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Sketching a philosophy of entrepreneurship

Daniel Hjorth

Philosophy is the movement of thought to the virtual fringe of things. [...] philosophy rigs thinking to make singular connections in fictional anticipation of their actualization.

(Massumi 2002a: 242)

Why do we need a philosophy of entrepreneurship?

What does it mean to approach the task of sketching a philosophy of entrepreneurship as if such a philosophy is needed and doable? At a minimum it would need to mean that such a task is inscribed in a genealogy of pursuits that lend to it a shimmer of legitimacy and potentiality. Previous efforts, similar in kind, suggest that attending to the philosophical issues that are immanent to the what- and how- questions and problems dealt with within a particular ‘discipline’ represents an important learning per se. We thus have philosophies of management (a journal published by Libri Publishing; books, e.g. Sheldon and Thompson 2003; conferences in 2012 organized by St Anne’s College in Oxford), philosophies of organization (Koslowski 2010; Krijnen and Kee 2009; Spoelstra 2007) and of leadership (a topic that includes Socratic parrhesia; Augustinian Confessions; Machiavelli’s The Prince; as well as recent and much more instrumental guides to how to motivate your employees). In addition, we have philosophy and books, such as Philosophy and Organization (Jones and ten Bos 2007).

Why would a philosophy of entrepreneurship be needed? This question is perhaps best answered by repeating what philosophy does. In the opening quote Massumi articulates this answer in a way I find resonant with what entrepreneurship does: whereas philosophy takes thought to the virtual fringe of things, entrepreneurship takes action to the virtual fringe of things. The point is not to suggest thinking is not an activity (cf. Melser 2004). The point is to answer the question why a philosophy of entrepreneurship is needed by pointing out that philosophy and entrepreneurship share an agenda: to move beyond the present limit of the actual. Whereas philosophy, according to Massumi (2002a: 242), ‘rigs thinking to make singular connections in fictional anticipation of their actualization’, entrepreneurship rigs action to make concerted connections in fictional anticipation of actual actionable value potentials. That is,
entrepreneurship creates actual value potential for users to act upon. This act on the part of the user can be a purchase decision. Such an act makes the user (of this potential) into a consumer. The offer – what is there to consume – is the value potential. The decision to purchase means the value of the offer is greater (to the user) than the price at which it can be purchased. An mp3 player, when it first appeared, represented a value offer for a user. Economists interpret the act to purchase it for, say, $200 as the result of an economic decision: my ownership and use of the mp3 player is worth more to me than the price at which it is offered. We all know the economic basis for a purchase decision is but one of many, where aesthetic, social, political and psychological grounds often are of greater importance for explaining the decision to buy. The point here is simply to exemplify entrepreneurship as this social creation process that rigs action in fictional anticipation of actual actionable value potential. For this we have suggested that fabulation (narratively performed imagination; Hjorth 2013) and organization creation (Gartner 2012; Hjorth 2010, 2012a, 2012b) are central. Seeing entrepreneurship as part of the central forces shaping society also makes its philosophy important as it provides concepts for how to reflexively think about this entrepreneurship–society relationship.

How is actionable value potential actualized then? Actualization, which has no resemblance to actual models, progresses via differentiation – it creates an original organizational coherence in which new value in turn can be actualized (Hardt 1993). This is creation as no order stands model. This is also why it is driven by fictional anticipation – imagination has to provide the images of what could become actual. We are not yet in the realm of economy here, where we find concepts like risk, uncertainty (Knight 1921) and ambiguity (the latter already at the border of economic thought). Rather, this is thinking’s groping after what is not yet there, a becoming sensible of thought. Imagination, Massumi suggests (2002a: 134) can also be called intuition (philosophical intuition concerns that for which there are no facts as yet available; Hofmann 2010), or a feeling of thought groping after the un-thought, a movement in the freedom of the postinstrumental and preoperative.1 This is where we find entrepreneurship’s white canvas (Hjorth 2003), its entre-space (Steyaert 2000) and its space for play (Hjorth 2005). This is thus another way in which we arrive at thinking’s challenge in entrepreneurship studies: our study centres on how action is rigged, through social processes of organization creation, in fictional anticipation of actual actionable value potential. There are connections to Kirznerian alertness (if we think this upstream into imagination or intuition) and Shackle (see Popp and Holt 2013) who, when rereading economy and history, stress inceptive thought, a concept that comes close to what we have described above as fictional anticipation.2 Philosophy shares this interest with us, and we have much to learn from this ‘partnership’.

**Genealogically arriving at thinking’s challenge**

Sketching a philosophy of entrepreneurship requires, as a way to arrive at what is central for such a task, a genealogical endeavour in the sense of an effort

> that attempts to restore the conditions for the appearance of a singularity born out of multiple determining elements of which it is not the product, but rather the effect. A process of making it intelligible but with the clear understanding that this does not function according to any principle of closure.

(Foucault 2007: 64)

The purpose with such an inquiry is to answer the question of how the knowledge and power relationship, in their indivisibility and productive capacity in contexts of social practices, can
Sketching a philosophy of entrepreneurship both close/fasten and open up life? This is how the question of the subject, of subjectification, is simultaneously a question of individuation and control, in the context of dominant strategies and institutional arrangements, and a question of capacities, of virtualities (e.g. fictional anticipation of the actual). When we sketch a philosophy of entrepreneurship – and we need this philosophy to increase our capacity to describe, study and analyze this tension, central for entrepreneurial processes, between what is and what could become – we also need certain concepts that can do this work. I will propose such concepts in the ‘bridge’ section below. Notice that genealogy, as inaugurated in Nietzsche and developed by Foucault, approaches the question of knowledge as always related to the question of power. Knowledge develops through struggles, including the ways in which thought regulates itself (via paradigms, theories, institutions, values, cultures and so on).

If there is a philosophy of entrepreneurship to be formulated, to be thought, to be effective as a resource for practices (as a will to do certain things in certain ways rather than others), it is one to be invented. Those practices include thinking, studying, describing, analyzing and handling entrepreneurship entrepreneurially. Not simply because it is perhaps missing – in the sense formulated – but primarily since this is what I (with inspirations from Gilles Deleuze and Felix Guattari) take philosophy to be: inventing concepts for thinking. In this case we invent concepts for thinking (including imagining), studying, formulating, analyzing and practicing entrepreneurship. It is thus not only a philosophy of entrepreneurship research. Philosophy of science is a vast field with important debates on, for example, how to ask questions, create knowledge and design methods of inquiry. One of the few books that considers the question of management research (Easterby-Smith et al. 1991), also from a philosophical view, provides arguments for why this is needed along lines we recognize from philosophy of science debates: it helps to clarify research designs, and recognize which design will work or not and, thirdly, ‘a knowledge of philosophy can help the researcher identify, and even create, designs that may be outside his or her past experience’ (Easterby-Smith et al. 1991: 21). This brings out an argument that I have used above, namely that philosophy is moving thought to the fringe of things, to the limit of our experience, and demands imagination. This chapter is not a direct contribution to a philosophy of a science of entrepreneurship studies. It is primarily sketching a philosophy of entrepreneurship, and thereby, indirectly, also a contribution to philosophical questions to consider in the study of entrepreneurship. It is in this sense a sibling to philosophies of management, leadership, organization and the like.

Why would there be a philosophy of entrepreneurship to be invented rather than nothing to invent? In a way, to the extent that we want to formulate a philosophy of entrepreneurship, to the extent that we seek to become active and go beyond the limit that has prevented a philosophy of entrepreneurship from emerging, this affirmation opens a movement necessary for new concepts to be created. Newness (what is comparable only to itself) is immanent to such an affirmative move. Arriving at these necessities from within relationships, rather than starting out from some given, is an important element of philosophical thinking. This – genealogically tracing how events of thought have emerged into concepts and their relationships – is how we can discover the need to ask from thinking to step beyond the limits we have arrived at. We can also ask from thought to overcome the images it evokes of itself. The image of thought used in this preparation for a philosophy of entrepreneurship is one I find to be entrepreneurial itself. It is Spinozist and Nietzschean and intensified by Deleuze. It rejects the Cartesian hierarchy of mind and body (which goes back to Plato) to instead emphasize the body as the primary capacity for being affected by forces. Postcolonial philosophy as well as feminist philosophy (in entrepreneurship, see Ahl 2012) represents major advances in post-Cartesian thinking (e.g. Braidotti 2011; Butler 1990; 1993; Spivak 1988). Thinking is not alone, by itself,
independent of forces but part of relationships of forces (Melser 2004), not above or superior to them. This new image of thought, of thinking as engaged with the world, thinking as virtual movement (Massumi 2002b), as adding to the world when creating new concepts, changes what thinking is. It no longer serves powers such as State and Church, which have provided ‘truths’ for thinking to think from, resulting not to seldom in ressentiment⁴ and bad conscience (Nietzsche 1887/1967), but to entrepreneurially reach for a time to come, the missing people, a life of extended potentials for living.

Indeed, we can ask from ourselves, in a Nietzschean fashion, to overcome who we are. This, process thinking teaches us, is a question of overcoming how we have become who we are. This is how philosophy progresses by inventing. We seek to arrive at limits, not to confirm their necessity, but to move beyond them, to show how their function on our thinking is inherited, to experiment with what we could become. Nietzsche’s theory of ‘higher men’ is important here. The ‘higher man’ is the image in which reactive man (controlling, negating to respect limits) represents himself as higher. Higher men are full of bad conscience (‘it’s my fault’) and ressentiment (‘it’s your fault’) and nihilism (will to nothingness). Nietzsche’s philosophy seeks to free us from such thinking, to overcome ourselves and in this sense become superhumans, humans that overcome who we are.

There are things higher man does not know how to do: to laugh, to play and to dance. To laugh is to affirm life, even the suffering in life. To play is to affirm chance and the necessity of chance. To dance is to affirm becoming and the being of becoming.

(Deleuze 2006: 170)

This is also how a philosophy of entrepreneurship can be an entrepreneurial philosophy. More precisely: if philosophizing is creating concepts, and creating concepts is made necessary by a will to move beyond limits of the present, then this will is what unites philosophizing andentrepreneurizing. A necessity we have arrived at here is that of a processual understanding of life and thinking. I will explore this – thinking processually – so as to formulate an entrepreneurial process philosophy of entrepreneurship. This answers to a performative understanding of theorising (Beyes and Steyaert 2012), which acknowledges that we add to the world as we think, describe and theorize it (Massumi 2002a). There are certainly philosophical influences on entrepreneurship research: the Austrian school’s subjectivism and methodological individualism; Sarasvathy’s drawing upon pragmatism; and else a more general dominance of an often unconscious commitment to verificationism as a slightly twisted version of positivism. Recognizing that philosophy and entrepreneurship share the struggle to create the new, I am also aware that this joint struggle is a result of a certain way of seeing philosophy and entrepreneurship. I seek to affirm the entrepreneurial nature of philosophy while sketching a process philosophy of entrepreneurship.

**Recent context of how entrepreneurship has become what it now is**

What entrepreneurship are we moving towards then? It is not a question of leaving the managerial society behind. Nor is it a question of an enterprising society that politicians throughout the late-industrial economies have been so keen on embracing (since the days of Reagan and Thatcher: Donzelot 1988; du Gay 1997; Gordon 1991; Massumi 2002a; Miller and Rose 2008). It is clear that entrepreneurship, however, needs to be understood in the context of the dominant form of knowledge and style of practices (Foucault would talk about epistememes or regimes of
truth) that has shaped late-modern societies’ development since the Second World War. This is what James Burnham identified already in 1941 as ‘the managerial revolution’, meaning managers, as a social class (and management as mode of thinking), would come to dominate societies, and those societies would be oriented around managerial economies. It was with prophetic precision that Burnham described the emergence of a dominant ‘class’ that perhaps culminated in the perverted bonus carousel of the latest (surely not the last) financial crisis: ‘What is occurring in this transition is a drive for social dominance, for power and privilege, for the position of ruling class, by the social group or class of the managers’ (Burnham 1941: 71). Burnham prophesied that it was by controlling the state that the managerial class would ‘exercise their control over the instruments of production and gain preference in the distribution of the products’ (Burnham 1941: 72). Whereas he held out Germany and Russia (and Italy) as warning examples – in the midst of a war – he did not foresee the kind of control over the state that a managerial society subsequently achieved. What is important, however, in Burnham’s prediction is this decoupling of ownership and control, and the subsequent slide into a ‘representationalist capitalism,’ where managers, in an abstract and often dispersed way, represent ownership and – without direct personal responsibility as owners – control the resources (with the effect, as Schumpeter believed in his later writing [namely 1950: 134], that entrepreneurship would be ousted in the large corporation).

The governmental context of management

Richard Fuld, the former CEO of late Lehman Brothers, admitted in public hearings to have received about $350 million in the years 2000 to 2007. There are claims it was well over $500 million. This seems to be a fraction of what he made from Lehman Brothers, though: ‘Last year [2009] a team of researchers at Harvard Law School released a study that found that, between 2000 and 2007, Fuld cashed in Lehman shares worth $461 million and received cash bonuses of $61.6 million’ (www.money.cnn.com by William D. Cohan, 31 August 2010). Apart from this there are real estate and art, and . . . Fuld is of course only the tip of an iceberg. He has become symbolic, and enters as such a case in this attempt to illustrate the precision of Burnham’s worries. The size of the money is not important. It corresponds to some market-based level of compensation that was possible for Fuld to negotiate. It is rather the fact that these services, the skills that Fuld (and managers of that category) provided, are valued this way, and the fact that their skills evidently do not need to include a broader social, ethical or historical basis for reflection to be valued at this price – that’s interesting as an indication of the status of managers.

Alfred Chandler is the more widely read historian that provides additional precision in our gradual understanding of the dynamics between entrepreneurial and managerial economies: ‘In the terminology of this study a managerial firm differs from an entrepreneurial one in that full-time salaried executives dominate top as well as middle management. The owners no longer administer the enterprise’ (Chandler 1977: 415). Chandler also stresses, like Burnham before him, that at the core of the managerial revolution lays the separation of management and ownership. In addition, he identifies F.W. Taylor’s role in the professionalization of management that took place throughout the major part of the 1900s. Such a professionalization included the emergence of professional societies, journals and conferences for managers; the institutionalization of business schools; and the emphasis on making business education ‘scientific’ – a message central to the former Carnegie and Ford Foundation reports (Gordon and Howell 1959; Pierson 1959). Herbert Simon quickly responded to this need, and the so-called Carnegie school of decision
making was thus richly funded (by the Rockefeller and Ford foundations, as well from military budgets as Simon turned to problem solving while the cold war was ‘intensified’: see Crowther-Heyck 2006; Sent 2000).

This historical reflection, here only briefly initiated (see further O’Connor 1999b, 2012; Hoskin 2006; Hjorth 2012b), provides one central element for understanding how entrepreneurship has become what it is, but it should not omit the grand subjectification of the employee that was made possible initially by Elton Mayo’s and the human relations’ turn towards the nurturing of employees’ self-awareness and self-control (Burchell et al. 1991; O’Connor 1999a, 1999b; Townley 1993). History is important particularly as the source of a genealogical challenge for thinking: the way ideas and concepts emerge as given or true in resonance with other ideas and concepts and under the influence of a will to power (or governmental urge to control). History is important as it makes acute the need for critique. Foucault (2007: 47) points out: ‘Critique would essentially insure the desubjugation of the subject in the context of what we could call, in a word, the politics of truth’. Critique is, in this sense (Foucault relates Kant’s Aufklärung to critique), to learn to know one’s knowledge: ‘Kant set forth critique’s primordial responsibility, to know knowledge’ (Foucault 2007: 50). This is how critique is always part of a philosophy that wants to open up (i.e., increase the connective capacity for) new potentials for thinking. To philosophy then.

A process philosophy

I am by no means alone in this endeavour. Process thinking has gradually emerged within management and organization studies (e.g. Chia and Holt 2006; Hernes 2007; Hernes and Maitlis 2010; Langley 2007; Nayak and Chia 2011; Tsoukas and Chia 2002), as well as in entrepreneurship studies (Hjorth 2003; Steyaert and Hjorth 2003; for overview see Hjorth et al. 2013; Steyaert 2007). There is also a forthcoming Oxford University Press Handbook on Philosophy and Organization Studies (Helin et al. 2014). In order for thinking and theory to stay realistic, post Second World War societies have gradually made it necessary to increase our capacity to think and understand processes. In management and organization studies, the globalization of capital and the subsequent inclusion of more economies (notably the Asian ones) into a ‘world market’ have placed pressure on management scholars, as well as practicing managers, to understand and handle processes. Not any kind of processes, but primarily innovation processes. The central problem is no longer maintenance, stewardship and perfecting ‘what is’. Rather, it is the problem and conditions of the new (Smith 2007), of creation (Bergson 1911) and making space for becoming that represents the greater challenge. We leave an era of being ontologically seated in a world of being, and find instead we need to learn how to move in an ontology of becoming. For me, this is a shift from a managerial economy/society towards an entrepreneurial economy/society. It is not a question of leaving the managerial in favour of the entrepreneurial. It is rather an issue of emphasis, rebalancing and rethinking. A philosophy of entrepreneurship seeks to facilitate such a move and build capacity for such processual–entrepreneurial thinking.

Process philosophy, for which Bergson, Nietzsche and Spinoza (connected by Deleuze) are central, responds to a set of problems: (1) the problem of the new (rather than the eternal); (2) the problem of relation (rather than what’s related); (3) the problem of force, and the relation between forces (i.e., power); (4) the problem of transmutation and conversion (rather than stability and control) and; (5) the problem of individuation or subjectification (rather than the subject). Experiences, understood in processual philosophy, become human relationally and our awareness of or reflection upon this takes place in an already ongoing participation in a dynamic set of multiple relations (Massumi 2002a; Melser 2004). Subjectification, as creative becoming, is a
subjectless individuation, resisting the individualization that is pressed upon us by dominant power structures (Foucault 1982/2002: 336), an ethico-aesthetic process, where active forces, directed by an affirmative ‘will to power’ shape a style of living (Deleuze 1995).

In our elaborations above it is primarily Bergson that is missing from the Deleuzian triad we see as primary thinkers contributing to this process philosophy. Bergson (1896/1911), like Whitehead (1929/1979), problematized time, and made a distinction between duration and numerical time. Duration is a non-numerical multiplicity, as it divides and changes in kind, where each kind is indivisible. Example: a football is kicked towards a goal. There is one ball, but the one in flight is ontologically other (non-numerically, in kind) compared to the one waiting to be kicked. It is other still to the one hitting the net, or the hands of the goalkeeper. Those three – the one becoming-kicked, kicked-and-in-flight and the one having reached its target – are other without being several. They are characterized by three different durations.

In other words, the subjective, or duration, is the virtual. To be more precise, it is the virtual insofar as it is actualized, in the course of being actualized, it is inseparable from the movement of its actualization. For actualization comes about through differentiation, through divergent lines, and creates so many differences in kind by virtue of its own movement.

(Deleuze 1988b: 42–43)

A goal is virtual insofar as a ball is kicked and successfully escapes the goalkeeper and hits the net (i.e., insofar as the goal is actualized). Actualization is inseparable from the ball leaving a status of rest on the field by being kicked and moving through air and hitting the net. This actualization comes about through the three different durations – rest, flight, hit – by virtue of its own movement.

Bergson operates with the possible – real, and the virtual – actual, in order to explain creation as difference and divergence.

The possible has no reality, and is realized through resemblance and limitation:

For the real is supposed to be in the image of the possible that it realizes. [. . .] And, every possible is not realized, realization involves a limitation by which some possibles are supposed to be repulsed or thwarted, while others ‘pass’ into the real.

(Deleuze 1988b: 97)

The virtual is real, but not actual –it is actualized through difference/divergence and creation:

For, in order to be actualized, the virtual cannot proceed by elimination or limitation, but must create its own lines of actualization in positive acts. [Note the relationship to Nietzsche’s affirmation above.] The reason for this is simple: While the real is in the image and likeness of the possible that it realizes, the actual on the other hand does not resemble the virtual that it embodies. It is difference that is primary in the process of actualization – the difference between the virtual from which we begin and the actuals at which we arrive, and also the difference between the complementary lines according to which actualization takes place.

(Deleuze 1988b: 97)

Entrepreneurship would then tackle the challenge of actualization. For sure, there are entrepreneurship researchers that study possible–real processes, and describe those as entrepreneurship. It seems reasonable to describe the ‘opportunity recognition’ genre of entrepreneurship research as operating under this model. In terms of the ‘individual–opportunity nexus’ theory, Shane
Daniel Hjorth (2003: 21) interprets Kirznerian opportunity as belonging to what we have described as the possible–real process: realization. For such an opportunity to be recognized, it needs to resemble the real that it could realize. The Schumpeterian opportunities (Shane 2003), being more rare, requiring new information and creation (according to Schumpeter and repeated by Shane), are described as different without this difference being understood and analyzed in terms of time and ontology as we do here. Describing this in terms of the process philosophy we have initiated, i.e., as a Bergsonian/Deleuzian creation process, as actualization, we would stress the role of imagination for fictional anticipation of that which can be actualized. Opportunities would then be understood as relationally emergent, as Bergson/Deleuze have taught us above: they are inseparable from our pursuit of them and the resources deployed in ‘hitting it right’. Opportunities would emerge from sensing the fringe of things, what could become actual, potentializing the actualization process as an organization–creation process that might bring the ball into the net. The result of such an actualization – of the virtually real – is an actionable value potential. This corresponds to an offer, i.e., an idea invested with so many active forces (forces that increases your capacity) that its intensity – its incipient status – increases people’s power to be affected. They enter the process of becoming-user or becoming-consumers of the ‘offer’ and therefore actualize the value potential by purchasing.

‘Opportunity’ has come to function (not the least in academic discourses on entrepreneurship) as an order word, one that corporeally transforms bodies into entrepreneurs when used. Similar to how the judge’s ‘I sentence you to . . . ’ transforms an accused into a criminal, or the ‘I do’ transforms a ‘couple’ into ‘married’, the word opportunity transports you into the virtuality of becoming-entrepreneur. This movement – this qualitative transformation – would involve many different ‘entrepreneurships’ hitherto missing from entrepreneurship research and practice. Above we have made the distinction between realization-opportunity and actualization-opportunity. This would mean we study execution-processes and creation-processes. The former seems difficult to differentiate from management, whereas the latter is differentiated by creation, actualization and fictional anticipation (Popp and Holt 2013).

What about the individual, then, in theories of entrepreneurship? Movement in various organizational–institutional contexts means relations are intensified and active forces are sought to increase capacities to act. Bodies’ feeling of power (that Nietzsche suggests is important to build capacity, to become active, i.e., to have agency) becomes part of the self socially, meaning the agency bestowed upon the body as the subjectivity ‘entrepreneur’ is produced at several points in the intensification of the idea – the fictional anticipation of the actionable value potential, the creation of an opportunity – and the actualization of the opportunity. Not always will fictional anticipation articulated as a new idea lead to increase in productive or creative capacity of a body, for an entrepreneur’s agency might be qualified by operating with certain tools prescribed by the field of practice you have to engage with to get ahead. This is the political reality of organizations and institutions. Paradoxically then, having to write a business plan, or receive ‘business coaching’, might be socially determined as ‘support’ but function as negative will to power, as reactive forces that decrease a body’s capacity to act.

We can now, before we go on to elaborate on what entrepreneurship is, use an image to summarize the process of becoming-entrepreneur keeping Bergson, Spinoza and Nietzsche in mind.

**Critical so as to serve the affirmative**

The governmental context for entrepreneurship in a post-Second World War society is thus, importantly, constituted by management as dominant knowledge, but also, second, as a preparation
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Figure 3.1 Qualities of becoming
Source: Adapted from Hjorth (2012b: 187)

of the governable organizational subject. This turning towards the subjectification of the employee (du Gay 1997, for which Elton Mayo stands as central thinker; O’Connor 1999a; Townley 1993) opened up the recent entrepreneurialization of work and society, central to the 1980s and 1990s throughout late-industrial societies (Dean 1999; Gordon 1991). Enterprising society centres on the managerial entrepreneur (Hjorth 2003), more properly named enter­priser, but sails under the flag of the entrepreneur. Entrepreneurship will thus, third, have to be contextually understood in this genealogical–critical perspective, now including managerial, governmental and enterprising society. It is in such a subjectivity–power–knowledge reality that entrepreneurship today becomes entrepreneurial. This is not Jean-Baptiste Say’s reality, nor is it Joseph A. Schumpeter’s. For sure, those thinkers, along with the more recent ones by Frank Knight and Israel Kirzner, provide important images. However, I have sought to describe how entrepreneurship can be contextually understood today. The question begs for a reflection of cultural–societal differences too: quite obviously, if we take context seriously, entrepreneurship in, for example, a Scandinavian welfare state context (TEA 5.9 per cent average, DK, FI, NO and SE) is something quite different from entrepreneurship in a US neo-liberal minimalist state context (TEA 12.3 per cent), and different yet from the context of the political–economic double-talk of China (TEA 24 per cent).6 There are certainly images that productively connect contexts: risk, imagination, opportunity-creation and so on. However, already here, risk is something different in one society compared to another (social security systems vary).

The genealogical–historical, importantly, is not critique in the traditional critical–theory sense (as developed by the Frankfurt school – with central thinkers such as Adorno, Habermas, Horkheimer, Marcuse; although this movement has been absolutely necessary for modern knowledge-creation), for:

Critical thinking disavows its own inventiveness as much as possible. Because it sees itself uncovering something it claims was hidden or as debunking something it desires to subtract from the world, it clings to a basically descriptive and justificatory modus operandi.

(Massumi 2002a: 12)

The point with the genealogical–critical (in the Foucauldian sense) way of arriving at the limits is instead to prepare for the affirmative move: ‘techniques which embrace their own inventiveness and are not afraid to own up to the fact that they add (if ever so meagerly) to reality’ (Massumi 2002a: 12–13). This is central to an image of thought that has thought creatively engaged in the
world, as pointed out above. An affirmative will to power would demand a performative philosophy (and theorizing) – itself affirming thought and language as creatively engaged in the world. Beyes and Steyaert (2012) have performed (indeed) an excellent discourse on performative theorizing. It is not a question of good or bad, right or wrong, it is simply a question of what you think is more important – spend time being against what imposes limits and control, or spend time being for your alternative, what you add to the world (Law 2004). The latter I find to be the entrepreneurial modus operandi and, thus, what I believe needs to characterize also a philosophy of entrepreneurship.

Bridge: what concepts to work with in order for a philosophy of entrepreneurship to become entrepreneurial?

Inventing concepts, affirmatively

There are different ways to arrive at limits. Philosophizing, according to the genealogy above, is characterized not only by an affinity with philosophy as inventive of concepts (underlined by Deleuze and Guattari 1994), but also by a thinker learning to know her knowledge (as underlined by Foucault 2007, above). Apart from the genealogical–critical way of arriving at limits, which brought us here (which ideally is at the virtual fringe of things), the inventive part, i.e., how we move beyond the limits, beyond the customary, is itself a question of thinking’s affinity with and fidelity to the entrepreneurial. There is a pleasure in thinking that the thinker desires to extend. Why else did all these emigrants from other disciplines, or ‘refugees from other, more boring fields’ as Aldrich (1992) puts it, rush into entrepreneurship studies in 1985 to 1995? (See also Chapter 2.) Thought is also capable of bringing us beyond the limits of the present. Human imagination, Henri Bergson stressed, is responsible for inventing Gods and monsters, and has a great capacity to fictionally anticipate what is not yet actual. We might be puzzled, with Deleuze, wondering why so much human imaginative capacity has been used to enslave thinking, to invent limits and decrease our capacities to open up for the new (Deleuze and Guattari 1994). Thinking’s imaginative capacity includes our tendency to think away the dynamic unity of movement, so that we tend to stop processes in thought when we construe its movement as divisible into positions; we ‘spatialize’ the world (as Bergson would say), or we produce the fallacy of misplaced concreteness’ (as Whitehead would say) – mistaking the abstract (movement as only spatial extension, and divisible into positions, retrospectively imagined end-points) for the concrete (actual movement). Deleuze turns to Foucault to understand the tension between freedom and domination, multiplicity and singularity (e.g. Foucault 1982/2002: 342), immanent to the creative capacity of thinking, which we noted above. But he turned to Bergson, Spinoza and Nietzsche to ‘power up’ our capacity to affirm thinking’s creativity.

I join this effort as we now lean on the above preparation and turn to sketch a philosophy of entrepreneurship. The performative nature of this effort (Beyes and Steyaert 2012; Case 2007; Law 2004) comes from stressing entrepreneurship as a social force affirming the making of the new, as a social creation process that rigs action in fictional anticipation of actualized actionable value potential. Whether for citizens (as in social entrepreneurship) or customers (as in most cases of market-based entrepreneurship in capitalist economies), there are often people individuated as entrepreneurs and for which the new also includes this making of themselves as new. Entrepreneurial affirmation (becoming active), as Weiskopf and Steyaert (2009) have shown, is about creation and inventiveness. They also quote Deleuze, saying: ‘To affirm is to create, not to bear, put up with or accept’ (Deleuze 2006: 186), and we hear the message from Foucault in
there – the question of critique/genealogy is a question of government, of not wanting to be governed like that (Foucault 2007). But, again, there is also Nietzsche and Spinoza.

**Will and capacity: Nietzsche and Spinoza**

*Will and capacity* are concepts central to Nietzsche and Spinoza respectively (Spindler 2009, 2010). We will need those in our philosophy of entrepreneurship. *Will to power* is ‘the genealogical element of force’, Deleuze (2006: 50) writes (commenting on Nietzsche). Will to power operates as a synthesis of forces, which makes reproduction or difference actual. Force is what can, and is always relative to other forces. Will, in addition to the relative strength of force, is internal to force and makes one force dominant over another. ‘Will to power’ is the being of becoming, the genetic element of the qualities of forces. ‘Will to power’ is either *negative* (controlling) or *affirmative* (opening). Force, in turn, is here either *active* or *reactive*. (Think here of Schumpeter’s ideas on creative and adaptive response.) Force is always a relational quality; there is always one dominant and one dominated force that determines the active and reactive qualities. ‘Will to power’ is the quality of a force that makes one force dominate or command, makes one force obey in a relation of forces (Deleuze 2006: 47).

An active force (like the strength of an idea or a vision) goes to the limit, the fringe of things, and affirmation (quality of active force that makes the potential leap into the actual, i.e., gets things done) uses it to overcome (to actualize the virtual), to create the new in concrete contexts of everyday practices, ‘to make life light and active’ (Deleuze 2006: 185). A *reactive force* is driven by a negative will to power (or a will to nothingness, *nihil*), one that seeks to separate the active force from what it can do so as to control and limit it. This reactive force is often made dominant (through negative will to power) in relations of forces that make up ‘organizational politics’, which thus prevents much creation from becoming actual. We do not operate with good and bad here. Control is also necessary, also in entrepreneurial processes. Indeed, entrepreneurship would be this unique combination of affirmation (increasing the collective capacity to create) that makes active forces dominate, and focusing this capacity along the line of a certain interest, in a certain result, i.e., controlling the active forces through a will that dominates and gives direction. In this latter phase, however, is when entrepreneurship, also to Schumpeter (1949/1991: 258), is less meaningfully distinguished from management and leadership. Schumpeter turns to differentiate entrepreneurship by ‘what it means to act outside the pale of routine’ and the distinction between ‘adaptive and creative response to given conditions’. This, he points out ‘conveys an essential difference’ (Schumpeter 1949/1991: 258) and it would correspond to our emphasis on creation, on active forces, on affirmation. A philosophy of entrepreneurship, as proposed here, centres on what differentiates entrepreneurial forces from others, i.e., the creative and inventive, the will to overcome the limits of the present, to open up for the new. This is how this philosophy is affirmative of affirmative thinking, i.e., a philosophy not only of but also for entrepreneurship.

Will to power is never superior to the forces it relates as it is also the result of such relations. We will see that Nietzsche and Spinoza are related by this concept of will to power:

This is why the will to power is always determined at the same time as it determines, qualified at the same time as it qualifies. In the first place, therefore, the will to power is manifested as the capacity for being affected, as the determinate capacity of force for being affected.

(Deleuze 2006: 62)
Spinoza, who insisted on the parallelism of mind and body, i.e., what goes on in the mind simultaneously goes on in the body and vice versa (utterly anti-Cartesian), understands this power to be affected as actualized by related bodies. My relationships to other bodies will either increase my capacity to act or decrease it. In the former case I experience joy, in the latter, sadness. A subjectivity is a degree of power – a power to be affected and a power to affect (Deleuze 1988a: 27). This capacity for being affected ‘is not a physical passivity . . . [S]imilarly for Nietzsche, the capacity for being affected is not necessarily a passivity but an affectivity, a sensibility, a sensation’ (Deleuze 2006: 62). Sensibility or a feeling of power is thus crucial for our capacity for being affected and thus to direct active forces affirmatively. The overman (or superhuman), in Nietzsche’s much misinterpreted terminology, describes not an end, but this overcoming of oneself as a process. He places this image in the context of a series of metamorphoses (Weiskopf and Steyaert 2009) – from camel (or ass), via lion to child. From burdened wanderers, in the desert of learning, weighted by tradition, to critical lions that judge (from the outside), into children (engaged) that know how to affirm their capacities. ‘[T]he Overman is not the “end” of mankind but a process that transforms reactive values into the active affirmation of power’ (Spinks 2003: 121).

In Spinoza’s terms, our capacity to act is ‘in’ our relationships with others (Scruton 2002). He is thus, as is the case with Deleuze, a philosopher of immanence. To illustrate we might say that entrepreneurship as such (which might describe the organization creation process of starting a business, the process of creating opportunities, or the process of inventing new capacities for living for people) is ‘in’ the network of relationships that are organized. The organizer – which can be a force, a timing, a group or a relationship – would then be named ‘the entrepreneur’. ‘Finally, as has been often pointed out, the entrepreneurial function need not be embodied in a physical person and in particular in a single physical person. Every social environment has its own ways of filling the entrepreneurial function’ (Schumpeter 1949/1991: 260). Forces are in relationships and our subjectivities are relational degrees of power.

Nietzsche was sceptical about Spinoza’s concept for desire – conatus – which smelled to him a bit like the Darwinian idea of self-preservation. He wanted desire to be more, to be life-affirming, to be active, not reactively adjust, as some homo oeconomicus that finds the best fit:

[T]hat is to say, the person who accepts reality or who responds systematically to modifications in the variables of the environment, appears precisely as someone manageable, someone who responds systematically to systematic modifications artificially introduced into the environment. Homo oeconomicus is someone who is eminently governable.

(Foucault 2008: 270–1)

This is a reactive individual in Nietzsche’s terminology. And we can certainly read Spinoza’s conatus like that, and sense the frustration (as did Nietzsche) (cf. Spindler 2009).

Conatus, however, as a capacity to be affected and a capacity to act, is not far from Nietzsche’s affirmation of active forces. However, Nietzsche would emphasize a capacity to overcome, which we do find in Spinoza’s conatus as striving to strengthen the body’s capacity to act (Spindler 2009: 133). Again, an example from the world of entrepreneurship can help: passion is, in Spinoza’s philosophy, an inadequate idea as it increases our capacity to be affected. However, a passion would thus also represent a ‘piece of white canvas’, an opening, which calls on me to explore. I would do so according to conatus’ strive to increase my capacity to act, and ‘becoming-entrepreneur’. This would be the specific ‘entrepreneurial joy’ – an increased or enhanced capacity to act, to rig action in fictional anticipation of actual actionable value potential –
that Spinoza’s philosophy leads us to: a passionate strive towards an increased capacity to act, to overcome the limits of the present, to open for the new.

**The body, intensity, affect**

The *body* is another concept that unites Nietzsche and Spinoza. Spinoza, in opposition to Descartes, thinks the soul (or mind, as Spinoza prefers) as ‘the idea of the corresponding body’ (Deleuze 1988a: 86). Descartes saw the soul as the essence of man. Spinoza, as we have noted, insists instead on a parallelism: what goes on in the mind goes on also in the body. The body’s affects are also movements in thinking (which is a connective capacity). Thinking is thought moving, i.e., connecting, as a mode of the mind, a parallelism to the body being affected (in its relationship to others). The hierarchical basis for morality – the mind’s striving to dominate the body, leads to the destruction of the passions (Deleuze 1988a). Consciousness, for Spinoza, is simply this awareness of movement from greater or lesser capacity to act. It is awareness of this passage from active to reactive (or vice versa) forces (Nietzsche would say), from/to adequate (action) to/from inadequate ideas (passion). Spinoza’s body is both the relations of motion and rest, and a capacity for affecting and being affected.

An individual is an *intensity*, a degree of power, a capacity or power to act, driven by a conatus, a will to power. An individual corresponds to a certain relation of forces, capacity for being affected and degree of power to act. Nietzsche stresses that we become individuals, we are *individuated*, through our bodies’ capacities to be affected and affect, in relationships to other bodies. Spinoza’s philosophy sought to free us from the sad passions (Nietzsche’s negative will, ‘ressentiment’, nihilism), those that increase our capacity for being affected but are connecting us only with reactive forces. He identifies the slave, the tyrant and the priest, i.e., the names for (1) sad passions; (2) the man that exploits these sad passions to establish his power; and (3) the man that is saddened by this human condition.

Every relationship between the world and the body is characterized by becomings in multiple sets of relationships (of forces). ‘[T]he flux of things is one ultimate generalization around which we must weave our philosophical system’ (Whitehead 1929/1979: 208). Our capacity to act in this flux is shaped by our capacity to be *affected*, which in turn is a result of our complex composition, i.e., how well we can sense the power in relations in which we are individuated (subjectified). A more complex composition increases our capacity to be affected and thus to affect, and this broadens our possibilities to create opportunities. A complex mind would balance this tension between activity and passivity, our power to affect and be affected, so as to avoid splitting up or destruction. Greater complexity would increase a body’s resistance against such destruction, but will also be the source of dynamism and power to overcome present limits. The key, Nietzsche would insist, is to answer the question of which ‘will to power’ that dominates: negative or affirmative. The negative will seek connections to reactive forces, leading to control, status quo, whereas the affirmative seeks active forces, increasing our capacity to create, making us move to the fringe of things, making actualization (creation) incipient.

Spinoza’s philosophy of passions (sad and joyful) and action (active joy) can be understood as a theory of potentiality. When we encounter a body that disagrees with ours, our power to act decreases, and the corresponding passion is sadness. When we encounter a body that agrees with ours and increases our capacity, the passion is joy: ‘we “approach” the point of conversion, the point of transmutation that will establish our dominion, that will make us worthy of action, of active joys’ (Deleuze 1988a: 28). Joy is an intensification of our potential to act. Action is potentialized, made incipient, virtually real but lacking actualization. ‘The virtual, the pressing
crowd of incipiencies and tendencies, is the realm of potential’ (Massumi 2002a: 30). There is a great potential in a Bergson–Spinoza dialogue here, and it is Deleuze who potentializes this dialogue. ‘It is the edge of virtual, where it leaks into actual, that counts. For that seeping edge is where potential, actually, is found’ (Massumi 2002a: 43). Entrepreneurship, in this language, is an active (Nietzschean) force that makes the virtual leak into the actual through creative processes of actualization: Spinoza’s active joys of the kind called blessedness, when we are in full possession of a power to act; what Nietzsche calls affirmative ‘will to power’ connecting us with active forces.

A body is constituted by relationships of forces. ‘In a body the superior or dominant forces are known as active and the inferior or dominated forces are known as reactive’ (Deleuze 2006: 40, emphasis in original). A body is thus a dynamic multiplicity where there are constant shifts in relationships between dominating and dominated forces – i.e., hierarchies. Relationships to other bodies affect the relationships of forces and thus what becomes active and what becomes reactive as a result. Some examples: (1) Having ideas on how to create an opportunity for generating new possibilities for people and value for users, I might still hesitate as certain forces in the body that constitute me are dominant. These forces make this body reproduce its habits, rationalized as more economic, i.e., reacting to traces, made investments, adjusting to them as circumstances in the present (homo oeconomicus behaviour). Going to new places, having new relationships with additional forces (an inspiring talk; new knowledge; available resources) might alter the hierarchy of forces, producing a differentiation into the relationships of dominant/active forces. Suddenly I am individuated as entrepreneur, addressed as such by others, and overcome previous limits in pursuit of newness. (2) An established company omits to intensify its relationship to new knowledge and is therefore left with incapacity to apply a certain technology, wherefore the relationship to a competitor decreases their capacity to generate value, and they become the dominated part in a new hierarchy of forces. If this cannot be remedied, destruction of the body that constitutes this corporation (from Latin corporare, meaning ‘combine in one body’) is inevitable.

Let us now turn to summarize the basis for sketching a philosophy of entrepreneurship.

Ending with an opening towards an entrepreneurial philosophy of entrepreneurship

(1) We operate with a new image of thought. Thought is then not superior to its world, but part of it, engaged in it. It is not taking place in a mind separated from a body. It is engaged with forces (active and reactive) that take hold of it, driven by our capacity to be affected by other bodies and practices (including objects). Thinking is virtual movement, real but not actual, of the potential (Massumi 2002b), and movement in thought, thinking, can bring us to the virtual fringe of things.

(2) Our philosophy thus has to be of movement, processually engaged in a world becoming, to which it adds, in order for it to be realistic. A philosophy of entrepreneurship also needs to be a process philosophy as creation and invention are what it seeks to understand and affirm. It needs to be a philosophy of movement, multiplicity of forces, capacities to act, powers to be affected and affect, bodies and intensities.

(3) In order for thinking to arrive at its affirmative capacity, a genealogical–critical investigation of the source of limits is necessary to open up (increase the connective capacity of) the field of potentialities for thinking. Herein is the critical attitude that seeks desubjugation, refusing to be governed ‘like that’. Critical in the sense of knowing one’s knowledge. But not critical in the debunking sense, for being ‘against’ simply steals time from the more important job
Sketching a philosophy of entrepreneurship

(in this new image of thought as actively engaged, as powered up with performative capacity) – to affirm, to add to the world so that the missing practices, the missing people, time that has not yet arrived can do so.

(4) One central limit for thought and philosophising is that of the subject. The subject is secondary to processes of subjectification or individuation. This takes place in relations to power and knowledge, institutions, regimes of truth, where will to power (negative or affirmative) and forces (active or reactive) are primarily what explain how and what the subject becomes. The world of business provides a rich context for examples of how ‘higher men’ are driven by a ‘will to power’ that is negative-controlling, connecting reactive forces to the organizational subject, serving their capacity to control, measure and score ‘points’ in feedback systems. Entrepreneurship is a force that brings action to the virtual fringe of things, wills the new and makes potentiality leak into the actual. This is a will to joy, an increased capacity to act that affirms newness.

(5) To philosophize is to invent concepts and the need to invent is something it shares with entrepreneurship. Entrepreneurship rigs action (active joy) in fictional anticipation of actual actionable value potential. Entrepreneurship, philosophically, can be thought using images of thinking that recognizes its engagement in the world. Entrepreneurship affirms newness and therefore joins active forces in order to increase a body’s creative capacity. A body is often a collective (such as a network, a team), dynamic set of relationships. Spinoza’s conatus and Nietzsche’s will to power are crucial philosophical concepts for a philosophy of entrepreneurship.

Recommended readings


References


Online resources


Notes

1 There is a vast literature on imagination and intuition, centred on Kant’s philosophy. This often describes the faculty of conceiving, of imagining as the intuitive faculty. I have engaged with this in a previous (yet unpublished) conference paper (2010) later developed into a publication (forthcoming) but instead included a definition that is consistent with process thinking (see further Massumi 2002b).

2 I am grateful to Ted Baker and Friederike Welter for pointing out these connections to Kirzner and Shackle.

3 In perspective of a broader sense of knowledge, entrepreneurial processes are perhaps more thoroughly understood as characterized by use of phronesis rather than techne, and needs episteme to sustain a critical–reflexive practice – one that brings thought to the fringe of things and creatively overcomes the limits of present experience. This set of relationships is focal for a philosophy of entrepreneurship precisely as this is also an entrepreneurial philosophy: assisting thinking’s capacity to overcome present limits, held in place by (discursive and socio-cultural) forces that make us into ‘higher men’ (those that cannot laugh, dance or play) rather than artful creators of the new.

4 Nietzsche always wrote this in French. Ressentiment makes reactive forces dominate active, in an attempt to adjust to traces, generally framed as economic behaviour (Deleuze 2006; Spinks 2003).

5 TEA = Early Stage Entrepreneurial Activity, as measured by the GEM consortium, 2011 report (Kelley et al. 2011).

6 ‘The TEA rate measures the proportion of working-age adults in the population who are either involved in the process of starting-up a business or are active as owner-managers of enterprises less than 42 months old’ (Wong et al. 2005: 340).