

# **Critical analysis to expand the job creation discourse beyond entrepreneurship**



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## **DECLARATION**

I declare that the thesis "*Critical analysis to expand the job creation discourse beyond entrepreneurship*" is my own work, that the sources used or quoted have been indicated and acknowledged by means of complete references, and that this thesis has not been submitted previously by me for a degree at any other university.

The thesis has been submitted for language correction.

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## ABSTRACT

The current theoretical framing of entrepreneurship includes a number of diverse phenomena under the same conceptual umbrella. This entrepreneurship umbrella is painted as a silver bullet for economic development and job creation. It is furthermore hailed as a panacea for emancipation and wealth creation for everyone, even and, especially, those in marginalised positions. Based on this narrative, entrepreneurship has been extended as a development apparatus, specifically in a Global South context where job creation and poverty alleviation are a dire need. Entrepreneurship as a development apparatus (EDA) is introduced in this study and defined as the implementation of entrepreneurship support programs (such as training, incubation and funding) in economically marginalised communities, based on the assumption that these interventions will lead to economic development and job creation. However, EDA is not living up to its promise.

Critical entrepreneurship studies (CES) posit that mainstream entrepreneurship theory is built on a number of meta-theoretical assumptions that do not adequately take into consideration the value-laden reality underlying the ideology of entrepreneurship. These include *inter alia* the assumptions that the entrepreneurship findings in the global North can be duplicated in an African context, that everything included in the entrepreneurship umbrella will contribute to economic development, and that anything labelled “entrepreneurship” can be considered the saviour of the job creation crisis. Other critical voices suggest that the mainstream entrepreneurship ideology is being applied too far outside the context for which it was developed, i.e. the Global North.

This study firstly extends on the nascent field of CES by critically analysing the public and scholarly entrepreneurship discourses in South Africa to identify if and how the assumptions and discursive practices in mainstream entrepreneurship theory are extended to the discourse in the Global South. Secondly, this study departs from these meta-theoretical assumptions by presenting entrepreneurship as a development apparatus (EDA). It argues that mainstream entrepreneurship theory has entered a theoretical impasse and is unable to explain the inability of EDA to contribute significantly to economic development and job creation. By reconceptualising entrepreneurship in the folds of post-development theory, insight is gained into the inability of EDA to contribute significantly to job creation and economic development in the Global South. Thirdly, this study differentiates EDA from other phenomena included under the entrepreneurship umbrella and calls for the rejection of the product of EDA as a form of entrepreneurship. When this is done, the discourse on economic development, job creation and emancipation of the marginalised communities in the Global South can move beyond entrepreneurship.

## **KEYWORDS**

Critical discourse analysis

Critical entrepreneurship studies

Post-development theory

Entrepreneurship as a development apparatus

Terminology confusion

Reconceptualised framework

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# CHAPTER 1:

## INTRODUCTION AND BACKGROUND TO THE STUDY

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### 1.1 INTRODUCTION

At 29.1%, South Africa's unemployment rate is the highest of all the BRICS member states consisting of Brazil, Russia, India, China and South Africa, and one of the highest in the world (ILO, 2018). If one were to include the discouraged worker effect, the unemployment rate in South Africa is actually closer to 38.5% (Bowmaker-Falconer & Herrington, 2020:16). The National Development Plan for 2030 indicates that the gross domestic product (GDP) growth rate would have to increase to 5.4% to decrease unemployment to 6% by 2030. However, with current GDP growth rates as low as 1.7% in 2019 before the global pandemic, and decreasing by 7% during 2020, there is no indication that the unemployment numbers will come down in the foreseeable future.

In South Africa, specifically, and in the Global South, more generally, poverty and unemployment constitute a crisis. Job creation is a dire need, and policymakers are desperate for solutions.

Entrepreneurship in all its forms is painted as a silver bullet for economic development and job creation by the media, policymakers and scholars alike (Audretsch & Moog, 2020:1; Luiz, 2010:63; Shane, 2009:146). Because of this perceived relationship between entrepreneurship and economic growth, entrepreneurial development policies and initiatives are also sought to foster the entrepreneurial capabilities of marginalised communities (Kuada, 2015:148). However, South Africa's total early-stage entrepreneurial activity (TEA) remains below average for the African region. The established business ownership rate is also far below the average of the African region. In addition, South Africa's business discontinuance rate is higher than the established business ownership rate for the same period, implying that "*there are more businesses being closed, sold or otherwise discontinued than there are businesses being continued*" (Bowmaker-Falconer & Herrington, 2020:12). Fewer than 25% of start-up ventures in South Africa survive past the first three years of existence (Haltiwanger, Jarmin & Miranda, 2013:343). Some practices currently labelled as "entrepreneurship" contribute minimally to economic growth and job creation. In spite of the evident failure of start-up ventures to survive past the first three years or move beyond mere self-employment, entrepreneurial promotion activities such as training and incubation are continuously endorsed and promoted by political role players across the Global South (Honig, 2017:456-457).

Across the Global South, entrepreneurship is not living up to its promise of creating successful entrepreneurial ventures that contribute to economic growth and job creation, yet the discourse on

possible solutions for the alarming unemployment rates seems to remain constrained within the boundaries of mainstream entrepreneurship theory.

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## 1.2 THEORETICAL CONTEXT AND LITERATURE REVIEW

### 1.2.1 A concise history of entrepreneurship theory

Forms of entrepreneurship are thought have been present since the ancient era, through the Middle Ages, the industrial revolution, and classical and neo-classical economic theories, but entrepreneurship theory has only relatively recently been established as a distinctive academic domain (Barreira, 2010:2). Although early contributions on the entrepreneur as an economic agent were made prior to 1934, Joseph Schumpeter's 1934 book, *The theory of economic development* is widely cited as the base of current entrepreneurship research. Schumpeter places the innovative entrepreneur at the centre of this theory (Hébert & Link, 2006:94). Entrepreneurs are hailed as virtuous, wholesome superheroes, the drivers of economic evolution and value creation, resulting in economic growth and job creation (Williams & Nadin, 2012:297).

Schumpeter's work leads to a wave of research into entrepreneurship in the 20th century. Initially researched mainly from an economic perspective, entrepreneurship is now also being studied by behaviourists such as psychologists, psychoanalysts, sociologists and other specialists of human behaviour (Filion, 1998:5). Thousands of publications describe the characteristics that distinguish entrepreneurs from non-entrepreneurs, such as self-confidence, originality, people-oriented, task-result-oriented, future-oriented and risk-taking (Nelson & Johnson, 1997:13). The behaviourist focus of entrepreneurship dominates the research literature until the early 1980s (Filion, 1998:5).

In 1997, Venkataraman introduced entrepreneurship as a unique conceptual domain (Venkataraman, 1997). It becomes important to define entrepreneurship beyond who the entrepreneur is, and what they do (Shane & Venkataraman, 2000:218). Shane and Venkataraman argue that entrepreneurship involves not only the enterprising individual, but also the presence of lucrative opportunities. They thus demarcate the entrepreneurship domain 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 & Venkataraman, 2000:218; Venkataraman, 1997:120). However, the term "entrepreneurship" continues to change and expand over time and has come to include many different contents, domains, origins and destinations (Baker & Welter, 2020:9; Bögenhold, 2020:20; Poole, 2018:41). The vast majority of literature on entrepreneurship paints it as a positive economic activity with the entrepreneur as the saviour of economic development and job creation (Calás, Smircich & Bourne, 2009; Williams & Nadin, 2012:297).

Some authors argue that the previously emerging field of entrepreneurship seems to be heading for maturity (Barreira, 2010:24), while others maintain that it remains young and still difficult to define (Luiz, 2010:66).

### **1.2.2 Theoretical grounding of mainstream entrepreneurship theory**

Positivism is rooted in the ontological view that the world exists free and independent from an observer and conforms to permanent laws and rules of causation (Aliyu, Bello, Kasim & Martin, 2014:81). By observing and measuring the natural world, the researcher can uncover these rules and laws neutrally and objectively. Positivism is the prevalent research paradigm in the natural sciences such as physics and chemistry (Guba & Lincoln, 1994:105). Over time, social scientists have been encouraged to emulate the natural sciences to establish social sciences as a “hard” science and to emancipate it from the philosophical and theological restrictions that are thought to be limiting the field (Callaghan, 2016:66; Guba & Lincoln, 1994:106). Thus, social scientists place increasing emphasis on impartiality, measurement, objectivity and repeatability to produce value-free, objective knowledge (Aliyu et al., 2014:81) achieved through the use of quantitative methods. Positivists view the “science” resulting from quantitative research techniques as superior, and quantitative methods are thus strongly associated with the positivist paradigm. Management theory, including entrepreneurship theory, has adopted a largely positivist ontology (Filion, 1998:11; Goldman, 2016c:5; Urban, 2010:42) that emphasises ideals such as objectivity, neutrality, a specific version of scientific procedure, technique, quantification, replicability, generalisation and the discovery of laws (Alvesson & Deetz, 2000:49). This objectivist approach is rooted in regulation (Urban, 2010:42). Fournier and Grey (2000:182) observe that management studies rarely reflect on epistemology and ontology, and where they are discussed, they become “*limited to restricted issues of method and statistical technique*”. In an attempt to generalise theory and methodological apparatus, this approach imposes a priori and taken-for-granted definitions and meta-theoretical assumptions onto an ambiguous social reality (Alvesson & Deetz, 2000:55; Alvesson & Willmott, 2003:23; Urban, 2010:42). The result is that, in an attempt to determine the causal relationship between “heroes and non-heroes”, ideological myths about “the entrepreneur” are simply reified into measurable constructs (Ogbor, 2000:622-623).

Entrepreneurship is widely considered one of the most promising fields in management research (Ogbor, 2000:614). The field of entrepreneurship has become well-entrenched as a subfield of management research and is unlikely to do anything but continue to grow (Honig, 2018). Research into and theory development regarding the drivers of entrepreneurship abound and various theoretical currents have emerged (da Costa & Silva Saraiva, 2012:588). The majority of these studies are grounded in the same meta-theoretical framework: locating entrepreneurship exclusively as an unquestioningly desirable economic activity, a market-based and individualist phenomenon (Calás et al., 2009:552; Verduijn, Dey, Tedmanson & Essers, 2014:98). The overly

positive image of entrepreneurship is shrouded in ideological mystification (Jones & Murtola, 2012:643). The media, government, and scholars reinforce this mysterious image of “the entrepreneur” (Verduijn & Essers, 2013:614).

Entrepreneurship is still a relatively nascent field of research and the use of so much “mathematics” is simply not justified (Bygrave, 2007:32). The field lacks methodological diversity and rigour (Neergaard & Uihøi, 2007:1). In the pursuit of what is thought to be superior scientific findings, the value-laden context and complexity underlying the entrepreneurship phenomenon are ignored. Even if the statistical techniques have been implemented flawlessly, this disregard for the complexity of the phenomenon compromises the theoretical validity of the findings (Bygrave, 2007:31). Ironically enough, Schumpeter himself regards positivistic methodologies as inadequate to understand and explain the entrepreneurial phenomenon (Ogbor, 2000:623). Moreover, it is also not adequate to address the “inequalities and divisive realities” associated with capitalism (Goldman, 2016b:235). However, in spite of regular calls for expanding the type of research designs and analytical approaches in entrepreneurship studies, qualitative studies remain underrepresented in mainstream journals globally (Neergaard & Uihøi, 2007:1-2). The result is that although research may be technically competent, it is becoming increasingly formulaic and dull (Alvesson & Sandberg, 2013:130), and fails to question the “flimsy” assumptions underlying established literature (Alvesson & Sandberg, 2013:129; Bygrave, 2007:20).

Scholars critical of mainstream management theory argue that this uniform positivistic approach that is currently dominating management theorising is in fact “hindering our assessment of where it is taking us” (Alvesson & Deetz, 2000:39). These scholars argue that there is an urgent need to look at management and entrepreneurship from new perspectives and to reclaim dialogue against certainty (Alvesson & Willmott, 2003; Calás et al., 2009; Steyaert & Katz, 2004).

### **1.2.3 Drivers of positivist ontologies in management research**

Alvesson and Sandberg (2013:132-137) identify three key drivers of the religious underwriting of positivist ontologies in mainstream management research:

#### *1.2.3.1 Institutional conditions*

Globally, research is regulated by a number of institutions such as governments, universities, business schools and funding bodies. Academic research performance is often measured by the number of articles that have been published in a designated journal list. In South Africa,

*“institutional pressure from universities as employers has resulted in academics chasing numbers of articles published and Department of Higher Education and Training (DHET) credits obtained in*

*order to fulfil performance as contractually determined by key performance areas (KPA) rather than the societal and organisational utility of their research endeavours” (Goldman, 2016b:229).*

These institutional conditions encourage the publication of as many papers as possible and discourage academics from developing original knowledge. If journals are prone to publish mainly quantitative research with a positivist approach, and academics are pressured to publish in these designated journals, the decision to opt against qualitative research methodologies in favour of research productivity becomes a given. In this manner, research becomes an exercise to ensure professional mobility, as opposed to research done in the interest of the public (Ruggunan, 2016:136).

PhD programmes are also concerned with developing technical competency and discourages any imagination and creativity (Bygrave, 2007:19). What is more, many PhD students in South Africa are not full-time scholars and are limited to doing research after work hours and on weekends. They have no time to develop original ideas and little room for independent thinking with pressure to complete the PhD within a certain time frame based on a specific recipe.

Bygrave (2007:26) suggests that the emphasis of entrepreneurship scholarship should change from research productivity to improving the practice of entrepreneurship through new ideas and high-impact research. This study responds to this view.

### *1.2.3.2 Professional norms*

In the field of management studies, there is a strong emphasis on “adding-to-the-literature” (Alvesson & Sandberg, 2013:133):

*“It typically means: (a) a requirement of a systematic and overly pedantic vacuum cleaning of existing literature, as a way to show how one’s own study contributes to existing literature; and (b) an emphasis to carry out empirical research through detailed codification procedures or statistical treatment without asking questions if there is something more fundamentally problematic with existing literature or whether the data really are valuable indicators of the phenomena supposedly addressed.”*

This demand to ground all research in the existing literature is discouraging the development of original ideas, independent thinking and “true” scholarship.

South African academics have noted that the editorial policies of South African business management journals encourage research rooted in a positivist framework. Papers that are not grounded in a positivistic framework are not regarded as a valid scientific product (Goldman, 2016b:226). A 2016 analysis of the three leading South African open-access management journals

illustrates this bias toward quantitative methods. Findings for the 10-year period between 2005 and 2014, show that 69.7% of the articles are quantitative, 26.7% are qualitative and 3.7% are mixed-method studies (Goldman, 2016c:5). Similarly, Ruggunan (2016:120) finds that positivism is also the dominant methodological philosophy in human resource management research. Ruggunan calls this a “fetishisation of positivism” in South African schools of management. Such an analysis in the field of entrepreneurship has not yet been conducted, but is addressed by this study in chapter 3.

#### *1.2.3.3 Researchers’ identity construction*

Alvesson and Sandberg (2013:136) argue that management researchers construct their academic identity around how many articles they have published in the “right” journals. In an effort to publish as many articles as possible, researchers are turned into “journal publication technicians” rather than scholars who aim to produce novel, challenging and significant research. The answer to the question “where do you publish” becomes more important than “what value do you add to society”. In South Africa there is also the professional identity that is based on “scientific” principles. The scholarly community finds value in their ability to produce and publish “scientific” knowledge: scientific meaning objective, neutral and positivistic (Ruggunan, 2016:131).

### **1.2.4 Critical entrepreneurship theory**

#### *1.2.4.1 Critical management studies*

Broader management theories are built upon various imperatives and a priori assumptions about the manager and management (Fournier & Grey, 2000:16). One such assumption is the view that “the manager” has special gifts and privileged insights that qualify them to ensure justice and democracy in the workplace (Fournier & Grey, 2000:11). Managers are sanctified with an aura of mystery and glory, the quintessence of expert knowledge and the instrument of justice in the workplace (Fournier & Grey, 2000:10; Goldman, 2016c:10). This view of “the manager” is, however, based on assumptions that take the existing order and established patterns of thinking and action for granted (Alvesson & Willmott, 2003:1; Grey & Willmott, 2005:5). The knowledge claim has become so entrenched in management and organisations that it is seen as the only alternative (Fournier & Grey, 2000:17).

But, just as management has become known as the solution to a number of problems in organisations, it has also become a problem in itself (Fournier & Grey, 2000:12). Management theory is grounded in a Global North context that is supportive of the institutions and values of corporate capitalism (Grey & Willmott, 2005:7). And no matter how the values of capitalism are dressed up, it remains exploitation through control (Van der Linde, 2016:34). Management is increasingly associated with social and political power (Fournier & Grey, 2000:8), while labour is increasingly exploited.

Over the past few decades, an increasing number of scholars have become critical of the assumptions and ideologies inherent in mainstream management theory and have aimed to emancipate and liberate human beings from the ideologies and hegemony created by these assumptions (Verduijn et al., 2014:100). The term “critical management studies” (CMS) is first used in 1992 by Alvesson and Willmott and “presents a methodological and epistemological challenge to the objectivism and scientism of mainstream research where there is an assumption and/or masquerade of neutrality and universality” (Grey & Willmott, 2005:6). It encourages scholars to interrogate the assumptions upon which mainstream research is founded. Although forms of critical studies in the field of management exist before 1992 (such as the so-called Frankfurt School theorists), the term CMS has created a conceptual umbrella that links previously seemingly unrelated studies to each other (Grey & Willmott, 2005:17). Since the seminal publication by Alvesson and Willmott in 1992, CMS has seen a boom in publications, conferences and academic networks (Fournier & Grey, 2000:8). Although it is still a relatively young field globally, it has become an institution within management research in recent years (Spicer, 2006:538). However, in South Africa the field of CMS remains virtually unknown (Goldman, 2016a:xxi).

Alvesson and Willmott (1992) has developed three core positions of CMS. In the first place, CMS aims to de-naturalise the taken-for-granted assumptions, which are currently viewed as common sense in management research. These taken-for-granted assumptions suggest (implicitly or explicitly) that there are no alternatives to a number of imperatives (such as “globalisation” or “competitiveness”). CMS takes the stance that these mainstream knowledge claims are fallible and commits to “uncovering the alternatives that have been effaced by management knowledge and practice” (Fournier & Grey, 2000:16). By being critical, academics can act as agents of social change to liberate the subaltern classes from the exploitation resulting from these assumptions and ideologies (Stoddart, 2007:202).

Secondly, CMS takes a non-performative stance. In mainstream, non-critical management research, performativity is the imperative that guides knowledge and research. This implies that research is viewed as valuable only if it can be applied to improve the effectiveness of managerial practice. The desirability of “management” is not questioned, but accepted as a given (Fournier & Grey, 2000:15). Critical studies, on the other hand, advocate that non-performative (or critical performative (Spicer, Alvesson & Kärreman, 2009)) outcomes should be sought, and business management knowledge should not merely be focused on obtaining outcomes that promote the agenda of the mainstream and enhance the achievement of existing outcomes (Goldman, 2016c:14). Rather, critical studies should seek to actively and subversively intervene in established discourses and practices (Spicer et al., 2009).



Thirdly, CMS is characterised by reflexivity. Mainstream management research is grounded in positivistic epistemology that emphasises objectivity and neutrality (Alvesson & Deetz, 2000:49), but CMS is sceptical of claims of objectivity and neutrality. Critical management research is reflexive and recognises that the outcome will be influenced by the subjective view of the researcher, culture, history and context. Thus, CMS implies that researchers should mediate their scientific account of management and organisation through critical reflexivity (Grey & Willmott, 2005:6). Critical management research “look[s] at familiar problems which appeared as ‘evident truths’ with fresh eyes” (Ogbor, 2000:628).

CMS employs qualitative techniques and methods, both empirical and non-empirical, to

*“incite radical re-evaluation and to encourage radical change where scholarship and practice exhibit the potential for exploitative practices or where the broader political-economic system renders those affected by the footprint of business powerless” (Goldman, 2016b:211).*

#### 1.2.4.2 Critical entrepreneurship studies

Writing about management studies in general, Fournier and Grey (2000:175) have the following to say:

*“this aura of mystification and glory with which managers (of the right kind) have been sanctified by the popular literature has served to increase the potential power and status of management and has provided a fertile ground for critical study”.*

With the expansion of CMS into entrepreneurship, the same rings true:

*“This aura of mystification and glory with which entrepreneurs have been sanctified by the popular literature has served to increase the potential power and status of entrepreneurship and has provided a fertile ground for critical study”.*

In an attempt to generalise theory and methodological apparatus, the mainstream approach to entrepreneurship research imposes a priori and taken-for-granted definitions and meta-theoretical assumptions onto an ambiguous social reality (Alvesson & Deetz, 2000:55; Alvesson & Willmott, 2003:23; Urban, 2010:42). There are a number of reasons why the field of entrepreneurship should be placed under ideological scrutiny (Ogbor, 2000:611), yet only a small number of studies have questioned the presupposed foundations of entrepreneurship theory to engage openly with the “dark sides” of entrepreneurship – the contradictions, the paradoxes, the ambiguities and tensions (da Costa & Silva Saraiva, 2012:588; Örtenblad, 2020:2; Shepherd, 2019:218; Tedmanson, Verduyn, Essers & Gartner, 2012:532; Verduijn & Essers, 2013:615, 627). The uniquely positive impact of anything and everything labelled “entrepreneurship” has become so entrenched in the mainstream discourse, that to ask for robust evidence to prove this supposed value has become politically incorrect (Nightingale & Coad, 2014:135).

Mainstream entrepreneurship research reproduces the myths and assumptions underlying the entrepreneurship ideology and very few studies challenge these ideological stereotypes (Ogbor, 2000). The term critical entrepreneurship studies (CES), first used by Calás et al. (2009), is an extension of the broader field of critical management studies and built on the same three core positions: denaturalisation, anti-performativity and reflexivity. A short overview of the existing argument critical of mainstream entrepreneurship theory is given here with reference to a number of prominent contributions.

### **Entrepreneurship: a capitalist ideology**

Mainstream management research, including entrepreneurship research, is grounded in a Global North context that is “explicitly and implicitly supportive of the institutions and values of corporate capitalism” (Grey & Willmott, 2005:7). The bulk of the empirical studies done on the link between entrepreneurship and economic development have been conducted in Global North economies in North America and Europe and the findings of these studies have very limited use for answering questions about economic development in the Global South (Baker & Welter, 2020:9; Naudé, 2011:37). There appears to be a particular lack of scientific debate on African entrepreneurship (Naudé & Havenga, 2005:101) and policies and interventions are based on research and findings from the United States and Europe. There is, in fact, very little research to confirm that entrepreneurship does indeed lead to economic growth in an African context (Naudé & Havenga, 2005:107), and the findings in the Global North also appear ambiguous (Nightingale & Coad, 2014:114). The reality is that entrepreneurial activities are socially embedded (Kuada, 2015:150; Steyaert, 2007), yet the vast contextual differences between Western and non-Western settings are largely overlooked (Baker & Welter, 2020:18; Verver, Roessingh & Passenier, 2019:957).

A critical contribution by Verduijn et al. (2014) highlights how, by supporting the ideology that capitalism is the most-favoured economic system for producing wealth and value in a society, entrepreneurship has the potential to exploit, destruct and oppress. The authors furthermore illustrate how entrepreneurship not only consistently and pervasively prevents emancipation from taking place, but is also systematically linked to environmental pollution, corruption and human exploitation. They find, however, that mainstream research downplays this dark side of entrepreneurship in favour of a utopian view of the phenomenon.

### **Entrepreneurship: a tool for hegemony**

Another notable contribution to CES is made by Da Costa and Silva Saraiva (2012). The mainstream entrepreneurship ideology suggests that, given a chance, anyone can be a successful entrepreneur with an ever-expanding wealth of choice and economic security (Fairclough, 2013:16). In fact, entrepreneurship is promoted as “*the attitude of a people who seek the social and economic development of their country*” (da Costa & Silva Saraiva, 2012). Within the context

of Brazil, this study finds that entrepreneurship discourses produce and reproduce the exemplarity of the neoliberal capitalist entrepreneurial model and the absence of feasible alternatives for economic emancipation and development. Through critical discourse analysis methodology, this study highlights how the ideology of entrepreneurship can create support for capitalist hegemony, by regarding the contemporary capitalist enterprise as the only possible model for generating wealth, income and employment in a society. This study extends on the findings by Da Costa and Silva Saraiva in chapter 5.

### **Entrepreneurship: a confusing umbrella term**

“Entrepreneurship” has become a multifaceted and polysemous umbrella term under which a broad “hodgepodge” of research is included (Bögenhold, 2020:21; Dey, 2020:267; Shane & Venkataraman, 2000:217).

*“It... refers to a collection of academic disciplines and specialties including entrepreneurship, new venture creation, entrepreneurial finance, small business, family business, free enterprise, private enterprise, high-technology business, new product development, microenterprise development, applied economic development, professional practice studies, women’s entrepreneurship, minority entrepreneurship and ethnic entrepreneurship. The advantage of the term as used here is that it is very similar to the way the general public views entrepreneurship and its myriad subspecialties—i.e., as one field. The intent is to establish a definition and chronology that is inclusive, in the hopes of crafting as comprehensive a list as possible, leaving subsetting-by-definition to others with particular theoretical models to promote” (Katz, 2003:284).*

“Entrepreneurship” has become a multifaceted phenomenon that cuts across a number of disciplinary boundaries and entails a complex set of contiguous and overlapping constructs (Kaufmann & Dant, 1999:6). The term includes many different contents, domains, origins and destinations (Bögenhold, 2020:20). However, in the process of establishing a definition that is inclusive, the term has come to mean both everything and nothing (da Costa & Silva Saraiva, 2012:589). The term “entrepreneur” has been defined and redefined to such an extent that it now risks including all of humanity (Poole, 2018:41). This quest to find a “one-size-fits-all” general theory in fact tries to pull together the practices, behaviours, styles and personalities of quite diverse groups, across quite diverse settings and in quite diverse contexts (Alvesson & Deetz, 2000:53; Baker & Welter, 2020:22). Critical scholars argue that the entrepreneurship discourse has turned everything into entrepreneurship and everyone into an entrepreneur (Örtenblad, 2020:3).

What is more, the generic term “entrepreneurship” invokes an image with a number of characteristics largely built on a range of established stereotypes, societal myths and ideologies (Achtenhagen & Welter, 2007:199; Calás et al., 2009; Ogbor, 2000). The literature on entrepreneurship is dominated by an image of “the entrepreneur” as a virtuous, wholesome superhero (Williams & Nadin, 2012:297), the driver of economic evolution and value creation.

Entrepreneurs have been elevated to celebrity status (Luiz, 2010:63) and are almost deified (Kaufmann & Dant, 1999:8). The bulk of mainstream entrepreneurship research paints it as positive economic activity (Acs, 2006; Ács & Varga, 2005; Calás et al., 2009:552; Naudé, 2011). This view is also echoed in South African literature that claims that entrepreneurship is “playing an important role in most businesses, they contribute significantly to employment, job creation and wealth creation” and that “economic development can be directly attributed to the level of entrepreneurial activity in a country and entrepreneurial businesses ensure growth in the economy” (Nieuwenhuizen, 2019:4).

It is clear that the entrepreneurship umbrella includes a number of diverse, heterogeneous phenomena: from opportunity-motivated to necessity-motivated entrepreneurs to survivalist entrepreneurs, from small to medium to micro-enterprises, rural entrepreneurship, corporate entrepreneurship and social entrepreneurship, to name but a few. However, mainstream entrepreneurship research is critiqued for presenting “entrepreneurship” as a homogenous umbrella term. The assumed characteristics invoked by the term are continuously extended to all concepts included under the umbrella. Terms included under the umbrella are used interchangeably and inconsistently, are conflated and seldom defined beyond commonly accepted definitions (Poole, 2018). This further supports the knowledge claim that any and all types of entrepreneurial activity are essentially the same. In doing so, the same results (especially in terms of job creation and economic growth) have come to be expected from any and all types of practices included under this conceptual entrepreneurship umbrella (Griffiths, Kickul, Bacq & Terjesen, 2012:613; Poole, 2018:35). In reality, however, entrepreneurial success remains elusive and failure is likely (Hartmann, Krabbe & Spicer, 2019).

Calás et al. (2009:553) argue that by conceptualising entrepreneurship as a uniform phenomenon, researchers, in fact, protect a number of mainstream assumptions from being questioned. It is becoming evident that “entrepreneurship” cannot be used as an umbrella term, assuming that any and all types of entrepreneur will contribute equally to economic growth and job creation (Naudé, 2011; Shane, 2009). There is confusion on what entrepreneurship is as opposed to what entrepreneurship can be (Bögenhold, 2020:21). By not clearly defining the boundaries in the field of entrepreneurship, a weak paradigm for entrepreneurship theory is promoted (Urban, 2010:38). This view is addressed in chapter 6 of this study.

### **1.2.5 A concise history of development theory**

In 1949 the then President of the United States of America, Harry Truman, said in his inaugural address:

*“More than half the people of the world are living in conditions approaching misery. Their food is inadequate. They are victims of disease. Their economic life is primitive and stagnant. Their poverty is a handicap and a threat both to them and to more prosperous areas”* (Brigg, 2002:424).

Truman’s statement is representative of thought in this post-colonial era: there exists a binary, dichotomous world where the characteristics of “us, the developed (who have)” are contrasted with “them, the underdeveloped (who need)” (Esteva & Escobar, 2017:2564; Matthews, 2005:98). Life in the developed world is painted as “pleasant, healthy, wealthy, happy and fulfilling”, as opposed to an “undeveloped” world where life is “miserable, primitive, filled with disease, poor, desperate and isolated”. It is assumed that societies can – and want to – break free from this “misery” in the underdeveloped world by adopting the (more desirable) characteristics of the developed world. The qualities and characteristics of societies in, particularly, North America and Europe are promoted as the qualities that societies in the underdeveloped world aspire to in order to become “developed” (Matthews, 2005:97-100). “Development” is presented as a science-based method of changing these “backward” communities to look more like the Western world. This notion that the “undeveloped” world can be “developed” by imparting certain qualities and characteristics upon it, has given rise to an avalanche of international development programmes, initially implemented by development organisations such as the United Nations, the International Monetary Fund and the World Bank (Brigg, 2002:429). In the remainder of this study, the term Global South will be used to refer to the spaces and peoples outside of North America and Europe that are associated with this undesired state of “underdevelopment”.

Matthews (2005:109) identifies three assumptions that are made across the different schools of development theory:

- *“The world consists of ‘developed’ and ‘less developed’ regions, which can be compared to one another in terms of their level of development;*
- *Western societies are ‘developed’, other societies less so; and*
- *In aiming to develop, the ‘less developed’ regions must aim to transform their societies in such a way that they are more similar to the societies of the ‘developed’ regions in certain key aspects.”*

### **1.2.6 Critique on development theory**

By the 1980s, the development community became disillusioned by the development project and recognised the *“foolishness of adopting a universal definition of the good life”* (Esteva & Escobar, 2017:2561). The dark side of development theory could no longer go unheeded: increased cultural homogenisation (specifically Westernisation), environmental destruction, the failure to deliver on promises such as poverty reduction, income inequity, economic growth and an increase in standards of living (Matthews, 2004:377). The realisation is that the mainstream view of

“development” cannot be regarded as a panacea for all people living in poverty (Andreasson, 2017:2644). Critics call for alternative approaches to development that draw from, among others, dependency theory, the human development approach and sustainable development (Matthews, 2005:101-108). These alternative approaches involve a more bottom-up, people-centred, participatory approach to development, the modernisation of endogenous traditions and a focus on human development indexes as a measure of development (Nederveen Pieterse, 1998:351). These alternative development approaches propose different means to reach a universally desired state of development, but the premise of “development” in itself is not questioned and criticised. To a large extent, these alternative development criticisms have been co-opted in the mainstream development discourse and practice over the past decades (Nederveen Pieterse, 1998:344).

By the early 1990s, a number of scholars voice concern that development has not only failed, but is doing more harm than good (Matthews, 2004:373) and that the so-called beneficiaries should rather be considered victims of development (Demaria & Kothari, 2017:2589). These scholars move beyond critiquing the different approaches to development to questioning the underlying premise, structure and motives of development (Nederveen Pieterse, 2000:176), specifically the structural roots in modernity, capitalism, state domination and patriarchy (Demaria & Kothari, 2017:2589). Post-development theory emerges and calls for the radical rejection of the entire development paradigm, theory and practice (Demaria & Kothari, 2017:2593). A detailed discussion of the post-development arguments are laid out in chapter 5.

### **1.2.7 When entrepreneurship and development theories meet: introducing entrepreneurship as a development apparatus**

Africa’s colonial history has led to the view that *“the continent is essentially inadequate, a place of systemic failure in terms of its ability to engage with and partake in the modern world”* (Andreasson, 2017:2635). With the end of colonialism, Africa is (presumed to be) hungry for answers on how to become more “developed”, and thus the modern development project is born. This colonial discourse (rooted in neo-liberalism) strongly influences development policy at the time. Therefore, with entrepreneurship being the driver of the neo-liberal ideology, and due to the perceived relationship between entrepreneurship and economic growth, entrepreneurial development policies and initiatives are implemented to foster the entrepreneurial capabilities of societies in the “underdeveloped” world (Kuada, 2015:148). In South Africa, specifically after 1994, in an attempt to redress the inequalities brought about by apartheid, the government implements a number of development policies and programmes to equalise the economic playing field for all South Africans with a notable emphasis on entrepreneurial education programmes for unemployed persons (Mahadea, 2012:22500213).

Entrepreneurship theory paints the entrepreneurial enterprise as the only possible model for generating wealth, income and employment in society (da Costa & Silva Saraiva, 2012:609) and therefore “*the more entrepreneurs the merrier*” (Verduijn & Essers, 2013:614). The mainstream entrepreneurship ideology further drives the knowledge claim that, given a chance, anyone can be a successful entrepreneur with an ever-expanding wealth of choice and economic security (Fairclough, 2013:16) and that entrepreneurship can be taught (Kuratko, 2005:580). Anything labelled entrepreneurship is considered a catalyst for growth, job creation and poverty reduction (Hartmann et al., 2019; Kuada, 2015:148; Martin, McNally & Kay, 2013:212; Nightingale & Coad, 2014:113; Poole, 2018:35). In this manner entrepreneurship becomes appropriated as a major development tool.

This study introduces the term “entrepreneurship as a development apparatus” (EDA) in chapter 5 and defines it as the implementation of entrepreneurship support programmes (such as training, incubation, mentoring and funding) for individuals with little or no entrepreneurial experience, especially in economically marginalised communities, and with few or no other options for employment, based on the assumption that such interventions will result in high-growth entrepreneurial ventures that create a significant number of meaningful jobs. However, only a small number of high-performing ventures drive the majority of innovation, wealth creation and new job generation and the median small business and start-up (including the product of EDA) are proving to have only a marginal impact in this regard (Hartmann et al., 2019; Nightingale & Coad, 2014:114).

This study argues that, when entrepreneurship is extended as a development apparatus in a Global South context, it creates a unique context with unique characteristics and challenges that cannot be adequately addressed by the instruments and indicators developed in the Global North. It further argues that the current paradigmatic frame of mainstream entrepreneurship theory will remain inadequate to address the failures of entrepreneurship (and EDA) in the Global South. This study therefore proposes that entrepreneurship theory be reconsidered at a conceptual level in the Global South. Specifically, it proposes reframing EDA beyond the constraints of mainstream entrepreneurship theory. It further argues that reframing entrepreneurship within a different conceptual framework will open new insights into the failure of entrepreneurship to live up to its promise of job creation and economic growth in a Global South context.

This study departs from the argument that mainstream entrepreneurship theory – and EDA in particular – has entered the same theoretical impasse that mainstream development theory encountered in the 1980s when critical development theorists came to the conclusion that “*no amount of improved implementation will be useful; rather we need to reconsider the ideas*

*informing the Project*" (Matthews, 2005:96). Drawing from post-development theory, this study thus calls for the rejection of the entire notion of EDA.

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### **1.3 THE PHILOSOPHICAL GROUNDING OF THIS STUDY**

On the one hand, we have the statistics of entrepreneurs neither surviving, nor contributing significantly to job creation; on the other hand, we have the continuous assumption that entrepreneurship (including the product resulting from EDA) is the perfect vehicle for economic emancipation and job creation. The assumptions inherent in mainstream entrepreneurship theory, based on a Western, industrialised, capitalist system, limit us from conceiving denaturalised, endogenous solutions to the problem of poverty and unemployment.

Current mainstream entrepreneurship assumes that the conceptualisation of EDA in the Global South is not flawed. It supports the assumption that a Western, capitalist system should be and can successfully be implemented in a Global South context. Most research thus revolves around examining the implementation of entrepreneurship development projects, assuming that the underperformance of these projects lies in the flawed implementation and processes. This study firstly examines if and how these assumptions have become normalised in the South African discourse. Then, taking post-development theory as a point of departure, this study asks critical questions about these assumptions that are found to be uncritically absorbed in the mainstream discourse. In keeping with CMS (Fournier & Grey, 2000:181), this study purposefully attempts to expose these fallacious assumptions relating to entrepreneurship in the Global South, both in practice and in mainstream theory. It does not frame entrepreneurship from a positivist empirical view, but rather re-frames it in a critical, reflective conceptual space that draws from inter alia post-development theory to examine entrepreneurship theory within the specific social context in the Global South.

To do so, this study fundamentally departs from certain meta-theoretical assumptions made by mainstream entrepreneurship research:

1. Current mainstream entrepreneurship theory promotes a taken-for-granted, capitalist system as the solution for job creation and economic emancipation in the Global South. From a post-development perspective, this study posits that entrepreneurship as the vehicle for development and job creation is a promise that cannot deliver.
2. Entrepreneurship is promoted as a silver bullet for development and job creation. However, this study posits that mainstream entrepreneurship theory, rooted in positivism and performativity, is unable to address the non-performance of entrepreneurship in a Global South context.
3. Another mainstream assumption closely linked to the first is that, given access to the necessary resources, any and all types of entrepreneurship necessarily contribute to economic emancipation and job creation. When specific types of ventures do not grow their business, it is



simply linked to a lack of skills and/or resources. Current research thus revolves around improving “entrepreneurs” skills and resources through, for example, training, incubation and access to funding, assuming that these interventions will translate into sustainable ventures that contribute to economic development and job creation. However, this study posits that certain types of what is currently classified as “entrepreneurship” in a Global South context cannot and should not be conceptualised as “entrepreneurship” at all.

This study aims to challenge the ruling discourse on EDA and move it beyond the constraints of mainstream entrepreneurship theory. It argues that, when EDA is investigated through a critical lens, the gross assumptions in the mainstream discourse become apparent and asking critical questions becomes inevitable. This study seeks to find unexplored insights that can be gained from taking a critical stance toward the existing discourse on EDA.

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## **1.4 RESEARCH PROBLEM**

The assumptions and expectations in the Global South are that anything labelled “entrepreneurship” is a panacea for development and job creation. However, entrepreneurship is not living up to this promise. Current theory assumes that the conceptualisation of EDA is well formulated, and mainstream research focuses mainly on the improved implementation of EDA initiatives to find the answers for the non-performance of (what is called) “entrepreneurial ventures” in contributing to economic emancipation and job creation. Furthermore, current theory encourages that everything that is labelled as “entrepreneurship” can be and should be supported and developed, assuming that all ventures have equal potential to contribute to economic growth and job creation. In spite of damning evidence to the contrary, everything included under the entrepreneurship umbrella is still invoked as a panacea for poor economic growth and a lack of job creation.

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## **1.5 PURPOSE STATEMENT AND RESEARCH QUESTION**

The phenomenon under investigation is the appropriation of entrepreneurship as a development apparatus (EDA). EDA is defined as the implementation of entrepreneurship support programmes (e.g. training, incubation, mentoring and funding) for individuals with little to no entrepreneurial experience, especially in economically marginalised communities, based on the assumption that such interventions will result in high growth entrepreneurial ventures that create a significant number of meaningful jobs. This study aims to challenge the desirability of EDA from a critical, post-development perspective as well as the mainstream conceptualisation of entrepreneurship in the Global South.

Research question: Which insights into the failure of entrepreneurship to contribute significantly to job creation and economic emancipation in the Global South can be gained by presenting entrepreneurship as a development apparatus?

In examining this question, this study contributes theoretically by departing from meta-theoretical assumptions in current mainstream entrepreneurship research. It also contributes practically by moving the current discourse on job creation beyond entrepreneurship, proposing a new conceptual framework for entrepreneurship theory.

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## 1.6 RESEARCH OBJECTIVES

This study aims to address the research question by incorporating the following four components of critical thinking (Brookfield in Alvesson & Willmott, 2003:8):

1. *“Identifying and challenging assumptions behind ordinary ways of perceiving, conceiving, and acting;*
2. *Recognising the influence of history, culture, and social positioning on beliefs and actions;*
3. *Imaging and exploring extraordinary alternatives, ones that may disrupt routines and establish orders;*
4. *Being appropriately sceptical about any knowledge or solution that claims to be the only truth or alternative.”*

Thus, through a critical management lens, this study aims to do the following:

1. Identify and critique the current assumptions in the South African entrepreneurship discourse.
2. Describe the influence of specific contextual elements on mainstream assumptions about entrepreneurship in the Global South.
3. Present entrepreneurship as a development apparatus to inform the inability of entrepreneurship to contribute significantly to economic emancipation and job creation in the Global South.
4. Propose an alternative conceptual framework to pursue entrepreneurship as a development apparatus.

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## 1.7 CHAPTER CLASSIFICATION

Chapter 1 outlines the theoretical framework guiding the entire research project whilst the theoretical and empirical literature relevant to each article are integrated in Chapters 3, 4, 5 and 6. These latter chapters are presented as articles and do not follow the standard monograph format. To ensure that the four articles formed a coherent whole, they were not prepared with specific publications in mind from the onset. Rather, the chapters were formatted into articles for specific publications upon completion of each of the chapters.

Chapters 4 and 5 were presented at the 2020 UJ CMS colloquium and subsequently published respectively as “Smit, M.M. & Pretorius, M., 2021, ‘Academic hubris in the scholarly entrepreneurship discourse’, in G.A. Goldman (ed.), ‘Critical management studies in South Africa: Directions and contexts’, *Acta Commercii*, suppl. 2, 21(2), pp. 97–121, AOSIS, Cape Town” and “Smit, M. and Pretorius, M., 2020. “Un” entrepreneurship: undoing the myth of entrepreneurship as a development apparatus. *African Journal of Business Ethics*, 14(1)”. Chapters 3 and 6 have been submitted to be presented at the 2nd biennial critical management studies colloquium hosted by the University of Johannesburg on 25 and 26 May 2022, with the possibility of publication flowing from this event.

## **Chapter 1**

Chapter 1 provides an overview and summary of the study by highlighting the motivation for undertaking the study, elaborating on the research problem, the objectives, research methodology and structure of the study. The methodology and results of this study are presented in the form of four journal articles – each of which has been or will be submitted for possible publication in accredited academic journals.

## **Chapter 2**

Chapter 2 presents a summarised discussion of the methodological approach followed in each of the four papers. This chapter is not meant to be an in-depth discussion of the methodology, since each of the four papers follows a distinctly different methodological approach to reach different objectives. The methodology is therefore discussed in more detail in chapters 3 through 6, the four papers presented in this study.

## **Chapter 3**

The first article for this study is presented in chapter 3. This chapter presents the first movement in a line of related chapters that take a critical stance on the current position that entrepreneurship is the vehicle for job creation and economic emancipation in the Global South. This chapter answers the question: Is this conventional entrepreneurship ideology producing a discourse in the Global South that is used to maintain political hegemony? In order to do so, the public discourse on EDA in South Africa is untangled, analysed, critiqued and challenged by conducting a critical discourse analysis.

Building on the nascent but growing field of critical entrepreneurship studies, this chapter aims to do the following:

1. Determine which mainstream entrepreneurship assumptions and resulting discourses are being reproduced in the South African media discourse.

2. Determine if and how this current discourse is naturalising knowledge claims about “entrepreneurship”.
3. Highlight the hegemonic possibilities of producing and reproducing this discourse in a Global South context.
4. Provide recommendations that could mitigate the potential hegemonic entrepreneurship discourse in the Global South.

## **Chapter 4**

The second article for this study is presented in chapter 4. Related to chapter 3, this chapter analyses, critiques and challenges the current scholarly discourse on EDA in South Africa, again in the form of a critical discourse analysis. This chapter aims to identify if and how the dominant assumptions and discursive practices in the mainstream entrepreneurship discourse are extended to the scholarly discourse in the Global South, where entrepreneurship is considered a major development tool.

## **Chapter 5**

The third article for this study is presented in chapter 5. This chapter, in the form of an essay, aims to fundamentally challenge the meta-theoretical assumptions made by public discourse and the mainstream entrepreneurship scholarly discourse, by explicitly presenting entrepreneurship as a development apparatus (EDA). EDA is evaluated through the lens of post-development theory. By moving EDA away from the mainstream entrepreneurship discourse and into a development theory space, insight is gained into the inability of entrepreneurship to contribute significantly to job creation and economic emancipation in a Global South context.

This chapter argues that mainstream entrepreneurship theory in general – and EDA in particular – has entered the same theoretical impasse that mainstream development theory encountered in the 1980s when critical development theorists came to the conclusion that “no amount of improved implementation will be useful; rather we need to reconsider the ideas informing the Project” (Matthews, 2005:96). Drawing from the development debate, this paper argues that the current theoretical entrepreneurship paradigm has proven unable to provide answers to the failure of EDA. By introducing EDA and subjecting entrepreneurship theory to the critique of post-development theory, this chapter aims to do the following:

1. Reassess the ontological and epistemological assumptions inherent in mainstream entrepreneurship theory by drawing attention to EDA.
2. Provide an alternative lens for critique against mainstream entrepreneurship theory.
3. Extend the debate on entrepreneurship theory and praxis beyond the constraints of the mainstream entrepreneurship paradigm.

In this chapter, the conceptual entrepreneurship frame is unbundled to determine which phenomena have to be included in the frame going forward, and which phenomena have to be “un”trepreneuried. Incidentally, another study using the term “un”trepreneurship was published around the same time that the research for chapter 6 was conducted. The paper by Hartman et al. (2019) uses the term “un”trepreneurship in the context of Veblenian entrepreneurship to refer to ventures that appear *“dynamic and entrepreneurial, while being in fact rife with inefficiencies and substantively without the innovative capacity needed to drive productivity improvement, job creation and economic growth”*.

## **Chapter 6**

The fourth article for this study is presented in chapter 6. This chapter aims to highlight the restrictive impact of the current mainstream theoretical conceptualisation of the entrepreneurship umbrella and introduces an alternative conceptual frame for rethinking entrepreneurship theory. Building on the three previous chapters that defamiliarised and problematised the assumptions produced by the mainstream entrepreneurship discourse in the Global South, this chapter rejects the taken-for-granted assumption that the product of EDA can be included in the conceptual entrepreneurship frame. It responds by proposing an alternative conceptual frame that separates the product of EDA from the fidelity entrepreneurship domain. In presenting this new conceptual frame, this paper aims to do the following:

1. Challenge the mainstream entrepreneurship discourse that is resulting in terminology confusion, political hegemony and epistemic violence.
2. Initiate and stimulate a critical dialogue in the scholarly discourse relating to EDA in particular, and the meta-theoretical conceptualisation of the entrepreneurship umbrella in general.
3. Propose realistic expectations for the enterprises resulting from EDA.

This chapter further validates the reconceptualisation of EDA with the use of a three-step Delphi process. Through expert input from scholars in the field of entrepreneurship and/or critical management studies, the entrepreneurship umbrella is unbundled and the product of EDA is reconceptualised as related to, but not synonymous with, entrepreneurship. Presenting EDA in such a way can move future research and policymaking regarding job creation beyond the constraints of mainstream entrepreneurship theory, by not erroneously assigning the benefits of fidelity entrepreneurship to the product of EDA.

## **Chapter 7**

Chapter 7 is the last chapter of this study and comprises a discussion of the results obtained from the critical discourse analyses in chapters 3 and 4 and a summary of the findings from chapters 5 and 6.

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## 1.8 CONCLUSION

Unemployment and poverty is a crisis across the Global South. Job creation is a dire need, and policy makers are desperate for solutions. Entrepreneurship is painted as a silver bullet for economic development and job creation. However, entrepreneurship is not living up to its promise of creating successful entrepreneurial ventures that contribute to economic growth and job creation. The abysmal failure of entrepreneurship to contribute significantly to job creation and economic emancipation implores the scholarly community in South Africa to abandon the core assumption that entrepreneurship (in all its defined manifestations) is a successful vehicle for economic emancipation and job creation.

The South African discourse on possible solutions for the alarming unemployment rate remains constrained within the boundaries of entrepreneurship. This study contributes theoretically by departing from meta-theoretical assumptions in current mainstream entrepreneurship research and presenting entrepreneurship as a development apparatus. In doing so, it stimulates a new narrative on entrepreneurship and EDA in the Global South. By moving EDA away from the mainstream entrepreneurship discourse, it gains insight into the inability of entrepreneurship to contribute significantly to job creation and economic emancipation in South Africa. It finally presents a new conceptual frame for the product of EDA outside of the mainstream entrepreneurship umbrella in an attempt to mitigate the hegemonic results of the mainstream entrepreneurship discourse. The fresh discourse resulting from this critical study may move the field of entrepreneurship past the theoretical impasse. Furthermore, by conceptualising EDA in a multidisciplinary space that draws from *inter alia* post-development theory, this study also contributes practically by introducing a new narrative that can potentially move the discourse on job creation past the constraints of the entrepreneurship ideology and redirect policies and EDA interventions.

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## CHAPTER 2: METHODOLOGY

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### 2.1 INTRODUCTION

Since the following four chapters follow different methodologies to pursue different outcomes, this chapter presents a summarised discussion of the methodological approach followed in each of the papers presented in chapters 3 through 6. The methodology for each paper is discussed in more detail in these chapters.

Critique of discourse plays an inherent role in any application of critical method in social research (Fairclough, 2013:8). Chapters 3 and 4 aim to determine which mainstream entrepreneurship assumptions and resulting discourses are being reproduced in the South African media and scholarly discourses. Since a critical analysis should not merely focus on what is “wrong” within a society or institution, but should also strive to be normative (Fairclough, 2013:7), chapters 5 and 6 provide recommendations to mitigate the potential hegemonic entrepreneurship discourse in South Africa.

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### 2.2 METHODOLOGICAL APPROACH IN CHAPTERS 3 AND 4

#### 2.2.1 Discourse

Language is not merely a collection of a few words that are strung together unintentionally. It is also not neutral and objective. By choosing a specific word over another, or omitting some details in a description while including others, a specific version of the world is intentionally created (Rapley, 2011). Language can thus serve “*as the mediator for constructing reality*” (Achtenhagen & Welter, 2012:197). French philosopher Michel Foucault introduced the term discourse to describe “*systems of thought, or knowledge claims, which assume an existence independent of a particular speaker*” (Stoddart, 2007:203). The aim of a discourse is to produce and reproduce certain power relations within a society through “*institutionalising, regulating and normalising specific ways of talking, thinking and acting*” (Jäger & Maier, 2009:36). Discourse can thus be used to produce and legitimise specific versions of social reality, while excluding others and even rendering them unthinkable (Greckhamer & Cilesiz, 2014:424; Ziai, 2013:125). Societies take up transmitted discourses and incorporate them into their subjectivities. When a specific discourse is produced often enough it becomes normalised and any critical consciousness is dissolved – the normalised assumptions are seen as facts. A society then becomes convinced that the social system is the way that it has always been, the way that it should be and that it cannot be transformed. The discourse thus keeps the masses voluntarily subordinate, uncritical and politically passive (Stoddart, 2007:206). In this manner, discourses become instruments to produce and reproduce certain power relations within a society. Discourses are mainly produced and circulated

through three mechanisms: institutions and organisations, individuals and inter-individual interaction and finally the media (Achtenhagen & Welter, 2012:194). This study focuses on two discourse planes: the media discourse (chapter 3) and the scholarly discourse (chapter 4).

## **2.2.2 Critical discourse analysis**

Critique of discourse plays an inherent role in any application of critical method in social research (Fairclough, 2013:8). The pragmatic aim of a critical discourse analysis is to determine how language is used in a specific context to establish certain ideologies to be taken for granted (Rapley, 2007). Analysing a discourse can reveal the relationship between a discourse and a social reality (Achtenhagen & Welter, 2012:198), such as the perpetuation of EDA interventions in spite of evidence strongly suggesting that these interventions are failing abysmally to contribute significantly to job creation and economic emancipation.

In this study, critical discourse analysis thus presents a method for identifying which assumptions have become naturalised in the entrepreneurship discourse *and* what the implications of these assumptions are, specifically in the Global South. This is done in chapters 3 and 4. The critical response to the findings of these critical discourse analyses is presented in chapters 5 and 6.

Conducting a critical discourse analysis does not come without its challenges (Greckhamer & Cilesiz, 2014). It does not have rigid rules or a formula that can be followed to the letter (Fairclough, 2013:10; Jäger & Maier, 2009:56). There is not currently a best-practice approach and no method is considered superior to another. Ideally, a comprehensive discourse analysis would look at the history, the present and the future of a specific discourse (Wodak & Meyer, 2001:51). It would identify and analyse all the different discourse planes such as the sciences, politics, media, education, everyday life and business, and also determine how these different planes influence each other. It would identify the different ideological positions of the subjects in a discourse. It would exhaust all the discursive fragments that constitute a specific discourse. However, this would be an enormous project that could realistically only be completed by conducting a number of smaller projects (Jäger & Maier, 2009:51). Every small contribution to the overall understanding of a particular discourse creates reliable knowledge that can influence the future direction of a specific discourse strand (Jäger & Maier, 2009:51). This study can therefore be considered a small contribution to a larger possible critical analysis of the discourse on entrepreneurship presented as the vehicle for economic emancipation and job creation in the Global South.

One challenge when conducting a critical discourse analysis is that the range of documents in which to conduct the analysis is potentially never-ending (Rapley, 2011). The specific discourses

to be analysed in this study are thus predefined in order to focus the data collection from the onset (Achtenhagen & Welter, 2007:201). In chapter 3, random purposive sampling is employed by searching English print media articles that were published in South African English newspapers between 1 January 2018 and 31 December 2018. The word “entrepreneur” evokes a number of different images, but the phenomenon under investigation in this study is the discourse surrounding entrepreneurship when it is appropriated as a development apparatus. To ensure that the analysis focused on this specific discourse, the key term “entrepreneur” is substituted with “small business”, one of the terms used to refer to entrepreneurship specifically when it is used as a development apparatus. With the term “job creation” being at the centre of the South African question of economic development, this is the second key term used to find news articles specific to the discourse being analysed. Duplications and irrelevant articles are excluded, leaving a sample of 63 articles on which the analysis is conducted.

For the critical analysis of the scholarly discourse in chapter 4, four leading South African journals in which articles pertaining to entrepreneurship are regularly published are identified. All articles from these journals from the three-year period January 2017 to December 2019 are retrieved. The abstracts and introductions of these articles are scanned to determine if they contribute to the discourse under investigation, leaving a final sample of 51 articles.

To ensure that the analyses in chapters 3 and 4 are conducted methodically and rigorously, Ruiz’s sociological discourse analysis approach and Ahl’s guidelines (which are in turn based on Foucault’s procedures) are used as a departure point to determine which questions to ask of the texts and incorporate into the analysis (Ahl, 2007:221-223; Ruiz, 2009).

Ahl’s guidelines are summarised as follows:

1. Determine what assumptions are made.
2. Determine what influence the institutional context and writing and publishing practices have on the issues that are studied and the questions that are being asked.
3. Determine if the text under investigation is celebrating or criticising the seminal ideas.
4. Identify the writing and publishing practices that shape and delimit the discourse.
5. Determine what counts as “proper” knowledge and “proper” entrepreneurship research, and what is viewed as legitimate methods for researching entrepreneurship.
6. Determine who is “allowed” to speak on the specific topic, and what voices are left out of the discourse.
7. Determine the ontological and epistemological premises guiding (and limiting) the production of knowledge.

These guidelines are employed on three different levels (Ruiz, 2009) of the discourse being analysed.

On a textual level, the aim is to objectively find patterns that may emerge from the data, for instance, by looking at the frequency of specific words or phrases. Discourses can be recognised through emerging patterns and frequencies in the text (Achtenhagen & Welter, 2012:198). No meaning is allocated to these texts in this phase, but they form a reduced version of the discourse that guides the further analysis of the discourse. During this phase, categories for classifying the information is determined.

A critical approach to discourse analysis moves beyond a mere textual analysis, but takes into account the social processes and structures from which these texts are produced (Wodak, 2011:3). In the second level of analysis, the contextual analysis thus means taking into account the social and political context that gives rise to the specific discourse being studied and its influence on the discourse that is produced.

On the interpretive level, discourse is analysed as information, ideology and social product. In this study, the aim is to interpret the discourse to “identify possible ideological developments of relationships between discursive formations” (da Costa & Silva Saraiva, 2012:596) and how the production of a specific discourse leads to hegemony in a South African context.

The process of analysis in both chapters is not linear, but rather a circular, continuous dialogue between the three levels. During this iterative analytical process, the aim is to continuously identify, contextualise and interpret certain discursive items and the relationship between these items. From there it becomes possible to determine what the ideological implications of these items and relationships are (similar to da Costa & Silva Saraiva, 2012).

A critical discourse analysis moves beyond being merely descriptive, and therefore chapters 5 and 6 take a normative approach by proposing possible ways of mitigating the identified assumptions and resulting social wrongs identified during the discourse analyses in chapters 3 and 4 (Fairclough, 2013:10).

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## **2.3 METHODOLOGICAL APPROACH IN CHAPTER 5**

This chapter departs from the argument that mainstream entrepreneurship theory – and EDA in particular – has entered the same theoretical impasse that mainstream development theory encountered in the 1980s when critical development theorists came to the conclusion that “*no amount of improved implementation will be useful; rather we need to reconsider the ideas*

*informing the Project*" (Matthews, 2005:96). In reaction to this critique to development theory, post-development goes beyond merely proposing alternative development interventions by calling for the rejection of the entire notion of development (Demaria & Kothari, 2017:2593).

This essay argues that the current theoretical entrepreneurship paradigm has proven unable to provide answers to the failure of EDA. When entrepreneurship is appropriated as a development apparatus, it becomes imperative to conceptually reframe it in a development context where it is subjected to the rich, ongoing discourse on development, alternative development and post-development theories. This chapter does so by laying out the main arguments of post-development theory and applying it to EDA. In doing so, the assumptions inherent in mainstream theory – and specifically EDA – are highlighted, showing that insight can be gained when the critical debate on entrepreneurship is moved beyond the constraints of the mainstream entrepreneurship paradigm.

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## **2.4 METHODOLOGICAL APPROACH IN CHAPTER 6**

The discourse analyses in chapters 3 and 4 reveal a terminology confusion inherent in the entrepreneurship ideology. This terminology confusion drives the knowledge claim that anything that is included under the conceptual entrepreneurship umbrella is essentially the same activity. Specifically, everything included under the entrepreneurship umbrella is presented as the panacea for poor economic growth and lack of job creation. This chapter addresses this terminology confusion and resulting assumptions by rejecting the entire meta-theoretical conceptualisation of entrepreneurship. The inceptive borders of the entrepreneurship umbrella are critically revisited to clearly demarcate the domain of fidelity entrepreneurship, and to indicate that other phenomena are related to, but not synonymous with, entrepreneurship.

Because the Delphi method has the ability to act as a tool for new framework development and theory building (Okoli & Pawlowski, 2004:15) by revisiting and challenging the knowledge claims and assumptions in the subject of study (Hasson, Keeney & McKenna, 2000:1013; Wardner, 2013:217), this methodology is utilised in chapter 6. The Delphi method is commonly described as "*a method for structuring a group communication process so that the process is effective in allowing a group of individuals, as a whole, to deal with a complex problem*" (Steinert, 2009:292). It provides a method for obtaining, refining and communicating the informed judgments of knowledgeable people (Ludlow, 1975:97). Using the checklist for a Delphi study developed by Hasson, Keeney and McKenna (2000) provides structure to a practice that has at times been accused of being arbitrary.

A panel of 13 experts in the field of entrepreneurship and/or critical management studies and who are affiliated with a tertiary academic institution in South Africa is purposefully selected. The number of iterative rounds is limited to three from the onset of the communication with the expert



panel (Hasson et al., 2000:1011). The first round consists of a questionnaire with two open-ended questions, while the second and third rounds consist of structured questionnaires.

Consensus in this study is predetermined at 70%. This means that the panel is regarded to have reached consensus on a specific theme if at least 70% (or nine of the 13 panellists) agreed or disagreed with a statement. Predefining the level of consensus before the onset of the analysis contributes to the reliability and validity of the study (Schmidt, 1997; Williams & Webb, 1994).

The results from rounds 2 and 3 of the Delphi process are presented by highlighting the percentage of support for each item, the mean values representing the aggregate rank of each item and the standard deviation to indicate the spread of the group response around the mean (Greatorex & Dexter, 2000; Holey, Feeley, Dixon & Whittaker, 2007; Schmidt, 1997:772). The size of the sample is considered too small to warrant the use of parametric statistical analysis (Kalaian & Kasim, 2012:5).

The results from the Delphi process guide the process of rethinking the mainstream entrepreneurship framework. By presenting a theory of enterprise that includes the theory of fidelity entrepreneurship, this chapter aims to stimulate a debate and introduce a new narrative for the entrepreneurship discourse in general, and the product of EDA in particular. This new debate may prove able to move the discourse on job creation and economic growth beyond the constraints of mainstream entrepreneurship theory.

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# CHAPTER 3: ENTREPRENEURSHIP DISCOURSE AS AN INSTRUMENT OF EXPLOITATION

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## 3.1 INTRODUCTION

Unemployment in South Africa is a crisis. Job creation is a dire need. Policy makers are desperate for solutions. Entrepreneurship is painted as the silver bullet for economic development and job creation. However, entrepreneurship is not living up to its promise of creating successful entrepreneurial ventures that contribute to economic growth and job creation. In spite of the clear non-performance of entrepreneurship and its inability to contribute to economic development and job creation, the discourse is perpetuating the ideology of the entrepreneur as a wholesome, positive and virtuous superhero.

A small number of voices critical to mainstream entrepreneurship research are questioning certain meta-theoretical assumptions that are being made in the field. These include, inter alia, the assumptions that the entrepreneurship findings in the Global North can be duplicated in an African context, that all types of entrepreneurship will contribute to economic development, and that entrepreneurship is the saviour of the job-creation crisis. Other voices are also convinced that the mainstream entrepreneurship ideology is being applied too far outside the context for which it was developed.

This study takes a position from the nascent field of critical entrepreneurship studies to highlight how the mainstream entrepreneurship ideology is embedded in the South African discourse on economic development and job creation. It will further show that the current discourse is not only failing to deliver on its promise of job creation but is also paving the way for the entrepreneurship ideology to be used as a mechanism for political hegemony.

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## 3.2 THEORETICAL CONTEXT AND LITERATURE REVIEW

### 3.2.1 Mainstream entrepreneurship discourse

Entrepreneurship is widely considered one of the most promising fields in management research (Ogbor, 2000:614). Joseph Schumpeter's 1934 book, *The theory of economic development*, is widely cited as the base of current entrepreneurship research. Moving beyond an initial economic perspective, research into the characteristics of entrepreneurs soon abounded. This behaviourist focus of entrepreneurship dominates the research literature until the early 1980s (Filion, 1998:5). Thereafter research shifts from *who* the entrepreneur was, to investigating *what* he creates: the business (da Costa & Silva Saraiva, 2012:588). In 1997, Venkataraman introduces

entrepreneurship as a unique conceptual domain and defines 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*” (1997:120).

Today, research and theory development into the drivers of entrepreneurship abound and various theoretical currents have emerged (da Costa & Silva Saraiva, 2012:588). The field of entrepreneurship is “*well entrenched and unlikely to do anything but continue to grow*” (Honig, 2018). Mainstream literature on entrepreneurship is being dominated by a wholesome, positive and virtuous image of the entrepreneur as a superhero (Williams & Nadin, 2012:297) and the entrepreneur has been elevated to celebrity status (Luiz, 2010:63). The bulk of mainstream entrepreneurship research paints it as positive economic activity (Calás, Smircich & Bourne, 2009:552; Naudé, 2011; Nightingale & Coad, 2014:115). “*Entrepreneurship has become a broad label under which a hodgepodge of research is housed*” (Shane & Venkataraman, 2000:217). The word could mean both everything and nothing (da Costa & Silva Saraiva, 2012:589).

This view is supported by the South African literature that describes entrepreneurs as “*playing an important role in most businesses, they contribute significantly to employment, job creation and wealth creation*” and espouses the view that “*economic development can be directly attributed to the level of entrepreneurial activity in a country and entrepreneurial businesses ensure growth in the economy*” (Nieuwenhuizen, 2019:4). The prevailing argument is that “entrepreneurship” is the saviour of economic development and job creation. Worldwide, this view is resulting in policies which assume that more entrepreneurial activity is necessarily a “good thing”, when such levels of political and financial support may, in fact, not be justified (Nightingale & Coad, 2014:114-115).

In an attempt to generalise theory and legitimise itself, the mainstream approach in entrepreneurship research imposes *a priori* and taken-for-granted definitions and meta-theoretical assumptions onto an ambiguous social reality (Achtenhagen & Welter, 2007:198; Alvesson & Deetz, 2000:55; Alvesson & Willmott, 2003:23; Urban, 2010:42). When a concept (such as “the entrepreneur”) has been clouded with such an aura of mystification and glory, it creates fertile ground for critical study (Fournier & Grey, 2000). However, entrepreneurship has hardly been investigated from a critical perspective (da Costa & Silva Saraiva, 2012:588). It could be argued that the current theoretical conceptualisation of entrepreneurship is in fact protecting a number of mainstream assumptions from being questioned (Calás et al., 2009:553). Furthermore, focusing on entrepreneurship as desirable activity and “the entrepreneur” as a superhero obscures important questions from being asked (Tedmanson, Verduyn, Essers & Gartner, 2012:532). One such question is how this ideology of entrepreneurship may be contributing to relations of power and hegemony in a society.

### 3.2.2 Critique on mainstream entrepreneurship discourse

Classic entrepreneurship research views “the entrepreneur” as an agent of the capitalist economic system (Ogbor, 2000:616). These mainstream perspectives on entrepreneurship aim to reproduce only a specific economic system: capitalism (Calás et al., 2009:553) and more recently neo-liberalism (Fairclough, 2013:11). Neo-liberalism guarantees increased prosperity without limits for everyone (Fairclough, 2013:16). It suggests that, given a chance, anyone can be a successful entrepreneur (da Costa & Silva Saraiva, 2012:591) with an ever-expanding wealth of choice and economic security (Fairclough, 2013:16). In fact, “entrepreneurship” is promoted as “*the attitude of a people who seek the social and economic development of their country*” (da Costa & Silva Saraiva, 2012:591). The word “entrepreneur” invokes the image of a virtuous, wholesome superhero, the cornerstone of economic growth, the saviour of the job-creation crisis (Williams & Nadin, 2012:297). Globally, however, current neo-liberalist policies are leading to greater economic and social inequality, widening the gap between rich and poor and placing unsustainable pressure on the environment (da Costa & Silva Saraiva, 2012:592; Fairclough, 2013:12). Societies are becoming increasingly disillusioned by neo-liberalism and the current system needs to be repaired or replaced (Fairclough, 2013:15-16). However, studies that militate against the unequal, exploitative nature of neo-liberalism are still the exception and entrepreneurship is increasingly eulogised (Tedmanson et al., 2012:532).

“Entrepreneur” is by no means a homogenous concept. From a critical standpoint, it is becoming evident that “entrepreneurship” cannot be used as an umbrella term, assuming that any and all types of entrepreneur will contribute to economic development and job creation (Hartmann, Krabbe & Spicer, 2019; Kuada, 2015:148; Nightingale & Coad, 2014:113). However, researchers are continuously conceptualising it as a uniform concept and thus protecting a number of mainstream assumptions in the field of entrepreneurship from being questioned (Calás et al., 2009:553).

What is more, the bulk of the empirical studies done on the link between entrepreneurship and economic development have been conducted in Global North economies in North America and Europe, and the findings of these studies have very limited use for answering questions about economic development in the Global South (Naudé, 2011:37). There is a particular lack of scientific debate on African entrepreneurship (Naudé & Havenga, 2005:101), and policies and interventions are based on research and findings from the United States of America (USA) and Europe. There is, in fact, very little research to confirm that entrepreneurship does indeed lead to economic growth in an African context, and its success in this regard in the Global North is also considered dubious (Nightingale & Coad, 2014:114; Shane, 2009).

Based on these assumptions, entrepreneurship has become appropriated as a development tool in the Global South (Kuada, 2015:148; Mahadea, 2012:22500212). Entrepreneurship is hailed as a

panacea for the lack of job creation and economic growth globally, yet it fails to create any empowerment or upward mobility for the marginalised communities it aims to emancipate, and does not contribute significantly to job creation (Honig, 2017:453; Naudé, 2011; Nightingale & Coad, 2014:115; Shane, 2009). Existing policies are not achieving the twin goals of job creation and poverty alleviation (Edoho, 2016:280).

Within the broader field of critical management studies, critique against entrepreneurship is still a nascent field of research that is not always received positively in mainstream journals (Tedmanson et al., 2012:533). Some notable studies in this field include: Ogbor (2000), who critically examines the ideological basis upon which the dominant discourse on entrepreneurship is produced and reproduced, Armstrong (2005), who exposes the ideological nature and convenient political manipulation of the mainstream entrepreneurship discourse, Calás et al. (2009), who critique and challenge the male-dominated assumptions in mainstream entrepreneurship discourse, to name but a few.

The voices critical of mainstream entrepreneurship theory agree that the conventional discourse eulogises “the entrepreneur” as the saviour of economies and the champion of job creation worldwide. What is not yet known is how this mainstream entrepreneurship ideology may be contributing to political hegemony in a South African context. This chapter will join the critical entrepreneurship voices by examining the potential hegemonic nature of the mainstream entrepreneurship discourse, specifically when it is used as a development apparatus in a South African context.

### **3.2.3 Hegemonic discourse**

Language is not merely a collection of a few words that are strung together unintentionally. It is also not neutral and objective. By choosing a specific word over another, or omitting some details in a description while including others, a specific version of the world is intentionally created (Rapley, 2011). Language can thus serve “*as the mediator for constructing reality*” (Achtenhagen & Welter, 2012:197).

Foucault introduced the term discourse to describe “*systems of thought, or knowledge claims, which assume an existence independent of a particular speaker*” (Stoddart, 2007:203). The aim of a discourse is to produce and reproduce certain power relations within a society through “*institutionalising, regulating and normalising specific ways of talking, thinking and acting*” (Jäger & Maier, 2009:36). Discourse can thus be used intentionally to produce specific versions of social reality while excluding others (Greckhamer & Cilesiz, 2014:424). Discourses are mainly produced and circulated through three mechanisms: institutions and organisations, individuals and inter-individual interaction and, finally, the media (Achtenhagen & Welter, 2012:194). Societies take up

these transmitted discourses and incorporate them into their subjectivities. When a specific discourse becomes normalised, any critical consciousness is dissolved and different agents in the social network become convinced that the social system is the way that it has always been, and the way that it should be, and that it cannot be transformed. This keeps the masses voluntarily subordinate, uncritical and politically passive (Stoddart, 2007:206). The need for coercive actions is mitigated and power is created through hegemony. To ensure that it maintains hegemonic power, the dominant discourse does not allow for other, oppositional discourses to take root (Brigg, 2002:427). According to Foucault, the intentional production and circulation of a specific discourse can be used as a mechanism of social power (Stoddart, 2007:203).

### **3.2.4 A critical approach to entrepreneurship discourse**

In South Africa, as in the rest of the world, much has been written on how individuals can increase their economic power by becoming “entrepreneurs”. However, less than 25% of start-up ventures in South Africa survive past the first three years of existence (Haltiwanger, Jarmin & Miranda, 2013:343). Furthermore, 80% of so-called entrepreneurs in the informal sector work only for their own account and are merely self-employed (SEDA, 2016:15). South Africa’s total early-stage entrepreneurial activity (TEA) remains below average for the African region. The established business ownership rate is also far below the average of the African region. South Africa’s business discontinuance rate is also higher than the established business ownership rate for the same period, implying that *“there are more businesses being closed, sold or otherwise discontinued than there are businesses being continued”* (Bowmaker-Falconer & Herrington, 2020:12). At 29.1%, South Africa’s unemployment rate is the highest of all the member states of the Brazil, Russia, India, China and South Africa (BRICS) bloc, and one of the highest in the world (ILO, 2018). If one would include the discouraged work effect, the unemployment rate in South Africa is actually closer to 38.5% (Bowmaker-Falconer & Herrington, 2019/2020:16). In spite of the evident failure of start-up ventures to survive past the first three years or move beyond mere self-employment, entrepreneurial promotion activities such as training and incubation are continuously being endorsed and promoted by political role players (Honig, 2017:456-457), assuming that high levels of (what is labelled) entrepreneurial activity will necessarily lead to economic growth and job creation (Nightingale & Coad, 2014:115).

In 2017, Honig introduced the term compensatory entrepreneurship. He defines it as

*“the political endorsement of entrepreneurial promotion activities, including training, incubation, and media dissemination, for the primary objective of maintaining political and/or economic control of one population over another”* (Honig, 2017).



Compensatory entrepreneurship is used as a “*method of promoting symbolic justification for inequity of economic and political power*” without creating any empowerment or upward mobility for the beneficiaries it is aimed at. Compensatory entrepreneurship thus shifts the responsibility of creating successful ventures from the collective (political actors) to the individual (Honig, 2018), based on the assumption in the entrepreneurship discourse that, given a chance, anyone can be a successful entrepreneur with an ever-expanding wealth of choice and economic security (Fairclough, 2013:16).

The entrepreneurship ideology is thus used and manipulated to reach a political goal (Honig, 2017:455). In Foucauldian terms, the entrepreneurship discourse can be used and manipulated to maintain political hegemony. By convincing the masses that their inability to capitalise on entrepreneurial development and support initiatives can only be blamed on their own shortcomings or lack of motivation, the political elite is exempted from any responsibility toward the economic emancipation of the unemployed (Honig, 2018). The subordinate classes then have no reason to protest against the ruling elite, because they are convinced that the social and economic inequality they experience is due to their own inability to capitalise on EDA interventions. The inequality then becomes acceptable.

This study proposes that compensatory entrepreneurship is an example of a hegemonic entrepreneurship discourse. To confirm this, one would need to determine if the entrepreneurship discourse in South Africa has the characteristics of a hegemonic discourse. These would include answering questions such as: has critical consciousness toward assumptions in the discourse been dissolved? In other words, has the discourse been normalised? Do different agents in the social network seem convinced that the social system is the way it should be? Is this dominant discourse preventing oppositional discourses from taking root?

When one is interested in the way discourses produce power relations of specific groups over others, a critical analysis of the discourse has to be performed (Van Dijk, 2009:63). Critique of discourse plays an inherent role in any application of critical method in social research (Fairclough, 2013:8). Since the 1972 seminal work by Foucault, the body of literature on discourse analysis has grown vastly and it has proven a valuable and important method for social and organisational research (Achtenhagen & Welter, 2012:193; Greckhamer & Cilesiz, 2014:424). The use of *critical* discourse analysis (CDA) is also becoming more mainstream and institutionalised (Fairclough, 2013:10). In more recent years, the potential of CDA to generate new knowledge in entrepreneurship research has increasingly been recognised (Achtenhagen & Welter, 2012:193-194). A critical discourse analysis can contribute to the field of entrepreneurship research by exploring how socially constructed entrepreneurship-related phenomena can have societal implications (Achtenhagen & Welter, 2012). To date, not a lot of research has been done on

possible power relations inherent in the entrepreneurial discourse, or the relationship between discourse, ideology and entrepreneurship (da Costa & Silva Saraiva, 2012:589; Hertel, 2020; Ogbor, 2000).

In South Africa, we have, on the one hand, the statistics of entrepreneurs neither surviving nor contributing significantly to job creation. On the other hand, we have the normalised view that anything labelled “entrepreneurship” is the vehicle for economic development and job creation. This obvious contradiction begs critical analysis of the mainstream discourse on the causal relationship between entrepreneurship and job creation in South Africa. This study adds a voice to the nascent field of critical entrepreneurship research by critically examining the mainstream discourse on the causal relationship between entrepreneurship and job creation in order to answer the following question:

Is the conventional entrepreneurship ideology producing a discourse in South Africa that is promoting political hegemony?

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### **3.3 AGENDA AND RESEARCH OBJECTIVES**

Based on previous studies critical to mainstream entrepreneurship research, this chapter takes the position that the mainstream entrepreneurship discourse is based on a number of assumptions. From this position, it proposes that the mainstream entrepreneurship discourse may be contributing to political hegemony in South Africa.

This chapter has the following specific objectives:

1. To determine what mainstream entrepreneurship assumptions and resulting discourses are being reproduced in the South African media discourse.
2. To determine if and how this current discourse is naturalising knowledge claims about “entrepreneurship”.
3. To highlight the hegemonic possibilities of producing and reproducing this discourse in a South African context.

Since a critical discourse analysis should not merely focus on what is “wrong” within a society or institution, but should also strive to be normative (Fairclough, 2013:7), the final objective of this chapter will be the following:

4. To provide recommendations that could mitigate the potential hegemonic entrepreneurship discourse in South Africa.

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## 3.4 METHODOLOGY

This chapter was orientated by the methodological perspective of critical discourse analysis.

### 3.4.1 Critical discourse analysis

Conducting a critical discourse analysis does not come without its challenges (Greckhamer & Cilesiz, 2014:422). It does not have rigid rules or a formula that can be followed to the letter (Fairclough, 2013:10; Jäger & Maier, 2009:56). There is not currently a best practice approach and no method is considered superior to another. Ideally a comprehensive discourse analysis would look at the history, the present and the future of a specific discourse (Wodak & Meyer, 2001:51). It would identify and analyse all the different discourse planes such as the sciences, politics, media, education, everyday life, business, and the like and determine how these different planes influence each other. It would identify the different ideological positions of the subjects in a discourse. It would exhaust all the discursive fragments that constitute a specific discourse. However, this would be an enormous project that could realistically only be completed by conducting a number of smaller projects (Jäger & Maier, 2009:51). Every small contribution to the overall understanding of a particular discourse creates reliable knowledge that can influence the future direction of a specific discourse strand (Jäger & Maier, 2009:51). More specifically, studying a discourse that produces hegemonic views will contribute to our understanding of entrepreneurship theory (da Costa & Silva Saraiva, 2012:589). This study can therefore be considered a small contribution to a larger possible critical analysis of the discourse on entrepreneurship presented as the vehicle for economic emancipation and job creation in the Global South.

To overcome these challenges, this chapter clearly demarcated the sampling of data from the onset. Firstly, this chapter did not focus on multiple discourse planes, but rather analysed one discourse plane. Newspaper and magazine articles are considered the most ubiquitous and accessible sources of texts (Rapley, 2011) and the media plays an influential part in reinforcing stereotypes about entrepreneurship (Anderson & Warren, 2011:592). A discourse analysis of entrepreneurship in print media can add to the understanding of the phenomenon (Achtenhagen & Welter, 2012:211). For this reason, it was decided to limit the discourse analysis in this chapter to the media discourse plane, specifically news media articles printed in South African English newspapers.

Another challenge is that the range of documents in which to conduct a discourse analysis is potentially never-ending (Rapley, 2011). It was therefore decided to limit the analysis to a specific time period: 1 January 2018 to 31 December 2018. Fairclough (2013:51) finds that it takes a surprisingly small amount of qualitative data to reach a point of complete analysis. The analysis

was regarded as exhaustive when arguments began to repeat itself (Fairclough, 2013:51) and no longer derived new insights (Achtenhagen & Welter, 2012:201).

The specific discourse to be analysed has to be predefined in order to focus the data collection from the onset (Achtenhagen & Welter, 2012:201). The word “entrepreneur” evokes a number of different images, but the phenomenon under investigation in this study is the discourse surrounding entrepreneurship when it is appropriated as a development apparatus. To ensure that the analysis focused on this specific discourse, the key term “entrepreneur” was substituted with “small business”, one of the terms used to refer to entrepreneurship specifically when it is used as a development apparatus. With the term “job creation” being at the centre of the South African question of economic development, this was the second key term used to find news articles specific to the discourse being analysed.

To ensure a methodical analysis of the data, this study was guided by, but not limited to, the sociological discourse analysis approach as described by Ruiz (2009).

## **2.4.2 Sampling**

Random purposive sampling was employed by searching English print media articles that were published in South African English newspapers between 1 January 2018 and 31 December 2018 and contained the key words “small business” and “job creation”. The sampling frame was obtained from Sabinet through the University of Pretoria Library SA Media database. Sabinet, previously known as SA ePublications, is a database that contains records from South African newspapers and periodicals from 1978 onwards. Articles that contained the key words “small business” and “job creation” were then searched for this period.

The search with these key words rendered 122 articles, but these included articles that were duplicated in different newspapers. The duplications were eliminated, putting the sample at 95 articles. Thereafter, articles that were not relevant to the discourse on the relationship between entrepreneurship and job creation were excluded. These included, for example, articles on the fashions worn by Members of Parliament at the State of the Nation Address, or a report of a student winning an entrepreneurship competition. The final exclusions left a sample of 63 articles on which the analysis was conducted. One identified discourse strand posed the need for further investigation and this was done through critical case sampling of data not included in the original sample.

The texts were imported into Atlas.ti as portable document format (PDF) documents in their original format and numbered from 1 to 63. An initial round of open coding was undertaken with articles 1 to 15. This initial round of open coding was not done to establish emerging themes, but

rather as a method of identifying major codes and code categories that could inform the hegemonic entrepreneurship discourse. From this first round of open coding, an initial thematic template was developed. However, this thematic template was not meant to be exhaustive and the coding and analysing of the data remained an iterative process.

To ensure that this analysis was conducted methodically and rigorously, Ruiz's (2009) guidelines were used as a departure point to determine which questions to ask of the texts and incorporate in the analysis. Furthermore, because the discourse analysis was done through a critical lens it moved beyond being merely descriptive, but also strove to be normative by proposing possible ways of mitigating the identified social wrongs (Fairclough, 2013:10). Ruiz (2009) focuses on a field within discourse analysis called sociological discourse analysis, but the basic direction that his levels of analysis provides guided the analysis in this study (similar to Anderson and Warren (2011)).

The analysis was conducted on three levels. On a textual level, the aim was to objectively find patterns that may emerge from the data, for instance, by looking at the frequency of specific words or phrases. Discourses can be recognised through emerging patterns and frequencies in the text (Achtenhagen & Welter, 2012:198). In this phase, meaning was not yet allocated to these texts yet, but it formed a reduced version of the discourse that guided the further analysis of the discourse. During this phase, categories for classifying the information was determined.

A critical approach to discourse analysis moves beyond a mere textual analysis, but takes into account the social processes and structures from which these texts were produced (Wodak, 2011:3). This second level analysis, the contextual analysis, thus meant taking into account the social and political context that gave rise to the specific discourse being studied and its influence on the discourse that was produced.

On the third, interpretive level, the discourse is analysed as information, ideology and social product. In this chapter, the aim was to interpret the discourse to "*identify possible ideological developments of relationships between discursive formations*" (da Costa & Silva Saraiva, 2012:596) and to establish how the production of a specific discourse leads to hegemony in a South African context.

The process of analysis was not a linear process from level one to level three, but rather a circular, continuous dialogue between the three levels. During this iterative analytical process, the aim was to continuously identify, contextualise and interpret certain discursive items and the relationship between these items. From there it became possible to determine what the ideological implications of these items and relationships may be (similar to Da Costa and Silva Saraiva, 2012). It

incorporated both quantitative (mostly in the textual analysis) and qualitative analyses, with emphasis on the latter in the contextual and interpretive levels of analysis. The iterative analysis produced the following relevant findings:

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## 3.5 FINDINGS

### 3.5.1 Mainstream entrepreneurship discourses taken up in the South African media discourse

#### 3.5.1.1 Terminology confusion surrounding entrepreneurship

From the first textual analysis, it became clear that a number of alternating terms are being used when referring to “entrepreneurship”, often interchangeably. These included no less than 28 variations, shown in table 3.1. In one, as many as eight alternating terms were used to refer to the same concept. A distinction was made between primary concepts (terms used more than five times) and secondary concepts (terms used fewer than five times).

The use of these terms as synonyms could have an inferred suggestion that any and all kinds of entrepreneurial activity are essentially the same. One example explains how the information and communications technology (ICT) SMME Development Strategy would “*actively support and develop entrepreneurs and small businesses in ICT*” (Article 51). Throughout the article, a different array of terms is used to refer to the ventures that would be supported through skills development, funding and incubation. These include “small business”, “enterprises in rural areas and townships”, “SMME”, “entrepreneurs”, “new businesses”, “start-ups”, “co-operatives”, “youth and women entrepreneurs”. No definition of any of the terms is given and no distinction between the different terms are made.

In one instance, the article states explicitly that

*“our drive to boost small businesses across all sectors of the economy is inspired by our National Development Plan which highlights that small businesses can generate up to 80% of our growth and create 90% of the jobs we need by 2030.”*

When this statement is made in the context of an article where seven other terms are used as synonyms for small business, it can be read that any one of these types of ventures can create 90% of the jobs needed by 2030. When these terms are used interchangeably, it is inferred that, for instance “*start-ups in rural areas and townships will create 90% of the jobs we need by 2030*”.

Another example states: “*As a chamber focused on SMEs and entrepreneurs, we are pleased that President Ramaphosa has acknowledged the role that small business and start-ups play in our economy*” (Article 34). This can be read to imply that small business and start-ups play similar roles in the South African economy. The same article also refers to “SMMEs”, “co-operatives” and “township and rural development enterprises” without making any distinction between the terms.

**Table 3.1 Interchangeable terms used**

<b>Primary synonyms (occurring more than five times)</b>	<b>Number of occurrences</b>
SME or SMME	41
Small business	40
Entrepreneur or entrepreneurship	21
Rural or township enterprise	16
Start-ups	9
Co-operative	6
<b>Secondary synonyms (occurring less than five times)</b>	
New business/enterprise	4
Black, women and youth-owned enterprises	3
Early-stage business/enterprise	3
Informal sector	3
Emerging entrepreneur	2
Informal trader	2
Small firm	2
Youth-owned start-up	2
Aspiring entrepreneur	1
Black entrepreneur	1
Black-owned company	1
Business	1
Early-stage small enterprise	1
Emerging black business	1
Enterprises	1
High-potential SMME	1
Informal business	1
Rural development enterprise	1
Rural entrepreneur	1
Small employer	1
Small enterprise	1



This finding is in line with Griffiths, Kickul, Bacq and Terjesen (2012:613), stating: *“Policy makers, media, and practitioners increasingly recognize the value of entrepreneurship to economic growth but fail to distinguish among different types of entrepreneurship”*. When the concepts included under the entrepreneurship umbrella are applied without any consistency, it creates the same expectations and results in terms of economic growth and job creation from anything and everything included under the broader umbrella term “entrepreneurship” (Poole, 2018:35). Basing the mainstream discourse on entrepreneurship on commonly accepted definitions (Anderson & Warren, 2011:592) that presents any type of “entrepreneurship” as essentially the same activity is protecting the theoretical assumption from being questioned that anything labelled “entrepreneurship” will naturally translate into economic emancipation and job creation (Calás et al., 2009:553). This assumption hides the fact that only a small proportion of high-performing ventures account for the majority of innovation, job generation and wealth creation (Nightingale & Coad, 2014:114), and

*“only a select few entrepreneurs will create the businesses that will take people out of poverty, encourage innovation, create jobs, reduce unemployment, make markets more competitive, and enhance economic growth”* (Shane, 2009).

Viewing any and all types of entrepreneurship as essentially the same activity, assuming that all these types will contribute equally to economic development, is a knowledge claim in the mainstream entrepreneurship discourse. Based on the above, it is therefore proposed that:

P1: The South African media discourse replicates the mainstream entrepreneurship knowledge claim that any and all type of entrepreneurial activity is essentially the same.

### 2.5.1.2 Causality between concepts

**Table 3.2: Causality between concepts**

	Explicit	Implicit	None
Small business creates jobs	23	13	-
Small business drives economic development	12	1	-
Entrepreneurial development leads to economic development	10	4	-
Entrepreneurial development leads to job creation	13	14	-
No reference to any of the above causal relationships	-	-	13

The data was further analysed to determine whether the current media discourse in South Africa promotes small business (and all its synonyms) as a panacea for the lack of job creation and economic growth in the country. To determine if the current discourse draws a link between small business and job creation or economic development, the following concepts were identified: “small business” (and all synonyms), “entrepreneurial development”, “job creation” and “economic development”. Through the coding process, it became clear that the claimed relationship between these concepts was in some instances stated explicitly, but in other instances rather inferred or implicitly stated. Table 3.2 shows the number of statements drawing a causal relationship between the different codes – either explicitly or implicitly.

Of the 63 articles analysed, 50 claimed some causal relationship between small business or entrepreneurial development on the one hand, and job creation or economic development on the other. These positive relationship claims were stated 90 times in these 50 articles, either explicitly or implicitly. Some examples are given below:

**IMPLICIT STATEMENTS:**

*“Right now small-business owners are proceeding mostly on the basis of hope and promises. If government is to succeed in accelerating growth and job creation it can't afford to fail them this time”* (Article 36). It does not explicitly state that small businesses accelerate growth and create jobs, but it is inferred.

Another article reports on the launch of a Centre for Entrepreneurship Rapid Youth Incubator. In the article, a politician states that the purpose of the centre was to move graduates of the centre from *“being job seekers to job creators”* (Article 3). It is not explicitly stated that young people who are trained as “entrepreneurs” will be job creators, but it can be inferred.

#### **EXPLICIT STATEMENTS:**

*“We know that small business is the engine room for job creation.”* (Article 5).

*“By providing support [to small businesses] in meaningful ways we are helping these enterprises to stay the path and in turn create sustainable jobs”.* (Article 2).

*“Informal trading is about job creation, community pride, and skills development.”* (Article 4).

*“... more investment into early stage enterprises (that are) desperately needed to grow the economy and, critically, create jobs.”* (Article 16).

The mainstream discourse generally regards entrepreneurship as the cornerstone of economic growth, income and employment creation (da Costa & Silva Saraiva, 2012:588). This discourse holds entrepreneurship as a mass phenomenon and creates the impression that, through entrepreneurship, anyone can realise themselves professionally (da Costa & Silva Saraiva, 2012:605) *and* contribute to job creation and economic development.

One could based on the above findings, therefore propose:

P2: The South African media discourse replicates the mainstream entrepreneurship knowledge claim that entrepreneurship will lead to economic development and job creation.

### **3.5.2 Naturalised ideological position**

An interesting finding showed that, although politicians are by far the highest number of persons claiming a link between small business and growth, other role players have also voiced the same opinion. Table 3.3 shows the number and origin of different voices that have done so.

Another key finding is that the bulk of these claims are made without supporting it through statistics or data. Of the 63 articles, only six show any type of statistics to support the claim that small business contributes to job creation, yet these statistics appear largely irrelevant to the claim being made.

One example, for instance, refers to findings of a study done in the USA as support for the case made in a South African context:

*“The success of early-stage businesses in an economy is linked closely to its ability to create jobs. A finding in 2015 by the Kauffman Foundation was that new businesses accounted for virtually all new job creation in the US.”* (Article 16).

**Table 3.3: Persons voicing the causal link**

Speaker	Number of occurrences
Politician	25
Business leader	13
Journalist	9
Academic	4
Opposition party	4
Small business owner	3
Public official	2
Not indicated	2

Another claims that the Eastern Cape Development Corporation *“has disbursed loans of R788.4m to more than 2,000 SMMEs in our province and these have contributed 27,000 jobs in our economy”* during the 2017–2018 financial year (Article 41). What is not stated is that this comes at the cost of R29,200 per job created, with no indication whether the jobs created were sustainable and meaningful jobs.

A report on a task team formed by a business chamber in a metropolitan area states that

*“research undertaken by the chairman of our SME task team has shown that, in addition to creating much-needed jobs, SMEs contribute to the greater business landscape by bringing increased opportunities for transformation and skills development, as well as enhancing competitiveness and innovation at local level.”* (Article 42).

The article does not provide any details on this research, the methodology or other findings.

A supplier development initiative has

*“created 2108 jobs and generated R883 million in procurement opportunities for the 154 SMEs that had participated in its two-year enterprise and supplier development programme (over the past ten years)” (Article 60).*

*“...small, medium-sized and micro enterprises (SMMEs) such as those in the township provide 45% of SA’s total jobs and almost 33% of national income” (Article 37).*

It does not indicate what the source of these statistics is.

*“... Small businesses play a critical role ... in creating jobs” (Article 36).* The claim is based on statistics made available by national treasury that *“the sector employs 47% of the workforce, contributes more than 20% of GDP and pays about 6% of corporate taxes”.*

Only five of the 50 articles that draw a relationship between small business or entrepreneurial development on the one hand, and job creation or economic development on the other, substantiate the claims with local statistics. Two of these were the reporting on the completion of two separate entrepreneurial development programmes, not general statements about small business and job creation. Two others do not indicate from where their statistics were obtained, and only one article bases its claim on numbers made available from national treasury. In the large majority of articles, however, the claims that small business will necessarily create jobs and thus lead to economic growth are based on assumptions at best.

Greckhamer and Cilesiz (2014:424) state that discourse can be used to naturalise ideological positions and win their acceptance as being common sense. When an entire community adheres to this position, the ideology is maintained and protected (Ogbor, 2000:611). The findings above show that it is no longer only politicians that are claiming causality between entrepreneurship (including entrepreneurship development) and job creation, but that the ideological position has been “naturalised” and is being accepted as fact by a wider South African community. Furthermore, the validity of the claims are taken for granted and unreflectively reproduced, and in this manner legitimised (Ogbor, 2000). When certain ideological positions are continuously reproduced, it starts to create a hegemonic sense of reality (da Costa & Silva Saraiva, 2012:590). We therefore propose that:

P3: The knowledge claim that entrepreneurship leads to economic development and job creation has become normalised in the South African discourse.

### 3.5.3 Signs of political hegemony

Four articles explicitly stated that small business was not creating any jobs. All four these articles (12, 13, 32 and 53) refer to the same discourse strand: a phase 1 report on the SME sector in South Africa conducted by the Small Business Institute (SBI).

The SBI is a not-for-profit organisation that has been in operation for 75 years. According to its website:

*“SBI stands for a free-market approach to grow SMEs, create jobs, and provide ethical leadership. We envision a country where small- and medium-sized businesses are supported by thoughtful, evidence-based policy that limits obstacles to their success and sustainability and the private sector works to eliminate structural obstacles to competition, access to markets and effective entry into supply chains”.*

In 2018, the SBI announced that it would be raising funding to complete South Africa’s “*first baseline study on the nature of the small business segment of the economy*”. The preliminary findings of the first phase were made available in 2018. These findings include, *inter alia*, that the number of SMEs in the country are significantly lower than estimated and contribute very little to job creation in South Africa. The report raises concern about the lack of a common definition when talking about SMEs across laws, regulations and strategic policy documents. Furthermore, it asks for the closing down of the Department of Small Business Development (DSBD), saying that it is ineffective and fiscally wasteful.

Because this report led to the only four articles opposing the notion that small business creates jobs, further articles following from this report were identified through critical case sampling. The three media articles that were identified showed a public argument between the SBI and DSBD following the publication of the mentioned phase 1 report. DSBD criticised the report by SBI for manipulating the facts, not disclosing their methodology and reporting on incomplete research (Article 2.1). DSBD furthermore argued that it should have been afforded an opportunity to reply to the SBI findings before publication. SBI replied that DSBD was attempting to “*bully civil society bodies into silence*” and should rather embrace the attempt by the SBI to conduct a study on the nature, characteristics, size and dynamics of the SME sector in South Africa (Article 2.2). However, DSBD replied that SBI “*misses the point again*” and are opposing the DSBD because they are supporters of the opposition political party and therefore, in principle, opposed to anything that is ANC-government-led (Article 2.3).

A hegemonic discourse establishes itself as the dominant discourse by not allowing for oppositional positions to be voiced (Brigg, 2002:427; Stoddart, 2007:205). This is the only example of the explicit silencing of an oppositional discourse, but the finding is in line with a study done in

Brazil which found the discourses on entrepreneurship to be hegemonic in nature (da Costa & Silva Saraiva, 2012). It also supports the compensatory entrepreneurship phenomenon that Honig observed in Brazil and South Africa (Honig, 2017). When oppositional voices are patronised or silenced, especially as explicitly as found in this study, one has to acknowledge the hegemonic nature of a discourse.

In light of the above, it is proposed that:

P4: The dominance of the mainstream discourse on entrepreneurship is opening the way for political hegemony in a South African context.

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### **3.6 CONCLUSION**

The aim of a discourse is to produce and reproduce certain power relations within a society (Jäger & Maier, 2009:36). This is done by producing and reproducing discourses that become incorporated into a society's subjectivities. When a specific discourse becomes normalised, any critical consciousness is dissolved and different agents in the social network become convinced that the social system is the way that it has always been and the way that it should be and that it cannot be transformed. This keeps the masses voluntarily subordinate, uncritical and politically passive (Stoddart, 2007:206). To ensure that it maintains hegemonic power, the dominant discourse does not allow for other, oppositional discourses to take root (Brigg, 2002:427). The media plays an influential part in reinforcing stereotypes about entrepreneurship (Anderson & Warren, 2011:592)

The voices critical of mainstream entrepreneurship theory agree that the conventional discourse eulogises "the entrepreneur" as the saviour of economies and champion of job creation worldwide. In an African context, specifically, there is very little research to confirm that entrepreneurship does indeed lead to economic growth (Naudé & Havenga, 2005:101). This chapter has confirmed that the knowledge claims in entrepreneurship research could be used as an instrument of power (Ogbor, 2000:608).

From a position critical to assumptions in the mainstream entrepreneurship discourse, this chapter aimed to answer the question: Is this conventional entrepreneurship ideology producing a discourse in South Africa that is used to maintain political hegemony? In order to do so, a critical discourse analysis was conducted on the claimed causal relationship between entrepreneurship (as embedded in the term "small business") and job creation, specifically in the South African media discourse between 1 January 2018 and 31 December 2018. From the analysis, the following propositions were formulated:

P1: The South African media discourse reproduces the mainstream entrepreneurship knowledge claim that any and all types of entrepreneurial activity are essentially the same.

P2: The South African media discourse reproduces the mainstream entrepreneurship knowledge claim that entrepreneurship will lead to economic development and job creation.

P3: The knowledge claim that entrepreneurship leads to economic development and job creation has become normalised in the South African discourse.

P4: The dominance of the mainstream discourse on entrepreneurship is opening the way for political hegemony in a South African context.

It was found that certain knowledge claims in the mainstream entrepreneurship discourse has become normalised in the South African society's subjectivity. When a discourse is incorporated into our individual subjectivities, social inequality becomes accepted and the discourse has reached its aim of producing hegemonic effects (Stoddart, 2007:208). By studying a discourse that produces hegemonic views, this study contributes to critical entrepreneurship theory (da Costa & Silva Saraiva, 2012:589).

From a normative standpoint, this study proposes the following mitigating actions and directions for future research:

This chapter has shown that the failure to distinguish between different types of entrepreneurship is providing fertile ground for political hegemony to develop. In a South African context, it could be argued that not all types of economic activity that are currently included in the umbrella term "entrepreneurship", should in fact be included. This is supported by Urban (2010:38) who argues that, by not clearly defining the boundaries in the field of entrepreneurship, a weak paradigm for entrepreneurship theory is promoted. This chapter found that it not only promotes a weak paradigm for research, but also paves the way for political hegemony. The following chapter and the second paper presented in this study aims to shed light on how the South African scholarly discourse on entrepreneurship is contributing to the assumptions made by political actors and the media.

What is more, the bulk of the empirical studies done on the link between entrepreneurship and economic development have been conducted in Global North economies in North America and Europe, and the findings of these studies have limited use for answering questions about economic development in the Global South (Baker & Welter, 2020:74; Naudé, 2011:37). There is a need, in fact, to address the limited research to confirm that entrepreneurship does indeed lead to economic growth in an African context (Naudé & Havenga, 2005:107), or in the Global North for that matter (Shane, 2009). This chapter suggests that entrepreneurship theory is applied too far outside the specific conditions for which it was developed. It is thus also suggested that the



assumptions in the mainstream entrepreneurship discourse be challenged by testing its relevance as a development apparatus in a Global South context. Looking at mainstream entrepreneurship theory through a post-development theory lens could provide useful insights in this regard. This is pursued in chapter 5, the third paper presented in this study.

If discourses can exercise social power, they can also challenge the exercise of social power (Stoddart, 2007:205). The South African scholarly community has to take up its responsibility as actors of social change and challenge the reigning public discourse in the field of entrepreneurship that is resulting in political hegemony. Chapter 6 takes the first step in this direction by challenging the meta-theoretical conceptualisation of entrepreneurship by presenting an alternative conceptual framework to pursue entrepreneurship and EDA.

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## CHAPTER 4:

# ACADEMIC HUBRIS IN THE SCHOLARLY ENTREPRENEURSHIP DISCOURSE

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### 4.1 INTRODUCTION

Mainstream entrepreneurship studies are grounded in a meta-theoretical framework that presents entrepreneurship as a desirable, purely economic activity, a capitalist and individualist phenomenon (Calás, Smircich & Bourne, 2009:552; Goldman & Tselepis, 2021; Naudé, 2011; Verduijn & Essers, 2013b:614). “The entrepreneur” is presented as a wholesome, virtuous superhero (Verduijn & Essers, 2013b:614; Williams & Nadin, 2012:297). The term is shrouded in ideological mystification (Jones & Murtola, 2012:643), and elevated to celebrity status (Luiz, 2010:63). This mysterious image is reinforced by the media, government and academics alike (Verduijn & Essers, 2013b:614). The grand narrative is that entrepreneurs play an irreplaceable role in the machine of the economy and that the entrepreneurial enterprise is the only possible model for generating wealth, income and employment in society (Da Costa & Silva Saraiva, 2012:609). Therefore “*the more entrepreneurs the merrier*” (Nightingale & Coad, 2014:115; Verduijn & Essers, 2013a:614). As a mechanism of capitalism, entrepreneurship promises increased prosperity without limits for everyone (Fairclough, 2013:16). It is promoted as the key driver of both economic and personal growth (Verduijn & Essers, 2013a:612). Entrepreneurship is painted as a silver bullet for emancipation and wealth creation for everyone, even and, especially, those in marginalised positions.

Based on this narrative, entrepreneurship has also been extended as a development apparatus, specifically in a Global South context where job creation and poverty alleviation are a dire need. This is illustrated by scholarly texts in the Global South that describe entrepreneurs as “*playing an important role in most businesses, they contribute significantly to employment, job creation and wealth creation*” and that “*economic development can be directly attributed to the level of entrepreneurial activity in a country and entrepreneurial businesses ensure growth in the economy*” (Nieuwenhuizen, 2018:4). However, previous studies have shown that any and all types of entrepreneurs do not necessarily contribute to economic growth or job creation (Naudé, 2011; Shane, 2009) and the mainstream entrepreneurship discourse is making fallacious claims based on assumptions. These assumptions inherent in the entrepreneurship ideology is furthermore manipulated to support political hegemony in the Global South (Da Costa & Silva Saraiva, 2012).

This paper extends on the nascent field of critical entrepreneurship studies by critically analysing the scholarly entrepreneurship discourse in South Africa to identify if and how the assumptions and discursive practices in mainstream entrepreneurship theory are extended to the scholarly discourse in the Global South. It further contributes by making recommendations on an ethical response to the critique flowing from the discourse analysis.

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## 4.2 CRITICAL ENTREPRENEURSHIP STUDIES

There appears to be a number of reasons why the field of entrepreneurship should be “*placed under ideological scrutiny*” (Ogbor, 2000:611), yet only a small number of studies have questioned the presupposed foundations of entrepreneurship theory to engage openly with the dark sides of entrepreneurship – the contradictions, the paradoxes, the ambiguities and tensions (Da Costa & Silva Saraiva, 2012:588; Tedmanson, Verduijn, Essers & Gartner, 2012:532; Verduijn & Essers, 2013b:615, 627). The term critical entrepreneurship studies (CES), first used by Calás et al., is an extension of the broader field of critical management studies (CMS). CES posits that mainstream entrepreneurship theory is built on a number of theoretical assumptions that do not adequately take into consideration the value-laden reality underlying the ideology of entrepreneurship (Alvesson & Deetz, 2000:55; Alvesson & Willmott, 2003:23; Urban, 2010:42). A short overview of the existing argument critical of mainstream entrepreneurship theory is given here with reference to a number of prominent contributions.

### 4.2.1 Entrepreneurship as a capitalist mechanism

The mainstream entrepreneurship discourse lends ideological support to capitalism. Fairclough (2013:11) warns that, although capitalism can be praised for creating an enabling environment in some aspects, it can also be accused of preventing and limiting human well-being in other aspects. Societies are becoming increasingly disillusioned by the limitations of capitalism. In fact, the flaws and fallacies inherent to the current economic system have come to be widely recognised, and not only by critical scholars. There appears to be consensus that the current system needs to be repaired or replaced (Fairclough, 2013:16). However, studies that militate against capitalism's unequal, exploitative nature are still the exception, and entrepreneurship is increasingly romanticised and eulogised (Goldman & Tselepis, 2021; Tedmanson et al., 2012:532). The critical contribution by Verduijn et al. (2014) highlights how, by supporting the ideology of capitalism as the most favoured economic system for producing wealth and value in society, entrepreneurship has the potential to exploit, destruct and oppress. It furthermore illustrates how entrepreneurship (as a mechanism of capitalism) not only consistently and pervasively prevents emancipation from taking place, but is also systematically linked to environmental pollution, corruption and human exploitation. They find, however, that mainstream research downplays this dark side of entrepreneurship in favour of a utopian view of the phenomenon.

The mainstream entrepreneurship ideology furthermore suggests that, given a chance, anyone can be a successful entrepreneur with an ever-expanding wealth of choice and economic security (Fairclough, 2013:16). In fact, entrepreneurship is promoted as “*the attitude of a people who seek the social and economic development of their country*” (Da Costa & Silva Saraiva, 2012). Within the context of Brazil, the study by Da Costa and Silva Saraiva (2012) finds that discourses are producing and reproducing the exemplarity of the neoliberal capitalist entrepreneurial model and the absence of feasible alternatives. Through a critical discourse analysis methodology, this study highlights how the ideology of entrepreneurship can create support for capitalist hegemony, by regarding the contemporary capitalist enterprise as the only possible model for generating wealth, income and employment in a Global South society.

Another notable contribution in this regard is the study by Jones and Murtola (2012), which emphasises that entrepreneurship is a political project that has to be understood in terms of the context of the political economy. It points out that mainstream entrepreneurship theory recognises the positive idea of “production in common” yet fails to recognise the negation of this condition: that within the context of production in the common, entrepreneurship also simultaneously exploits the common. What mainstream theory thus fails to acknowledge is that the entrepreneur in fact exists thanks to the common and is a product of the common. Jones and Murtola regard it as blind optimism to assume that the “production in common” will necessarily lead to the recognition and liberation of the common. In fact, the study describes entrepreneurship as the act of finding new ways to expropriate and exploit the common. The conclusion drawn is that it cannot be taken for granted that entrepreneurship offers a solution to crisis (such as the current international economic crisis), but that entrepreneurship could in fact be structurally linked with the emergence of the crisis.

#### **4.2.2 “Entrepreneurship” and “the entrepreneur” as homogenous concepts**

“Entrepreneurship” has become an umbrella under which a broad “hodgepodge” of research is included (Shane & Venkataraman, 2000:217). In the words of Katz (2003):

*“It... refers to a collection of academic disciplines and specialties including entrepreneurship, new venture creation, entrepreneurial finance, small business, family business, free enterprise, private enterprise, high-technology business, new product development, microenterprise development, applied economic development, professional practice studies, women’s entrepreneurship, minority entrepreneurship and ethnic entrepreneurship. The advantage of the term as used here is that it is very similar to the way the general public views entrepreneurship and its myriad subspecialties—i.e.,*



*as one field. The intent is to establish a definition and chronology that is inclusive, in the hopes of crafting as comprehensive a list as possible, leaving subsetting-by-definition to others with particular theoretical models to promote”.*

In the process of establishing a definition that is inclusive, the word has come to mean both everything *and* nothing (Da Costa & Silva Saraiva, 2012:589). The terms included in the conceptual umbrella are often used interchangeably and without precision (Poole, 2018:35). The benefits of “entrepreneurship” are extended to all types of enterprises included under the conceptual umbrella (Nightingale & Coad, 2014:113). “Entrepreneur” can by no means be considered a homogenous concept, but mainstream research is continuously conceptualising it as a uniform concept and in doing so, protecting a number of mainstream assumptions from being questioned (Calás et al., 2009:553).

The field of entrepreneurship is largely built on a range of established stereotypes (Achtenhagen & Welter, 2007:199). Ogbor (2000) critically examines entrepreneurship theory to determine which societal myths and ideologies are perpetuated in the conventional discourse. He finds that the predominant discourse in entrepreneurship research is reproducing the myth of “the entrepreneur” as a white, dominant, rational, European/North American, male hero. He further highlights how this ideology is legitimated within academia. In fact, very few studies have actually challenged these ideological stereotypes underlying mainstream entrepreneurship theory, especially not in the Global South. This chapter addresses this view.

The study by Calás et al. (2009) is one of a number of other influential contributions critiquing entrepreneurship ideology from a feminist analytical perspective, critiquing and challenging the male-dominated assumptions in mainstream entrepreneurship discourse. These studies have found that *“the entrepreneurial archetype is based on male rationality, risk taking, conquest, domination and control”* and that ethnic minority entrepreneurs and female entrepreneurs are painted as *“the other”* entrepreneurs (Verduijn & Essers, 2013b:614). Although the paper by Calás et al. uses feminist theory as a point of departure, it goes beyond a critique of entrepreneurship from a feminist perspective. Coining the term “critical entrepreneurship studies”, the study emphasises the importance of bringing a critical, reflexive, metatheoretical perspective to entrepreneurship study and to question and challenge the assumptions embedded in the current mainstream theorising. It argues that the theory of entrepreneurship cannot be further developed and expanded if it is not reframed epistemologically from a positivist to a critical perspective. This chapter also addresses this view.

### 4.2.3 The dominance of the positivist paradigm

Positivism is rooted in the ontological view that the world exists free and independent from an observer and conforms to permanent laws and rules of causation (Aliyu, Bello, Kasim & Martin, 2014:81). By observing and measuring the natural world, the researcher can uncover these rules and laws neutrally and objectively. Positivism is the prevalent research paradigm in the natural sciences such as physics and chemistry (Guba & Lincoln, 1994:105). Over time, social scientists have been encouraged to emulate the natural sciences to establish social science as a “hard” science and to emancipate it from the philosophical and theological structures that are thought to be limiting the field (Callaghan, 2016:66; Guba & Lincoln, 1994:106). Thus, social scientists place increasing emphasis on impartiality, measurement, objectivity and repeatability to produce value-free, objective knowledge (Aliyu et al., 2014:81) achieved through the use of quantitative methods. Positivists view the “science” resulting from quantitative research techniques as superior, and quantitative methods are thus strongly associated with the positivist paradigm. Entrepreneurship research globally has adopted a largely positivist ontology.

Critical entrepreneurship scholars view this emphasis on positivist ontologies as an attempt to legitimise the field of entrepreneurship (Alvesson & Deetz, 2000:55; Alvesson & Willmott, 2003:23; Calás et al., 2009:553; Tedmanson et al., 2012:532; Urban, 2010:42) and entrepreneurship education (Achtenhagen & Welter, 2007:199). Bygrave (2007:25) attributes entrepreneurship scholars’ exaggerated emphasis on quantitative methods to “physics envy”. Regression analysis is viewed as the trick that puts entrepreneurship research on par with physics. “*We run our regressions and, eureka, if the  $R^2$  approaches 1, we interpret the equation as if it were a causal law of nature*” (Bygrave, 2007:43). By describing observed phenomena through mathematical means in this way, researchers assume that they have created knowledge (Van der Linde, 2016:38). Scholars often do not even reflect on epistemology and ontology, but merely assume some version of positivism. In cases where the methodology is discussed, it is restricted to methods and statistical techniques (Fournier & Grey, 2000:182). The result is that, in an attempt to determine the causal relationship between “*heroes and non-heroes*”, ideological myths regarding “the entrepreneur” are simply reified into measurable constructs (Ogbor, 2000:622).

Entrepreneurship is still a relatively nascent field of research and the use of so much “mathematics” is simply not justified (Bygrave, 2007:32). The field lacks methodological diversity and rigour (Neergaard & Ulhoi, 2007:1). In the pursuit of what is thought to be superior scientific findings, the value-laden context and complexity underlying the entrepreneurship phenomenon are ignored. Even if the statistical techniques have been implemented flawlessly, this disregard for the complexity of the phenomenon compromises the theoretical validity of the findings (Bygrave,

2007:31). Ironically enough, Schumpeter himself views positivistic methodologies as inadequate to understand and explain the entrepreneurial phenomenon (Ogbor, 2000:623). Moreover, it is also not adequate to address the “*inequalities and divisive realities*” associated with capitalism (Goldman, 2016a:235). However, in spite of regular calls for expanding the types of research designs and analytical approaches in entrepreneurship studies, qualitative studies remain underrepresented in mainstream journals globally (Neergaard & Ulhoi, 2007:1-2). The result is that research may be technically competent, but is becoming increasingly formulaic and dull (Alvesson & Sandberg, 2013:130) and it is failing to question the “flimsy” assumptions underlying established literature (Alvesson & Sandberg, 2013:129; Bygrave, 2007:20).

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### **4.3 RESEARCH OBJECTIVE**

Through a critical analysis of the academic entrepreneurship discourse in South Africa, this chapter aims to identify if and how the dominant assumptions and discursive practices in the mainstream entrepreneurship discourse are extended to the scholarly discourse in the Global South where entrepreneurship is considered a major development tool.

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### **4.4 METHODOLOGY AND SAMPLING**

#### **4.4.1 Discourse**

Foucault introduced the term discourse to describe “*systems of thought, or knowledge claims, which assume an existence independent of a particular speaker*” (Stoddart, 2007:203). The aim of a discourse is to produce and reproduce certain power relations within a society through “*institutionalising, regulating and normalising specific ways of talking, thinking and acting*” (Jäger & Maier, 2009:36). Discourse can thus be used to produce and legitimise specific versions of social reality while excluding others and even rendering them unthinkable (Greckhamer & Cilesiz, 2014:424; Ziai, 2013:125). Societies take up transmitted discourses and incorporate them into their subjectivities. When a specific discourse is produced enough it becomes normalised and any critical consciousness is dissolved. A society then becomes convinced that the social system is the way that it has always been, the way that it should be and that it cannot be transformed. Like in the broader management discourse, a number of assumptions have become normalised in the entrepreneurship discourse (Achtenhagen & Welter, 2007:193).

#### **4.4.2 Critical discourse analysis**

Critical discourse analysis (CDA) presents a method to identify which assumptions have become naturalised in the scholarly entrepreneurship discourse in the Global South. Critique of discourse plays an inherent role in any application of critical method in social research (Fairclough, 2013:8). Since the 1972 seminal work by Foucault, the body of literature on discourse analysis has grown

vastly and it has proven a valuable and important method for social and organisational research (Achtenhagen & Welter, 2007:213; Greckhamer & Cilesiz, 2014:424). The use of *critical* discourse analysis is also becoming more mainstream and institutionalised (Fairclough, 2013:10). CDA has proven effective as a method to critically analyse different topics within the entrepreneurship field (Achtenhagen & Welter, 2007:211).

Conducting a CDA does not come without its challenges (Greckhamer & Cilesiz, 2014). It does not prescribe rigid rules or a formula that can be followed to the letter (Fairclough, 2013:10; Jäger & Maier, 2009:56). There is not currently a best-practice approach and no method is considered superior to another. To ensure that this analysis was conducted methodically and rigorously, Ahl's 2007 guidelines (which are in turn based on Foucault's procedures) were used as a departure point to determine which questions to ask of the texts and incorporate in the analysis (Ahl, 2007:221-223). The guidelines are as follows:

1. Determine what assumptions are made.
2. Determine what influence the institutional context and writing and publishing practices have on the issues that are studied and the questions that are being asked.
3. Determine if the text under investigation is celebrating or criticising the seminal ideas.
4. Identify the writing and publishing practices that shape and delimit the discourse.
5. Determine what counts as "proper" knowledge and "proper" entrepreneurship research, and what are viewed as legitimate methods for researching entrepreneurship.
6. Determine who is "allowed" to speak on the specific topic, and what voices are left out of the discourse.
7. Determine the ontological and epistemological premises guiding (and limiting) the production of knowledge.

The CDA in this study involved two processes. In the first process, the themes to be searched and registered were largely predetermined. These predefined themes were informed by the extant literature on entrepreneurship, CES and findings from a previous CDA on the media discourse on entrepreneurship in South Africa (Chapter 3 in this study). The frequency of specific words and themes was quantified, since discourses can be recognised through emerging patterns and frequencies in texts (Achtenhagen & Welter, 2007:198). From here, the analysis became more interpretive and reflective, and mobilised knowledge that was wider than merely the texts included in the sample, taking into account the social processes and structures from which these texts were produced (Wodak, 2011:3). This was done to identify possible ideological developments (Da Costa & Silva Saraiva, 2012:596) and reflect how the institutional context may be influencing these

developments. From there it became possible to determine what the ideological implications of these items and relationships may be in practice.

Although presented as such in the findings, the process of analysis was not linear, but rather a circular, continuous dialogue between the researcher and the texts. During this iterative analytical process, the aim was to continuously identify, contextualise and interpret certain discursive items and the relationship between these items.

### **4.4.3 Sampling**

When conducting a CDA, the specific discourse to be analysed must be predefined in order to focus the data collection from the onset (Achtenhagen & Welter, 2007:201). The phenomenon under investigation in this study is the extension of the entrepreneurship ideology as a major development tool in the Global South. For this reason, it was decided to focus on the discourse relating to small, medium and micro-enterprises (SMMEs), and exclude the discourse on corporate entrepreneurship.

*“The definition for SMMEs encompasses a very broad range of firms, some of which includes [sic] formally registered, informal and non-VAT registered organisations. Small businesses range from medium-sized enterprises, such as established traditional family businesses employing over a hundred people, to informal micro-enterprises. The latter includes survivalist self-employed persons from the poorest layers of the population. The upper end of the range is comparable to the small- and medium-sized enterprises (SME) segment found in developed countries. In South Africa, a large majority of SMMEs are concentrated on the very lowest end, where survivalist firms are found. These firms can take the form of street trading enterprises, backyard manufacturing and services, and occasional home-based evening jobs. The informal sector comprises almost exclusively of SMMEs; those classified as survival entities have very little growth potential and are less likely to hire staff.” (SEDA, 2016)*

The sample was collected in the following manner: firstly, four leading South African journals in which articles pertaining to entrepreneurship are regularly published were identified. Thereafter all articles from these journals from the three-year period January 2017 to December 2019 were retrieved. The abstracts and introductions of these articles were scanned to determine if they contributed to the discourse under investigation. In order to focus on the entrepreneurship discourse surrounding SMMEs, articles were excluded if the setting was in large corporate

organisations. If the research was done outside of South Africa, but published through a South African institution, the article was included and regarded as valid to the South African academic discourse. This left a sample of 53 articles: eight from Development Southern Africa (journal A), seven from South African Journal of Economic and Management Sciences (journal B), 28 from Southern African Journal of Entrepreneurship and Small Business Management (journal C) and 10 from South African Journal of Business Management (journal D). These articles were numbered from 1 to 53 and imported into Atlas.ti. During the first round of coding, two articles were found to not bear relevance to the discourse under investigation and were therefore deleted (articles 1 and 4, both from journal A). This left a final sample of 51 articles.

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## 4.5 FINDINGS

### 4.5.1 Research methodology

Because there is an intimate relationship between a scientific community's criteria for what constitutes a scientific product and the choice of methodology (Callaghan, 2016:60), determining the frequency of specific methodologies and whether one method is favoured above another can give insight into the theoretical grounding of the academic entrepreneurship discourse in the Global South (Ogbor, 2000:622). A similar quantification of other management fields in South Africa found that positivism was the dominant methodological philosophy in management studies in general (Goldman, 2016b:5) and human resource management in particular (Ruggunan, 2016:120). However, a similar assessment of entrepreneurship research in South Africa could not be found. Therefore the choice of research methodologies was quantified as a first step in the textual analysis.

In the 51 journal articles analysed for this study, 33 (65%) were found to be quantitative studies, seven (14%) were mixed-method studies and 11 (21%) were qualitative studies. This dominance of quantitative studies is in keeping with the international trend that qualitative studies remain underrepresented in mainstream entrepreneurship journals (Neergaard & Ulhoi, 2007:1-2). It cannot be assumed that all qualitative studies will necessarily be critical of mainstream entrepreneurship research. Indeed, none of the qualitative or mixed-method studies were found to contain a critical perspective.

Only nine of the analysed articles offered some reflection on the choice of ontological paradigm. Six explicitly mentioned that they were rooted in a positivist paradigm, two in interpretivism, and one justified the use of positivism and interpretivism combined. This correlates with findings by Fournier and Grey (2000:18): *"in general, some (often rather weak) version of positivism is simply*

*assumed, there is no explicit reflection on epistemology and ontology, and discussion of methodology becomes limited to restricted issues of method and statistical technique”.*

From this finding, it can be deduced that the South African entrepreneurship discourse is firmly rooted in the positivist paradigm.

#### **4.5.2 Performative research**

In mainstream, non-critical entrepreneurship research in the Global North, performativity is the imperative that guides knowledge and research. This implies that research is viewed as valuable only if it can be applied to improve the effectiveness of entrepreneurship practice or build a better model of the entrepreneurship phenomenon. The desirability of entrepreneurship is not questioned, but accepted as a given (Fournier & Grey, 2000:15). Critical studies, on the other hand, advocate that non-performative (or critical performative, according to Spicer, Alvesson & Kärreman, 2009) outcomes should be sought, and business management knowledge should not merely be focused on obtaining outcomes that are promoting the agenda of the mainstream and enhancing the achievement of existing outcomes (Goldman, 2016b:14). The following quantification determined if and to what extent the entrepreneurship phenomenon is held as desirable in the scholarly discourse in South Africa:

All the articles included in the sample were found to be performative by either claiming to contribute to the effectiveness of entrepreneurship practice, or by building a better model or understanding of the entrepreneurship phenomenon. In the analysed sample an explicit performative pattern emerged that could be described along the following lines: *“‘Entrepreneurship’ is the undisputed saviour of economic growth and job creation. This study acknowledges one area that might be holding ‘entrepreneurs’ back and will contribute to making ‘entrepreneurs’ even better.”* Of the 51 articles, 31 were found to fit into this explicit performative pattern of reasoning. One example is highlighted below:

*“South African small and medium enterprises (SMEs) contribute up to 22% of gross domestic product in the economy. Yet the survival rate of South African SMEs is very low, with nearly 80% of all SMEs failing over the long term... As an important contributor to the South African economy, how can SMEs’ sustainability be improved? The balanced scorecard (BSC) is a measurement tool that may be used by an organisation to measure its financial and non-financial performance... As a result, the BSC is considered a useful management tool for SMEs...”* (article 31)

### 4.5.3 Knowledge claims made

In order to question and challenge assumptions embedded in the current mainstream theorising, it is necessary to identify what these assumptions are. The third quantification was thus done to determine if and how knowledge claims or assumptions inherent in the global entrepreneurship ideology were produced and reproduced in the scholarly discourse under investigation. The emphasis from the onset of the analysis was to identify the frequency of a very specific normative knowledge claim: “*Entrepreneurship is a successful vehicle for job creation and/or economic growth*” (Naudé, 2011; Nightingale & Coad, 2014; Shane, 2009). Of the 51 articles, 40 (78%) were found to reproduce this knowledge claim. Of these, 34 made the claim explicitly, while it was implied in six more. What is more, of the 40 articles that did make this knowledge claim, 36 did so in the introduction section. In fact, 21 of the articles did so in the very first sentence. In four additional instances the claim was made in the literature review section.

Some examples of the explicit knowledge claims include:

*“..informal micro-enterprises have much potential for job creation.”* (article 9)

*“South Africa as one of the developing markets aims to improve the economy and create employment through entrepreneurship.”* (article 16)

*“Entrepreneurship brings labour and capital together, and it is the pathway to employment and economic growth.”* (article 23)

*“Small, medium and micro-enterprises (SMMEs) contribute significantly to employment and the economy in South Africa.”* (article 27)

*“In South Africa, SMEs play a critical role in the country’s economy... Small and medium enterprises play a crucial role in creating employment in an economy.”* (article 34)

*“Entrepreneurial businesses play a key role in addressing unemployment and promoting economic growth in countries all over the world.”* (article 53)

Some examples of the implicit knowledge claims include:

*“Manufacturing small and medium-sized enterprises (SMEs) in Kenya have performed dismally over the years despite their significance to the economy.”* (article 24)



*“Small- and medium-sized enterprises (SMEs) form a crucial part of emerging economies.”* (article 48)

This finding is in line with findings in the Global North where, with few exceptions, entrepreneurship is positioned as positive economic activity (Calás et al., 2009:552; Nightingale & Coad, 2014:114). It has been *“romanticised in the way it is construed as a ‘Holy Grail’ of elevation and emancipation”* (Verduijn et al., 2014:100).

#### **4.5.4 Gaps in the discourse**

A critical discourse not only reveals general patterns through what *is* voiced in the discourse, but also identifies hidden discourses, in other words that which is *not* voiced (Achtenhagen & Welter, 2007:198).

##### *4.5.4.1 Contradicting knowledge claims*

The foundational texts upon which the knowledge claims are grounded, are multiple and diverse. Of the 40 articles that made the knowledge claim that “entrepreneurship is a successful vehicle for job creation and/or economic development”, five did not cite any references. The remaining 35 articles cited 64 references to support the knowledge claim (only two of which were cited twice), effectively citing 62 unique references to support the knowledge claim. It is not surprising that the multitude of references would produce diverse knowledge claims. One such example is regarding the role that SMEs play in South Africa’s GDP. These two articles were published in the same journal in the same year:

*“South African small and medium enterprises (SMEs) contribute **up to 22%** of gross domestic product in the economy.”* (article 31)

*“In South Africa, SMEs play a critical role in the country’s economy. Small and medium enterprises contribute **between 52% and 57%** of the country’s gross domestic product (GDP).”* (article 34)

Another article in the sample (although not in the same journal) states that:

*“In South Africa, there are differences in the estimated contributions of SMMEs to GDP due to the large number of informal or non-registered businesses in the country. Therefore, it is difficult, if not impossible, to determine the actual contribution of SMMEs to the economy, GDP and employment in South Africa.”* (article 8)

#### 4.5.4.2 Job creation versus self-employment

Not all types of enterprises can be expected to contribute equally to job creation (Nightingale & Coad, 2014:114; Shane, 2009). However, studies are continuously failing to classify entrepreneurs in a manner that guides economic development policy, especially in a Global South context where the entrepreneurship ideology hails any and all types of entrepreneurship as the undisputed saviour of job creation (Kuada, 2015:149; Poole, 2018:35). In this regard, the sample was analysed to determine if and how a distinction is made between enterprises that are expected to contribute to job creation through growing the venture to create additional jobs, and enterprises that are not expected to move beyond self-employment. Not one of the articles that made the knowledge claim that entrepreneurship is a successful vehicle for job creation, distinguished between additional jobs as opposed to self-employment.

#### 4.5.4.3 Definitional voids and unrepresentative samples

In this quantification the sample was analysed to determine if and how the analysed discourse acknowledges the heterogenous nature of the complex entrepreneurship phenomenon. The total terms are not equal to the number of articles in the sample because in some articles more than one term was applied, such as the use of *“informal women entrepreneurs”* (article 18), in which case the term was specified in two categories *“informal”* and *“female”*.

Listing the quantification of the terminology in a table as above (table 4.1) may give the impression that a clear distinction is made between the different types of entrepreneurs. However, a deeper analysis reveals some assumptions inherent in the definitions of the discourse. For instance, by using a term (such as *“SMME”* or *“small business”*) researchers fail to acknowledge that their datasets are potentially dominated by micro-enterprises that are merely self-employing and the findings are possibly inadequate to generalise for all enterprises (Bygrave, 2007:26; Nightingale & Coad, 2014:120; Poole, 2018:40). A further analysis was therefore done to determine the extent to which the size of enterprises are specified as a distinguishing characteristic of enterprises in a study. In some cases these studies did distinguish between other demographics, such as the gender or age of the entrepreneur, but this analysis looked specifically at whether a distinction was made between different sizes of enterprises in the sample. The analysis also determined if the representation of each subgroup in the sample was indicated in the study, and if potential overrepresentations or unrepresentations were acknowledged.

Of the studies in the sample, 45 had some form of enterprise as the unit of analysis. The size of the enterprises in the sample and the representation of each size of enterprise in the sample were clearly indicated in 20 of the studies, through indicating either the number of employees, the turnover, or both. In 25 studies, the sizes of the enterprises and their representation in the sample were not clearly demarcated, presenting the sample as homogenous. For example:

"For the sampled participants to be representative of the small-business population, participation in the research was limited to individuals who owned or were involved in the management of small businesses that operated within South Africa. These businesses could operate within any industry sector and were considered small if they employed fewer than 50 people." (article 10)

"Information was collected from 71 qualitative 'life-history' interviews with different types of local entrepreneurs..." (article 3)

**Table 4.1 Interchangeable terms used**

Term used	Frequency
SME	16
Small business	7
SMME (not specified)	6
SMME (specified as formal)	2
Entrepreneur (general, not specified)	5
Informal (entrepreneur or enterprise)	4
Female (entrepreneur)	3
Township (entrepreneur or enterprise)	3
Micro (enterprise)	3
Nascent (entrepreneur)	2
Rural (entrepreneur or enterprise)	2
Immigrant entrepreneur	1
Tenant entrepreneur	1
Tourism (entrepreneur or enterprise)	1
Social entrepreneur	1
Franchisees	1
Spaza shop (owner)	1
Technology-based (entrepreneurial business)	1

In the 25 articles where a distinction was made between the subgroups (in terms of size of the enterprise) and how each of these were represented in the sample, it was merely presented as part of the demographics of the sample. The influence of specific enterprises and its representation in the sample were not discussed in the findings. The findings were rather generalised for the identified unit of analysis, such as "small business" or "local entrepreneurs" in the examples above.

In one example (article 39), the unit of analysis in this study is indicated as “small business”. The study defines a small business as a business with “*an annual turnover of less than R50 million and fewer than 50 employees*”. It indicates how the different subgroups were represented in the sample of 350 enterprises. In both examples, more than half the sample were businesses with five or fewer employees, yet the findings were represented as applicable to “small business” in general:

1–5 employees	– 53,3%
6–10 employees	– 24%
11–15 employees	– 11,4%
16–49 employees	– 11,1%

In a similar example (article 27), the sample of “small business” was represented as follows:

0 employees	– 23.3%
1–5 employees	– 58.1%
6–10 employees	– 18.6%

A related finding is that the reasons for choosing a specific term over another are not adequately presented in the studies. In some cases, the term used is descriptive of the group that it represents, such as “*informal micro enterprise*” (article 10) or “*spaza shop owner*” (article 51). The same cannot be argued for terms such as SME, SMME or small business – the ambiguous terms used by the bulk of studies in the sample. Even if the textbook definition of a term was given, the implication of choosing one term above another was not considered, or at least not presented. In other samples, more than one term is used without indicating the reason for using both, for example:

*“...mentoring is important for entrepreneurs and small business owners to develop sustainable businesses that create jobs.”* (article 29)

#### **4.5.4.4 Entrepreneurship as a development apparatus**

Entrepreneurship development programmes are considered a major development tool in the Global South. The analysis divided the discourse to distinguish between studies that focus on entrepreneurship as a development apparatus (EDA) from other types of entrepreneurship. The analysis revealed that 18 of the 51 articles, roughly a third of the studies in the sample, were aimed at EDA. These 18 articles were spread throughout all four journals. In none of the 18 articles was it indicated that the metrics and/or results were limited to entrepreneurship in the context of development. Of these 18 projects, 14 also reproduced the knowledge claim that entrepreneurship

is an effective vehicle for job creation and/or economic development, implying that the appropriation of EDA is considered equally effective in this regard.

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## **4.6 DISCUSSION OF FINDINGS**

The capitalist dream promises “*increasing prosperity without limits, an ever-expanding wealth of choice, possibility and opportunity, security and comfort in old age*” for everyone (Fairclough, 2013:16). However, societies are becoming increasingly disillusioned by the limitations of capitalism with, especially communities in the Global South drawing the short straw. As agents of social change, the scholarly community in the Global South has a responsibility to question the assumptions inherent in the capitalism ideology and its mechanisms, specifically entrepreneurship. It should also recognise and critically evaluate the effects that scholarly discourses have on entrepreneurial praxis (Ogbor, 2000:630). If this is true for mainstream entrepreneurship in general, it is especially true in a Global South context where entrepreneurship is presented as a major development tool. Against this background and from a CES perspective, the findings in the study are presented.

### **4.6.1 Fetishisation of positivism**

The analysis revealed that the dominance of quantitative methods and the associated positivism are also extended to a South African context. The exaggerated emphasis on positivism has definite consequences, both in theory and in praxis (Verduijn & Essers, 2013b:627). Globally, CES scholars are critical of the one-dimensional focus on positivism because it results in research that is becoming increasingly formulaic and dull and does not contribute much to the theory of entrepreneurship (Alvesson & Sandberg, 2013:130). Moreover, in a Global South context where entrepreneurship is also extended as a tool for development in an attempt to address unemployment and poverty, it could be argued that the normative positivistic focus may be doing more harm than good. This will be elaborated on further.

Mainstream entrepreneurship theory is structurally and ideologically rooted in the Global North. The bulk of the empirical studies done on the link between entrepreneurship and economic development have been conducted in Global North economies and the findings of these studies have very limited use for answering questions about economic development in the Global South (Naudé, 2011:37). Furthermore, the epistemic standards of what constitutes knowledge as well as accepted modes of knowledge production are also hegemonically determined in a Global North context (Khan & Naguib, 2017:90). This analysis has revealed that, in the pursuit of what is thought to be superior scientific findings, the value-laden context and complexity underlying the entrepreneurship phenomenon in the South African is ignored. The entrepreneurship ideology,

rooted in a positivist paradigm, is extended undisputedly into a South African context when there is, in fact, very little research to confirm that entrepreneurship does indeed lead to economic growth (Naudé & Havenga, 2005:107).

Scholars cannot be content with the abysmal failure of entrepreneurship to deliver on its promise of job creation and economic growth in the Global South. It is imperative that the inability of normative positivistic thinking to address the inequality and divisive realities in South Africa must be recognised (Goldman, 2016a:235). Research can no longer merely maintain the academic status quo (Goldman, 2016b:5).

Based on the findings in the analysis it is proposed that:

P1: The paradigmatic grounding and methodology of mainstream entrepreneurship theory are extended to and replicated in a South African context.

P2: The paradigmatic grounding of the South African discourse on entrepreneurship fails to interrogate the assumptions inherent in the mainstream entrepreneurship ideology.

From a CMS perspective, this study is explicitly sceptical of the core assumption upon which 78% of studies in the sample stake their relevance, namely that “entrepreneurship” is a successful vehicle for job creation and/or economic development. Entrepreneurship is presented as a given desirable because it is assumed to be a silver bullet for job creation and economic development. However, studies are showing that any and all types of entrepreneurship are in fact, not delivering on these promises (Naudé, 2011; Nightingale & Coad, 2014:114; Shane, 2009). In fact, only a handful of high-performing ventures account for the majority of innovation, job generation and wealth creation (Nightingale & Coad, 2014:114). Achtenhagen and Welter (2007:199) observed that “...a typical discourse in entrepreneurship research draws heavily on the need for job creation focused in the social and political discourses (to legitimize its existence)”, even if its role in job creation has not been confirmed. In line with Achtenhagen and Welter (2007), it is thus proposed that:

P3: The scholarly entrepreneurship discourse draws heavily on the need for job creation to legitimise its existence in South Africa.

## 4.6.2 Knowledge claims and obfuscation of terms

One of the ways in which the entrepreneurship discourse is legitimising the assumptions inherent in entrepreneurship ideology is by presenting entrepreneurship as a homogenous concept. Even when the heterogenous nature of the phenomena included in the conceptual entrepreneurship frame is recognised, different terms are often used interchangeably without explicitly defining what the specific terms mean (Poole, 2018:36). The findings of this study confirm findings in previous critical entrepreneurship studies and the previous chapter: “entrepreneurship” has become an umbrella term that includes a myriad of heterogeneous phenomena, yet it is continuously presented as a uniform concept. The mainstream entrepreneurship discourse is furthermore based on commonly accepted and taken-for-granted, yet ambiguous and flexible definitions of phenomena included under the umbrella (Nightingale & Coad, 2014:121). When the key terms are treated so fluidly, it obscures the inability of some mainstream categories included under the entrepreneurship umbrella to deliver on its promise of economic growth and job creation (Poole, 2018:41). Entrepreneurship scholars (not only critical entrepreneurship studies) have warned that any and all kinds of phenomena included under “entrepreneurship” cannot be regarded as the same activity or expected to contribute equally to economic development or job creation:

*“The dynamics of entrepreneurship can be vastly different depending on institutional context and level of economic development.” (Acs, Desai & Hessels, 2008:219)*

*“Their (business owners out of necessity) contributions to overall economic growth, including job creation, and tax revenue generation, may therefore be limited.” (Kuada, 2015:148)*

*“Taken together, these findings indicate that policy aimed at fostering job creation should carefully consider how firm size is defined.” (Aga, Francis & Meza, 2015:25)*

*“We are fooling ourselves if we believe we are researching entrepreneurship when we are really studying micro-businesses.” (Bygrave, 2007:26)*

*“Entrepreneurship is not a binding constraint on growth and development in the poorest countries.” (Naudé, 2011:33)*

*“Policy makers need to recognize that only a select few entrepreneurs will create the businesses that will take people out of poverty, encourage innovation, create jobs, reduce unemployment, make markets more competitive, and enhance economic growth.” (Shane, 2009)*

*“A small proportion of high-performing firms drive the majority of innovation, wealth creation, and new job generation, while most firms, including the median small business and the median start-up, have only a marginal impact.” (Nightingale & Coad, 2014:114)*

This discourse analysis in particular found the absence of a standardised classification or typology that goes beyond the commonly accepted definitions of terms such as SME, SMME or small business. The obfuscation of key terminology leaves the analysis with a number of questions. For instance, 16 articles preferred the term “SME” (small and medium-sized enterprise), eight articles used “SMME” (small, medium and micro-sized enterprise), while seven others used the term “small business”. Should it be inferred that the term SME was intentionally chosen in a study to exclude micro-enterprises? If so, are the findings of the study not applicable to micro-enterprises? When a claim is made that “entrepreneurship” is the driver of job creation, does that mean that everything included in the entrepreneurship umbrella is a driver of job creation? In instances where more than one term is used in one study, is it implied that “entrepreneurs” are different from “small business owners”? If not, why are both terms used? If they are different, how are they different? What is the implication of the use of different terms for the findings of the study? Even in cases where a textbook definition is given, the analysis revealed a general lack of consideration as to why a specific term is favoured, and whether the choice of term has implications for the generalisability of findings.

Furthermore, 78% of the sample reproduced the knowledge claim that entrepreneurship (or one of the related terms included in the discourse) is a successful vehicle for job creation and/or economic development. At worst, claims were made with which most mainstream entrepreneurship scholars would disagree, for example that *“informal micro-enterprises have much potential for job creation”*. But even when claims are made that *“SMMEs contribute significantly to employment and the economy in South Africa”*, does it imply that both “Ms” in “SMME” contribute significantly to employment? When it is claimed that *“entrepreneurial businesses play a key role in addressing unemployment”*, does it imply that everything included in the entrepreneurship umbrella play a key role in addressing unemployment?

Throughout the analysis, terms are used interchangeably, often conflated and seldom defined beyond commonly accepted definitions. Terms used and claims made leave much room for interpretation and create the impression that everything included in the entrepreneurship umbrella is largely the same activity. This distinct impression is not refuted by any of the articles included in the sample. This failure to clearly differentiate between the categories included under the entrepreneurship umbrella, coupled with a failure to standardise the metrics used when conducting



research could explain the vast differences found in claims made in the sample (Aga et al., 2015:3; Nightingale & Coad, 2014:120). It could furthermore be explanatory of the term confusion in the public discourse surrounding the perceived causal relationship between entrepreneurship and job creation as discussed in the previous chapter. Such a fluid use of the key terms makes it exceedingly difficult for policymakers to formulate, implement, and measure the effectiveness of policies that would lead to economic transformation and job creation (Poole, 2018:41), especially in the Global South entrepreneurship is appropriated as a major development tool.

Failing to use key terms consistently supports the knowledge claim that any and all types of entrepreneurial activity is essentially the same. Based on this finding it is proposed that:

P4: The obfuscation of terms in the public discourse on entrepreneurship is an extension of the obfuscation of terms in the scholarly entrepreneurship discourse in South Africa.

P5: The obfuscation of terms in the scholarly entrepreneurship discourse is obscuring the fallacious assumptions inherent in the mainstream entrepreneurship theory.

#### **4.6.3 Ideology that supports epistemic violence**

In any research project there is a subject (the researcher), an object (“the Other”, such as subaltern groups) and an action (the interpretation of data that is presented as knowledge) (Teo, 2010:295). The researcher’s action, the interpretation of the data, has consequences for the object. When these *“concrete interpretations have negative consequences for groups – even though alternative, equally plausible interpretations of the data are available – then a form of violence is committed. Because the interpretations are presented as knowledge, or because they emerge from science, they represent epistemic violence”* (Teo, 2010:296). When the assumptions underlying the interpretation of data are not challenged, the epistemic violence can be extended further to a socio-political level when, based on the academic knowledge claims, specific policy recommendations are made (Teo, 2010:296).

In the first instance, epistemic violence refers to the way in which knowledge from the Global South are marginalised and subordinated to the knowledge from the Global North, which are presented as superior (Khan & Naguib, 2017:91). This form of epistemic violence is often illustrated in studies that advocate for the decolonising of education and knowledge systems in the Global South. Postmodern theories (and from a Global South perspective, specifically postcolonial theory) have led to strong critique of *“the pathologies of Westernisation”* (Castro-Gómez, 2019:211) inherent in the Global South education system, also extending to management studies. Although not yet

labelled as “epistemic violence”, critical entrepreneurship scholars globally have identified the way in which the mainstream entrepreneurship discourse is reproducing the myth of “the entrepreneur” as a white, dominant, rational, European/North American, male hero – and how academia is legitimising this discourse (Calás et al., 2009; i.e. Ogbor, 2000). This study recognises that this global critique of epistemic violence can be extended to mainstream entrepreneurship research. In this regard, it was found that the analysed discourse legitimised the conceptualisation of EDA, flowing from the assumption that entrepreneurship (as a Western, capitalist mechanism) should be and can be successfully implemented in a Global South context.

However, this analysis also highlights the form of epistemic violence that is extended to a socio-political level, specifically when entrepreneurship is promoted as a development apparatus that is assumed to translate into job creation and economic development. Data is showing that the survival rate of start-up ventures in South Africa is abysmal, that SMEs’ contribution to job creation is steadily declining (Rankin, Darroll & Corrigan, 2013:3) and that certain types of enterprises are not moving beyond mere self-employment, nor can they be expected to (Kuada, 2015:148; Shane, 2009). There is, in fact, very little research to confirm that entrepreneurship does indeed lead to economic growth in an African context specifically (Naudé & Havenga, 2005:107). Yet every economic development plan since the mid-1990s has emphasised the development of SMEs to absorb the unemployed (Rankin et al., 2013:2), including the large-scale promotion of entrepreneurial education programmes for unemployed persons (Mahadea, 2012:22500213). In spite of the evident failure of entrepreneurship to deliver on its promise of job creation and economic development, this chapter shows that the South African scholarly discourse is pertinently reproducing the knowledge claim that “entrepreneurship” (or any of the associated terms) is vital for job creation and/or economic growth. The analysed discourse also failed to distinguish between different types of ventures, creating the impression that any and all types of entrepreneurs and enterprises have the potential to contribute equally to economic development and job creation. The discourse was found to be overwhelmingly performative, and even when studies recognise the underperformance of entrepreneurship, the remedial research action remains limited to improving the effectiveness of entrepreneurship praxis. The possibility that entrepreneurship is a Global North construct that may have little value in a South African context was not considered in any of the articles in the sample. The desirability of entrepreneurship – a capitalist mechanism – in a South African context is not questioned but rather continuously promoted and endorsed as the saviour of economic development and job creation. Based on this fallacious assumption, numerous entrepreneurship training and support programmes are implemented by both governments and development organisations across the Global South, when it is unlikely that this level of political support and subsidy is justified (Nightingale & Coad, 2014:115).

By presenting the taken-for-granted assumptions as academic knowledge (the first action of epistemic violence), the scholarly community (the subject) is influencing development policy (the second act of epistemic violence), yet the policy is not creating any upward mobility for the unemployed (the object). The unemployed and impoverished thus fall victim to inefficient policies which are in turn fuelled by academic knowledge claims. Based on the above it is proposed that:

P6: The scholarly entrepreneurship discourse is complicit in epistemic violence toward the marginalised communities in South Africa.

This epistemic violence is even further extended when the entrepreneurship ideology becomes manipulated as a political tool that justifies economic inequality and creates political hegemony (Honig, 2017). Ogbor (2000:629) warns that “...by remaining uncritical to the social, ideological and institutional forces shaping the pattern and development of entrepreneurship in contemporary society, the traditional discourse has not only served to sustain prevailing societal biases, but has equally operated as techniques of power (and) domination...”. This exploitative power of the mainstream entrepreneurship theory has shown to be especially prevalent in the South African context where entrepreneurship is also appropriated as a major development tool.

In 2017, Honig highlighted that the mainstream entrepreneurship ideology is not creating any empowerment or upward mobility for the unemployed in the Global South, but rather used by the ruling elite as a “*method of promoting symbolic justification for inequity of economic and political power*” (Honig, 2017). Calling the phenomenon compensatory entrepreneurship (CE), he defines it as “*the political endorsement of entrepreneurial promotion activities, including training, incubation, and media dissemination, for the primary objective of maintaining political and/or economic control of one population over another*”. CE shifts the responsibility of creating successful ventures from the ruling elite to the marginalised individual by convincing the unemployed that their inability to capitalise on entrepreneurial development and support initiatives can only be blamed on their own shortcomings or lack of motivation. In this way the political elite becomes exempted from any responsibility toward the economic emancipation of the unemployed (Honig, 2018). These communities then have no reason to protest against the ruling elite, because they are convinced that the social and economic inequality they experience is of their own doing. The inequality becomes acceptable. When a discourse such as the mainstream entrepreneurship discourse has been incorporated into our individual subjectivities, social inequality becomes accepted and the discourse has reached its aim of producing hegemonic effects (Stoddart, 2007:208), as the CE phenomenon illustrates.

By failing to recognise the socio-political effects of the assumptions inherent in the mainstream entrepreneurship discourse, it can be proposed that:

P7: The entrepreneurship ideology is legitimising the inequalities and hegemonic power relations brought about by the entrepreneurship discourse in South Africa.

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## 4.7 AN ETHICAL RESPONSE TO INITIATE EPISTEMIC HEALING

Presented with serious claims of being complicit in epistemic violence and legitimising political hegemony, the response of the scholarly community could very well be to merely attempt to refute the claim and continue with business as usual. However, this study argues that the abysmal failure of entrepreneurship to deliver on its promise of job creation and economic development would make such a knee-jerk reaction unethical—academic discourses matter, especially when the knowledge claims presented in these discourses are used to influence policy. Just as academic discourses can become an instrument of epistemic violence, discourses can be changed and used to disrupt the status quo. Members of the scholarly community in South Africa have to take up their ethical responsibility as actors of social change. What is called for is an ethical response that would initiate a process of epistemic healing (Khan & Naguib, 2017).

The first step in the process of epistemic healing would be to recognise that the field of entrepreneurship is built on a number of theoretical assumptions and that the value-laden reality underlying the ideology of entrepreneurship is not adequately taken into consideration (Alvesson & Deetz, 2000:55; Alvesson & Willmott, 2003:23; Urban, 2010:42). This study has shown that the assumptions inherent in mainstream entrepreneurship theory have been extended to the South African discourse when there is, in fact, very little research to confirm that entrepreneurship does indeed lead to economic growth beyond the Global North context. Through naturalising these assumptions, the mainstream entrepreneurship theory has become an ideological discourse that deadens all critical faculties (Da Costa & Silva Saraiva, 2012; Verduijn et al., 2014:100).

Secondly, the scholarly entrepreneurship discourse's claim of being a silver bullet for job creation, contrasted by an abysmal failure to do so in a South African context, has to be recognised. "Entrepreneur" is by no means a homogenous concept, and the conceptual frame has been defined and redefined to include a myriad of observed phenomena. In the process of establishing a definition that is inclusive, the word has come to mean both everything *and* nothing (Da Costa & Silva Saraiva, 2012:589). The terms "entrepreneur" and "entrepreneurship" have been misappropriated to the extent that they now include more or less all of humanity (Poole, 2018:41).

Conceptualising these structurally different phenomena under the same umbrella is further protecting a number of mainstream assumptions from being questioned (Calás et al., 2009:553). What is more, the terms included under the conceptual umbrella are used interchangeably, often conflated and seldom defined beyond commonly accepted definitions. Failing to use key terms consistently supports the knowledge claim that any and all types of entrepreneurial activity is essentially the same. It also makes it exceedingly difficult for policymakers to formulate and implement policies that would lead to economic transformation and job creation (Poole, 2018:41). The result is that existing policies are not achieving the twin goals of job creation and poverty alleviation (Edoho, 2016:280).

Mainstream entrepreneurship theory is structurally and ideologically rooted in the Global North, and the epistemic standards of what constitutes knowledge, as well as accepted modes of knowledge production, are determined in a Global North context. This study argues that entrepreneurship theory has reached a theoretical impasse. It cannot move beyond this impasse as long as the answers are sought within the same paradigm that created the problem in the first place – an impossible feat according to Einstein (Esteva & Escobar, 2017:2569). The scholarly community in South Africa is therefore implored to “*revive and formalise the indigenous knowledge schemes unique*” to the Global South context (Goldman, 2016b:23). These indigenous alternatives have proven to be viable and credible alternatives to the mainstream, naturalised, taken-for-granted assumptions inherent in mainstream theory, even when these alternatives seem unrealistic and radical at the onset (Demaria & Kothari, 2017:2589).

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## **4.8 CONCLUSION**

The abysmal failure of entrepreneurship to contribute significantly to job creation and economic development implores the scholarly community in South Africa to abandon the core assumption that entrepreneurship (in all its defined manifestations) is a successful vehicle for economic development and job creation. By continuously presenting this assumption as academic knowledge, the scholarly community is influencing development policy, yet the policy is not creating any upward mobility for the economically marginalised. The unemployed and impoverished thus fall victim to inefficient policies, which are in turn fuelled by academic knowledge claims. In this regard, the scholarly community is accused of epistemic violence.

The scholarly community in South Africa has to respond ethically to this accusation by becoming appropriately sceptical of the perceived ability of mainstream entrepreneurship theory to answer questions about economic development beyond the context within which it was developed. Through continuously reproducing assumptions, discourses have the ability to legitimise and

naturalise specific ideologies, rendering others unthinkable. But discourses also have the ability to change the status quo. One way of moving the process of epistemic healing forward is to recognise the endogenous contributions that have been silenced by the mainstream ideology and incorporating it into the academic discourse in the Global South.

Mainstream entrepreneurship theory created an expectation that taking on the qualities of the Global North will exterminate poverty and inequality in the Global South. This resulted in the appropriation of entrepreneurship as a significant development tool. When entrepreneurship is extended as a development apparatus in a Global South context, it creates unique characteristics and challenges that cannot be adequately addressed by the instruments and indicators developed in the Global North. This study argues that the current paradigmatic frame of mainstream entrepreneurship theory will remain inadequate to address the failures of entrepreneurship in the Global South. Therefore, this study proposes that entrepreneurship theory be reconsidered at a conceptual level in the Global South. Specifically, it suggests reframing EDA beyond the constraints of mainstream entrepreneurship theory. This reconceptualisation of entrepreneurship theory has to be driven from a critical scholarly discourse in the Global South. It is proposed that reframing entrepreneurship within a development framework will open new insights into the failure of entrepreneurship to live up to its promise of job creation and economic growth in a South African and a broader Global South context.

This paper extends on the nascent field of critical entrepreneurship studies by critically analysing the scholarly entrepreneurship discourse in South Africa to identify if and how the assumptions and discursive practices in mainstream entrepreneurship theory are extended to the scholarly discourse in the Global South. It furthermore proposes that an ethical response to the critique flowing from the critical discourse analysis would be to reconceptualise entrepreneurship beyond the constraints of mainstream entrepreneurship theory by differentiating entrepreneurship as a development apparatus.

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## **CHAPTER 5:**

# **UNTREPRENEURSHIP: UNDOING THE MYTH OF ENTREPRENEURSHIP AS A DEVELOPMENT APPARATUS**

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### **5.1 INTRODUCTION**

The current theoretical framing of entrepreneurship includes a number of diverse phenomena under the same conceptual umbrella: from opportunity entrepreneurs to necessity entrepreneurs to survivalist entrepreneurs, from small to medium to micro-enterprises, rural entrepreneurship, corporate entrepreneurship and social entrepreneurship to name but a few. In the process of establishing a definition that is inclusive, the term has come to mean both everything *and* nothing (da Costa & Silva Saraiva, 2012:589). The terms “entrepreneur” and “entrepreneurship” have been misappropriated to the extent that they now include more or less all of humanity (Poole, 2018:41). “Entrepreneur” is by no means a homogenous concept, but mainstream research continuously conceptualises it as a uniform phenomenon, and in doing so protects a number of mainstream assumptions from being questioned (Calás, Smircich & Bourne, 2009:553).

One such assumption is that entrepreneurship is a silver bullet for job creation and economic growth. The previous chapters have shown that this narrative has become normalised in the mainstream entrepreneurship discourse – both scholarly and public. Based on this assumption, development organisations and governments in the developing world have implemented numerous policies and interventions to stimulate the small- and medium-sized enterprise (SME) sector, believing that it is a catalyst for growth, job creation and poverty reduction (Poole, 2018:35). However, only a handful of these SMEs survive past the first three years of their existence and show potential to contribute significantly to job creation and economic growth. In this way, entrepreneurship has become appropriated as a development apparatus, a phenomenon especially observed in the Global South. Distinguishing this phenomenon from other phenomena included under the conceptual umbrella, the term “entrepreneurship as a development apparatus” (EDA) is explicitly introduced in this paper. EDA is defined as the implementation of entrepreneurship support programmes (such as training, incubation, mentoring and funding) for individuals with little or no entrepreneurial experience, especially in economically marginalised communities, and with little or no other options for employment, based on the assumption that such interventions will result in high-growth entrepreneurial ventures that create a significant number of meaningful jobs. EDA is supported by governments and development institutions across the Global South.

Critical entrepreneurship scholars have for some time called for the reframing of entrepreneurship from a purely economic to a social change activity (i.e. Calás et al., 2009; Steyaert & Katz, 2004b),

yet mainstream entrepreneurship theory fails to do so and continually imposes presupposed constructions onto an ambiguous social reality (Achtenhagen & Welter, 2007:198; Alvesson & Deetz, 2000:55; Alvesson & Willmott, 2003:23; Calás et al., 2009:553; Tedmanson, Verduyn, Essers & Gartner, 2012:532; Urban, 2010:42). As a consequence, even if the failure of EDA is recognised, research remains limited to examining the flawed implementation of entrepreneurship policies, programmes and interventions. The structural roots and conceptual framing of everything included under the entrepreneurship umbrella are never questioned.

The theoretical physicist Albert Einstein noted that the answers to a problem cannot be sought within the very paradigm that created the problem (Esteva & Escobar, 2017:2569). This paper suggests that the current, largely positivist theoretical grounding of mainstream entrepreneurship theory is inadequate to address the large-scale failure of EDA in the Global South. When entrepreneurship is appropriated as a development apparatus, it becomes imperative to conceptually reframe it in a development context. In not doing so, EDA remains exempted from the rich, ongoing discourse on development, alternative development and post-development that may potentially inform the failure of entrepreneurship to live up to its promise of job creation and economic growth. In fact, it is proposed that when EDA is viewed from a post-development perspective, the answers to the problem become surprisingly obvious.

The contribution of this paper is twofold. Firstly, it advances the nascent field of critical entrepreneurship studies by viewing mainstream entrepreneurship theory through a post-development theory lens. Secondly, it presents EDA as a complex, interdisciplinary field of study that begs to be researched beyond the constraints of mainstream entrepreneurship theory.

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## **5.2 A SHORT OVERVIEW OF DEVELOPMENT AND DEVELOPMENT THEORY**

In 1949, the then President of the United States of America, Harry Truman, said in his inaugural address:

*“More than half the people of the world are living in conditions approaching misery. Their food is inadequate. They are victims of disease. Their economic life is primitive and stagnant. Their poverty is a handicap and a threat both to them and to more prosperous areas”* (Brigg, 2002:424).

This early mainstream vision of development is an extension of modernisation theory and paints a picture of an “underdeveloped” world in dire need of being rescued from an undesired, unpleasant

state of misery and poverty (Matthews, 2005:97). The “development project” is presented as the vehicle through which the “underdeveloped” world would be rescued and elevated to a superior state of “development”. Modernisation theory constructs a binary, dichotomous world where the characteristics of “us, the developed (who have)” are contrasted with “them, the underdeveloped (who need)” (Esteva & Escobar, 2017:2564; Matthews, 2005:98). This view of development assumes the characteristics of the “developed” world to be the ideal state to which the “underdeveloped” world must aspire.

By the late 1970s, neo-liberalism begins to inform mainstream development theory. The key premise that distinguishes it from modernisation theory is that governments are considered a hindrance to economic growth and should therefore not interfere with development (Matthews, 2005:100). International organisations such as the International Monetary Fund and the World Bank thus begin implementing programmes to liberalise the economies of the “underdeveloped” world and elevate them to a state of “development”. Both modernisation theory and the influence of neo-liberalism assume the qualities, characteristics, values and institutions of the “developed” world to be universal and desired by the “underdeveloped” world. The term Global South has emerged to refer to the spaces and peoples outside of North America and Europe that are associated with this undesired state of “underdevelopment”.

Matthews (2005:109) identifies three assumptions that are made across the different schools of development theory:

- *“The world consists of ‘developed’ and ‘less developed’ regions, which can be compared to one another in terms of their level of development;*
- *Western societies are ‘developed’, other societies less so; and*
- *In aiming to develop, the ‘less[-]developed’ regions must aim to transform their societies in such a way that they are more similar to the societies of the ‘developed’ regions in certain key aspects.”*

By the 1980s, the development community becomes disillusioned by “development” and recognised the “foolishness of adopting a universal definition of the good life” (Esteva & Escobar, 2017:2561). The dark side of “development” can no longer go unheeded: increased cultural homogenisation (specifically Westernisation), environmental destruction, the failure to deliver on promises such as poverty reduction, income inequity, economic growth and an increase in standards of living (Matthews, 2004:377). The realisation is that the mainstream view of “development” cannot be regarded as a panacea for all people living in poverty (Andreasson, 2017:2644). Critics call for alternative approaches to development that draw from, among others, dependency theory, the human development approach and sustainable development (Matthews,

2005:101-108). These alternative approaches involve a more bottom-up, people-centred, participatory approach to development, the modernisation of endogenous traditions and a focus on human development indexes as a measure of development (Nederveen Pieterse, 1998:351). These alternative development approaches propose different means to reach a universally desired state of development, but the premise of “development” in itself is not questioned and criticised. To a large extent, these alternative development criticisms have been co-opted in the mainstream development discourse and practice over the past decades (Nederveen Pieterse, 1998:344).

By the early 1990s, a number of scholars voice concern that “development” has not only failed but is doing more harm than good (Matthews, 2004:373) and that the so-called beneficiaries should rather be considered victims of development (Demaria & Kothari, 2017:2589). These scholars move beyond critiquing the different approaches to development to questioning the underlying premise, structure and motives of development (Nederveen Pieterse, 2000:176), specifically the structural roots in modernity, capitalism, state domination and patriarchy (Demaria & Kothari, 2017:2589). Post-development theory emerges and calls for the radical rejection of the entire development paradigm, theory and practice (Demaria & Kothari, 2017:2593). Escobar (1995:215) summarises the main premises of post-development theory as follows:

- *“an interest not in development alternatives but in alternatives to development, thus a rejection of the entire paradigm;*
- *an interest in local culture and knowledge;*
- *a critical stance towards established scientific discourses;*
- *the defence and promotion of localised, pluralistic grassroots movements.”*

Since the publication of *The Development Dictionary* in 1992, more than one strand of post-development theory has emerged. Ziai (2004) identifies two strands: neo-populism and sceptical post-development. Neo-populism can also be seen as “anti-development” that rejects the entire development paradigm while romanticising endogenous culture, tradition and community. The sceptical approach to post-development “*recognises the political and economic power structures within which any fruitful debate on radical alternatives to the status quo must be located*” (Andreasson, 2017:2635).

It is clear that critique against mainstream development theory is not limited to only one school of critique or even one strand of post-development critique. Post-development theory itself has also been widely discussed and critiqued (Ziai, 2004:1045). What can be learned from seven decades of debate in development theory is that a radical critique of mainstream development theory has advanced and enriched the field as a whole. Post-development theory thus provides a tool for radically deconstructing mainstream development theory, exposing the assumptions inherent in the development ideology (Harcourt, 2017:2715).

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### 5.3 THE ENTREPRENEURSHIP THEORY IMPASSE

The normative capitalist ideology is built on the assumption that the entrepreneurial enterprise is the only possible model for generating wealth, income and employment in society (da Costa & Silva Saraiva, 2012:609) and therefore, “*the more entrepreneurs the merrier*” (Verduijn & Essers, 2013:614). The mainstream entrepreneurship ideology further drives the assumption that, given a chance, anyone can be a successful entrepreneur with an ever-expanding wealth of choice and economic security (Fairclough, 2013:16) and that entrepreneurship can be taught (Kuratko, 2005:580). Africa’s colonial history has led to the view that “*the continent is essentially inadequate, a place of systemic failure in terms of its ability to engage with and partake in the modern world*” (Andreasson, 2017:2635). With the end of colonialism, Africa is (presumed to be) hungry for answers on how to become more “developed”, and thus the modern development project is born. The colonial discourse strongly influences the development narrative (Wilson, 2017:2686), and the answers brought by “development” are deeply rooted in the principles of neo-liberalism. Because of the perceived relationship between entrepreneurship and economic growth, entrepreneurial development policies and initiatives are also implemented to foster the entrepreneurial capabilities of societies in the “underdeveloped” world (Kuada, 2015:148).

This interest of policymakers and politicians in “entrepreneurship” as a panacea for reviving failing economies has led to ideological ambiguity in the term (Steyaert & Katz, 2004a:188). What is more, the concepts included under the entrepreneurship umbrella are applied without any consistency, expecting the same results in terms of economic growth and job creation from anything and everything labelled “entrepreneur” (Poole, 2018:35). In a South African context, for instance, the term is appropriated to refer to a phenomenon like corporate entrepreneurship, but also to EDA, from a necessity to opportunity entrepreneurs, from high-growth enterprises to survivalists, and everything in between. The previous chapters have shown that the current theoretical grounding of the entrepreneurship discourse fails to interrogate the assumption that all types of entrepreneurship are essentially the same and that it can be expected to contribute equally to job creation and economic growth.

EDA is hailed as a panacea for job creation and economic growth globally, yet it fails to create any empowerment or upward mobility for the marginalised communities it aims to emancipate, and does not contribute significantly to job creation (Honig, 2017:453; Naudé, 2011; Shane, 2009). The mainstream entrepreneurship narrative has normalised the assumption that entrepreneurship (in all its forms) is positive economic activity that is necessarily a successful vehicle for economic growth and job creation. Any failure of entrepreneurship to deliver on this promise is viewed from a positivist, performative perspective. The very theoretical grounding and conceptualisation of the

mainstream entrepreneurship ideology are never questioned. In other words, the assumption is that anything and everything included under the entrepreneurship umbrella is a desirable given, and research remains limited to studies that contribute to the improved effectiveness or that build a better model or understanding of the entrepreneurship phenomenon (Fournier & Grey, 2000:88). These uncritical, performative studies aim to increase the perceived value of EDA as a catalyst for economic growth and job creation the previous chapters have shown how it has become supportive of political hegemony and epistemic violence.

Internationally, a handful of scholars have become critical of the entrepreneurship ideology. These studies, inter alia, highlight how the homogenous conceptualisation of “the entrepreneur” can lead to exploitation and ideological hegemony (i.e. Achtenhagen & Welter, 2007; Calás et al., 2009; da Costa & Silva Saraiva, 2012; Jones & Murtola, 2012; Ogbor, 2000; Verduijn, Dey, Tedmanson & Essers, 2014) and that insights can be gained from reframing entrepreneurship as largely an economic activity with possible social outcomes, to entrepreneurship as a social activity with a number of possible outcomes (Calás et al., 2009:553). However, none of these critical studies acknowledges the EDA phenomenon and it is thus not explicitly included in the rich, ongoing debate around development, alternative development and post-development.

This paper argues that mainstream entrepreneurship theory – and EDA in particular – has entered the same theoretical impasse that mainstream development theory encountered in the 1980s when critical development theorists came to a conclusion that “*no amount of improved implementation will be useful; rather we need to reconsider the ideas informing the Project*” (Matthews, 2005:96). Post-development goes beyond merely proposing alternative development interventions by calling for the rejection of the entire notion of development (Demaria & Kothari, 2017:2593). Drawing from the development debate, this paper argues that the current theoretical entrepreneurship paradigm has proven to be unable to provide answers to the failure of EDA, and thus calls for the rejection of the entire notion of EDA as a form of entrepreneurship.

One critique against post-development theory is that it rejects the notion of development, yet fails to put alternatives to development on the table (Ziai, 2017:2548). It can be argued, however, that even if post-development theory fails to construct alternatives to development, it does force a change in the mainstream development discourse by challenging the assumptions upon which the development ideology is built (Andreasson, 2017:2643). Post-development thus proves a flexible platform for critique within the broader development framework. Drawing from post-development theory, the aim of this paper is not to merely provide a dualistic opposition to mainstream entrepreneurship theory, but to open a wider, dynamic, critical debate of EDA from a post-development perspective. By subjecting mainstream entrepreneurship theory to post-development theory critique, this study extends the nascent field of critical entrepreneurship studies. It



furthermore calls for the rejection of the entire notion of EDA as a successful vehicle for job creation and economic growth. Even if the outcome of a critical debate resulting from this study does not lead to the outright rejection of EDA, it will at the very least contribute to the acceptance of EDA based on theoretical reasoning rather than the ideological assumptions it is currently built upon.

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## **5.4 AIM AND OBJECTIVE**

By introducing EDA and subjecting entrepreneurship theory to the critique of post-development theory, this chapter aims to do the following:

1. Reassess the ontological and epistemological assumptions inherent in mainstream entrepreneurship theory by drawing attention to EDA.
2. Provide an alternative lens for critique against mainstream entrepreneurship theory.
3. Extend the debate on entrepreneurship theory and praxis beyond the constraints of the mainstream entrepreneurship paradigm.

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## **5.5 APPLYING POST-DEVELOPMENT CRITIQUE TO ENTREPRENEURSHIP THEORY**

In the following section, the main arguments of post-development theory are laid out and applied to EDA. In doing so, the assumptions inherent in mainstream theory – and specifically EDA – are highlighted, showing that insight can be gained when the critical debate on entrepreneurship is moved beyond the constraints of the mainstream entrepreneurship paradigm.

### **5.5.1 The theoretical grounding and assumptions underlying mainstream theory**

Early development theory, an extension of modernisation theory, presents a dichotomous, unequal world: on the one hand an “underdeveloped” world that is in dire need to be rescued from an undesired, unpleasant state of misery and poverty, and on the other hand the “developed” world that presents the ideal to which all societies must aspire (Matthews, 2005:97). Development is introduced as the vehicle through which the “underdeveloped” world can be rescued and elevated to a superior state of “development”. Early mainstream development theorists share consensus that underdevelopment is the cause of global inequality and merely differ in their prescription of what development interventions would address the problem and how these interventions should be implemented (Demaria & Kothari, 2017:2592). The desirability of development and the assumptions underlying the construct are not called into question. Even before the introduction of post-development theory, one of the earliest critiques against mainstream development theory is

that it is built on a number of taken-for-granted presumptions and that the prevailing positivist orthodoxy creates a crisis (Harriss, 2005:18). Development theory and practice are furthermore criticised for legitimising the imposition of its ideology by presenting development theory as “science” (Nederveen Pieterse, 1998:360). This “science” reduces the concept of development to “*linear, unidirectional material and financial growth*” (Demaria & Kothari, 2017:2593).

Post-development theory introduces the idea that the failure of the global development project is not to be sought in the policies, instruments or indicators that are implemented to bring about this linear, unidirectional growth. Rather, the possibility that the theoretical conceptualisation of development is inherently flawed has to be questioned. Post-development theorists have come to the conclusion that the solution to the development conundrum can no longer be sought in the paradigmatic frame that created it (Esteva & Escobar, 2017:2569). Transformative alternatives to the dominant paradigm have to be pursued (Demaria & Kothari, 2017:2589). Post-development theory is therefore not interested in more development alternatives, but rather in alternatives *to* development (Escobar, 1995:215).

Critical entrepreneurship scholars call for the ideological scrutiny of mainstream entrepreneurship theory (Ogbor, 2000:611). They have highlighted a number of unsubstantiated theoretical assumptions underlying the ideology of entrepreneurship (Alvesson & Deetz, 2000:55; Alvesson & Sandberg, 2013:129; Alvesson & Willmott, 2003:23; Bygrave, 2007:20; Urban, 2010:42). For instance, entrepreneurial diversity is backgrounded (Ogbor, 2000:629) and the terms for different phenomena included under the entrepreneurship umbrella are used interchangeably and inconsistently (Poole, 2018). As a result, the entrepreneurship ideology drives the assumption that any and all types of entrepreneurship are vehicles through which people can be lifted out of poverty. Mainstream entrepreneurship research also places an exaggerated emphasis on positivist ontologies and the associated quantitative methodologies (Bygrave, 2007:25). The field lacks methodological diversity and rigour (Neergaard & Ulhoi, 2007:1). By describing observed phenomena through mathematical means in a quantitative method, researchers assume that they have created knowledge (Van der Linde, 2016:38), and the knowledge is presented as indisputable science. This “*fetishisation with positivism*” (Ruggunan, 2016:112) may be producing research that is technically competent, yet is becoming increasingly formulaic and dull (Alvesson & Sandberg, 2013:130). The positivist paradigm not only fails to question the assumptions underlying established literature (Alvesson & Sandberg, 2013:129; Bygrave, 2007:20) but it proves grossly inadequate to understand and explain the complexity of the entrepreneurial phenomenon (Ogbor, 2000:623). In spite of regular calls for expanding the type of research designs and analytical approaches in entrepreneurship studies, qualitative studies remain underrepresented in mainstream journals globally (Neergaard & Ulhoi, 2007:1-2) and in South Africa (Smit & Pretorius, 2021).

The repeated and abysmal failure of EDA impels scholars to recognise that the reigning paradigmatic dominance may in fact not lead to the betterment of civil society, but merely to the maintenance of an academic institutional status quo (Goldman, 2016:5). The critique of EDA has to move beyond seeking alternative ways of implementing policies, instruments and indicators for bettering entrepreneurship. Answers cannot be found within the same paradigmatic frame that created the problem. Merely redefining entrepreneurship to include any and all types of social phenomena (such as necessity entrepreneurs or survivalist entrepreneurs) will not bring about the paradigmatic break needed to shed light on the failure of EDA to contribute significantly to job creation and economic development. Drawing from post-development theory, this study proposes that:

P1: The current conceptual framework of entrepreneurship is grossly inadequate to explain the complexity of the EDA phenomenon.

## **5.5.2 EDA as a Eurocentric construct**

In mainstream development theory, it is assumed that societies can – and want to – break free from the perceived misery in the “underdeveloped” world by adopting the more desirable characteristics of “the West”. It is presented as a science-based method for changing the “backward” communities in the Global South to look more like the Western world. The qualities and characteristics of societies, particularly North America and Europe, are promoted as the qualities that societies in the underdeveloped world have to aspire to in order to become “developed” (Matthews, 2005:97-100). The motto of development is “(playing on words of the Lord’s Prayer), ‘on Earth as it is in the West’” (Sachs, 2017:2561). Mainstream development is thus structurally rooted in “*modernity, capitalism, state domination, patriarchy*” (Demaria & Kothari, 2017:2596).

### *5.5.2.1 EDA as an overtly capitalist mechanism*

The development model of a “better” society is based on capitalist models from an industrial world. The capitalist dream promises “*increasing prosperity without limits, an ever[-]expanding wealth of choice, possibility and opportunity, security and comfort in old age*” for all, even marginalised groups (Fairclough, 2013:16). However, capitalism is leading to a widening gap between rich and poor and the promise of development to close the gap has been “*rendered implausible*” (Ziai, 2017:2548). From a critical perspective, it has been concluded that capitalism is not the almighty and omnipresent monolith that it presents itself to be and that the current system needs to be repaired or replaced (Esteva & Escobar, 2017:2571; Fairclough, 2013:16).

The mainstream entrepreneurship discourse also lends overt ideological support to capitalism. As a mechanism of capitalism, entrepreneurship is hailed as a panacea for economic emancipation

for everyone, even the economically marginalised. A number of critical entrepreneurship studies have shown how entrepreneurship has the power to exploit, destruct and oppress (i.e. da Costa & Silva Saraiva, 2012; Jones & Murtola, 2012; Verduijn et al., 2014). These studies illustrate how research downplays this dark side of entrepreneurship, when it in fact consistently and pervasively prevents emancipation from taking place (Verduijn et al., 2014). Jones and Murtola (2012) regard it as blind optimism to assume that entrepreneurship will necessarily lead to the recognition and liberation of marginalised societies. In fact, they argue that entrepreneurship should rather be considered as an act of finding new ways to expropriate these societies. However, studies that militate against the unequal, exploitative nature of capitalism are still the exception and entrepreneurship is increasingly romanticised and eulogised (Tedmanson et al., 2012:532).

Drawing from post-development theory, the limitations of EDA as an overt capitalist mechanism have to be recognised. This study proposes that:

P2: EDA is and will remain unable to lift marginalised communities in South Africa out of poverty and close the gap between rich and poor.

#### *5.5.2.2 Tainted with colonialism*

The concept of development was conceived of in a Western context. From this perspective, the Western society is held as the universal standard of development against which other, less-developed societies are measured. Programmes and projects are implemented to transform the “underdeveloped” societies to look more like the universal standard – the Western society. In this manner “development” merely reproduces the colonial ideology of European superiority (Harriss, 2005:17; Ziai, 2013:128). From a post-development perspective, development is criticised for colonising the minds, hearts and imaginations of the Global South, this time using “modern science” to naturalise the idea of Westernisation (Nandy, 1997).

Ogbor (2000) critically examines entrepreneurship theory to determine which societal myths and ideologies are perpetuated in the conventional discourse. He has found that the predominant discourse in entrepreneurship research is reproducing the myth of “the entrepreneur” as a white, dominant, rational, European/North American, male hero and that very few studies have actually challenged these ideological stereotypes underlying mainstream entrepreneurship theory.

From a post-development perspective it is argued that EDA is overtly a colonial project. Using the science of entrepreneurship theory, the idea of Westernisation is naturalised and promoted through the promise of emancipation from poverty.

From a neo-populist post-development perspective the rejection of the mainstream entrepreneurship ideology as a colonial construct can be considered a cinch. However, rejecting entrepreneurship outright as undesirable activity because of its Eurocentric nature does not shed sufficient light on the complexity of the phenomenon observed in practice. It is important to take cognisance of the critique against post-development theory in this regard. A counterargument to the post-development critique is that the so-called “underdeveloped” world seems to desire development and is keen to access the modern conveniences associated with development (Matthews, 2017). Some post-development theorists attribute this to the second form of colonialism – the colonisation of the mind (i.e. Nandy, 1997). They present a picture of “*passive victims of development who had development imposed upon them*” (Ziai in Matthews, 2017:8). However, Matthews makes a good argument that the people in the Global South are in fact not merely “*victims of mental colonisation who mindlessly copy everything they associate with the West*” (Matthews, 2017:12). Rather, development is desired because the lifestyle of those in the industrialised West has come to be associated with dignity (13). Previously marginalised groups associate the perceived privileges inherent in a state of “development” with a sense of redress for past injustices (11).

The mainstream discourse on entrepreneurship generally regards it as the cornerstone of economic growth, income and employment creation (da Costa & Silva Saraiva, 2012:588). This discourse holds entrepreneurship as a mass phenomenon and creates the impression that, through entrepreneurship, anyone can realise themselves professionally (da Costa & Silva Saraiva, 2012:605). EDA furthers this ideology by promoting entrepreneurship as a silver bullet for job creation and poverty alleviation in the Global South. Based on this narrative flowing from the mainstream entrepreneurship ideology, entrepreneurship is desired by marginalised communities in the Global South: not as a white, male, Eurocentric concept, but as a guaranteed ticket out of poverty, a silver bullet for economic emancipation, and a vehicle for the redress of past injustices. However, an overwhelming number of start-up enterprises in the Global South fail within the first three years of existence. EDA proves unable to deliver on the promise of redressing past injustices. This study proposes that:

P3: Through continuing to sell EDA as an instrument of emancipation to marginalised communities, the mainstream entrepreneurship narrative is making itself guilty of sowing seeds of discontent.

### 5.5.2.3 *The (ignored) endogenous context*

Mainstream development theory fails to take into account the endogenous context of the societies that are being “developed” (Escobar, 1992). Development is a cultural, political, economic and historical process (Harcourt, 2017:2707), not merely a single, homogenous, lateral push to

modernity. This multi-dimensional character of development makes it impossible to assume that “*analysis and answers can be derived ... from Western science*” (Harriss, 2005:34). When entrepreneurship is appropriated as a development apparatus, answers cannot merely be sought in Western science and theory. However, the bulk of the empirical studies done on the link between entrepreneurship and economic development are conducted in Global North economies in North America and Europe and the findings of these studies have proven of limited use for answering questions about economic development in the Global South (Baker & Welter, 2020:74; Naudé, 2011:37). Critics debate whether entrepreneurship does indeed lead to economic growth outside of the context for which it was developed, and its success in this regard in the Global North is also considered dubious (Edoho, 2015:280; Goldman & Tselepis, 2021:10; Honig, 2017; Naudé & Havenga, 2005:101, 107; Nightingale & Coad, 2014:114; Shane, 2009). Mainstream entrepreneurship theory, similar to mainstream development theory, fails to take into account the needs, values and conditions of the so-called beneficiaries (Hamilton, 2019:8) or the politics and relations of power where these ideas are implemented (Ziai, 2013:129). Post-development theory has shown that social inequity has “*rarely been dealt with successfully*” in this top-down approach (Ziai, 2013:129).

From a post-development theory perspective, the failure to take into account the endogenous cultural, social, political and economic context of the societies where entrepreneurship is presented as an undisputed silver bullet for economic growth and job creation can no longer be accepted. In fact, this study argues that the failure to take into account the endogenous context has to be considered as (at least partially) causal of the failure of EDA. Answering the academic call for more research in an African context does not merely mean applying Western scientific models in an African context. Post-development theory argues that the alternative proposals to address poverty alleviation and human development should be sought on local soil, from traditionally marginalised, non-capitalist spaces (Demaria & Kothari, 2017:2593). Research in South Africa, including entrepreneurship research, should actively seek, promote and set into motion the endogenous, non-dominant modernities that has for too long been ignored and side-lined (Esteva & Escobar, 2017:2570). Post-development has proven these indigenous alternatives to be viable and credible alternatives to the mainstream, naturalised, taken-for-granted assumptions inherent in mainstream theory, even when these alternatives seem unrealistic and radical at the onset (Demaria & Kothari, 2017:2589). This study proposes that:

P4: Alternatives to EDA as a vehicle for job creation and economic growth have to be sought within the endogenous, non-dominant modernities.

### 5.5.3 Environmental destruction

In this regard, post-development has a simple critique against development theory: that attaining a middle-class lifestyle for the majority of the world population is not only impossible, it is undesirable (Matthews, 2005:109; Nederveen Pieterse, 1998:360). With increased financial means comes increased consumption, and the earth's resources will not be able to sustain the consumption of a global middle class. Post-development has shown how "*the politics of poverty reduction often comes at the price of increasing inequality and environmental degradation*" (Sachs, 2017:2565).

The entrepreneurship ideology is built on the assumption that "the entrepreneurial enterprise" is the only possible model for generating wealth, income and employment in society (da Costa & Silva Saraiva, 2012:609) and therefore "*the more entrepreneurs the merrier*" (Verduijn & Essers, 2013:614). Entrepreneurial success is measured in terms of growth and profitability (Zhao, Seibert & Lumpkin, 2010:384). A growing number of successful entrepreneurs would thus mean increased consumption that would place devastating pressure on a limited planet. In promoting entrepreneurship as a silver bullet for economic emancipation for a large number of the world population, EDA fails to consider the degrading impact that an ever-growing, successful entrepreneurial force would have on the environment. From a post-development perspective this study proposes that:

P5: The ideology that anyone and everyone could become a successful entrepreneur is not only based on fallacious assumptions, but the impact of this ideology on the environment would be devastating.

### 5.5.4 Legitimising the relevance of mainstream entrepreneurship theory

Development theory creates an expectation that taking on the qualities of the Global North will exterminate poverty and inequality. But it becomes clear that development fails to deliver on this promise of elevating the majority of the world population to a Western standard of a middle-class lifestyle (Matthews, 2005:109; Nederveen Pieterse, 2000:175). By the 1980s, the failure of the development project is widely recognised by practitioners and scholars alike (Esteva & Prakash, 1998:280). Sachs (1992:1) declares development theory a "*ruin in the intellectual landscape*" and Esteva suggests it should be studied as archaeology, since "*only an archaeological eye could explore the ruins left by development*" (Esteva & Escobar, 2017:2652). However, the recognition of the failure of development did not result in the end of development, but rather in the reinvention of the field in the 1990s (Harriss, 2005:23). The initial goals for development are postponed indefinitely (Esteva & Prakash, 1998:282) and makes way for a development project that is largely focused on meeting basic needs and survival rather than progress. In doing so, mainstream development theory is able to legitimise its relevance. To illustrate how the focus of development to this day remains on survival rather than progress, Sachs unpacks the United Nations'

Sustainable Development Goals (SDGs) adopted in 2015 and concludes that it would be more fitting to call the SDGs the SSGs – *Sustainable Survival Goals* (Sachs, 2017:2575-2576). He finds that the SDGs “*try to secure a minimum for a dignified life universally*” rather than promoting the expectation of progress and the extermination of poverty and inequality.

This pattern is repeated in mainstream entrepreneurship theory. Most entrepreneurial ventures fail and success remains elusive (Hartmann, Krabbe & Spicer, 2019). One could not be blamed for expecting that the chronic failure of the entrepreneurship ideology to lead to significant economic emancipation or poverty alleviation would result in the end of decades of EDA. However, the recognition of the failure of EDA has merely resulted in the extension of the conceptual boundaries of entrepreneurship. Once a theory that brought to mind images of Elon Musk or Patrice Motsepe, the entrepreneurship umbrella has been reinvented to include contradictory terms like “necessity entrepreneur” or “survivalist entrepreneur”. This study proposes that:

P6: Including EDA under the broader entrepreneurship framework is an attempt to legitimise the field and fails to contribute to upward mobility for the so-called beneficiaries.

### **5.5.5 EDA is based on a fallacious assumption of needs**

At the onset, development was measured by a country’s gross national product or per capita income (Sachs, 2017:2577; Ziai, 2013:127), thus reducing the measure of “development” to the income or commodities that people possess (Anand & Sen, 1994:1). Mainstream development is thus criticised “*as an economic rationality centred around accumulation, a capitalist logic of privileging activities earning money through the market (and disvaluing all other forms of social existence), and the idea of ‘homo economicus’ (whose needs for consumption are infinite)*” (Ziai, 2017:2547). By imposing one universally defined picture of the “good life” and excluding all others, development is criticised for being “*radically inhospitable*” (Esteva & Escobar, 2017:2561).

Mainstream development underestimates the diversity and complexity of the development construct (Nederveen Pieterse, 1998:347) and is criticised for ignoring the multidimensionality of life (Esteva & Escobar, 2017:2565). Challenges like misery, inequity, poverty and corruption persist even in the so-called “developed” world – in spite of material well-being (Matthews, 2005:108). Similarly many people in the Global South are fulfilled and happy – in spite of poverty. The qualities of the “good life” are not universal and the measures of a good living standard look different in each society (Ziai, 2013:128). This critique of mainstream development theory has to some extent been co-opted into the development discourse, as can be seen by the implementation of measures such as the Human Development Index (Ziai, 2013:127).



Although not a post-development theorist per se, the economist and Nobel laureate Amartya Sen's capability approach makes an important advance on this narrow, mainstream view of development (Hamilton, 2019:7) and it is worth taking note of his work in the context of EDA. According to the capability approach, the objective of development has to be "*expanding the freedoms that people enjoy*" (Sen, 2001:9), not merely their wealth and income. When this becomes the objective, development is implemented to expand the capacity and capability of citizens to determine what a good life would look like for them, and expanding their power to create it (Hamilton, 2019:9). Although wealth and income are ways to expand their capabilities, it cannot be considered a direct measure of a good life (Anand & Sen, 1994:1).

Mainstream entrepreneurship theory imposes a universally developed image of "a good entrepreneur" or "a successful enterprise" onto an ambiguous social reality. Firm performance is measured in terms of indicators such as firm survival, growth and profitability (Zhao et al., 2010:384). The economic emphasis behind the entrepreneurship construct limits the measure of success to economic indicators. Research remains determined to reproduce performative studies (Bygrave, 2007:32; Goldman, 2016:14) that seem focused on increased growth, growth intention and profitability. Failing to conceptually frame entrepreneurship as a development activity prevents critical questions from being asked. One such question is: what assumptions is the mainstream entrepreneurship theory making when defining "improvement" or "growth"?

One assumption inherent in EDA is that people want to be entrepreneurs and that their entrepreneurial intention can be improved through interventions such as training and incubation. However, by including EDA in a conceptual framework that regards entrepreneurship as a purely economic activity, it fails to take into account the devastating psychological effects of the failure of EDA on the so-called beneficiaries. EDA is presented as a guaranteed solution to job creation, when data shows that barely one in four beneficiaries will grow a business that survives past their first three years of existence. Even if they do survive, these ventures are likely to "*generate churn rather than economic growth*" due to, *inter alia*, low productivity and low levels of innovation (Nightingale & Coad, 2014:130). Scholars, practitioners and politicians alike have to consider that EDA neither expands the capacity and capability of citizens to determine what a good life would look like for them, nor expands their power to create it. In fact, this paper argues that EDA could be accused of limiting the so-called beneficiaries' freedoms and doing more harm than good.

It is not suggested that the project of improving the lives of people living in poverty and misery should be abandoned (Matthews, 2004:376). However, EDA has to recognise that the idea of what should be desired and sufficient cannot be decided from an affluent, Western perspective (Ziai, 2017:2548). Presenting EDA as the blanket solution for economic growth and job creation is proving to be a fallacy. Future research should heed the call by post-development to "*hospitably*

*embrace the thousand different ways of thinking, being, living and experiencing the world that characterise reality*” (Esteva & Escobar, 2017:2561). This study proposes that:

P7: EDA is limiting the freedoms of the very groups it is aiming to emancipate and is doing more harm than good.

### **5.5.6 The exploitative nature of EDA**

Discourses are mechanisms for maintaining certain power relations within a society (Jäger & Maier, 2009:36). This is done by producing and reproducing discourses that become incorporated into a society’s subjectivities. When a specific discourse becomes normalised, any critical consciousness is dissolved and different agents in the social network become convinced that the social system is the way that it has always been and the way that it should be, and that it cannot be transformed. This keeps the subaltern classes voluntarily subordinate, uncritical and politically passive (Stoddart, 2007:206). To ensure that it maintains hegemonic power, the dominant discourse does not allow for other, oppositional discourses to take root (Brigg, 2002:427). When a discourse has been incorporated into a society’s individual subjectivities, social inequality becomes accepted and the discourse has reached its aim of producing hegemonic effects (Stoddart, 2007:208).

In this regard, the mainstream development discourse has proven extremely efficient in producing the view of a Third World that needs to be liberalised from a miserable, undesired state of “underdevelopment” (Escobar, 1995:9). The colonialist ideals of what a “good” society should look like (the Western image of “developed”), as well as what interventions can lead to this desired state of development, are presented as scientific knowledge. This expert knowledge is produced by the dominant Western ideal of a “good” society and presented as universally applicable. The dominant development discourse ignores and subordinates competing conceptions of a “good” society (Ziai, 2013:130), and dissolves any critical consciousness regarding development. Under the auspice of attaining a higher goal for the greater good, the development ideology legitimises the unsolicited intervention into the lives of “less-developed” societies (Ziai, 2017:2548). But, instead of leading to the emancipation of the “underdeveloped” world, the development discourse has proven to be a tool used for hegemony, domination and control (Esteva & Escobar, 2017:2567). Development is thus criticised for its authoritarian and hegemonic nature (Harcourt, 2017:2709; Ziai, 2013:130).

This argument has proven to hold true even after colonialism, when states became mechanisms for exploitation after trusteeship was handed over to the national elites (Ziai, 2013:130). In the field of entrepreneurship, this is illustrated by a phenomenon that Honig (2017) calls compensatory entrepreneurship. He defines it as *“the political endorsement of entrepreneurial promotion*

*activities, including training, incubation, and media dissemination, for the primary objective of maintaining political and/or economic control of one population over another*". By claiming that entrepreneurship guarantees economic emancipation and that anyone can be an entrepreneur, the mainstream narrative convinces the subaltern classes that their inability to capitalise on entrepreneurial development and support initiatives can only be blamed on their own shortcomings or lack of motivation. The political elite is thus exempted from any responsibility toward the economic emancipation of the unemployed (Honig, 2018). In this manner, the entrepreneurship ideology becomes supportive of political hegemony and epistemic violence (as shown in the previous chapters).

EDA not only fails to produce viable enterprises that contribute significantly to job creation and economic growth, it is also used as a tool that justifies the exploitation and continued marginalisation of the economically marginalised. From a post-development theory perspective it is thus proposed that:

P8: The further implementation of entrepreneurship development projects in the name of emancipation and liberation of the economically marginalised is not justified.

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## **5.6 CONCLUSION**

"Entrepreneur" is a heterogenous concept and the current theoretical framing of entrepreneurship includes a number of diverse phenomena under the same conceptual umbrella. However, the boundaries of this conceptual umbrella have been drawn and redrawn to such an extent that it has come to include more or less all of humanity (Poole, 2018:41). What is more, mainstream research is continuously presenting "entrepreneurship" as a homogenous concept (Calás et al., 2009:553).

The mainstream entrepreneurship discourse paints it as a silver bullet for job creation and poverty alleviation and fails to recognise the archaeological ruins left by the failure of entrepreneurship to deliver on this promise. Based on this unproven discourse, development organisations and governments in the Global South continuously implement numerous policies and interventions to stimulate the small- and medium-sized enterprise (SME) sector, also in economically marginalised communities, believing that it will be a catalyst for growth, job creation and poverty reduction. Although entrepreneurship has become appropriated as a development apparatus, it largely remains researched from a purely economic perspective (Steyaert & Katz, 2004a). This paper argues that mainstream entrepreneurship theory has entered the same theoretical impasse that mainstream development theory encountered in the 1980s when post-development theorists came to the conclusion that *"no amount of improved implementation will be useful; rather we need to reconsider the ideas informing the Project"* (Matthews, 2005:96).

The phenomenon “entrepreneurship as a development apparatus” (EDA) is introduced and subjected to the rich, ongoing debate on development, alternative development and post-development. Reframing entrepreneurship within a development framework provides new insights into the failure of EDA to live up to its promise of job creation and economic development. Specifically, post-development theory provides a tool for deconstructing mainstream entrepreneurship theory, exposing the development ideology and assumptions inherent in EDA. The aim is not to merely provide a dualistic opposition to mainstream entrepreneurship theory, but to open a wider, dynamic, critical debate of EDA. By subjecting mainstream entrepreneurship theory to post-development theory critique, this paper extends on the nascent field of critical entrepreneurship studies by drawing a number of conclusions for further investigation. These include highlighting the colonialist roots of EDA, the potential devastating effects of EDA on the environment, the use of EDA as a tool for exploitation, the inability of EDA to redress the injustices of the past and the way in which EDA is used to legitimise the field of entrepreneurship.

Based on these conclusions, this study proposes that the implementation of entrepreneurship development projects in the name of emancipation and liberation of the economically marginalised can no longer be justified. However, this cannot be done when the naturalised belief is that EDA is a silver bullet for job creation and economic development. This paper thus calls for the denaturalisation of the EDA narrative, similar to what post-development theorists call the “unmaking” of development (Harcourt, 2017:2705). Drawing from post-development theory, it is clear that critique can influence mainstream theory and that academic discourses can change public opinions. Members of the scholarly community have to take up their responsibility as agents of social change to lead this process of unlearning the taken-for-granted assumptions and create a new narrative about EDA. The myth of the entrepreneur, created by mainstream entrepreneurship research, has to be undone by presenting new scientific knowledge.

A first step would be to unbundle the ever-growing conceptual framework of mainstream entrepreneurship. This will be pursued in Chapter 6, the final paper in this study. The current conceptual frame is proving grossly inadequate to explain the complexity of the EDA phenomenon. Continuously redefining entrepreneurship to include any and all types of social phenomena will not bring the paradigmatic break and new narrative needed to move beyond the failure of EDA. The following chapter thus calls for the rejection of the entire notion that the ventures resulting from EDA be included under the entrepreneurship umbrella by default. Rather, the phenomenon has to be reconceptualised as a complex, interdisciplinary field of study that is rigorously researched beyond the constraints of mainstream entrepreneurship theory.

The mainstream narrative regarding entrepreneurship has to be unlearned. The myth of “the entrepreneur” has to be undone. The conceptual entrepreneurship frame has to be unbundled to

determine which phenomena have to be included in the frame going forward, and which phenomena have to be “un”trepreneuried.

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## **CHAPTER 6:**

# **IS IT A BIRD? IS IT A PLANE? ENTREPRENEURSHIP AND OTHER THINGS THAT (DO NOT) FLY**

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### **6.1 INTRODUCTION**

The entrepreneurship ideology presents all the concepts included under the conceptual entrepreneurship umbrella as essentially the same activity and drives the knowledge claim that anything labelled “entrepreneurship” has equal potential to contribute to economic growth and job creation. Based on this ideology, entrepreneurship has become appropriated as a development apparatus across the Global South. Entrepreneurship as a development apparatus (EDA) is defined as the implementation of entrepreneurship support programmes (such as training, incubation, mentoring and funding) for individuals with little or no entrepreneurial experience, especially in economically marginalised communities, and with little or no other options for employment, based on the assumption that such interventions will result in high-growth entrepreneurial ventures that create a significant number of meaningful jobs (Smit & Pretorius, 2020). Born from the entrepreneurship ideology, the product of these EDA interventions is regarded as “entrepreneurship” and included in the conceptual umbrella by default.

However, the product of EDA is proving unable to lift marginalised communities in the Global South out of poverty, close the gap between rich and poor or contribute significantly to job creation and economic growth. Presenting EDA as entrepreneurship, and entrepreneurship as the blanket solution for economic growth and job creation, is proving to be a fallacy, yet the mainstream entrepreneurship discourse fails to recognise the archaeological ruins left by the failure of EDA.

This study proposes that the terminology confusion inherent in the mainstream entrepreneurship discourse (Smit & Pretorius, 2021) is contributing to a fallacious assumption that EDA will result in entrepreneurial ventures that contribute significantly to job creation and economic growth. As long as the same results are expected from anything and everything included under the entrepreneurship umbrella, these assumptions will not be challenged and the implementation of ineffective EDA interventions will continue to be legitimised.

A number of critical scholars have called for exposing the myths and assumptions inherent in the mainstream entrepreneurship ideology by highlighting the heterogeneous nature of the term “entrepreneurship” (i.e. Calás, Smircich & Bourne, 2009; Poole, 2018; Verduijn & Essers, 2013:614). Other scholars have attempted to refine the typologies or classification of everything included in the conceptual entrepreneurship umbrella (for a summary, see Kuada, 2015). However, this paper argues that merely highlighting the heterogeneous nature and refining the typologies of

everything included in the conceptual entrepreneurship umbrella will not bring the paradigmatic break and new narrative needed to expose the myths and assumptions inherent in mainstream entrepreneurship theory. It calls for the rejection of the entire meta-theoretical conceptualisation of “entrepreneurship” and the unbundling of the conceptual umbrella. This paper opens this critical dialogue by revisiting the inceptive boundaries of the entrepreneurship domain and demarcating the boundaries for the fidelity entrepreneurship concept. Focusing on the product resulting from EDA it highlights how some enterprises cannot be included under the conceptual entrepreneurship umbrella by default and rather have to be “un”trepreneuried. Finally, it proposes a new conceptual framework for enterprise theory (see figure 2), illustrating how changing ideological, value-laden terms such as “entrepreneurship” can bring about the paradigmatic break needed to move entrepreneurship theory past an impasse.

Although this paper focuses on the product resulting from EDA specifically, it illustrates that the reframing of the conceptual entrepreneurship umbrella may prove helpful in challenging a number of the assumptions and myths currently embedded in the mainstream entrepreneurship ideology. In doing so it opens a wider critical dialogue on the mainstream scientific classification of entrepreneurship.

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## **6.2 IS IT A BIRD? IS IT A PLANE? TERMINOLOGY CONFUSION IN THE MAINSTREAM ENTREPRENEURSHIP DISCOURSE**

The word “bird” (scientific class “Aves”) invokes a general image of a feathered, winged, flying animal. However, not all bird species can fly (examples being ostriches and penguins) even if they share many other characteristics with the scientific class “Aves”. Furthermore, not everything that flies can be scientifically classified as “Aves” – think of mosquitos and aeroplanes. Things that fly can be birds, but not everything that flies is a bird. If aeroplanes are included in the scientific class “Aves” because they share some characteristics with birds, logical research questions would include “why don’t planes lay eggs?” or “what interventions can be taken to help planes lay eggs?”. However, aeroplanes are not included in the scientific class “Aves” simply because they have wings and because they can fly.

In the same manner, it has become imperative to distinguish what entrepreneurship is from what entrepreneurship can be (Bögenhold, 2020:21). The current mainstream conceptualisation labels a number of diverse phenomena as “entrepreneurship”, because these phenomena share some characteristics with or have historically developed from entrepreneurship theory. However, this paper argues that not everything that “flies” can scientifically be classified as belonging to the scientific class “entrepreneurship”. The inceptive boundaries of the conceptual umbrella term have to be revisited. Failing to do so is causing policymakers and scholars to mentally homogenise

everything labelled “entrepreneurship” (Douglas, 2013:634) and expecting everything and anything labelled as such to contribute equally to economic growth and job creation (Audretsch, 2012).

### **6.2.1 The entrepreneurship umbrella**

The process of defining entrepreneurship has evolved since the first mention of the term in the 18th century (Nieuwenhuizen, 2019:8) and the contents of the term “entrepreneurship” has changed significantly over time (Bögenhold, 2020:20). It has become a multifaceted and polysemous umbrella term under which a broad hodgepodge of research is included (Bögenhold, 2020:21; Dey, 2020:267; Shane & Venkataraman, 2000:217). The umbrella term represents a multifaceted concept that cuts across a number of disciplinary boundaries and entails a complex set of contiguous and overlapping constructs (Katz, 2003; Kaufmann & Dant, 1999:6). The term includes many different contents, domains, origins and destinations (Baker & Welter, 2020; Bögenhold, 2020:20).

However, critical scholars argue that the word has come to mean both everything and nothing (da Costa & Silva Saraiva, 2012:589). There is a general lack of consensus on what entrepreneurship is and what it is not (Bögenhold, 2020). In the absence of a precise demarcation, the term has evolved to include a variety of different meanings and interpretations simultaneously. Because the boundaries of the field of entrepreneurship are not clearly defined, a weak paradigm for entrepreneurship theory is promoted (Urban, 2010:38). Phenomena that are loosely related – by having started a venture, for instance – are (erroneously) classified as belonging to the same scientific family by default (see figure 1). The inceptive boundaries of the umbrella term have been expanded to incorporate more or less all of humanity (Poole, 2018:41). The entrepreneurship discourse has turned everything into entrepreneurship and everyone into an entrepreneur (Örtenblad, 2020:3).

However, this confusion surrounding the definition and boundaries of the entrepreneurship umbrella is largely ignored, and the scholarly entrepreneurship community has adopted an apparent universal orthodoxy (Bögenhold, 2020:21; Talmage & Gassert, 2020:318).

### **6.2.2 The umbrella assumption**

Conceptualising these structurally different phenomena under the same umbrella term is protecting a number of mainstream assumptions from being questioned (Calás et al., 2009:553). The generic umbrella term “entrepreneurship” invokes an image with a number of stereotypical and almost mythical characteristics (Achtenhagen & Welter, 2007:199; Calás et al., 2009; Ogbor, 2000). Anything labelled “entrepreneur” is glorified as a virtuous, wholesome superhero, the driver of economic evolution and value creation (Kaufmann & Dant, 1999:8; Williams & Nadin, 2012:297). The majority of these studies are grounded in the same meta-theoretical framework: locating

entrepreneurship exclusively as an unquestioningly desirable economic activity (Calás et al., 2009:552; Verduijn, Dey, Tedmanson & Essers, 2014:98).

The overly positive image of entrepreneurship is shrouded in ideological mystification (Jones & Murtola, 2012:643). These assumed characteristics are extended to all concepts included under the entrepreneurship umbrella and, in this manner, expects the same results from any and all types of practices included in this conceptual entrepreneurship framework (Smit & Pretorius, 2020). Terms included under the umbrella are often conflated, overlapping, used interchangeably and without precision or consistency (Poole, 2018:35; Smit & Pretorius, 2021). Using the terminology in this manner supports the knowledge claim that any and all types of entrepreneurial activity are essentially the same. What is more, tools and concepts that are developed for entrepreneurship in a very specific context are unquestioningly and uncritically extended to any phenomenon included under the entrepreneurship umbrella (Kuada, 2015:150; Steyaert, 2007). In this manner, entrepreneurship theory becomes extended too far outside of the context for which it was developed (Baker & Welter, 2020:9; Naudé & Havenga, 2005; Verver, Roessingh & Passenier, 2019:957). To put it another way: the theory of ornithology is extended to answer questions about aeroplanes.

Flowing from this erroneous classification is the umbrella assumption that everything scientifically classified as “entrepreneurship” will contribute equally to economic growth and job creation. However, data is continuously showing that only a select few of who we classify as “entrepreneurs” “will create the businesses that will take people out of poverty, encourage innovation, create jobs, reduce unemployment, make markets more competitive, and enhance economic growth” (Shane, 2009:146). In fact, not all enterprises can even be considered entrepreneurial (Kuada, 2015:148). The reality is that the majority of what is classified as “entrepreneurship” has no prospect to survive the past three years, let alone contribute significantly to job creation.

The erroneous classification and resulting terminology confusion inherent in the mainstream entrepreneurship discourse is leading to misunderstandings, political hegemony and epistemic violence and the term can no longer be used scientifically in the way that it is currently conceptualised (Bögenhold, 2020:31; Smit & Pretorius, 2021). This paper argues that the umbrella assumption has become inseparable from the ideologically loaded term “entrepreneurship”. However, mainstream research is continuously conceptualising everything included under the entrepreneurship umbrella as homogenous (Calás et al., 2009:553; Vivarelli, 2013:1476).

Although this terminology confusion is a concern from a Global North perspective (for a summary, see Örténblad, 2020), it becomes even more problematic in a context where entrepreneurship is appropriated as a development apparatus in marginalised communities, believing these “*erga*

*omnes*”, “the-more-the-merrier” EDA interventions to be a guaranteed ticket out of poverty, the silver bullet for economic emancipation, a catalyst for growth and a vehicle for the redress of past injustices (Honig, 2017:457; Poole, 2018:35; Urban, 2020:118). Based on this belief, a significant number of resources are pushed toward supporting an ever-increasing number of start-ups (Vivarelli, 2013:1476). Based on the resource-based view, it is assumed that these increased resource inputs will propel EDA start-ups into success. Governments and development organisations also continuously reinvest in these start-ups when they become distressed (Pretorius, Le Roux, Rosslyn-Smith & Letsholo, 2021).

However, the product of EDA is failing abysmally in creating any empowerment or upward mobility for the marginalised communities it aims to emancipate, and does not contribute significantly to job creation (Honig, 2017; Naudé, 2011; Shane, 2009). In spite of appearing to have little in common with fidelity entrepreneurship, the product resulting from EDA is included in the entrepreneurship umbrella (see figure 1).

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### **6.3 WHAT IS IN A NAME?**

Language is not merely a collection of a few words that are strung together unintentionally. It is also not neutral, unambiguous and objective. By choosing a specific word over another, or omitting some details in a description while including others, a specific version of the world is intentionally created (Rapley, 2011). Consider, for example: in 1990, Nelson Mandela is freed after 27 years in prison. One newspaper headline reads, “Freedom fighter finally released after 27 years”. Another headline reads “Terrorist released after only 27 years”. The two headlines not only present two vastly different realities, but they also create two vastly different realities. Language thus serves “as the mediator for constructing reality” (Achtenhagen & Welter, 2007:197). The way in which language is intentionally used to construct a specific reality has definite consequences (Ziai, 2013:125).

Scholarly discourses also have definite consequences when the knowledge claims presented in these discourses are used to influence policy, even more so when these policies are supportive of political hegemony. Through naturalising the umbrella assumption, entrepreneurship has become an ideology discourse that deadens all critical faculties (da Costa & Silva Saraiva, 2012; Verduijn et al., 2014:100). The entrepreneurship umbrella and the resulting umbrella assumption create the impression that EDA interventions will produce large numbers of successful, high-growth entrepreneurial ventures that will ensure economic emancipation for the beneficiaries and create a significant number of jobs across the Global South where unemployment and poverty are rife.

Arguing for the reconceptualisation of the concept of “development”, Ziai (2013:132) says:

*“The web of meanings tied around the concept ... cannot be unmade simply by adopting a progressive definition. The – perhaps unwanted – implications are still there, even if we try to give the term a different meaning. ... attempts to redefine it in a progressive manner seem to be a losing battle, or at least one that faces extremely long odds and may take decades. A simpler alternative is to drop the concept and find a new one.”*

This study echoes this view in relation to the reconceptualisation of “entrepreneurship”. Merely refining the typologies and renaming categories under the entrepreneurship umbrella will not challenge the core assumption that everything and anything included under this conceptual umbrella is essentially the same heroic activity that will contribute significantly to economic growth, job creation and emancipation of the marginalised. The ideological image evoked by the word “entrepreneur” has become so embedded in mainstream public and scholarly discourse, that a reinvention of the term would be near impossible and, if possible, would take too long. Rather, this paper addresses the terminology confusion and resulting assumptions by rejecting the entire meta-theoretical conceptualisation of entrepreneurship and presenting a new conceptual framework for the theory of enterprises.

By introducing a new conceptual framework (see figure 2), this paper aims to stimulate a new dialogue about the entrepreneurship umbrella, in general, and EDA, in particular. This new narrative will challenge the ideological entrepreneurship discourse that anything and everything that is currently labelled “entrepreneurship” will contribute equally to economic growth and job creation. Such a new scholarly narrative will in turn enable policymakers to disentangle the entrepreneurship umbrella and redirect job-creation policies by creating realistic expectations for each of the enterprises currently erroneously included under the greater entrepreneurship umbrella.

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## **6.4 AIMS AND OBJECTIVES**

This study aims to highlight the restrictive impact of the current mainstream theoretical conceptualisation of “entrepreneurship” and introduce an alternative conceptual framework for rethinking entrepreneurship theory. Building on chapters 3, 4 and 5, that defamiliarised and problematised the assumptions produced by the mainstream entrepreneurship discourse in the Global South, this paper furthermore rejects the taken-for-granted assumption that the product of EDA can be included in the conceptual entrepreneurship framework. It responds by proposing an alternative conceptual frame for “enterprise theory” that separates the product of EDA from the mainstream entrepreneurship domain (figure 2). In proposing this new conceptual framework, this paper aims to do the following:

- Challenge the mainstream entrepreneurship discourse that is resulting in terminology confusion, political hegemony and epistemic violence.
- Initiate and stimulate a critical dialogue in the scholarly discourse relating to EDA, in particular, and the meta-theoretical conceptualisation of the entrepreneurship umbrella, in general.
- Propose realistic expectations for the enterprises resulting from EDA.

The paper will proceed in the following manner: Firstly the inceptive borders of the entrepreneurship umbrella are critically revisited to clearly demarcate the domain of fidelity entrepreneurship. Thereafter a short overview of the development of entrepreneurship theory is given to illustrate how each of the inceptive borders have been extended. Thirdly, the product of EDA is discussed against this demarcated domain of fidelity entrepreneurship, illustrating the characteristics that these enterprises have in common and where they differ. Finally, flowing from this discussion and with the input of 13 experts in the field of entrepreneurship, a reconceptualised umbrella for the theory of enterprise (an umbrella that includes fidelity entrepreneurship and the product of EDA) is proposed.

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## 6.5 METHODOLOGY

When the Delphi methodology was first used in the 1950s, a consensus of opinion was sought based on the “bandwagon effect” or the “halo effect”, referring to the phenomenon where individuals conform to the majority opinion (even if they do not necessarily agree with it) (Greatorex & Dexter, 2000:1022; Mulgrave & Ducanis, 1975:282). This means that the facilitator of a Delphi study would present the findings from a previous round to persuade the panellists to change their opinion to reflect the majority view. However, over the years, variations of the Delphi method have been developed for a variety of situations where expert problem solving is required (Okoli & Pawlowski, 2004:17) – such as the complexity of the entrepreneurship umbrella.

The Delphi methodology is essentially qualitative (Wardner, 2013:217), although summarising the expert opinions leads to a degree of quantification (Linstone & Turoff, 1975:315). It provides a method for obtaining, refining and communicating the informed judgments of knowledgeable people (Ludlow, 1975:97). The Delphi methodology is commonly described as “a method for structuring a group communication process so that the process is effective in allowing a group of individuals, as a whole, to deal with a complex problem” (Steinert, 2009:292). by measuring professional opinions rather than objective facts (Schmidt, 1997:765). The structured group discussion that is facilitated in the Delphi methodology is a way to raise issues for debate by, inter alia, revisiting knowledge claims in the subject of study (Hasson, Keeney & McKenna, 2000:1013; Wardner, 2013:217). The Delphi methodology also has the ability to act as a tool for new framework development and theory building (Okoli & Pawlowski, 2004:15). All of the above



characteristics make Delphi a suitable vehicle to address the research question presented in this study. Due to the Covid-19 pandemic, travel and physical contact were discouraged at the time of this study. The Delphi methodology presented a practical solution for gathering experts' opinions on the research problem.

At the onset, the researchers aimed to determine if a panel of experts in the field of entrepreneurship and/or critical management studies can reach consensus on the boundaries of the fidelity entrepreneurship domain, and whether the product of EDA falls inside or outside these identified boundaries. The researchers anticipated that a number of panellists would be from a positivist, uncritical research tradition that does not necessarily agree with the premise that the entrepreneurship umbrella has been extended too wide. The Delphi methodology was thus approached in a way that abled panellists to contribute to the conversation without having to agree with the critical stance toward the conceptual entrepreneurship framework. During the second-round data analysis, it became clear that the terminology confusion inherent in the entrepreneurship discourse also has an impact on the experts' responses in this study. This resulted in a change of course mid-method by substituting all generic, value-laden terms (such as "entrepreneurial") with specific examples in the final round. These challenges and adaptations are discussed in more detail in step 6 below.

The following section explains the approach and method used, based on the steps for Delphi studies developed by Hasson, Keeney and McKenna (2000). Using this checklist provided structure to a practice that has at times been accused of being arbitrary. The expert opinions expressed during this Delphi process guided the process of rethinking the mainstream entrepreneurship framework, presented in the conclusions of this study.

### **Step 1: The background**

The research problem was identified based on two critical discourse analyses previously conducted (chapters 3 and 4), insights from a study that positioned and critiqued EDA explicitly in a post-development theory context (chapter 5), and extant entrepreneurship literature – from both mainstream and critical schools of thought. The research problem underlying the research in this study influenced the application of the Delphi methodology (Mitroff & Murray, 1975:19). The aim of this study was not to rank the perceived importance of each of the boundaries, as would be done in a ranking Delphi approach. In presenting the results, however, the mean rank is presented as an indication of the level of agreement for each of the issues addressed in the statement.

### **Step 2: Selecting the expert panel**

Delphi studies generally require as few as five to ten panellists from a homogenous group of subject matter experts, such as the carefully selected panel in this study (Loo, 2002:765). Persons

who are affiliated with a tertiary academic institution in South Africa in the field of entrepreneurship and/or critical management studies were purposively selected to form part of the panel. Twenty-one potential expert panellists were approached for participation in the study, with the aim of assembling a panel of 12 experts. This would leave room for panellists potentially withdrawing in rounds 2 or 3 of the study. Thirteen panellists indicated that they were willing to participate by completing the first-round open-ended questions and all of these experts remained part of the process to the end of round 3. Responses were treated anonymously in all three rounds. Two of the panellists indicated that they were practically involved with EDA interventions, while four were knowledgeable in the field of critical entrepreneurship studies.

### **Step 3: The iterative rounds**

Ideally, the iterative rounds in a Delphi study will continue until consensus is reached, or results become repetitive, or when the panellists reach an impasse (Loo, 2002:766). However, the majority of Delphi studies limit the number of rounds from the onset to ensure maximum response rates from panellists in ongoing rounds (Hasson et al., 2000:1011). Being respectful of the panellists' time, this study clearly communicated to the potential panellists that the iterative rounds would be limited to three. The first round consisted of a questionnaire with two open-ended questions, while the second and third rounds consisted of structured questionnaires.

### **Step 4: The questionnaires**

The first round consisted of two open-ended questions that ask the panellists' opinions on the role of entrepreneurship and EDA in economic growth and job creation. Round 1, supported by a thorough literature review, then provided a departure point for developing the structured questionnaire for round 2.

The round 2 questionnaire was introduced by a cover letter that set out the background and aim of the study, including the meta-theoretical critique that the boundaries of the entrepreneurship umbrella have been extended too far and that the current framework is being revisited. This round's questionnaire consisted of three sections: the entrepreneurship domain, other enterprises included in the entrepreneurship umbrella and the product of EDA. These three sections comprised two open-ended questions and 31 statements with a 9-point Likert response. The third-round questionnaire excluded the section on other enterprises in the mainstream entrepreneurship domain, but introduced three new questions relating to the panellists' knowledge of critical entrepreneurship studies and their practical involvement with EDA.

Because the questionnaires in rounds 2 and 3 measured abstract opinions rather than absolute judgment, a 9-point Likert scale was used (Wardner, 2013:212). The questions in rounds 2 and 3 were presented as statements where panellists are requested to give their opinion on each

statement, with 1 representing “strongly disagree” and 9 representing “strongly agree”. The aim of the iterative rounds of questionnaires was to produce a “funnelling effect” (Loo, 2002:765) that moves from the more general to the more specific, aiming to establish the scholarly consensus (and in some cases dissensus) on themes relating to the mainstream entrepreneurship umbrella. Each of the structured questionnaires also provided a number of sections for open-ended feedback, although these were optional. The questionnaires were checked by a retired expert in the field of entrepreneurship and a statistician prior to sending them to the panellists.

### **Step 5: Predefining consensus**

The responses in each round were coded as follows: if panellists selected options 1, 2 or 3, they were considered as disagreeing with the statement. If panellists selected options 7, 8 or 9 they were considered as agreeing with the statement (similar to Putnam, Spiegel & Bruininks, 1995). Options 4, 5 and 6 were considered neutral responses and not included in the tallying of responses that agreed or disagreed with a statement. Consensus in this study was predetermined at 70%. This means that the panel is regarded to have reached consensus on a specific theme of at least 70% (or nine of the 13 panellists) agreed or disagreed with a statement by selecting the top three (7,8 or 9) or bottom three (1,2 or 3) measures on each of the Likert items. Predefining the level of consensus before the onset of the analysis contributes to the reliability and validity of the study (Schmidt, 1997; Williams & Webb, 1994).

### **Step 6: Issues that guided the data collection – adjusting to a curve ball**

The researchers expected divergence of opinions between panellists who are supportive of and those who are critical of EDA. They were prepared to follow the guidelines for a policy Delphi study that seeks to generate the strongest possible opposing views and thus welcomes dissensus (Steinert, 2009:293). However, the second-round data analysis revealed a more complex challenge that resulted in a change of course in the final round. The responses in the second round did not reveal two diverging opinions as expected, but rather a “shotgun” pattern with a multitude of responses for a number of the items (see the standard deviation in round 2 in tables 2 and 3 that illustrates this).

The entrepreneurship discourse is known for providing contradictory and inconsistent definitions and interpretations of key concepts (Kaufmann & Dant, 1999:6). The researchers concluded that the multiple responses in round 2 were not necessarily due to conflicting opinions on the subject, but rather a manifestation of the terminology confusion inherent in the entrepreneurship discourse: all panellists seemed to be giving their opinion based on their own interpretation of the value-laden term “entrepreneurial”. Therefore, in the final round, the terminology confusion was addressed by asking all panellists to give their prototype example of “an entrepreneur” and to insert this name in the statements that followed. For instance, a statement in the second round questionnaire that

aimed to determine if innovation is to be considered a boundary of the fidelity entrepreneurship domain read: “Enterprises that are not innovative can be considered *entrepreneurial*”. This statement was changed in the final round to read: “If (insert name of your example of a prototype entrepreneur here) was not innovative they still would have built the business(es) that they have”.

This curve ball led the researchers to expand the research problem to address an additional question: how does the use of generic, value-laden terms (like “entrepreneurial”) influence the expert opinion in the entrepreneurship discourse? This meant placing less emphasis on reaching consensus or highlighting the diverging views on the key concepts that form the boundaries of the entrepreneurship domain in the third round, and rather illustrating how the terminology confusion in the mainstream entrepreneurship umbrella is obscuring the important distinction between what entrepreneurship “is” as opposed to what it “can be”. However, as the results indicate, changing the terms from the value-laden, generic “entrepreneurial” to specific examples led to the panel reaching consensus on a number of statements without introducing a fourth iterative round.

### **Step 7: Presenting the final results**

The results from rounds 2 and 3 of the Delphi study are presented in tables 1, 2 and 3 by highlighting the percentage of support for each item, the mean values representing the aggregate rank of each item and the standard deviation to indicate the spread of the group response around the mean (Greatorix & Dexter, 2000; Holey, Feeley, Dixon & Whittaker, 2007; Schmidt, 1997:772). The size of the sample is considered too small to warrant the use of parametric statistical analysis (Kalaian & Kasim, 2012:5). The tables show the results for the two rounds side by side to indicate how the consensus, mean and standard deviation shifted when generic terms were substituted with specific examples to counter the terminology confusion inherent in the discourse. In the final section, these findings in relation to the fidelity entrepreneurship boundaries and the product of EDA inform the discussion on the boundaries of the entrepreneurship domain. This discussion additionally highlights how the terminology confusion influences the group opinion. Lastly, these experts’ opinions inform the proposed new conceptual framework for the theory of enterprises.

## 6.6 RESULTS FROM THE DELPHI PROCESS

**Table 6.1: The boundaries of the entrepreneurship umbrella**

	Theme	Consensus <sup>1</sup>		Mean <sup>2</sup>		Standard deviation <sup>3</sup>		Mean rank (third round) <sup>4</sup>
		Round 2	Round 3	Round 2	Round 3	Round 2	Round 3	
1	Innovation	62%	<b>77%</b>	3,62	2,15	2,66	1,72	3
2	Identify opportunity	62%	<b>92%</b>	4,15	2,00	2,88	1,68	1
3	Act on opportunity	54%	<b>85%</b>	4,62	2,00	3,04	1,91	1
4	Independence	54%	<b>70%</b>	3,85	3,08	3,05	1,93	5
5	Grow in terms of turnover	38%	54%	4,69	4,31	2,63	2,93	9
6	Aspire to grow in terms of turnover	<b>85%</b>	<b>77%</b>	2,69	2,62	2,02	2,71	4
7	Grow in terms of jobs	46%	46%	5,31	4,46	2,84	2,70	10
8	Aspire to grow in terms of jobs	31%	54%	4,54	3,92	2,47	2,60	8
9	Financial risk	<b>70%</b>	<b>70%</b>	3,31	3,31	2,14	2,87	7
10	Personal risk	<b>70%</b>	<b>70%</b>	3,00	3,08	2,24	2,84	5

<sup>1</sup>The consensus threshold of 70% or higher was predetermined.

<sup>2</sup>A mean closer to 1 indicates stronger agreement.

<sup>3</sup>Lower standard deviation shows increased agreement or convergence of views.

<sup>4</sup>Items were not ranked by the panel, but mean rank gives an indication of the importance placed on each item.

**Table 6.2: Other enterprises included in the entrepreneurship umbrella**

	Consensus	Mean	Standard deviation
Small business is not entrepreneurship	<b>85%</b>	2,38	1,50
Micro-enterprise is not entrepreneurship	<b>77%</b>	2,77	2,49
Self-employment is not entrepreneurship	<b>70%</b>	3,08	2,25
Survivalist enterprise is not entrepreneurship	<b>85%</b>	2,23	2,49
Necessity-motivated enterprise is not entrepreneurship	<b>85%</b>	2,00	1,41
Start-up enterprise is not entrepreneurship	54%	4,08	2,72
Start-up enterprise will not result in high-growth ventures	<b>100%</b>	1,31	0,63

**Table 6.3: The product resulting from EDA**

	Theme	Consensus		Mean		Standard deviation		Mean rank (third round)
		Round 2	Round 3	Round 2	Round 3	Round 2	Round 3	
1	Unlikely to result in high-growth venture	54%	<b>70%</b>	3,85	2,62	2,38	2,36	6
2	Unlikely to survive without mentorship	62%	<b>85%</b>	3,31	1,92	1,97	1,38	2
3	Unlikely to survive without grant funding	<b>85%</b>	<b>85%</b>	2,46	2,08	1,39	1,50	3
4	Unlikely to generate resources internally	54%	62%	3,08	3,23	1,71	1,74	9
5	Unlikely to create innovative new product	54%	<b>85%</b>	3,69	2,54	2,29	1,61	4
6	Unlikely to create innovative new process	54%	<b>77%</b>	4,15	2,69	2,51	1,55	7
7	Unlikely to grow without grant funding	38%	54%	2,77 <sup>1</sup> (6,23) <sup>2</sup>	2,54 (6,46)	1,36	1,76	4
8	Unlikely to grow in terms of turnover	46%	<b>70%</b>	4,46	3,15	2,18	1,68	8
9	Unlikely to take financial risks	31%	38%	5,00	4,62	2,04	2,18	10
10	Unlikely to take personal risks	23%	38%	5,23	4,69	2,05	2,02	11
11	Beneficiary would prefer job over running their own business	15%	<b>77%</b>	3,85 (5,15)	1,31 (7,69)	2,19	1,49	1
12	Unlikely to create jobs outside of the immediate family <sup>3</sup>		<b>70%</b>					

<sup>1</sup>Inverse value.

<sup>2</sup>Actual value.

<sup>3</sup>This question was not a Likert item.

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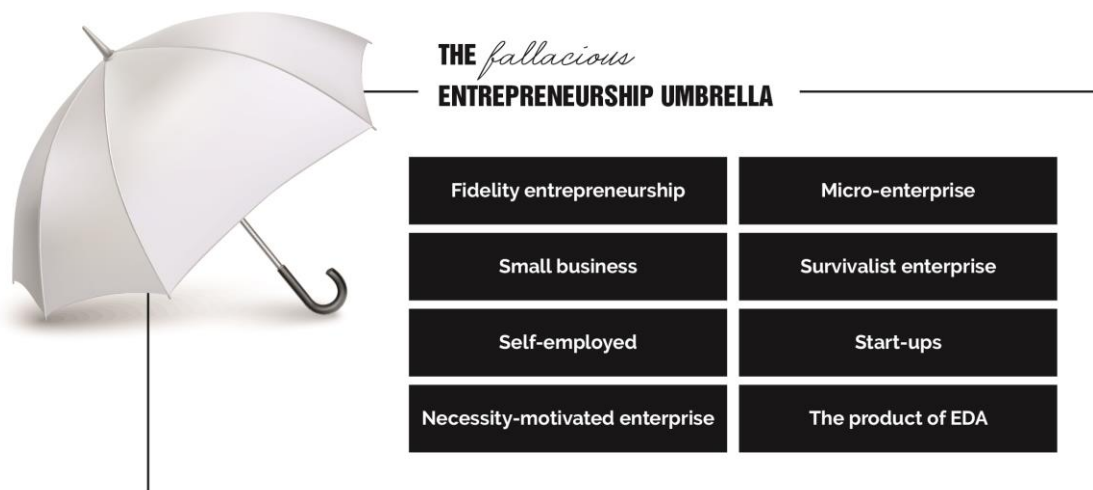
## 6.7 REVISITING THE INCEPTIVE BOUNDARIES OF THE ENTREPRENEURSHIP UMBRELLA

### 6.7.1 Fidelity entrepreneurship

In the continuous process of making the conceptual entrepreneurship umbrella more inclusive, the inceptive boundaries of the domain of entrepreneurship have often been extended or even abandoned (figure 1). The term “fidelity entrepreneurship”, coined by Pretorius et al. (2021), is used in this study to refer to the entrepreneurship domain as it was demarcated before the

inceptive borders of the umbrella were extended. The authors are fully cognisant of the fact that the act of demarcating the field of “entrepreneurship” has been attempted by almost every scholar in the field and that there is currently little agreement on what fidelity entrepreneurship ought to be. They are also cognisant of the fact that “entrepreneurship” has become a very complex concept that carries many different meanings for different people (Gartner, 1990:28). However, this paper argues that this very lack of agreement on clear boundaries of the entrepreneurship domain has led to the terminology confusion, the umbrella assumptions, and the resulting hegemony and epistemic violence highlighted in chapters 3 and 4. To address this, it has become imperative to clearly demarcate the boundaries of a fidelity entrepreneurship domain, even if those boundaries at first glance appear to present an over-simplification of a complex problem.

Unbundling and reconceptualising the entrepreneurship umbrella do not imply that phenomena that are “un”trepreneuried deserve any less scholarly interest. Although not the same, the economic and social roles that these phenomena fulfil are not regarded as any less noteworthy than those of fidelity entrepreneurship. However, unbundling and reconceptualising the myriad of concepts included under the entrepreneurship umbrella will create realistic expectations of the role that each of these phenomena can play within a broader enterprise ecosystem. Although the focus of this study is on fidelity entrepreneurship and the product resulting from EDA, specifically, other enterprises included under the entrepreneurship umbrella are also discussed briefly.



**Figure 6.1: The fallacious entrepreneurship umbrella**

This paper proceeds by going back to the conceptual drawing board to underscore the inceptive boundaries of the fidelity entrepreneurship domain. Key concepts are identified from extant literature and confirmed through the Delphi panellists’ personal definitions of “entrepreneurship”.

From this process, the boundaries for the fidelity entrepreneurship domain are drawn as: *opportunity, starting a venture, innovation, intention and ability to grow, independence, risk taking and reward beyond survival*. These boundaries of the fidelity entrepreneurship domain are now illuminated by firstly indicating how the concept was included in the inceptive entrepreneurship domain, and then briefly discussing how each boundary was redrawn following developments in the field of entrepreneurship research, in general, but also in the context of EDA, specifically.

### **6.7.2 Boundary 1: Opportunity**

Kuratko (2007) describes entrepreneurs as “*individuals who recognize opportunities where others see chaos, contradiction, or confusion*”. Entrepreneurship then becomes the act of identifying and exploiting these identified opportunities (Acs, 2006:97). Recognising and acting upon an opportunity are placed centrally in most attempts at defining the field of fidelity entrepreneurship, such as the oft-cited demarcation by Venkataraman (1997:120):

*“Entrepreneurship as a scholarly field seeks to understand how opportunities to bring into existence ‘future’ goods and services are discovered, created and exploited, by whom, and with what consequences”.*

This inceptive boundary was extended with the realisation that not all entrepreneurs are pulled toward entrepreneurship. In this regard, the construct “necessity entrepreneur” was introduced to refer to persons whose motive for being pushed into entrepreneurship is a lack of any options for work other than self-employment (Acs, 2006:97). It is important to note, however, that necessity entrepreneurs generally have lower economic outcomes, lower survival rates and a lower propensity for employment creation than opportunity entrepreneurs (Shane, 2009:144; Vivarelli, 2013:1474). Poole argues that the very notion of necessity-motivated entrepreneurs is questionable, because the concept of opportunity has to be central in any realistic model of entrepreneurship (2018:38).

In the Global South, where unemployment and poverty are rife, the term “necessity entrepreneurship” has been extended even further. The lack of opportunities in the wage sector pushes large numbers of unemployed persons into self-employment activities. These persons are not only unemployed, but often have few skills and limited capital, and starting some kind of enterprise is easier than finding an employer with a job to offer (Banerjee & Duflo, 2007:162). These enterprises mostly manifest as petty vendors who run their businesses as survival workshops that are unlikely to become profitable once the total labour cost is factored in (Kuada, 2015:153; Poole, 2018:38). These “entrepreneurs” are thus not regarded as drivers of economic growth (Naudé, 2011:34), and Banerjee and Duflo (2007:162) warn that these “*penniless*



*entrepreneurs*” should not be romanticised. Of all regions, Africa has the highest prevalence of necessity entrepreneurship. In 2016, the rate of early-stage entrepreneurial activity in South Africa that was necessity driven, was 23.6% (Herrington, Kew & Mwanga, 2016:27).

Based on the above, this paper proposes the following:

P1a: Identifying and acting on a real business opportunity is a boundary condition for the fidelity entrepreneurship domain.

P1b: Necessity-motivated enterprises cannot be considered “entrepreneurial” by default.

In the context of EDA, entrepreneurship support programmes (e.g. training, incubation, mentoring and funding) are implemented for individuals with little or no entrepreneurial experience and no other options for employment. This study argues that being a beneficiary of an EDA initiative *is* the opportunity and that the recognition and exploitation of a real business opportunity are unlikely. This study therefore further proposes the following:

P1c: The product of EDA is unlikely to identify and act upon a real business opportunity.

### **6.7.3 Boundary 2: Innovation**

Entrepreneurs create innovative insights for discovering and exploiting opportunities (both new and existing) and for solving problems (Botha, 2019:31). Higher degrees of creativity and innovation have proven a positive predictor of the survival and growth of enterprises (Vivarelli, 2013:1473) and also translate into a greater contribution to economic growth (Naudé, 2011:36). In fact, Naudé argues that “*the major conceptual approach toward defending the role of the entrepreneur in economic growth has been to see the entrepreneur as a conduit for innovation*”.

However, this border of the fidelity entrepreneurship domain has been extended to include the replication of existing enterprises (Baker & Welter, 2020:42). These replicative activities are unlikely to result in “*industrial revolutions and the consequent explosions in economic growth*” (Griffiths, Kickul, Bacq & Terjesen, 2012:613), and replicative entrepreneurship is not considered important for contributing to economic growth (Naudé, 2011:36).

Again, this boundary was extended even further in the context of EDA. Kuada (2015:159) describes the replicative self-employment activity of a large number of persons in the Global South:

*“Once news goes around that there is good money to be made by providing a particular type of goods or services and without a huge investment, many people will quickly flock into this line of business out of sheer necessity or to fulfil their lifestyle ambitions. They tend to enter businesses that may be said to lie at the low-end market segments – i.e. serving the bottom of the pyramid consumers. Their owners have low levels of expectations and ambitions and are therefore inattentive to opportunities for growth. The potential profitability of these businesses is low and this reduces their organic growth potentials.”*

Based on the above, this paper proposes the following:

P2a: Innovation is considered a boundary condition for the fidelity entrepreneurship domain.

P2b: The product of EDA is unlikely to create innovative new products or processes.

### **6.7.4 Boundary 3: Risk-taking**

There is an inherent personal and financial risk involved for persons embarking on the entrepreneurial process (Nieuwenhuizen, 2019:10). A number of innovative ideas never make it to the market, and even if they do, there is no guarantee that these ideas will make money (Baumol in Griffiths et al., 2012:615). Entrepreneurs can to some extent manage this risk by taking control of and being involved in the managing of the business. They can also reduce their financial risk by involving investors (Botha, 2019:30). Fidelity entrepreneurship remains a practice in which huge losses are risked (Baumol in Griffiths et al., 2012:615).

As per the definition, most EDA interventions are directed at unemployed persons with little or no other opportunities for employment. Persons starting a business when unemployed have a lower opportunity cost on their time than persons who leave their jobs to start a business (Shane, 2009:144). EDA programmes also often involve funding opportunities for the start-ups born from these interventions in the form of grant funding. There is thus little or no financial risk involved for the individual when becoming a beneficiary of an EDA programme, and the financial losses incurred by the beneficiary when the business fails can be considered insignificant. Rather, it is argued here that the access to funding for the start-up could be considered a financial reward by these beneficiaries who would otherwise be without an income. This absence of risk involved in participating in an EDA intervention may inform the dissensus from the Delphi panel (table 3).

Based on the above, this paper proposes the following:

P3a: Risk-taking is considered a boundary condition for the fidelity entrepreneurship domain.

P3b: EDA inherently reduces risk-taking by the beneficiary.

### 6.7.5 Boundary 4: Starting a venture

Venture creation is considered an integral attribute of fidelity entrepreneurship (Gartner, 1990:20). Although the questionnaires in rounds 2 and 3 did not explicitly ask the panellists' opinion on the theme of "starting a venture" (see table 1) eight of the 13 Delphi panellists in this study explicitly mentioned "starting a venture" in their personal definitions of entrepreneurship.

This boundary of the fidelity entrepreneurship umbrella has been extended to include activities that do not involve the creation of a new venture. A first extension is the inclusion of the construct of "corporate entrepreneurship" under the conceptual entrepreneurship umbrella. Corporate entrepreneurship refers to entrepreneur-like activities and traits exhibited by individuals in existing firms, even if these skills are not harnessed to start a business (Kaufmann & Dant, 1999:7). This boundary has also been extended to incorporate potential and nascent entrepreneurs under the entrepreneurship umbrella. Potential entrepreneurs are defined as persons who "*perceive good business opportunities and believe that they have entrepreneurial capabilities*" and nascent entrepreneurs refer to persons who "*intend to pursue a business opportunity within the next three years*" (Botha, 2019:27).

Examining the data on start-ups in South Africa, it becomes clear that the boundary of "starting a business" cannot be considered without considering the survival and growth of such businesses. South Africa's business discontinuance rate is higher than the established business ownership rate in the same period, implying that "*there are more businesses being closed, sold or otherwise discontinued than there are businesses being continued*" (Bowmaker Falconer & Herrington, 2020:12). Even if these start-ups do survive, 22.6% of early-stage "entrepreneurs" do not expect to create any additional jobs in the following five years. From the same group, 46.8% expect to create only between one and five new jobs, and a mere 30.6% expect to create six or more jobs over the next five years (Bowmaker Falconer & Herrington, 2020:19). Even if these start-up ventures do survive, they are unlikely to develop into high-growth ventures that enhance economic growth and contribute significantly to job creation (Audretsch, 2012; Hartmann, Krabbe & Spicer, 2019), a fact that was confirmed with consensus from the Delphi panel (table 2).

The creation of start-up ventures forms an integral outcome of EDA interventions. Development organisations' or government's contribution to "entrepreneurship development" is often measured and reported in terms of the number of new start-ups that have been created as a result of EDA interventions, assuming that these ventures will survive past three years and ultimately result in entrepreneurial ventures that contribute to economic emancipation and job creation. However, EDA is resulting in excess entry and excess failure (Hartmann et al., 2019). As per the definition,

EDA interventions are directed toward persons with little or no entrepreneurship experience. These low-skilled beneficiaries of EDA run ventures of low quality and low profit that are doomed to early failure (Vivarelli, 2013:1476). When these ventures do fail, they are abandoned and the founders of the start-up opt to enter the labour market (Plehn-Dujowich, 2010:378). When opportunities in the labour market are scarce, the founder will be necessitated to start yet another low-quality venture that is again doomed to early failure.

In this regard, the Delphi panellists reached consensus that the product of EDA is unlikely to survive past three years without ongoing mentorship and grant funding (table 2). The mere act of starting a business does not constitute “entrepreneurship”. It is only when this start-up moves inside the other boundaries of the fidelity entrepreneurship domain that it can be labelled “entrepreneurship”. Based on the above, this paper argues that, although a handful of start-ups (including those resulting from EDA) may develop into fidelity entrepreneurial ventures, start-up ventures cannot be included in the entrepreneurship umbrella from the onset and by default. It is proposed that:

P4a: Starting a venture can only be considered entrepreneurial once such a start-up meets the other boundary conditions for fidelity entrepreneurship.

P4b: The majority of start-up ventures in South Africa are unlikely to develop into high-growth ventures.

### **6.7.6 Boundary 5: Intention and ability to grow the business**

It is only through growing businesses that entrepreneurship has the potential to contribute significantly to economic development and job creation (Davidsson, Achtenhagen & Naldi, 2010), yet high growth ventures make up a very small number of ventures included under the conceptual entrepreneurship umbrella (Audretsch, 2012; Shane, 2009:145). In this section, a distinction is made between growth in terms of turnover and growth in terms of employment. A further distinction is made between the growth of the venture, the intention to grow the venture and the ability to grow the venture.

The boundary of “growing the business” was extended when researchers and observers realised that not all enterprises were predisposed to growth and their intention to grow could not be assumed (Douglas, 2013:633). Growth intention is defined as the intention to create a venture that will be substantially larger in subsequent time periods (Douglas, 2013:636). For a number of reasons, enterprises may deliberately refrain from exploiting opportunities to expand their firms (Wiklund, Davidsson & Delmar, 2003:247). Even if ventures show an intention to grow in terms of sales, it can also not be assumed that they intend to grow in terms of employment (Neneh &

Vanzyl, 2014:179). A case in point is the newer technology companies that are showing a decrease in employment as more services and functions are outsourced.

Many enterprises included under the entrepreneurship umbrella may not possess adequate internal resources to grow the business (Lau & Busenitz, 2001:9). Even if these enterprises indicate a desire to grow (Choto, Tengeh & Iwu, 2014:98), their ability to do so is questionable. The focus of these enterprises rarely go beyond survival, sales and profit rates, and their potential for growth thus remains limited (Nieuwenhuizen, 2019:11). Even if they do grow or intend to grow their enterprise, the cultural context shapes the way in which business resources are generated, leveraged and used (Baker & Welter, 2020:9; Kuada, 2015:150). Specifically, the importance that African societies place on traditional family structures has to be taken into consideration since it has two definite implications for the growth of enterprises in this context. Firstly, the family structures provide a reliable, flexible and cheap pool of labour. For this reason, ventures often contribute very little to job creation outside of the family network (Banerjee & Duflo, 2007:162; Kuada, 2015:151). Secondly, the small businesses in this context are often the only source of income for the extended family. Resources that are generated by the business are thus used to support weaker family members at a rate that “*outpaces their capacity to recoup them for growth*” (Kuada, 2015:151). In worst cases, the burden of unemployed family networks could even lead to the collapse of these small businesses. These factors are important to take into account in the context of the Global South, where policymakers are desperate for solutions to the unemployment crisis and employment growth has become synonymous with any mention of growth and growth intention (Neneh & Van Zyl, 2014:175).

The Delphi panellists did not reach a consensus (table 1) that growing an enterprise in terms of turnover or jobs is a boundary of the fidelity entrepreneurship domain, since enterprises may at times deliberately choose not to expand their firms. They did, however, reach a consensus that to be considered entrepreneurial, an enterprise should indicate an intention to grow in terms of turnover (table 1). The panel also reached a consensus that (provided they survive) the product of EDA is unlikely to grow in terms of turnover year on year (table 3). Furthermore, five of the panellists were of the opinion that the product of EDA is likely to create employment for the owner only, while four panellists were of the opinion that such product is likely to create employment for the owner and their immediate family. Only four panellists were of the opinion that the product of EDA is likely to create employment outside of the owner’s family.

Based on the above, this paper proposes the following:

P5a: The ability to grow the business when the intention is there is considered a boundary condition for the fidelity entrepreneurship domain.

P5b: EDA is unlikely to produce ventures that have the intention and/or ability to grow beyond employing immediate family members.

### **6.7.7 Boundary 6: Reward beyond mere survival**

The term “reward” as used here refers to profit or an increase in the value of the business (Nieuwenhuizen, 2019:10), not reward in terms of personal satisfaction. This boundary of the fidelity entrepreneurship domain was extended to include endeavours that are not profit seeking, but rather socially driven (Kaufmann & Dant, 1999:7). The purpose of these social enterprises is not simply to generate revenue or maximise profits, but rather to fulfil a social need through commercial activity. These enterprises thus produce goods and services in response to a lack of facilities and services in a community (Di Domenico, Haugh & Tracey, 2010:682). Different from non-profit organisations that rely on donations and philanthropy for an income, social enterprises pursue revenue-generation strategies through trading (Di Domenico et al., 2010:682).

This boundary of the fidelity entrepreneurship domain was also extended further with the introduction of survivalist enterprises. As with necessity-motivated entrepreneurs, survivalists are pushed into self-employment due to the lack of opportunities in the wage sector. However, the income levels of these survivalists generally remain below the minimum poverty line and is just enough for their daily upkeep and survival (Kuada, 2015:154). Amsden (2010:60) calls this the act of people hiring themselves at starvation wages. Apart from survival, the income generated by these ventures can be considered too small to be regarded as financial reward. As one of the panellists commented in the third round: “*In my experience ‘meaningful employment’ is survivalist in nature. You need to eat*”. In this regard, the Delphi panel reached consensus that survivalist enterprises cannot be included under the entrepreneurship umbrella by default (table 2).

Based on the mainstream entrepreneurship ideology, EDA is sold to and desired by marginalised communities in the Global South as a guaranteed ticket out of poverty and a guaranteed road to riches. In reality, however, barely one in four start-ups in South Africa survive past their first three years of existence. Even if they do survive, they are unlikely to develop into enterprises that yield high financial rewards. Failure is likely and success remain elusive (Hartmann et al., 2019). EDA fails to take into account the potential devastating psychological effects on the so-called beneficiaries of the improbability of the product of EDA to survive or develop into high-growth ventures. Against this background, this paper argues that the product of EDA is not producing the

rewards that it is promising and that the beneficiaries of EDA are better off not pursuing “entrepreneurship” in the first place (Hartmann et al., 2019). In fact, the panellists reached a consensus that if beneficiaries of an EDA intervention were to receive an employment offer in the form of a meaningful job, they are likely to leave the venture born from EDA to pursue the opportunity (table 3). The beneficiaries likely view an opportunity for full-time employment as more rewarding than the opportunity to start and run a business.

Based on the above, this paper proposes the following:

P6a: For fidelity entrepreneurship to exist, the reward has to go beyond mere survival.

P6b: Survivalist enterprises cannot be included under the entrepreneurship umbrella by default.

P6c: EDA beneficiaries prefer an opportunity for full-time employment above the opportunity to start and run a business.

P6d: The product of EDA is unlikely to deliver reward beyond survival.

### **6.7.8 Boundary 7: Independence and autonomy**

Entrepreneurs are generally individuals who have a high degree of autonomy who believe that they can control and influence the outcome of their own actions (Botha, 2019:30). Furthermore, the creation of an enterprise requires resources and fidelity entrepreneurship employs a range of tools and strategies (e.g. networking, bootstrapping and bricolage) to garner these resources – even in resource-poor environments (Di Domenico et al., 2010:683). This boundary was extended by including ventures (survivalists) that do not exhibit economic independence (Botha, 2019:28).

The start-ups resulting from EDA often remain operating in a zone of insolvency, dependent on externally provided resources and are bound by an external locus of control through blame of and dependence on others (Pretorius et al., 2021). EDA is unlikely to contribute to economic growth and job creation (Vivarelli, 2013:1476), and is more likely create ventures that, if they survive, remain dependent on grant funding and business rescue interventions to keep the business afloat (Pretorius et al., 2021). In this regard, the Delphi panellists reached a consensus that the product of EDA is likely to remain dependent on mentorship and grant funding for survival (table 3).

Based on the above, this paper proposes the following:

P7a: Independence and autonomy are considered boundary conditions for the fidelity entrepreneurship domain.

P7b: The product of EDA is unlikely to become dependent and autonomous.

### **6.7.9 Other enterprise types included under the entrepreneurship umbrella**

Although this study focuses on fidelity entrepreneurship and the product of EDA, the researchers utilised the commitment from the expert panellists to explore their opinions on other venture types that are currently included under the entrepreneurship umbrella in the second round questionnaire (see table 2). There was only one question pertaining to each of these enterprises in the round 2 questionnaires. The consensus was reached in the second round, and the questions were not repeated in the third round.

Not all small businesses can be considered entrepreneurial ventures, yet the term has become synonymous with entrepreneurship (Griffiths et al., 2012:612). Although small businesses are related to the field of entrepreneurship in that they require entrepreneurial action for start-up, they rarely appear interested in innovation, growth and reaching certain strategic objectives but rather focus on survival, sales and profit targets (Nieuwenhuizen, 2019:11). With consensus from the Delphi panellists, this paper proposes the following:

P8a: Small business is a type of enterprise, but it is fallaciously included under the entrepreneurship umbrella.

Micro-enterprises are also included under the current conceptual entrepreneurship umbrella. It is defined as an enterprise with less than ten employees but is often merely self-employing. Bygrave suggests that we fool ourselves when we say that we are researching “entrepreneurship” when we are in fact studying “micro business” (Bygrave, 2007:26). Again, a handful of these micro-enterprises may potentially develop into entrepreneurial ventures by migrating into the boundaries of the fidelity entrepreneurship domain. However, this study proposes the following:

P8b: Micro-businesses is a type of enterprise, but it is fallaciously included under the entrepreneurship umbrella.

This mainstream conceptualisation of entrepreneurship also ignores a number of important distinctions between the concepts “entrepreneurship” and “self-employment” and largely present them as synonyms (Bögenhold, 2020:20; Griffiths et al., 2012:612). Self-employment *can* fall within some of the fidelity entrepreneurship boundaries, but all self-employment cannot be classified as “entrepreneurship” by default (Kuada, 2015:159). Bögenhold (2020:30) strongly argues that “*the*



*equation of self-employment with an unclear definition of entrepreneurship should not be taken further*". In agreement with critical literature and supported by the Delphi panel, this paper thus proposes the following:

P8c: Self-employment cannot be included under the fidelity entrepreneurship umbrella or an enterprise umbrella from the onset and by default.

## 6.8 A NEW CONCEPTUAL FRAMEWORK FOR THE ENTERPRISE UMBRELLA

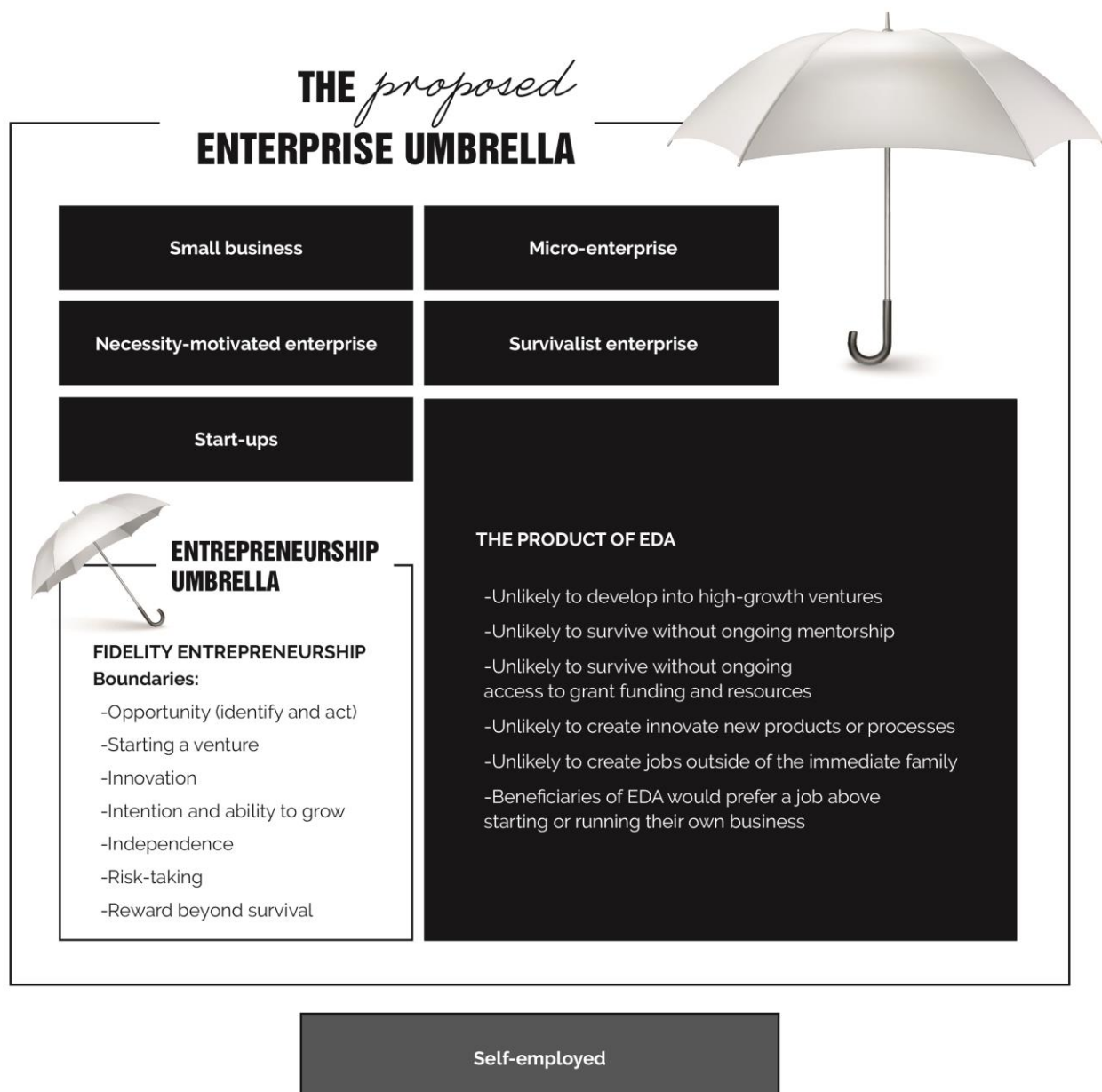


Figure 6.2: The proposed enterprise umbrella

## 6.9 DISCUSSION OF FINDINGS

This paper inadvertently confirms the terminology confusion inherent in the mainstream entrepreneurship discourse. The terminology confusion initially presented an obstacle for applying the traditional Delphi methodology by aiming to reach consensus through the bandwagon effect

where panellists would conform to the majority opinion (even if not necessarily agreeing with it). However, this very obstacle emphasised the argument that it has become imperative to revisit the term “entrepreneurship” as it is currently, fallaciously, presented (figure 1). When value-laden terms like “entrepreneurial” were used in round 2, the panel was not able to agree on (seemingly straightforward) issues. Because of the lack of agreement on key terminology, the generic terms possibly meant something different to each of the panellists. When the same issues were raised in round 3, but using specific examples instead of generic terms like “entrepreneurial”, the panel was in agreement on a number of key issues without driving the “bandwagon consensus” through a follow-up questionnaire. The higher consensus and lower standard deviation in table 2 illustrate this. This paper thus confirms that the terminology confusion and lack of clearly defined boundaries are contributing to a weak paradigm for entrepreneurship theory. This is in turn leading to political hegemony (chapter 3) and epistemic violence (chapter 4).

In this regard, this study was able to underscore the restrictive impact of the current mainstream theoretical conceptualisation of “entrepreneurship” on theory development. This terminology confusion brought about when a number of diverse phenomena are lumped together under the same theoretical umbrella may be at the heart of the theoretical impasse in mainstream entrepreneurship theory. By revisiting the inceptive boundaries of the entrepreneurship domain and clearly demarcating the boundaries of the fidelity entrepreneurship domain, this paper argued that a number of phenomena are currently erroneously classified as “entrepreneurship”. It responded by proposing an alternative conceptual framework for enterprise theory that detaches a number of concepts from the ideologically loaded term “entrepreneurship” (figure 2).

When related phenomena are not equalled to fidelity entrepreneurship, but rather roughly linked to entrepreneurship under the enterprise umbrella, it challenges the meta-theoretical assumption that anything and everything previously labelled “entrepreneurship” is essentially the same activity. It also challenges the assumption that all types of enterprises included in the mainstream entrepreneurship umbrella are equally able to contribute to economic growth and job creation.

Clearly demarcating the boundaries of what entrepreneurship is, leads to a clear understanding of what entrepreneurship is *not*. This does not mean that “un”trepreneuried phenomena do not fulfil important economic and social roles. It does, however, create realistic expectations of what the role of each of these phenomena can be within a broader enterprise ecosystem.

This newly proposed enterprise theory umbrella provides a departure point for critical dialogue in the scholarly discourse relating to EDA, in particular, and the meta-theoretical conceptualisation of the fallacious entrepreneurship umbrella, in general. This newly presented enterprise umbrella

challenges the question “why do aeroplanes not lay eggs?” with the answer “because they are not birds”.

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## **6.10 LIMITATIONS AND FUTURE RESEARCH**

As presented in this research, this is an introductory Delphi study that aims to stimulate debate and introduce a new narrative for the entrepreneurship discourse, in general, and the product of EDA, in particular. This study is not without limitations and future research can build on the findings in this study.

Firstly, the panel was limited to 13 specialists. This size of the sample is too small to pursue significance; however, this was not the aim of this study. Secondly, only four of the panellists indicated that they had knowledge in the field of critical entrepreneurship studies. Although the background and aim of the study were clearly set out in the cover letter preceding the second-round questionnaire, the questions were phrased in a way that elicited a response from the panellists without them having to agree with the premise that the current conceptual entrepreneurship framework has to be revisited and potentially rejected. Future studies can extend to a broader panel of critical entrepreneurship scholars that explicitly reject the mainstream conceptual entrepreneurship framework. Such a panel may, however, likely span diverse nationalities, which may present other challenges. Thirdly, only two of the panellists indicated that they were practically involved with EDA interventions. Future studies can extend to a panel of EDA practitioners.

Another limitation is the fact that there were no explicit questions on the questionnaires in rounds 2 and 3 that address the theme of “reward” and “starting a business”, and the findings were inferred from open-ended responses and extant literature. Future research can explicitly explore these themes.

During the second-round questionnaire analysis the researchers considered that the study may potentially benefit from additional rounds to drive consensus through the panel conforming to the majority opinion. An online discussion with the beneficiaries (as is sometimes done with a modified Delphi process) was also considered. However, the researchers opted to respect the fact that the panellists had committed to the process based on the assurance that it would be limited to three iterative rounds. The trends observed in these three rounds of this Delphi process suggest that a follow-up study is warranted.

This study focused specifically on the product of EDA. Future research may also demarcate boundaries for other enterprises, indicating how these enterprises may be related to fidelity entrepreneurship yet cannot be considered synonymous with fidelity entrepreneurship.

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## 6.11 SUMMARY

The inceptive boundaries of the umbrella term “entrepreneurship” have been expanded to incorporate more or less all of humanity. The entrepreneurship discourse has turned everything into entrepreneurship and everyone into an entrepreneur. The term “entrepreneur” invokes an ideological image with definite characteristics and activities, and these assumed characteristics are extended to all concepts included under the entrepreneurship umbrella. In doing so, the same results are expected from any and all types of practices included in the conceptual entrepreneurship framework. This terminology confusion drives the knowledge claim that anything that is included under the conceptual entrepreneurship umbrella is essentially the same activity. Specifically, everything included under the entrepreneurship umbrella is presented as the panacea for poor economic growth and job creation.

Based on this umbrella assumption, EDA interventions are implemented in marginalised communities across the Global South, who believe it to be a guaranteed ticket out of poverty, a passport to economic emancipation, a catalyst for growth and a vehicle for the redress of past injustices. The entrepreneurship umbrella and the resulting umbrella assumption create the impression that these EDA interventions will produce a large number of successful, high-growth entrepreneurial ventures that will lead to economic emancipation for the beneficiaries *and* create a significant number of jobs.

From a critical standpoint, it is becoming evident that “entrepreneurship” should not be used as an umbrella term, assuming that anything labelled as or linked to entrepreneurship is essentially the same activity. The entrepreneurship ideology fails to recognise that only a handful of practices that are supported as “entrepreneurship” will in fact contribute to economic growth and job creation. In a development context, specifically, the product of EDA is proving unlikely to create any upward mobility for the marginalised communities it aims to emancipate, close the gap between rich and poor, or contribute significantly to job creation and economic growth.

A number of scholars have attempted to address this terminology confusion by highlighting the heterogeneous nature of or presenting different typologies for “entrepreneurship”. However, these studies fail to reject the meta-theoretical conceptualisation of the entrepreneurship umbrella and still present this hodgepodge of loosely related activities under the same theoretical framework: entrepreneurship. This study argues that mainstream entrepreneurship theory has reached an impasse in this regard. It further argues that the umbrella assumption has become inseparable from the ideologically loaded term “entrepreneurship”. Merely refining the typologies and renaming categories without unbundling the entrepreneurship umbrella do not challenge the core assumption that everything and anything included under this conceptual umbrella is essentially the same, heroic activity that will contribute significantly to economic growth, job creation and emancipation of

the marginalised. The ideological image invoked by the word “entrepreneur” has become so embedded in mainstream public and scholarly discourse that a reinvention of the term would be near impossible and, if possible, would take too long.

Rather, this paper addresses this terminology confusion and resulting assumptions by rejecting the entire meta-theoretical conceptualisation of entrepreneurship. It presents a framework for enterprise theory, an umbrella that includes loosely related phenomena such as, *inter alia*, micro-enterprises, necessity-motivated enterprises, the product of EDA and fidelity entrepreneurship. The boundaries for the fidelity entrepreneurship phenomenon (one of a number of phenomena included under the newly presented enterprise umbrella) are clearly demarcated. Phenomena that fall outside of these boundaries are “un”trepreneuried and presented as phenomena that can be studied from an enterprise theory perspective, but not from an entrepreneurship theory perspective. Doing so does not imply that these “un”trepreneuried phenomena deserve any less scholarly interest. These enterprises fulfil important economic and social roles, albeit different roles than those expected of fidelity entrepreneurship. Rather, unbundling and reconceptualising the fallacious entrepreneurship umbrella creates realistic expectations of what the role of each of these phenomena can be within a broader enterprise ecosystem. To open the dialogue, this study also presents realistic expectations for the product of EDA.

This study moves beyond the impasse in the mainstream entrepreneurship paradigm by proposing an alternative umbrella for enterprise theory. This new umbrella stimulates a new narrative about the (in)ability of “entrepreneurship” (and EDA specifically) to contribute to economic growth and job creation.

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## **CHAPTER 7:**

### **SUMMARY AND CONCLUSIONS**

Entrepreneurship is widely considered one of the most promising fields in management research (Ogbor, 2000:614). Research and theory development into the drivers of entrepreneurship abound and various theoretical currents have emerged (da Costa & Silva Saraiva, 2012:588), and the bulk of this mainstream entrepreneurship research paints it as positive economic activity (Calás, Smircich & Bourne, 2009:552; Naudé, 2011). “The entrepreneur” is painted as a virtuous superhero and has been elevated to celebrity status (Luiz, 2010:63; Williams & Nadin, 2012:297). The grand narrative is that entrepreneurs play an irreplaceable role in the machine of the economy and that the entrepreneurial enterprise is the only possible model for generating wealth, income and employment in society (da Costa & Silva Saraiva, 2012:609). As a mechanism of capitalism, entrepreneurship promises increased prosperity without limits for everyone (Fairclough, 2013:16). It is promoted as the key driver for both economic and personal growth (Verduijn & Essers, 2013:612). This mysterious image of superhero entrepreneurs is reinforced by the media, government and scholars alike (Verduijn & Essers, 2013:614).

Based on this narrative, entrepreneurship has been extended as a development apparatus, specifically in the context of the Global South, where job creation and poverty alleviation are dire needs. The term entrepreneurship as a development apparatus (EDA) is introduced in this study to refer to the practice where entrepreneurship support programmes (such as training, incubation, mentoring and funding) are implemented for individuals with little or no entrepreneurial experience, especially in economically marginalised communities, with few or no options for employment, based on the assumption that such interventions will result in high-growth entrepreneurial ventures that create a significant number of meaningful jobs. EDA is hailed as the panacea for the lack of job creation and poor economic growth globally, yet it fails to create any empowerment or upward mobility for the marginalised communities it aims to emancipate and does not contribute significantly to job creation (Honig, 2017:453; Naudé, 2011; Shane, 2009).

The uncritical, performative entrepreneurship narrative has normalised the assumption that anything and everything labelled “entrepreneurship” is positive economic activity that is necessarily a successful vehicle for economic growth and job creation. Any failure of entrepreneurship to deliver on this promise is viewed from a positivist, performative perspective. The very theoretical grounding and conceptualisation of the mainstream entrepreneurship ideology are never questioned. In other words, the assumption is that anything and everything labelled “entrepreneurship” is a desirable given, and research remains limited to studies that contribute to the improved effectiveness or that build a better model or understanding of the entrepreneurship phenomenon.

Critical entrepreneurship studies (CES), a term first used in 2009, is an extension of the broader field of critical management studies (CMS). The nascent field of CES posits that the entrepreneurship ideology imposes *a priori* and taken-for-granted definitions and meta-theoretical assumptions onto an ambiguous social reality (Alvesson & Deetz, 2000:55; Alvesson & Willmott, 2003:23; Urban, 2010:42). These assumptions discussed broadly in chapters 3 and 4, include, *inter alia*, presenting “entrepreneurship” and “the entrepreneur” as homogenous concepts, the dominance of the positivist paradigm, the failure to position entrepreneurship as a social phenomenon, claims that anyone can be a successful entrepreneur, and the extension of entrepreneurship – a capitalist mechanism – into a development context. Only a small number of studies have questioned these presupposed foundations of entrepreneurship theory to engage openly with the dark sides of entrepreneurship – the contradictions, the paradoxes, the ambiguities and tensions (da Costa & Silva Saraiva, 2012:588; Örténblad, 2020:2; Shepherd, 2019:218; Tedmanson, Verduyn, Essers & Gartner, 2012:532; Verduijn & Essers, 2013:615, 627).

Departing from the meta-theoretical assumptions underlying the entrepreneurship ideology, this study answered the call to place mainstream entrepreneurship theory under ideological scrutiny (Ogbor, 2000:611). It reframed mainstream entrepreneurship theory in general – and EDA in particular – in a critical, reflective conceptual space that aimed to answer the following research question: what insights into the failure of entrepreneurship to contribute significantly to economic development and job creation in the Global South can be gained by presenting entrepreneurship as a development apparatus? In examining this question, this study contributed theoretically by departing from meta-theoretical assumptions in current mainstream entrepreneurship research and adding a voice to the nascent field of critical entrepreneurship studies. It also contributed practically by moving the current discourse on job creation beyond the constraints of the taken-for-granted mainstream entrepreneurship paradigm.

When the assumptions in an ideology (often embedded in the mainstream discourses) are identified, it reveals what to be critical about (Ahl, 2007:221). The first aim of this study was therefore to identify the current assumptions in the South African entrepreneurship discourse and determine if and how these assumptions have become normalised in the South African discourse. This was done in chapters 3 and 4 (papers 1 and 2) by conducting critical discourse analyses on both the public and the scholarly discourses relating to the assumed causal relationship between “entrepreneurship” and job creation on the one hand, and “entrepreneurship” and economic growth on the other.

Chapter 3 (paper 1) set out to answer the research question: is this conventional entrepreneurship ideology producing a discourse in South Africa that is promoting political hegemony? From the critical media discourse analysis in this chapter, the following propositions were formulated:

- P1: The South African media discourse reproduces the mainstream entrepreneurship knowledge claim that any and all types of entrepreneurial activity are essentially the same.
- P2: The South African media discourse reproduces the mainstream entrepreneurship knowledge claim that entrepreneurship will lead to economic development and job creation.
- P3: The knowledge claim that entrepreneurship leads to economic development and job creation has become normalised in the South African discourse.
- P4: The dominance of the mainstream discourse on entrepreneurship is opening the way for political hegemony in a South African context.

Chapter 4 (paper 2) built on the findings in chapter 3 by identifying if and how the dominant assumptions and discursive practices in the mainstream entrepreneurship discourse are extended to the scholarly discourse in the Global South. Based on the findings of this critical discourse analysis, the following propositions were formulated:

- P1: The paradigmatic grounding and methodology of mainstream entrepreneurship theory are extended to and replicated in a South African context.
- P2: The paradigmatic grounding of the South African discourse on entrepreneurship fails to interrogate the assumptions inherent in the mainstream entrepreneurship ideology.
- P3: The scholarly entrepreneurship discourse draws heavily on the need for job creation to legitimise its existence in South Africa.
- P4: The obfuscation of terms in the public discourse on entrepreneurship is an extension of the obfuscation of terms in the scholarly entrepreneurship discourse in South Africa.
- P5: The obfuscation of terms in the scholarly entrepreneurship discourse is obscuring the fallacious assumptions inherent in the mainstream entrepreneurship theory.
- P6: The scholarly entrepreneurship discourse is complicit in epistemic violence toward marginalised communities in South Africa.
- P7: The entrepreneurship ideology is legitimising the inequalities and hegemonic power relations brought about by the entrepreneurship discourse in South Africa.

The abysmal failure of entrepreneurship to contribute significantly to job creation and economic development implores the scholarly community in the Global South to abandon the core assumption that entrepreneurship (in all its defined manifestations) is a successful vehicle for economic development and job creation. By continuously presenting this assumption as academic knowledge, the scholarly community influences development policy, yet the policy does not create any upward mobility for the economically marginalised it claims to emancipate. The unemployed and impoverished thus fall victim to unfit policies, which are in turn fuelled by academic knowledge claims. In this regard, the scholarly community is accused of epistemic violence. An appropriate

response to this accusation would be to become appropriately sceptical of the perceived ability of the mainstream entrepreneurship paradigm to answer questions about economic development beyond the context within which it was developed.

A critical performative study should not only focus on what is wrong within an institution, but should actively and subversively intervene to transform these wrongs (Fairclough, 2013; Spicer, Alvesson & Kärreman, 2009). This study thus shifted from a critical to a normative stance in chapters 5 and 6 (papers 3 and 4). Chapter 5 (paper 3) introduced the concept entrepreneurship as a development apparatus (EDA) to inform the inability of entrepreneurship to contribute significantly to economic emancipation and job creation in the Global South. In doing so, it highlighted the influence of specific contextual elements on mainstream assumptions about entrepreneurship in the Global South.

Drawing from the rich and advanced development theory and post-development theory debates, this chapter argued that the current theoretical entrepreneurship paradigm has proven unable to provide answers to the failure of EDA. The main arguments of post-development theory were laid out and applied to EDA. In doing so, the assumptions inherent in mainstream entrepreneurship theory – specifically in relation to EDA – were highlighted, showing that insight can be gained when the critical debate on entrepreneurship is moved beyond the constraints of the mainstream entrepreneurship paradigm.

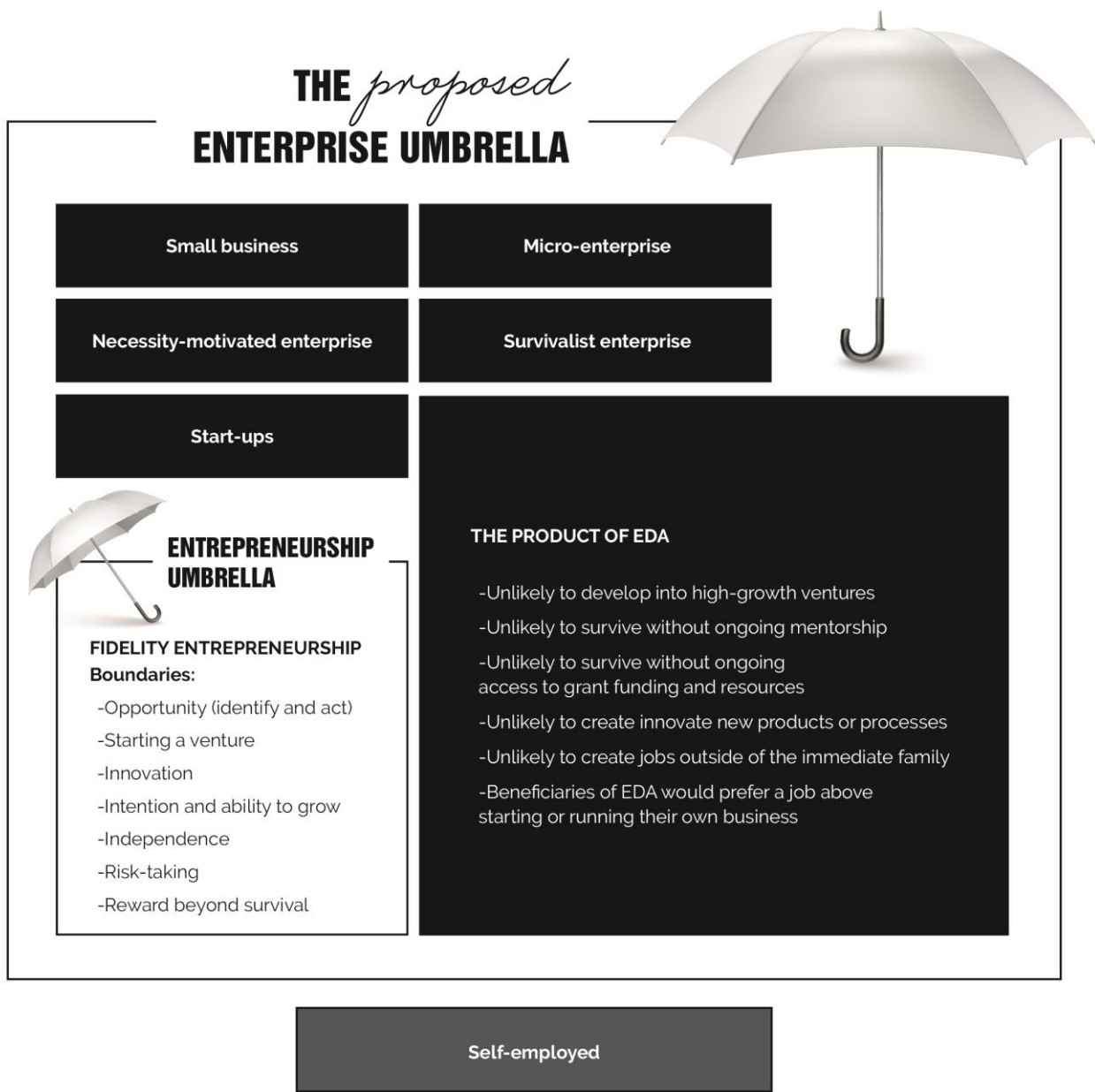
Chapter 5 (paper 3) then came to the following conclusions:

- The current conceptual framework of entrepreneurship is grossly inadequate to explain the complexity of the EDA phenomenon.
- EDA is and will remain unable to lift marginalised communities in South Africa out of poverty and close the gap between rich and poor.
- Through continuing to sell EDA as an instrument of emancipation to marginalised communities, the mainstream entrepreneurship narrative is making itself guilty of sowing seeds of discontent.
- Alternatives to EDA as a vehicle for job creation and economic growth have to be sought within the endogenous, non-dominant modernities.
- The ideology that anyone and everyone could become a successful entrepreneur is not only based on fallacious assumptions, but the impact of this ideology on the environment would be devastating.
- Including EDA in the broader entrepreneurship framework is an attempt to legitimise the field and fails to contribute to upward mobility for the so-called beneficiaries.
- EDA is limiting the freedoms of the very groups it is aiming to emancipate and is doing more harm than good.



- The further implementation of entrepreneurship development projects in the name of emancipation and liberation of the economically marginalised is not justified.

The reigning narrative relating to the panacea status of EDA cannot be challenged when the naturalised assumptions in the mainstream entrepreneurship discourse are not challenged. This chapter thus called for the denaturalisation of the EDA narrative, similar to what post-development theorists call the “unmaking” of development (Harcourt, 2017:2705). The first step in this direction (and the final aim of this study) was to challenge the meta-theoretical conceptualisation of entrepreneurship by presenting an alternative conceptual framework to pursue entrepreneurship and EDA in chapter 6 (paper 4) (see figure 7.1).



**Figure 7.1: The proposed enterprise umbrella**

Chapter 6 (paper 4) argued that the current, ever-growing conceptual framework of mainstream entrepreneurship theory is proving grossly inadequate to explain the complexity of the EDA phenomenon, and continuously redefining entrepreneurship to include any and all types of social phenomena will not bring the paradigmatic break and new narrative needed to move beyond the failure of EDA. It argued that the ideological image evoked by the word “entrepreneur” has become so embedded in mainstream public and scholarly discourse, that a reinvention of the term would be near impossible and, if possible, would take too long. This chapter addressed the terminology confusion and resulting assumptions inherent in mainstream entrepreneurship theory by unbundling and reconceptualising the fallacious entrepreneurship umbrella and detaching related concepts from the loaded term “entrepreneurship”. It presented a framework for enterprise theory, an umbrella that includes loosely related phenomena such as, inter alia, micro-enterprises, necessity-motivated enterprises, the product of EDA and fidelity entrepreneurship. The boundaries of the fidelity entrepreneurship phenomenon (one of a number of phenomena included in the newly presented enterprise umbrella) were clearly demarcated. Phenomena that fall outside of these boundaries were “un”trepreneuried and presented as phenomena that can be studied from an enterprise theory perspective, but not from an entrepreneurship theory perspective. Doing so does not imply that these “un”trepreneuried phenomena deserve any less scholarly interest. These enterprises fulfil important economic and social roles, albeit different roles than those expected of fidelity entrepreneurship. Rather, unbundling, renaming and reconceptualising the fallacious entrepreneurship umbrella create realistic expectations of what the role of each of these phenomena can be within a broader enterprise ecosystem. This paper demarcated the boundaries for the fidelity entrepreneurship domain, and established whether the product of EDA was likely to fall within these boundaries. With the input from a Delphi panel of 13 experts, the following conclusions were reached:

- Identifying and acting on a real business opportunity is a boundary condition for the fidelity entrepreneurship domain, but the product of EDA is unlikely to meet this boundary condition.
- Innovation is considered a boundary of the fidelity entrepreneurship domain, but the product of EDA is unlikely to create innovative new products or processes.
- Risk-taking is considered a boundary of the fidelity entrepreneurship domain, but EDA inherently reduces risk-taking by the beneficiary.
- Starting a venture can only be considered entrepreneurial once such a start-up meets the other boundary conditions for fidelity entrepreneurship. Furthermore, the majority of start-up ventures in South Africa are unlikely to develop into high-growth ventures.
- The ability to grow the venture when the intention is there, is considered a boundary condition for fidelity entrepreneurship, yet EDA is unlikely to produce ventures that have the intention and/or ability to grow beyond employing immediate family members.

- For fidelity entrepreneurship to exist, reward has to go beyond mere survival, but the product of EDA is unlikely to deliver reward beyond survival. What is more, EDA beneficiaries prefer an opportunity for full-time employment above the opportunity to start and run a business.
- Independence and autonomy are considered a boundary condition for the fidelity entrepreneurship domain, but the product of EDA is unlikely to become dependent and autonomous.

The paper also proposes that necessity-motivated enterprises, survivalist enterprises, micro-enterprises and small business cannot be classified as entrepreneurship from the onset and by default. These enterprises form part of the enterprise ecosystem, but can only be considered “entrepreneurial” once the boundary conditions for fidelity entrepreneurship are met. Similarly, self-employment cannot be used as a synonym for entrepreneurship because it does not meet a number of the boundary conditions of the fidelity entrepreneurship umbrella.

This study challenged the ruling discourse on entrepreneurship in general – and EDA in particular – and moved it beyond the constraints of mainstream entrepreneurship theory. It illustrated that, when EDA is investigated through a critical lens, the gross assumptions in the mainstream discourse become apparent and asking critical questions becomes inevitable. It highlighted the restrictive impact of the current mainstream theoretical conceptualisation of “entrepreneurship” and introduced an alternative conceptual framework for rethinking entrepreneurship theory.

By rejecting and defamiliarising a number of taken-for-granted assumptions in the mainstream entrepreneurship discourse, this study presented unexplored insights into the failure of “entrepreneurship” to live up to its promise of job creation. These insights offered introductory arguments into an unavoidable (and arguably overdue) reconceptualisation debate that is needed to move entrepreneurship theory past the current theoretical impasse, and to move the job-creation debate beyond the constraints of mainstream entrepreneurship theory.

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