describe ethnographic insights from a longitudinal study of small, relatively new alternative organizations. They have been chosen to focus on everyday activities and on homeliness rather than on the heroic accounts of hardship and adventure. We have done so because routine work not only takes up most of the time members devote to these organizations, but also because creation and maintenance of stability is crucial for their longer-term viability: organizations persist only through achieving a certain level of institutionalization: when most of the activities become routinized and humdrum. The alternative organizations in this study have additionally been created in order to create good places to work in; consequently, they are judged by their members through criteria including their homeliness and ability to keep their members within their comfort zones.<sup>4</sup>

And it is here that our opposition to entrepreneurship arises. Almost uniformly, entrepreneurship literature presents familiarity as a trap, a barrier to innovation, an obstacle on the path to growth. “The more you step outside your comfort zone, the more value you can potentially create” proclaims a self-described successful entrepreneur in a recent practitioner-oriented article in an, again, self-described “award-winning quarterly report on management, leadership, and strategy”, published by a reputable academic publisher and affiliated with a respectable university (Maillan Bias 2015, p. 58). Another journal article on technological entrepreneurship, this time directed towards an academic audience praises practices in a technological business incubator where would-be entrepreneurs are “stimulated to step out of their comfort zone” (van Weele et al. 2017, p. 25). Yet another sees the main barrier to flexibility



in healthcare organizations in the constation that “[m]ost professionals love their comfort-zone” (van Gool et al. 2017, p. 194). The examples are fairly random (and all quite recent), but here serve only to illustrate the entrepreneurial viewpoint as prevalent in dominant academic and popular discourse: creative destruction is good, and there is no destruction as creative as that of the comfort zones.

The described situation is a problem both in regards to what we found in our field study, and in regards to a broader socioeconomic problems. The small, busy and innovative organizations of our research, which many may perhaps be tempted to call entrepreneurial (even though many if not most organizers distance themselves from this term, much more strongly than from the notion of “management”), are very definitely examples of the opposite of “creative destruction”. Rather, they are “tame sanctuaries”. The way the notion of the “home” is used here does not necessarily pertain to “work-home balance”. Instead, it *is* the balance. People feel good in a workplace that provides them with a sense of balance. And they are not only largely successful, they also tackle societal issues in ways that creatively destructive ventures of serial entrepreneurs optimizing individual career success over collective good (Sarasvathy et al. 2013) most demonstrably do not. Structures are difficult to build and maintain in our liquid modern society, and the many global problems facing our society can only be tackled through building effective structures for global action. While it could be possible to recuperate the term of entrepreneurship to account for such activity (the terms quiet, modest, or earnest entrepreneurship spring to mind), we believe it is not a fight worth spending our time on. For this reason, for the sake of homeliness and common future, we are against entrepreneurship.

## Notes

1. Or, as we hope to demonstrate, might more usefully not be.
2. European Union Marie Curie Fellowship Programme: FP7, 627429 ECOPREN FP7 PEOPLE 2013 IEF.
3. More about this study in Kociatkiewicz et al. (2020).
4. We expect this to be a common wish of many workers, but examining the issue on a wider scale lies outside the bounds of the reported study.

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# 13

## Entrepreneurship Addiction and the Negative Mental Health Consequences of Entrepreneurial Engagement Among Some Entrepreneurs

April J. Spivack

### Introduction

#### The Historically Positive Framing

In the U.S., entrepreneurship is a key component of the “American Dream.” Positive outcomes of entrepreneurship are highlighted almost exclusively in the mass media and academic literatures. For example, entrepreneurs are often found to have higher levels of autonomy—feelings of freedom and independence (Benz and Frey 2008; Carter et al. 2003, Shir 2015), higher job satisfaction (Lange 2012), higher life satisfaction (Binder and Coad 2013), higher psychological capital (Foo et al. 2009), more earnings potential (Markman and Baron 2003), higher

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A. J. Spivack (✉)

Department of Management & Decision Sciences, Wall College of Business,  
Coastal Carolina University, Conway, SC, USA

e-mail: [aspivack@coastal.edu](mailto:aspivack@coastal.edu)

personal well-being (Hahn et al. 2012), better work-life balance (Ezzedeen and Zikic 2017), and more. At the societal level, the message is that more entrepreneurship equals a more prosperous and healthier society (Agarwal et al. 2007; Baumol and Strom 2007; Hitt et al. 2011). Entrepreneurship is often credited with bringing Schumpeter's creative destruction (1942/1976) to sleepy industries and business models, by reinventing and modernizing them. Improvements to quality of life in more entrepreneurial contexts, suggest that entrepreneurship is great for societies. As a result of the focus on the variety of positive outcomes of entrepreneurship, the most successful entrepreneurs receive considerable media attention and even become featured in Hollywood movies (i.e., Mark Zuckerberg in *The Social Network* (released in 2010) and Steve Jobs in *Jobs* (released in 2013) and *Steve Jobs* (released in 2015)). The resounding message is that entrepreneurship is the ideal path for an individual to create a prosperous life.

Much of scholarly attention has echoed this perspective. For example, research has been focused on figuring out who the most successful entrepreneurs are, by identifying relevant personality traits (Schmitt-Rodermund 2004), social network characteristics (Aldrich and Zimmer 1986), motivations (Johnson 1990), attitudes (Robinson et al. 1991), and prior experiences (Shane 2000), to facilitate the recognition of these individuals. Additionally, researchers have sought to make entrepreneurship more accessible to all, by unpacking the key steps in the entrepreneurial process (Shane 2003), so that anyone may replicate it and pursue such endeavors (Chell 2013). In an effort to increase the rates of entrepreneurship at a geographic level, there are a variety of support structures, including, but not limited to government grants, small business development centers and business incubators, and increasing numbers of entrepreneurship programs offered at universities across the country.

## The Need for a Balanced Perspective

Missing from these messages is a complete consideration of the negative outcomes or correlates of entrepreneurship, or circumstances under which it is logical to be against entrepreneurship. These negative

outcomes and correlates may be just as numerous as the positives, but are given significantly less attention. If we look closely, however, we can see that entrepreneurship doesn't lead to universally rosy outcomes, but rather, there are several instances in which the outcomes are quite negative. For example, we are familiar with the negative outcomes of the "entrepreneurial" lending practices that caused the mortgage crisis in 2008–2009 (Lewellyn and Muller-Kahle 2012). We are also aware that our entrepreneurial transition from glass to plastic that started in the decades from the 1960s through the 80s (Hawkins 2017), has created problematic levels of plastic pollution, with data and videos vividly showing the disturbing contamination and consequences for the environment. Oceans have been severely impacted, as sealife more frequently consumes or becomes entangled in plastic, while tons of plastic have also been deposited on particularly vulnerable beaches around the world (Derraik 2002; Eriksen et al. 2014). While one could argue that it only takes an entrepreneurial mind to similarly resolve these issues (Adner and Kapoor 2010), such as through businesses like Rothy's (Rothy's 2019) or Adidas (Adidas 2019)—businesses that are trying to recycle used plastics to minimize environmental impact—it is unlikely that these few businesses will be able to completely undo the damage caused by such entrepreneurial material development.

Beyond the few examples of financial issues and environmental issues mentioned here, we can also consider the impact of technological entrepreneurship. For example, if we consider the innovations that have helped us become a more global and 24/7 economy, there is a paradox of this increased accessibility—there are social costs to the technological tether, and these social costs may be greater than the benefits conferred (Mazmanian et al. 2013). One is left wondering, is it psychologically and socially beneficial for people to be tethered to work, whereby an employee is expected to receive/respond to electronic communications on a 24/7 basis? Similarly, is it beneficial to be responsible for the ongoing impression management via a technological representation of self in social media (Zhu and Bao 2018), and also have the constant awareness of what one possesses versus another, thereby influencing consumption (Thoumrungroje 2014)? While these may be universally beneficial to capitalism, they may be woefully and insidiously negative influences for

quality of life of the people operating within the capitalistic society (Hinsch and Sheldon 2013).

In the context of public health, certainly, many innovations and entrepreneurial acts have resulted in life-saving medical treatments, but on the other side, are all developments universally positive? One only needs to watch any modern pharmaceutical commercial to become aware of the various negative side effects, or a lawyer's commercial soliciting clients who previously used a pharmaceutical resulting in life-altering negative consequences, to know that all entrepreneurial medical efforts are not net positive. We've seen the food industry under greater scrutiny in recent times, whereby the food engineers and industrial farming practices are increasingly called out for negative impacts rather than doing the important work of creating easy to prepare, more nutritious, and more affordable food (Horrihan et al. 2002). Some argue food engineers and marketers are so good at producing and selling processed products that create addictions to their creations such that people are enticed away from known healthier whole food produce-based options (Gearhardt et al. 2011). Or, perhaps, the 24/7 economy demands so much time that individuals no longer have the capacity to make healthier lifestyle choices; it's increasingly difficult to find the time to eat healthier, exercise, and tend to needs outside of earning wages. While these may seem like exaggerated interpretations of the outcomes of entrepreneurship, the point is to recognize that a more balanced consideration of entrepreneurship is needed.

## **The Extension to the Entrepreneurial Individual**

At the micro level, as mentioned above, entrepreneurs as individuals have been found to experience a wide variety of benefits via their entrepreneurial pursuits. The variety of benefits conferred to entrepreneurs include, but are not limited to, the freedom and autonomy to pursue businesses that offer personal fulfillment through alignment with their sense of purpose, talents, and passions (Shir et al. 2019), opportunities for growth and personal development (Shir 2015), and enhanced well-being and psychological capital in the form of optimism, resilience, and



self-esteem (Foo et al. 2009). However, it has also been found that entrepreneurs tend to have more stress and strain (Cardon and Patel 2015), more work-life conflict (Prottas and Thompson 2006), more role conflict (Rahim 1996), and more negative health consequences (Cardon and Patel 2015). The discrepant findings are not hard to accept, as both sets of results can be simultaneously accurate reflections of underlying phenomena; correlational studies operate on the assumption of trends and averages. Hidden by such analyses are all the variations in individual experiences, types of entrepreneurship, interactions between an assortment of variables and their links to a range of outcomes (Woodside 2013). Supporting this assessment, qualitative examinations into the lives of individual entrepreneurs on a case basis have revealed variety in the experiences and outcomes of entrepreneurs. For example, in Spivack and Desai (2016), women entrepreneurs express varying assessments of the influence of entrepreneurship on work-life balance—some reported negative outcomes while others reported positive outcomes. Therefore, it is likely the case that neither finding is (in)correct, but rather, there are some individuals for whom entrepreneurship is negative, when considering a variety of outcomes and/or correlates (Santarelli and Vivarelli 2007).

It is the intent of this chapter to consider these specific individuals that suffer as a result of entrepreneurial pursuits. In these cases, there is reason to be against entrepreneurship; entrepreneurial pursuits confer harm to some. Specifically, this chapter explores entrepreneurship addiction as a mechanism by which negative mental health and well-being outcomes manifest for some individuals pursuing entrepreneurship.

## Entrepreneurship Addiction

Entrepreneurship is a recently identified context in which an addiction may surface, as a behavioral addiction (Spivack et al. 2014). As behavioral addictions involve the same thought patterns, brain activation, and neurological reward systems typically found in chemical addictions, they have recently been included as viable bases of addiction. “As far as the brain is concerned, a reward’s a reward, regardless of whether it comes from a chemical or an experience” (Holden 2001, p. 980).

A potentially addictive experience has defining physiological, emotional, and cognitive (i.e., symbolic) qualities (Peele 1985). For example, one key quality is an experience offering a stream of intense experiences with ongoing feedback linking the behavior to various sensations (Peele 1985). The sensations are such that they compel the individual to seek out opportunities to repeat the creation of them through certain behaviors and as such reinforce a motivation for repeated engagement (Peele 1985). In this way, an addictive experience revolves around a pattern of behaviors that function both to produce pleasure and to provide relief from internal discomfort. This pattern is also accompanied by a sense of powerlessness and unmanageability of the behavior as the individual becomes caught in a cycle of increasing efforts to replicate the desirable sensations. Physiologically, as a result of the volatile experience, the individual goes through extremes in arousal, evidenced by a release of hormones, such as adrenaline; heart-rate fluctuations; sweating; nausea; and shaking (Krauss and Putnam 1985). Emotionally, the volatility is echoed through positive or negative affect (Slovic et al. 2002), leading to feelings (Masters 2000), and then resulting in a variety of emotions (Masters 2000).

Finally, the cognitive, or symbolic, component of an addictive experience refers to the development of a recognized linkage between certain cues and/or behaviors with physiological and emotional outcomes (Cope and Watts 2000; Man 2006; Shepherd 2003). Here, the cues would be the cognitively evaluated positive outcomes associated with engaging in the behavior and negative outcomes of withdrawing from the behavior. Together, these cues lead to the “craving” of engaging in certain activities and form the basis of the behavioral addiction (Ko et al. 2009).

Entrepreneurship offers a context that matches the description of an addictive experience; it involves a portfolio of intense experiences that unfold over time (Morris et al. 2012). Any volatility in experience, plus operating in a context of ambiguity and uncertainty—often the description of the entrepreneurial experience—results in heightened states of arousal. Over time, heightened arousal is linked to physiological and emotional burnout (Melamed et al. 1999). While passion for the business itself, and some of the autonomy in the job demands, can act as psychological capital—a known buffer to this relationship between arousal and burnout (Baron et al. 2016)—for some individuals, this

buffer may be insufficient. Burnout is linked to increased physical ailments such as headaches, heart conditions, and cancer (Ahola et al. 2010). In fact, a recent study (Nikolaev et al. 2019) found that although most opportunity entrepreneurs tend to find benefits to both mental and physical well-being, necessity entrepreneurs tend to experience improvements in their mental but not physical health. This finding indicates that there is a negative impact of entrepreneurial pursuits on physical health over time for some entrepreneurs.

The experience of entrepreneurship is emotionally laden; frequently, the experience of entrepreneurship is compared to a rollercoaster in the business press (e.g., Barnes 2018; Constable 2019; Roach 2017). Capturing the wide swings in emotional content, “running a business is like a roller-coaster ride where you can go from euphoria to thinking the world is falling apart, and then back to euphoria again—all in a span of a single day” (Barnes 2018). Research has been slower to map out these swings in emotions, but have shown increasing interest in the area of entrepreneurial emotions. There is recognition that emotions provide information especially in contexts of uncertainty, time pressure, and lack of historical information (Baron 2008). Links have also been studied between emotions and entrepreneurial actions. For example, researchers have suggested that high activation emotions—those associated with intense experiences—should be associated with more entrepreneurial actions, as they impact opportunity identification (Foo et al. 2015). Similarly, negative emotions, such as anger, or having high dispositional negative affectivity can drive entrepreneurial action (Foo 2011; Foo et al. 2009; Nikolaev et al. 2018), as individuals seek ways to overcome the situation or target eliciting these emotions or affective states. A state of physiological and emotional arousal is intensely pleasurable and may result in a state of emotional intoxication (Hollingsworth 1973) for some entrepreneurs. Hence, entrepreneurship offers the emotional feedback, which would be necessary in establishing the cravings characteristic of addiction.

Further compounding the physiological and emotional experiences offered by entrepreneurship, there are unique ties of an individual’s identity to their entrepreneurial venture (Murnieks et al. 2014; Shepherd and Haynie 2009). In other words, there is little separation between

business-related experiences and individual/business owner related experiences. As a result, the volatility in day-to-day business operations becomes volatility in experiences of the entrepreneur. Additionally, an entrepreneurial venture is often related or based on an entrepreneur's passion. The passion the entrepreneur feels for the business and subject area compels the entrepreneur to strongly identify with and invest in the venture's activities (Cardon et al. 2009; Locke and Baum 2007; Murnieks et al. 2014).

## **Beyond the Experience, Today's Contextual Influences**

It is not only the nature of the process of entrepreneurship that seems to offer fertile ground for the development of an addiction to entrepreneurial acts, but it is also the contextual factors surrounding the individual today. First, today's economy is a 24/7 economy. Second, there is an increasing social expectation for instant gratification. Third, there are growing repositories of data on just about anything you can imagine, based on people's engagement with technology. And, fourth, entrepreneurship is a very public performance. Each of these is further described below.

First, today's entrepreneurship occurs in a 24/7 economy. That is, businesses are expected to be responsive and accessible to potential customers and clients every minute of every day. Alongside this temporal change, there is increasing global access—clients and customers can come from anywhere in the world. Second, customers and clients want access to products and services immediately. These two conditions pressure an entrepreneur to find ways to be engaged in entrepreneurial activities and interface with potential buyers and consumers for extended periods of time and as frequently as possible. To be a successful entrepreneur in this context, the entrepreneur must be willing to manage, and be available to meet, temporal and geographic needs, and find ways of delivering goods and services as quickly as possible. These forces put pressure on an entrepreneur to increasingly engage with the venture.

Third, people create digital trails. The ever-present internet creates 24/7 access and an ongoing stream of digital data regarding buyer/

customer/client preferences and activities. As an entrepreneur engaging in any entrepreneurial activities, there is a wealth of information to sift through. Fourth, today's marketplace is increasingly demanding and public. There are a multitude of forums where customers can voice their opinions about an entrepreneur's products and services or the business in general. These conditions create a growing repository of information that can provide a venue for certain entrepreneurial individuals to get stuck in obsessive patterns of behavior, by checking data, searching for new insights, and fueling obsessive thoughts.

Together, these contextual factors offer additional pressures that could exacerbate one's likelihood of developing an addiction to entrepreneurship. Specifically, entrepreneurship addiction is characterized as involving:

- (1) obsessive thoughts—constantly thinking about the behavior and continually searching for novelties within the behavior;
- (2) withdrawal/engagement cycles—feeling anticipation and undertaking ritualized behavior, experiencing anxiety or tension when away, and giving into a compulsion to engage in the behavior whenever possible;
- (3) self-worth—viewing the behavior as the main source of self-worth;
- (4) tolerance—making increasing resource (e.g., time and money) investments;
- (5) neglect—disregarding or abandoning previously important friends and activities; and
- (6) negative outcomes—experiencing negative emotional outcomes (e.g., guilt, lying, and withholding information about the behavior from others), increased or high levels of strain, and negative physiological/health outcomes. (Spivack et al. 2014, p. 654)

Conceptually, these six components of entrepreneurship addiction exhibit a strong degree of overlap, mutually reinforcing each other. In fact, high correlations among the symptoms, such as withdrawal and obsessive thoughts, have been found empirically (Spivack and McKelvie 2018).

## Prevalence and Outcomes

Recently, a prevalence rate of entrepreneurship addiction among entrepreneurs was reported to be between 2 and 14%—similar to the rate in other behavioral forms of addiction (Spivack and McKelvie 2018). While it could be suggested that such an addiction may confer various benefits to the entrepreneur and the society in which the entrepreneur operates (i.e., intensive awareness of the business that may yield positive performance results, new jobs for the community members, etc.), it is not likely that this is a healthy way of working for the individual, especially using a longer-term perspective. Instead, it is likely that entrepreneurship addiction negatively impacts the entrepreneur's mental and physical health, as well as their relationship with family and friends. Preliminary results indicate that is the case, where entrepreneur addicts are likely to experience an array of psychological and physiological ailments (Spivack and McKelvie 2018).

These findings support other recognized negative outcomes linked to entrepreneurial pursuits such as negative impact on sleep quality (Kollmann et al. 2019), negative impact on work-life balance (Spivack and Desai 2016), and work-home interference (Kollmann et al. 2019; Song et al. 2011). All of these negative outcomes are likely, in some part, due to sacrifices of time, money, and quality of life outside of work, among others (Kets de Vries 1985; Shepherd and Haynie 2009). As implied by the condition, an entrepreneurship addict would find it especially difficult to stop the behavior leading to these negative outcomes.

## Conclusion

There is a need for more research to determine the characteristics of the particularly vulnerable individuals susceptible to the formation of an addiction to entrepreneurship. Similarly, we need to understand the power yielded by contextual influences, such as those highlighted here, in creating increased risk for entrepreneurial individuals trying to navigate entrepreneurship in a healthier capacity. However, it is clear that it is

important to recognize that entrepreneurship addiction is a potential insidious condition resulting from engagement in entrepreneurial acts for some. It is problematic that there are so many avenues by which entrepreneurship is encouraged without a more balanced understanding of the influence it has on individuals and societies. Caution should be exercised in evaluating entrepreneurship; it is not wholly and universally appealing and profoundly positive. Rather, in some cases, it is reasonable to be against entrepreneurship; entrepreneurship should be carefully evaluated and recognized for its potential nefarious influences as well as the positive ones.

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# 14

## Against Irresponsible Entrepreneurship: A Dual Perspective on the Impact of Entrepreneurship on Firm Survival

Denise Fleck

### Introduction

Entrepreneurship constitutes a vast, growing research area and locus of practice regarding phenomena that play an important role in the development of society. Actually, the age-old entrepreneurial phenomenon has given rise to systematic studies on its multifaceted characteristics; however, research on entrepreneurship is not without controversies. These range from the very status of entrepreneurship as a field of study (Harrison and Leitch 1996; Shane and Venkataraman 2000; Landström et al. 2012; Busenitz et al. 2014) to entrepreneurship education (Fejes et al. 2019). Debates include calls for more fine-grained conceptualizations and instruments (Shane 2012; George and Marino 2011; Miller 2011), as well as discussions on the nature of entrepreneurial opportunities (Alvarez and Barney 2007; Companies and McMullen 2007; Alvarez and Barney

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D. Fleck (✉)

Coppead Graduate School of Business—Federal University of Rio de Janeiro,  
Rio de Janeiro, Brazil

e-mail: [denise@coppead.ufrj.br](mailto:denise@coppead.ufrj.br)

2010; Ramoglou and Zyglidopoulos 2015; Ramoglou and Tsang 2016), to mention a few.

An emerging issue regards the unbalanced emphasis by academics and people in general on entrepreneurship's positive outcomes (Jørgensen and Bager, Chap. 4 in this volume; Murtola, Chap. 6 in this volume; Trehan et al., Chap. 7 in this volume; Gerpott and Kieser, Chap. 8 in this volume). This leaves unattended entrepreneurship's dark side and the side effects it may entail (Baumol 1990; Dess and Lumpkin 2005; Wadhvani 2012; Sarasvathy 2014; Miller 2015; Bouncken et al. 2018; Spivack and McKelvie 2018; Aromaa et al., Chap. 11 in this volume; Spivack, Chap. 13 in this volume; Kurtulmus, Chap. 15 in this volume). This chapter offers a dualistic perspective of entrepreneurship as potentially constructive or destructive, depending on whether it is carried out in a responsible or irresponsible manner. In addition, it expands further the notion of responsible entrepreneurship (Fuller and Tian 2006; Azmat and Samararatunge 2009) by adding a self-destructive potential to the productive, unproductive and destructive effects entrepreneurial initiatives may bring about (Baumol 1990; Desai and Ács 2007). While responsible entrepreneurship plays a vital role in firm survival, this chapter offers a number of reasons for being against irresponsible entrepreneurship.

## A Dualistic Perspective of Entrepreneurship

Throughout the world, entrepreneurship has been touted as an indisputable path towards growth, wealth creation and happiness. Actually, optimistic views of entrepreneurship have predominated in the research field. A literature review by Davidsson et al. (2009) has identified that “growth is often used as sole or main indicator of ‘success’ in entrepreneurship research”, having noticed “clear signs of a ‘pro-growth bias’ in that line of research” (p. 4).

Growth has been equated with socioeconomic progress and development (Antonio 2013), with organizational survival, increasing market power, economies of scale and scope (Chandler 1977), with reduced dependence on external economic actors (Pfeffer and Salancik 1978), as well as with personal and professional success (Goold 1999; Rich 1999).

It should not be surprising that entrepreneurs aspire to grow their enterprises and that society's perspective on such individuals is quite positive.

Interestingly, the entrepreneurship-growth connection goes beyond the success notion; it is ontological, because entrepreneurship is a necessary antecedent to organizational growth (Penrose 1959). Penrose's perspective on the growth of firms views growth as a change process whereby firms and environment transform themselves quantitatively and qualitatively in a dynamic way. From a temporal perspective, the growth process comprises antecedents that precede firm expansion, and a set of consequences that expansion brings about. Because growth is anything but automatic (Penrose 1959), organizational growth requires a set of entrepreneurial services individuals may offer—entrepreneurial versatility, judgment, fund-raising and ambition (Penrose 1959). Unenterprising firms lack such services and cease to expand.

On the other hand, entrepreneurship may affect quite negatively individuals, organizations, society and the environment. Research studies have identified several instances of entrepreneurship's dark side. At the individual level, Miller (2015) and Spivack and McKelvie (2018) have addressed the dualistic nature of entrepreneurial personality. Positive features like energy, self-confidence, need for achievement and independence may turn into aggressiveness, narcissism, ruthlessness, irresponsibility and addiction. Sarasvathy's (2014) critical look at entrepreneurial opportunities has pointed out the downside potential of opportunities, having urged "potential entrepreneurs to come to grips with downside possibilities before they even begin" (Sarasvathy 2014, p. 312). Regarding risk taking, for example, the author suggests employing the affordable loss principle in order to gain control over the downside of entrepreneurial initiatives.

With respect to the entrepreneurial orientation (EO) of organizations, Dess and Lumpkin (2005) have identified both positive and negative effects of the five dimensions that make up EO. For instance, while innovativeness may be a source of progress and growth, R&D expenditures may turn out to be a waste of resources; in like manner, while proactiveness may be instrumental in creating first mover advantages, being a first mover will not necessarily pave the way to success.

At the economic and societal level, besides playing a productive role by fostering innovation, economic growth and the welfare of society, entrepreneurship may give rise to unproductive and destructive initiatives (Baumol 1990; Desai and Ács 2007; McCaffrey 2018). According to Baumol (1990), unproductive entrepreneurship has to do with rent seeking forms like litigation, takeovers and tax evasion (Wadhvani 2012), having no net effect on productivity. Destructive entrepreneurship, on the other hand, has a net negative effect, as it diminishes the inputs for production; it is a rent-destroying activity (Desai and Ács 2007).

Thus, the role entrepreneurs play in society may not be healthy from society's viewpoint (Baumol 1990; Desai and Ács 2007), because entrepreneurial choices may generate unproductive or destructive effects, eschew social responsibility and jeopardize the natural environment. Corporate social responsibility (CSR), a notion usually employed in the context of large corporate entities, translates into *Responsible Entrepreneurship*, when referring to small entrepreneurs (Chapple and Moon 2007; Fuller and Tian 2006; Azmat and Samaratunge 2009). According to Fuller and Tian (2006, p. 437), responsible entrepreneurship "usually refers to being responsible for one's effect on others and taking responsibility for helping others in normal business practices as well as in adjunct or non-core activities". Chapple and Moon (2007) maintain that responsible entrepreneurs not only do well for themselves, but also make a significant contribution to society. Azmat and Samaratunge's (2009) investigation on entrepreneurship in developing countries puts forward several factors that foster irresponsible entrepreneurship in these countries. As a result, entrepreneurship in these countries is more likely to be unproductive and destructive (Baumol 1990; Desai and Ács 2007) than productive.

This chapter advances an additional category of entrepreneurship outcome. In addition to the productive, unproductive, destructive effects of entrepreneurship, entrepreneurial initiatives may bring about *self-destructive effects* on the entrepreneurial entity. Moreover, it refrains from distinguishing CSR and responsible entrepreneurship with respect to firm size. From this perspective, "doing well for oneself" (Chapple and Moon 2007) includes not only capturing value (Lepak et al. 2007) from entrepreneurial initiatives, but also fostering the self-preservation of the



entrepreneurial entity and precluding or neutralizing self-destructive processes, irrespective of its size—small individual enterprises, small and medium enterprises as well as large organizations.

From a dualistic perspective of entrepreneurship, responsible entrepreneurship has to do with (i) carrying out initiatives that enable making constructive contributions to the entrepreneurial entity and to others, i.e. “doing well and doing good”; and (ii) avoiding harm to oneself and others. Irresponsible entrepreneurship, in turn, refers to entrepreneurial initiatives that fail to make constructive contributions to the entrepreneurial entity and/or others, and/or fail to avoid self-harm and/or harming others. Unless and until entrepreneurship embraces this dualistic perspective, there is reason to be against entrepreneurship because simplistic approaches to entrepreneurship fail to account for the perverse side effects that entrepreneurial initiatives may engender. As a result, such short sighted conduct gives rise to unproductive, destructive and self-destructive outcomes.

The next section addresses the dual effects that entrepreneurial initiatives may have on the entrepreneurial entity. It advances three requirements for organizational survival, and discusses the role entrepreneurial initiatives may play in fostering or precluding organizational continued existence over time.

## Three Requirements for Organizational Survival

There is more to survival than the existing-non existing dichotomy. In fact, even though solvency is a key element regarding survival, some organizations may continue to operate while facing solvency issues. Typical examples include the permanently failing (Meyer and Zucker 1989), as well as the “too-big-to-fail” organizations. Given the inherent complexity of social systems and our current state of knowledge on organizational survival, establishing a set of sufficient conditions for the development of healthy organizational survival seems futile. Instead, it is feasible to

identify some necessary conditions (Mohr 1982) for fostering healthy organizational existence.

Taking a long-term perspective, this section puts forward three main requirements for promoting the preservation of robust organizations over time, and scrutinizes the dual role that entrepreneurship may play in meeting or failing to meet such requirements. The first takes into consideration the changing nature of the organizational environment (Aldrich 1979). Surviving requires the introduction of novelty in order to avoid organizational obsolescence (Warmington 1974) and foster organizational renewal instead. The second refers to keeping organizational integrity from two complementary viewpoints, namely nurturing and preserving the bonds that make up the organizational social fabric, and engaging in ethical behavior, which will earn the organization a reputation for being trustworthy and legitimate. Finally, the third addresses the necessary availability and adequate use of the organizational resource base to promote organizational renewal as well as to preserve organizational integrity. Partially meeting these three conditions sets in motion deteriorating processes that may result in organizational self-destruction (Fleck 2009).

## **Renewal (Embracing Novelty and Promoting Organizational Renewal)**

The first requirement is quite straightforward. Because of the changing nature of things in general (Bunge 1979), and of organizations and environment (Aldrich 1979) in particular, fostering organizational continued existence requires the organizational ability not only to adapt to the environment, but also to innovate and shape the environment (Child 1997) by means of value creating entrepreneurial initiatives. By continuously embracing value-creating novelties, the organization avoids becoming obsolescent (Warmington 1974) and fosters its renewal. Carrying out renewal, however, is highly nuanced.

Organizational renewal has to do with entrepreneurial initiatives that bring about innovation, and may occasionally shape the environment. While innovative entrepreneurial initiatives can be an effective antidote

to obsolescence, numerous studies have pointed out that innovation may bring about important side effects. For one, innovation holds uncertainty and risk, which may impair performance predictability (Rosenkopf and McGrath 2011; Sarasvathy 2014). What is more, innovating for innovation's sake will face failure unless it creates value to relevant stakeholders.

Value creation has to do with providing a target user (or buyer) with benefits s/he deems beneficial and worth paying for (Bowman and Ambrosini 2000; Lepak et al. 2007). Value creating entrepreneurial initiatives constitute productive entrepreneurship (Baumol 1990). However, should they also bring about harmful effects on others (individuals, organizations, environment and society) and should the entrepreneurial entity leave these consequences unattended, then destructive entrepreneurship is also the case. Finally, too much exploration of the new may be detrimental to organizational performance, as such behavior may preclude the organization from capturing value from the exploitation of the old (March 1991).

No matter how innovative and value creating entrepreneurial initiatives may be, capturing value from them is anything but straightforward. The organizational ability to capture value from entrepreneurial initiatives depends on strategic factors such as the organization's resource base, strategic positioning, rivalry intensity, economic conditions and the institutional setting. These factors may ease or preclude the value creating organization from capturing value, totally or partially, as value slips to other non-value creating actors (Lepak et al. 2007). On the other hand, the ability to capture value from non-value creating entrepreneurial initiatives constitutes unproductive entrepreneurship (Baumol 1990).

Hence, organizational renewal requires promoting productive entrepreneurship and precluding unproductive, destructive and self-destructive entrepreneurship. It should be fostered in tandem with adequate value capture from extant value creating activities the firm exploits, while avoiding/neutralizing likely negative effects the entrepreneurial initiatives may have on the organization and others. For example, when carrying out a lock-in strategy to secure value capture from value creating entrepreneurial initiatives, the organization may find little incentive to renew further, as it gets locked into the successful formula and thus heads towards obsolescence. The organization might seek to neutralize this side

effect by deliberately stimulating the exploration and exploitation of new value creating initiatives, which might eventually threaten the successful status quo. Also, court litigations over mutual patent infringement issues may turn into productive entrepreneurial opportunities, if the parties to the dispute reach cooperation agreements that make productive use of the combined knowledge.

## **Integrity (Developing and Preserving Organizational Integrity)**

The organizational integrity requirement comprises two dimensions. It includes constitutive aspects of the organization and ethical elements that affect organizational continued existence. The constitutive aspects have to do with the set of internal and external bonds that make up the organizational coalition (Cyert and March 1963). The weakening of these bonds undermines organizational continued existence. The ethical elements refer to organizational behavior that generates the perception of being a trustworthy actor (Mayer et al. 1995). The weakening of such perception may hurt organizational legitimacy, which Suchman (1995, p. 574) defines as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions”.

Regarding the integrity requirement, thus, organizations set in motion self-destructive processes in two main ways: by giving rise to organizational fragmentation and eventual break down, as a result of persistently weak bonds among components of the organizational coalition; and by failing to acquire and sustain legitimacy, which precludes the organization from having a license to operate.

Entrepreneurial initiatives may affect organizational integrity in positive and negative ways. They may mobilize and get the commitment of members of the coalition to the entrepreneurial idea. Moreover, those ideas that address socio-environmental issues may convey a unifying sense of purpose to the organization (Selznick 1957), neutralize rivalry among coalition members, and provide the organization with competitive advantage due to the difficulty to imitate social complexity among

coalition members. On the other hand, bold entrepreneurial goals may affect the morale of coalition members, and induce ethically questionable behaviors. In addition, entrepreneurial initiatives that fail to qualify as legitimate, such as those making use of corruption, or involving organized crime, threaten organizational existence over time. In sum, entrepreneurial initiatives may contribute to the strengthening of the organization's social fabric and to being perceived as a trustworthy actor in society. However, they may also trigger self-destructive processes that endanger organizational survival.

*The constitutive dimension of integrity.* Organizational schism (Morgan 1981) contributes a relevant lens for scrutinizing the constitutive dimension of organizational integrity. It looks at the disintegrative tendencies of social systems, which conventional analysis tends to regard as "pathological, abnormal, temporarily deviant states to be remedied in some way" (Morgan 1981, p. 24). Instead, it views schism as a natural property organizations have. The schismatic nature of organizational systems (Morgan 1981) may weaken the organizational social fabric. Unless management makes efforts to identify likely sources of organizational fragmentation and seek to neutralize them in order to foster organizational unity (Selznick 1957), the organization will lack sufficient internal bonding and will eventually cease to exist. Likewise, the weakening of external bonds will likely affect the organizational ability to make exchanges, and its ability to continue to exist.

Entrepreneurial initiatives may embed opportunities for career development and financial compensation among members of the organizational coalition (employees, suppliers, complementors, etc.). For instance, work force perception of these likely benefits may motivate and mobilize employees to commit themselves (Rich 1999), reinforcing the organizational social fabric. On the other hand, entrepreneurial initiatives may foster organizational fragmentation for two main reasons. The first refers to entrepreneurial ambition, that is, extremely bold goals may have a deleterious impact on employee morale (Goold 1999), and negatively affect employees bond and commitment vis-à-vis the organization.

The second concerns meeting the continued renewal requirement. As a result of the entrepreneurial quest for growth, the organization experiences increased variety of products, geographies, technologies, markets,

interests, aims, expectations, cultural backgrounds, legislation, suppliers and organizational members, as well as diverse institutions and cultures (Josefy et al. 2015) when organizations expand abroad. As a result, it will likely face competing priorities, resource allocation conflicts and rivalry (Selznick 1957) among sub-coalitions of individuals (Cyert and March 1963). The adequate handling of differences may contribute cooperation (Barnard 1938), economies of scope (Chandler 1990), slack and synergy among organizational units, and give rise to processes that are hard and costly to imitate due to their embedded social complexity (Barney 1997). On the other hand, due to the schismatic nature of organizations (Morgan 1981), internal and external bonds may weaken if proper care is not taken regarding conflict enhancement.

*The ethical dimension of integrity.* Because uncertainty is part and parcel of social interaction and organizational exchanges, trustworthiness plays an important role in organizational life. The absence of trust precludes the very essence of organizational existence, namely social interaction and organizational exchanges. Indeed, severe breaches of trust impair organizational continued existence, as the Enron and Arthur Andersen cases epitomize. Mayer et al.'s (1995) model of trust includes integrity among its three factors of perceived trustworthiness. Whereas their model concerns individuals, French (1996, p. 155) submits one “can properly ascribe to corporations the virtues of integrity”, which requires “intentions to pursue proper moral principles and the truth of one’s convictions”. In his view, corporate intention corresponds to the planning function organizations perform. Eberl et al. (2015), in turn, distinguish integrity-related behaviors by organizations and individuals. If these behaviors are not part of organizational plans (French 1996), they are attributed to the misbehavior of organizational members, rather than to the organization, and therefore do not belong to the realm of organizational integrity.

Organizations need to be perceived as trustworthy and legitimate to keep operating, and nurturing and preserving organizational integrity from the ethical perspective is a key component in the development of such perception. Regarding the effect of entrepreneurship on organizational ethical behavior, several instances of unproductive and destructive entrepreneurship (Baumol 1990) constitute breaches of ethics. These

include rent-seeking and rent-destroying, rather than rent-creating, entrepreneurial initiatives (Desai and Ács 2007), organized crime, warfare and bureaucracy expansion (McCaffrey 2018). In addition, entrepreneurial bold goals may prompt “the-ends-justify-the-means” behaviors among members of the organizational coalition, who deem such goals unachievable without recourse to ethically questionable behaviors.

### **Slack (Producing and Productively Using Organizational Slack)**

The slack requirement comprises securing the necessary resources for promoting organizational renewal and integrity, as well as making proper use of organizational resources in a way that precludes slack from turning into waste and avoidable losses. Failure to meet the slack requirement prevents the organization from fighting obsolescence, schism and ethical misbehavior, and paves the way to organizational self-destruction.

Entrepreneurship affects slack in opposite ways. On the one hand, entrepreneurial services constitute a key requirement for making use of slack in productive ways (Penrose 1959) that contribute to organizational renewal and integrity. On the other, entrepreneurial initiatives inspired by slack may fail to bring about renewal, may hurt integrity and what is more, they may turn slack into waste or losses. For instance, entrepreneurial initiatives that pursue stretch goals incommensurate with available resources may give rise to rework, stress, burnout, quality problems to customers and other players along the value chain, among other troubles. These shortcomings may lead to the failure of the initiative, and with it, to renewal failure, integrity deterioration, waste and losses.

Organizational slack is arguably a controversial construct, on account of its dual nature. Even though some perspectives hold a neutral view, others emphasize a constructive view of slack, while some others pinpoint its potentially damaging effects on the organization. Neutral definitions of slack include being the difference between total resources and total necessary payments (Cyert and March 1963); and comprising “the pool of resources in an organization that is in excess of the minimum necessary to produce a given level of organizational output” (Nohria and Gulati

1997, p. 604). Slack resources vary in nature (people, operational assets, relationships, time, control, technology and financial resources), provide different degrees of user-friendliness (available, potential and recoverable), and provide different sorts of services (Penrose 1959)—operational, entrepreneurial, managerial, to mention a few.

On the constructive side, Penrose (1959) maintains that resources may become idle on occasion, and such slack may constitute an incentive to organizational growth and renewal. Moreover, identifying opportunities for renewal from slack requires entrepreneurial versatility (Penrose 1959), i.e. having people in the organization providing entrepreneurial services.

Another favorable view defines organizational slack as “that cushion of actual or potential resources which allows an organization to adapt successfully to internal pressures for adjustment or to external pressures for change in policy, as well as to initiate changes in strategy with respect to the external environment” (Bourgeois 1981, p. 30). In fact, organizations operating at the very edge of their resources will likely struggle to meet emerging internal demands and new external requirements, even if such disturbances are small-sized. In consequence, such organizations head towards obsolescence and integrity weakening.

On the other hand, the mere existence of slack may suggest the presence of organizational flaws that preclude organizational efficiency and competitiveness (Tseng et al. 2007; Nohria and Gulati 1997). For instance, agency theory (Jensen and Meckling 1976) suggests that surplus resources may be used to promote individual interests, to the detriment of organizational interests (Ju and Zhao 2009; Wan and Yiu 2009; Hicheon et al. 2008; Jacobsen 2006; Love and Nohria 2005; Tan and Peng 2003; Davis and Stout 1992). In short, slack includes a dual notion, namely waste; and the slack-waste pair exhibits a dynamic relationship of constructive or destructive kind. Constructive practices, such as systematic learning from past mistakes, convert waste into slack. Destructive practices, such as repeated rework along with no learning, cause the waste of slack resources.

As regards slack’s value creating and value destroying potential, the literature has identified twelve value creating and eight value destroying functions slack may perform. Value creating functions include adapting organizational structure to internal and external pressures (Bourgeois



1981; Huang and Chen 2010); fostering innovation (Bourgeois and Singh 1983; Richtnér and Åhlström 2010; Rosner 1968); providing a technical buffer (Bourgeois 1981; Richtnér and Åhlström 2010); enhancing organizational flexibility to change goals and strategy (Marino and Lange 1983; Sharfman et al. 1988); increasing organizational performance (Peng et al. 2010); enabling opportunities exploitation (Bromiley 1991; Ju and Zhao 2009); avoiding internal disruption (Bourgeois 1981); speeding up problem solving (Bourgeois 1981; Bowen 2002); protecting the depletion of scarce resources (Meyer 1982); reducing misalignment between subunit and organizational goals (Bourgeois 1981); risk mitigation (Lawson 2001); and enhancing risk taking (Bateman and Zeithaml 1989).

The value destroying potential of slack has to do with findings that suggest that high slack levels may lead to waste and to organizational indiscipline. Actually, slack may increase avoidable costs (Bourgeois 1981); foster the formation of coalitions driven by self-interest (Bourgeois and Singh 1983); enable the pursuit of self-interest goals (Bourgeois 1981; Bourgeois and Singh 1983); harm performance (Bromiley 1991); disguise failures in organizational processes (Bourgeois 1981); foster inefficiency (Love and Nohria 2005); increase disagreement among top management members regarding new opportunities (Bourgeois and Singh 1983); and reduce organizational responsiveness to market changes (Bromiley 1991).

Concerning organizational survival, slack may refer to all time frames. Financial resources may secure both short-term and long-term solvency. Operational slack may secure operations continuity over the short-term, as well as enable expansion in the medium term. Slack resources that make up strategic options contribute new avenues that may secure long-term survival. Because change and uncertainty are ubiquitous, organizations need slack, but should fight waste, if they aim at surviving. Effective slack management comprises the organizational ability to capture value (i.e. generate slack) from value creating initiatives (Lepak et al. 2007), as well as making use of generated slack in a productive way, namely, by avoiding its misuse that gives rise to avoidable losses. In addition, the analysis of unpreventable losses may generate new slack to the extent that

the organization manages to learn from such experiences. Such learning may turn formerly unpreventable into preventable issues in future events.

Therefore, from a long-term perspective, organizational survival requires adequate levels and use of slack, and responsible entrepreneurship—doing good, doing well, and avoiding self-harm and harming others—plays a constructive role in fostering organizational renewal and integrity. By failing to meet one or more of the responsible entrepreneurship features, irresponsible entrepreneurship plays a destructive role, hindering renewal and weakening integrity.

## Conclusion

This chapter departs from the widespread success-oriented bias commonly found in the entrepreneurship and growth literatures, maintaining that entrepreneurial initiatives may constitute irresponsible entrepreneurship—a far less divulged dark side. The scope of the responsibility notion in this chapter is broad including individuals, firms, industries, economic systems, societies and the planet, since organizational survival depends on the survival of all those entities. Moreover, from a long-term perspective, responsibility transcends the concern with mere subsistence, focusing instead on the long-term healthy survival of organizations and their members, as well as of the entities around them.

Hence, the responsible entrepreneurship notion advanced here comprises conceiving business models that enable value creation to others and value capture to the organization. It also includes identifying, avoiding and neutralizing the likely harmful effects of the entrepreneurial initiative on the entrepreneurial entity, members of the organizational coalition and other entities. Among the contributions this chapter offers, a few stand out. First, it puts forward a dualistic perspective of entrepreneurship that acknowledges entrepreneurship's bright and dark sides. Second, it pinpoints the close relationship between entrepreneurship and growth, highlighting some dangerous consequences of entertaining highly ambitious goals, which usually translate into excessively high growth speed. Third, it focuses on the consequences of entrepreneurial initiatives on the entrepreneurial entity, offering a fourth category of entrepreneurship

outcome—self-destructive—in addition to Baumol's (1990) trio—productive, unproductive and destructive. Finally, it advances three requirements for promoting organizational survival, discussing the dual role entrepreneurship may play in fostering organizational self-preservation over time through its renewal, integrity maintenance and slack availability; and in setting in motion self-destructive processes that foment organizational obsolescence, disintegration and lack of resources.

These notions help advance research and practice for those concerned with the long-term healthy survival of organizations, environmental sustainability and society's robust development. This chapter contributes a research road map offering a blueprint for performing fine-grained research on the dual role entrepreneurship may play. While entrepreneurial initiatives the world over have brought about economic growth, great technological advances and achievements in several areas, presently, human kind and our planet face poor existential conditions.

Unless and until those in charge of entrepreneurial initiatives develop awareness of the likely adverse effects of entrepreneurship, there is reason to be against entrepreneurship because not only it may harm others, as Baumol (1990) claims, but it may also harm the entrepreneurial entity. In fact, entrepreneurial initiatives may set in motion self-destructive processes if they fail to promote organizational renewal and/or preserve organizational integrity and/or adequately manage organizational slack. Properly fighting organizational obsolescence requires the organization to engage in productive entrepreneurship, namely exploring value creating novelties and capturing value from these initiatives. Otherwise, unproductive (non-value creating), destructive (value destroying) or self-destructive (non-renewing and/or slack destroying) outcomes will be the case. Furthermore, properly tempering the entrepreneurial growth pace is essential for both neutralizing the organizational schismatic propensity and preserving organizational legitimacy, since excessive pressure on organizational members may give rise to unnecessary internal conflicts, as well as ethically questionable behaviors.

In the light of the notions discussed in this chapter, it is fair to say that more often than not irresponsible entrepreneurship has predominated to our detriment. Changing this sad state of affairs calls for a thorough discussion that goes beyond the scope of this chapter. This notwithstanding,

I believe the notions advanced here can help practitioners, researchers and educators. Practitioners may develop awareness of the wide implications of entrepreneurial initiatives, as well as alertness to entrepreneurship's dark side, enhancing the chances of avoiding unpleasant shortcomings. Researchers and educators, in turn, can broaden the entrepreneurship topic in their studies and teaching by encompassing entrepreneurship's dual nature and drawing attention to the self-destructive potential entrepreneurial entities hold.

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# 15

## The Dark Side of Entrepreneurship: The Role of the Dark Side of Personality

Bekir Emre Kurtulmuş

### Introduction

It is a common notion that entrepreneurship provides positive benefits for economy, society and employees (Baumol and Strom 2007; Bosma et al. 2018). It tends to be associated with good deeds. Consequently, it is an assumption that societies and governments in general should support new businesses no matter what as entrepreneurship is perceived to create new jobs and wealth. Entrepreneurs and their contribution to modern economies are well known and they are one of the main engines for economic growth and job creation. In fact, it has been shown that entrepreneurs are one of the most important sources of economic growth (Wennekers and Thurik 1999; Aparicio et al. 2016) as well as of new job creation (Malchow-Møller et al. 2011), and there is a positive relationship between entrepreneurship and innovation (Zhao 2005). It is because of this that most governments support entrepreneur activities and announce incentive programmes for new entrepreneurship. Across

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B. E. Kurtulmuş (✉)

Kuwait College of Science & Technology, Doha, Kuwait

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societies, there is a very strong tendency to support new entrepreneurship. There is no doubt that entrepreneurship activities provide plenty of benefits for both national economies and local societies.

However, such positive sentiments may be misleading, particularly in certain circumstances. It is, for instance, less discussed if this unconditional support always provides positive results. In certain circumstances entrepreneurs behave unethically/immorally, something that almost consistently lead to failure for their organizations.

Similar to the (overly) positive perception of entrepreneurship, *leadership* is considered as positive and beneficial to organizations and societies (Fletcher 2017). It is relevant to the entrepreneurship research as in majority of the cases entrepreneurs are established by few individuals who also take on leadership positions. The successful leaders bring prosperity and well-being to organizations. Nonetheless, for two or more decades scholars have started to research a relatively new topic—the dark side of leadership. It is discussed that associating leadership with positive things may not always be right. Some leaders have destructive and toxic tendencies which, eventually, lead both organizations and individuals to failure. They may also cause destructive effects on followers.

Individuals with destructive and toxic tendencies may be more common in leadership positions than one may think (Boddy et al. 2010). This is because certain dark individual traits may provide positive advantages in complex organizational structures as well as in social interactions. For example, narcissistic individuals are quite good at inflating their self-capabilities due to their self-conflicted belief in themselves and egoistic tendencies. They are also quite successful at manipulating others towards their individualistic and selfish desires (Paulhus 2014). Entrepreneurship usually belongs to a single individual who also has a leadership position within an organization. There is, thus, a connection between the dark side of personality traits and the dark side of leadership.

This chapter raises critical questions about societies' and governments' sentiment of providing unconditional support to new entrepreneurship as it is a common belief that they are one of the biggest sources of new employment and wealth. What if entrepreneurs have any of the dark side of personality traits? Do they still deserve the same support? Would

entrepreneur leaders, who have the dark side of personality traits, fail organizations and harm wellbeing of individuals?

There are generally two inter-connected reasons for being against unconditional support of entrepreneurship. First, the same (dark) personality traits that are beneficial in entrepreneurship often cause harm to organizations and their people. It has consistently been shown that people with the dark side of personality traits—which seems to be helpful for those who have ambitions to make an “entrepreneurial career”—harm both organizations and other people, and they have often a different moral or ethical code (Spain et al. 2014; Kaiser et al. 2015). Second, entrepreneurs are often the sole owner—or among few owners—of the entrepreneurial businesses that they build up, which makes them powerful. Such organizations are often less bureaucratic and less formalised than other organizations, and, thus, there is a lack of organizational control over decision-making processes. Individuals with dark personality traits are more common in senior positions than in lower levels of management (Boddy et al. 2010), so it may be right to assume they may be seen more often in entrepreneurship positions. Therefore, there is a high possibility of entrepreneurs having the dark side of personality traits. Consequently, entrepreneurship may contribute with rather negative consequences for businesses as well as for other people, both within and outside of the organizations that the entrepreneurs own and rule.

## The Dark Side of Personality Traits

While the main part of the literature on personality focuses on personality traits from a perspective of “big five” and some other personality measurement systems, there is also a steady increase of research conducted on the dark side of personality in this literature. Individuals possessing a relatively negative and destructive personality traits, namely the dark triad of personality, are examined.

Personality traits are one of the strongest determinants of individuals’ behaviours and attitudes and may also be a very important concept to determine entrepreneurs’ behaviour and attitudes. There are many different traits that define individuals’ characters, attitudes and behaviours.

Some of these may be positive and more likeable whereas others can be quite unpleasant. Dark personality traits comprise different personality traits that are deemed to be harmful and undesirable. Such traits are defined as socially aversive and subclinical. Individuals with such traits are considered well enough to not receive clinical attention and they can conduct their daily activities without much problems (Paulhus 2014). Such individuals may cause problems for both organizations and others around them.

In this vein, in order to pinpoint an exact definition of the so-called dark personalities scholars have conducted extensive research. In fact, both forensic scientists and personality/traits researchers have conducted similar studies (Jones and Figueredo 2013). Consequently, the dark side of dark personality traits are defined, these are *Machiavellianism*, *narcissism* and *sub-clinical psychopathy* (Paulhus and Williams 2002)—this set has recently been increased to four traits, by addition of *everyday sadism-appetite for cruelty* (Buckels et al. 2013). These traits describe rather harmful and destructive side of personality. These personality traits are highly correlated and overlapping (Jones and Figueredo 2013). In fact, Paulhus (2014) discusses that callousness—being insensitive to others—is the reason why the dark side of personality traits—Machiavellianism, sub-clinical psychopathy and narcissism—overlap. Despite the fact that each trait provides unique outcomes to the point that they should be considered separately (Paulhus and Williams 2002), individuals with the dark triad of personality traits engage explosive behaviour of others with different tactics (Jones and Paulhus 2017).

Individuals with the dark personality traits are socially aversive but can live within a social environment. They are “sub-clinical”—no need to be treated in institutions (Furnham et al. 2013). Key features of the dark side of personality traits are callousness, impulsivity, manipulation, criminality, manipulation, grandiosity and enjoyment of cruelty. Some of these features are overlapping such as callousness which is the only feature that can be observed within all four of these traits. Also, some of the traits are unique such as enjoyment of cruelty that can only be observed in the trait of everyday sadism-appetite for cruelty (Paulhus 2014).

Individuals with the dark side of personality traits can be considered harmful to others. They tend to be rather aggressive, particularly when

they feel being threatened. It is easier to cheat and lie for these individuals when the risk of being caught is low, but when the risk is high the most likely group to cheat would be *Machiavellians* (Jones and Paulhus 2017). The people with dark personalities tend to be more inclined to have malicious envy (Lange et al. 2018). Surprisingly, out of these four dark traits Machiavellianism is not associated with outright aggressive behaviour while narcissism is the only one associated with anti-social behaviour and psychopathy is the one that most consistently predict aggressive behaviour (Jones and Paulhus 2010).

Within an organizational context, studies have found that the dark triad of personality traits are related with many negative work outcomes. Some of the issues that are found to be correlated with the dark traits of personality traits are counter productive work behaviour (Cohen 2016), bullying behaviour (Linton and Power 2013), negative organizational citizenship behaviour (Spain et al. 2014), negative job satisfaction (Jonason et al. 2015), poor job performance (O'Boyle et al. 2012). Therefore, it is clear from the literature that the dark triad of personality leads to destructive and harmful behaviour and not only organizations are affected but it may even have direct impacts on other employees' wellbeing.

## The Dark Side of Leadership

Leadership is considered to provide direction toward positive behaviour among followers. The “right” leadership practises are assumed to create positive values for everyone involved. However, recently some have argued that some leadership practises are harmful, destructive and even toxic for followers and organizations. It has been shown that individuals with dark traits of their personality tend to perform “dark” leadership (Furtner et al. 2017). For example, people with the dark triad of personality traits—any of them—are more common at senior levels than lower positions (Boddy et al. 2010), and create environments that all parties involved are more or less negatively affected by. Their leadership practises are considered to be harmful for both organizations and for the wellbeing of individuals (Liu et al. 2012).

Therefore, scholars have engaged in doing research on the phenomenon called the dark side of leadership (Conger 1990). After initial studies they have reached a conclusion that there are some certain leadership practises that should be considered as “dark” ones. Thus, the term “dark leadership” includes destructive, tyrannical, evil and toxic leadership practises. These studies have also found that there is a negative relationship between leadership effectiveness and psychopathy—which leaders effectiveness considerably reduce if they have psychopathy trait (Landay et al. 2019), grandiose narcissism and organizational cynicism (Erkutlu and Chafra 2017) and narcissism and work deviance (Judge et al. 2006). There is also evidence that leaders with high Machiavellenism and psychopathy have a detrimental effect on wellbeing of employees (Volmer et al. 2016), that they make bad decisions and cause dysfunctional organizations (Clements and Washbush 1999), and even that they negatively influence employees creativity (Liu et al. 2012).

So, it is consistently shown that the dark side of leadership practices are bound to bring failure to organizations. Moreover, not only organizations but also followers’ well-being is threatened by the dark leaders’ immoral and ethical behaviour. It should be noted that such leaders have warped moral values and the way that they perceive their surroundings would be different than how others perceive the same surroundings. This is probably problematic for followers, as whenever they need a reference point in regard to ethics and morality they would face a dilemma, in that the dark leaders may not share the same moral values.

Their self-perceived value may incline them to believe that their decisions do not need to have any moral/ethical approvals. There is no formal control mechanisms of leaders’ decisions and the only way of seeking approval of decisions is informal approvals—through consensus among followers. However, due to their extreme capabilities of manipulation and callousness they may overcome disapproval from colleagues with relative ease. During managerial process they would not consider other emotions well-being. They may have no interest to protect the organization’s benefit either—they may not necessarily owner but can be leader. Therefore, it can be concluded that dark leaders may create problems not only for organizations but also, they bring a lot of problematic issues to followers (Furnham et al. 2013).

## Dark Personality Traits and Entrepreneurship

“Personality” is something we connect to individuals. Entrepreneurs can be perceived as individual businesses, and entrepreneurial organizations are often individual-dependent. Usually, fewer people are involved in the decision-making process than in other organization, and the owners are not seldom the ultimate decision-makers.

There is a strong sentiment in the literature that entrepreneurship is somehow related to personality traits of individuals. Entrepreneurs may be defined as risk taking individuals and it has been suggested that personality is one of the main reasons for individuals’ entrepreneurship activities (Wennekers and Thurik 1999). In fact, there is a relationship between personality traits in general and new business creation and business success (Rauch and Frese 2007). Agreeableness is one of the most influential personality traits that affect social entrepreneurship behaviours of individuals (Nga and Shamuganathan 2010). There is also a relationship with certain personality traits and entrepreneurship intention and performance (Zhao et al. 2010).

The dark side of personality traits can also be observed among entrepreneurs, with all associated negative attributes (Klotz and Neubaum 2016). In fact, it is clear from research conducted that the dark side of personality traits have a pervasive influence on entrepreneurs and subsequently entrepreneurship activities. Research has found that there is a positive relationship between the dark triad of personality and unproductive entrepreneurial motives (Hmieleski and Lerner 2016), between entrepreneurial tendencies and behavior and sub-clinical psychopathy (Akhtar et al. 2013), and between entrepreneurial intentions on different cultural contexts (Wu et al. 2019). “CEO narcissism” trait has influence on firms’ entrepreneurial orientation and performance (Wales et al. 2013). Narcissism is also related to entrepreneurial intention (Mathieu and St-Jean 2013). Defining positive and negative effects of personality traits on entrepreneurs’ managers is beneficial to understand many different organizational outcomes (Miller 2016).

The identified relationship between entrepreneurship and the dark traits of personality does hardly provide many positive benefits.



Entrepreneurs may, thus, be less empathic than people in average, and, thus, more often than for any other individual, cause harm for both organizations and for the well-being of the employees.

## Conclusion

There is a common belief that entrepreneurs are responsible individuals who produce benefits for economies and employees, which may be among the most commonly used justifications why there is reason to unconditionally support entrepreneurs and entrepreneurship.

However, there is reason to argue against such unconditional support. First, the same personality traits that entrepreneurship not seldom are based on, have proven harmful for organizations and their people. There is a consensus in the literature that personality traits of individuals have a strong impact on entrepreneurship activities; studies have found various effects of personality traits on individuals' entrepreneurship tendencies and behaviour. Despite some petty advantages that such traits come with, these types of personalities are consistently leading to organizational failure. They have also negative impact on employees' wellbeing.

Second, entrepreneurs often possess a lot of power within their organizations, something which helps to increase the problems caused by the dark personality traits even further. Entrepreneurial organizations have unique attributes that make them different from other types of business organizations. Usually, one person—the entrepreneur her- or himself—makes all or most of the most important decisions. There would also be limited control upon such individuals in relatively small organizations. This makes it difficult to control ethicality and morality of the decisions taken. Unlike larger organizations, there are often no mechanisms that limits or controls undesired behaviour of individuals, such as code of conduct or board of directors. These circumstances are, of course, more devastating in those cases when entrepreneurs with darker sides of their personality run the organizations. Such entrepreneurs would lack callousness and empathy for others, thus, they may not consider the consequences of actions on others.

In conclusion, nothing is wrong with discussing positive attributes of entrepreneurship, but there is also a need to discuss negative sides of entrepreneurship. As is shown in this chapter, there might be situations in which entrepreneurs produce more harm than benefits.

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# Afterword: What Does it Mean to be *Against* Entrepreneurship? From Antagonistic to Agonistic Critique

Pascal Dey

## Introduction

Entrepreneurship leaves no one indifferent. It is not just a multifaceted and polysemous concept (i.e. a concept carrying different meanings) (Shepherd 2015), but an appraisive concept conveying different *value judgments* (Choi and Majumdar 2014). Entrepreneurship is appraisive in that it is accredited with some kind of valued achievement, be that wealth creation, or the provision of employment, innovation and prosperity. Since entrepreneurship is such a normatively charged term, one can either be for entrepreneurship by touting its purported achievements (the position of *mainstream entrepreneurship research*), or challenge entrepreneurship's ability to actually produce such positive effects (the position adopted by *critical entrepreneurship scholars*). It thus appears that there is

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P. Dey

Bern University of Applied Sciences, Bern, Switzerland

University of St. Gallen, St. Gallen, Switzerland

e-mail: [pascal.dey@bfh.ch](mailto:pascal.dey@bfh.ch)

no in-between, no nuance of judgment as one is literally forced to take a stance: either *for* or *against* entrepreneurship.

I will use the liberty that comes with writing an afterword to reflect on whether the binary opposition between *for* or *against*, as well as the implicit understanding of critique as a purely oppositional gesture, still has purchase in contemporary critical entrepreneurship scholarship. While it is no secret that I wholeheartedly identify with the critical entrepreneurship community, this chapter takes it upon itself to argue that critical research could reach a dead end if it continues to reduce its mission to an *antagonistic* confrontation with (a however defined) mainstream of entrepreneurship research. At the heart of this contention is the realization that the mainstream of entrepreneurship research has changed so much in recent years that it has become superfluous to conceive of critique solely as an act of pure negativity (Noys 2012). Thus, given how entrepreneurship is studied and theorized today in mainstream entrepreneurship scholarship leads me to purport that being *against*—in the oppositional sense of the term—is hardly appropriate for leading our critical enterprise into the future. Using the first part of this short reflection to delineate and challenge the prerogative interpretation of critique as oppositional engagement with mainstream research, this leads me, in a second step, to ponder the possibility of an alternative interpretation of critique based on Chantal Mouffe's (1999, 2013) notion of *agonism*. I thus use the article by Olaison and Sørensen (2014) on entrepreneurial failure to exemplify the potential inherent in agonistic critique.

## **Critique 1.0: *Against* Entrepreneurship as Antagonistic Opposition**

Although critical entrepreneurship scholars, with few exceptions (Fletcher and Selden 2016), have not made any systematic attempt to define what critique actually is and what set of principles and goals it should uphold, it is fairly uncontroversial to assume that the majority of critical research on entrepreneurship has an antagonistic orientation. The basic premise of this article thus is that it would be wrong to consider antagonistic opposition as the best, let alone only model for criticizing mainstream

entrepreneurship research. But what does antagonistic critique actually entail? Antagonistic critique is predicated on a friend-enemy imagery (Schmitt 2007) which separates the “I” and “us” from the “other”. This separation is irreconcilable in that the enemy throughout the confrontation remains in a position of complete exteriority or outside to the “I” and “us”. The aim of the antagonistic engagement with the “other” thus consists in creating the terms for distinguishing the good and the bad, and to take measures to put the enemy in its place and, possibly, to overcome it. So conceived, antagonistic critique can be pictured as a “battle” with the enemy that knows only one winner. This is not to glorify the potential excess of antagonistic critique, but a cautious reminder that oppositional encounters growing out of a concrete issue or concern always carry the seeds of “war” (Schmitt 2007).

Antagonistic critique made its entrance to management and organization studies via Critical Management Studies (CMS) (Alvesson and Willmott 1992), which was defined by its anti-performative orientation (Fournier and Grey 2000) and its distinct anti-management ethos. In this framework, to critique essentially meant to bring to the fore management’s entanglement with unequal relations of power, the systematic exploitation of workers in the labor process or management’s complicity with immoral and reprehensible phenomena such as genocide or human trafficking. Although CMS comprises different theoretical orientations (Marxism, Critical Theory, poststructuralism, feminism, critical realism, etc.), it is united by a belief that there is something fundamentally wrong with how management is understood and practiced. These antagonistic feelings can also be found in part of the critical research on entrepreneurship. I refer to this research as Critique 1.0. Although such a thing as a clearly delineated “mainstream” of entrepreneurship research never existed (Baker and Welter 2020), Critique 1.0 has essentially been sparked by a discontent about the way in which entrepreneurship was conventionally studied and theorized (Dey and Mason 2018). The primary enemy of Critique 1.0 was the preferred position of economic and management theory in entrepreneurship studies (Hjorth 2013; Hjorth and Holt 2016). Critique 1.0 thus tried to denaturalize dominant renditions of entrepreneurship as “new venture creation”, “opportunistic wealth creation” or “profit making” (Shane and Venkataraman 2000) by



pinpointing how these understandings tend to present entrepreneurship quite naively as a univocally “positive economic activity” (Calás et al. 2009, p. 552). Jones and Spicer’s (2009) seminal book *Unmasking the entrepreneur* offers a paradigmatic example of antagonistic critique or Critique 1.0. Their unapologetic critique sheds light on how mainstream scholarship has turned a blind eye toward central elements of entrepreneurship, such as excess, failure, irrationality or unethical behavior. Jones and Spicer go on to argue that these suppressed phenomena are not just rare deviations or outliers, but defining characteristics of entrepreneurship and entrepreneurs. Consider, as an example, the case of excess. Jones and Spicer aver that excess in the form of, for instance, wasteful consumption and decadent parties is a constitutive element of entrepreneurship, and they point toward real-life examples like Richard Branson or Steve Fossett to argue that entrepreneurs are “cruel and vindictive” actors (p. 115). Ignorance of excess in the academic literature according to the authors is not just a failure to consider relevant evidence, but is seen as indicative of the general refusal on the part of the scholarly community to engage with the “dark side” of entrepreneurship. Jones and Spicer’s book thus sets out to reveal that behind the ideological smokescreen of entrepreneurship lies another, less rose-tinted reality which is deliberately edited out of academic (and policy) accounts. In a truly antagonistic gesture of “creative destruction”, the authors treat the mainstream as an “enemy” making strategic use of economic discourse to fabricate (fictional and thus largely untrue) fantasies about the productive value of entrepreneurs and entrepreneurship. The ultimate aim thus is to transcend the enemy’s ideological fabric by suggesting an alternative to it.

To be sure, Jones and Spicer’s antagonistic critique made perfect sense during a time when entrepreneurship was almost univocally regarded as a positive thing, attributed with a seemingly limitless capacity to produce valuable achievements (Weiskopf and Steyaert 2009). Jones and Spicer thus had good reasons to attack mainstream research head-on to dismantle its various taken-for-granted assumptions and blind spots pertaining to the virtuousness of economic practices, the moral and rational nature of entrepreneurial actors, or the primacy of functionalist and constructionist theories. However, as entrepreneurship research has become more pluralistic and diverse in terms of its theoretical and paradigmatic

orientations (Calás et al. 2009), many of our antagonistic knee-jerk reflexes no longer seem adequate.

For instance, Jones and Spicer (2009) maintain that mainstream research ignores the shortcomings and negative ramifications of entrepreneurship. This might have been accurate more than 10 years ago when their book was published. What we witness today, however, is an increasing interest amongst mainstream scholars in the “dark side” of entrepreneurship. For instance, in a recent paper, Shepherd (2019) makes a plea for exploring the “negatives” of “entrepreneurship” (p. 217), including the dark side (the entrepreneur’s negative psychological and emotional reactions during the entrepreneurial process), the downside (e.g. the entrepreneur’s loss of status and financial resources) and the destructive side of entrepreneurship (the damage which the entrepreneur inflicts on society as a whole). The broader insight to be gleaned from this cursory example is that mainstream scholars have come to acknowledge that it would be wrong to assume that entrepreneurship is universally positive, and that it is important to better understand if and when people engaging in entrepreneurship actually benefit from these endeavors, and to study in greater depth the conditions under which entrepreneurship produces positive effects for entire societies and economies (Wiklund et al. 2019). Attending to how entrepreneurship ends up creating unintended effects, thus potentially doing harm to key stakeholders (Khan et al. 2007), mainstream research has taken it upon itself to understand if and when entrepreneurship creates dysfunctions in individuals, families, communities and society (McMullen and Warnick 2016) with an eye toward creating effective responses to the widespread suffering precipitated by the dark side of entrepreneurship (Shepherd 2019).

Or to use another example, Jones and Spicer (2009) lament the absence of research dealing with the ethics of entrepreneurship, while accusing mainstream research of offering a thin account of the “social” of entrepreneurship based on an understanding of social entrepreneurship as mere charity (Roscoe 2011). This critique resonates with Calás et al.’s (2009) seminal article which in the very same year pointed out that our preoccupation with economic activity prevents us from understanding what else entrepreneurship could be and do. Today, such antagonistic statements essentially miss their mark since mainstream research no longer

considers entrepreneurship exclusively in terms of wealth creation and profit (Shane and Venkataraman 2000), but as an engine of positive social change (Stephan et al. 2016). During a time where social change is becoming the New Normal of entrepreneurship research, entrepreneurship is increasingly theorized as a source of social value, social change and emancipation (Rindova et al. 2009). As part of this Copernican revolution, it has been argued that entrepreneurship is perhaps the most effective means for solving some of the grandest challenges of our times, such as poverty (Bruton et al. 2013) or economic exclusion (Gauthier et al. 2020). The view of entrepreneurship as a medium of social change has become so compelling that scholars have started to address whether every new enterprise should in fact “be required to be a hybrid organization” capable of producing financial value alongside environmental and social value (McMullen and Warnick 2016, p. 631).

What is the lesson to be taken from these examples? One answer would be that critical entrepreneurship research has become obsolete as mainstream research has completely absorbed its various allegations and concerns. Another answer, which I prefer, is that mainstream entrepreneurship research has changed so fundamentally in recent years that we need to adjust not just the object of our critique but also our fundamental assumptions about what critique is. While the previous section has demonstrated that Critique 1.0 has lost some of its purchase, the question then is what an alternative mode of critique could look like that does something *more* than just treat the mainstream as its enemy.

## **Critique 2.0: *Against* Entrepreneurship as Agonistic Engagement**

Having highlighted what I consider to be the limitations of antagonistic Critique 1.0, I will now sketch out the tentative contours of an alternative understanding of critique based on Chantal Mouffe’s (1999, 2013) notion of agonism. I will refer to this as Critique 2.0. Agonism (from Greek *agōn*: Contest) has been used by Mouffe to argue that conflict has a special relevance within democratic politics. Specifically, Mouffe proposed agonistic pluralism as an alternative to liberal conceptions of

politics based on the ideal of consensus. Mouffe's basic idea is that democratic life is rife with irreconcilable conflicts between "us" and "them", wherefore it makes little sense to adhere to the liberal ideal of consensus and harmony (Tambakaki 2014). Agonistic politics is hence a response to the question of how the democratic process can be secured under conditions of perpetual difference and disagreement. Mouffe defines agonism as a process of ongoing "contest". Thus, while both antagonism (see above) and agonism entail an element of struggle, Mouffe (2014) makes it clear that the "agonistic confrontation is different from the antagonistic one, [...] because the opponent is not considered an enemy to be destroyed but an adversary whose existence is perceived as legitimate" (pp. 150–151). Transposing agonism to the current context, we can see that the aim of agonistic Critique 2.0 is not so much to erase and replace its adversary (e.g. by offering a better, more valid account of social reality) (Roskamm 2015), but to challenge the adversary on its own terms (Mouffe 1999). Conceived in this way, agonistic Critique 2.0 seeks to channel the positivity of the confrontation with the adversary by carrying out critique from a position of respect for and admiration of the "other" (Critchley 2005). Critique 2.0 acknowledges that the mainstream is legitimate in its attempt to say something meaningful about its subject matter. It is this bond of respect which serves as a moderating element in the ongoing confrontation with the "other" (Tambakaki 2014), which creates the ground on which new insights and ideas can arise.

Let us now use a concrete example to render palpable the potential merit agonistic Critique 2.0 can have for entrepreneurship studies. To this end, I like to summon an article by Lena Olaison and Bent Meier Sørensen published in 2014 in the *International Journal of Entrepreneurial Behavior & Research*. I have chosen this particular article not just because I had the pleasure of accompanying it in my role as an editor for a special issue on critical entrepreneurship research (Verduyn et al. 2014), but because it deals with a topic that was identified by Jones and Spicer (2009) as a conspicuous absence in entrepreneurship research: entrepreneurial failure. While Jones and Spicer (2009) rightly pointed out at the time that failure has been a blind spot in entrepreneurship research for many years, entrepreneurial failure has quickly developed into a passionate stream of research since the publication of their book. Over the last

decade, mainstream scholarship has tried to better understand the antecedents, elements and boundary conditions of entrepreneurial failure, and to increase the effectiveness of responses to both entrepreneurs' suffering and stigma (Byrne and Shepherd 2015), and the broader socio-economic damage caused by entrepreneurial failure. These are valuable and legitimate objectives, and one can justifiably ask whether critique is still necessary under these circumstances. Olaison and Sørensen's article responds with a clear *Yes*, since although it treats extant research on entrepreneurial failure as legitimate, it still considers the mainstream as inadequate and thus in need of critical scrutiny. Instead of following Jones and Spicer's example of using ridicule and parody to engage their adversary, Olaison and Sørensen immerse themselves in academic accounts, policy documents as well as political speeches, press reports and the narratives of entrepreneurs to develop an embedded sense of dominant understandings of entrepreneurial failure. While the analysis confirms that entrepreneurial failure is readily seen as integral to the entrepreneurial process, the authors are struck by the particular way in which failure is usually understood. In contrast to earlier discussions which used to blame the entrepreneur for his or her failure, Olaison and Sørensen's analysis brings to the fore how entrepreneurial failure is largely considered a positive thing. That is, failures are seen as empowering and generative moments as entrepreneurs can learn from them so as to increase their chances of succeeding with their next venture (McKenzie and Sud 2008). This insight points immediately to the question whether entrepreneurial failure has lost all its stigma and blemish. Olaison and Sørensen offer a double answer to this paradox. On the one hand, they aver that the negativity of failure continues to exist as an inescapable reality of entrepreneurship. On the other hand, they convincingly make the case that the negative reality of failure is continuously suppressed on a discursive level whereby the "real and material kernel" of entrepreneurship (p. 194) gets denied. In line with these observations, Olaison and Sørensen offer important insights into how entrepreneurial failure is split into good and bad parts, arguing that only "productive" failures tend to gain broad recognition since being presented as an elemental stepping-stone toward entrepreneurial success. Unraveling the mostly concealed censorship mechanism shaping our shared understanding of failure, Olaison and

Sørensen's deconstructive endeavor casts a new light on the discursive prohibitions and hidden affective dynamics at play in our epistemological practices. Importantly, even if Olaison and Sørensen's article invites us to temporarily abandon existing prohibitions by shacking up dominant understandings of entrepreneurial failure, they are not interested in providing a better, more truthful understanding of this subject matter. Indeed, the article does not treat dominant renditions of entrepreneurial failure (i.e. "good failures" that are conducive to learning) as an enemy that needs to be overcome. Rather, their approach has an educational dimension, aimed at raising sympathy for and awareness of how "acceptable and unacceptable types of entrepreneurship" (p. 201) are fabricated and sustained in mainstream scholarship, thus using agonistic Critique 2.0 to create a space where dominant assumptions reach their limit. These insights are of immediate importance to critical researchers, but potentially also have relevance for the mainstream entrepreneurship community. Indeed, that Olaison and Sørensen's article might have broad appeal and utility that goes beyond our critical community is reflected in the fact that the article won the Best Paper Award of the *International Journal of Entrepreneurial Behavior & Research* in the year of its publication.

## Coda

This afterword has argued that critical research on entrepreneurship is at a cross-roads: it can either continue to lose relevance and legitimacy by applying a form of critique that is only partially adapted to the changed circumstances of mainstream research (Critique 1.0); or it can explore alternative forms of critique that are better suited to address the current state of entrepreneurship studies (Critique 2.0). Having favored the second option, I have drawn on Mouffe's notion of agonism to adopt more affirmative and granular critical dispositions that allow us to transcend Schmitt's antagonism between friend and enemy by prodding a space between being either "for" and "against" entrepreneurship (Parker and Parker 2017). This "in-between", which is a constant thread running through Mouffe's political theory of agonism, reminds us that the pre-eminent task of critical scholarship today consists in treading the fine line

between “belonging” and “breakthrough” (Critchley 1999). “Belonging” demands that critical scholars remain sympathetic toward their adversaries, while trying to gain relevance amongst mainstream entrepreneurship scholars by working from within the tradition they critically engage with. “Breakthrough”, on the other hand, signifies that there is always the danger of selling our critical sensitivity by overly trying to become palatable to the “other”. Critique, to remain worthy of its name, thus needs to keep a productive distance from the mainstream so as to retain its ability to see that entrepreneurship could be different from how it is traditionally understood. And while Olaison and Sørensen’s paper has helped us create a better appreciation of how agonistic Critique 2.0 can produce important impulses for both critical entrepreneurship scholars as well as for the mainstream entrepreneurship community with which it engages, it is to be hoped that we will see more such studies in the future.

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