

ENTREPRENEURSHIP: AN AFRICAN CARIBBEAN PERSPECTIVE

by

GREGORY JOHN ROBERTS

A thesis submitted to
The University of Birmingham
for the degree of
DOCTOR OF PHILOSOPHY

Department of Theology and Religion
College of Arts and Law
The University of Birmingham
February 2009

UNIVERSITY OF
BIRMINGHAM

University of Birmingham Research Archive

e-theses repository

This unpublished thesis/dissertation is copyright of the author and/or third parties. The intellectual property rights of the author or third parties in respect of this work are as defined by The Copyright Designs and Patents Act 1988 or as modified by any successor legislation.

Any use made of information contained in this thesis/dissertation must be in accordance with that legislation and must be properly acknowledged. Further distribution or reproduction in any format is prohibited without the permission of the copyright holder.

ABSTRACT

This study set out to take a definitive look at African Caribbean entrepreneurship by delineating the broad spectrum of historical and contemporary theories of ethnic entrepreneurship. It also looked in particular on the phenomenon of African Caribbean entrepreneurship through the lens of Pentecostalism, which is the most popular religious expression of African Caribbean peoples in the UK. The extent to which the socio-cultural and psycho-religious underpinnings of the African Caribbean person are amenable to entrepreneurial engagement was also subjected to analysis.

This analysis focused on themes and perspectives, which are general to African Caribbean experience – individual, family and community. They were presented as age, gender or sex, education, family structure, motivation, and funding of entrepreneurial ventures. Also in connection with these were a number of factors, which operate at the nexus of African Caribbean Pentecostalism and entrepreneurship. These include historical antecedents, socioeconomic situations up to the 1950s, the ambiguity of Scriptures towards wealth as well as the impact of the psychology of time on the African Caribbean mind. All these provide a framework in which the existential and transcendental interact in the community of faith.

DEDICATION

This work is dedicated to my family, past present and future - GJ, Chyanne, Reanah and Calis. To the Glory of God.

ACKNOWLEDGEMENTS

I wish to acknowledge the support that has been given to me by my family and a small but strong group of friends. This paper is as much a product of their investment of time, faith and support over the years. My supervisor, Professor Markus Vinzent has given tremendous support over and beyond dictates of duty.

TABLE OF CONTENTS

CHAPTER 1 INTRODUCTION	1
1.1. Relevance and Application of Study	5
1.2. Purpose of Study	11
1.3. Things Encountered During Study	11
1.4. Overview of Study	13
CHAPTER 2 THEORIES OF ENTREPRENEURSHIP	20
1.1. Etymology of the Term ‘entrepreneur’	24
2.0. Entrepreneurship in National Schools of Thought	26
2.2. British Classical School	35
2.3. Austrian School of Economics	44
2.4. American Institutional School	60
2.5. Some Thoughts on the Relationship between Background, Ethnicity and the Definitions of Entrepreneurship	63
2.6. Economics, Entrepreneurship and Theology: A case for the engagement of the African Caribbean Pentecostal Church in the UK	66
2.6.1. Economics and Theology: a path to entrepreneurship	66
2.6.2. Liberation/Life Theology model of African Caribbean Pentecostalism	69
2.6.3. Liberation Theology, Marxism and Entrepreneurship	70
2.6.4. UK Context of African Caribbean Pentecostal Theology and Economic Engagement – Critique of Intellectual Approaches	74

2.7. Entrepreneurship as Healing	80
----------------------------------	----

CHAPTER 3 ETHNIC ENTREPRENEURSHIP THEORIES and RESEARCH

OVERVIEW	82
3.1. Ethnic Entrepreneurship Studies and African Caribbean Entrepreneurship	83
3.2. Ethnic Entrepreneurship – Presentation of Theoretical Frameworks	93
3.2.1.1. Middleman Theory	96
3.2.1.1.1. Ethnic Entrepreneurship as a Response to Labour Market Disadvantage and Discrimination	97
3.2.1.1.2. Narrow choice of enterprise and vocation	101
3.2.1.1.3. Ethnic Solidarity and Cohesion	103
3.2.1.2. Ethnic Enclave Theory	105
3.2.1.3. Ethnic Market Niche	108
3.2.1.4. Collectivist Theory	
Error! Bookmark not defined.09	
3.2.1.5. Discussion on the Ethnic Resource Bundle and its relevance to the African Caribbean Context	110
3.2. 2. Embeddedness in Ethnic Entrepreneurship	112
3.2.3. Mixed Embeddedness	
Error! Bookmark not defined.	

CHAPTER 4 SOCIAL ENTREPRENEURSHIP FROM THE AFRICAN

CARIBBEAN PERSPECTIVE	138
4.1. A Discussion	138

4.2. Non- Commercial Legal Forms of Organizations in the UK	143
4.3. Social Entrepreneurship and the Struggle for Definition	146
4.4. Definition of Social Entrepreneurship and the UK Context	162
4.5. African Caribbean Pentecostalism and Social Entrepreneurship in the UK	167

CHAPTER 5 AFRICAN CARIBBEAN ENTREPRENEURSHIP – THEMES AND PERSPECTIVES 172

5.1. Age	173
5.2. Sex and Education	176
5.3. Entrepreneurship and the African Caribbean Family Structure	180
5.4. Motivation Among African Caribbean Entrepreneurs	199
5.4.1. Personality Traits and Characteristics	200
5.4.2. Circumstances of the Entrepreneur	204
5.5. Funding and Start-up Finance	209
5.5.1. Sources of Funding at Start-up	214
5.6. 'Pardna' System – a Jamaican Rotating Savings and Credit Association	216

CHAPTER 6 Entrepreneurship and the African Caribbean Pentecostal Church 223

6.1. A Discussion	223
6.2. African Caribbean Pentecostalism and Entrepreneurship	228
6.2.1. African Religious Retentions and Entrepreneurship – Myalism, Obeah and their Functions.	230

6.2.2. Entrepreneurship and Religion Among the Enslaved	239
6.2.3. European Christian influences on Jamaican Pentecostalism and Entrepreneurship	245
6.3. Jamaica and the USA – Advent of Pentecostalism	250
6.3.2. Jamaica and the coming of American Pentecostalism – Social and Economic Conditions	255
6.4. A Presentation of Select Themes in African Caribbean Pentecostalism and their Impact on Entrepreneurship and the Perception of Business among African Caribbean Pentecostals	255
6.4.1. Biblical ambiguity towards money	267
6.4.1.1. Psalms	268
6.4.1.2. Major and Minor Prophets	269
6.4.1.3. Wisdom Literature	271
6.4.1.4. The Virtuous Woman	272
6.4.1.5. The New Testament and Wealth	274
6.5. Antecedents in the Predecessors of African Caribbean Pentecostalism	276
6.6. The Theology and Homiletics of African Caribbean Pentecostal Preaching	280
6.6.1. Church vs. World Orientation	281
6.6.2. Other – Worldly Orientation	
Error! Bookmark not defined.	
6.6.3. Eschatology	284
6.7. Concept of Time among African Caribbean Pentecostals	286

CHAPTER 7 CONCLUSION	290
7.1. Theological Significance and Linkage of Main Items Presented	
291	
7.2. Strength of Thesis	295
7.3 Limitations and Future Research Areas	297
7.4. Implications for Policy and Practice	299
7.4.1. An integrative and interdisciplinary approach to entrepreneurial policy formulation	299
7.4.2 Import of ethnic entrepreneurship in immigration policy and community cohesion considerations	300
7.4.3. Dismissing the false distinction between entrepreneurial activities by faith groups and social entrepreneurship	301
7.4.4. Keener appreciation of the special case of female entrepreneurship	301
7.4.5. Importance of social analysis and enterprise development by African Caribbean Pentecostals and other faith groups	302
7.5. Conclusion	303

List of References

Books and Articles

Internet Sources

LIST OF TABLES

	page
1. Table 1. Theological and Economic Vectors	68
2. Table 2. Comparison of educational attainment by ethnic groups	90

CHAPTER 1

INTRODUCTION

The circumstances and experiences of minority groups in a host society have always been of particular interest to researchers. Theologians are no different, as the situation of other human beings ought indeed to be of some import to our understanding of the purpose and meaning of existence. The African Caribbean person living in the context of contemporary Britain is an example of an ‘other’ in a mainstream society, which warrants a detailed understanding. Understanding is incomplete in the absence of a keen appreciation of the economic conditions, which are attendant on the African Caribbean person and the ways in which she responds to opportunities and challenges.

For many persons, regardless of status and exposure, there is a reluctance to engage with economics from a theological perspective. For although the early centuries of Christianity and theology featured significant levels of commonality between church and society, this declined tremendously with the onset of what has been referred to as the Enlightenment. The ensuing centuries saw the development of political economy and then economics as academic disciplines. Despite the various British (Anglican) Christian political economists and others who might have been of similar open theological orientation; as well as clearly identified common threads rooted in moral values, there was an increasing divergence between the discipline of economics and theology. A difference in method was clear as economics is increasingly seen as rational; an arriving at facts based on a certain type of mathematical rationality and

deduction that was supposedly removed from the shackles of the historical. Theology on the other hand, remains obedient to the historical involvement of God in time. This position informs the method by which it has arrived at its findings, largely using as its point of departure the advent of Christ in history. The ends or objectives of theology include the pursuit of an understanding of God and how God works through history. Economics to a great extent sees utility, efficient allocation of scarce resources and economic growth as not just worthwhile but pre-eminent ends. This would render it at odds with the traditional views of theology – the “queen of the sciences”.¹

A synthesis of ideas, attempts and approaches to bridging the gap between theology and economics was undertaken by D. Stephen Long in his work *Divine Economy: theology and the market*. This work was primarily a comparison of theology with economics as theoretical disciplines.² He discerns three traditions or approaches to the issue of economics and theology. These are presented as dominant, emergent and residual traditions. The dominant strain he identifies as that which “seizes the ruling definition of the social” and “does not represent a decisive transgression against the capitalist orthodoxy”.³ His presentation of the opinion of dominant theorists and social ethicists was reflected on by Paul Oslington as a ‘letdown’ and a betrayal of the expectation of readers given his proposal to discuss the two academic disciplines from a historical background.⁴

¹ The notion of theology as the queen of sciences is derived from the Middle Ages when it was expected that all forms of learning found their greatest service in bolstering the study of theology and God. See <http://en.wikipedia.org/wiki/Theology>. Accessed 16:00 20/11/10.

² Long, D. Stephen (2000:5) *Divine Economy: theology and the market*. Routledge, Taylor Francis. London.

³ Long, D. Stephen (2000:10) *Divine Economy*.

⁴ Oslington, Paul (2001:136) *Journal of Markets & Morality* 4, no. 1 (Spring 2001), pp136-150

Theologians who were discussed under the banner of the emergent tradition were differentiated from those within the dominant tradition based on their perceived rejection of capitalism. In this category he placed all the ‘Liberation’ theologies including Black Theology.⁵ The category designated residual, is largely that approach that seeks to revive the notion of virtue as the primary feature of society and human interaction in the complex space of existence. Of some interest is the work of Donald Hay, an Oxford Scholar who is more concerned with the stewardship element of Christianity and theology where the subject of economics is concerned.⁶ This represents a European example of Biblical Economics that has proven rather popular among some American based theologians and economists. Biblical Economics is largely seen as the practical way in which theology and economics can be brought together. That is, by using the Bible as the blue print, not only in terms of creating a value system but also in terms of models for economic action in the context of contemporary activities in societies. In the same vein, the *Cambridge Papers*, which are published and disseminated by the Jubilee Centre⁷ have been forthright in advocating Biblical principles for contemporary societies. Despite the foregoing approaches and traditions, the discussion and active inclusion of economics into theological discourse is hardly entrenched. This failure is markedly severe among African Caribbean Pentecostals.

Theological foray into economics is usually for the sole purpose of offering some critique of the dominant ideological system and how it is played out in the lives of

⁵ Long, D. Stephen (2000:5) *Divine Economy*. The issue of Black Theology and Liberation Theology’s relationship with economics and entrepreneurship is further developed in Chapter Two.

⁶ Hay, Donald (1988). *Economics Today: A Christian Critique*. APOLLOS, Leicester, England.

⁷ www.jubilee-centre.org/cambridge_papers.

people. Invariably, poverty becomes the main subject of discussion, as if there is a resignation to the notion that ‘the poor will always be with us’. Thus the approach is usually taken from a ‘social’ perspective, where the betterment of society as a whole is projected as the principal concern, rather than the blossoming of the individual. The approach that is here postulated as a direction for African Caribbean Pentecostals is not one of social justice, which carries the connotation of redress. But rather one that promotes the harnessing of the individual abilities and creativity in pursuit of excellence.

Social justice is prominent among European theologians and non-governmental groups and it is supposed to be the opposite of social injustice, which is at work in the structures of societies. This concept of social justice has also influenced immensely the emergence of Latin American Liberation Theology and the concept of an ‘option for the poor’.⁸ This might very well be due to the foundation that Latin American Liberation Theology owes to European theology and Roman Catholic Theology in particular. It remains that most African Caribbean Pentecostals do not join the queue looking for a redress, although this is a prominent feature of some religious groups, particularly Rastafarians. Whereas many Rastafarians seek reparations for slavery and indeed repatriation to Africa as a way of addressing the economic imbalance and found within the African Diaspora and particularly among African Caribbean peoples,⁹ they have been some strong proponent of self-reliance and a version of what occurs in Latin America as base communities. At the same time, African Caribbean Pentecostals are

⁸ Dorr, Donal (1983:3) *Option for the Poor: A Hundred Years of Vatican Social Teaching*. Orbis Books. New York.

⁹ This was posited by Rastafarian poet and scholar, Yasus Tafari at a presentation at the Centre for Black Theology, Department of Theology, Birmingham, UK in the Summer of 2008.

looking for opportunities that can be exploited without a compromise to their faith. This implies that the structure of opportunity for the African Caribbean Pentecostal entrepreneur is markedly different from that of others. This is one reason it is of worth to study this group.

In the milieu of the discussion on economics and theology, entrepreneurship is hardly figured. What then can entrepreneurship add to the discussion? I posit that entrepreneurship remains one of the most endearing and potent evidence of God's power as expressed in man's creativity to solve problems and to satisfy needs. Inevitably, the inclusion of entrepreneurship and enterprise creation brings into play the importance of a value system that that is so prominent in the discourse.¹⁰

1.1. Relevance and Application of Study

This study is relevant to the UK society and business community; religious or faith community across the UK; the African Caribbean ethnic community and Diaspora and the African Caribbean Pentecostal church community. Entrepreneurship is an approach to life as much as it is the process of accomplishing business and social aims.¹¹ There is the need for our church community to recognize that the expression of God's power in the world through the church is valid in the enterprise sector through the creation of businesses and sustainable social projects and programmes. Pursuant to this

¹⁰ Long, D. Stephen (2000:5 - 7) *Divine Economy*.

¹¹ By taking the widely accepted view of the universality of entrepreneurship, such as presented by the Austrian School, the need to establish or present evidence of entrepreneurship is negated.

recognition is the need to be able to accept that the lofty heights of entrepreneurship so vaunted these days are not beyond the scope and achievement of the Bible-believing, Holy Ghost filled African Caribbean Pentecostal. Indeed, his genealogy of beliefs and history of engagement in social and economic activities have already bestowed the legitimacy and model for such engagement. This is only waiting to be assumed and adapted for the present times. An understanding of the current socio-economic situation and particularly the factors which are attendant on African Caribbean entrepreneurship is critical to assessing the role that African Caribbean Pentecostal churches can play in alleviating and indeed eradicating the perceptions of a lack of entrepreneurial abilities and accomplishments by the community.

The global scenario of the present era is one of movement and migration. Ethnic groups and peoples are interacting at a faster rate and to a greater depth than at any other time in history. This globalised phenomenon has meant that opportunities for entrepreneurial activities will be on an increase and most certainly will be grasped. People who cross borders do not leave behind their beliefs, culture and other characteristics that impact on their social and economic decisions. They take these elements of their being with them. This study stands as an example of an analysis of how culture and beliefs may impact on those decisions. This work also advocates that there is a need to appreciate those skills and abilities, which are engendered by the dual culture experience of African Caribbean ethnic minorities in the UK. This experience lends itself to the creation of strong and weak ties, which can in turn be leveraged for the enhancement of entrepreneurial activities as will be discussed in this work.

African Caribbean Pentecostalism is a subset of Pentecostal beliefs. Pentecostalism is a significant part of global Christianity and the fastest growing segment of the Christian Faith.¹² As such it is very much a part of a globalized movement. It is in this sense that this study will allow for a better appreciation of how the interaction between beliefs and socio-economic opportunities can precipitate entrepreneurial activities and ventures.

This study is also of benefit to the host country - the United Kingdom, as it aids in answering some of the questions that have baffled researchers and policy makers concerning African Caribbean entrepreneurship. Since the 1980's Thatcher Revolution, entrepreneurship as an employment option has been enthroned as the premier path for economic growth, for the individual, the community and the economy.¹³ The UK society stands to benefit from having a fresh view of African Caribbean entrepreneurship and socio-cultural underpinnings by taking into perspective the religious factor at the very basic level. As interesting as the unfolding of this story of African Caribbean Pentecostalism is, from the perspective of the UK society, the question must be asked as to what of the other ethnic groups and their beliefs? This work brings into focus the fact that there are important differences and divergences in beliefs. It has been shown to be quite misleading to think that whereas African Caribbean Pentecostals are English speaking Christians, they can be expected to be similar to Anglican Christians. African Caribbean Pentecostals are discernibly different from Anglican Christians (including those from the Caribbean) as well as those from

¹² Anderson, Allan (2004) *An Introduction to Pentecostalism*. Cambridge University Press, 2004.

¹³ Greene, F.J., Mole, K.F. & Storey, D.J. (2006) *Three Decades of Enterprise Culture: Entrepreneurship, Economic Regeneration and Public Policy*. Palgrave Macmillan. London.

nonconformist denominations such as Baptists. This is in some ways similar to the subtle and important differences that certainly exist between members of the Islamic faith from different cultures and countries. These differences between peoples, even though they are of the same faith are of importance in understanding economic decisions and indeed entrepreneurial activities. This establishes one of the ways in which this study sets an example for moving towards an appreciation of underlying beliefs, mores and subcultures within a minority ethnic group and the impact of these on economic and entrepreneurial decisions.

The import of this type of information comes through more forcefully when we take into account the economic vulnerability of the African Caribbean community. Nowhere is this more glaring than in the present economic crisis. This is highlighted by a recent report of the Chartered Institute of Personnel Development as carried in the *Guardian*.¹⁴ While the unemployment rate for white males is recorded at 5.2%, for African Caribbean males it is three times higher at 18.2% and rising at a faster rate than for white males. The researchers felt that looking at men in particular, they were able to show a more consistent view as men are harder hit than women during times of recession. We can therefore surmise that where higher levels of own account employment and entrepreneurship can be seen as a buttress against unemployment, a better understanding of the factors affecting the rate of entrepreneurship is of value to a host society.

¹⁴ <http://www.guardian.co.uk/world/2009/oct/13/black-men-unemployment-figures>. Accessed 21:44 22/10/09.

The peoples of the Caribbean have been historically proactive in terms of engaging with the world, particularly travelling. The Caribbean Diaspora is of great political and economic value to the islands and countries of the Caribbean. In 2008, for example, remittance was the highest earner of foreign exchange for Jamaica, thus making it larger than tourism or the export of traditional commodities such as bauxite. This trend has been consistent since 2004.¹⁵ This renders the following pages of unique importance to the home countries of the Caribbean. It is obvious that there is likely to be a high level of correlation between the level of employment by persons who claim ancestry or connection with a particular place and the flow of remittance. Entrepreneurship forms a very useful and rewarding form of employment therefore the incidence and rate of success of entrepreneurship among African Caribbean persons in the UK, must be of paramount importance to these economically vulnerable islands of the sea.

In the same breath, the local communities and local churches will find this work to be of particular use and import, bestowing a clearer understanding of the factors that hinder or enhance entrepreneurship. This is even moreso where communities are plagued by social ills and economic malaise. Entrepreneurship in its various manifestations provides an opportunity and a path to both social and economic betterment as well as service. The harnessing of local skills and energy is a glaring imperative in the alleviation of social and economic ills.

¹⁵ Bank of Jamaica (2009:6) *Balance of Payments: Remittance Update* (August). Available at http://www.boj.org.jm/publications_show.php?publication_id=14. Accessed 21:32. 22/10/09.

African Caribbean communities are not defined by geographical location as much as cultural space. This allows for individuals to change postcodes yet remain very much a part of the community. Most African Caribbean Pentecostal churches are located in inner city communities, yet in many cases many of their members live in the suburbs of the city, giving credence to the community as one of social and cultural dimensions rather than geography. The tendency has been observed for individuals to move to the suburbs as soon as their income and material circumstances allow. One clear implication of this phenomenon is its potential as a vehicle of social cohesion and enhancing social capital through the engendering and passing of social skills and the creation of networks.¹⁶ Even so, we must be careful that we are not falling in the trap of judging individuals on the basis of where they live.

The place of the church is well established in African Caribbean communities. The relevance of the church to the community is predicated on the ability of the church to adapt the message of Christ to these times, - 'rightly dividing the Word of Truth'. As more and more persons struggling with the 'bread and butter' issues of daily living, they search for a meaning and engagement that can speak to their situation where they are. There is reason to believe that the days when the African Caribbean Pentecostal churches could be comfortable in the certain knowledge of the unassailable commitment and loyalty of the African Caribbean community are over. The marketplace of religion and church is now highly competitive. The need to be relevant and to offer and support avenues for self-actualization is a clear advantage in this marketplace.

¹⁶ Social capital is acknowledged as critical to African Caribbean entrepreneurship, particularly in sections discussing social entrepreneurship, female entrepreneurship and financing through rotating savings and credit organizations.

1.2. Purpose of Study

The purpose of this study includes delineating the various theories on ethnic entrepreneurship that are relevant to African Caribbean peoples in the UK; establishing the legitimacy and achievement of African Caribbean entrepreneurship; further establishing the relevance of entrepreneurship and entrepreneurial pursuit to African Caribbean Pentecostalism in the UK by taking a detailed look at the genealogy of African Caribbean Pentecostalism and the level of entrepreneurial engagement that characterized the witness. I also wish to showcase the nature and features of African Caribbean entrepreneurship in the UK, paying particular attention to some of the very features of the communities that are normally projected as being counter to entrepreneurial success, including family structure. The study also sought to discuss a number of themes and perspectives of African Caribbean Pentecostals on entrepreneurial engagement focusing on themes and factors that might have influenced the perception of money and business.

1.3. Things Encountered During Study

During the course of this research project, it became clearer that the African Caribbean Pentecostal church has the potential to do far more in engaging the entrepreneurial power of the members and the wider African Caribbean community than is currently obtained. This would be nothing more than living up to the expectations of members and upholding an unheralded tradition of engagement that is part of the history of the African Caribbean religious landscape. The cacophony of calls for the church to be more engaging in the existential issues of her members and the community is

overwhelming. Ministers might very well see the need and hope to facilitate change, but find it difficult to do so in the absence of relevant training in social analysis, business development, management and administration as well as theology. It appears that this dearth in training and exposure has affected the extent to which African Caribbean Pentecostal churches have been able to project, facilitate or enhance the liberating force of entrepreneurship.

In terms of the nature and features of African Caribbean entrepreneurship, it emerged that the factors, which have been described over time as hindrances to African Caribbean entrepreneurship, can be and, have been leveraged to the advancement of entrepreneurship among groups of African Caribbean peoples. These include family structure, gender issues and lack of so-called ethnic cohesiveness. The persistence of non-nuclear family structure and the role of women in African Caribbean social and family life are clear pointers to a potential for entrepreneurship that is now being seen in the high incidence of entrepreneurship among African Caribbean females. This flies in the face of accepted wisdom that projects strong patriarchal and traditional family units as significant drivers for entrepreneurship. The perceived lack of solidarity among African Caribbean people has been flagged as a hindrance to the emergence of entrepreneurship, despite the theories on the importance of the individual in the emergence of entrepreneurship.¹⁷ What became apparent from this study are some

¹⁷ As will be shown, the notion of the individual is central to modern economics and entrepreneurship. From classical through neo-classical economics and to neoliberal economic theory, much is predicated on the individual and the notion of individual rationality. Theories and schools of Entrepreneurship also feature the individual and the importance of his action and pursuit of interests (strictly self and otherwise). The relationship with 'weak and strong ties' can be seen, as individuals tend to garner information and hence new ideas through their weak ties and connections. This can be the seedbed for entrepreneurial discoveries activities.

striking ways in which African Caribbean and African American entrepreneurship might have been erroneously viewed.

1.4. *Overview of Study*

This study has sought to increase the understanding of how the beliefs and theological underpinnings of the African Caribbean experience interact with his entrepreneurial drive and expectations. It was felt that in order to have a clear appreciation of African Caribbean entrepreneurship in its myriad manifestations, it was imperative to look at the various definitions of entrepreneurship that have emerged from the various schools and nations over the centuries. The very word ‘entrepreneur’ is clearly of non-English origin, a fact that beggars some elucidation as to its etymology and usage over time. This brought out some interesting points in the application of the word in the context of its original language – French, as well as its near equivalents in the English language. Moving from simply meaning one who gets something done to more sophisticated, market oriented, definitions of the 1990s, it is found that the term entrepreneur is most ‘entrepreneurial’ in throwing up definitions.

The various individuals and schools who put their acumen and intellect to the analysis and description of the entrepreneur often saw the entrepreneur as the central person to economic and indeed social development. Starting with Cantillon, one of the earliest writers to attempt a scholarly treatment of the world of the entrepreneur, we find that the description and analysis of the entrepreneur and his activities must take into account the level of risk that he undertakes in his endeavour. We will survey the French

Physiocratic School of Thought, which expressed the notion that society can best progress by the productive cultivation of nature, particularly agriculture. Invariably, this meant that human capacity, and hence the entrepreneur, had pride of place in their economic analyses. This School immediately preceded the British Classical School of economics, which came to prominence with the publication of Adam Smith's 1776 classic *An Inquiry into the Nature and Causes of the Wealth of Nations*. The British Classical economists, with few exceptions, did not place as much emphasis on the entrepreneur as an individual economic actor. The exception was provided by the duo of Jeremy Bentham and John Stuart Mill. Both paid careful attention to the roles and functions of the entrepreneur. The entrepreneur was a contractor, providing his services as a superintendent of activities. This was a throwback to a previous time when the term entrepreneur was often used in describing the work of a public works contractor, which was certainly not without risks. It was J.S Mill, who bemoaned the absence of a suitable English equivalent to the French term 'entrepreneur' in the nineteenth century.

The Classical Economist gave way to the Neo-Classical with their emphasis on mathematical formulations and application in the analysis of economic phenomena. On the prominent British scene with its preoccupation with economic growth and other macro features, the entrepreneur was never seen as a dominant factor in economic analysis. Alfred Marshall gave some thought to the role of the entrepreneur who was largely part of a family firm, which was typical of this era of British economic development. Carol Kennedy who documented the story of Britain's Institute of Directors in commemoration of its one hundred years of service noted that the UK was "predominantly a land of family businesses, most of them were small and proudly skill

based ...”¹⁸ To his credit, however, Alfred Marshall commented that the same entrepreneurial features which made England and other European nations, leaders in industrial activities, may also be found in other climes and among other peoples. This succinct acknowledgement of the broad occurrence of entrepreneurial skills and abilities was certainly rather far-sighted and indeed insightful of this great economist. This orientation as shown in his appreciation of the entrepreneurial has been recognized as evidence of the influence of German economic thought. Peter Groeneweger, the economic historian and Marshall’s biographer is of the opinion that Marshall was familiar with German texts that focused on the economy in terms of the factors of production, namely land, capital and sometimes the entrepreneur.¹⁹ Groeneweger noted that one copy of a book by the German economist and mathematician Hans von Mangoldt found in Marshall’s study had a single term highlighted – *unternehmer* – or undertaker, a term that at the time meant the same as entrepreneur. The book of interest was *Volswirtschaftslehre*, second edition, published posthumously in 1868, with the term on page 232, as reported by Groeneweger. Mangoldt has been cited as the economist who bridged the gap between the Classical and Neo-classical. This function, among Anglophone economists and historians, of being the ‘bridging economist’ is often associated with Marshall.²⁰

At the same time that the Neoclassical School of Economics were baffling with issues of economic development and general equilibrium in the economic model, there

¹⁸ Kennedy, C. (2003) *from Dynasties to Dotcom: The rise, fall and reinvention of British business in the past 100 years*. Director Publications. London.

¹⁹ Groenewegen, Peter (1995:153) *A Soaring Eagle: Alfred Marshall 1842 – 1924*. Edward Edgar. England.

²⁰ See the online article that discusses a paper by Johann Schumann, which was presented at the European Conferences on the History of Economics, Rotterdam, 10-11 February 1995. Available at <http://cfec.vub.ac.be/cfec/9505.html#fn0>. Accessed 23:30, 13/01/09.

were in other countries, intellectuals who rejected the ahistorical and positivistic analysis and ruminations of the Neoclassical School. We will look at the work of the American Institutional School, which largely recognized the role of the individual who was the tip of the spear in the drive for economic growth that was central to American Thought in the late 1800s into the 1900.

Economic Sociologists such as Sombart and Weber were actively seeking to understand the psychological influences on the individual entrepreneur. Their approach was that of religion and it is here that we find a concerted attempt to link the two subjects, that is, economic development through entrepreneurship and religion, in a modern analysis. Inasmuch as we reviewed and analyzed the possible religio-socio-cultural background of the African Caribbean Pentecostal, our work did not focus on the specific approach of Weber. The celebrated Weberian approach has had a tremendous effect on the social sciences, including economics and management. Among the motifs that proved dominant in the work of Weber are the doctrine of unintended consequences and the fact-value characterisation of economic goods. Neither of these were developed or assessed in this work.

We surveyed the contribution of the Austrian School of Economics through a number of thinkers and economists. From its founder Carl Menger, who spearheaded the importance of individual action and decisions in economic and social theorizing, through von Mises and his insistence on the universality of entrepreneurship to von Hayek who stressed the importance of knowledge in decision making, we come to the formulation of Kirzner who as a student of the school, drew significantly from his

predecessors. Israel Kirzner posited the importance of alertness that is being able to spot profit opportunity in the market place, as a feature of the entrepreneur and to the entrepreneurial process. We will discuss the impasse between Kirzner's alertness and the projection of the entrepreneur as innovator, creator that has been postulated by Schumpeter. This 'soft' or low-level entrepreneur of Kirzner's presentation is discussed against Schumpeter's 'hard' or high level entrepreneur. Both are of the Austrian School, but have espoused what at first appear to be markedly different ideas. We then discuss the emerging definitions of the entrepreneur and the process and academic pursuit of entrepreneurship taking into consideration the views of Scott Shane and Mark Casson, two of the most prominent American and British based theorists in the field. I will show that the definition of who is an entrepreneur is largely influenced by context and geography. This renders all the more untenable, the invidious remarks and opinions that have been proffered on African Caribbean entrepreneurship.

Against this backdrop of the changing nature and definition of entrepreneurship and the entrepreneur, we embarked on a review and critique of ethnic entrepreneurship. Our excursion allows for serious review and analysis of the academic sub-discipline, particularly as many of the dominant approaches are at best blatantly inadequate for African Caribbean entrepreneurship analysis. We look at African Caribbean entrepreneurship as it relates to ethnic entrepreneurship, which concerns itself with explaining and analysing the features of business formation and opportunity discovery and exploitation in the context of being an ethnic minority in a host society. The effects of this reality are quite pronounced. African Caribbean Pentecostals exist as members of a minority group in the British society. It is this context that provides the over-arching

regulatory, economic and political environment that decides the opportunity structure that will come to the African Caribbean Pentecostal entrepreneur. Some theoretical frameworks for understanding ethnic entrepreneurship are applicable to the African Caribbean Pentecostal entrepreneur while others are not. Social entrepreneurship is analysed given the variations of opinions as to what it is and its importance in the field of intellectual inquiry as well as its particular importance to the Pentecostal churches. The difficulty of defining social entrepreneurship is discussed, as we look at two brief cases of social entrepreneurship among African Caribbean Pentecostals.

The ensuing presentation on a select number of themes puts African Caribbean entrepreneurship in context elucidating some of the features of African Caribbean life and culture and delineates the impact that these have on the incidence of entrepreneurship in the UK. Family life, informality of economic activities, motivation and funding of new ventures are among the features that are discussed. The discussion allows us to have a better understanding of the opportunity structure that faces African Caribbean Pentecostals. That is, where and what time of entrepreneurial opportunities are exploited by African Caribbean people.

By looking on the theological input into African Caribbean Pentecostal theology we are able to appreciate the psycho-theological²¹ underpinnings of African Caribbean Pentecostal thought as a product of the historical experience of our people. We zero in on the ‘preaching’ or theology of the churches to then present some of the factors that

²¹ This refers to the psychological as well as theological framework in which certain decisions are made. Issues such as concept of time, among others are undergirded by both psychological and theological factors.

inhibit entrepreneurship by perpetuating a negative view of business and money. Here a keen look is taken of the impact of the historicity of African Caribbean religious experience, the ambiguity of Scriptures on the subject of wealth and money and the likely impact of time as a psychological and religious construct.

CHAPTER 2

THEORIES OF ENTREPRENEURSHIP

Entrepreneurship, what it is and its place in the annals of research and academic inquiry, has been inconsistently appreciated over the centuries. The approaches and emphases have differed by schools of thought as well as by periods in time and different commentators have chosen different approaches to reviewing entrepreneurship.²² This section of the work will outline and discuss the development of entrepreneurship as the subject of academic study and its relation to entrepreneurship in ethnic cultures and particularly from an African Caribbean perspective. In this section I will be looking at the development of entrepreneurship research and will adopt the approach taken by Grebel in the grouping of the academic work and intellectual inquiry by Schools of Thought.²³ Interestingly, these Schools of Thought are also conventionally categorized on the basis of the nations in which they were located or originated.

Different nations and schools of thought have dominated the thinking, did most of the research and produce the intellectual output at different points in time. It will be further seen that the Classical and Neo-Classical economists (mostly English speaking) did and have done very little in terms of original thinking on the role of the entrepreneur and entrepreneurship. The lines of demarcation between the Schools are not as clear cut as presented, particularly as several French economists (French School) are at times

²² Martin Ricketts (2006:33) 'Theories of Entrepreneurship: Historical Development and Critical Assessment' in *Oxford Handbook of Entrepreneurship*.

²³ Grebel acknowledges the influence on his approach of Hébert and Link in their 1982 and 1989 works on entrepreneurship research through the centuries.

regarded as Classical or Pre-Classical Economists. From schools, traditions have emerged over the years in terms of views and methodologies. The various schools of thought or traditions have been identified as French School, the German School, the Austrian School and a certain American tradition. The scholars in America, known collectively as the Institutionalist School have historically lent their intellect to the understanding of entrepreneurship, but have in many instances, been sidelined in the wake of the dominance of certain approaches in and to economics in general or orthodox economics (which to some is also be read as American economics) in the last century. But even as formal economics forgot about the entrepreneur in his many manifestations, other disciplines recognized the importance of both the entrepreneur and entrepreneurship – which may be seen as both the process and the academic pursuit.²⁴ This has led to a plethora of disciplines such as Anthropology, Sociology, Psychology, Business Studies, Political Science and History²⁵ delving into the analysis of both the person (entrepreneur) and the process (entrepreneurship).

In the field of theology, there has been mixed regard for entrepreneurship. Early theological thoughts were significantly influenced by Roman notions and Greek philosophy. Roman practice and Greek philosophy were unkind to the vocation of the trader whose livelihood was dependent on buying at a low price and selling to make a profit. Aristotle has been credited with positing retail trade as an “unnatural” form of

²⁴ Two of the more famous works that have delved into the issue are, Max Weber’s *Capitalism and the Protestant Ethic* and David C. McClelland’s *The Achieving Society*.

²⁵ A major discussion of the issue is taken up in Richard Swedberg (2000) *Entrepreneurship: a social science view* as well as in celebrated historical works of Joseph Schumpeter.

exchange, and “a mode by which men gain from each other.”²⁶ This is a clear zero-sum conclusion on trade and business that negates the notion that both parties may benefit from the transaction and hence overall a society or city would derive clear benefits. The best use of the trader in their estimation was as a source of taxes. In the Medieval era when theology set the tone of thinking and learning, the view of entrepreneurship was somewhat ambivalent. On the one hand, entrepreneurs were needed for various undertakings while on the other he was inevitably viewed as an exploiter. The condemnation of usury and at the same time its confirmed necessity is a formula for obfuscation and ambiguity. The issue of the Augustinian concept of the ‘just price’ did not lend itself to any acceptance of entrepreneurial activity beyond what was deemed as absolutely necessary, as there was very little room for gain through arbitrage.²⁷ This and various other notions, which were largely derived from theological musings, played a large role in the legal and institutional situations in which all business and civic activities were embedded.

Understandably, a number of persons trained in theology lent their thoughts and scholarship to the issues of economics over the centuries. It is in this vein that we will later see the contribution of sixteenth century French Abbee, Nicolas Baudeau, whose first publications were on theological issues and only studied economics on the request of his superior, the Bishop of Beaumont.²⁸

²⁶ Aristotle. *The Politics* 1258 a –b as cited in Gonzalez (1990:10). For further discussion on the subject see Gonzalez (1990) Chapter 2, pp. 4 – 28.

²⁷ Ricketts, M. (2006:35) ‘Theories of Entrepreneurship’.

²⁸ http://oce.catholic.com/index.php?title=Nicolas_Baudeau. Accessed June 26, 2008.

The demise of the influence of theology and dogma in daily life did not necessarily mean an increase or decrease in entrepreneurship. What we have found is that the influence of religious and theological considerations carried on their sublime influence throughout human history and western civilisation up to present times. For where theology concerns itself with issues, which are fundamental to our psyche, its presence and indeed its absence will be crucial determinants in the conduct of human affairs. One could argue that both Sombart's *The Jews and Capitalism (1911)* and Weber's *Capitalism and the Protestant Ethic (1904)* dealt with the issue of religion (which may also be read as ethnicity in the particular case of the Jews) and entrepreneurship. A leap across time to the period of the 1980s saw some allowance been made for 'enterprise' among mainstream theologians in Britain as a response to the economic decline in manufacturing and mining throughout many English parishes.²⁹ Yet this at times appeared watered down to be presented, as a reworking of a Theology of Work, which is seems more palatable in such circles rather than an entrepreneurial drive with its capitalistic ambiguities. The World Council of Churches and other ecumenical groups have made a similar approach where the emphasis has been on the changing the work place³⁰ and poverty reduction rather than wealth creation.³¹ It can be said however, that even when there was open hostility towards entrepreneurship, there was no dearth of individuals who sought opportunity for material and economic progress and many indeed succeeded.

²⁹ Sedgwick, Peter (1992) *The Enterprise Culture: A Challenging New Theology of Wealth Creation for the 1990s*. SPCK. UK.

³⁰ World Council of Churches (1990) *Political Economy of the Holy Spirit*.

³¹ It was only a few years ago the Council of Churches in the UK and Ireland decided to talk about wealth creation rather than poverty reduction.

1.1 Etymology of the Term 'entrepreneur'

The term 'entrepreneur' has been used as the description of a certain individual and it is from this that we have derived the noun entrepreneurship either as a description of the formal field of academic enquiry or as the activity of the entrepreneur. There is tremendous consensus that the word was brought into the English language from French. We will firstly follow the development of the application of the term in the French context and then look at the English equivalent up to the time of its introduction into the English language. This is not to suggest that there were no English equivalents throughout history. However, by perusing the development and usage of terms we can get an insight into historicity of the term and the possible biases that now exist. It is to an article by Bert F. Hoselitz that we turn for some elucidation on the use of the term over the centuries. There is evidence that the term 'entrepreneur' was in use in the twelfth century, a period that corresponds with the Middle Ages, and simply meant "someone who is active or gets things done."³² This early meaning went through some changes over the ensuing centuries to render it consistent with someone who undertakes 'violent and warlike action'.³³ Further development focused on the bearing of risks, such that in the seventeenth century the term was consistent with businessmen who were involved in fixed price contract jobs with the crown or other quasi-public bodies.³⁴ These activities might have involved large scale municipal or architectural works. Hoselitz evinces that clerics were important 'creative entrepreneurs', during a period of the Middle Ages when the largest and most numerous projects were actually of religious

³² Hoselitz, Bert. F (1991:76) 'Explorations in Entrepreneurial History' in *Richard Cantillon and Jacques Turgot*. (ed) Mark Blaug.

³³ Hoselitz, Bert. F (1991:76).

³⁴ Hoselitz, Bert. F (1991:77).

importance, despite not bearing a commensurate level of risk.³⁵ Their role was more consistent with planning, supervision and management of the work rather than the financial risk-taking that secular contractors took on. The entrepreneurial element of large-scale public and quasi-public contract was primarily around the fact that the price of the contract was set, with the contractor accepting the possibility of a loss given the fact that the costs of workmen, material and food during the life of the project were never known with certainty. The profit maximizing principle would then be to minimize his costs as the price for his service is already fixed.³⁶ By the latter part of the eighteenth century, the term ‘entrepreneur’ was used to ‘apply to anyone at the head of an enterprise in the most general sense’.³⁷

The term ‘undertaker’ was used to designate English settlers in Ireland during the Elizabethan era. Hoselitz shows that the imperative was that these individuals should settle the land appropriated to them on the conditions of their contracts, rendering the usage of the term undertaker more consistent with the contractor-entrepreneur of the French variety.³⁸ This definition in time was changed or extended to include persons who undertook the completion of risky projects of uncertain rewards.³⁹ Hoselitz contends that starting from the late seventeenth century, there was some competition between the word undertaker and the term projector, where the projector was seen as a speculator and schemer of sorts. By the time of Adam Smith’s writing in 1776, the use of the term undertaker was still found in business and economics.

³⁵ Hoselitz, Bert. F (1991:78 -9).

³⁶ Hoselitz, Bert. F (1991:82).

³⁷ Hoselitz, Bert. F (1991:90). This stated as cited from F. Brunot, *Histoire de la langue française des origines à 1900*, (Paris, 1905), Vol. VI, 1. Partie, pp. 386-7.

³⁸ Hoselitz, Bert F (1991:83).

³⁹ Hoselitz, Bert F (1991:84).

However in time, the term ‘undertaken’ became associated strictly with funeral arrangement without any appropriate replacement, while his role was increasingly seen as that of the Capitalist. The emergence of the Classical School of economics with its emphasis on growth and economic development through capital and political economy led to the repression of the entrepreneur. This forced J. S. Mill in the late 1800s to lament the absence of a term in the English language that would convey the meaning of the French ‘entrepreneur’ until its eventual undated adoption into the English language.

2.0 Entrepreneurship in National Schools of Thought

Historians of economics and entrepreneurship have located the beginning of the formal analysis of entrepreneurship in the work of Richard Cantillon (1680s -1734). Richard Cantillon was a Frenchman of Irish ancestry. He was purportedly born in Kerry, Ireland and sought refuge in France after the defeat of James II. He was a banker, traveler and a successful businessman. He traded stocks of a company – the Mississippi Company - established for trading in the New World. It is of some interest to note that France at that point controlled the region known as Louisiana, which included the present US state by the same name and a great breadth of land to the East and West of the Mississippi River. He gave loans for the purchase of these stocks and then held the stocks as collaterals.⁴⁰ He liquidated his stocks just before the collapse of the company and was sued by a number of persons as having foreknowledge of the impending calamity that erupted with the bursting of this bubble.

⁴⁰ A more detailed account of some of his transactions and business acumen is provided by Murphy, Antoin E. (1991) ‘Richard Cantillon – an Irish Banker in Paris’ Cantillon and Jacques Turgot (ed) Mark Blaug pp.194 – 223.

Richard Cantillon has been viewed as the ‘mystery man of economics’.⁴¹ He has also been referred to as ‘the economists’ economist of the eighteenth century’.⁴² As a forerunner of Adam Smith, he easily contests the title of ‘father of Political Economy’.⁴³ It is in his contribution to our understanding of the role and function of the entrepreneur that we are particularly interested. The importance of the entrepreneur is cemented by the fact that his publication commonly referred to as *Essai Sur La Nature Du Commerce En General*, had no less than a hundred references to the role of the entrepreneur.⁴⁴ Cantillon’s insistence on discussing the role and function of the entrepreneur rather than his status in the society has been regarded as highly unconventional for the era.⁴⁵ He also envisaged the inevitable emergence of entrepreneurs where profits are obtainable and the demand for a product or service exists. His notion of the universality of entrepreneurship allowed him to perceive that even beggars must exercise entrepreneurial abilities, as they have to contend with the risk and uncertainty of their trade and further posited that the very market for entrepreneurs is subject to the laws of supply and demand. Cantillon’s accounts get more interesting as the business of the church does not escape his observation. Writing nearly two hundred years before Max Weber’s *Protestant Ethic*, he alerted his readers to the difference in attainment between countries that were predominantly Protestant and those, which were Catholic. Higgs translated his comments on monks and mendicants as,

“(W)ithout useful work themselves, they often interrupt and hinder the industry of others. They take from poor folk as charity the subsistence which

⁴¹ Blaug, Mark (1991) stated in the first line of the Introduction of his book *Richard Cantillon and Jacques Turgot*. Elgar Reference Collection. Edward Elgar. Hants, England.

⁴² Groenewegen, Peter (1993) *The Economic Journal*, Vol. 103, No. 418, pp. 762-764.

⁴³ Higgs, Henry (1892, 1991:1) ‘Cantillon’s Place in Economics’.

⁴⁴ Hébert Robert & Link, Albert N. (1988:23) *The Entrepreneur: Mainstream Views and Radical Critiques*. Second edition. Praeger Publishers. New York, USA.

⁴⁵ Hébert R & Link, A N. (1988:23).

should fortify them in their work. They make them lose a lot of time in useless conversation... (t)hese practices of monks and mendicants, who are themselves idle, are combined with a preponderance of holy days and festivals and fetes to render the populace of Catholic countries markedly less productive than those of Protestant faiths.”⁴⁶

This critique of the Church at a time when it exercised tremendous control over the destiny of individuals and indeed nations can be seen as a mark of the man, Richard Cantillon. However, we would be amiss to settle on the man rather than the message and a higher-level implication. That is, the extent to which the impact of the church and the religious orientation of the populace is quickly recognized as being of great import to the entrepreneurial pursuit of individuals and the poverty or wealth of ordinary families.

We find a number of issues raised and discussed by Cantillon, which are pertinent to our discussion on African Caribbean Pentecostalism and entrepreneurship. First to consider, is the universality of entrepreneurship or entrepreneurial skills, in societies. This is possible because Cantillon sees the undertaking of risks as the quintessential feature of entrepreneurship. This is key as he focuses on the role and function of the entrepreneur rather than the status, thereby eliminating from his assessment the prejudice that adorned the view of Aristotle and Plato in their bid to maintain the status quo of society and also negating the fear of profit that was pervasive in the writings of theologians. Secondly, he picks up the import of religion and religious actors in the whole sphere of entrepreneurship and economic production. His

⁴⁶Cantillon, Richard *Essai* pp. 124 -125 as reported in Higgs (1991:33).

assessment of religion and its impact on economic activity does not have to be viewed in a negative light by either religious persons or theologians, as he highlights an observed set of traits, which in his view, hinder the attainment of greater efficiency in economic production within Catholic countries. Whereas an analysis of the factors or traits of African Caribbean people and economic efficiency might be of some interest, it must be acknowledged that such an undertaking is beyond the scope of this work. Economic efficiency is quite a distinct concept from entrepreneurship, which is the focus of this present study.

Richard Cantillon is not easily placed in a particular school as he predates them all and was rather far reaching in his assessment. Frederick Hayek had this to say,

“(T)he significance of Cantillon seems to me to lie precisely in the fact that he kept aloof from any schools. As an outsider of genius, yet placed most advantageously ‘in the midst of action’ he tried quite independently ... to organise systematically the phenomena that came to his attention with the eyes of a born theoretician. Thereby he became the first person to succeed in penetrating and surveying nearly the entire range of what today we call economics.”⁴⁷

However, as it pertains to entrepreneurship, it was the French Physiocrats who carried forward the concept.

⁴⁷ Hayek, F. A. (1991:266-267) *The Trend of Economic Thinking: Essays on Political Economists and Economic History*. W.W. Bartley III and Stephen Kresge (ed). Routledge. London.

2.1 French Classical School of Thought (Physiocrats)

The French economists who advanced the discussion on entrepreneurship were also popularly known as “The Economists”. This might have been because they were primarily concerned with two principal issues, namely, reforming the French economy in order to catch up with the success that was seen in England and reforming taxes. Their early focus was largely on agriculture, which in a way was their attempt to mimic England’s earlier agricultural revolution. They were led by Francois Quesnay, whose musings on entrepreneurship, added the significant dimension of capital to Cantillon’s work.⁴⁸ Quesnay was a self-taught son of a small landowner- farmer. He was one of four consultant physicians to Louis X, and wrote his first treatise at age sixty years. His later publication, *Tableau Economique*, has been regarded as one of the greatest in economic history. Schumpeter credited Karl Marx with saying that Quesnay’s notion of capital and its inclusion in the analysis of agriculture was ‘incontestably the most brilliant idea for which political economy had up to then been responsibly’.⁴⁹ His idea of capital was taken on board by Marx and used as the basis for the critique of the work of both Adam Smith and David Ricardo. Our interest in Quesnay had primarily to do with his orientation and that of his school towards appreciating the role of the entrepreneur. He also brought into focus the attributes and abilities of the entrepreneur deemed important in his success. This view is consistent with the human capacity notions of entrepreneurial abilities.

⁴⁸ Hébert and Link (1988:31).

⁴⁹ Schumpeter, J.A. (1943:22) *Capitalism, Socialism and Democracy*.

However, Nicolas Baudeau, one of Quesnay's students, saw the entrepreneur as an innovator striving to lower his costs of operations. This approach is highly akin to the notion of process innovation. Baudeau recognized that the attributes and abilities of the entrepreneur served to aid in lowering his risks and increasing his ability to manoeuvre the uncontrollable elements of the venture.⁵⁰ Nicolas Baudeau (1730 – 1792) was a clergyman who put his intelligence and acumen to the analysis and improvement of agricultural enterprise. We find here the clergy applying itself to solving and improving the real –life, existential situation of the people of the parish.

This is of interest to our own pursuit in line with African Caribbean culture and expressions of Pentecostalism. Whereas the existence of a defined geographical space (the parish) allowed for a centralisation of interest in all things pertaining to those who tenanted such a space among these ancient thinkers, the same is not true for Pentecostal churches among African Caribbean peoples. It appears that the notion of 'the world is my parish' does not carry for African Caribbean Pentecostal (except maybe in evangelical terms) as their activities are largely restricted to the members within the walls of the church. This allows them to often discount the issues of daily life that affect the community at large. It is obvious that Baudeau did not have this luxury as he responded to the request of the Bishop of Beaumont and the socio-economic needs of his parish and country.

Another scholar within the Physiocratic School of Economics was Anne-Robert Jacques Turgot. Turgot was originally trained for the Church but spent most of his

⁵⁰ Hébert, R. and Link, A. (1988:33).

active career as a minister in the Court of Louis XV. He emphasized the role of the entrepreneur as a provider of capital and one who pays himself for his contribution. He advocates the capitalist as an entrepreneur in his own rights.⁵¹ It has been argued that Cantillon showed a society in which the entrepreneur-capitalist was still emerging. Turgot analyzed the society where the process was completed.⁵² Cantillon's notion of the entrepreneur was quite expansive in terms of the joint role of combiner of factors as well as provider of capital that the entrepreneur assumed. Meanwhile Turgot sees the provision of capital as separate from the combination of factors of land, capital and labour in an environment of risk. Turgot and Baudeau are seen as complementary writers, in that Baudeau emphasized the intelligence of the farmer who must plan and organize, taking on risks in order to succeed, while Turgot is describing the wealthy merchant or industrialist who engages in his own risky operations.⁵³ Thus, between them, they would have virtually covered the field of economic activity and production.

Another telling contribution within the French Physiocratic School was provided by the dominant Jean-Baptiste Say. His contribution to the research and theory of entrepreneurship yielded the formulation of the economic production system that had the entrepreneur as a key player or coordinator in the whole process of economic production. So prominent is the role of the entrepreneur in the work and mind of Say that terms such as 'catalyst'⁵⁴ and 'central processing unit'⁵⁵ have been used to describe and name the entrepreneur. The entrepreneur is thus an administrator overseeing the

⁵¹ Hébert and Link (1988:34).

⁵² Hébert and Link (1988:34).

⁵³ Hoselitz, B. F. (1991:92) 'the early history of entrepreneurial history'.

⁵⁴ Hébert and Link (1988:38)

⁵⁵ Barreto, H. (1989).

organization and combination of the factors of production.⁵⁶ Hoselitz argues that Say presents a static view of the entrepreneurial process that differed markedly, as will see, from that of the Schumpeterian innovator. Judgement, evinced by managerial acumen and superintendence becomes the hallmark of Say's entrepreneur.

What is clearly seen in Physiocratic theory is a concentration of relevant descriptions, definitions and formulations based on what the Physiocrats saw around them. It is in the light of their experiences and obvious exposures that they set forth their theories. Yet, many of these formulations are applicable across time as they describe universal human experiences. This presents validity to the notion of the view that the definition of who is an entrepreneur being based on one's experience or what is pertinent to one's situation.

It would not suffice for us to end a survey of the French contribution to entrepreneurship without a discussion on the offering of Leon Walras (1834 -1810). He has been credited with developing the principle of marginal utility independent of both Jevons and Menger, all of who discovered the principle at the same time. Schumpeter in his work entitled *History of Economic Analysis*, proceeded to discuss the work of a number of economists including German, Austrian and British scholars but pinned his statement by saying of Walras, "... as far as pure theory is concerned, Walras is in my opinion the greatest of all economists."⁵⁷ Leon Walras was the first to exclude coordination and supervision from his discussion on the role of the entrepreneur. He viewed these as elements of general management. This allowed him to lay the charge of

⁵⁶ Hoselitz, B. F. (1991:98) 'the early history of entrepreneurial history'.

⁵⁷ Schumpeter, J. A. (1951:82) *History of Economic Analysis*.

misunderstanding the entrepreneur at the feet of his French countrymen including Jean Baptiste Say.⁵⁸ He also posited that in order to establish a worthwhile theory of both the capitalist and the entrepreneur, the functions of the capitalist ought to be seen as separate from that of the entrepreneur. This was clearly a development on Turgot's delineation of the entrepreneur as capitalist, seen above. Who then is the entrepreneur, in the mind of Walras? The Walrasian entrepreneur was presented "exclusively as the person who buys productive services on the market for services and sells product on the market for products, thus obtaining either a profit or a loss."⁵⁹ Walras' contribution to our understanding of entrepreneurship is in the distinctly theoretical distinction between the manager as the person who carries out the routine, every day duties necessary in a business; the capitalist who provides the capital outlay; and the entrepreneur who undertakes buying the productive services that will result in the creation of the product and then selling the product in the relevant market. This distinction does not detract from the fact that one person may very well carry out all the stated functions. The distinction however, allowed for a more detailed and sophisticated understanding of the role and hence income that would accrue to each function. This level of sophistication was clearly ahead of what was obtained among British economists on the subject.⁶⁰ It is little wonder that Mill lamented the absence of the word 'entrepreneur' as we will see in our discussion on British contribution to the development of the theory. Schumpeter also commented that the whole French tradition had its impact on Walras via Say,⁶¹ a notion that carries some weight given the fact that his father Auguste Walras was a

⁵⁸ Hebert and Link (1988:71).

⁵⁹ As cited in Hebert and Link (1988:72).

⁶⁰ It is of some interest to note that the first differentiation between the entrepreneur and the capitalist was made by Mangoldt in his 1855 publication.

⁶¹ Schumpeter, J. A. (1951:828) *History of Economic Analysis*.

French economist of some worth and his ideas would no doubt have shaped, consciously or unconsciously, the thinking of his son.

2.2. *British Classical School*

The British Classical School of Thought in economics or Political Economy is deemed to have run from Adam Smith's publication of *Wealth of Nations* in 1776 to its full dominance of economic thought in 1850.⁶² Although the Classical School of Economics was conducted largely in the English language it would be erroneous to assume that they were all Englishmen. Adam Smith was part of the group that was actively referred to as the Scottish Enlightenment and included other philosophers such as Hume. In addition to these authors, other members of the Classical School included John Stuart Mill, Jeremy Bentham and Alfred Marshall. Although there are other influential thinkers who might have commented on the entrepreneur and his work, we will restrict our discussion to the above named persons.

The Classical School of Thought in economics focused significantly on macroeconomic issues such as growth⁶³, money and taxation⁶⁴ and public finance⁶⁵. Smith emphasized capital and its efficient employment as the decisive factor in economic development and wealth generation. His view of the entrepreneur is that he is another economic actor, putting his money into the pot in order to gain. Blaug noted that Smith's usage of the terms 'undertaker' and 'projector' instead of entrepreneur

⁶² O'Brien, Denis (2004:1-2) *The Classical Economist Revisited*.

⁶³ Smith, Malthus and J. S. Mill are shown to have had a preoccupation with economic growth. See O'Brien, Denis (2004:248 - 281).

⁶⁴ David Ricardo was primarily concerned with issues of money and taxation.

⁶⁵ O'Brien, Denis (2004: 4-8).

were simply replacement terms for the business proprietor in general.⁶⁶ He further situated this common tendency of failing to isolate the functions of the entrepreneur separate and apart from that of the capitalist to be indicative of the era of small family owned operations that dominated England for a long time. Smith, early in his book – *Wealth of Nations* - remarked on the achievements of labour differentiation from his observation of the pin making operations,⁶⁷ which must be read as a marked example of innovation leading to increased productivity. Some scholars are of the opinion that there was no deliberate attempt to highlight these innovations as indicative of a special breed, that is, entrepreneurs.⁶⁸ Others are of a different persuasion. It has been argued that Smith's reference to 'clear or neat profits' is clearly a discussion of the returns for risks that accrues to someone who assumes them in any undertaking.⁶⁹ Further investigation shows however, that reference to risk relates primarily to the lending of the funds for any such undertaking. Smith wrote, "The lowest rate of profit must always be something more than what is sufficient to compensate the occasional losses to which every employment of stock is exposed ... It is this surplus only that is clear or neat profit."⁷⁰ Smith obviously hit a keynote as it pertains to the distribution of the income that accrues to the factors of production but this does not redeem the Smithian failure⁷¹

⁶⁶ Blaug, M. (2000:77) 'Entrepreneurship Before and After Schumpeter' in Swedberg, R. (ed). *Entrepreneurship: A Social Science View*.

⁶⁷ Smith, A. (1776:3) *An inquiry into the Nature and Causes of the Wealth of Nations*. Nelson and Sons. London.

⁶⁸ Blaug, M. (2000:168 -170) The economics of Adam Smith. *Heineman*. London.

⁶⁹ Hollander, S (1973:63).

⁷⁰ Smith, Adam (1895:40) *An inquiry into the Nature and Causes of the Wealth of Nations*. Nelson and Sons. London.

⁷¹ Hébert, R. and Link, A, (1988:46 – 50) cites Redlich (1966:715) referring to this as an unfortunate legacy that ran through Ricardo to Marx.

to describe and attribute more to entrepreneur, particularly as a number of writers are convinced Smith was acquainted with the work of Cantillon.⁷²

Jeremy Bentham was exceptional in his treatment of the entrepreneur in Classical British economic thought. He was a teacher of J.S. Mill and close to the French School of Thought. Bentham used an advanced notion of the entrepreneur or projector as a creative agent. He has been described as ‘paying considerable attention to the entrepreneur’.⁷³ Bentham was noted for elevating the art of the projector to new heights. He defined the projector not in pejorative terms but as “anyone who in the pursuit of wealth, strikes out into any new channel, especially into any channel of invention.”⁷⁴ Kirzner cited an open letter written in which Bentham took Adam Smith to task for failing to highlight the importance of the creative entrepreneur or projector.⁷⁵ It is fair to think that Bentham would have been aware of the writings of French economists, particularly of the Physiocrats. O'Brien opines that his notion of utilitarianism has precedence in the works of the Physiocrats.⁷⁶ He was close to supporters of the French Revolution and was declared an honorary citizen of the New France. Bentham was also instrumental in reversing medieval opinions of usury as he berated the exploitative views of usury and the projectors as factors that hindered greater levels of investment by restricting both the supply and active demand of capital. His greatest contributions however, have been in the areas of legal and social reform as well as education and the emergence of the welfare state.

⁷²Higgs, Henry (1991:20-21) ‘Cantillon’s Place in Economics’ in pp.1 – 21.

⁷³ Hébert, R. F. & Link, A. (1988:50). *The Entrepreneur*.

⁷⁴ As cited in Hébert, R., & Link, A. (1988:51) *The Entrepreneur*.

⁷⁵ Kirzner, I.M (1979:40) *Perception Opportunity and Profit*.

⁷⁶ O’Brien, D.P. (1975:25) *The Classical Economists*. Clarendon Press. Oxford.

John Stuart Mill extended the discussion when he wrote of the ‘share of the capitalist’. He shows that, “the gains of the person who advances the expenses of production ... and to whom ... the produce belongs, to be disposed of at his pleasure; after indemnifying him (self) for his outlay, there commonly remain a surplus...the net income from his capital.”⁷⁷ Here Mill shows that the distribution of income to factors of production must also take into account the risks taken on by the entrepreneur. Mill further expounded, exhibiting striking similarity with Adam Smith on the income relating to the risk and uncertainty. He wrote,

“What a person expects to gain who superintends the employment of his own capital is always more and generally much more than this. The rate of profit far exceeds the rate of interest. The surplus is partly compensation for the risk. ... he always exposes his capital to some, and in many cases very great, danger of partial or total loss. He must likewise be remunerated for the devotion of his time and labour.”⁷⁸

By establishing the distinction between the entrepreneur, whose “labour and skill (is) required for superintendence” and the provider of capital who may either be a ‘lender’ or ‘owner’ or even a ‘sleeping partner’⁷⁹ we find the notion of the owner being separate and apart from the entrepreneur. This is of particular interests to us for it presents the power and place of the capitalist as provider of capital and has shown the strength of capital viz-a-viz idea and ability to make things happen.

⁷⁷ Mill. J. S. (1896:245) *Principles of Political Economy* (1896:245).

⁷⁸ Mill. J. S. (1896:245) *Principles of Political Economy* (1896:245).

⁷⁹ Mill. J. S. (1896:246) *Principles of Political Economy* (1896:246).

This distinction is an important one in the study of the entrepreneur. This problem persists to this day as the difference in expectations between the capitalist and the entrepreneur is still with us. Capitalists, whether venture capitalists or business angels, continue to command a significant portion of the gains of a venture. No longer are large, moneyed houses and dynasties such as the financiers of old Europe the dominant players in providing capital to new ventures. Now we can see the inner workings of the operations and indeed conflict between capital and ideas; the capitalist and the entrepreneur; being played out on national television. The popular Dragon's Den⁸⁰ has served to inform the public of the machinations of the capitalists' leveraging of power often to the disadvantage of the entrepreneur.

We see that whereas the capitalist was a significant unit of analysis in British Classical economic thought, the entrepreneur was a late addition. Martin Ricketts mentioned that Mill in a footnote to his book 'regrets' the absence in the English Language of an equivalent to the French 'entrepreneur'.⁸¹ For whereas the French had already accepted the 'entrepender' being separate from the provider of capital, and seen as the risk taker and the person whose idea moves the engine of commerce, the British notion was far less sophisticated and still wrapped up in the 'projector'/'undertaker' restrictive mantle. But now, the difference is quite clear and has become commonly understood, as shown from the example above.

⁸⁰ Dragon's Den is a popular television programme in the UK that allows for entrepreneurs to seek funding for their ventures from a board of Dragons or successful investors.

⁸¹ Ricketts, Mark. (2006:41) 'Theories of Entrepreneurship'.

The assumptions of the Classical and Neo-Classical Approach to economic and economic issues rendered the entrepreneur *persona non grata*. The notion of equilibrium in the economic systems did not lend itself to the vagaries and dynamics that characterize the entrepreneur. Kirzner puts it succinctly when he said, “The essence of mainstream economics sees the entrepreneur as nuisance. He injects a note of indeterminacy which is fatal to mainstream thinking.”⁸² The presence of the entrepreneur discovering market shortfalls and perceiving these as opportunities to be exploited for gain destroys the myth of perfect competition predicated on the pillars of perfect knowledge and automatic correction. Here Kirzner is attacking mainstream neoclassical economics with the undeniable and irrefutable evidence of the persistent presence of the entrepreneur.

Marshall, who has been referred to as the father of mathematical economics and one of the most dominant neo-classical economists, discusses the entrepreneur without describing his role specifically. His ‘low level’ discussion of the single business man including the importance of marketing and selling is seen as important but short of a fulsome description and assignment of role the entrepreneur. An interesting point is provided by Peter Groenewegen in his presentation on the works of Alfred Marshall. He showed that Marshall was familiar with the works of a number of German economists. Groenewegen reports that the only word highlighted by Marshall in a text that was found in his study was the term ‘*unternehmer*’. This term is translated into English as ‘undertaker’, a terminology that came to be replaced by the French transplant ‘entrepreneur’. The text in discussion was Carl von Mangoldt’s *Volkswirtschaftslehre*,

⁸² Israel Kirzner (2000) in an interview as part of the Intellectual Portrait Series. Available on <http://www.youtube.com/watch?v=hjctX7hmYLY>. Accessed 10:00 July 14, 2009.

which was published in Stuttgart in 1868. It was Mangoldt who applied his mathematical genius to economics to produce the diagrams used to illustrate the demand and supply curves. It is arguable that the use of supply and demand curves came into British Economics from Mangoldt via Marshall.⁸³ Erich Streissler has shown that the demand curve in particular, with its spurious feature of price on the vertical axis was the product of the Heidelberg professor, Karl Heinrich Rau (1792 -1870) rather than Marshall.⁸⁴

Alfred Marshall was also mindful of the role of intelligence and ability in business decisions and management. Yet, his understanding of the role that these factors play may be seen to be different from Carl Menger's view of 'technical labour'. Marshall's observations and focus on natural ability led him to see these as rare but universal.⁸⁵ Interestingly, Peter Groenewegen, the Marshall biographer, cited Marshall as saying, "... there is no sure ground for thinking that industrial leadership will remain always with the same races, or in the same climates, as in recent times; nor even that its general character will remain unaltered."⁸⁶ This is indicative of some allowance in his economic thinking for high level economic and entrepreneurial activity to emerge from different ethnicities and diverse cultures. His allusion to the possibility of new forms of economic activity might certainly be fulfilled in the growth of such forms of entrepreneurship as those found in the creative arts and entertainment and lifestyle segments. His concern for the 'representative firm' or small business unit and its place

⁸³ This view has been supported by Bruce Caldwell, editor of the Annual Supplement to Volume 22, *History of Political Economy*.

⁸⁴ Streissler, Erich W. (1990:32) 'The influence of German economics' in Carl Menger and his legacy in economics. Bruce J. Caldwell (ed). Annual Supplement to volume 22, *History of Political Economy*. Duke University Press. Durban and London.

⁸⁵ See citation from Hébert and Link (1988:77).

⁸⁶ Groenewegen, P. (1995:708).

in industrial and economic growth shows an awareness of the importance of entrepreneurship in the economy. But more importantly, his statement above betrays an acceptance of ethnic diversity in economic development and entrepreneurship, a position that informs our present discussion.

Yet, we may very well ask, what were the major factors that led to Peter Groenewegen insisting on this inclusion in his commentary on Marshall? Also, were there factors or characteristics inherent in Marshall and his experience that led to this, his rather catholic view of entrepreneurial potential? In the first case, this inclusion by Groenewegen is only natural especially to someone writing in the 1990s. Having witnessed the rise of economies, which were so far behind the European economies at the time of Marshall's death, this prophetic statement would have certainly leapt at Groenewegen from the page. Marshall died in 1924, when the dominant nations on the globe were Europeans, some having had their flings with imperialistic ambitions and others with far-flung empires and holdings. Britain dominated the globe with an empire on which the sun never set. Other than America, which was different in geography but principally had the same 'race'⁸⁷ in positions of industrial leadership, the only other country that showed any possibility was Japan. It is also significant when we acknowledge that the dominant theories on race and ethnicity at the time took for granted the superiority of Europeans to others. Against this background of accepted prejudice and the distance in development between European and other states of the world, this declaration must be seen as startling at the time and quite insightful even

⁸⁷ The highly contested term 'race' is used here with the strong acknowledgement of the need for a better word. Ethnic grouping in the United States are more complex than is currently obtained in the United Kingdom. This is primarily so because of the basically immigrant make up of US society.

now. Certainly, despite the fact that it has not been discussed by Groenewegen, the weight of the statement cannot be denied.

As for the factors that might have led to Marshall making this declaration, we can see glimpses from reflections on his training, abilities and character. He has been cited as a “mathematician, statistician, linguist, student of history – past and present ... well informed to understand the views of all his contemporary economists.”⁸⁸ The above betrays the influence that the continental economists would have had on him, particularly German. Ekelund and Hébert alluded to a statement made by Marshall that “the most important economics work that has been done on the Continent in this century [19th] is that of Germany.”⁸⁹ Not only was he able to read and understand the writings of the various schools of thought in continental Europe, he was also appreciative of history, which evinces the fact that skills and abilities are human traits, independent of geography and ethnicity. Of him it was said that he ‘humanised economics’. This notion also points to an inevitable appreciation for all of humanity and to recognize that arguably one of the most human(istic) of economic activity would be entrepreneurship.

It is a sad fact that the events which overshadowed Europe and Britain within a decade of his passing had as one of their effects a ‘dumbing’ down of economics to discount the role of the human agency and promote both a dependence on mathematical formulations as well as promoting government as the main player in economic activity. Whereas neoclassical economics and Keynesian theory have respectively spearheaded

⁸⁸ Groenewegen, P. (1995:739). Groenewegen quotes the *Guardian* newspaper’s obituary

⁸⁹ Ekelund, Robert, B. Jnr. & Hébert, Robert (1990:322). *A History of Economic Theory and Method*. Third edition. McGraw-Hill Co. New York.

the described observations, we have also seen where both approaches have been at odds with each other. An interesting point however, is the extent to which the work of German Economists who contributed to the development of the discipline have almost been written out of the mainstream texts and courses.

2.3. *Austrian School of Economics*

The Austrian School of Thought is seen to have started with the work of Carl Menger who lived from 1840-1921. The School includes such heavyweights on the subject of entrepreneurship as Ludwig von Mises, Frederich von Weiser, von Böhm-Bawerk, F.A. Hayek, Joseph Schumpeter and Israel Kirzner. While he was a civil servant, Carl Menger published a major text *Grundsätze der Volkswirtschaftslehre* (often referred to as *Principles of Economics* in English), in 1871. This publication secured for him a chair in Political Economy at the University of Vienna in 1873, where he served until 1903. He was also tutor to the Crown Prince of Austria between 1876 and 1878.

Menger showed that the value of a good was based on the satisfaction that the user expected to gain from it. This, the Subjective Theory of Value, based on the principle of marginal utility set aside the classical notion that the value of a commodity was intrinsic to the commodity itself and the input cost of its production. By taking a subjective view of economics, he posits that economic changes are more the product of an individual's views and perceptions rather than the person's awareness being decided by the economic circumstances. He later promulgated his methodology with the

publication of the *Modenstreit* that espoused a methodology that came to define the School. This methodology is largely dependent on theoretical deductive reasoning rather than empiricism and induction. It rejected mathematics as a tool of economic analysis relying on conceptual understanding rather than quantitative relations.⁹⁰ The fact that the methodology opposed the historicism of German economic analysis brought on Menger the ire of the German Historical School, such that the term Austrian School was used as a term of denigration by his opponents.⁹¹ It is expressed that the Aristotelian individualism of his philosophy was viewed as backward by his German counterparts, who were under the sway of Kant and Hegel. The Aristotelian notion of qualities and features being knowable *a priori* allowed for Menger and his disciples to launch themselves into finding such features, qualities and laws in the economic dimensions of life.⁹² With an emphasis on the nature of economic phenomena rather than quantitative relationships, they provided insights into economics that have proven monumental.

The methodology of the School took some time to be fine-tuned as shown in the work of subsequent members. The methodology of the Austrian School, particularly as expressed in the works of von Mises, von Hayek and later Israel Kirzner, emphasizes the role of knowledge and information in the market process. It is from the Austrian School that the most research has been done in the area of entrepreneurship. By taking a view that human actions and individual decisions must be at the centre of economic science, human action and individual decision-making became the data for

⁹⁰ Taylor, Thomas C. (1980:3) *The Fundamentals of Austrian Economics*. Adam Smith Institute. Brighton, England.

⁹¹ Smith, Barry (1986: vii) 'Preface: Austrian Economics from Menger to Hayek' in *Austrian Economics*. (eEd) Grassl Wolfgang & Smith, Barry. Crom Helm Ltd. Kent. UK.

⁹² Smith, Barry (1986:vii) 'Preface: Austrian Economics from Menger to Hayek'.

their analyses. This stance has lent itself to the Austrian School being at the forefront of entrepreneurship.

According to the work of Carl Menger (1840-1921), the founder of the school, human actions must be the focal point and the ‘dynamic element of economics’. The orientation of Carl Menger and his disciples showed the entrepreneur as the person who must predict and act in the face of uncertainty to create economic development.⁹³ Yet, the entrepreneur was never discussed in great detail in the work of Menger. He saw entrepreneurial activity and skill as being a form of labour. He wrote “... an entrepreneur’s own technical labour services are often among the goods of higher order that he has at his command for purposes of production.”⁹⁴ Menger holds dear to the importance of information in the process of economic development in the hands of the entrepreneur. This premise has been advanced by other members of the Austrian School over the ensuing decades. It has been noted, that he denied the importance of risk in the entrepreneurial matrix, as losses were prone to be offset by gains.⁹⁵ However, by focusing on individual action and decision, it was inevitable that the entrepreneur would feature prominently in the School that he founded.

Frederick von Wieser (1851 -1926) was trained in law and subsequently studied economics at Heidelberg, Jena and Leipzig. He was professor at the German university in Prague and on the retirement of Menger, assumed his chair at the University of Vienna. As a follower of the Austrian School he was primarily concerned

⁹³ Grebel, T. (2004:27 -29) *Entrepreneurship: A new perspective*.

⁹⁴ Menger, Carl (1981:160) *Principles of Economics*. Translated and edited by James Dingwall and Bert F. Hoselitz. New York University Press. NY.

⁹⁵ Hébert Robert & Link, Albert N. (1988:67) *The Entrepreneur*.

with problems of currency and taxation and served as Austrian Minister of Commerce in 1917. His writings included a theoretical work on natural value (*Der Natürliche Werth*) published in Vienna in 1889, and a contribution - *Theorie der Gesellschaftlichen Wirtschaft* - to the volume of work edited by Max Weber entitled *Grundriss der Sozialökonomik*, which was published in 1914. This work on social economics has been viewed in retrospect as one of the most important writings on the subject. On the issue of the entrepreneur it might have been his concern with taxation and his early training in law that led him to offer a highly legalistic and rather encompassing definition of the entrepreneur. The entrepreneur is posited as ‘owner, director, creditor, debtor, employer, manager and leader’.⁹⁶ He further denotes the entrepreneur as being “alert, independent and forceful, having the courage to accept risks and be driven.”⁹⁷ For him it is the entrepreneur who “supplies the capital, originates the idea, elaborates and puts the plan, and engages the collaborators.”⁹⁸ This all-encompassing individual must inevitably be described as “bold technical innovator, keen banker, reckless speculator, world conquering director of trusts.”⁹⁹ It can be postulated that von Weiser’s social location and the positions he held in Austria blinkered his rather ‘high’ view of the entrepreneur such that his descriptions are couched in lofty terms. It remains though that this view of the entrepreneur opened the door for the application of entrepreneurial analysis and theory to the activities of high finance and corporate business.

The view that historical data and induction were the sole grounds on which knowledge and insights would grow was a form of radical positivism that was seriously

⁹⁶ Cited in Hébert and Link (1988:68). *The Entrepreneur*.

⁹⁷ Hébert and Link (1988:68).

⁹⁸ Hébert and Link (1988:68).

⁹⁹ Hébert and Link (1988:68).

opposed by Ludwig von Mises (1881-1973) of the Austrian School. This form of positivism was largely associated with the German Historical School. In opposition to this, Mises developed *Praxeology* - the study of human action based on individual choice and the individual's perception of reality. He held that it is the functions of the entrepreneur that must be held in view by the economists and once more contend for the universality of entrepreneurial traits. He noted "(t)his function is not the particular feature of a special group or class of men. It is inherent in every action and burdens every actor." He continued, "... we must never forget that every action is embedded in the flux of time and therefore involved speculation ... entrepreneur means acting man in regard to the changes occurring in the data of the market."¹⁰⁰ Here Mises is extending his view of entrepreneurship beyond Cantillon's notion that situated it among all who took on risk, to a more universal application, such that every person who acts in whatever capacity exercises entrepreneurial skills. He achieves this by citing the twelfth century French take on the term '*entrepreneur*' that we met earlier, when he wrote, "entrepreneur means acting man". Thus to the extent that every single human being must make decisions and act under whatever circumstances, they are entrepreneurs.

Mises' view of entrepreneurship allows for an analysis of every human being who has to make decisions about the market regardless of the degree of uncertainty inherent in his situation. Thus, the labourer and the capitalist are entrepreneurs alike. Kirzner, in an interview aired on Youtube, noted that for Mises, with every decision made by each individual, that individual is discovering, evaluation, ranking and

¹⁰⁰ von Mises (1947:253 -254) *Human Action*.

deciding on a course of action.¹⁰¹ It is this dynamism of the market process and the inherent competition that give rise to economic development and profits. The universality of entrepreneurship in the formulations of Mises invariably leads him to discuss entrepreneurial errors, as businesses are prone to fail. This discussion is a rarity in the entrepreneurial research but is quite important in gaining a better understanding of the person and the process in entrepreneurship.¹⁰² Mises contribution is carried forward as Kirzner remarks that many of his own ideas and his theory of entrepreneurship are directly derived from Mises. He wrote "... it is Mises' insight into the character of the market process that laid the groundwork for the construction of this (my) theory of entrepreneurship."¹⁰³ Kirzner is easily the most accomplished theoretician of the Austrian School of economics presently alive and also a most celebrated scholar of entrepreneurial studies.

In this category or school, Joseph Schumpeter made a sterling contribution to entrepreneurship research in his publications, *Theory of Economic Development* (1911), *Business Cycles* (1939) and *Capitalism, Socialism and Democracy* (1952). All three of his major works saw the entrepreneur holding a prominent position. He positioned the entrepreneur as the source of all dynamic changes in the economy. His entrepreneur is a hero, who by reason of his attributes cannot help but be engaged in 'destroying' the existing equilibrium with his creations and insights. It is this destructive creation that gives rise to economic development and growth. Schumpeter is one of those who sit astride several schools - the Austrian and the American. His focus has been on industry

¹⁰¹ This is available in an online interview of Israel Kirzner where he discusses the differences between the approaches taken by Robbins and Mises. <http://www.youtube.com/watch?v=hjctX7hmYLY>. Accessed 15:44 23/20/09.

¹⁰² von Mises (1947:582) *Human Action*.

¹⁰³ Kirzner, I. (1973:85) *Competition and Entrepreneurship*. University of Chicago. USA.

pioneers, big businessmen championing the heroic of the entrepreneur. His approach is referred to as ‘high level’ as opposed to others who looked more to the ‘low level’ single firm and small businessman.¹⁰⁴

Born in Moravia, then part of the Austrian-Hungarian Empire, he attended the University of Vienna, where he was supervised by von Böhm-Bawerk who by then had a chair in Economics at the university. He gained his doctorate in 1906. Joseph Schumpeter then took teaching positions in a number of universities and published his *Theory of Economic Development* in 1911 while at the University of Graz. It was while here that he wrote the chapter on methodology in the voluminous tome edited by Max Weber, *Grundriss der Sozialökonomik*, which was published in 1914. He served here until the end of the First World War and rose to fame after serving as the Austrian minister of finance from 1919-1920. He entered the private sector in 1920 as the President of Biederman Bank, a private bank. The collapse of the bank reputedly left him bankrupt. In 1925, he was professor at the University of Bonn in Germany until 1927 and subsequently left for periodic stints at Harvard University in United States of America. He eventually left for good to Harvard in 1932, in the face of increased nationalism and the rise of Nazism in Germany. It was in the USA that he did most of his work.

¹⁰⁴ Casson (2006) puts Marshall as a discussant of ‘low level’ entrepreneurship. Knight may also be seen as similarly positioned.

Schumpeter postulated that innovation¹⁰⁵ is brought about by any one of or a combination of five features namely;

1. The introduction of a new product or a new product quality
2. The introduction of a new production method
3. The opening of a new market
4. The use of new raw materials or sources of semi-manufactures
5. The creation of a new industry organisation.

This is a presentation of a combination of two sets of features of the entrepreneur. It has been expressed that his early work and discussion on the entrepreneur while working in Europe, was dominated by the small or ‘low’ view of the entrepreneur, as a small businessman and risk taker. While in America, he angled his view to include the large scale innovator and industrial organizer as might be evidenced in industrial America. Another likely influence on Schumpeter’s notion of innovation and entrepreneurship was Schaffle. Albert E. F. Schaffle was the immediate predecessor of Carl Menger at University of Vienna and as such a person with whose work Schumpeter would have most certainly been familiar. Schumpeter attended the University of Vienna and is viewed as a third generation Austrian economists having studied directly under von Böhm-Bawerk, who was himself a student of Menger. The eminent economic historian and business studies scholar, Geoffrey Hodgson however, is quite critical of Schumpeter.¹⁰⁶ He quoted Micheal Appel¹⁰⁷ showing how a great deal of Schumpeter’s

¹⁰⁵ Innovation is largely seen as the engagement or exploitation of new ideas or inventions for creation of economic or social value. Innovation is more than invention; it is the use of the invention. This then requires entrepreneurship. However, it remains that entrepreneurship is more than innovation as many entrepreneurial activities and businesses do not require a new idea or invention. Entrepreneurship is necessary for innovation, but innovation is not a necessary factor in entrepreneurship.

¹⁰⁶ Hodgson, G. (2001:188) *how economics forgot history*

work betrayed the direct and unacknowledged influence of the German Historical School. As a German scholar, Appel would have had a distinct advantage in accessing articles and books written in that language - almost a reversal of the advantage that Schumpeter supposedly assumed. It is deemed that his ideas passed for original because of the intellectual distance between the English-speaking world and Germany in the post World War II era.

It is possible to see Schumpeter's works as being in the same vein as Sombart's, Weber and indeed Hayek. Sombart and Weber can be seen as following in the steps of the German Historicists, while Hayek was clearly of the Austrian School along with Schumpeter. It is of some interest to note that he was not only a contemporary of these great minds but also occupied the same academic space, in a manner of speaking. He was offered a position vacated by Werner Sombart at Handelshochschule Berlin, from which he subsequently withdrew.¹⁰⁸ As we noted before, he contributed to a volume edited by Weber and also received a reference from Weber for a teaching position at the University of Vienna.¹⁰⁹ It seemed to have been en vogue for notable thinkers of this time, particularly those who had experienced the upheaval of Europe, to comment on and predict world economic and governance systems. Hayek in the preface to his *Road to Serfdom* outrightly declared the book political rather than economic.¹¹⁰ However, it has been noted that Schumpeter combined and blended ideas from Sombart, Weber,

¹⁰⁷ Appel, Michael, (1992: (260-2) *Werner Sombart: Historiker und Theoretiker des modernen Kapitalismus*. Marbyrg. Metropolis. Although there is no available English translation of this work, it is clear that even Sombart himself is unduly under-represented in the literature available in English.

¹⁰⁸ Stopler, Wolfgang F. (1994:14) *Joseph Alois Schumpeter: the Public Life of a Private Man*. Princeton University Press. New Jersey.

¹⁰⁹ Stopler, Wolfgang F. (1994:16) *Joseph Alois Schumpeter: the Public Life of a Private Man*. Princeton University Press. New Jersey.

¹¹⁰ Hayek, F.A. (1943:v) *The Road to Serfdom*. Routledge. London.

Marx, Leon Walras as well as Austrian economists and was the first to present them in English as uniquely his own.¹¹¹ Weber and Marx point to a certain historical eschatology which posits the eventual demise of capitalism. This same thought is carried by Schumpeter in *Capitalism, Socialism and Democracy*. As he discusses the features of capitalism and the forms of governance and economic system, he ends in the prediction of the emergence of a type of socialism. This, he takes pain to define in the chapter entitled ‘March into Socialism’ as “the organisation of society in which the means of production are controlled, and the decisions on how and what to produce and on who is to get what, are made by public authority instead of by privately owned and privately-managed firms.”¹¹² This ‘corporatism’ as it were, is clearly not a communal or collective form of socialism that has become popular but rather a type of monopoly in economic decision making by public corporations. A footnote to this last chapter – March of Socialism – pointed out that he had delivered this lecture to the American Economic Association from notes, which he was still in the process of writing up. These were largely complete but still in the draft stages when he died. He died within a week of delivering this lecture.

It remains however that Schumpeter has had a most profound effect on the study of entrepreneurship and was the one who moved the entrepreneur into the mainstream of economic thought and business in the modern era.

¹¹¹ Hébert, R. & Link, A. (1988:105); Ekelund, Robert, B. Jnr. & Hébert (1990:322) *A History of Economic Theory and Method*. 3rd edition. McGraw-Hill Co. New York.

¹¹² Schumpeter J.A. (1954:415) *Capitalism, Socialism and Democracy* 4th edition, 13th impression. Unwin University. London.

Both Friedrich von Hayek (1899 -1992)¹¹³ and Ludwig von Mises (1881-1973) have influenced tremendously the development of our understanding of the entrepreneur. We must also acknowledge a contemporary and student of Carl Menger namely Eugen von Böhm-Bawerk. However, since our focus is on entrepreneurship, we may pay less attention to Böhm-Bawerk whose contributions were more towards general economics. He however linked time and uncertainty in his discussion of economic activity, wealth and insurance claims.¹¹⁴

Israel Kirzner emphasized the actions of the single entrepreneur or business-person who identifies opportunity in the prices. Thus, their approach has been described as ‘low level’ and also as more suitable to speculators who act on arbitrage rather than small business owners.¹¹⁵ Israel M. Kirzner (b. 1930) who is both a Talmud scholar and an economist studied under Ludwig von Mises. He is easily one of the most celebrated economists of the Austrian School in terms of his economic philosophy and methodology. His ideas in the field of entrepreneurship are brought out in his works, *Competition and Entrepreneurship* (1973) and *Perception Opportunity and Profit: Studies in entrepreneurship theory* (1979).

There is no doubt that Kirzner was influenced by his relationship with, and study of, the Talmud. Born in London, as the son of a well respected Rabbi, he continues to lead the synagogue that his father led in New York. It can be reasonably surmised that

¹¹³ Hayek, F.A. (1937) ‘economics and knowledge’ in *Economica*, New Series, Vol. 4, No. 13, pp.33 – 54.

¹¹⁴ For a discussion on the topic see Borch, Carl (1973:62) ‘The place of Uncertainty in the Theories of the Austrian School’ in Hicks, J. R and Weber, W. (ed) *Carl Menger and the Austrian School of Economics*. Clarendon University Press. Oxford.

¹¹⁵ Casson, M. & Godbley, A. (2005:29) ‘Entrepreneurship and History’.

both his religiosity as well as his ethnicity were critical factors in informing his perspective on entrepreneurship and economics. It is no secret that Jews have had a notable inclination towards self-employment and entrepreneurship. It would not be far fetched to assume that a migrant Jewish young man would fall under the influence of the Austrian School with its established inclination and tradition of accepting that economic issues must be assessed from the viewpoint of human action and the importance of knowledge. This would be in tandem with firstly, the history of Jewish business practices that often drew on the awareness and knowledge that is available to members of this ethnic group; and secondly, the commentary of the Talmud and Gemara on issues of economic content has been a long standing open secret. It is uncertain as to the extent that this has given rise to the fact that over forty-five percent (45%) of Nobel Laureate in economics are of Jewish descent with a number of them practising Jews.¹¹⁶

It is only in recent times that the economic principles, which were laid down in the Talmud, have come for critical assessment and appreciation by scholars and economists. The recent attention on economics in the Talmud is understandable. The Talmud demands a great deal of persistent effort and time for one to develop a level of expertise in its interpretation and application. Thus, most students of the Talmud would have dedicated their lives to it, leaving very little room for say, economics as a professional academic pursuit. Notably exceptions are Kirzner and the Nobel Laureate Robert Aumann. Interestingly, Aumann's work in economics and particularly the development and application of Game Theory to economic problems might have sprung

¹¹⁶ http://nobelprize.org/nobel_prizes/economics/laureates/.
<http://www.jewishvirtuallibrary.org/jsource/Judaism/nobels.html>. Both accessed 20:27, 23/10/09.

from a number of problems, which were decided on by Jewish sages centuries ago. The rationale for these decisions and principles evaded understanding until the emergence of Game Theory, an advance set of mathematical techniques that analyzes decision-making.¹¹⁷ Although Kirzner has not discussed the direct influence of the Talmud on his thinking, some indication of the possibility of this influence can be taken from Aumann. Aumann declared that ‘five hundred years before Adam Smith, the Talmud was promoting the principles of free market’.¹¹⁸ His presentation, that lasted a little more than twenty minutes on Youtube, was replete with examples of the Talmud championing the free market principles and applying new rules to govern the provision of credit. The market notion of not setting prices was presented in the Talmud some half a millennium before Adam Smith. The admonition was to allow prices to find their own natural levels. Aumann quotes the maxim as, “Do not appoint inspectors of prices but only inspectors of measurements”. This speaks to an approval of the fundamental role that the market will work in setting prices.

Professor Aumann also discussed at some length Hillel’s use of the Pruzbul to prevent the effects of the lack of credit that normally accompanies the approach of the Year of Jubilee. Understandably, against the background of the cancellation of all debts held by a Jew, which has been given by another Jew, by the end of the Jubilee year, there was a shortage of available credit in the later years leading up to the Jubilee. This ‘credit crunch’ was simply the product of the fact that creditors did not want to lose

¹¹⁷ http://www.youtube.com/watch?v=2ibiE23_8gw. Accessed 11:15 29/03/09.

¹¹⁸ Judaism and Economics: Professor Robert Aumann Part 1.
http://www.youtube.com/watch?v=2ibiE23_8gw. Accessed 11:15 29/03/09.

their money, which in turn led to increased hunger among the poor in Jewish society. Hillel, the Elder, was a Jewish Sage who lived in the first century BCE. He moved to create the institution of Pruzbul, which allowed for the loan to be transferred to the realm of public administration, which at the time would have resided in the Temple. This was possible because the stipulation of the Torah was only applicable to private and not public debts. This ruling by Hillel allowed for the wealthy Jews to not sin and also allowed the poor to receive their loans and credit.

The issue at hand is the likely influence of the declarations of the Talmud and other Jewish religious text on an intellectual such as Kirzner. The absence of religious rhetoric against trade and economic engagement at the common level cannot be underestimated.

On an intellectual level, Kirzner said that von Mises opening statement, in the very first lecture of a course, quoted as, “The market is a process” was as revolutionary as anything else that he had ever heard at New York University and was enough to leave him a committed Austrian Economist. It is to the understanding of this process and the place of the entrepreneur in this process that has held his attention to this day.

2.3.1 Schumpeter and Kirzner

We follow the lead of Shane to present these two students of the Austrian School and arguably the most influential scholars of entrepreneurship theory, as presenting two important views on entrepreneurship. They are often shown as being

countervailing. However, Kirzner has gone to great lengths to show that this impression is largely the product of a prevailing misconception.¹¹⁹ Unlike Mises, Kirzner does not accept that entrepreneurship is a feature of all economic actors, but rather that since it is a feature of markets it must be restricted to market transactions. Kirzner is keen on showing the extent to which the entrepreneur uses his ability to gain knowledge in an economy for creating and seizing opportunities in an economy. He postulated that the action of the individual has an equilibrating effect on the economy.

The contributions of both Schumpeter and Kirzner have given rise to a debate concerning what is their critical difference. Schumpeter's theory has allowed for the development of a certain personality or psychological profile of the entrepreneur. This has led to a significant body of literature across the disciplines of the social sciences as to the makings of the entrepreneur. His focus on innovation as the mark of the action of the entrepreneur dominated business and entrepreneurial views, particularly as America flexed its innovative muscles in the new information and innovation economy characterized by Silicon Valley. Kirzner's work on the other hand is often seen as focusing on the market process and the notion of alertness or capacity to gain knowledge and information of the market. Both approaches were and continue at times to be deemed conflicting in the sense that Schumpeter advocates the role of the entrepreneur in destroying equilibrium through his creativity and innovation, while Kirzner sees the entrepreneur as restoring equilibrium by taking advantage of the gap in the market, that is, as an equilibrator. Kirzner admitted moving on from Mises by

¹¹⁹ Kirzner, I. (2008) The Alert and Creative Entrepreneur: A Clarification. IFN Working Paper No. 760, 2008. Research Institute of Industrial Economics. Electronic copy available at: <http://ssrn.com/abstract=1224842>.

insisting that the entrepreneur pursues a strict market function in looking ‘purely’ for profit.¹²⁰ As much as he drew from Mises, Kirzner clearly rejected the idea of the universal occurrence of the entrepreneurial ability and effectively eliminate the incidence of social entrepreneurship by his insisting on the profit motive.

As noted before, a number of writers saw a contrast between Kirzner’s notion of the entrepreneur and that presented by Schumpeter.¹²¹ Kirzner emphasizes the alertness of the entrepreneur to price new information in the form of differentials in the market place. These price differentials or arbitrage opportunities are indicative of certain disequilibrium in the market. The grasping of these opportunities represents the action of the entrepreneur to bring out equilibrium in the market. Schumpeter on the other hand sees the entrepreneur as not simply equilibrating the market but rather disrupting it through his innovation and creativity. Kirzner sought to settle this debate in his 1999 paper, *Creativity and/or alertness; a Reconsideration of the Schumpeterian Entrepreneur*.¹²² He showed that it is not necessary to render both approaches irreconcilable, as he asserted, “To see the entrepreneurial role of a real-world entrepreneur as essentially that of being “merely” alert to opportunities created (or able to be created) by independently-initiated changes, is not necessarily inconsistent with a Schumpeterian perspective on the activity of that same entrepreneur (which sees him as actively and aggressively initiating change).”¹²³ This apparently did not settle the argument, as he felt compelled, even after his retirement from academic life, to release a paper on the issue.

¹²⁰ Kirzner, I (1997:68) ‘entrepreneurial discovery and the market process’

¹²¹ Hébert and Link (1982); Shane, S. (2004) *General Theory of Entrepreneurship*.

¹²² Kirzner I. (1999) ‘creativity and/or alertness’ in *Review of Austrian Economics*. Vol.1,1 pp.5 – 17.

¹²³ Kirzner I. (1999:5) ‘creativity and/or alertness’.

Kirzner is keen to show the *inside* workings of capitalism as entrepreneurs recognized opportunities based on ‘pure profit incentives’.¹²⁴ Kirzner’s inner workings of the market emphasize knowledge and information in the market process in clear tandem with the rest of the Austrian School of Thought. In terms of the view of information, Shane comments that, “... Kirznerian perspective holds that the existence of opportunities requires only differential views toward existing information. In contrast, the Schumpeterian perspective posits that new information is important to explaining the existence of entrepreneurial opportunities.”¹²⁵ Even present day business schools continue to hold dear the differences between the Schumpeterian approach of creativity and innovation and Kirzner’s emphasis on alertness. Israel Kirzner sees this difference as spurious.

2.4. American Institutional School

American Institutional Economics has focused primarily on the ways in which economic actions are shaped or influenced by man-made institutions. The dominant discussants of entrepreneurship from the American Institutional School are Hawley, Walker, Davenport and Knight. It has been postulated that the American Institutional School is deeply influenced by the Austrian School and can be seen as an extension of the Austrian School,¹²⁶ despite the extent to which they increasingly addressed their

¹²⁴ Kirzner I. (1999:16) ‘creativity and/or alertness’.

¹²⁵ Shane, S. (2000:35) *A General Theory of Entrepreneurship*.

¹²⁶ Gerbel, Thomas (2004:31). *Entrepreneurship: A new perspective*. Routledge, Great Britain; Hébert, R & Link, A. (1989:84). ‘*The Entrepreneur*’.

minds to the emerging American economic situation in which the place of the entrepreneur became prominent and clearly separate from the capitalist. It was as early as 1866, eleven years after Mangoldt's publication and five years before Menger's seminal work, that the American, Amasa Walker was noted as lamenting the confusion in English circles of the Capitalist and the Entrepreneur.¹²⁷ This is a clear indication of the emerging difference in economic and business practices between the expanding America of the 1800s and the industrialized Britain of the same period. For while Britain's economy was being pushed on the action of small shopkeepers and tradesmen whose activities saw very little difference between capital and the tradesman or shopkeeper, for the most part, this individual was capitalized by own funds. America, on the other hand, was experiencing expansion and development characterized by capital from the wealthy (who in many cases were British) and the small pioneering entrepreneur. It is this difference and its implications that flavoured early American Institutional Economics. The importance of the individual led to a strong inclination and indeed need to study the effects of institutions on her economic actions and motivations. These institutions were not social communities as such but rather economic structures, laws and mores which acted to consolidate economic control by altering social orientation.

Hodgson in his book *how economics forgot history* showed a strong link between the German Historical School and the development of Institutional Economics in America.¹²⁸ Hodgson's main interest in his book is with regards to methodology and as to whether the place of history is honoured, that is, the degree of historicism utilized

¹²⁷ Hébert, R. & Link, A. (1989:84) *The Entrepreneur*.

¹²⁸ Hodgson, Geoffrey M (2001: 156 -158) *how economics forgot history*. Routledge. Great Britain.

by scholars of economics. Gerbel has shown that John Bates Clark (1847 – 1938) placed the entrepreneur at the core of the dynamic component of the economy. Clark was also the first to differentiate between insurable risk and un-insurable uncertainty. This could very well be perceived as a ‘throw-back’ to the work of the Austrian von Böhm-Bawerk, who initiated some discussion on the role of insurance activity and economics. Davenport (1861-1931) isolated the entrepreneur as the core of the economy and thus economic theory. This, Gerbel contends, did not develop in any meaningful way as was intended. Francis Walker, son of Amasa Walker, extended his father’s work by developing a unique theory of profits.¹²⁹ It was to Frank Knight (1885-1972) that the making of a marked contribution was left, a discussion to which we will shortly come. Ronald H. Coase was also instrumental in advancing our understanding of the entrepreneur and entrepreneurship with his discussion of uncertainty and its implications for transaction costs in the market. He notes that the entrepreneur-coordinator directs production and carries out a number of unique functions, particular in forming judgments and decision which were beyond the capacity of the firm as a unit and separate from those undertaken by a manager.¹³⁰

Frank Knight’s basic work in entrepreneurship is taken up in *Risk, Uncertainty and Profit* (1921). He showed that in the absence of perfect knowledge (a classical economics assumption), economic actors have to make decisions on ‘what to do and how to do it’ in the face of prevailing uncertainty. Knight refers to the entrepreneur as ‘businessman’. Thus Knight projects members of this social class to have the ability,

¹²⁹ Walker, F. (1887) ‘source of business profits’ in *Quarterly of Journal of Economics* 2:263 -296.

¹³⁰ Coase, R. H. (1937:35 -36) ‘the nature of the firm’ in *Economica*, New Series, Vol. 4, No. 16 (Nov., 1937), pp.386-405.

characteristics and traits that make them capable of directing the other groups of persons towards economic production, ensuring their salary while they take on the uncertainty and risks of the venture. This was a marked development on the previous notions of entrepreneurship and not since Richard Cantillon's work published in 1754 was the issue of risk and uncertainty brought into the equation with such fullness. Here Knight placed the businessman at a critical point in the economic process, while appropriately assuming the risk and uncertainty taken up by everyone in the economy.

Most of the dominant thoughts in entrepreneurship have started from a critique of the orthodox theory in economics. The entrepreneur or his activities are brought out to show where the equilibrium theory has gone wrong. The bulk of what is now obtained as the foundation of entrepreneurship research is rooted in the work of Knight, Schumpeter and Kirzner. Knight has focused on risk and uncertainty and how the entrepreneur mitigates these market realities. He posits that knowledge is an important factor in the action of the entrepreneur. His knowledge of situation allows him to differentiate between risk and uncertainty. His remuneration is the product of his knowledge and his risk affinity.

2.5. Some Thoughts on the Relationship between Background, Ethnicity and the Definitions of Entrepreneurship

One of the UK's leading entrepreneurship theorists, Mark Casson, contends that entrepreneurship is about 'judgement in decision making'.¹³¹ In an earlier work, Casson

¹³¹ Casson, M. and Godbley (2005:30).

defined the entrepreneur as ‘a person who specializes in making decisions about how to coordinate scarce resources.’¹³² Shane further shows that ‘entrepreneurial decisions are made by formulating new means-ends frameworks for the use of resources’.¹³³ He contends that exercising judgment is at a higher cognitive level than mere decision making. For whereas, decision making is the optimizing of choice within ‘known means-ends framework, judgment or entrepreneurial decision making is ‘making a causal argument about a future market for goods or service that does not yet exist’.¹³⁴ The fact that the means-end framework is fully known means that the outcomes are rather predictable. With entrepreneurship the risks are greater and many factors are actually unknowable. Thus placing entrepreneurial activity along a ‘faith’ continuum.¹³⁵

Scott Shane and Venkataraman expressed that the essence of an acceptable view of entrepreneurship must be along the lines of the individual – opportunity nexus.¹³⁶ From this approach they have distilled a conceptual framework for entrepreneurial research. Venkataraman insists that defining entrepreneurship by looking at the entrepreneur is not good enough in our pursuit of the understanding of entrepreneurship. He proffered, “... 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.*”¹³⁷ Here we see that the possible units of analysis are opportunities, individuals, elements of the process

¹³² Casson (1983:23).

¹³³ Shane, S. (2000:59).

¹³⁴ Shane, S. (2000:59).

¹³⁵ The definition of faith offered by the writer of Hebrews is “substance of things hoped for and evidence of things not seen” (Hebrews 11:1, King James Version).

¹³⁶ Shane, S. Eckhardt, J. (2003:187) ‘the individual-opportunity nexus’

¹³⁷ Venkataraman, S. (1997:120)

(discovery, evaluation, resource mobilization, exit), services and goods created, as well as the effects on individuals, firms and society. This definition, combined with that offered by Casson seems to be the dominant notions of entrepreneurship at this point. It must be noted that despite the obvious economic bias that can be gleaned by looking at the background of these authors, there is some care to render a definition that is not 'purely' profit oriented. This was one of the weaknesses of Kirzner's view.¹³⁸ The centrality of entrepreneurship to human activity across history is undeniable. The subject therefore must inevitably be of importance to the reality of African Caribbean peoples in the UK and the church which seeks to serve God in their midst.

Migration – the movement of an individual, family or groups of individuals - must be seen as one of the most entrepreneurial of human endeavours. Faced with uncertain rewards, unknown dangers and limited resources it is easily one of the most significant displays of self-belief. In the biblical context migratory moves were directly linked to the will of God, whether for liberation and fulfilment or for protection. From Abraham's leaving his father's house through the Exodus to Joseph taking the baby Jesus and Mary into Egypt, migration – the movement of a people – was a highly spiritually significant exercise. If we hold that this migration is also quite entrepreneurial, then indeed, entrepreneurship in its manifestations must be of interest to theologians. Suffice to say, the scope of our current work does not lend itself to the full development of this interesting vein of inquiry of the entrepreneurial aspects of migration. A fuller perusal would quite likely take us into a comparative analysis of migration beyond the scope of this work.

¹³⁸ Kirzner, I. (1997)

2.6. Economics, Entrepreneurship and Theology: A case for the engagement of the African Caribbean Pentecostal Church in the UK.

From the preceding discussion, we find that there has been a clear development over time concerning the economic role and function of the entrepreneur. It is largely in the economic sense that his functions are appreciated, regardless of the effects of his actions in other spheres of human life. We have seen that at times, the entrepreneur has been effectively forgotten. It remains, that so many things in life, from the mundane to the most newsworthy are the product of her endeavours.

2.6.1. Economics and Theology: a path to entrepreneurship

In theological circles, the greater concentration of academic effort has been towards a critique of macroeconomic directions and ideological influences on economies. This has been viewed as the product of an orientation towards the assessment of the ethical and metaphysic of actions and structures. Thus, theological interest has been in the ethics or values, which drive actions and activities of individuals and groups. This is valid, as indeed theology has always been fundamentally concerned with the ethos of human action and the extent to which this ties in with what is believed to be the mandate and purpose of humanity in God's plan. Economics, both in its academic pursuit and practical activities must be subjected to some schedule of critique along these lines. Yet, there is the clear possibility that in being highly definitive and prescriptive of what man should and should not do God-given creativity and individuality are stifled. Entrepreneurship in all its manifestation and by whatever definition is an unequivocal and ubiquitous example of such gifts. We will attempt to come to grips with theology and entrepreneurship by looking at the general activity at

the nexus of theology and economics from the particular purview of theology. This is necessary as there is so much that could be discussed if we were to approach the very same nexus from an economic perspective. To approach the subject from an economic or economist's point of view would involve among other things, the employment of economic tools and approaches in assessing the activities and offshoots that emanate from the economic-theology nexus. This is not our concern at this present time.

The scholarship and literature currently available, dealing with the issue of economics and theology is extensive. In hoping for a short but appropriate path to get to the base of the issue of entrepreneurship and theology, I will use the economic-theological typologies that have been gleaned by Van der Berg from his assessment of published documents from the various theological backgrounds up to 1992.¹³⁹ This is the most comprehensive and far-reaching assessment of a wide range of documents delineating the economic position and philosophy of church groups. Aart van der Berg is an economist and theologian and sought in his work to provide some bridging of the gap between the two disciplines by categorising the approaches, which have been advocated by Churches over the years.¹⁴⁰ He identified six categorisations of God that has informed the view of economics. These are called the theological vectors, primarily predicated on views of God. He has also presented the corresponding economic vectors, which show the normative notions of economic systems or how the authors he has researched would prefer economic systems. The tabular presentation follows:

¹³⁹ See Aart van der Berg (1998) *God and the Economy: Analysis and Typology of Roman Catholic, Protestant, Orthodox, Ecumenical and Evangelical Theological Documents on the Economy, 1972 -1992*. Ebron Publishers. Delft, Netherlands.

¹⁴⁰ Van der Berg (1998:6).

Table 1.

Table of Vectors – Theological and Economic

Theological Vectors	Economic Vectors
God the Creator – creation is seen as God’s gift to humanity to be subdued. Strong emphasis on dignity, community and freedom.	The Free Market Economy - liberal notion of the market –economic, social, ecological, with minimal regulation or government input.
God of Justice – emphasis is on relationships and covenant between God, people and environment. Strong emphasis on prophetic writings and social justice, protection of the poor.	The ‘Ethical’ Free Market – free market economy, where side effects of the market are mitigated by responsible actions of spiritual people acting in solidarity.
God of Liberation – Belief in the power of God to liberate from poverty and oppression. Clear preference for the poor in the plan of Christ.	The Co-Operative Social Market Economy – cooperative framework with a social conscience is used, with the market approach employed to make the system more efficient.
God of Love – God’s love is seen in His works and ministry. Love is given to all people	The Ecological Social Market Economy – ecological balance advocated as a prominent goal of the society.
God of Life – God acts in the context of idolatries, demons, Satan and death and has power over them all.	The Goal Directed Economy – virtual rejection of the market in the thrust for social and ecological goals.
God of Truth – the church has the ‘correct view’ of human condition and society and it is the absence of this that leads to injustices and suffering.	No alternative – strong criticism of the market economy but no real alternative presented. Emphasis on the struggle out of poverty and oppression.

(Source: *God and the Economy*).

Using content analysis of documents and position papers presented by various church organisations over the period he arrived at a number of conclusions that relate theological positions to economic normative orders. The God of Justice orientation is closely aligned with the cooperative and ecological social market model. The God of Life is used alongside the strongest criticism of the free market. God of Liberation design is also strongly anti-free market. Where the God of Liberation and Life models are used, this evinces the strongest anti-market tendencies.¹⁴¹

2.6.2. Liberation/Life Theology model of African Caribbean Pentecostalism

Our understanding of the theology and situation of African Caribbean Pentecostals – that is, Pentecostals who are of African Caribbean descent - in the UK context would lead us to see them along this axis, namely, having a view or image of God consistent with the Liberation/Life categories. The distinctive tenets of Pentecostalism centre on the belief in the Baptism of the Holy Spirit as a separate work of God, thereby empowering believers to accomplish God's will. The expectation of a Liberation orientation is drawn from the above emphasis where God is seen as having the power to liberate the oppressed and the poor. The God of Life expectation is taken from our knowledge of the theology of Pentecostalism that exhibits a world view that sees Satan and personal sin as the source of all social and economic ills and the strong belief that it is only by the confrontation of Jesus himself with Satan will these be ultimately overcome. Van der Berg also shows that it is those who view God as the God of Life who offer no alternative to the existing system and exhibit a context of struggling out of

¹⁴¹ Van der Berg (1998:325 -332) *God and the economy*.

oppression and poverty. This work is useful in providing an overall view of the orientation of various churches and theologies on the issue of the economy. Our understanding of the place of Liberation Theology in African Caribbean Pentecostal Churches and especially among proponents of Black Liberation Theology, demands of us to briefly outline an interpretation of the relationship between Marxism and Entrepreneurship.

2.6.3. Liberation Theology, Marxism and Entrepreneurship

Liberation Theology would not be expected to champion entrepreneurship given its Marxist orientation and social analysis. This is so as the dominant notions of entrepreneurship at the time of the rise of Liberation Theology, or more precisely, at the time when the proponents might have been in training, was that of Schumpeter. The dominant, bold and creative entrepreneur cast in the light of Schumpeter was himself a product of the market and its profit motive motif - a clear contradiction of the notions of solidarity, community and pursuit of a common good that adorns Liberation Theology. Nor would Kirzner's projection of the entrepreneur be acceptable as he lucidly situates his alert, creative entrepreneur as an arbitrageur and market equilibrator motivated by profits and operating in the context of the market. It is of some interest therefore for us to peruse in brief the possibility of a relationship between Marxism and the entrepreneur.

A line of consistency has been identified, running from Adam Smith's preoccupation with capital (and downplaying of entrepreneurship) through David

Ricardo to Marx. Marxist class analysis rendered poverty a class issue rather than that of an individual. In this context, we can expect entrepreneurship to be ignored. However, it is of interest and some worth to peruse this link between Marxism and entrepreneurship. This is particularly so, since social entrepreneurship has largely expunged the insistence on a profit motive from business, individual and indeed community action. The salient link between Marxism and entrepreneurship can be found in the issue of profits and the reward that accrues to the factors of production. As we noted earlier, Quesnay's publication, *Tableau* was primarily concerned with presenting economic data with the objective of being better able to understand the factors of production and the ensuing rewards. Marx's fascination with this publication can be seen from the following passage,

“... in fact it was an attempt to portray the whole production process of capital as a process of reproduction, with circulation merely as the form for this reproductive process; and the circulation of money only as a phase in the circulation of capital; at the same time to include in this reproductive process the origin of revenue, the exchange between capital and revenue the relation between reproductive consumption and final consumption; and to include the circulation of capital the circulation between consumers and producers; and finally to present the circulation between the two great divisions of productive labour – raw material production and manufacture – as phases of this reproductive process; and all this depicted in a Tableau which in fact consist of no more than five lines which link together six points of departure or

return.... – this was an extremely brilliant conception, incontestably the most brilliant for which political economy had up to then been responsible.”¹⁴²

What it shows is that the same men whom we have largely presented as stalwarts and the advance guard in the theory of entrepreneurship were also largely responsible for the later emergence of Marx’s theory on economics.¹⁴³ Schumpeter has cited both Quesnay and Ricardo as having great influence on Marx himself. In the case of Quesnay, Marx has already shown a high degree of admiration. However, this is denied Ricardo or even Smith who comes in for more than a token rebuke for his treatment of the Physiocrats. However, it has been suggested that the fact that Marx and Marxian economics have largely left out the entrepreneur or subsume him into one of the other economic classes is indicative of a prevailing problem in Classical Economics.¹⁴⁴ Kirzner in addressing the issue picks up on the observation by Schumpeter that classical economists viewed the business process as largely ‘runs on by itself’.¹⁴⁵ This precludes the existence of any serious decision making role by any other group than the capitalists. We have already noted Schumpeter’s view that Marx was a virtual student of Ricardo. This view is also supported by Long’s interpretation of Dempsey who he opines sees Marxism as only a variation of British Classical Economics.¹⁴⁶ The connection of this fact to the exclusion of the entrepreneur in Marxian economics is brought out ever more succinctly by Schumpeter as he lumps Marx with the Ricardian economists or those economists who follow in the teachings of David Ricardo as he wrote, “For them as - well as for Marx – the business process runs substantially by itself, the one thing needful to make it run

¹⁴² Marx, Karl, (1969:344) *Theories of Surplus Value*. Part 1. Lawrence and Wishart, London.

¹⁴³ Schumpeter J.A. (1943:22) *Capitalism, Socialism and Democracy*.

¹⁴⁴ An extensive discussion of this issue is taken on by Kirzner in ‘Classical Economics and the Entrepreneurial Role’, Chapter 3 in *Perception, Opportunity and Profit* (pp. 37 -52).

¹⁴⁵ Kirzner, I. (1979:48) *Perception, Opportunity and Profit*.

¹⁴⁶ Long, D. Stephen (2000:210) *Divine Economy*.

being an adequate supply of capital.”¹⁴⁷ Thus we see that Marxian economics, as following on from Classical economics, would be prone to leaving aside the entrepreneur; subsuming his function into either labour (as Menger did in his conceptualisation of technical labour) or capital.

Even if the Marxist view had so disregarded the entrepreneur due to his market orientation and profit maximising motive; or he is assumed away and subsumed into one of the other two dominant economic/social classes, I think that there is room within Marxist Thought to acknowledge the entrepreneur. A non- Capitalistic market rendition of the view of the entrepreneur remains open in the Misesian notion of the universality of enterprising skills. Also, it is very much evident in the older French notion of the entrepreneur, ‘the one who gets things done’. There is every reason to believe that individuals and countries have been able to accommodate the entrepreneur in Marxist orientation. China presents the clearest and largest case, in light of the economic changes and market oriented policies which have been pursued to great and admirable effects, both socially and economically. Cuba’s response to impending hurricane strikes against that Caribbean country is always an excellent example. Cuban communities were able to evacuate millions of people ahead of the hurricane landing ashore.¹⁴⁸ This stands in stark contrast to the outcomes of Hurricane Katrina’s rampage through the Southern United States. The extent however, to which it is likely that proponents of Latin American Liberation Theology are prone to incorporate market or even active social entrepreneurship as is popularly defined, is highly questionable, particularly

¹⁴⁷ Kirzner, I. (1979:48) *Perception, Opportunity and Profit*.

¹⁴⁸ <http://www.eumonitor.net/modules.php?op=modload&name=News&file=article&sid=114114>.

Accessed 21:03 23/20/09.

against the background of recent failures in large market economies and the global effects of these occurrences.

2.6.4 UK Context of African Caribbean Pentecostal Theology and Economic Engagement – Critique of Intellectual Approaches

We can do a brief assessment of two works done in the UK context of Black Churches, which include African Caribbean Pentecostals. These are Robert Beckford's doctoral dissertation¹⁴⁹ and that of Valentina Alexander's¹⁵⁰ both of which were theses on the Black Church in the UK. Both works are done against the backdrop of Liberation Theology. Beckford's thesis postulated the creation of a new Dread Pentecostal Theology in the context of the Black Church in the UK that would be the vehicle for the achievement of emancipation-fulfilment that is the goal of Liberation Theology. He concluded the paper by pointing to some obvious hurdles to achieving the goal of the creation of this new theology. He is concerned with the achievement of holistic liberation, however, there is no outlining of what this holistic liberation would be and there is a glaring absence of any reflection of the economic situation or aspirations of African Caribbean peoples in the UK. Despite the call for a new type of reading of the Bible, primarily one that will take into serious account the context of the reader, there is

¹⁴⁹ Beckford, R. (1998) *Towards A Dread Pentecostal Theology: The Context of a Viable Political Theology within Black Pentecostal Churches in Britain*. PhD thesis. University of Birmingham.

¹⁵⁰ Alexander, V. E. (1996) "*Breaking Every Fetter*"? *To What Extent Has the Black Led Church in Britain Developed A Theology of Liberation.*" PhD Thesis. University of Warwick.

no attempt to delineate the economic context of the ones for whom Dread Pentecostal Theology is proposed.¹⁵¹

The work by Alexander has identified a list of six criteria by which she moves to assess the extent to which liberation theology is at work in African Caribbean Pentecostal churches. These criteria are identified as the existence of a contextual theology of liberation that incorporates the context of the community and individuals who are a part of the church; the presence of a holistic approach to theology evinced by practices which seek to enhance the total person of the community of believers; the employment of social analysis in the practice of their theology; critical reflection on the liberation praxis as a facilitator for liberation among pastors and leaders; and the level of engagement in dialogue and ecumenical engagement. She concluded that there was sufficient evidence of the existence of a theology of liberation at work within African Caribbean churches, albeit of a ‘passively radical type’. The passivity is expressed as a non-explicit type of social analysis that ignores historicity with a preference for implicit rather than an active, explicit form of advocacy or radicalism.¹⁵² One example is the creation of supplementary classes rather than advocating improvement to the public system.

I wish to contend that both theses have dealt with the issue of economic development in typical liberation theology ways, which do not do justice to the

¹⁵¹ Dread Pentecostal Theology is the concept presented by Robert Beckford that advocates the employment of the biblical hermeneutics of Rastafarians by Pentecostals in reading the Bible as well as in engagement with society.

¹⁵² See Alexander, V. E. (1996:237 - 252) “*Breaking Every Fetter*”?

importance of the subject of economics to life among the oppressed. We will look at how the economics is largely perceived within both sub-disciplines of Liberation Theology and Black Liberation Theology, and the validity of the economic question to theological pursuit among African Caribbean people.

Liberation theology drew a significant component of its theoretical underpinning and inspiration from European political theology and Catholic Social Thought, where the notion of structural sin is a significant part of their conceptualisation. In the Latin American experience and history, the closeness and incestuous relationship between political and economic structures rendered any notion of liberation to have to take a deep look at reforming both political and economic structures. This approach was further strengthened by the use of a Marxist analytical framework that incorporated class analysis as well as the critique of capital. On the political side, this led to a powerful revolutionary strain in Liberation Theology that was not averse to armed struggle in order to expedite the transition to a more just system. The emergence of Dependency Theory as an offshoot of the Marxist analysis of development seen in Latin America and its embrace by certain leading Liberation Theologians as an alternative to capitalism proved quite important in the trajectory of Liberation Theology and its views. The accusation of a lack of predictive power in Dependency Theory and other theories to which the Liberation Theologies of Latin America were close, led to its loss of credibility in issues of economics subsequent to the demise of these theoretical positions. Latin American Liberation Theology has kept its distance from the resolution of the economic question on the macro level but kept alive its main emphasis through base communities. Interestingly, the last slew of elections in Latin America, after over

thirty years since Liberation Theology emerged, have brought to power, in a number of key countries, leaders who have so far exhibited policies and orientations that are clearly influenced by Liberation Theology.¹⁵³

Hence we find in Alexander's work, emphasis on social analysis and community action but a total ignoring of entrepreneurship. Beckford has conducted his work under the umbrella of Black Theology. Black Theology itself has ignored the strict economic question to a high degree. Having its foundation rooted in the political – struggle for civil rights - and using as its models Dr Martin Luther King and Malcolm X, clearly indicated a path in which, for all intent and purposes, the economic was subsumed within the folds of the political. There were alternatives to this direction, as would have been provided if at all a cue had been taken from Marcus Garvey.¹⁵⁴ This approach, where the emphasis was on political action was basically replicated in Beckford's analysis, thus leaving very little room for any analysis of entrepreneurship or even socio-economic activities. These two major works on the Black Church in the UK have left untouched the economics of the Black Church. To some extent this betrays a European shortcoming or orientation, where political theology is championed but largely in the absence of real economic considerations.

¹⁵³ Morales of Ecuador and Chavez of Venezuela are Latin American leaders who have showed clear influence of Liberation Theology in their policies and administration to the chagrin of the United States and even Spain. The recent coup in Honduras has left the region in a spin and has resulted in widespread condemnation across the Americas.

¹⁵⁴ Marcus Garvey, the Jamaican born Black Leader was the founder of the Negro Improvement Association that at its heights had membership numbering more than 3 million across the continents. His philosophy had theological as well as explicitly economic components. His insistence on black self-help and selfreliance informed the approach of Rastafarians as well as African Americans' approach to community development and entrepreneurship.

There seems to be a fear to specifically identify money, entrepreneurship and wealth creation in African Caribbean Theology both in the Caribbean and in the UK. Suspicion towards the ‘prosperity theology’ label is overbearing. This is not the same everywhere, as in the Caribbean there have been some attempts by formally trained theologians, to engage with the issue. Noel Erskine has identified with a call for a theological enterprise by Burchell K. Taylor and a need for greater social and political action by Lewin Williams.¹⁵⁵ Their call for a clear link between economics and faith is still reverberating. Erskine continues to advocate the need for the completion of the emancipation-fulfilment project that started with the dismantling of slavery in the Caribbean. Burchell K. Taylor is the senior pastor of the Bethel Baptist Church, located in the heart of Metropolitan Kingston. With numerous outreach programs centred on both commercial and social entrepreneurship, the congregation’s work belies the influence of a man whose PhD thesis done at Sheffield University focused on an analysis of the biblical Book of Revelation as a work of Liberation Theology.

One theologian who has been notably adamant as to the relevance of the economics to the Black Church in the UK has been Rev. Ronald Nathan. Oxford-trained Nathan is not comfortable with so-called political and social programmes but has over the years advocated for a strong economic programme, focusing on creating businesses and providing economic and financial services, thereby creating “prosperity through empowerment”.¹⁵⁶ There remains to be seen an economic theology with which the Black Church and particularly Pentecostalism will be comfortable. It is hope that as we

¹⁵⁵ Erskine, Noel, L. (2001) ‘the black church and public policy issues in the Caribbean’ in *Black Theology* Vol. 4, issue 1, pp.32 – 52.

¹⁵⁶ Nathan, R. A. (2001) ‘prosperity through empowerment: a tribute to the late Revd Leon h. Sullivan (1922 – 2001)’ *Black Theology*, Vol. 4, Issue 1, pp. 25 – 31. In this article Nathan promulgated the empowerment approach to prosperity as a counter to the popular prosperity theology.

take a more detailed look at African Caribbean Entrepreneurship in the context of ethnic entrepreneurship in the UK it will generate some interest and direction towards a higher level of entrepreneurial engagement.

The discussion begs the question, is the issue of economics of importance to the UK's African Caribbean Pentecostal Church agenda? There is an obvious need to recognize that economics is a theological issue. The historian of Christianity, Justo Gonzalez, supports this view. He wrote, "The truth is ... from the earliest time economics was a theological issue, and it still is."¹⁵⁷ The African Caribbean church cannot ignore the economic issues as the issues of economics have never ignored them! The Enterprise of the Indies, into which Great Britain entered, was the reason for the forced movement of Africans to the Caribbean. Its basis was purely economic. Interestingly, whereas the Spanish could claim that their engagement was done under the guise of the religious with the Church sanctioning their enterprise, the British had no such qualms and were openly keen on one and only one aim – money. The resulting creation of the plantation and the plantation society had one primary objective, the generation of profits for the planters and Great Britain. Centuries later, it was the economic polarity between the Caribbean and the UK that resulted in an influx (by invitation, for the most part) of West Indians in the UK. The deliberate restriction of the economic activities of colonial states to the production of raw material for the industries of Britain left the islands in a perpetual struggle for development and capital. Their economic situation was characterized by high levels of unemployment, low level of investments and low productivity. This most certainly meant that the flow of labour

¹⁵⁷ Gonzalez, J. (1990:xiii) *Wealth*.

would have been in one direction, as shown in the 1950s and 1960s. It is usual for commentators to see the issue in terms of an availability of labour in the West Indies, as against a prevailing demand in the UK. This is deliberate as it could also be clearly seen in terms of capital. The inflow of capital into the UK under the Marshall Plan, contrasted sharply with its lack in the islands of the West Indies. The economic question cannot be ignored. It is dangerously irresponsible to ignore the issue of economics while the economics of issues – family life, unemployment, social decadence - continue to dominate the life and thinking of African Caribbean people. It is full time the African Caribbean Church in the UK starts to engage the economic question and issues. It is in the context of delineating an appropriate framework for the engagement of the Black Church in the UK that entrepreneurship becomes a valid and necessary starting point. It is in this attempt that we will look at the motif of healing.

2.7 Entrepreneurship as Healing

A perusal of the African Caribbean Pentecostal tradition shows the prominent place of healing. Healing in African Caribbean Pentecostal discourse can be the recovery and reconstitution of either body or spirit. Whereas healing of the body is straight forward, African Caribbean Pentecostals tend to refer to healing of the mind and spirit as deliverance. This notion of deliverance is also valid for the socio-economic realm. Thus, reference to a permanent change in economic conditions is often referred to as deliverance. We therefore can see entrepreneurship being posited as a vehicle for deliverance. This theological positioning does not in any way detract from the emphasis on the Spirit and the power of Jesus that is a key component of African Caribbean

Pentecostal theology. Entrepreneurship as a process that is dependent on both the individual and the opportunity is a highly fitting space for us to see the power and inspiration of the Spirit in display. African Caribbean Pentecostalism is adamant on the place of the Spirit in the life of the individual believer, transforming and imbuing her with power. This concept of power that dominates Pentecostal thinking ought to be applied to the enhancement of entrepreneurship, for the relief and alleviation of the social and economic ills attendant on the African Caribbean community churches and indeed families. The question raised by St. James ‘Have you any sick among you’¹⁵⁸ must be seen as a rallying cry for the African Caribbean community beset as it is with social and economic problems. It may very well be that none of these are unique to African Caribbean communities, but so many of them affect the African Caribbean community disproportionately. Of low educational attainments, high levels of unemployment, gang violence, relatively low levels of business start-ups, all these are present in African Caribbean communities to a greater extent than is preferred. It remains for the people of God to leverage the power of the Spirit in the pursuit of excellence, not only among the few but in large enough numbers to make fundamental and far-reaching changes. The selfsame approach may be taken in the alleviation of social and economic ills.

¹⁵⁸James 5:14. KJV.

CHAPTER 3

ETHNIC ENTREPRENEURSHIP THEORIES and RESEARCH OVERVIEW

African Caribbean entrepreneurship in the UK takes place in a context of ethnic entrepreneurship, where ethnic entrepreneurship is the study of the incidence and process of entrepreneurship by ethnic minorities in a host society. The flow of immigrants into the UK over the years has resulted in the growth of minority ethnic groups, which are markedly different from the mainstream Caucasian Protestant Christian group. The entrepreneurial activities of these individuals and groups provide a special context and backdrop for the analysis of African Caribbean entrepreneurship. Inasmuch as it is usually immigrants who form minority ethnic groups,¹⁵⁹ this is not always the case in every country. In the context of the USA, neither Native Americans nor African Americans can be regarded as immigrants. The composition of that great nation is largely of groups who were at some point in the last 250 years immigrants. The only exception would be the various groups of what are called Native Americans. The main group is of European origin having moved to the USA over centuries. African Americans form an interesting case in that being forcibly removed from Africa and enslaved in the USA; they were transplanted but not migrated. Yet both groups are acknowledged ethnic minorities.

¹⁵⁹ The idea being posited here is that many minority ethnic groups are formed from persons whose ethnicity can be traced to an external or foreign geographical location. Second generation African Caribbean persons are not immigrants, but their parents might have been.

In this chapter we will review the dominant theories and issues that have guided research into ethnic entrepreneurship as a sub-discipline of a largely interdisciplinary flavour. The place and opinions on African Caribbean entrepreneurship will be assessed against the backdrop of the dominant theories and hypotheses. We will see where numerous shortcomings of the popular approaches have aided in cementing invidious and misplaced perceptions of African Caribbean entrepreneurship in the UK market place.

3.1. Ethnic Entrepreneurship Studies and African Caribbean Entrepreneurship

Ethnic entrepreneurship in the UK has attracted much attention since the period of the 1980s.¹⁶⁰ This attention has come from a number of academic fields including cultural anthropology, economics and sociology. Ethnic entrepreneurship often struggles for definition given the variance in perception as to what comprises ethnicity as well as the lack of a research and academic framework for entrepreneurship.¹⁶¹ Persons who are classified as members of a particular ethnic group may have been so classified on the basis of a common culture or origin.¹⁶² Usually there is some level of self-awareness within the group or the classification is on the basis of a perception.¹⁶³ This view of ethnicity has been repeated by a number of authors without any discussion

¹⁶⁰ This interest synchronized with a general shift in enterprise emphasis towards small businesses under the Thatcher mandate of creating an 'enterprise culture' in the UK. For further discussion see Francis Greene, et al (2008) *Three Decades of Enterprise Culture*.

¹⁶¹ The work of a number of writers and researches on the subject has led to the emergence of greater clarity in terms of framework. These writers include Scott Shane, William Bygrave, among others.

¹⁶² Here I acknowledge that ethnicity is based on culture and not religion. Of equal importance is the fact that culture and religion show significant intertwining universally.

¹⁶³ Aldrich, H. & Waldinger, R (1990:112) 'ethnicity and entrepreneurship' in *Annual Review of Sociology*, 16:111 – 135.

as to the implications of this approach. Tucked into this definition proffered by Aldrich and Waldinger is a number of possibilities which are worthwhile discussing.

Firstly, an outsider's perception or view of who comprises a particular ethnic group may be quite different from the persons who are members of the same ethnic group. Also, since cultures are always evolving, it remains that an ethnic group might very well lose or change its 'identity' with time, particularly where this is based primarily on culture. In addition to the foregoing origin is often misleading, especially when outsiders are the ones who decide on the geography of the area under discussion. These points become all the more interesting in the postcolonial/globalized era, where changes are being demanded of names and appendages by which peoples and areas were previously known. We can use examples from the 'African Caribbean' community where in the first case, many persons have refused to use either 'African Caribbean' or 'Black Caribbean' as applicable to themselves and prefer to refer to themselves as 'Caribbean'. This is particularly true of those of South Asian or Chinese descent from the Caribbean living in the UK. The second case is evidenced by the notable cultural differences between second-generation African Caribbean people living in the UK and those who have made the transition in the last decade, yet both set of individuals are African Caribbean. Lastly, even as some British persons continue to refer to persons whose forebears have migrated from the Caribbean as West Indians, that term is a colonial/imperialist construct, the product of Christobal Colombo's error in thinking he was on one side of India when he arrived in the Caribbean five centuries ago. Most persons of African Caribbean origin vigorously reject this appendage. The discussion here is not about the appropriateness of ethnic or racial classification or the philosophy

of 'governmentality' that has demanded this kind of record keeping, but rather the extent to which it struggles to qualify as a catch all method for the purposes of qualification. This view is highlighted by Bonnet and Carrington in their discussion of the response of sample of graduate teacher trainees in the UK.¹⁶⁴ In this study, many expressed the view that the available ethnic classes were not compatible with their perceptions of themselves.

The terms minority, immigrant and ethnic entrepreneurs are often used interchangeably.¹⁶⁵ Whereas minority refers to any group of persons that is not the dominant group in a society, immigrant refers to persons who have recently arrived from another country. The difference can be seen in the example of Jamaicans in New York City who are immigrants and minorities as against African Americans who are not immigrants but are still a minority group. This categorization is independent of race or skin colour. White Irish persons and persons from Eastern European states in the UK are minority groups, as are African Caribbean people and Asians. Recent flare-ups in South Africa yielded cases where persons from the same ethnic group were violently abusing each other because some were immigrants from neighbouring countries while others had lived in South Africa for generations. This is a case of the artificial creation of immigrants resulting from the delineation of borders more on the basis of colonial whims than actual geographic or cultural realities. Despite this complexity and seeming contradictions, ethnicity refers consistently to "a sense of kinship, group solidarity,

¹⁶⁴ Bonnett, A. & Carrington, B. (2000) 'fitting into categories or falling between them? Rethinking ethnic classification' in *British Journal of Sociology of Education*, vol. 21, no.5 pp.487 - 500.

¹⁶⁵ Chaganti, P. & Greene, R. (2002:128).

common culture, and self identification.”¹⁶⁶ Waldinger, in his discussion of ethnic entrepreneurship, saw ethnicity as “a set of connections and regular patterns of interactions among people sharing common national background or migration experiences.”¹⁶⁷ Interestingly, one study concluded that more important than origin, skin colour, race and arguably culture in the deciding if an entrepreneur was ‘ethnic’ or not was the extent to which they were integrally connected with the particular ethnic community.¹⁶⁸ This is in tandem with Waldinger and associates who contend that ethnicity is the product of a distinct spatial, industrial or occupational concentration.¹⁶⁹ Yet, we do not find this distinction being made in the popular research done on ethnic entrepreneurship in the UK. Often, we see a bundling of South Asians together as though they are one ethnic group, when in reality this is far from the case. Often they differ in religion; culture and areas of origin and these distinctions are reinforced in the context of the UK.

The issue of ethnicity being decided on the basis of close contact and social links is of particular import to our present research as we contend that there is no room for separation between so-called economic entrepreneurship and social entrepreneurship among ethnic minorities. That which is often seen as commercial entrepreneurship is as much a social vehicle and medium as it is economic. It is equally true that activities, which are taken to be concerned only with the social aspects of life among members of the host society, carry important economic functions for the ethnic minority community.

¹⁶⁶ Aldrich, H. and Waldinger, R. (1990:112) ‘ethnicity and entrepreneurship’ in *Annual Review of Sociology*, 16:111 – 135.

¹⁶⁷ Waldinger, R et al (1990:34) *Ethnic Entrepreneurs: Immigrant Business in Industrial Societies*. Sage Publication. London England.

¹⁶⁸ Chaganti, P. & Greene, R. (2002:140).

¹⁶⁹ Waldinger, R et al (1990:34) *Ethnic Entrepreneurs: Immigrant Business in Industrial Societies*. Sage Publication. London, England.

For researchers on the issue, ethnic entrepreneurship is often held synonymous with self-employment. Basu noted that there tends to be no distinction between own account self employed persons and those who are employers or between those who own small non-scalable businesses and those who are involved in scalable, growing operations.¹⁷⁰ This once more is an outgrowth of the perceptions of entrepreneurship that have come to adorn the literature. Studies in ethnic entrepreneurship have often focused on motivational factors, barriers or hindrances to success, such as access to finance, features of the individual as well as the nature of ethnic entrepreneurship.

Most of the work on ethnic entrepreneurship has been done in the USA. However, a fair amount of work has been done on entrepreneurship among the various ethnic groups in the UK.¹⁷¹ In the UK context, there has been a clear tendency to focus on the South Asians as success models of entrepreneurship. It can be argued that this is both the product of a certain bias, which has only become entrenched with each subsequent research. Interestingly, Ram has identified this bias as been based on the 'ethnic resource centred' approach to research in ethnic entrepreneurship.¹⁷² This approach goes on the premise that there are certain and sometimes different resources available to members of a particular ethnic group. Admittedly, the extent to which UK policies have been influenced by this approach is quite telling. Most of the work in ethnic entrepreneurship has been careful to outline policy prescriptions, as entrepreneurship is touted as the way out of recessions, unemployment and social

¹⁷⁰ Basu, A. (2006:583) Ethnic Entrepreneurship'.

¹⁷¹ Ram, M., T. Jones (2008) 'ethnic minority business in the UK: a research review'.

¹⁷² Ram 2008:354) 'ethnic minority business in the UK: a research review'.

malaise as well as to start regeneration.¹⁷³ Monder Ram further identifies two of its chief drawbacks, namely cultural determinism and ‘a neglect of the context that shapes ethnic minority entrepreneurship.’¹⁷⁴ In the context of the UK, ‘cultural determinism’ might have been derived from the multiplicity of research done on Asian entrepreneurship,¹⁷⁵ some of which have made comparisons to African Caribbean ethnic group from without appreciation of context and culture.¹⁷⁶ It is indeed clear that ethnic entrepreneurship research in the UK has operated with the accepted premise that South Asian¹⁷⁷ business owners are the epitome of the entrepreneurial culture that the UK needs. The extent to which this unfavourable comparison to the African Caribbean community in particular has informed government policies including immigration would make for an interesting research and reading. At least one research piece commissioned by the Home Office has moved to highlight a supposed absence of ethnic resources amicable or necessary for entrepreneurship among African Caribbean peoples.¹⁷⁸ The pronouncement that “some ethnic groups may have a cultural propensity towards entrepreneurship.”¹⁷⁹ is hardly tempered (as claimed by Ram et al)¹⁸⁰ by the acknowledgement that ‘ethnicity does not completely determine’ entrepreneurial success and the propensity for business

¹⁷³ See for example; Ward, R & Reeves, F. (1980, 1984), Werbner, P. (1985), Lord Scarman Report(1986).

¹⁷⁴ Ram, M. (2008:352) ‘ethnic minority business in the UK: a research review’.

¹⁷⁵ Basu, A. (1998) ‘an exploration of entrepreneurial activity among Asian small business’; Basu et al (1999), Basu, A. & Altinay, E (2002) ‘interaction of culture and entrepreneurship’

¹⁷⁶ Bororah V., Hart, M. (1999), ‘Factors affecting self-employment among Indian and black Caribbean men in Britain’ in *Small Business Economics*; Sep; 13, 2; pp 111 -130.

¹⁷⁷ As so often, South Asian or Asian is used as a catch all for all persons who might trace their origin to the Southern or South Eastern part of Asia. No distinction is usually made between Pakistani and Indian or between Hindu and Muslim. Understandably, issues of caste, tribal or class considerations are assumed away.

¹⁷⁸ Soar, S. (1991) ‘business development strategies, TECs and ethnic minorities’. Home Office Ethnic Minority Business Initiative, Warwick University, Warwick.

¹⁷⁹ Basu, A & Altinay, E (2002 :373) ‘in.teraction of culture and entrepreneurship’

¹⁸⁰ Ram et al. (2008 :355) ‘ethnic minority business in the UK: a research review’.

ventures.¹⁸¹ The perceptions of African Caribbean entrepreneurs and communities being lacking in the necessary business acumen, persisted.

The kind of approach and orientation described above has led to some questionable conclusions and associated prescriptions. As recently as 2006, Basu concludes that there is a crucial link between success and level of education among ethnic entrepreneurs and also between the supply of entrepreneurs and the selfsame level of education.¹⁸² This however is not consistent with the prevailing facts. Whereas the level of entrepreneurship (self employment) is cited by her to be high among Asians (including Bangladeshi and Pakistanis) and recording levels of nearly 150% that of Black Caribbean peoples,¹⁸³ one would expect the level of educational attainment to be similar. This is not the case, as shown by the table below.

¹⁸¹ Basu, A. & Altinay, A. (2003:31) *Family and Work in Minority Ethnic Businesses*. The Policy Press. Bristol.

¹⁸² Basu, A. (2006:596) 'Ethnic Entrepreneurship'.

¹⁸³ Basu, A. (2006:580-81) 'Ethnic Entrepreneurship'.

Table 2. Comparison of Educational Attainment by Ethnic Group (%)

Ages 16 – 24 years					
	Chinese	Indian	Pakistani	Bangladeshi	Caribbean
<i>Degree/higher</i>	25.9	19.6	11.1	9.4	8.7
<i>No Qualification</i>	8.9	10.5	22.5	21.6	16.2
Ages 25 – 34 years					
<i>Degree/higher</i>	62.8	49.2	27.1	19	26.4
<i>No Qualification</i>	11.3	12.6	35.5	45.8	10.8

Source: Ethnic minority populations and the labour market: an analysis of the 1991 and 2001 Census¹⁸⁴

In nearly all cases the level of educational attainment by African Caribbean persons compare favourably with those of the Pakistani and Bangladeshi groups. This debunks the recommendation that raising the education of relatively disadvantaged groups will lead to higher levels of entrepreneurship.¹⁸⁵ The relationship between education and entrepreneurship can be far more complex than is implied. The flaw in analysis here seems to be derived from an approach that has failed to consider that some ethnic minorities might very well have chosen not to use entrepreneurship in the form of self employment as the path for economic and social mobility. This is all the more

¹⁸⁴ Simpson, L., Purdam, K., Tajar, A., Fieldhouse, E., Gavalas, V. Tranmer, M. Pritchard, J. & D. Dorling (2006) *Ethnic minority populations and the labour market: an analysis of the 1991 and 2001 Census*. DWP. DWP Research Report RR333.

¹⁸⁵ Basu, Anuradha (2006:596) ‘ethnic minority entrepreneurship’.

pointed when it is considered that the high levels of self employment among Asians might very well be in low paying occupations with low threshold for entry and assimilation or integration into the formal economic system. An example is provided by the findings that up to 40% of Pakistani self employed males are taxi drivers.¹⁸⁶ Inasmuch as recommendations are for the encouragement of ethnic minority school leavers to see self-employment and entrepreneurship as a viable option,¹⁸⁷ there are those who see a ‘diversion’ of Asian school leavers for example, from business ownership resulting in a less crowded market place for entrepreneurs.¹⁸⁸

There is a clarion call for a more contextual approach to researching ethnic entrepreneurship.¹⁸⁹ This is a move away from what has been called ‘a fallacy of ethnic exceptionalism’¹⁹⁰ and an ‘absence of context’, factors which have been identified as drivers in the depictions of differences between Asians and African Caribbean entrepreneurs in the literature on UK ethnic entrepreneurship.¹⁹¹ This heralds a move from the orientation that views a particular ethnic group or bearers of a particular culture as exceptional by reason of their small business involvement (ethnic exceptionalism). Yet, doubt as to the view of Asian exceptionalism was raised much earlier from an analysis of employment and business start up rates in the UK. It was shown that the driver behind high levels of Asian business start-ups was more the unemployment increases resulting from structural changes to the UK economy of the

¹⁸⁶ Ram (2008:357) ‘ethnic minority business in the UK: a research review’.

¹⁸⁷ Basu (2006:596).

¹⁸⁸ Ram et al (2008 :358) ‘ethnic minority business in the UK: a research review’.

¹⁸⁹ Ram et al (2008:354) ‘ethnic minority business in the UK: a research review’.

¹⁹⁰ Ethnic exceptionalism speaks to the notion that minority ethnic groups are outright exceptional and as such will achieve on the sole basis of their ethnicity.

¹⁹¹ Ram et al (2008:354) ‘ethnic minority business in the UK: a research review’.

1970s and 1980s.¹⁹² There has also been a growing acceptance that the social, political and economic contexts do add to the mix of complex factors that determine the incidence, extent and success of entrepreneurship among ethnic minorities. I wish to add that these factors also play a role in determining the nature of entrepreneurship that will be seen. For surely, what has been obtained over the last thirty years as Asian entrepreneurship has been dominated by small shop, factory or food operations situated for the most part in enclaves and lacking a variety in the types of enterprises as might be found among mainstream entrepreneurs or even African Caribbean entrepreneurs. It has been observed that ethnic minority businesses could be viewed as ‘largely a transitional state’ in which ethnic minority persons engage as they adjust to the labour market.¹⁹³ This view is bolstered by evidence of a decline in self-employment by Asian and Chinese ethnic groups. This would also imply that the level of ethnic entrepreneurship shows an inverse relationship with the degree of assimilation to the host society.¹⁹⁴

Recent research on African Caribbean entrepreneurship has shown several differences as compared to typical Asian entrepreneurship. Prominent among these are the wide variety of business activities and sectors in which African Caribbean persons are engaged.¹⁹⁵ This has been pounced on by Ram, et al, as they highlight the extent to which African Caribbean entrepreneurs feature prominently in the emerging trend of

¹⁹² Ward, Robin (1991:58) ‘Economic Development and Ethnic Business’ in *Paths of Enterprise: the Future of mall Mall Business* (ed.) Robert Blackburn & James A. Curran. Routledge. London.

¹⁹³ Ram, M. et al (2008:358) ‘ethnic minority business in the UK: a research review’.

¹⁹⁴ This notion is quite interesting and is worthy of future research and analysis drawing on the different ethnic groups in the UK society. See section 7.3.

¹⁹⁵ Atkins, et al (2007:126) Loughborough Report: African Caribbean Business Development. Loughborough University.

ethnic entrepreneurs who are ‘working smarter’ instead of ‘working harder’.¹⁹⁶ Whereas researchers are lamenting the low numbers of women from some ethnic minority groups becoming entrepreneurs,¹⁹⁷ not so with African Caribbean females, who form the fastest growing segment of new entrants into entrepreneurship.¹⁹⁸ The issue of female entrepreneurship has consistently featured as an area requiring further research. In the absence of detailed quantitative data on the incidence and quality of female entrepreneurship among church-goers as against non-church goers, it is impossible to discuss the extent to which African Caribbean female entrepreneurship equates to African Caribbean entrepreneurship in the church and wider community. What must be accepted at this point is that African Caribbean female entrepreneurship presents an interesting area as it points to an anomaly in terms of our expectation of female entrepreneurship. The scope of our work here does not lend itself to a detailed treatment of the subject but its importance and links to certain features of African Caribbean culture will be discussed farther in this work.¹⁹⁹

3.2. Ethnic Entrepreneurship – Presentation of Theoretical Frameworks

The theoretical frameworks that have been guiding ethnic entrepreneurship over the years are of three main types, namely ethnic resource based, embeddedness and mixed-embeddedness. These frameworks are multifaceted. Whereas the ethnic resource

¹⁹⁶ Ram et al (2008:358) ‘ethnic minority business in the UK: a research review’.

¹⁹⁷ Mascarenhas-Keyes 2006 as cited in Ram, (2008:358) ‘ethnic minority business in the UK: a research review’.

¹⁹⁸ Atkins, et al (2007:227).

¹⁹⁹ Chapter 6 discusses a number of themes and perspectives including African Caribbean family structure and gender.

based theories are almost completely based on the notion of the ethnic entrepreneur's success or failure being the product of the bundle or bundles of resources endowed on him by reason of his difference, the others take into consideration environmental and regulatory factors. Embeddedness insists on the notion that the ethnic entrepreneur's economic activities are embedded in the regulatory environment and social framework in which he operates. Semi-embeddedness on the other hand seeks to enhance our understanding of both sets of factors – regulatory framework and the ethnic resources of the ethnic entrepreneurs. It is these theories that we now review.

3.2.1. Ethnic Resource Based Theories

The Ethnic Resources based framework for the analysis of ethnic and immigrant entrepreneurship came to prominence in 1972 with Ivan Light's publication – *Ethnic Business in America*. His comparative analysis of the levels of employment among Japanese, Chinese and African Americans in the pre World War II era received critical acclaim and set the stage for the emergence of ethnic entrepreneurship onto the forefront of economic sociology.²⁰⁰ Ethnic resource based theories are predicated on the notion that there are 'certain resources available to the entrepreneur by virtue of belonging to an ethnic minority group'.²⁰¹ These resources are deemed to be available to the entrepreneur from an ethnic minority group in an almost exclusive sense. Resources have been variously described to include such features as lend themselves to providing an advantage and to be peculiar to a particular ethnic group. Considerations of the bundle of resource that each ethnic group has and its unique features as compared to the

²⁰⁰ Leventman, S. (1973) book review in *Contemporary Sociology*, Vol. 2, No. 3 (May, 1973), pp. 318-319.

²⁰¹ Basu, A. (2006:588) 'ethnic minority entrepreneurship'

mainstream groups as well as the political/economic factors led also to the emergence of a school of thought known as interactionism.²⁰² Interactionism predicts that the type of business that the ethnic entrepreneur will engage in will be dependent on the 'fit' between what is demanded by local or mainstream group and what can be provided by the ethnic entrepreneur.²⁰³ Basically, what is presented is that both the ethnic entrepreneur (his resource endowment) as well as the local demand factors such as access to market go together to decide on the mix of businesses in which the ethnic entrepreneur will engage. This approach puts emphasis not only on the resource base of the ethnic entrepreneur but also on the local demand in the market place. This resource-based theory was subjected to serious criticism from European²⁰⁴ and US²⁰⁵ researchers.

There are four theories, which use as their springboard, the ethnic resource framework of analysis. These are middleman theory, ethnic enclave theory, ethnic market niche and collectivist. Ethnic resource based theories can be understood against a backdrop of the ethnic ownership economy, which is defined in terms of the ownership of businesses by persons of ethnic minority groups.²⁰⁶ Thus ethnic ownership economy cuts across sectors and geographic boundaries. For example, a consideration of the Pakistani ownership economy in Birmingham, UK would not be restricted to the private taxi business in which they might predominate but would also include grocers, laundries, printeries and fish and chip shops. The ethnic ownership economy incorporates all the sectors and businesses, which are owned by members of that particular ethnic group. There is an insistence that the consideration of an ethnic

²⁰² Kloosterman, R., Rath, J. (2003:6) *immigrant entrepreneurs*.

²⁰³ Light, I. (2004:16) 'Ethnic Ownership Economy'

²⁰⁴ Kloosterman, R., Rath, J. (2000a); Light, I. (2004:17) 'Ethnic Ownership Economy'.

²⁰⁵ Bonacich, E. (1993:686) 'the other side of ethnic entrepreneurship'.

²⁰⁶ Light, I. (2004:4).

economy should not be restricted to formally registered, taxpaying firms but must also include informal firms and indeed business transactions that might include proscribed or illegal commodities and services.²⁰⁷ The recognition of the importance of extending the scope of consideration of economic activity to include such long-ignored areas as informal economic activities has been noted by the UK Government.²⁰⁸ The analysis of ethnic owned economy draws significantly on the underlying notions of the ethnic resource based theories.

3.2.1.1. *Middleman Theory*

The term ‘middleman’ is attributable to Blalock and his 1967 publication, ‘Towards a theory of minority group relations’.²⁰⁹ However, Blalock’s publication has been seen as contributing more to the conceptualisation of research methods particularly when dealing with large numbers in a population, than with race or minority relations as it purported to do.²¹⁰ This theory of ethnic entrepreneurship was first applied in Edna Bonacich’s seminal attempt to explain the level of entrepreneurship among ethnic minorities.²¹¹ She proposed the ‘middleman theory’ application to ethnic entrepreneurship, which emphasizes the extent to which ethnic minority entrepreneurs were basically middlemen occupying economic space between the host or mainstream ethnic group and the newcomers or immigrants. Bonacich locates her discussion in history and shows the extent to which various groups over time have been forced to take up self-employment and entrepreneurship due to the experience of disadvantage in the

²⁰⁷ Tienda & Rajaman (2000:292 – 296) ‘Immigrants’ income packaging and invisible labour force activity’. *Social Science Quarterly*, 81, 291 – 310.

²⁰⁸ Evans, M. & Syrett, S. (2006). *Informal Economic Activities*; Williams, C. (2006) *The Hidden Enterprise Culture: Entrepreneurship in the Underground Economy*.

²⁰⁹ Butler, J.S & Kozmetsky, G. (2004) *Immigrant communities in America*.

²¹⁰ Banton, M. (1968:396-7) ‘book review’.

²¹¹ Bonacich (1973:583) ‘middle man theory’.

labour market. There are three primary elements of this theory, namely, (1) the sojourner, immigrant or ethnic minority faces discrimination in his attempt to capitalize on economic opportunities in the primary labour market; (2) enterprises are developed in specific sectors, wherein the businesses act as 'go-between' the members of the ethnic or minority community and the mainstream economy; (3) strong elements of ethnic solidarity develop and become one of the bedrock of enterprises.

3.2.1.1.1. Ethnic Entrepreneurship as a Response to Labour Market Disadvantage and Discrimination.

The incidence of self-employment among ethnic minorities has long been seen as the product of disadvantage and discrimination in the formal labour market. Two types or categories of disadvantage experienced by the immigrant/ethnic minority were identified by Ivan Light. The first is that of labour market disadvantage, which occurs when the worker cannot obtain a wage commensurate with the market return on her productivity.²¹² This normally relates to under-employment such that the individual's capacity is not maximally utilized in her area or position of employment. Resource disadvantage occurs when an entire group of persons enter the labour market with fewer resources than other groups as a result of current or past historical experience. The discussion of this issue points to human capital as well as social capital and relates therefore to the place of the individual in the labour market place. The capital bundle of the group is purported to include attributes such as 'positive work ethic, good health, contact network, self-esteem'.²¹³ This list from Ivan Light follows immediately on the example of slavery as a form of such historical experience as might produce resource

²¹² Light, I. (2004:6).

²¹³ Light, I. (2004:6).

disadvantage. His discussion of the issues leads to the presentation of a resource constraint version that expresses itself as double disadvantage in the case of certain minority groups such as black persons in the US and UK. He cites that “affluent, educated immigrants have the resources to undertake self-employment in the formal subsector when disadvantaged in the labour market.”²¹⁴ That is, since these persons are only subjected to labour and not resource disadvantage, they can overcome this by utilizing their resources (affluence and education) in gaining success. Those who on the other hand are doubly disadvantaged must go into the illegal subsector of the ethnic owned economy in order to find the easiest way out. This structural and deterministic view of social mobility and ethnic entrepreneurship is typical of the middleman premise. Light in particular has singled out and focused on one of the three points of the middle man theory, namely the issue of significant ethnic solidarity in business and the concentration in certain types of businesses or trades, effectively ignoring the other two premises.

In the context of the UK, there is overwhelming evidence of discrimination in the labour market, as evinced by ethnic penalties. Regulations such as a minimum wage do not sufficiently address this issue as it is not so much about a ‘living’ or ‘just’ wage, but more about what approaches productivity and efficient use of labour resources by the UK society. Therefore it can be seen that a graduate from a minority ethnic group might be unable to get a job in his chosen field or any other that reflects his productivity potential. This is a strong possible reason for self-employment and entrepreneurship. Discrimination in the labour market oft shows itself in a strong bias against members of

²¹⁴ Light, I. (2004:7).

ethnic minority groups when it comes to recruitment. Yet, it is not only at this stage that the person from an ethnic minority background meets bias. There are also ethnic penalties that take place subsequent to being in position. The prevailing influence of ethnic penalty in the employment market is still evident in the UK, based on a number of studies over the years. Using the 1991 Census, Heath and McMahon were able to show that regardless of the qualification or position of the groups in the job hierarchy, they were likely to suffer discrimination and disadvantage.²¹⁵ Heath later contends that ethnic penalty cannot be equated with discrimination and may be due to a lack of certain social factors such as bridging networks with the mainstream society, among others. In a 2006 presentation, he defined ethnic penalty as “... the net disadvantages experienced by ethnic minorities after controlling for their educational qualifications and age (experience in the labour market). That is, they are estimates of the disadvantages experienced in comparison with equally-qualified members of the charter population of the same age.”²¹⁶ This implies that of qualification, education, age or experience, none guarantees that the ethnic minority individual will see either the same salary or positions as her White British counterpart. Whereas ethnic penalty calculations can point to the existence of ethnic penalties in the labour market, they are unable to point to the reasons for such penalties.²¹⁷ Regardless of the reasons, it remains that discrimination in the mainstream labour market may act as a catalyst for migration into self-employment and

²¹⁵ Heath, Anthony, McMahon. (1995:1) *Educational and Occupational Attainments: the Impact of Ethnic Origins*. Paper 34, Centre for Research into Elections and Social Trends, February;

²¹⁶ Heath, Anthony (2006) Power point presentation found online at www.ccsr.ac.uk/esds/events/2006-11-07/slides/heath.ppt. Accessed 12:15, 02/02/09.

²¹⁷ Heath, Anthony & Yi Cheung, Sin (2006:27) *Ethnic Penalties in the Market: Employers and Discrimination*. DWP. Corporate Document Services. Leeds.

entrepreneurship. This feature of ethnic penalty in the labour market persists across generations.²¹⁸

The observed tendency to see black slavery as a source of resource disadvantage is questionable. Nowhere is this more so than in the consideration of entrepreneurship. Despite the attendant destruction of institutions and denigration of the individual that was found in New World slavery, neither African American nor African Caribbean enslaved blacks allowed the incidence of slavery to diminish their proclivity for entrepreneurship. There is a significant body of scholarship outlining and detailing remarkable display of entrepreneurship by black folk both during slavery and subsequent to emancipation.

Juliette Walker's interesting article on black entrepreneurship in the antebellum period provides us with many interesting and stirring examples of, as well as erudite discussions from various sources on, the phenomenon.²¹⁹ It is true that the occurrence of the enterprising slave becoming the successful entrepreneur is clearly an anomaly and would certainly appear so from a snapshot of any period during slavery. However, we are now privileged to analyze data across time and geographic regions to arrive at the conclusion that highly successful business enterprises were regular if not common phenomena.

²¹⁸ Heath, Anthony & Yi Cheung, Sin (2006:31) *Ethnic Penalties in the Labour Market: Employers and Discrimination*. DWP. Corporate Document Services. Leeds.

²¹⁹ A wealth of information and additional sources are provided by Juliette K. Walker in her article. See "racism, slavery, and free enterprise: black Entrepreneurship in the United States before the civil war" in *The Business History Review*, Vol. 60, No. 3 (Autumn, 1986), pp. 343-382. Published by Harvard Business School.

The Caribbean context of entrepreneurial activity by the enslaved will be seen further in this discourse. The basic fact that I seek to establish is that the notion of slavery rendering the enslaved and his descendants permanently disadvantaged to the extent that entrepreneurship must not be expected of them is at best intellectual narrowness. Yet, this perception is allowed free rein in the corridors of academia and business. It was not only persons of African descent who were presented as being so disadvantaged by their history as Irish were also thus categorized.²²⁰ Light's publication totally ignored the economic achievement of persons of Irish descent across the world. There is a further weakness in the tenets of the theory as expressed above in the assumption that the lack of resources – human or cultural – is the sole reason for individuals to opt out of the formal economic sector. This assumes that the rational, educated, economic man or woman will always choose to utilize the formal system as it is constituted. There is no allowance in the above presentation for the system to penalize on the basis of race or cultural difference. Or that the regulatory, social or economic environment of the host society can be a downright deterrent to legal and formal entrepreneurial pursuit. This is a telling weakness of the middleman theory and indeed the entire ethnic resource based framework.

3.2.1.1.2. Narrow choice of enterprise and vocation

The second premise of the middleman theory is that ethnic entrepreneurs choose certain specific vocations or trades. As well as being involved with certain trades, they will act as agents, contractors (particularly labour), money-lenders, rent collectors, among others. They facilitate contact between mainstream producers and minority

²²⁰ Light, I. (2004) *Ethnic Ownership Economy*

consumers. The middle man theory projects the view of ethnic entrepreneurship as a temporary activity in which businesses with low barriers to entry are entered; there is no long term investment and valuables are held in a highly liquid form to facilitate ease of exit both from the business as well as the geographical area. This theory has been applied widely, spawning numerous applications of the framework including historical analysis such as Zenner's study of Christian and Jewish businesses in the late Ottoman Empire.²²¹ He postulated that these minority businessmen were viewed to bridge the economic gap between the mainstream Muslim society of the Ottoman Empire and the community of Christians and Jews to whom they belonged. Research on the Korean experience in the USA, where the types of businesses in which they were engaged were quite predictable and stereotypic, showed a similar positioning.²²² In one discussion of the case of Koreans in the Los Angeles area, it has been shown that caught between the rejection of the host population and the hostility of the neighbourhoods in which they lived and run businesses, they were seen as model minorities, allowing for the mainstream groups to project them as examples of success, thereby denying any charge of racism against the host society.²²³ Here the ethnic minority middleman does more than simply facilitate the movement of goods and services to the host society. He also stands in the gap between the oppressed ethnic minorities and the oppressive host society. More like a human shield than a smokescreen; for whereas, a smokescreen is meant to obscure, the middleman absorbs without deflecting criticisms and scorn. He provides validation of the host policies and social structure, guarding against and in

²²¹ Zenner, W. (1987) 'middleman minorities in Syriac mosaics'.

²²² Light, I., Bonacich, E. (1988) *Immigrant Entrepreneurs: Koreans in Los Angeles, 1965 – 1982*. Berkeley, University of California Press.

²²³ Hamamoto (1992) 'Black – Korean conflict'. *Z Magazine* (July/August), 61 -62.

most cases absorbing any possible backlash by his fellow co-ethnics or those similarly dispossessed.

We can see from the above that the second generation of minority ethnic group would be quite prone to integrate into the host society, thereby eliminating the middle man on a socio-political level. It is also expected that they would enter into a range of different vocations and enterprise. However, the degree of integration or assimilation into the host society is dependent on a number of factors outside of the control of the ethnic entrepreneur including legal, social and political factors.

3.2.1.1.3. Ethnic Solidarity and Cohesion

The issue of ethnic solidarity has been viewed as a basis for high levels of ethnic entrepreneurship within the ethnic resource framework. Ethnic solidarity is a non-economic product of what Bonacich refers to as the 'sojourning' of immigrants, which is a sentimental attachment to the place of origin or ancestral home.²²⁴ It exhibits itself as a tendency for immigrants to see their present location as part of a journey. As such there is no inclination to assimilate or integrate into the mainstream community. Operating at a 'middleman' level is most convenient for these people. It is further attested that their most distinguishing feature economically, is the proclivity for liquidity. That is, they enter businesses and professions which do not demand significant outlay of capital or which are transferable.²²⁵ This sojourning nature among ethnic communities bestows a greater level of trust between individuals lends itself to mobilizing resources such as finance, credit and information as well as ensuring a

²²⁴ Bonacich, E. 1972:585) 'middleman theory'

²²⁵ Bonacich, E. 1972:585) 'middleman theory'

certain level of custom from their co-ethnics. Ethnic solidarity can have a profound effect on trust, which in itself not only enhances the likelihood of effective resource mobilisation but also minimizes the cost of these resources. A low trust environment between individuals, such as is encountered in westernized societies, must resort to stringent market and legal mechanisms such as interest rates and formal contracts in order to minimize the risk of loss.²²⁶ Ethnic solidarity as a theoretical grounding to explain entrepreneurship further shows that it controls internal competition as well as distribute resources. In the first case, of limiting internal competition, ethnic solidarity denotes common access to information, business opportunities and even funding. As such, this knowledge is used to moderate the degree of competition. The second case, the sharing of resources would result from the high level of solidarity that is found in such ethnic community. In addition to the USA, this has been shown in cases in the UK.²²⁷ However, this is of doubtful applicability to African Caribbean people in the UK. The application of this theory to the African Caribbean experience in the UK becomes doubtful given the observed lack of cohesion and solidarity that is often found in the African Caribbean community. This deficit in the theorization has led to the notion that the African Caribbean community in the UK is ‘not ethnic enough’.²²⁸

This particular theory is of doubtful applicability to the African Caribbean community in the UK due to a complex array of reasons. The reality of ethnic

²²⁶ Casson and Godbley (2006:34) ‘entrepreneurship and historical explanation’. Here the authors discuss the implications of low trust between entrepreneur and employee.

²²⁷ Desai, Rushami (1963) *Indian immigrants in Britain*. Oxford, UK. ; Werbner, Pnina (1980) ‘from rags to riches: Manchester Pakistanis in the garment trade’ *New Community* 9 84 -95.; ----- (1984) ‘business on trust: Pakistani entrepreneurship in the Manchester garment trade’ in *Ethnic Communities in Business* eds. R. Ward, R. Reeves (Cambridge University Press, Cambridge) pp 166 -188.

²²⁸ This is related to the earlier note that saw a spurious inverse relationship between entrepreneurship and assimilation. These ideas require further research.

multiplicity in African Caribbean make up has rendered the average African Caribbean person, particularly a new arrivant, to be more amenable to plurality and diversity in a society. Thus, Chinese shopkeepers were welcome in early 20th century Jamaica as they were measured primarily by their function. In more recent times, African Caribbean persons who were born in the UK reacted with surprise at the fact that newly arrived Jamaican immigrants did not care what was the ethnicity of the shopkeeper. This was primarily due to the fact that in the context of the plurality of Caribbean societies, the lines of cultural and ethnic demarcation are not as strictly drawn as in the UK. In the Caribbean, they are based more on class than race or any other criterion. Historically, most African Caribbean people saw themselves as fully British as Caucasian Britons where the issue of rights and responsibilities are concerned. This follows a long history of struggles against imperialism and colonialism in which they often perceived the local whites as more their enemy than they do the Crown. This has been largely facilitated by the rule of British law that had seen revisions of improvement in favour of the lower classes in the Caribbean. That perception left them less inclined towards an exclusionary response to the racism and discrimination that they met. They chose to engage with the system in a radical way rather than de-link and retreat to enclaves. It can be further shown that perception of value and price responsiveness was also quite important to African Caribbean shoppers. Nowhere is this more clearly seen than in the Black Hair and Beauty sector where African Caribbean traders have become minorities, even as they failed to respond to the preference for value among African Caribbean women.²²⁹ This renders the proposal of ethnic solidarity as it is structured under the ethnic resource framework of little value among African Caribbean persons.

3.2.1.2 *Ethnic Enclave Theory*

Another approach to understanding ethnic entrepreneurship is one that is predicated on geography of location of immigrants in the host country. Some researchers see the spatial distribution of the ethnic minority group or immigrant as directly related to the incidence of entrepreneurial activities. Waldinger, et al discussed the extent to which this spatial distribution becomes a factor in the level of demand for services and goods that will exist and how this gives rise to entrepreneurial opportunity.²³⁰ Allied to a high population density, is the condition of being sufficiently segregated from the host country, whether by language or religion and custom. These have been seen as necessary for the emergence of high levels of entrepreneurial activities. It was noted that immigrants tend to live and set up business within a distinct geographical boundary. This geographical concentration of ethnic firms offering a wide variety of economic activities represents the 'ethnic economic enclave'.²³¹ This allows for the setting up of an alternative labour market, separate and apart from that existing in the host economy. The emergence of this, spurs an economy within this enclave that effectively bestows on the immigrant or ethnic minority returns similar to what he might have gained in the mainstream economy. This can be posited as a redress of the penalty that the immigrant or ethnic minority individual faced in the mainstream labour market. The ethnic enclave economy is grounded in the community of immigrants and therefore bestows on the entrepreneur, at whatever level of operations, tremendous

²²⁹ Inasmuch as the Black Hair and Beauty industry represents a significant sector that would most certainly yield insights as a case study into the development of African Caribbean entrepreneurship, it is felt that this would not suffice as the best mechanism for an explanation of African Caribbean entrepreneurship given its specificity.

²³⁰ Waldinger R, et al (1990) 'spatial dimensions of opportunity structure'.

²³¹ Portes, A. (1987) 'social origins of Cuban enclave in Miami' in *Sociological Perspectives* 30 pp. 340 - 72.

social capital essential to his success. This is seen as a two-fold arrangement, for whereas the entrepreneur is guaranteed the support, custom and loyalty of his co-ethnics, he is also expected to give them preferential treatment in terms of employment, training, discounts and other forms of assistance.²³² The evidence has been presented that the options within the ethnic enclave offer a positive and viable alternative to wage employment in the mainstream economy with the strength of these options being rooted in the commonality of ethnicity and also the spatial concentration of businesses.²³³

Questions have been raised as to the validity of the proposition that ethnic minority workers in the ethnic enclave economy experience no wage penalty when compared to those working in the mainstream economy.²³⁴ It has been argued that the enclave economy approach runs counter to the accepted convention that immigrants will over time assimilate into the mainstream economy. Though this is highly likely for the individual, the staying strength of the enclave economy approach is that for some communities of ethnic minorities there is a consistent flow of newcomers who will always find the enclave a source of positive economic influence. This however is not quite the case at those times and in those societies where the level of state regulation concerning such immigration is likely to impact negatively on the flow. Further evidence against the validity of ethnic enclave as a basis for ethnic entrepreneurship is offered by Clark and Drinkwater, who using data from England and Wales, showed that ethnic enclaves offered no economic incentives for either self employment or

²³² Zhou, M. (2004:42) 'role of enclave economy' in *Immigrant and Minority Entrepreneurship*.

²³³ Zhou, M. (2004:58) 'role of enclave economy'; Portes, A., Jensen, L. (1987) 'what's an ethnic enclave? the case for conceptual clarity'.

²³⁴ Sanders and Nee (1987) 'limits to enclave economy'.

employment in the general labour market.²³⁵ It is quite likely that the above stated factors that detract from the validity of this particular theory play no small part in UK context as far as African Caribbean entrepreneurship is concerned. For example, the flow of immigrants from the Caribbean into the UK has seen significant fall offs due to lack of demand as well as effective immigration restrictions.

3.2.1.3. *Ethnic Market Niche*

The third theory within the framework of ethnic resources that we will reflect on is the ethnic market niche. This approach is predicated on the marketing elements, which are often seen in ethnic entrepreneurship. The key to this approach is to focus on the features of the market under scrutiny. Here it is proposed that there are three key elements essential to understanding ethnic entrepreneurship.²³⁶ These are encapsulated as the opportunity structure, the group characteristics and ethnic strategies. The special circumstances of the immigrant or ethnic minority group will result in certain needs being generated by being in a new society or country. Along with these needs are certain tastes, abilities and capacities of the new immigrant.²³⁷ These two set of factors – his condition and his characteristic - work together to create a certain demand for services and goods ranging from the provision of foodstuff to the provision of specific meals or cuisine by the immigrant for the host or native population. In the first case the immigrant supplies his co-ethnics or fellow immigrants and in the second his market is the host or mainstream ethnic group. Thus we see that unlike the general picture in the ethnic enclave theory, the ethnic entrepreneur is active in under-served, abandoned or

²³⁵ Clark, Kenneth & Drinkwater, Stephen (2002) ‘enclaves, neighbourhood effects and employment outcomes: ethnic minorities in England and Wales’ in *Journal of Population Economics*, Vol. 15, pp. 2 – 29.

²³⁶ Waldinger, R. et al. (1990:13 – 48) ‘spatial dimensions of opportunity’

²³⁷ The upsurge in interest in Caribbean food and cuisine represents a case in point.

newly created markets in the mainstream economy. The market that the immigrant will satisfy is usually characterized by small size and a certain degree of volatility, factors which restrict the likelihood of bigger players being involved. Thus, given the absence of high barriers to entry and other restrictive conditions - economic and regulatory - the immigrant can avail himself of this opportunity.²³⁸ The characteristics of the group, such as its 'predisposition' to small business, its experience before migrating and certain long established cultural norms are deemed to play a part in the decision to get into entrepreneurship. Success is viewed to be dependent on these factors and their interaction with the set of available opportunities. The interaction of experience in country of origin and host society gives the immigrant a distinct advantage, opening up opportunities for exploitation.²³⁹ It must be recognized that despite the fact that Waldinger et al were not exhaustive or as analytical in their treatment of the nature of opportunity in ethnic entrepreneurship as might have been preferred, there was some recognition of the importance of the subject. The background of the group might have impacted their discussion. Roger Waldinger and Howard Aldrich are academic sociologists, Roger Ward is from a business studies background, and notwithstanding the tremendous contribution of sociology and other disciplines to ethnic entrepreneurship and entrepreneurship in general there is the noticeable tendency to stay within one's core academic area.

3.2.1.4. Collectivist Theory

²³⁸ Waldinger et. al (1990: 47) 'opportunity structure'.

²³⁹ Basu, A. (2006:587 -8) Ethnic Entrepreneurship'

The collectivist notion of ethnic entrepreneurship looked at the tendency within ethnic communities to pool resources and assist in ethnic start-ups.²⁴⁰ This theory notes the extent to which structures and strictures of control within ethnic communities increased the propensity for the emergence and success of enterprises. This is in many cases the product of a certain degree of cultural retention, which is arguably much stronger in societies with significant patriarchal institutions, large families and a centrality of kinship. This theory found resonance with a number of ethnic groups in the UK, particularly those from South Asia. It has been noted that these practices lend themselves to such labour intensive businesses such as retailing, which many from these ethnic and cultural backgrounds enter. The collectivist notion is close to the middleman theory and it can be stated that all of these ethnic resource based theories exhibit a high level of commonality given their dependence on the analysis of the resources and characteristics of the ethnic minority entrepreneur.

3.2.1.5 Discussion on the Ethnic Resource Bundle and its relevance to the African Caribbean Context

The application of an ethnic resource based framework operates on the premise of using so-called successful ethnic groups, as the benchmark by which all others should be judged and indeed ethnic entrepreneurship itself should be studied. From the USA this had led to studies of Chinese, Koreans, Indians and other 'successful' groups. It has largely been sociologists who have blazed the path of ethnic entrepreneurship. So pronounced was the development and interest in the area that one of the 1987 publications of the eminent journal *Sociological Perspectives* was dedicated to ethnic

²⁴⁰ Lovell-Troy, L.A. (1986) 'Class structure and economic activity: the case of Greeks in small business enterprise'.

entrepreneurship.²⁴¹ The European side had not been outdone as the International Small Business Journal had the year before (1986) published its entire payload of articles on ethnic minority business in Europe (dominated by the UK).²⁴²

The ethnic resource based framework of understanding ethnic entrepreneurship was well received in the UK, at first. It formed the basis for much discussion in business development and enterprise among minorities and was rapidly applied to the South Asian ‘phenomenon’. Thus, as Ram noted, this was seen as the effect of such cultural attributes as trust, family values, thrift and industriousness, all working to bring to bear the entrepreneurial drive that yields success in business. The supposed absence of a similar level of success among African Caribbean persons led to a proliferation of the notion that this was a sign of failure that could only be explained by a history of slavery²⁴³ and lack of family values and self discipline.²⁴⁴

It is this difference between African Caribbean ‘failure’ on the one hand and Asian success on the other that came to be the bane of much discussion. From the Brixton Riots of 1981, to the Lozells ‘Riot’ of 2007, the notion has been that there is this tremendous difference in entrepreneurial abilities between the two groups. This difference especially being highlighted at a time when the UK was seeing tremendous fallout in the job market, unrest among the unemployed amidst a political philosophy of neoliberalism and neoclassical economics, enterprise development was seen as the panacea for all economic and social ills. Enterprise creation became an enterprise in

²⁴¹ *Sociological Perspectives* Vol.30 (Oct).

²⁴² *International Small Business Journal* (incorporating the European Small Business Journal) 1986 Vol.4 No.3.

²⁴³ Patterson, S. (1969: 56) *Immigration and Race*

²⁴⁴ Werbner, P. (1980) ‘from rags to riches’.

itself.²⁴⁵ The Brixton Riots led to the establishment of the Scarman Inquiry at the end of which Justice Scarman recommended the establishment of business support strategy for the ‘upliftment’ of African Caribbean persons through business entrepreneurship.²⁴⁶ This further cemented the place of business support units throughout the country aimed at ethnic minorities in particular. The report and the subsequent establishment of these organisations facilitated the production of policies being the bane of research on ethnic entrepreneurship and African Caribbean entrepreneurs in particular. Thus, research agenda and output have catered largely for the policy rather than the development of a body of work specifically to promote the wider social scientific intellectual objective. An obvious overly enthusiastic inclination to influence policy might have negatively impacted on objectivity in scholarship in the UK context.²⁴⁷ Of some interest is the attempt by Werbner et al to rebuke the ‘invidious’ comparison between black (in this case African American) and other ethnic groups on the issue of entrepreneurship in the USA.²⁴⁸ Regrettably, there is no such overt move in the UK.

3.2. 2. Embeddedness in Ethnic Entrepreneurship

While researchers were busy applying the ethnic resource-based analysis to various manifestations of ethnic entrepreneurship as a feature of capitalism and neoclassical success across the globe, Mark Granovetter an American sociologist published, a paper that brought into question certain neoclassical assumptions of the

²⁴⁵ For further discussion on the creation of enterprise culture see *Paths of Enterprise: The Future of the Small Business*. (ed.) James Curran & Robert A. Blackburn.

²⁴⁶ This report and its recommendation could be placed in the context of a general tendency of the period to see enterprise as the panacea for just about every social and economic ill, particularly unemployment.

²⁴⁷ Barrett, G. Jones, T., & McEvory, D. (2000:112) ‘United Kingdom: Constrained Entrepreneurialism’ in *Immigrant Entrepreneurs: Venturing Abroad in the Age of Globalization*. (ed) Kloosterman, Robert & Rath, Jan. 101 -122.

²⁴⁸ Basu, D. & Werbner, P. (2001) ‘bootstrap capitalism and the culture industries: a critique of invidious comparisons in the study of ethnic entrepreneurship’ in *Ethnic and Racial Studies* Vol. 24, No. 2, pp. 236 – 262.

market, thus placing on the intellectual map the notion of embeddedness.²⁴⁹ The theory purports that the economic behaviour of individuals and institutions ought to be analyzed with the recognition that they are constrained by ongoing social relationships.²⁵⁰ The import of social and cultural relations to economic activity, behaviour and decisions has been the purview of anthropologist such as Karl Polanyi, whose analysis of economic systems, both pre-market and modernized, highlighted this type of interconnectedness.²⁵¹ This approach to economic understanding has been seen as an outgrowth of the Substantivist School of Anthropology founded by the economic anthropologist Karl Polanyi. The School advocates for a better understanding of the cultural and social factors that impact on economic decisions. Here we see that economic decisions and behaviour were embedded in the structure and system of social and cultural relations. This runs counter to the prevailing notions of neoclassical economics that presents man as nothing more than an economic being driven to making decisions on the basis of market forces and economic rationale. Neoclassical economics' dependence on the need to formulate mathematical models that can explain and predict, struggled to incorporate within its framework such complex features as culture and the 'intangibles' of social relations. The Substantivist School questioned the assumptions of neoclassical economics and the policy prescriptions of the World Bank and the IMF, which for many years betrayed a strict market orientation towards development.²⁵² This school identified that the system of exchange that took place in traditional, pre-market tribal societies was based more on the social and political system that dominated that particular traditional society. The Substantivist School accepts that

²⁴⁹ Granovetter, M. (1985) 'embeddedness'.

²⁵⁰ Granovetter, M. (1985:482) 'embeddedness'.

²⁵¹ Polanyi, K. (1944) *The Great Transformation*.

²⁵² See for example the concept of the Washington Consensus.

as societies modernize the influence of social and cultural factors will decline. However, Karl Polanyi argued that these influences have never disappeared.

Karl Polanyi was born in Vienna to a prominent family and earned a PhD in Philosophy. He was actively involved in the politics of the era and served in the Austro-Hungarian army of the First World War. He left Vienna in 1933 and wrote his seminal work in 1940. His legacy is seen in the realm of political economy, economic sociology and economic history and became the philosophical bedrock for economic democracy and democratic socialism in places such as the Caribbean, Latin America and Canada.

Yet even as the Substantivist School made strides in the understanding and appreciation of the role of social institutions and practices in economic decisions, another approach to understanding the relationship between the institutions and economic behaviour was being espoused. This became known as the ‘formalist approach’. Here it was viewed that even in tribal, pre-market societies, there was sufficient distance between economic activity and social relations for them to be separately studied and analyzed.²⁵³ This view in anthropology is closely aligned to the philosophical underpinnings of neoclassical economics. This orientation led to the postulation that institutions and practices regarded as ‘social’ can be understood as outgrowth of rational pursuit by individuals. Thus allowing for the analysis of barter and exchange among prehistoric tribes to marriage and art are not as embedded as previously thought but more so the product of rational, deliberate individualistic activities over time. This approach has also led to numerous attempts within mainstream

²⁵³ Schneider, Harold (1974) *Economic Man: The Anthropology of Economics*. Free Press.

economics to explain social institutions using mathematical tools such as Game Theory. Interestingly enough, tools of economics and mathematics have also been lavishly applied to religion giving rise to an area of academic enquiry known as 'Economics of Religion' pioneered by Laurence Iannacone.²⁵⁴

The extent to which the proponents of economic anthropology utilized and analyzed the role of institutions and their impact on economic decisions, saw them being closely aligned with those economists who were part of the movement labelled 'new institutional economics'. The 'new institutional economics' came to prominence in the USA in the 1970s under the influence of notables such as Oliver Williamson, Alchian, Demsetz, among others who insisted on 'deflect(ing) the analysis of institutions from sociological, historical and legal argumentation and show instead that they arise as the efficient solution of economic problems'.²⁵⁵ These new institutional economists have been criticized as narrow²⁵⁶ and as becoming purely descriptive data gatherers.²⁵⁷ They are perceived as narrow in that the framework in which they carry out their analysis and theorization are largely devoid of the input of any discipline or informed positions other than economics. As data gatherers, they have been noted to exhibit the tendency to subject every inquiry to a statistical formulation. For although these economists critiqued the neoclassical philosophy of economics they were viewed as guilty of failing to analyze institutions as functions of broader social arrangements.²⁵⁸

²⁵⁴ See Iannacone, Laurence, I. (1998) 'introduction to economics of religion' in *Journal of Economic Literature*, Vol. 36, No. 3 (Sep., 1998), pp. 1465-1495.

²⁵⁵ As cited in Granovetter, M. (1985:505) 'embeddedness'

²⁵⁶ Granovetter, M (1985:489,505) 'embeddedness'

²⁵⁷ Hodgson, J. (1988:22) *Economics and Institutions*.

²⁵⁸ Granovetter, M. (1985:495).

The foundations of embeddedness as utilized in ethnic entrepreneurship insist on a separate path from the Substantivist and the Formalist paths. Where the Substantivist insists on the levels of embeddedness of economic action in social relations being very high in pre-market society and showing consistent diminishment as modernity advanced, Granovetter postulates that the level of embeddedness was never as high as the Substantivists claim nor has it retreated as extensively as they purported. Granovetter's main thesis purports that most attempts at discussing the role and place of social influence in economic action fail as a result of being either over-socialized or under-socialized in their view of economic activities of persons. The over-socialized approach sees only the role of social institutions and arrangements in economic actions while the under-socialized negates to a great extent the role of social institutions and arrangements. His middle ground approach postulates a dominant role for the embeddedness of social relations and institutional factors in economic action. As an economic anthropologist, Granovetter holds that the degree of embeddedness is far more than Formalists would accept, thereby rendering it impossible to get a fundamental understanding of pre-market and tribal economic actions without incorporating social institutions. He also posits the inadequacy of applying neoclassical economics to social institutions.²⁵⁹

The incorporation of this notion of economic behaviour being embedded in social and cultural relations into the discussions in economic sociology brought out new possibilities in the understanding of ethnic entrepreneurship, entrepreneurship in general, and indeed economic behaviour of firms and individuals. A year after Light's

²⁵⁹ Granovetter, M. (1985:482 -3) 'economic action and social structure: the problem of embeddedness' in *American Journal of Sociology*.

seminal work on ethnic enterprises and in the same year that Bonacich published her middleman theory, Granovetter's publication on the role of social relations and networks in economic actions brought to the forefront the impact of networks and ties in key economic decisions such as job acquisitions and inter-firm activities.²⁶⁰ The publication coincided with a surge in interest in ethnic minority entrepreneurship and economic success.²⁶¹ The implications for general entrepreneurship particularly in terms of embeddedness and opportunity recognition as well as resource mobilization were recognized but not immediately applied, even as entrepreneurship itself was also pretty much the unwanted child, shuffling between the various fields of the social sciences and behavioural sciences such as psychology. Neither Baumol's²⁶² nor Kirzner's²⁶³ publications changed this.

In mainstream economics the use of embeddedness provided a keener insight into the study of networks in business and economics precipitating the useful of such fields as neural studies and game theories to understanding economics and business. The issue of social capital gained credence in mainstream economics and general entrepreneurship. Its application to ethnic entrepreneurship was quite predictable as researchers saw where the external factors in the environment of the entrepreneur were prone to have a marked impact on his probability of success. Thus the prevailing external environment characterized by the entrepreneur's political, economic and social

²⁶⁰ _____ 'the strength of weak ties'.

²⁶¹ We can see significant amount of academic activity among American sociologist at the period example Light (1972) and Bonacich (1973) As we have discussed elsewhere, this slew of intellectual activity and output was certainly an attempt to explain the high level of entrepreneurial activity brought on by the new wave of immigration in the post 1965 years. Gap Min and Bozorgmehr (2003) discussed this wave of immigration in the America and its impact on entrepreneurship.

²⁶² Baumol, William J., (1968) '*entrepreneurship in economic theory*.'

²⁶³ Kirzner, I. (1973) *Competition and Entrepreneurship*. Chicago. University of Chicago Press.

situations revealed their influences on the decision, process and sustainability of his venture. No longer was the ethnic minority bundle of endowments²⁶⁴ characterized by his ethno-cultural trappings seen as the all-decisive factor in his success

The shift from the ethno cultural framework towards a more economic one for explaining ethnic entrepreneurship was precipitated by a number of criticisms on both sides of the Atlantic. Since the publication *Ethnic Entrepreneur* by Waldinger and his colleagues and the presentation of what has been called the interactive model, the ire of commentators has been directed at them. The presentations in the book were viewed as capitalistic in their focus on the ‘good’ side of ethnic entrepreneurship.²⁶⁵ It was shown that the celebration of ethnic entrepreneurship carried a sad side of exploitation of co-ethnics, which critiqued the almost amoral approach in analysis that was available up to that point. This issue of exploitation has been noted by Ram in the UK context.²⁶⁶ This exploitation in ethnic entrepreneurship in the UK has been characterized by sub-minimum wage rates of pay, long hours without compensation, absence of adherence to health and safety issues, insecurity of tenure, non-payment of maternity leave and other illegal actions. The absence of these issues in the analysis of ethnic entrepreneurship at the time rendered a picture far rosier than the reality. Some researchers noted the absence of a discussion of gender in the analyses of the ethno-cultural framework.²⁶⁷ The issue of gender and patriarchal control was markedly missing from the work done on Asian businesses in the UK, inasmuch as the negative effects of this feature on

²⁶⁴ Ethnic minority bundle of endowments or ethnic bundle refers to the range and matrix of resources that a particular ethnic group or individual brings to the economic space.

²⁶⁵ Bonacich, E. (1993:686) ‘middle man’

²⁶⁶ Ram, M. (2008) ‘ethnic minority entrepreneurship in the UK: research overview’

²⁶⁷ Collins, J., et al (1995a) *Shop full of Dreams: Ethnic Minority Small Business in Australia*.

women and children are well recorded in relevant literature. It would appear that the appearances of success led to these pressing issues being fully subsumed in the sea of culture that can only be seen in a blinkered way as the cradle of entrepreneurial acumen and business success. Unlike the US, where only a few of the main researchers and scholars of the issues are members of minority ethnic groups, the UK presents a situation where many of its main researchers are members of minority ethnic groups. Hardly a paper can be written without citing the works of Monder Ram (who is now professor and director of the Centre for Research in Ethnic and Minority Entrepreneurship, De Montford University) and Basu, who are both of South Asian origin. Thus, the ethno-cultural discourse in entrepreneurship has attracted the charge of being quite selective in its treatment of the issues.

It might be astonishing, but seems highly factual that research in ethnic entrepreneurship has failed to zero in on the non-racial way in which it has been conducted.²⁶⁸ The concept of race is quite distinct from ethnicity. Here we speak of race in terms of whether the discussion took into consideration the impact of racial differences in the analysis of entrepreneurship. Race was never seen as a factor worth exploring in the discussions of ethnic entrepreneurship. This again might have been related to the ethnicity of the discussants themselves. In the United States John Sibley Butler an African American, is regarded and celebrated as a doyen on ethnic entrepreneurship. His work and characterisation of the issues of ethnic entrepreneurship as the ‘sociology of entrepreneurship’ has been ably presented.²⁶⁹ Yet, the question

²⁶⁸ Collins, J. et al (1995a) *Shop full of Dreams: Ethnic Minority Small Business in Australia*.

²⁶⁹ Butler, John Sibley (1991) *Entrepreneurship and Self-Help Among Black Americans: A Reconsideration of Race and Economics*. State University of New York Press. New York.

would likely be asked as to whether the experience of African Americans and Jamaicans or indeed other African Caribbean groups are the same in terms of the incidence of entrepreneurship. For here they share racial commonality but different ethnicity. It is this distinction that has been found to be hardly touched by the discussants of ethnic entrepreneurship.

If it is true, as is widely accepted by many researchers, that ethnic entrepreneurship started with Ivan Light's publication on ethnic businesses in America, then ethnic entrepreneurship owes its origin to a discussion afforded by comparison of African Americans to other ethnic groups. The main thesis of Light's work was the level of self-employment to be found among Japanese, Chinese and others when compared to African Americans. Inasmuch as his work yielded the notion of double disadvantage as being descriptive of the condition where an entire ethnic minority group or individuals within that group are subjected to being put at a disadvantage both in terms of the labour market as well as by disruptive historical forces as found in slavery, he as well as others failed to assess the status of African Americans in light of the unique position they hold when compared to immigrants. The fact is African Americans are not immigrants. The literature has identified the fact that those who are immigrants usually have often chosen migration. These individuals and groups are usually able to bring to bear such structures and elements predominant in their original societies, which can prove supportive to their existence and progress. This was not the case with stolen groups such as African Americans or even African Caribbean persons.

In the UK, the main researchers are of South Asian and mainstream White origin, with the notable exception of Black British Giles Barrett who co-authors with David McEvoy, a White British. It would appear that the issue of race would serve only to exacerbate the difficulties associated with studying immigrant or minority ethnic entrepreneurship. We have seen where for a significant part of the period under review, ethnic and immigrant entrepreneurship were seen as one and the same, a categorization made with the hope that there would be no loss in generality. However, this is no guarantee as we have shown that the premise of ethnic minority being equated with immigrant can be misleading. The embeddedness framework had emerged as a critique of neoclassical economics and the tendency to see economic arrangement as being exclusive of social relations. Its applicability to ethnic entrepreneurship is validated even as we have seen earlier that the ethnic entrepreneur is only accepted as ethnic on the basis of his connections (outside of economics) with the ethnic minority community. It is this social connectedness that becomes the litmus test of his relevance to the community.

Many African Caribbean entrepreneurs are of the view that social connectedness with their ethnic communities are of little value in their entrepreneurial pursuits. Where their businesses are not directly dependent on the connections with the community, they often choose to spurn and disregard the ethnic label. In fact, strong relations with the community are seen as a liability. The notion of 'breaking out' or moving beyond the confines of an ethnic market seems to be the mantra of some of these individuals. The extent to which breaking the bond with the community is a necessity to 'breaking into' the mainstream market is questionable. It might also be argued that the structure of

British society with its strong and enduring system of class stratification laced with racial overtones leaves the ambitious entrepreneur no choice except to forsake his social connections with the ethnic African Caribbean community or at least get adept at traversing from one set of social strata to another. This reality is in fact a confirmation of the importance of social connections in the society and environment to the entrepreneurial pursuit. Social connections, social relations and networks are dominant factors and determinants in economic development and entrepreneurial activities for African Caribbean persons as with any other.

It remains that the overarching environment of the host country as dictated by the regulatory, political, sociological and economic frameworks must also be acknowledged as significant determinant in the emergence of ethnic entrepreneurship. The consideration of these factors gives rise to ‘mixed embeddedness’.

3.2.3. Mixed Embeddedness

European researchers started to see the applicability of an adapted version of the embeddedness framework for the analysis of the ethnic entrepreneur. Not only was his embeddedness with his ethnic community and the networks and social capital which it generated important factors in determining success, but also of increasing concern to researchers was the overarching regulatory framework or external environment of the ethnic entrepreneur. Embeddedness has been noted to deal almost exclusively with the social and cultural endowments of the ethnic entrepreneur with very little analysis of the wider economic and institutional in which immigrants and ethnic minorities exist in the

host country.²⁷⁰ Ethnic entrepreneurship is therefore analyzed at the nexus of a multiplicity of factors and forces.²⁷¹ These factors and forces elicit the use of different frameworks for the rigorous analysis of ethnic entrepreneurship and as such, relevant research demanded a multidisciplinary approach.

The timely recognition by Kloosterman et al, of the need for a multi-disciplinary reading of ethnic entrepreneurship, becomes crucial to the understanding of the phenomenon, its causes, processes and consequences. This is not new, as any worthwhile understanding of entrepreneurship demands the employment of a wide range tools and approaches from social and behavioural sciences.²⁷² A multi-disciplinary approach as is being advocated would take into consideration the high degree of state and regulatory apparatus associated with European states. It has been noted that these factors militated against the application of the ethnic resources and ethno-cultural frameworks as used in the USA. The United States is characterized by a weak state/strong market orientation whereas the opposite is seen in the European countries where the state is the strong partner. The strong welfare orientation of the European system coupled with the social democratic political system would find itself at odds with the lassaize-faire system at work in the USA. The institutional environmental factors have a profound effect on the nature and structure of opportunities that would be available to the ethnic entrepreneur. This is the demand side to the demand-supply matrix for the ethnic entrepreneur. The demand side of the matrix would show case the factors that influence the opportunities to which potential

²⁷⁰ Kloosterman, R et al (1999:257) 'mixed embeddedness'.

²⁷¹ i Kloosterman, J, et al (1999:257) 'mixed embeddedness'.

²⁷² Shane, S. (2003:10) *A General Theory of Entrepreneurship*. Also seen in the work of Georg Simml, W.E.B. Dubois, Weber and Sombart.

entrepreneurs are exposed. This is a deviation from the concentration on the attributes, motivation and strategies (all supply side factors) of the ethnic entrepreneur that has dominated the literature.²⁷³ It has oft been suggested that the success or failure of enterprises is purely the product of the individual and group attributes, motivation and strategies. This orientation has played a significant role in the policy prescriptions that have emanated from various studies overtime.²⁷⁴ It may also be argued that the focus on ethnicity that has characterized ethnic entrepreneurship has been precipitated by an ideology of difference. This ideology has research predisposed to see the difference and hence ‘othering’ of the immigrant or ethnic entrepreneur to the extent that the factors which are embedded in the host society, such as politico-economic institutions and their responses to the presence and creativity of the immigrant are not properly addressed, the focus is rather on those things that the immigrant brings – an ethno-cultural supply-side orientation. The resurgent of the discourse on the demand side of the equation focuses on the structure of the opportunity.²⁷⁵ This approach is very much in tandem with the individual-opportunity framework advocated by Shane et al.²⁷⁶

Among the disciplines that would be of particular relevance to the analysis of African Caribbean entrepreneurship would be history and theology and particularly how these interact in the British context. By the end of the first wave of African Caribbean or

²⁷³ Waldinger, R. (1990) ‘spatial opportunity’ ; Granovetter, M. (1985) ‘strength of weak ties’

²⁷⁴ Ram, M. and Jones, T. (2008) ‘ethnic minority business: review of research and policy’ in *Government and Policy (Environment and Planning ‘C’)*.

²⁷⁵ Kloosterman, R., Rath, J. (2001: 190 – 198) ‘immigrant entrepreneurs in advanced economies’

²⁷⁶ Shane, S., & Venkataraman, S. (2000) ‘the Promise of entrepreneurship as a field of research’ in *The Academy of Management Review*. Vol. 25, No. 1 (Jan., 2000), pp. 217-226

West Indian²⁷⁷ immigration, predictions were already being made that African Caribbean immigrants faced an ‘Irish future’ whereas South Asian were assured of a ‘Jewish future’.²⁷⁸ This was made against the background that the commonality of experience of Slavery (West Indian) and peonage (Irish) formed a basis for such projection and conclusions. The idea is that there is some assurance of a future of material success, cultural penetration and social mobility for South Asian – similar to that of Jews in the UK over the course of centuries. In this case we see where a Eurocentric reading of history provoked these kinds of pronouncements. A more balanced take of history and particularly the history of the West Indies in both the pre and post Emancipation eras would have yielded evidence of highly entrepreneurial activities and programmes by individuals and groups. Equally, a reading of the Irish experience in the various countries to which they were dispersed, particularly the United States, shows high levels of entrepreneurial organisations. In fact at the time of writing, the Irish Diaspora had already produced a President of the United States who was a third generation Irish. This seems more consistent with the Jewish record where they also produced a British Prime Minister.²⁷⁹ The qualification of slavery as a factor in history that would have destroyed the entrepreneurial culture of persons of African descent in the new world is hard to qualify in light of history of the West Indianplantation. The plantation economy in the West Indies would have rendered very little space for the enslaved to utilize and indeed benefit from his entrepreneurial pursuits. Yet, this absence of real benefits did not diminish that drive as there are

²⁷⁷ The term ‘West Indian’ is used in reference to the region of the Caribbean and the English-speaking islands during that specific period in history when they were under British political rule.

²⁷⁸ Patterson, Sheila (1969: 54) *Immigration and Race Relations in Britain 1960 -1967*. Institute of Race Relations, UK.

²⁷⁹ John Fitzgerald Kennedy became president of the USA in 1960, while Benjamin Disraeli served as Prime Minister during Queen Victoria’s reign. The former was of acknowledged Irish descent and Disraeli was a well-known Jew.

countless examples of the enslaved creating social and economic space through creativity, energy and insight, this despite the legal and political forces which were arraigned against him. The test of this hypothesis of Atlantic Slavery rupture of the entrepreneurial drive of the enslaved cannot be based on the observation of entrepreneurship narrowly defined in post World War II Britain but would have to seek to look at the level of entrepreneurship in West Indies in both the pre and post Emancipation era. It is therefore evidenced that there is very little basis for the aforementioned projection and comparisons concerning difference in entrepreneurial achievement between South Asians and African Caribbean people to be made on the basis of 'ruptured' history.

We find that inasmuch as the multi-disciplinary approach to understanding ethnic entrepreneurship is useful and imperative in the analysis of host institutions and regulatory framework, its applicability to a more refined understanding of ethnic or immigrant groups remain understated and underutilized. We have alluded to the potential that exists in a balanced and informed application of history to the understanding of ethnic entrepreneurship in the case of African Caribbean persons. What of the religions and theology of these groups? What of the extent to which belief systems of the ethnic minority or immigrant interact with prevailing structures in host countries? There remains a generalized and largely capitalistic view of entrepreneurship among ethnic minorities and immigrants. The move to utilize mixed embeddedness gives the impression that the ethno-cultural matrices of vectors have been fully and exhaustively explained and as such the attention must now shift to the matrices of host country institutions and policies. Surely, there has been a dominance of the American

approach and a dependence on 'social capital and ethnic networks',²⁸⁰ but it remains that a shift ought not be a backlash against the ethno-cultural approach while we continue to seek a better understanding of this growing phenomenon. Here no judgement call or value statement is being made on the usage of social capital and ethnic networks. The fact is, it can be both restrictive as well as liberating

New trends in entrepreneurship among immigrants and ethnic minorities can be seen as a product of the opportunity structures that have emerged in this era of globalization. The persistence and survival of ethnic entrepreneurship have forced a reconsideration of earlier gloomy predictions.²⁸¹ Even as it has been advanced that the earlier growth in ethnic entrepreneurship was very much a response to structural changes in the economy rather than more proactive motivation,²⁸² the fact that even beyond the shock of such structural changes ethnic entrepreneurship is still strong demands some keener analysis of the phenomenon.

It is the new type of immigrant entering European cities as well as those of the USA that has provoked a keener search for more fulsome explanatory models. Immigrants from developing countries are no longer low wage labourers, but rather they include well-endowed entrepreneurs. Many of these persons are highly educated, well financed and from middle and professional class backgrounds. Thus endowed they enter into fields of enterprise where they utilize their skills and contacts to gain a competitive

²⁸⁰ Engelen, E. (2001) 'breaking in ' and 'breaking out': a weberian approach to entrepreneurial opportunities' in *Journal of Ethnic and Migration Studies*, Volume 27, Number 2, 1 April 2001, pp. 203-223.

²⁸¹ Kloosterman, R., Rath, J. (2001: 192) 'immigrant entrepreneurs in advanced economies'.

²⁸² Ward, Robin (1991) 'Economic Development and Ethnic Business' in Curran, James & Blackburn, Robert (ed) *Paths to Enterprise*.

edge in the host countries. A direct and positive correlation between education²⁸³ as well as access to capital²⁸⁴ and firm success and survivability has been identified in ethnic entrepreneurship. Entrepreneurs from developing countries are becoming ‘increasingly heterogeneous in scale, range, intensity and levels of formality or institutionalization’.²⁸⁵ Here it is noticed that they are showing levels of sophistication hitherto unseen among ethnic minority entrepreneurs. Nor is this trend restricted to Europe and United States,²⁸⁶ but has been at work in Canada, Australia and also South Africa.²⁸⁷ These larger economies have exhibited the ability to choose this new type of entrepreneur who has more resources – human, social and financial – than previous migrants. This is largely done through constantly changing, discerning and discriminatory immigration rules.²⁸⁸ This ‘transnational’ phenomenon has pushed the issues to the forefront of the discussion and has arguably increased its complexity.²⁸⁹ Yet, these newer forms have not discounted the movement of the less endowed immigrant. News clips are replete with dispatches of ‘hordes’ of economic migrants from Asia, Africa and the Middle East waiting in camps in France for an opportunity to enter the United Kingdom.

Given the mix of factors at work at the nexus where the immigrant or ethnic entrepreneur is found, it was proposed that a mixed embeddedness approach is more applicable. In the European context, not only the level of groundings in the ethnic

²⁸³ Basu, A. & Goswami, A. (1999) ‘determinants of Asian success’.

²⁸⁴ Bates, Timothy. (1994) ‘social resources’; Blanchflower, David, et al. (1998) ‘what makes an entrepreneur’.

²⁸⁵ Zhou, M. (2004:1066) ‘revisiting ethnic entrepreneurship’.

²⁸⁶ Kloosterman et al argue that the United States receives the bulk of these individuals due to its high average return to human capital.

²⁸⁷ Kloosterman, R., Rath, J. (eds.) (2003:13) *Immigrant Entrepreneurs : Venturing Abroad in the Age of Globalisation*. Berg Publishers. Oxford.

²⁸⁸ Increasingly advanced economies have been adopting a points based immigration system that selects immigrants who possess specific skills sets, which are needed in the host countries or are well endowed financially. Age has also proven to be an important variable in the selection process.

²⁸⁹ Zhou, M. (2004:1066) ‘revisiting ethnic entrepreneurship’

community is of importance but also the impact of the regulatory framework in which the business operates.²⁹⁰ Kloosterman et al note, ‘the mix-embeddedness approach is intended to take into account the characteristics of the supply of immigrant entrepreneurs, the shape of the opportunity structure, and the institutions mediating between aspiring entrepreneurs and concrete openings to start a business in order to analyze immigrant entrepreneurship ...’.²⁹¹ This is meant to emphasize the supply side as is explicitly stated –‘characteristics of the supply of immigrant entrepreneurs’ and the demand side of the equation ‘the shape of the opportunity structure’. The approach of mixed embeddedness is now the key theory being advocated on the European scene.²⁹²

The shape of the opportunity structure is significantly dependent on the institutions of the host country or economy. Ethnic entrepreneurship has centred on a definition of opportunity structure that includes the market and access to business (also referred to as business vacancies) as chief components of the opportunity structure.²⁹³ An introduction to the concept by Waldinger et al²⁹⁴ and subsequent discussion by Kloosterman and Rath still leaves the discussion unfinished as far as the characteristics of the opportunity matrix available to ethnic entrepreneurs is concerned. In terms of the ‘openings’, which are becoming available to ethnic entrepreneurs this has elicited some discussion by Kloosterman et al. However, one finds that the promised systematic analysis is largely unfulfilled. There is a bit of a rush to show the extent to which markets and hence opportunities structures or openings are socially embedded as well as

²⁹⁰ Kloosterman et al (1999) ‘*mixed embeddedness*’.

²⁹¹ Kloosterman, R., Rath, J. (2003:9) ‘*Immigrant Entrepreneurs*’.

²⁹² Basu, A. (2006) ‘Ethnic Minority Entrepreneurs: Ram, M. (2008) ‘ethnic minority business in the UK: research overview Kloosterman, R., et al (2003) *Immigrant Entrepreneurs*.

²⁹³ Kloosterman, R. & Rath, J (2001:191) ‘immigrant entrepreneurs in advanced economies’.

²⁹⁴ Waldinger et al (1990) ‘Opportunity, group characteristics and strategy’.

a call for international comparisons without a presentation of the nature of opportunities and markets or how these recognized.

It is to general entrepreneurship that we must turn for a fuller discussion on opportunity recognition and exploitation. We can discuss the extent to which what is obtained in general entrepreneurship, particularly in the presentations of Shane, is equally applicable to ethnic entrepreneurship. Shane holds that the entrepreneurial opportunity is ‘a situation in which a person can create a new means-ends framework for recombining resources that the entrepreneur believes will yield a profit.’²⁹⁵ Shane clearly advocates the profit motive as the basis for entrepreneurial action. This also is the position taken by Kloosterman et al, as their discussion have yet to factor in social entrepreneurship, where drive to exploit an opportunity can be produced by non-profit motives. However, the field of entrepreneurial research has already accepted the fact that more altruistic motives can give rise to entrepreneurial actions.²⁹⁶ It is from Schumpeter that we get the four dominant ways in which entrepreneurial opportunities present themselves, namely; new products, new ways of organizing, new raw materials, new markets and new production processes.²⁹⁷ Ethnic and immigrant entrepreneurship largely take as their definition the incidence of new firms and self-employment.²⁹⁸ This runs more consistently with a Kirznerian definition of entrepreneurship that puts more emphasis on the recognition and exploitation of arbitrage opportunity in existing price levels rather than novelty and innovation per se. This form is referred to as the ‘weak

²⁹⁵ Shane, S. (2003:18) *A General Theory of Entrepreneurship*.

²⁹⁶ This is not to suggest that altruism ‘breeds’ entrepreneurship, but rather to posit that altruistic or non profiteering motives can give rise to entrepreneurial engagement.

²⁹⁷ Schumpeter, J. (1934) *Theory of Economic Development*.

²⁹⁸ Light, I. (2004: 18) ‘Ethnic Ownership Economy’.

form' in contradistinction to Schumpeter's heroic, innovative almost industrial entrepreneur. The ethnic entrepreneur is largely seen then, as a Kirznerian entrepreneur exploiting the arbitrage opportunities, which he might have recognized largely by reason of his cultural duality and exposure. This 'weak' form of entrepreneurial discovery is not the only demonstration of ethnic entrepreneurship but is largely seen as the dominant expression.

Two types of opportunity are usually discussed in literature, Kirznerian and Schumpeterian. Kirznerian opportunities are opportunities, which exist as a result of differences in information which give rise to shortages or surplus, thereby creating profit possibilities, which are exploited by entrepreneurs. Schumpeterian opportunities are characterized by innovative changes having a dis-equilibrating effect on the economy, industry or society. Whereas no new information or knowledge is required in the Kirznerian type of entrepreneurial opportunity, this is a prerequisite for the Schumpeterian. This leads to a difference in incidence as Schumpeterian opportunities are by definition rare, while Kirznerian are common and often seen as simply an arbitrage opportunity. The level of risk inherent in the exploitation of these two types of entrepreneurial opportunities can be categorized as low for Kirznerian and high for Schumpeterian.

In a discussion on the sources of these opportunities, Shane points out that whereas Kirznerian type of opportunities results from errors in decision making, Schumpeterian opportunities are the product of one of three sources or a combination of the three. These sources have been identified as technological changes, political or

regulatory changes and socio-demographic changes.²⁹⁹ Ethnic entrepreneurship is largely identified with socio-demographic changes and the opportunities that arise from this. This is seen in the ethnic resource framework of analysis, including, middleman and ethnic enclave, where the ethnic entrepreneur is perceived as responding to the opportunities that have resulted from the presence of co-ethnics and other minority groups in the host country. Social and demographic changes for the ethnic entrepreneur may relate to new arrivants with different tastes, styles, income and ethno-cultural backgrounds. These social and demographic changes provoke and present opportunities, which beg exploitation. Ethnic minority shop-keepers recognize the need in their community for certain products and using their resources seek to address that need. Examples of this abound in the setting up of record shops in UK cities by African Caribbean businesses during the 1960s and 1970s as the host population exhibited an appreciation for reggae music. The same is true for Asian businesses, which saw the recent inflow of Jamaicans and found ways to import and distribute the products, which were being demanded.³⁰⁰ African Caribbean fast food entrepreneurs saw the changes in the demographics of inner city communities resulting from this inflow and correspondingly changed the way they did business as by hiring chefs which were more familiar with new arrivants and also changing their opening times to cater for a largely single male population of hustlers.

Yet there were those established African Caribbean businesses, which cared very little about making adjustments to their manner of operations or their stock to cater

²⁹⁹ Shane, S. (2003:23) *General Theory Of Entrepreneurship*.

³⁰⁰ A similar response has been noted with mainstream grocers and shopkeepers to the arrival of Eastern Europeans, particularly Poles, in many shopping districts in Birmingham.

to the new demographics and so lost out on a lucrative segment market.³⁰¹ This restriction in the consideration of opportunity source to only social and demographic changes went almost unnoticed in ethnic entrepreneurial studies. This might have been a product of the ethno-cultural dominance in the analysis and research of ethnic entrepreneurship. This approach has denied ethnic entrepreneurs the respect that is ascribed to their mainstream counterparts as decisions and responses to opportunities must be seen as essentially and properly economic.

The regulatory, corporatist and welfarist states of Europe form a decisive factor in terms of the determination of the conditions that the immigrant or ethnic minority entrepreneur finds. It has been shown that a high minimum wage regime and pervasive welfare system of some European states have engendered the proliferation of certain types of economic activities. The Netherlands for example has seen a dramatic rise in the number of Islamic or Halal butchers.³⁰² The nature of the regulatory framework found in that case forced many enterprising individuals into such areas where the competition is very high and the fight for survival results in informal and indeed illegal activities.³⁰³ The recognition of the import of regulatory framework in deciding which segment of the market the ethnic or immigrant entrepreneur will be found has forced a keener look at the nature of markets themselves. For it is in the market, its characteristics, nature and division that a better understanding of mixed embeddedness

³⁰¹ One case in point is the African Caribbean wholesaler/retailer of black hair and beauty products who had been operating for 18 years as a top merchant of those products in the West Midlands. He was adamant that he had no need for the custom and support of newly arrived Jamaicans and often spoke of the extent to which they have undermined the advancement of other African Caribbean persons in the UK. Within, 12 months of this conversation, he had sold off his flagship store to his Asian competitors lamenting that he was unable to compete with them.

³⁰² Kloosterman et al (1999:263) 'mixed embeddedness'.

³⁰³ Kloosterman et al (1999:263) 'mixed embeddedness'.

approach becomes attainable. The market is where the interaction takes place. Researchers in ethnic entrepreneurship have joined others in calling for a more wholistic or embedded understanding of the market, as opposed to an economic one. Opportunity, in its economic manifestation in the marketplace has seen changes even as structural changes have occurred across Europe. It has been advocated that ethnic entrepreneurship ought to be seen as a demonstration of a series of responses to structural changes in the post-industrial era – a generalized phenomenon also utilized by native or mainstream persons and not just ethnic minorities.³⁰⁴

It was with the incorporation of embeddedness in the analysis of ethnic entrepreneurship that we saw increased attention on the second category of changes, that is, political and regulatory framework. The political and regulatory changes in the nations that form host societies for ethnic entrepreneurs created opportunities for ethnic entrepreneurship. Whether these regulatory changes were incremental or radical is not the main consideration. The fact is, they resulted in opportunities, which did not exist before. From changes to immigration policies, to changes in importation and exportation rules, ethnic entrepreneurs have been quick to spot the opportunities. These opportunities may be seen as ‘weak’, primarily arbitrage opportunities in terms of the fact that goods can be taken from country of origin to the host country and sold at a profit. Or they might be seen in the ‘strong’ such as the change in regulation – immigration rules or politics – change of leadership in a country or even civil war – giving rise to opportunities. These are examples of the type of opportunities that ethnic

³⁰⁴ Ram, M (2008:357) ‘ethnic minority business in UK: research overview’; Virdees, S. (2006) ‘race, employment and social change: a critique of current orthodoxies’ in *Ethnic and Racial Studies* 29:4: 605-628

entrepreneurs are likely to recognize ahead of their host counterpart. Thus, their status as ethnic minorities or immigrants in a society has lent itself to a distinct advantage in recognizing opportunities created by these strong and significant changes. This further highlights the extent to which ethnic entrepreneurial opportunities cut across the so-called Kirznerian – Schumpeter divide.

The analysis holds for the third category of technological changes as in a number of identifiable ways. The technological changes can sometimes provide a virtually ubiquitous opportunity to ethnic entrepreneurs. This is quite notable in the case where the ethnic entrepreneur utilizes the technological gap that may exist between his country of origin and where he is domiciled. Thus, the export of used mobile phones to African countries is a clear example of the technological difference imparting a clear opportunity for profit. Each incremental change in the mobile phone technology tends to result in individuals opting for newer handsets in the host society. This creates a supply of older sets that can now be exported to lesser-developed regions. The forms of opportunity that are presented to the ethnic or immigrant entrepreneur will also conform to the typology offered by Schumpeter.³⁰⁵

What we can see from the foregoing discussion on the nature of the opportunity structure is that ethnic and immigrant entrepreneurs conform in significant ways to the dominant and traditional understanding in general entrepreneurship. Both Kirznerian and Schumpeterian conceptualisation of the entrepreneur and entrepreneurship are applicable to the case of the ethnic entrepreneur. It would appear from previous

³⁰⁵ Schumpeter, J. (1934:134-5).

research that ethnic and immigrant entrepreneurs tend to focus on the opening up of new markets in the areas where they are domiciled. Their ability to span the cultural and geographical divide between the place of origin and domicile has opened up opportunities. New trends have been identified as to the businesses and sectors in which ethnic entrepreneurs are now being engaged.³⁰⁶ Atkins et al have shown that African Caribbean entrepreneurs are spread across a wide expanse of activities, which is in contrast to the traditional view of ethnic entrepreneurs, especially South Asian a businessperson.³⁰⁷

It was the recognition of the ways in which the structure of the opportunity presented to ethnic entrepreneurs is affected by structures, strictures, institutions and regulatory framework of host states and economies that led to the employment of the mixed embeddedness framework in explaining the existence of ethnic entrepreneurship, primarily in EU states. The use of the mixed embeddedness framework has yielded interesting results with relevant policy implications, as European states must now contend with the extent to which regulatory frameworks enhance or hinder empowerment of immigrants and ethnic minorities.³⁰⁸ Among the areas in which there is promise for the employment of this framework are ethnic minority female entrepreneurship and transnational entrepreneurship by ethnic minorities. The linkages, which are emerging between settled communities of immigrants in European states and

³⁰⁶ Ram, M. & Jones, T. (2008) 'ethnic minority business: review of research and policy' in *Government and Policy (Environment and Planning 'C')*; Rusinovic, Katja (2008) "moving between markets? immigrant entrepreneurs in different markets" in *International Journal of Entrepreneurial Behaviour & Research*. Bradford: 2008. Vol.14, Issue 6; pg. 440.

³⁰⁷ Atkins, M. et al. (2007) *Researching Equality*.

³⁰⁸ Kloosterman et al; Barret, G., Jones, T.P., and David McEvoy (2001:243) 'socioeconomic and policy dimensions'.

their places of origin have not seen enough analysis.³⁰⁹ Some work has been flagged in the case of the US, where reports as to the build-up of social, political and economic links between immigrants living in the US and their areas of origin.³¹⁰ Zhou has also highlighted the expressed potential for community development through entrepreneurship. This has been done without specificity that would allow us to see the distinct way or form in which this would be undertaken. Community development is but one of the ways in which the migrant communities can enrich each other. Other notable ways would include cultural or creative entrepreneurship among others. Each of these can be carried under the heading of social entrepreneurship without any loss of generality or meaning. It is to this subject of social entrepreneurship that we now turn our attention.

³⁰⁹ Barret, G., Jones, T.P., and David McEvoy (2001) 'socioeconomic and policy dimensions'.

³¹⁰ Zhou, M. (2004:1054 - 1057) 'revisiting ethnic entrepreneurship'.

CHAPTER 4

SOCIAL ENTREPRENEURSHIP FROM THE AFRICAN CARIBBEAN PERSPECTIVE

4.1. A Discussion

Recently, studies of social entrepreneurship in the UK have pointed to significant interest in the field and increasingly high participation rates among all ethnic groups. In 2005, a groundbreaking survey of social enterprises was conducted across the UK as commissioned by the Small Business Services (SBS) of the Department of Trade and Investment. The findings pointed to social enterprises accounting for approximately 1.2% of the business population of the UK and an income of £18 billion, which measured 0.8% of the total business income. Some 20% of these social businesses had a turnover of more than £1M.³¹¹ Although the research had a sample size of more than 8,400 respondents, the report was keen to indicate that their methodology did not cater for the full gambit of social enterprises, which were at work in the UK.³¹²

The Global Entrepreneurship Monitor study group for the UK (GEM UK) along with Barclays Bank sponsored a study, which was done by Delta Economics on social entrepreneurship across the UK. This was published in 2007 and launched at a conference on Black Asian and Minority Ethnic involvement in Social

³¹¹ Small Business Services (2005:2) *Survey of Social Enterprises Across the UK*. Research prepared by IFF Research Ltd.

³¹² SBS (2005:1) *Survey of Social Enterprises Across the UK*.

Entrepreneurship.³¹³ The findings of this report, showed a level of penetration of the UK landscape by social entrepreneurship evinced by some 3.3% of the UK population being involved in social entrepreneurship with 5.5% of all established business owners being owner-managers of social enterprises. This research was clearly more comprehensive in reach than the previous one done by the SBS as it surveyed over 43,000 individuals. It is also of passing interest to note that whereas the SBS focused on businesses, the GEM Report looked at individuals. With regards to ethnic involvement in social entrepreneurship, the GEM Report 2007 cited a higher level of social entrepreneurship among the aggregated group of Black African and Black Caribbean populations, a rate of 7.5%.³¹⁴

At the same time that this GEM Report 2007 was published Advantage West Midlands³¹⁵ commissioned mapping of the social enterprise sector that was conducted by West Midlands Enterprise, a private company based in Birmingham, West Midlands, was also made public. This exercise was known as the West Midlands Social Enterprise Baseline Mapping. The findings put the percentage of Black and Minority Ethnic social enterprises at 3.9% of the total for the entire West Midlands region.³¹⁶ This implied that the level of ethnic minority involvement in social entrepreneurship is nearly 50% lower in the region than the country overall. This conflicting presentation was met with some consternation and doubt as to the validity of the research findings. The issues, which

³¹³ Harding, R., & Harding, D. (2007) *Social Entrepreneurship in the UK*.

³¹⁴ Harding, R. (2007:3) Social Entrepreneurs Specialist Summary. Available online http://www.london.edu/assets/documents/PDF/GEM_UK_specialist_summary_-_Social_Entrepreneurship_2006.pdf. Accessed 12:52, 09/10/08. The effect of disaggregating this figure into African and African Caribbean is uncertain.

³¹⁵ Advantage West Midlands is the regional development agency charged with the goal of facilitating economic development in the region.

³¹⁶ BME percentage of SE in the West Midlands.

arise from a perusal of the methodology of this report, provide us with a good starting point for our discussion on social entrepreneurship, attempts at its definition in academia and across the UK, and how this affects African Caribbean Pentecostals.

It is clear that the methodological approach taken by the researchers on the Baseline Mapping exercise might have played a significant role in what must be seen as under representation of Black Minority Ethnic enterprises in the West Midlands region.³¹⁷ Two principal factors have been identified – the nature of the definition of social enterprise used and the data source for enterprises. The first of these was their insistence on using a definition proffered by the Government³¹⁸ where a social enterprise is “a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners”.³¹⁹ This definition seems to be an accepted convention as it was authoritatively used in an earlier survey conducted across the UK by the Small Business Services and presented in the *Survey of Social Enterprises in the UK*. The list of criteria for inclusion as a social enterprise which have been consistently applied to businesses by Government and quasi-governmental organisation is presented as:

- Their regular, everyday activities involve providing products or services in return for payment;

³¹⁷ The proceeding discussion highlights the effect of this methodology on the stated incidence of African Caribbean social entrepreneurship.

³¹⁸ West Midlands Enterprise (208: III) *West Midland Social Enterprise Baseline Mapping: Executive Summary*. Advantage West Midlands. UK.

³¹⁹ Small Business Services (2005:5) *Survey of Social Enterprises in the UK*. SBS. London.

- At least 25 per cent of their funding is generated from trading, i.e. in direct exchange of goods and services;
- They have a primary purpose to pursue a social or environmental goal (as opposed to being purely or mainly profit driven);
- They principally re-invest any profit or surplus that is made in the organisation or community to further the social or environmental goal.³²⁰

These cited conditions point to a significant emphasis on earning by trading. Regular, day to day trading, where the total revenue must be composed of no less than a quarter of the total funding shows a distinctive business and transactional flavour in its revenue flows and acquisition.

The issue of trading and monetary transaction has been a troublesome one where the definition of social entrepreneurship is concerned. This will be the subject of upcoming discussion, but clearly the UK authorities and policymakers at even the highest levels have decided on using this criterion in the definition of social entrepreneurship. This insistence, that the entity must first be a ‘business’ is itself a discriminating criterion as those operations, which have been in existence for years as charities or community organisations would not be seen as businesses first and foremost. This effectively eliminated a host of African Caribbean organisations, which have been working with and in communities carrying out roles, which are altogether consistent with social entrepreneurship.

³²⁰ Small Business Services (2005:5) *Survey of Social Enterprises in the UK*. SBS. London.

The use of the secondary source repository, Guidestar, would have further restricted the reach of this mapping exercise. Not all organisations involved in social entrepreneurship would have been registered as such. Guidestar is a registered charity in the UK that specializes in generating and making available free of charge, information on charities, voluntary and community organisations and companies in the UK. Guidestar is funded by the UK government and is concerned with increasing transparency and knowledge of the third sector. It has an international focus, being situated in several countries and carries the motto ‘Strengthening Global Civil Society through Information’.³²¹ The database generated by Guidestar was restricted to registered charities, companies limited by guarantee, community interest companies, and industrial and provident societies. Thus, the source of the sample and the definition of the social enterprise prove to be fundamentally decisive in the determination of the final outcome of the exercise.

This issue of organisational definition allows us a short excursion into the registration of organisations by different labels. We will briefly peruse the issue of the charities, their definitions and conditions of registration, and their proxies, which is pertinent to this discussion on social entrepreneurship and the issue of African Caribbean Pentecostal churches, most of which are registered as charities or charitable companies. The purpose of this is to outline what are some of the options available to African Caribbean individuals and organisations as far as it pertains to creating a vehicle for social entrepreneurship. The form of organisation available to be utilised by entrepreneurs can be quite influential on the level of formality and indeed legality that

³²¹ www.guidestarinternational.org.

the entrepreneur will employ. The restrictions imposed by organisational forms as well as the requirement that they carry in terms of liability and reporting may hinder or enhance the engage the incidence of entrepreneurship. While no conclusions are drawn as to the specific impact, it can be contended that forms do carry some import as per entrepreneurial engagement. Here we now look at the main vehicles that are available for social entrepreneurship.

4.2 Non- Commercial Legal Forms of Organizations in the UK

The forms of non-commercial vehicles, which are available for organizations to utilize in the pursuit of their aims, include charities, community interest companies and industrial and provident societies.

Charities are organisations registered as such with the Charities Commission of the UK, which has as one of its principal requirements that the organisation deliver some public benefit.³²² These usually record as their aim and objectives such altruistic programmes as the relief of poverty, education and religious benefits. Charities are keenly monitored by the Charities Commission and subjected to stringent laws and governance requirements in their conduct and accounting. They are not very different, in terms of the structure that they are allowed to have and the rules of transparency that they are required to adhere to, from private commercial companies. One of the most popular forms of entities registered as charity but having the status and operational purview to trade is the Company Limited by Guarantee (CGL). This legal form allows

³²²<http://www.charity-commission.gov.uk/publicbenefit/pbsummary.asp>. Accessed 19/08/08.

for the company to operate on the same status as private companies except that it has no share capital but rather the members provide guarantee of liability to a limited extent, usually limited to £1, on the condition of being members for a minimum period of time. The profits from trading are not distributed to members but are reinvested into the operations.³²³

A community interest company (CIC) is a limited liability company with the specific aim of providing benefit to a community. This legal form can be adopted by a range of social enterprises and ‘not-for-profit’ projects, which combine the pursuit of a social purpose with commercial activities.³²⁴ Community Interest Companies are often projected as actively trading entities, with a greater ambit for commercial activities than charities. However, CICs do not take profits for private shareholders but rather for communities. They may be set up for projects that have a limited lifetime or for ongoing activities. CICs are also useful in acting as partners to local authorities and other bodies by using a more efficient and locally based vehicle for service delivery. Community Interest Companies are registered with their own registrar and are regulated by their own regulator, under the auspices of Companies House.³²⁵ Under the purview of the regulator would fall such issues as the salary of employees and directors and other monetary and financial commitments.

Industrial and Provident Societies are registered with the Financial Services Authority (FSA), however, they are not necessarily regulated by the FSA.³²⁶ They

³²³ <http://www.sfsgo.com/guaranteecompany.asp>. Accessed 19/08/08.

³²⁴ <http://www.cicregulator.gov.uk/Leaflets/OverviewLeafletMarch2008.pdf>. Accessed 19/08/08.

³²⁵ <http://www.cicregulator.gov.uk/aboutUs.shtml>. Accessed 19/08/08.

³²⁶ http://www.fsa.gov.uk/pages/doing/small_firms/msr/societies/index.shtml. Accessed 19/08/08.

operate only for the benefit of their members and include some active and profitable cooperatives. Some Industrial and Provident Societies are regulated by the FSA particularly those that trade financial services to the public. These may offer insurance services, among other financial services.

It is clear that the categories of organisations that have been described above offer a wide net but certainly not a catch-all as far as organisations of trading with social interest are concerned, much less for all organisations that seek to increase social value. For if we hold as imperative and necessary the notion that social enterprises and social entrepreneurship focus on the creation of social value in a society, then the forms we have looked on would not suffice to capture all the entities which are operational in the UK. Furthermore, even if we were to restrict it to those that carry out trading activities, the net would still be limited in reach. Sadly, African Caribbean churches find that as they currently exist, they are not brought into the definition of a social entrepreneurial entity. Thereby, theoretically restricting what they can do under that label, even if this is what they have always done as a matter of course.

The following pages will show the difficulty that the process of getting to this point has yielded. This brings us to what I would call a 'struggle for definition'. This struggle has not been restricted to academics and the academic sphere but also practitioners. The question has been what should be termed social entrepreneurship and what should not particularly as it relates to categories and funding activities. This struggle has seen a long and eventful journey.

4.3. *Social Entrepreneurship and the Struggle for Definition*

The methodology utilized by the researchers who were looking at the West Midlands region clearly eliminated all organisations, which were not registered or not duly registered under certain categories. This effectively meant that those organisations that were not designated as social enterprise by registration were thus excluded from its survey. The result was that the exercise ended up not measuring social entrepreneurship, but rather, social enterprises as narrowly defined. Inasmuch as this was implied by the executive summary of the findings,³²⁷ it represents a distinct deviation from the approach of academics and experts in the field.

No less than three of the foremost theoreticians on the issue of management and entrepreneurship would have found this unacceptable and unnecessary. James Austin, Howard Stevenson and Jane Wei-Skillern had this to say concerning the exercise of definition and legal forms, "... social entrepreneurship is not defined by legal form as it can be pursued through various vehicles."³²⁸ At the time of writing both James Austin and Howard Stevenson were full professors at the Harvard Business School while Jane Wei-Skillern was an assistant professor at the same institution. Gregory J, Dees, in his seminal piece on social entrepreneurship named Howard Stevenson as a leading theorist on entrepreneurship and included his work in the main genealogy from which his own work on social entrepreneurship drew.³²⁹

³²⁷http://www.socialenterprisewm.org.uk/Images/AWM%20Social%20Enterprise%20EXEC%20SUMMARY%20v110408_tcm19-12592.pdf. . Accessed 0157 hrs, 15/12/08.

³²⁸ Austin et al, (2006:2) 'Social and Commercial Entrepreneurship: same, different or both'.

³²⁹ Dees, Gregory, J. (1998:2) 'The meaning of "Social Entrepreneurship"'; Also in the book that he co-authored, *Enterprising Non-Profits: A Toolkit for Social Entrepreneurs*, Dees referred to Stevenson's research in delineating the ways in which entrepreneurs differ from administrative managers, pp..4.

What then is social enterprise and what might be its relationship with social entrepreneurship? The first is easy, the second far more difficult. For whereas enterprises engaging in either social activities or environmental actions can and might be seen as social enterprises, social entrepreneurship can obviously be carried out by social enterprises, individuals or even established for-profit companies. It is this far ranging capacity of the term that gives it such fluidity, where the issue of its definition is concerned. It has been over a decade since Professor J. Gregory Dees used the term social entrepreneurship, and its definition is by no means decided or settled. It is to this ongoing debate that we now turn our attention. This therefore demands a discussion as to what are the definitions now in vogue

The difficulty of defining social entrepreneurship is in a real way the legacy of the struggle to define entrepreneurship itself. In one of the first academic papers on social entrepreneurship, Professor Dees, writing from the Stanford University, chose a particular line in his working definition.³³⁰ This line effectively neutered the role and importance of ‘risk and uncertainty’ and the phrase was only mentioned once as inherent in innovation.³³¹ This was to be expected, as the view of entrepreneurship that he employed utilized a genealogy that included Jean Baptiste Say, through Joseph Schumpeter, Peter F. Drucker, the eminent management theorist and guru,³³² to his

³³⁰ Dees, J. Gregory (1998) ‘The Meaning of ‘Social Entrepreneurship’. Center for the Advancement of Social Entrepreneurship. Fuqua School of Business, Duke University. Retrieved August 10, 2008 from http://www.fuqua.duke.edu/centers/case/documents/dees_sedf.pdf. In fact this particular paper was funded by the Kauffman Centre for Entrepreneurial Leadership while the author was Entrepreneur in Residence at the Centre.

³³¹ Dees, J. Gregory (1998:5) ‘The Meaning of ‘Social Entrepreneurship’.

³³² Peter Drucker (1909 – 2005) was born in Vienna and educated in Austria and England. He lived in the USA for most of his professional life. He was one of the most prolific writers on management and a management consultant. His work spanned over seven decades as a writer and professor of politics, philosophy, economics and management.

contemporary the leading theorist, Howard Stevenson.³³³ Our expectation is from the fact that both Say and Schumpeter had no place of prominence for risk and uncertainty in their formulation of entrepreneurship. Dees' encapsulation of social entrepreneurship centred on the entrepreneur and his/her role in innovative solutions to social problems in a rather Schumpeterian way.³³⁴ He posited his definition of the role of social entrepreneurs as:

“Social entrepreneurs play the role of change agents in the social sector, by behaving in the following ways; Adopting a mission to create and sustain social value (not just private value); Recognizing and relentlessly pursuing new opportunities to serve that mission; Engaging in a process of continuous innovation, adaptation, and learning; Acting boldly without being limited by resources currently in hand and; Exhibiting heightened accountability to the constituencies served and for the outcomes created.”³³⁵

These five characteristics of the social entrepreneur are not new to the study of entrepreneurship, but have been projected here in the new sense of creating social value and driving changes in the social sector specifically. The question that is inevitably raised is that of the extent to which the five, if any, is dependent on trading. It is definitely not a necessity in any of the stated characteristics shown above. We can also accept that each of these features has been evident in programmes and activities undertaken by African Caribbean Pentecostal churches in the UK, over time.

³³³ Dees, J. Gregory et al (2001:4). *Enterprising Non-Profits: A Toolkit for Social Entrepreneurs*. Dees drew heavily from Stevenson's definition.

³³⁴ Dees, J. Gregory (1998:4) 'The Meaning of "Social Entrepreneurship"'.

³³⁵ Dees, J. Gregory et al (2001 :5) *Enterprising Nonprofits*.

One of the issues clearly seen in Dees' definition is the emphasis that is placed on the person rather than on the process of entrepreneurship/social entrepreneurship. This choice is not unique and may be the less tedious of options in terms of definition. The entrepreneur can be seen and therefore defined by what he or she does. Entrepreneurship on the other hand is a process that though universally observable has defied precise definition. Nowhere is this more clearly expressed than in Harding's article where she recounts an expert's statement on how to recognize a social entrepreneur. I quote, "Oh," he said, "You'll know a social entrepreneur when you see one. They are driven and focused, committed and tireless in the interests of solving social problems."³³⁶ Almost, this sounded like the description that Tigger gave his friends when they set out to capture the proverbial Heffalump in the Disney production *Winnie the Pooh and Friends*. But neither public policies nor academic positions can be built on such a maxim of ignorance. This however shows that rather than describe a process or observable phenomenon, it is to some extent easier to look at the person. This provokes a tension, in that the definition that will be based on personal individual characteristics rather than one that is based on the objective process can be bothersome. Individuals are more easily observed and described than the process and phenomenon that demands far more analysis in order to come to some generalized standard. Hence the tension. This also occurs in general entrepreneurship.

Some researchers in general entrepreneurship have sought to align themselves on the side of the individual. Shane for example, contends that entrepreneurship must be seen from the angle of the person and his/her response to opportunity and it must be

³³⁶ Harding, R. (2004:40). *Social Enterprise: The new economic engine?*

studied from the nexus created by this interaction.³³⁷ However, whereas we can assume away and understand the import of motivation of the individual in economic or commercial entrepreneurship, this becomes a bit harder for our minds to grasp when the issue of social entrepreneurship becomes the subject, as here the motive is neither profit nor self aggrandisement or self actualization but some more altruistic rationale.

In the definition offered by Dees, there is no mention of the need for earned income as a qualifier for social entrepreneurship. This has been the starting point of the critique offered by Boschee et al, who viewed this omission as a ‘fundamental, conceptual flaw’ that is ‘psychologically crippling’.³³⁸ An interesting point of difference between Dees and Boschee et al is evident here and can be seen in the intellectual precedents from which they drew inspiration. Whereas Dees’ take on social entrepreneurship boasted rich antecedents and tradition across time, Jerr Boschee and Jim McClurg have used the Webster dictionary and an expansion from Norm Brodsky as their starting point for this discussion.³³⁹ The following has been attributed to Brodsky by Boschee et al, “(s)tarting with nothing more than an idea or a prototype ... entrepreneurs have the ability to take a business to the point at which it can sustain itself on internally generated cash flow.”³⁴⁰ It is this expansion offered by the man who has started six businesses and led three of them to Inc 500 status that sets the pace for the authors’ insistence on the earned income (‘internally generated cash flow’) as a qualifying criterion and its inclusion in the definition of social entrepreneurship. This

³³⁷ Shane, S. (2004:10) *General Theory of Entrepreneurship: The Individual-Opportunity Nexus*.

³³⁸ Boschee, Jerr & McClurg, Jim (2003). *Toward a Better Understanding of Social*

Entrepreneurship: Some Important Distinctions. <http://www.sel.org.uk/ftp/BoscheeMcClurgEssay.pdf>. Accessed 20:13. 20/4/06

³³⁹ BoscheeBoschee et al (2003:2)

³⁴⁰ BoscheeBoschee et al (2003:2).

absence of a certain intellectual pedigree in the notion of social entrepreneurship offered by Boschee and McClurg is no basis for an offhand rejection.

The eminent entrepreneurship scholar and a founder of the Global Entrepreneurship Monitor programme - Professor William Bygrave is critical of a dependence on any particular intellectual genealogy in entrepreneurial research. The tendency to adhere to a format that entails literature review and gives pride of place to theory development has been categorized as the product of 'physics envy'. That is, entrepreneurship research in its drive for the development of a respectable paradigm, has exhibited a tendency to mirror features of the natural sciences, particularly physics. This he identifies as the proclivity to build on and only on previous established (which may be read as published) work.³⁴¹ The duo of Boschee and McClurg did more than produce a definition without paying attention to the established intellectual genealogy. They actually discarded the celebrated Schumpeterian qualification of the entrepreneur as an innovator. Boschee and McClurg distinguish the social entrepreneur from the innovator. They are adamant that the person in the non-profit organisation who has found new ways of fundraising and doing other things is an innovator. He is the dreamer of the team, while the entrepreneur is the builder of what has been visualized. The entrepreneur brings things into reality, but is not necessarily the one who conceptualized it. It is in this difference that can be found the fundamental qualitative shift in the contribution of Boschee and McClurg to not only social entrepreneurship but entrepreneurship theory in general. Here, the same term 'innovator' is used as in

³⁴¹ Bygrave, William. (2007:17- 48). 'The Entrepreneurship Paradigm (I) revisited' in Helle Neergaard and John Parm Ulhoi (eds.) *Handbook of Qualitative Research Methods in Entrepreneurship*. Edward Elgar. Cheltenham, UK.

Schumpeterian entrepreneurship, but this person is rendered separate and apart from the entrepreneur with the added notion and qualification that the entrepreneur and the innovator is rarely the same person.³⁴² Boschee and McClurg also noted that the creation of social value is the starting point of social entrepreneurship. Their contribution is not only interesting but is also practical and allows for a broader approach to the study of social entrepreneurship, one that is arguably closer to the reality of what takes place in organisations and on the ground.³⁴³ The importance of earned income is increasingly being seen as an imperative and necessity in the context of social enterprises, traditional charities and churches, including African Caribbean Pentecostal Churches.

Entrepreneurship theory has always been the product of observation by theorist. Theorists cannot say what it is in the absence of practitioners. At best what theorists can do is conceptualize along intellectual lines that which they have seen, with the allowance for this to change as their knowledge of what is being practiced increases. In a real way, this highlights what may very well be at work in terms of the difference between those who are on the ground and are intimately involved with this most human of activities, namely entrepreneurship, and those who study the subject from a distance. In the UK context, there is the obvious desire to reflect what is on the ground, but again what is being promulgated is not without its own value system. It most certainly was a value call that resulted in the inclusion of those criteria listed earlier in defining social enterprise, including amount of income from trading and type of registration.

³⁴² BoscheeBoschee et al (2003:5).

³⁴³ The importance of earned income is increasingly being seen as an imperative and necessity in the context of social enterprises, traditional charities and churches, including African Caribbean Pentecostal Churches.

The Skoll Foundation which was founded by entrepreneur Jeffrey Skoll and based in the Said Business of Oxford University, annually host a week of seminars, celebrations and edutainment at the Said Business School of Oxford. The Foundation has brought together the likes of Jeffrey Skoll – its founder and benefactor, Muhammed Yunis as well as Vice President Al Gore on rather regular basis to the delight and admiration of social entrepreneurs from around the world. Two researchers from the Foundation have based their definition of social entrepreneurship on the individual and wrote,

“The social entrepreneur should be understood as someone who targets an unfortunate but stable equilibrium that causes the neglect, marginalization, or suffering of a segment of humanity; who brings to bear on this situation his or her inspiration, direct action, creativity, courage and fortitude; who aims for and ultimately affects the establishment of a new stable equilibrium that secures permanent benefit for the targeted group and society at large.”³⁴⁴

This is a continuation of the entrepreneur as a hero, which has been championed by Joseph Schumpeter. Even here it is not surprising as the Skoll Foundation itself has been prone to follow the path of champions – individuals and groups - rather than the process. There is a large contingent of advocates who insist on maintaining the focus on the individual in the belief that “social entrepreneurship is not so much about pattern-breaking change, but about pattern-breaking individual.”³⁴⁵ Their defence is the need to maintain such a definition as would exclude copycats and reward those who are

³⁴⁴ Martin, Roger.L. & Osberg, S. (2007:39) ‘social entrepreneurship: the case for definition. *Stanford Social Innovation Review*, (5) 2: 28-39.

³⁴⁵Light, Paul C. (2006:48). ‘Reshaping Social Entrepreneurship’.

innovative and creative. The tension between studying the individual and studying the process is regarded elsewhere as irreconcilable as “there are fundamentally different conceptions and interpretation of the concept of the entrepreneur and the entrepreneurial role, conception on a definition of the field in terms of the entrepreneur is perhaps an impossibility.”³⁴⁶ This surrender may be the last word as numerous attempts to delineate the telltale characteristics of the entrepreneur, have fallen woefully short. These approaches have largely been predicated on a certain degree of determinism.

Having noted the tendency among some advocates and academics to see social entrepreneurship almost exclusively in terms of the individual, at the expense of groups which are similarly engaged, it becomes important to assess some of the biases that might emerge from this orientation. These include:

- A personality cult that focuses on individual traits allowing the attention to be on the individual rather than the activities and programmes. This is open to possible exploitation by those who are good marketers. In the absence of conclusive evidence on the role of personality traits in entrepreneurship, this bias harbours dangers.
- Undermining the role of organisations and their contribution to social change and societal improvements.
- Ignoring the fact that the pattern-breaking idea may emerge long before the successful person is identified.

³⁴⁶ Venkataraman, S. (1997:120), ‘distinctive domain of entrepreneurship research’.

- Ignoring the level of support that most ideas need in order to have an impact.³⁴⁷

These points are of immense value in assessing social entrepreneurship. Inasmuch as the role of the social entrepreneur is important and unquestionable, he is at best an agent of change, a catalyst of sorts, an initiator and a multiplier of force. All of the above imply that by he by himself is not sufficient to change the world but the involvement of others becomes a clear necessity in order to create any sustainable social value. Even as we note the individual-group dichotomy, there is still no perceived need on the part of the Skoll Foundation to see ‘trading’ as a necessary feature of the act or process of social entrepreneurship.

Beyond the individual, it has been espoused that a better understanding of what is social entrepreneurship can be gleaned by looking at what might be called commercial or strict economic entrepreneurship.³⁴⁸ Commercial entrepreneurship is the term given to activities of an entrepreneurial nature aimed at creating and increasing wealth of economic/financial value as opposed to social entrepreneurship, which has as its focus an increase in social value.³⁴⁹ This discussion on definition by difference is advanced below. Whereas a commonality of focus on social value is clearly maintained across all summations of social entrepreneurship, the maze is hardly rendered simpler. This fact beggars some delineation of a definition.

³⁴⁷ Light, P. (2006:49) ‘Reshaping Social Entrepreneurship’.

³⁴⁸ Austin et al (2006:2).

³⁴⁹ Austin, J. et al (2006:2); Peredo & McLean (2006 :58).

One of the first papers that sought to define by its difference, as it were, was that done by the trio of Howard Stevenson, James Austin and Jane Wei-Skillern.³⁵⁰ They employed four variables as the basis of their proposition for establishing social entrepreneurship as separate from commercial entrepreneurship. These were market failure, mission, resource mobilization and performance measurement.³⁵¹ They concluded that the same market failure, which often shows itself as ‘a problem for the commercial entrepreneur’ is a clear opportunity for the social entrepreneur. This shows a different structure of opportunity and indeed perception for the social entrepreneur from the commercial entrepreneur. The difference in mission is seen where the commercial entrepreneur is aimed at increasing financial value for self and shareholders and is watchful of returns to financial investments, whereas the social entrepreneur’s primary concern and motivation is increasing social value and in most cases ameliorating or alleviation certain defined social ills. This difference in orientation and motivation, Austin et al contend, leads to differences in resource mobilisation and management of same resources, particularly financial and human resources. By extension, the measurement of performance will also show certain differences.³⁵² One of the differences in measurement of performance and achievement is often referred to as the difference in bottom lines where the commercial entity is seen as having a single bottom line measured by level of profit or financial value, while the social enterprise must account also in terms of impact and social value created. There is a subtle acknowledgment by Austin et al, of the relevance of profit generation and hence earned

³⁵⁰ Austin, J et al (2006).

³⁵¹ Austin, J., et al (2006:3).

³⁵² Austin, J., et al (2006:3).

income as reference is made to a line of continuum rather than a clear distinction and dichotomy between the commercial and social entrepreneur.

General entrepreneurship has been defined as “an activity that involves the discovery, evaluation and exploitation of opportunities to introduce new goods and services, ways of organizing, markets, processes, and raw materials through organizing efforts that previously had not existed.”³⁵³ We see that the main terms of this definition, namely, opportunities - their discovery, evaluation and exploitation; new goods, new services, and new ways of organizing resources have all being utilized in the definition of social entrepreneurship such as that offered by Austin et al, who wrote, “(W)e define social entrepreneurship as innovative, social value creating activity that can occur within or across the non-profit, business, or government sectors.”³⁵⁴ This definition embodies an approach that does not focus on the individual or the trading/business aspects of the activity but rather on the social value that is innovatively created.

Another definition that will be presented here was offered by two Canadian researchers,³⁵⁵ who after an in-depth academic discussion posited Social Entrepreneurship as being exercised when some person or group: -

- (1) Aim at creating social value, either exclusively or at least in some prominent way;
- (2) Show a capacity to recognize and take advantage of opportunities to create that value;

³⁵³ Shane, S. (2003:4).

³⁵⁴ Austin, J. et al (2006:2).

³⁵⁵ Anna María Peredo, Faculty of Business, University of Victoria, British Columbia, Canada and Murdith McLean, Centre for Studies in Religion and Society, University of Victoria, British Columbia, Canada.

- (3) Employ innovation, ranging from outright invention to adapting someone else's novelty, in creating and/or distributing social value;
- (4) Is/are willing to accept an above-average degree of risk in creating and disseminating social value; and
- (5) Is/are unusually resourceful in being relatively undaunted by scarce assets in pursuing their social venture.³⁵⁶

Here, the group is touted as the possible creative and active agent in the entrepreneurial process. For many, this represents a shift away from the noted tendency to tout the single individual in the hero's capacity of being the 'social entrepreneur'. The inclusion of the group element in the stated definition of social entrepreneurship has also presented a formulation of the process and phenomenon. This is so as the acceptance of more than one persons being part of the creative and innovative process forces us to appreciate team building, networking which are key activities and skills in the entrepreneurial process. There is no attempt to establish a definitive threshold in terms of the place that social value creation plays in the activities and aim of the entity. The phrase 'either exclusively or at least in some prominent way' is open to interpretation. This would allow for such an extreme interpretation as might be seen in a company that gives prominence and publicity to its social value creation activities while actively pursuing regular commercial or economic entrepreneurship. Opportunity recognition and the use of innovation are clearly prominent in social entrepreneurship. The presence of risk and an ability to overcome the obstacles inherent in resource constraints are also common to economic entrepreneurship. All these factors have been

³⁵⁶ Peredo, A.M., & McLean, M. (2006:64) 'social entrepreneurship: a critical review of the concept'. *Journal of World Business*.

recognized in the push for a clearer understanding of the phenomenon of social entrepreneurship,

So far we have used as our launching pad for discussion, the definition, which was offered by Dees a decade ago. The concept of social entrepreneurship has covered a great deal of ground since then. Many saw it as simply the application of market oriented approach and principles to the operations of non-profit entities.³⁵⁷ This was seen as a phase of reformation in the non-profit sector that would see the removal of inefficiencies and the establishment of more sustainable practices, particularly at a time when the development agenda was being affected by severe shortage of funds.³⁵⁸ Hence to some this is seen as hardly anything more than a natural outgrowth of the push for efficiency in the public sector such as would be gained by the adoption of better practices and market and customer driven approaches. Social entrepreneurship has also been seen as ‘an innovative approach for dealing with complex social needs’.³⁵⁹ This is often the case of innovation provoked by necessity where funds are in short supply. Here again we returned to the notion raised earlier where social entrepreneurship may be seen as part of a continuum that runs from strict economic, profit maximizing entrepreneurship to one form or the other of social voluntary action. This continuum can be seen to consist of different formulations and combinations of social entrepreneurship as well as differing mix of for-profit and not-for-profit entities. Looking at the continuum in order to establish the range of social entrepreneurship or social entrepreneurial entities that can exist, the following have been identified:

³⁵⁷ Reis, Tom (1999) *Unleashing the New Resources and Entrepreneurship for the Common Good*.

³⁵⁸ Fowler, A. (2000) ‘NGDO as a moment in history’.

³⁵⁹ Johnson, S. (2000:1) *Literature review on social entrepreneurship*

- Integrated social entrepreneurship, where an income generating entity has as its aim the provision of social outcomes;
- Complementary social entrepreneurship, where an entity that might not have been set up or does not produce social benefits is engaged in activities to generate social benefits for the needy,
- Joint development or partnerships between not for profit and for profit entities.³⁶⁰

The examples above are more towards the non-profit segment of the continuum, showing cases where there is some combination of profit generating activities being undertaken by a non-profit organisation. These are taken to be qualitatively different from trading social enterprises. Trading social enterprises are entities that sell some or most of their services, for which they may charge part of economic costs, full economic costs or some other function of market price. They are also different from the activities of commercial enterprises, the aim of which is to alleviate social ills by the application of their know-how to the business of increasing social value. This latter case is seen in foundations, trusts or philanthropic organizations and entities, and is of great importance in the UK. They however, are not classified as social entrepreneurship by Boschee and McClurg as they represent simply an attempt by commercial entities to give back.³⁶¹

More recently, a book edited by the trio of Johanna Mair, Jeffrey Robinson and Kai Hockerts started their introduction by asking the question, what is social entrepreneurship? They proffered the following response,

³⁶⁰ Fowler, A. (2000:45 – 46).

³⁶¹ BoscheeBoschee, J. & McClurg, J. (2003:1).

“The concept of social entrepreneurship (SE) is, in practice, recognized as encompassing a wide range of activities: enterprising individuals devoted to making a difference; social purpose business ventures dedicated to adding for-profit motivations to the non-profit sector; new types of philanthropists supporting venture capital-like ‘investment’ portfolios; and nonprofit organizations that are reinventing themselves by drawing on lessons learned from the business world and the activities of commercial enterprises.”³⁶²

Despite the stated expectation that the publication would have brought greater clarity to the prevailing obfuscation and a possible unification of the competing concepts in the attempt to define social entrepreneurship, this could not be claimed. The only new addition to this definition is the inclusion of what they referred to as new types of philanthropists supporting venture capital-like ‘investment’ portfolios. This new inclusion is consistent with a position that was discussed at the Skoll Foundation 2006 World Forum by, among others, Vice President Al Gore³⁶³ and Muhammed Yunis. That is, the then burgeoning phenomenon of investors providing capital for activities which are aimed primarily at creating value in the social or environmental realm. This type of funding was neither loans nor the usual venture capital funding but was committed to the business and its sustainability and was willing to accept lower than prevailing rates of return.

³⁶² Hockerts, Kai, Mair Johanna & Jeffrey Robinson (2006:1) *Social Entrepreneurship*. Palgrave Macmillan. Basingstoke, UK.

³⁶³ The former Vice President is a principal in an investment fund that specializes in this type of investment. The most public display of his interest and involvement in this area of social entrepreneurship is probably the award winning, movie-documentary, “An Inconvenient Truth” that highlighted the phenomenon of global warming.

Each of the contributors to the publication presented their own definition of what social entrepreneurship is or ought to be. Pages 4 -5 of the book showcased as many definitions as there were chapters. This is not to cast a shadow on the publication as it brought to bear some discussions on a number of useful developments in the emerging field of social entrepreneurship

Yet, on the subject of defining social entrepreneurship that we have so far discussed, we find ourselves drawn to the point of our departure at the beginning of the chapter, that is, what is social entrepreneurship in the context of the UK, how it is used and what are implications for the African Caribbean community through the Pentecostal churches – the most dominant and best organized group of charitable organisation among them?

4.4. Definition of Social Entrepreneurship and the UK Context

The definition of social enterprise offered in the context of the UK is that of a business, operating or trading in a commercial way except that it has an increase in social value as its main objective. We see from the above the case where British policy makers have exhibited a proclivity to focus on social businesses/enterprise rather than social entrepreneurship. Despite its popularity,³⁶⁴ this approach is not without its drawbacks, particularly when combined with the tendency to define social business by a narrow set of criteria. All of the definitions and criteria, which have been used take as their starting point the existence of a ‘duly registered’ business form, and in tandem

³⁶⁴ Peredo, A. & McLean, M. (2006:57) ‘social entrepreneurship: A critical review of the concept’.

with that, ‘trading in goods and services’. This move into combining social and business particularly in the amelioration of social ills would have left many organisations which have been at the forefront of tackling social ills and deprivations adrift. There are several implications arising, which will have tremendous effect on the visibility of African Caribbean social entrepreneurs. We can get an idea of this by looking at the fact that some of the most stable and effective African Caribbean institutions are not seen as a result of the criteria used. These include African Caribbean churches, self-help organisations based in communities, community organisations which for historical reasons will not see their main activity as trading and in many cases might be loathe delivering their services at any price at all – a move that would seriously undermine their credibility in the communities that they serve. These persons and organisations may still describe themselves as social entrepreneurs and enterprises. In fact this is borne out by Shaw et al, who advocates that the term ‘social entrepreneurship’ is actually used as a “new label for describing the work of community, voluntary and public organization as well as private firms working for social rather than for-profit objectives”.³⁶⁵ Thus, we see where they advocate that social entrepreneurship is meant here to cover more than the social enterprise/business activities that have been the focus of the various surveys. These surveys have brought to the fore two issues, namely, the issue of whether trading or earned income is a necessary feature of social entrepreneurship or not; the second is, should emphasis be on the individual innovator or entrepreneur or on the group or organisation?

³⁶⁵ Shaw, E., & Carter, S. (2007:419) ‘social entrepreneurship: theoretical antecedents and empirical analysis of entrepreneurial processes and outcomes’ in *Journal of Small Business and Enterprise Development* Vol. 14, no.3.

The UK boasts one of the strongest traditions of social activism and involvement and innovation in the pursuit of social objectives. This however has largely been financed by private philanthropy donations and endowments, government support or some combination of these sources. Examples include the Joseph Rowntree Foundation, whose work in poverty alleviation and analysis has blazed a path in tackling poverty, social exclusion and economic deprivation. The odd trading takes place through charity shops and other low-key sales establishment. The notion of actively trading with a view of gaining profits to be ploughed back into the operations was hardly ever a significant component of the activities of charitable organisations in the UK. Most of the time, the financial holdings of these organisations were managed by professionals and held separate and apart from the social activities of the entity, this was the definition of non-profit management. The notion of trading in order to accumulate profits was regarded as out of the question for most British non-profit or charitable organisations. In fact, charities became associated not only with giving but also asking for donations and raising money by various means. As funds from philanthropy and government coffers dried up, organisations found new ways and means of raising money from various sources³⁶⁶. These were hailed as social entrepreneurship modeled on the success of non-profits who operated in the US. It was primarily the article by US based Jerr Boschee and Jim McClurg³⁶⁷ that propelled the need to earn income as the accepted way of ensuring sustainability in the non-profit sector. Their experience and unashamed advocacy of earning income for the purpose of growth expressed in the force of their argument have worked to entrench the notion of earned income as a measure of social enterprise and in

³⁶⁶ Fowler, A. (2000) 'NGDO as a moment in history'.

³⁶⁷ Boschee, J., McClurg, J. (2003) 'Towards a Better Understanding of Social Entrepreneurship: Some important Distinctions'.

fact social entrepreneurship. Thus, if a social enterprise is all about making a community greener, this activity must be done in a way that generates an income. The emphasis placed on 'earned income' by the duo did set the tone for a wholesale acceptance of this position. It is of some interest that this article is listed on the website of the Unlimited, a UK organisation charged with supporting and funding social enterprise and social entrepreneurial ideas.³⁶⁸ The broad acceptance in the UK of this notion of earned income has taken place at the policy and academic levels. It may very well be the case that this is the best way to promulgate the 'enterprise culture' in British society, but herein lies a problem as the British society is markedly less comfortable with the discussing of money and indeed enterprise than say, the US.

It is my contention that social entrepreneurship can be identified in the absence of earned income where an entity does not charge and finds it almost an anathema to charge user-fees. This is not just the case of being a not-for profit, as the connotation no longer means the absence of user-fees but the absence of profit accumulation. Rather, our example would come from certain religious organizations or churches such as in the African Caribbean community who would be rejected in entirety if they were to countenance the notion of charging for certain of their social and community development services. Whereas trading would give the organisations credibility among government agencies and researchers, it would not be the same with those they have been serving over the years. It is also of some interest to note that the latest model constitution being made available to independent African and Caribbean churches

³⁶⁸http://www.unltd.org.uk/useful_links.php?Section=Reports%20and%20articles%20on%20social%20entrepreneurshiphttp://www.unltd.org.uk/useful_links.php?Section=Reports and articles on social entrepreneurship.

explicitly prohibits such activities.³⁶⁹ Interestingly, at a time when demand to spur their members towards economic empowerment is a burning imperative, this restriction was placed on them in the guidance document produced under the auspices of the Evangelical Alliance, under the leadership of an African Caribbean General Secretary! This means that African Caribbean churches cannot be viewed legally as socially entrepreneurial, despite their achievements in this area and the extent to which the deprived communities in which they serve continue to look to them for assistance. This does not prevent churches from establishing and owning entities under one of the various headings available. These include community interest companies, companies limited by guarantee or industrial and provident societies. It would appear that more and more churches have become dependent on the gains that they get from making claims of an additional fraction of their income under the charity laws.³⁷⁰ It remains that the common and consist factor of the desire or mission to increase social value is the recurrent theme in all the definitions of social entrepreneurship proffered to date.

Despite the above, it can be argued that a truer reflection of what is going on in the UK would be gained by broadening the definition of social entrepreneurship to include entities which do not necessarily trade in the limited sense of its usage. There however seems to be an attempt to maintain some degree of elitism where social entrepreneurship is concerned. This is counter to the very spirit of inclusiveness that social entrepreneurship seeks in so many ways to engender. It was not our aim here to

³⁶⁹ Both the model constitution and model memorandum of association are specific in listings. In the Constitution for independent churches, Trustees are prohibited from raising funds by taxable trading, see Paragraph 9.13. Also in the model memorandum and article of association, this is stated in Paragraph 4.8.

³⁷⁰ As registered UK charities, churches are allowed to claim a further 25p on each pound that they receive as donations.

propose a new definition of social entrepreneurship but rather to discuss the difficulty of defining the term.

4.5. *African Caribbean Pentecostalism and Social Entrepreneurship in the UK*

Social entrepreneurship by and within the African Caribbean Pentecostal churches is a manifestation of a wider phenomenon of African Caribbean social entrepreneurship. This has been identified in a number of forms including, community centres, educational organisation and training organisations. A major discussion on the role and incidence of these types of entities has been undertaken by the UK based African Caribbean researcher, Dr. Christopher A. Johnson.³⁷¹ The African Caribbean church in the UK has a rich history of voluntary sector engagement. Voluntary action has been their response to social and economic injustice. This social voluntary engagement was always a feature of the migrant church and community. This was evident in Honduras, Costa Rica, Panama and Cuba places where Jamaicans and other Caribbean persons went to work as economic labour migrants.³⁷² It was in these areas that Marcus Garvey, the leader of the largest ever Negro Movement, formulated and honed his doctrine of self-reliance, self-determination and political mobilisation. As Jamaicans migrated to the UK, they found a system that was not very welcoming. The provision of housing was one area in which Jamaicans and other non-English persons including Irish migrants experienced the highest levels of racism. Forced to rent sleep-time in the extreme absence of accommodation, the area of housing and accommodation

³⁷¹ Johnson, Christopher A. (2008) Chapter 15 in *British Caribbean Enterprises: A Century of Challenges and Successes*. Christopher Johnson. UK.

³⁷² Chomsky, A. (1995) 'afro-Jamaican traditions and labor organizing on united fruit company plantations in Costa Rica, 1910' *Journal of Social History*.

was of great importance to African Caribbean people in the UK.³⁷³ A number of enterprising persons purchased and then let houses to their fellow Jamaicans. The British researcher, Sheila Patterson noted that being a Black homeowner was at one point synonymous with being a landlord.³⁷⁴ This response to identify and capitalize on an entrepreneurial opportunity was very common among African Caribbean persons in the early decades.³⁷⁵ Nor was this the only area of social provision that the early migrants tackled. The churches themselves were adamant in setting up Saturday schools and other forms of remedial and supplementary education facilities.

The provision of services primarily for the members of a congregation has been termed internal voluntary action by McCalla in her seminal work on voluntary action in the black church. She noted the informal social structures that were used to provide a well-needed alternative to the state benefits that were available to members who were unemployed or in financial need.³⁷⁶ Yet, she identified that the emphasis was on the provision of spiritual support and counseling rather than a more holistic approach to serving the members. The internal voluntary action in terms of supporting church members through difficult times, particularly through formal church structures and channels, seems to have been the purview of women through women's ministries for the

³⁷³ Brooks, I. V. (1982) *Another Gentleman into the Ministry*. This was further corroborated in interviews conducted with older members of the African Caribbean community. It was explained that the system of shift work facilitated such arrangement.

³⁷⁴ Patterson, Sheila (1965: 37) *Dark Strangers: A Study of West Indians in London*. Hammondsworth. Penguin Books; Joseph, R. (2007) *Housing Wealth and Accumulation*.

³⁷⁵ Particular insight into this phenomenon is provided by Dr. Ricky Joseph on the issue of housing. See *Housing Wealth and Accumulation: Home ownership experiences of African Caribbean families migrating to Birmingham and London in the period 1950-1970*. Ph.D. thesis, University of Birmingham.

³⁷⁶ McCalla Doreen. (2005:156 -157) 'black churches and voluntary action' in *Black Theology* .Vol. 2. No.2.pp. 137 -175.

Church of God of Prophecy³⁷⁷ and the New Testament Church of God.³⁷⁸ Internal social action characterized by high levels of voluntary work, without formal structure or organisation and one to one assistance.³⁷⁹ McCalla posits that the Black Church in general, stood out in terms of its reservoir and nurturing of social capital and financial probity at a time when this was counter to general perception and caricature of African Caribbean people in the UK. It was this internal success that laid the groundwork for the African Caribbean Pentecostal church to be more engaging as evinced by utilizing models and programmes which were quite diverse and of a strong social orientation. This shift and development characterized that dimension of activity referred to as external voluntary action and is characterized by a more formal structure and the extension of services to the wider community.

Despite the confidence and experience that the Black Pentecostal churches have gained from their period of intense internal voluntary and social action, there is still the need for great improvement in terms of outreach and service to the community. However, we have seen the emergence of two organisations that would qualify as social businesses, which are exemplary in terms of their achievement and output to date. These are the Nehemiah Housing Association and the Pentecostal Credit Union.

³⁷⁷ McCalla D. (2005:156 -157) 'black churches and voluntary action'.

³⁷⁸ Lyseight, O. (1995:56) *Forward March (An Autobiography)*.

³⁷⁹ McCalla D. (2005:154) 'black churches and voluntary action'.

Nehemiah Housing Association

The Nehemiah Housing Association is an example of a faith based organisation and a clear case of social entrepreneurship. It was registered in 1989 subsequent to a period of intense investigation by the relevant authorities. Its aim was to provide affordable housing and accommodation mainly for African Caribbean single parents and the elderly. They have been very successful, having recently merged operations with another faith based social housing provider – United Churches Housing Association to now be the Nehemiah United Housing Association. They continue to receive high marks from the relevant inspectorates and appear to have excellent financial health.³⁸⁰ Their formation and success has been greatly facilitated by a governmental shift to the put more social housing provision in the hands of local service providers. Unfortunately this kind of undertaking is not seen in its much larger sister organisation – New Testament Church of God.³⁸¹ A research into the reason for this difference in social engagement would be of great value to the entire African Caribbean community and shed further light on the relationship between the incidence of entrepreneurship and Pentecostal theology. The NTCG also generates a much larger surplus than the Church of God of Prophecy as seen in their income and expenditure for the last year available for comparison – 2005.³⁸²

³⁸⁰ See reports on www.odpm.gov.uk.

³⁸¹ Both these churches were at one point under the same leadership in the USA. They remain close in theology and administrative practices, often collaborating here in the UK.

³⁸² The NTCG had an operating surplus of £1.12M while the Church of God of Prophecy had a £0.57M surplus. Figures were rounded off. Source: <http://www.charity-commission.gov.uk>.

Pentecostal Credit Union

The Pentecostal Credit Union is a London based financial entity that was the brain-child of Rev. Carmel Jones, a Jamaican who moved to the UK. It was a response to the hardships of accessing finance and was registered with 21 members and £1500 in 1980. It is today one of the largest and best-capitalized credit unions in the UK. Its 2005 membership of 2000 and a capital base of £7.5M is a highly commendable achievement.

Both these organisations started as a response to the persistence of social inequality and obvious gap in the provision of services. They are qualified social enterprises, generating surpluses, which are ploughed back into the operations in a bid to grow and enhance efficiency. Whereas the Pentecostal Credit Union got its inspiration from the success seen in the movement in Jamaica, Nehemiah Housing had no such source. In the case of the Pentecostal Credit Union, it was the product of one man's drive and motivation, while Nehemiah Housing was initiated by an entire denomination. Both cases are not unique as examples of African Caribbean Pentecostal response to entrepreneurial opportunities. They betray however, a strong indication among African Caribbean Pentecostals to concentrate on a primarily social not –for – profit response rather than a strict profit-maximizing economic one. I wish to state that this is an example of the constraints that African Caribbean Pentecostal faces in terms of entrepreneurial opportunity.

CHAPTER 5

AFRICAN CARIBBEAN ENTREPRENEURSHIP – THEMES AND PERSPECTIVES

This chapter will focus on a discussion of selected themes in African Caribbean entrepreneurship. Here we look in some detail on the themes and their impact of on entrepreneurship in the general and specific context of African Caribbean Entrepreneurship in the UK. These themes include age, sex, education, African Caribbean family structure, motivation and financing of entrepreneurial ventures. These themes relate to the factors that impinge on the supply of entrepreneurs. Age, sex and education are indicative of the level of human capital. In no way does this infer a difference in human potential on the basis of sex or gender but rather an acceptance that gender differences can bestow some advantages in reality. Motivation, as it is influenced by character and personality traits as well as external drives (push and pull factors), does affect who becomes an entrepreneur and who does not. Access to funding and financial resources projects itself as a natural decider in this matrix.

We will now look in more detail on each of these themes and their impact on African Caribbean entrepreneurship in the UK context.

5.1 Age

Age as a demographic variable highlights the abnormality of an immigrant population in a host country. Most immigrants fall within a certain age range. This occurs naturally as well as deliberately by host countries. Naturally, as individuals tend to have the drive, confidence and ability to cross borders during that period of their lives when they are physically strongest. The exception is in the case of children of young families who do not have a choice in the matter. The extent to which this might have influenced the rather high occurrence of entrepreneurship among immigrants in nearly every society is worthy of attention that would make an interesting follow-up to this work.

Age is of particular import as a theme in the discussion of entrepreneurship as it is an indicator of the human capital available to the entrepreneur.³⁸³ Human capital relates to both the obvious physical strength where this might be required through the knowledge and information gained from education and exposure to networks available to the entrepreneur. It can be argued that there will be points close the extremes of age that entrepreneurial capacity will be limited. Primary school students are not expected to float companies on the stock market while the number of octogenarians starting new companies is not expected to be significant. Generally, it is expected that the individual would go into entrepreneurship either as a necessity engendered by unemployment or as an opportunity identified in the market. The extent to which either of these is influenced

³⁸³ Smith-Hunter, A. (2006:84) *Women Across Racial Lines*.

by the age of the nascent entrepreneur is uncertain. Recently, Professor Murray Low of Columbia Business School assessed age as a contributing factor to entrepreneurship.³⁸⁴ It has been presented that the average age of women in entrepreneurship is consistently in the forties.³⁸⁵ This is seen as a little older than that for men.

Recent work on alumni of Massachusetts Institute of Technology (MIT) reveals differences in the average age at which entrepreneurs start businesses.³⁸⁶ It highlighted a consistent fall in the age of first start-ups, from age 40 years in the 1950s to age 30 in the 1990s. The research on the alumni showed that women consistently lagged their male counterparts in terms of the rate of start-ups. Yet, the conclusion was that differences in the rate of start – ups are more the subject of individual differences than the age at which men and women start businesses.

The age at which an entrepreneur starts business has been viewed influenced by exposure to business. Early studies in ethnic entrepreneurship particularly the ethnic enclave theory highlighted the importance of apprenticeship as a feature of ethnic entrepreneurship.³⁸⁷ The importance of early exposure to entrepreneurship has been strummed in the discussion of other ethnic groups such as South Asians in the UK³⁸⁸

³⁸⁴ Low, Murray (2008). *Older is Wiser but Entrepreneurial Experience is what Matters Most: Why We Should Encourage Our Students to Start Businesses Early*. www.gsb.columbia.edu/entrepreneurship. Accessed 21:13 24/8/09.

³⁸⁵ Smith-Hunter, A (2006:84). *Women Across Racial Lines*.

³⁸⁶ Hsu D. H.; Roberts, E.; Eesley, C. (2007) 'entrepreneurs from technology-based universities:evidence from MIT'. *Research Policy* 36 p.768–788.

³⁸⁷ Portes, A. (1987) 'the social origins of the Cuban enclave economy of Miami' in *Sociological Perspectives* 30. 340 – 472.

³⁸⁸ Basu, A. & Goswami, A. (1999:61) 'determinants of South Asian entrepreneurial growth in Britain: a multivariate analysis.'

and Chinese³⁸⁹ and Koreans³⁹⁰ in the USA, and even the case of Ismaili Muslims in the USA.³⁹¹ Yet it is perceived as a rarity among African Caribbean people in the UK. The veracity of this notion has not been established beyond the fact that there seems to be a paucity of second and third generation African Caribbean business people. It has been suggested that African Caribbean families do not apply pressures and demands for children to follow their parents into business as is found in other ethnic groups, particularly South Asian families.³⁹²

The issue of family and its relationship with entrepreneurship has been the subject of at least one journal issue,³⁹³ where the editorial cites the rationale for its publication as “recognizing family as the oxygen that feeds the fire of entrepreneurship.”³⁹⁴ The family may serve as an incubator and training ground for future minority entrepreneurs, even in the absence of a significant ethnic enclave.³⁹⁵ The extent to which interest in the family, particularly in general entrepreneurship and business studies has been suppressed has been viewed as lamentable.³⁹⁶

³⁸⁹ Weidenbum, Murray (1996) ‘the chinese family business enterprise’ in *California Management Review*, 38 Summer, 14 -56; Zhou, Min. (2004) ‘The Role of the Enclave Economy in Immigration Adaptation and Community Building: The case of New York’s Chinatown’. *Immigrant and Minority Entrepreneur*.

³⁹⁰ Light, I. & Bonacich, E. (1988). *Immigrant Entrepreneurs: Koreans in Los Angeles, 1965 -1982*. University of California Press. Berkeley.

³⁹¹ Greene, P., & Butler, J.S. (2004:115). ‘The Minority Community as a Natural Business Incubator’ in *Immigrant and Minority Entrepreneur*.

³⁹² Wilson, P., (1983: 5); Basu, A. & Goswami, A. (1999:61) ‘determinants of South Asian entrepreneurial growth in Britain: a multivariate analysis’ in *Small Business Economics*. Vol.13, 57 – 70.

³⁹³ *Journal of Business Venturing* (2003) volume 18.

³⁹⁴ Rogoff, E. G., Heck, Z., kay, R., (2003:560) ‘Evolving research in entrepreneurship and family business: recognizing family as the oxygen that feeds the fire of entrepreneurship’ *Journal of Business Venturing* 18. pp. 559 – 566.

³⁹⁵ Basu, A., et al (1999:61), discuss the importance of patrilinearity among South Asians, and on having sons acquire business skills to take over from their fathers.

³⁹⁶ Aldrich, H.E., Cliff, J.E., (2003) ‘the pervasive effects of family on entrepreneurship: toward a family embeddedness perspective’ in *Journal of Business Venturing*, Vol.18. pp. 573 – 596.

African Caribbean entrepreneurship has suffered from researches that have been more like snapshots or spot checks on the incidence of entrepreneurship.³⁹⁷ This might relate to the absence of both succession planning and the tendency to demand that their children follow them into business. Or even more to the fact that many of the children of African Caribbean entrepreneurs find more viable and rewarding professions outside of self-employment, despite their early exposure. Whatever the reason or reasons or the relationship between family influence and age of entering entrepreneurship, to the majority, what has been observed is a high incidence of invisibility for African Caribbean entrepreneurship.

There is clearly a need to conduct further research to ascertain whether or not some of those who have received early exposure to business have shown a proclivity to return to entrepreneurship later in their working life. It is unclear if some of these individuals have shown the proclivity to resort to entrepreneurship and own account businesses, especially in times of recession and job loss.³⁹⁸

5.2. Sex and Education

In this section we analyze the interaction of sex with other variables under discussion, including education. Another variable that will be looked at and may be assessed under the heading of sex is that of education. This is possible because, for African Caribbean people living in the UK, education and educational attainment is

³⁹⁷ Bygrave, William D. (2006: 21) *The Entrepreneurship Paradigm* (1). Available at SSRN: <http://ssrn.com/abstract=1311447>. Accessed 18/10/09. 23:10.

³⁹⁸ Please see Chapter 7 and section on Limitations and Further research

highly gendered. This is both a feature of the UK education system as well as African Caribbean survival strategies. It is well documented that there are differences in achievement between the sexes among African Caribbean students in the UK.³⁹⁹ This phenomenon of girls doing better than boys in secondary schools is not unique to African Caribbean children. However, no other ethnic group has found this to be consistently so, despite numerous studies, schemes and programmes. The seminal work of Bernard Coard highlighted the policies and tests that guided the education of African Caribbean children in the UK school system.⁴⁰⁰ It showed that children from the Caribbean were being administered IQ tests that were culturally insensitive and steeply biased against them. This led to large numbers of children being sent to schools for the designated 'educationally sub-normal'. Fast forward to present day situations in the schools and we find very change. Melissa Benn quotes the eminent neuroscientist and behavioural expert Steven Rose as describing the UK school system's Special Education Needs (SEN) designation as simply a twist of the initials.⁴⁰¹ That is, from Educationally SubNormal (ESN) to Special Education Needs, a designation that is almost always disproportionately leveled at Minority Ethnic pupils. The moral is, the appearance might have changed but the results are the same, ethnic minority students continue to benefit far less than mainstream children. But this is not a complete story as it is seen that boys are the ones who suffer the most from the education policies and pedagogical culture of schools.⁴⁰² This is most telling when the achievement of African Caribbean boys is taken into consideration. They are shown to consistently

³⁹⁹ OFSTED (1996) *The Gender Divide*. DFES, UK.

⁴⁰⁰ Coard, Bernard (1971) *How the West Indian Child is Made Educationally Subnormal in the British School System: The Scandal of the Black Child in Schools in Britain*. New Beacon Books. London.

⁴⁰¹ Benn, Melissa (2005) 'which way forward for black children' in *Community Care*. Dec 8 - Dec 14, Sutton p. 22.

⁴⁰² OFSTED (1996) *The Gender Divide*. DFES, UK.

underachieve when compared to White British boys as well as other minority ethnic groups. In 2005, only a third of African Caribbean boys achieved five or more A* - C at GCSE or its equivalent as compared to 50% of British White boys.⁴⁰³ The report suggests that this is a general reflection of the state of education for African Caribbean children – both girls and boys - as at every level these findings are replicated. A recent reflection on the trend showed that with the current emphasis on exclusion, African Caribbean boys are three times more likely to be permanently excluded than their white counterparts.⁴⁰⁴ The education system continues to fail to address the low achievement of African Caribbean students over the decades.⁴⁰⁵ Our discussion here is with regards to ethnic categories, as it must be acknowledged that a discussion along socio-economic lines may present a different set of conclusions.

A number of factors might have given rise to the observed differences in educational attainment between the males and females generally in the African Caribbean community. Biological, psychosocial and socio-economic reasons have been advanced as pertinent to the discussion.⁴⁰⁶ It is of some worth to acknowledge a cultural orientation driven by economic and social considerations towards encouraging girls to study as against boys. The cultural dimension is less researched but is just as real. African Caribbean and particularly Jamaican parents for example, are prone to push for the education of girls as a buffer against the very real sexist and class prejudices that are

⁴⁰³ DFES, (2006:64) Ethnicity and Education: The Evidence on Minority Ethnic Pupils aged 5 - 16

⁴⁰⁴ DFES (2006:1) "Priority Review: Exclusion of Black Pupils: Getting it Getting It Right"
<http://www.standards.dfes.gov.uk/ethnicminorities/resources/PriorityReviewSept06.pdf>. Accessed 16:58, 31/08/08.

⁴⁰⁵ A synopsis of this is given in a presentation by Steve Strand of the Institute of Education, University of Warwick in 2008 entitled, SEN and Ethnicity: what do we know about it? Available at: clg.coventry.gov.uk/ccm/cms-service/download/asset/?asset_id=1663118. Accessed 18 :45 26 /06/09

⁴⁰⁶ Kutnick, Peter, Jules, Verna & Layne, Anthony (1997) Gender and School Achievement in the Caribbean. *Education Research Paper*. No. 21.DFID. UK.

features of life in both the islands of origin as well as the UK, while boys are often left to find their own place. The UK based Equal Opportunities Commission is cited as stating that women in 2004, on average, earn only 82% of what is earned by their male counterparts.⁴⁰⁷ An uneducated and illiterate female is more prone to various kinds of abuse than one who has some degree of financial and economic independence, which usually emanates from a good education background. The perception among African Caribbean people, particularly in the Caribbean is that a good educational background is a surer path to upward mobility, especially for women. Whereas, males have been able to earn a living from farming and other manual occupations such as construction related trades, these same opportunities were not generally available to women. This often plays itself out in the context of the UK, where the girl will leave school with a higher level of achievement and a greater proclivity towards taking advantage of further education opportunities. Thus, the basic groundwork is usually set for girls to have a head start in both employment and the academics. This however does not guarantee that the girl will have a greater earning potential than the boy on leaving school. The reality of inner city economics and particularly the informal variants of earnings, lend themselves to sets of opportunities being available to the two sexes. This happens in several ways. The trade occupations in construction, motor car repair, and other skills based vocations have consistently outperformed low level professions in such areas as clerical work and employment in social and health care sectors. Into this mix comes the issue of childbearing, family structure and survival - factors which can be a drag on the

⁴⁰⁷ Carter, S. Shaw, E., Wilson, F. & Lam, Wing (2006:375) 'Gender, Entrepreneurship and Business Finance in the UK' in Brush, C. et al (ed.) *Growth Oriented Women Entrepreneurs and their Businesses: a global research perspective*.

earning potential of African Caribbean females, thus demanding a higher level entrepreneurial display in the struggle for survival.

The subject of African Caribbean entrepreneurship and gender warrants detailed and robust qualitative and quantitative analysis. Despite the evidence of the high numbers of African Caribbean women who are involved in entrepreneurship, there is no hard evidence that their experience in the process of entrepreneurship – opportunity recognition and exploitation – is markedly different from men. We are forced to surmise (as is shown in section below on family structure) that certain features of African Caribbean female experience may lend themselves to difference in how they discover or exploit opportunity.

5.3. Entrepreneurship and the African Caribbean Family Structure

The African Caribbean or West Indian family structure has been the subject of numerous studies in anthropology and sociology over the course of the last century.⁴⁰⁸ This interest in African Caribbean family is seen as warranted given the fact that the West Indian plantation system was a unique experiment in socio-economics. Unique in that nowhere else was a society, composed along distinct ethnic lines, and created with the sole intent of generating profits for another society and ethnic group. The African Caribbean family structure has historically shown a number of characteristics. These include, a high incidence of concubinage, that is, man and woman living together in sexual union but without a formal, legal marriage; secondly, there is usually a high

⁴⁰⁸ Smith, Michael G. (1973) *West Indian Family Structure*; Smith, Raymond T. (1963) 'culture and social structure in the Caribbean'; Clarke, Edith (1957) *My Mother who Fathered Me*.

number of single, female headed households, where the female head may be involved in a visiting relationship; children are usually living with the mother even in the cases where it is concubinage situation.⁴⁰⁹ In the Jamaican context, marriage is often associated with certain economic conditions and status. As such couples tend to get married later in life when they can afford the associated costs of funding the celebrations.⁴¹⁰ Historically, the forms of family that persisted would be closely associated with and indicative of social class strata. Those persons from a more affluent social stratum exhibited a higher incidence of marriage or the Christian family type.⁴¹¹ The expectation in formal marriage was for the husband to shoulder all economic responsibilities. This was enshrined in law and added to the economic expectation.⁴¹² Visiting relationships are relationships in which the man and the woman live separately and may visit each other. Studies have concluded that visiting relationships comprise the most common form of sexual union.⁴¹³ This may be consistent with the fact that it features prominently among persons of lower socio-economic classes who form a natural majority in the population. Concubinage and visiting relationships do not historically carry a formal or formally enforceable economic arrangement and saw many women as head of their households, taking on the greater burden of supporting their families. The importance of female independence has been a dominant feature of African Caribbean family life and structure. In addition, the notion of family is extra nuclear and incorporates the extended family to a significant extent. This does not lend

⁴⁰⁹ For a more detailed discussion on this phenomenon, reference may be made to Edith Clarke's *My Mother Who Fathered Me* chapters 4 and 5. First published in 1957 by George Allen & Unwin Ltd. Ruskin House, London.

⁴¹⁰ Schlesinger, Benjamin (1968) 'family patterns in Jamaica: review and commentary' in *Journal of Marriage and the Family*. Vol.30, no. 1 pp.136-148.

⁴¹¹ Clarke, E. (1957:97 – 108).

⁴¹² Clarke, E. (1957).

⁴¹³ Shlesinger, Benjamin (1968:139) 'family patterns in Jamaica'.

itself to easy sociological and anthropological analysis as Raymond T. Smith noted in commenting on Michael G. Smith's choice to analyze the African Caribbean family by focusing on the household.⁴¹⁴ For the Caribbean situation, the household is different from the family, in that, the household refers to the incidence of co-residency while family is often extra-residential.

The case of Jamaica provides an example of an African Caribbean situation. Traditional Jamaican families have been large even when headed by a single female. This is predominantly a product of the theologico-cultural view that a woman should 'have out her lot' as children are a gift from God. Thus childbirth is neither a prelude to nor the product of marriage. Sexual relations and childbirth are seen as natural and consistent with nature and the will of God.⁴¹⁵ Despite the traditional pressure from parents against early pregnancies and the associated social stigma, teenage pregnancy continues to be a standard feature among African Caribbean women. The perception that this phenomenon is unique to African Caribbean females more comes up for scrutiny, given its emergence as a growing trend in the UK among other ethnic groups.⁴¹⁶ The recent acknowledgement of the US Vice Presidential candidate that her seventeen-year old daughter was pregnant in the heights of the campaign has flagged the phenomenon of teenage pregnancy at a time when the UK tops Europe on the list of teenage parents.

⁴¹⁴ Smith, R. T. (1963:30) 'Culture and social structure in the Caribbean: some recent work on family and kinship studies' *Comparative Studies in Society and History*, Vol. 6, No. 1 (Oct.), pp. 24-46.

⁴¹⁵ Schlesinger, B (1968:139) citing Simey (1946)

⁴¹⁶ Berthoud, R (2000) '*Ethnic minority teenage pregnancies*'.

Illegitimacy is not as stigmatized in Jamaican society and among African Caribbean peoples as is found in some societies. There is a difference between social and religious stigma where this is concerned. Whereas, the socially there is no strong stigma against illegitimacy, the religious strictness of Christianity in Jamaica often meant that pregnant unmarried women were often ostracised as a form of sanction against sexual sins. Historically, the issue of illegitimacy was only of consequence in the Jamaican context as it might relate to the inheritance of property.⁴¹⁷ Effectively, the term is without meaning in the same sense as it is held in other Western society as children born outside of wedlock are as accepted in society as those born in Christian marriage. This was actually entrenched in during a period of massive social reforms of the 1970s. The Status of the Children Act (1976) eliminated the difference, which persisted concerning the inheritance rights of ‘lawful’ children as against ‘bastards’. This move was immortalized in popular song:

“Nuh bastard nuh deh again” (repeat)

Everyone lawful

Oh oh! Everyone lawful”⁴¹⁸

This law signaled an important shift in the nation and was carried social and political overtones given that illegitimacy was highly associated with Black African Jamaicans.⁴¹⁹ Thus, we see that illegitimacy although hardly noticed by the population was very much a part of the laws of the land up to this time.

⁴¹⁷Sherlock, Phillip (1966:117) *West Indies*. Thame and Hudson. London.

⁴¹⁸ These lyrics were part of the song ‘My Leader Born Ya’, which was sung by Neville ‘Struggle’ Martin and produced by Clancy Eccles. It was used in the political campaign of the People’s National Party that made significant social changes through legislation.

⁴¹⁹ It is a fact that a significant element of the population was comprised of the product of illicit sexual unions between whites (almost always men) and black (women). These supposedly formed the bastion of the middle class.

The average age of first time mothers among African Caribbean women in general would indicate that many would go into business after they have started their families. This may suggest that the age at which they start their businesses is a reflection of the opportunity structure that faces women in particular rather than a case of entrepreneurship by necessity. The wider issue of African Caribbean family structure in the UK has only been granted a cursory and predominantly negative glance in the analysis of African Caribbean entrepreneurship, particularly as compared to other ethnic groups.

Elements of the dominant and popular notions of African Caribbean family structure include early motherhood among females and absentee fatherhood among males. Nearly all the social and economic ills facing the African Caribbean community in the UK have been seen as an outgrowth of the African Caribbean family structure. African Caribbean females have been projected as having misplaced priorities; failing to be properly prepared for parenthood and thereby reducing the life chances of their children. With the mothers being the visible parent, they became the face of the African Caribbean family and for some time bore the brunt of the leveled criticism. Against the background of increased political agitation by the feminist groups, overtime this became politically incorrect. The emphasis cleverly shifted from the females to males, who are now projected as absent, deadbeat dads, whose lack of family values and sexual control have created a generation of delinquents and monsters wreaking havoc on the streets of British cities. This caricature of the African Caribbean male has gone down quite well

with the political class and prominent figures such as Conservative leader David Cameron.⁴²⁰

Researchers in entrepreneurship are not to be outdone in this regard as for decades they have trumpeted the difference in family structure between African Caribbean people and other ethnic group as partially responsible for the perceived difference in entrepreneurship between the groups, is particularly so when compared to South Asian family structure.⁴²¹ What continues to go unanswered is the extent to which these selfsame ‘babymothers’ and ‘babyfathers’ emerge as star entrepreneurs and model business people. We have at hand examples of women entrepreneurs who though not achieving much in terms of secondary school leaving qualification, move on to further education while raising their children as proverbial lone or single mothers. The current flow of discussion certainly warrants further delineation of the difference between lone parenthood and single parenthood in the African Caribbean community, as found in the UK.

Lone parenthood occurs when only one of the biological parents of a child or children is present in the main residential home. Single parenthood on the other hand denotes that the parent with whom the child lives is single in terms of sexual cohabitation and status. Whereas one refers to the sexual status of the parent with whom the child lives, the other speaks to the relationship between both parents. Lone parenthood does not necessarily mean that there are no role models or other parent

⁴²⁰ <http://www.guardian.co.uk/politics/2008/jul/16/davidcameron.conservatives1> Accessed at 19:46, 05/09/08.

⁴²¹ Basu, A. & Altinay, E. (2002) ‘culture and entrepreneurship’.

figures in the life of the child and ought to be discussed in that context. The fact is, an African Caribbean woman might be in a long-term relationship with someone who is not the father of her child and yet be classified or self identified as a lone parent. She is not single in terms of sexual status but is the lone parent having full time care duties of the child. This is so particularly as the male in the relationship (where there is one) has no legal obligation or relationship to the child. The concept of ‘stepfather’ is usually applicable where the mother is married to the male. Furthermore, the concept of stepfather is hardly seen in African Caribbean culture. This definition of lone parent as discussed above is mostly derived for benefit purposes.⁴²² It must also be borne in mind that this classification can be economically advantageous to the mother as it increases her independence of her sexual partner. As a single parent or lone parent, she will stand a better chance of qualifying for various means-tested social benefits. This survival strategy contributes to entrepreneurship as it provides a safety net as she embarks on her low-level business ventures. Although this might be observable among African Caribbean female-headed household, it is by no means uniquely African Caribbean but more a response given the high susceptibility to economic deprivation.

Traditionally, the matrifocality of African Caribbean family life both in the Caribbean and the UK, results in the extended family and particularly the grandmother, and playing a dominant role in the upbringing of the children. The women who are blood relatives (however distant) tend to band together. This tends to ‘free up’ both mother and father to engage in available economic activities. This phenomenon of pronounced matrifocality where women who are related band together for economic

⁴²² A footnote in Berthoud et al (2000:22) alludes to the role of the Department of Works and Pension in identifying family on the basis of benefit unit.

benefit is by no means unique to the African Caribbean experience, as it has been shown to exist in many English communities. This can be seen from a statement by Elizabeth Bott, whose research in Britain on the family and marriage was published in 1957. She noted in her presentation of a highly similar phenomenon that,

“Before there can be a group there must also be several related women in the same place at the same time. If groups of grandmother, mothers, and daughters are to be formed, women should get married young, they should have plenty of children, preferably girls, they should live for a long time, and all the women concerned should continue to live in the same local area. The formation of such groups also depends on certain negative factors - on the absence of rights to land or other economic advantages through the father and his relatives... whenever there are no particular economic advantages to be gained by affiliation with paternal relatives, and whenever two or preferably three generations of mothers and daughters are living in the same place at the same time, a bilateral kinship system is likely to develop a matrilineal stress, and groups composed of sets of mothers and daughters may form within networks of kin.”⁴²³

Here, Bott discusses the factors that gave rise to this phenomenon, particularly economic deprivation as well the family structure and features including early marriage or early onset of childbearing and many girls or daughter in the family. These groups are also formed within existing and larger networks of relations.

⁴²³ Bott, Elizabeth (1957:137-138) *Family and Social Network*. Tavistock Publication. London.

The import of economics on the family form that predominates in certain regions or communities was most noteworthy in the UK context as shown in the preceding passage. It was the absence of economic advantage such as normally comes from landownership that give rise to the necessity of these family types. Arguably, patriarchy lends itself to this phenomenon as where wealth follows the male line, the dispossessed are often women who must band together in order to survive. There is no reason to think that this phenomenon has disappeared outright with the creation of an active welfare system and social safety net.

In case of the Caribbean, as was the case at certain times in the UK and Europe, the pursuit of economic opportunities often meant going abroad or moving to another region or island. This global phenomenon is often triggered by some hardships, which are commonly the product of either discrimination on the basis of skin colour, ethnicity or religion. This response to economic hardship is a feature of people in economically depressed countries or regions of the world. This has been taking place in Jamaica for example, since the late 1800s with migration to Central America and later the United States. In the case of migration to the UK, which occurred in earnest beginning in the 1950s, many children were left with grandmothers and other members of the extended family until their parent(s) were settled enough to facilitate them. One study found 94% of the children to Jamaican people living in the UK in the 1960s were left or sent to Jamaica.⁴²⁴

⁴²⁴ Davison, R. B., (1962:70) *West Indian Migrants*..Oxford University Press. London.

Lone parenthood and single parenthood were never seen as anything other than the norm in traditional African Caribbean family structure. For in societies where kinship is strong and community involvement in the instruction and upbringing of children is a given, the absence of the biological father is never seen as a causative factor in anti-social behaviour or indeed economic deprivation. This structure, although traditionally stable and useful in the social and economic context of the Caribbean, has been viewed as anathema when seen through Eurocentric eyes. Consistently, commentators and researchers have sought to project this phenomenon as ‘unstable’ by reason of the absence of a ‘paternal authority’. Raymond T. Smith summarized E. Franklin Frazer as taking pains to point out the extent to which Negroes in America “had rebuilt a stable family life with strong paternal authority”⁴²⁵ as if the so-called presence of paternal authority was the only and most significant indicator of stability. It may very well be that the commentator is highlighting the achievement as one that is so telling against the background of centuries of an active policy of removing African Caribbean males from any authority position where the family is concerned. It remains though, that there has been a consistent proclivity to be judgmental about the stability and appropriateness of these features of African family life in the New World as deviant. This is expressed succinctly by Gunnar Myrdal, 1974 Nobel Laureate, in his seminal work on the life of Negroes in America. He wrote, “In practically all its divergences, American Negro culture is not something independent of general American culture. It is a distorted development, or a pathological condition, of the general American culture.”⁴²⁶ As strong as this judgment on family life among Negroes

⁴²⁵ Smith, R. T. (1963:27) ‘culture and social structure in the Caribbean: some recent work on family and kinship studies (Review Article)’ in *Comparative Studies in Society and History*, Vol. 6, No. 1 (Oct., 1963), pp. 24-46.

⁴²⁶ Myrdal, G. (1944:928) *An American Dilemma: The Negro Problem and Modern Democracy*,

in America might have been, it is a clear reflection of the views of the Eurocentric world on such phenomenon as single female headed households and children born out of wedlock. This tendency to view such expressions of Negro family life, whether in Jamaica or the USA, as deviant is critiqued by Smith once more when he wrote,

“Jamaica had an illegitimacy rate of over 70% of all live births and this caused considerable concern as soon as a more active interest began to be taken in the well-being of the lower-classes. Was this evidence of massive social disorganisation or was there something wrong with a view that measured 'legitimacy' according to 'English' or 'upper-class' standards?”⁴²⁷

The appropriateness of seeing critique of illegitimacy or children being born out of wedlock as ‘according to English or upper class standards’ is interesting. For this orientation can indeed be seen as the projection of missionary ideals onto the population. This ‘high’ standard of morality was never adhered to by the English themselves, regardless of social class. However, it was essential to maintain the perception that lofty moral ideals and Christian practices were very much the same as ‘English-ness’. Yet we find that this is inconsistent with the reality of English life as many Jamaicans found when they arrived in England.

It has been presented that non-marriage cohabitation is very much a feature of ordinary English life. Susan McRae remarked that, “(I)t has been estimated that between the mid-eighteenth and mid-nineteenth centuries as much as one-fifth of the

⁴²⁷ Smith, R. T. (1963:26) ‘culture and social structure in the Caribbean’.

population in England and Wales may have cohabited unlawfully for some period...⁴²⁸ She also showed that the issue of illegitimacy, that is children being born out of wedlock, is nothing new in British society.⁴²⁹ The continued perception and projection of the African Caribbean family structure as ‘unstable’ and ‘pathological’ is taken to task by Professor Harry Goulbourne, a Black British scholar. He opined that the kinship structure of African Caribbean families, far from being dysfunctional has been able to support and survive the vagaries of migration and the hostility of forced incorporation far better than other ethnic groups.⁴³⁰ African Caribbean families have been able to cope with British life, not simply because of a history of colonisation (which most other ethnic group share) but also because their family structure has the fluidity and dynamism that allows for the absorption of certain shocks while at the same time provide a space apart from a hostile society.

The application of the misguided perception of African Caribbean and African American families’ dysfunctionality is promulgated by Ivan Light, the celebrated doyen of ethnic entrepreneurship, when he wrote concerning African American entrepreneurship and family,

“Unlike other ethno-racial groups, marriage does not increase African America self-employment, male or female. ... African American self-employment rates are low and their nuclear families small and unstable ... small and unstable nuclear families do not provide a base for self-employment.

⁴²⁸ McRae, Susan. (1999:3) *Changing Britain: Families and Households in the 1990s*. Oxford University Press. Oxford.

⁴²⁹ McRae, S. (1999:3) *Changing Britain*

⁴³⁰ Goulbourne, Harry (1999) ‘Caribbean Kinship in Britain’ in McRae, S. (ed) *Changing Britain: Families and Households in the 1990s*. pp. 176 -197.

... one might propose that the African Americans' lack of a family centric social capital disarms the advantages that family firms normally enjoy."⁴³¹

He went further to say, "this ... implies that marriage partners cannot trust one another, nor can they control their children."⁴³² Light's premise is predominantly that where strong patriarchy exists then the social capital of the family unit can be garnered for entrepreneurship. He makes no value judgment on the practices of patriarchy and views nearly all the facets of this phenomenon in a strictly functional sense where the ends of entrepreneurship justify whatever means including the frequency of what is increasingly seen as exploitation in patriarchy.⁴³³ It can hardly be surmised that the type of engineering and corralling of family resources, including labour, would take place in African American or even African Caribbean families.⁴³⁴ What is obtained is a far more egalitarian approach to issues of family wellbeing even in nuclear units. There is an obvious reluctance to view the fact that the wife can and does resist any attempts to garner and control her earnings or resources, as a positive occurrence. It is quite striking that this has gone unchallenged by the feminists' front. Light does not differentiate between control and trust. He posits the absence of that corralling of family resources as a lack of trust rather than the absence of control. One wonders the extent to which his formulations might have been influenced by the perception of sexual promiscuity among peoples of African descent. For surely, trust in marriage, is as much about that as it is any thing else. Equally true, the fact that children are not coerced into working overtime and being directed towards vocations in which they

⁴³¹ Light, I (2004:11) 'The ethnic ownership economy'.

⁴³² Light, I (2004:12) 'The ethnic ownership economy'.

⁴³³ Light, I (2004:12). 'The Ethnic Ownership Economy'.

⁴³⁴ An analysis of patriarchy and social capital in a matrifocal society is beyond the scope of this present work, particularly as these systems of social control are increasingly under attack in this present age.

have no interest or affinity is not read as the facilitation of independence (and hence entrepreneurship), but rather that the father cannot control his children.

The extent to which these features of African Caribbean and African American family life are cast as 'pathological' and negative is a clear imposition of twisted value system and a carry-over of stereotypes and misconceptions. One cannot help but think that these selfsame features – egalitarianism between man and wife and independence of choice on the part of children - would and are, no doubt seen as positive and commendable in mainstream families. These phenomena are becoming increasingly entrenched in the legal rights of spouses and children in Western societies. The line of reasoning that has been presented by Light and others seems to suggest that the rights of individuals should be suspended in the pursuit of economic gain. This betrays an overly economic orientation in analysis that would inevitably affect conclusions. Yet, it must be acknowledged that the dominant driver behind inquiries into African Caribbean family structure in the UK, is neither entrepreneurship nor poverty but rather it is the perceived outcome and effects of youth delinquency within UK society.

It can be argued, that the roots of the problems of delinquency, anti-social and even violent behaviour are to be found in such features of a nanny state - regulatory framework that governs welfare and social support systems and a legal system – that frustrate the attempts of parents to administer discipline and moral instruction consistent with the culture of the minority group in a host society. Surely the absence of Caribbean discipline has not aided the process of guidance for African Caribbean young people. It is usual for Caribbean parents to apply strong discipline and correction to children.

Corporal punishment is popular and children are usually given every opportunity to be responsible. Many parents bemoan the rules, laws and State oversight that prohibit the application of this type of discipline and see its absence as the root of many evils among the youth. Newly arrived African Caribbean parents to Birmingham, struggle with the notion of a school system that does not allow students to take home their books. Whether as a LEA or school policy, parents find it odd that not only is this perpetrated but at the same time they the parents are held responsible for the failure of the students to achieve academically. They might have welcomed the provisions of state support through the welfare system, which was absent in the Caribbean, only to find that it later emerges as a stranglehold on progress and prosperity that is thrown off only with difficulty and perseverance. The level of benefits and support given to young pregnant females in the UK can be perceived by young women as significant, particularly so when measured against the backdrop of economic deprivation that is common in inner-city communities and among the lower social classes. It can be surmised that with time the increased demands of growing children and the requisite expenditure outstrip the income of these young women. This coupled with the natural demands and desires to maintain a lifestyle consistent with the youth culture to which they are susceptible demand a strategy. The ability to manoeuvre these circumstances while educating themselves leaves many young women with skills, which they recognize can be applied to entrepreneurial opportunities. This leads us to the crux of our discussion, which is, to evaluate and present ways in which certain features of the African Caribbean family structure and the role of females in this structure can give rise to and aid in the emergence of entrepreneurship.

A number of survival skills and strategies engendered by the forced learning and hardship associated with early childbearing and the features of family structure in the UK context have been cited by respondents as significant in their businesses.

These include:

- a) Budgeting and the associated financial creativity and innovativeness.
This includes the ability to make do with what is available. Given the fact that a single female suffers clean disadvantage and penalty in the job market,⁴³⁵ it becomes imperative for these women and their children to employ all their skills in the push for survival. One respondent alluded to her mother's guidance to 'tun yuh han an mek fashion'. This is a Jamaican expression to denote using the tools and ingredients available at hand to achieve what is necessary, or even what is fashionable and grand.
- b) Sacrificing and deferred gratification. This is seen in terms of mothers being forced to forego certain desired objects in order to provide necessary items for the children. The discipline created can be applied to the pursuit of more long-term goals including business creation.
- c) Female- female cooperation in taking care of children in the absence of formal childcare support. In the absence of available and affordable structured and formal childcare facilities, young women take turns at babysitting each other's children thereby allowing each other to further their education or advance their careers. This is one example of mutual

⁴³⁵ Berthoud R., & Blekesaune, M. (2007:34) *Persistent Employment Disadvantage* . DWP. Norwich.

aid activity that has been found to be an important coping and survival strategy among persons living in deprived wards and neighbourhoods.⁴³⁶

Its importance has not only been recognized for the reasons of survival, but studies have shown that it opens doors to employment⁴³⁷ and from anecdotal evidence – entrepreneurship.

- d) Develop dual culture skills. This is an important dimension of successful ethnic minority entrepreneurs – male and female. The usefulness of dual culture skills have often been recognized in ethnic entrepreneurship in the sense that ethnic entrepreneurs have the benefit of being able to transverse the culture from their area of origin as well as the host community. This however is a limited consideration as ethnic entrepreneurs often exercise this ability of operating in their own culture and identity as an ethnic minority as well as in the wider culture and setting of the host population. Being responsible for a family often forces young women to engage with the world outside their ethnicity. The development of skills amicable to the understanding and successful manipulation of both their ethnic communities as well as that of the wider mainstream society can be quite useful. The mainstream skills are often honed in jobs to be utilized in the furtherance of their business aims. This duality of culture is often seen in the code switching capabilities of these women who can move from the ‘street talk’ and Jamaican lingo to the regional accentuations through to the preferred

⁴³⁶ Centre for Enterprise and Economic Development Research (2006:68, 71) *Informal Economic Activities and Deprived Neighbourhoods*. Department for Communities and Local Government: London

⁴³⁷ Centre for Enterprise and Economic Development Research (2006:69) *Informal Economic Activities*.

‘Queen’s English’. A study conducted by a private company involved in diversity management in the UK, identified this as one of its eight principal factors that enable ethnic minority women to excel.⁴³⁸

- e) The ability to negotiate and manipulate the system. It is often the case that individuals develop a certain ability to negotiate and manipulate or outsmart the system, which proves to be an advantage in ensuring success. Some of these skills are almost gender specific. Many females learn these skills from their mothers and female relatives even in the cases where their fathers were present in their upbringing. They further hone their skills as young mothers in ensuring that they receive good service from the local authorities in terms of housing and social support.

What we find is a set of circumstances contingent on African Caribbean females in general though not limited to the ethnic group or the gender, which gives rise to a predisposition to operate to some extent in the realm of the informal where work and employment are concerned. This appears more so by necessity than choice, to work out their economic survival in the informal economy, both in terms of income generation and expenditure. That is, the pound stretches further in the realm of the informal economy, which is at work in inner-city Britain than it does on the High Street. The link between the foregoing discussion and entrepreneurship is noted in the following statement from the Centre for Enterprise and Economic Development Research, “independent informal economic activity is often closely aligned to the pursuit of survival strategies in a manner which often displays what are considered positive virtues

⁴³⁸ <http://www.diversitypractice.com/Resources/Factor-8.aspx> Factor 8 is a document prepared by a group of researchers on ethnic minority women.

of self-reliance, initiative taking, engagement and entrepreneurialism.”⁴³⁹ As noted above, despite the fact that our discussion has centred predominantly on females, both males and females will avail themselves to the economic opportunities that present themselves in this economy.

For both sexes, products of the interaction of the African Caribbean family structure and the harsh realities of inner-city Britain, it is clear that by the time they launch into their own businesses they have a set of skills that can be put to good use. These include the benefit of a rounded education,⁴⁴⁰ experience and technical know-how gained from job exposure and reduced childcare duties owing from the fact that they started their families relatively early. In addition to this, for many, by accessing higher and further education, in a few years they were more highly and better qualified than not only other African Caribbean females but also White English females. It has yet to be seen how this is related to the fact that those White English females in their cohort who have children rather early usually get married within a few years after.⁴⁴¹ These are interesting points concerning the family structure of African Caribbean people, women, men and the impact on entrepreneurship. This ought indeed to point to a greater need to analyze these phenomena and their relationships through rigorous research.

⁴³⁹ Centre for Enterprise and Economic Development Research (2006:91) *Informal Economic Activities and Deprived Neighbourhoods*. Department for Communities and Local Government: London

⁴⁴⁰ It can be argued that this holds for both men and women as the notion rounded education relates to their overall knowledge and education and not just the academic.

⁴⁴¹ Berthoud, Richard, (2001:15) ‘Teenage births to ethnic minority women’ *Population Trends* 104, Summer 12 – 17.

There is an extent to which African Caribbean women seemingly contradict the limits of the opportunity structure to which ethnic minority entrepreneurs are exposed. The general perception is that African Caribbean women would be involved in certain areas of entrepreneurship, which offered them distinct advantages as a result of their ethnicity and gender. Such areas include health and social care, education and other service oriented sectors. This notion is particularly influenced by the fact that the UK labour market discriminates against women and even more so against non-White and foreign females.⁴⁴² The presence of children is an added factor for which females are penalized in the job market.⁴⁴³ It has become hard to ignore therefore, that African Caribbean family structure can prove useful in enhancing entrepreneurship and should not be seen as a hindrance to the emergence of highly successful entrepreneurs and firms in both the strict commercial as well as social sense of entrepreneurship. These female entrepreneurs are involved in as wide a range of sectors and business areas as African Caribbean men or even mainstream entrepreneurs.

5.4. Motivation among African Caribbean Entrepreneurs

Analysing the supply of entrepreneurs has always been viewed as essential to understanding economic growth. In the search for factors and traits that give rise to or influence the incidence of entrepreneurship, there has largely been two areas of concentration of studies or approaches to the discussion, namely, the personality, traits or characteristics of the entrepreneur and the environment or circumstances of the entrepreneur approaches. These motivational factors have been the bane of much

⁴⁴² Cowling and Taylor (2001); Berthoud, R. & Blekesaune, M. (2007:22).

⁴⁴³ Berthoud, R. & Blekesaune, M. (2007:15).

research in entrepreneurship. We will discuss these issues as we look on the theme of motivation in African Caribbean entrepreneurship.

5.4.1. Personality Traits and Characteristics

A significant amount of research has been done on the identification of a set of universally occurring characteristics or personality traits of entrepreneurs. The dominant work of Schumpeter on the entrepreneur projected the notion of the importance of the characteristics of the strong man and leader entrepreneur⁴⁴⁴ as well as the risk taker associated with Knight's projection of the entrepreneur.⁴⁴⁵ All this undoubtedly led to a perceived need for this person on whom the entire business of economic development dwells, to be the subject of more detailed study as to his personality and behavioural traits.

David McClelland forcefully presented the need for psychological and sociological explanations. McClelland is an American psychologist who published *The Achieving Society* in 1961.⁴⁴⁶ His theory of needs is closely identified with the work of Frederick Hertzberg, another American based psychologist whose 1959 joint publication on work and motivation was the first intensive research on the subject.⁴⁴⁷

⁴⁴⁴ Schumpeter, J. (1934, 1961:143-148) *The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest and the Business Cycle*. Oxford University Press. Galaxy Books. New York. The entire chapter pp.128 – 156 is concerned with the activity and profit of the entrepreneur.

⁴⁴⁵ Knight, Frank (1921) *Risk, Uncertainty and Profit*. Library of Economics and Liberty. Available at <http://www.econlib.org/library/Knight/knRUP.html>. Accessed 20:38 10/8/09.

⁴⁴⁶ McClelland, D. (1961) *The Achieving Society*. The Free Press. USA. Pages 11 – 19, presented his case for the appropriateness of applying the disciplines of Psychology and Sociology to the explanation of economic development.

⁴⁴⁷ Hertzberg, Frederick, Mausner, Bernard, Bloch Snyderman, Barbara (1959,1992) *The Motivation to Work*. Transaction Publishers. New Brunswick, New Jersey.

His team reviewed some 155 previous studies and their methodologies in order to arrive at their own findings. These findings were then published. Herzberg's work has been updated with a 2008 presentation of his main findings from 1959 listing the difference between motivators at work and the hygiene factors that give rise to satisfaction and dissatisfaction.⁴⁴⁸ McClelland found that elements of personality and behaviour gave rise to a need to achieve, which is the dominant feature of entrepreneurs. In an entire chapter dedicated to the characteristics of entrepreneurs, he drew from a variety of backgrounds to posit the 'need to achieve' (*nAch*) as a critical factor in the entrepreneurship and economic development equation. This achievement can be seen in terms of the strict economic interpretation that puts the most emphasis on money.

McClelland's work is usually commended for looking at the characteristics, personality and behaviour of entrepreneurs. Less emphasis has been placed on the scope of his attempt to provide a broader psychological basis for the place of the individual in economic development. Of particular interest is the way in which he followed on from Weber and Sombart by critically assessing the values underpinning, and effects on, the individual's desire for achievement by religion.⁴⁴⁹ He identified the belief in a Messianic end as a factor in the need to achieve found in some entrepreneurs.⁴⁵⁰ The presence of high levels and proclivity for achievement in business among ethnic minority groups was discussed with almost characteristic

⁴⁴⁸ See <http://www.businessballs.com/herzbergmotivationdiagram.pdf>. Accessed February 9, 2010. 01:37.

⁴⁴⁹ McClelland, D. (1961:356 – 373) *The Achieving Society*.

⁴⁵⁰ McClelland, D. (1961:357).

contrasting of the achievement of Jews and Negroes in the USA.⁴⁵¹ McClelland also discussed the effects of family and social class on *nAch*, which expresses itself in terms of independence and independence. His overarching conclusion that high *nAch* was a significant component of the characteristic of entrepreneurs, which led him to propose steps for its ‘acquisition’ and effective promotion in adults.⁴⁵² As useful as this theoretical approach of focusing on this element of the personality of the entrepreneur, it was not without its critics and detractors.

A number of authors proposed the importance of an internal locus of control as a feature of the personality of entrepreneur.⁴⁵³ This is defined as the belief that one can influence one’s environment.⁴⁵⁴ This is seen in the ability, drive and desire to control one’s own destiny as against leaving it all to chance or another person. This is the second of three main personality traits that have been popularly identified in entrepreneurs. The third is that of risk taking propensity, which measures the extent to which a person is willing to assume risk in general and entrepreneurial situations. The interaction of *nAch* and risk propensity was tested as reported by McClelland who concluded that those with high need to achieve were moderate risk takers.⁴⁵⁵ There is consistent agreement among researchers and theorist on the importance of a certain amount of tolerance for risk on the part of entrepreneurs. From Cantillon through Knight to present theorists, there is no want of consensus on the role and universality of

⁴⁵¹ McClelland, D. (1961:339). He also expressed surprise at the high *n* achievement that was found among Yoruba people of Nigeria even as he described them as ‘primitive’.

⁴⁵² McClelland (1965:321) *Achieving Society*

⁴⁵³ Brockhaus, (1982) ‘psychology of the entrepreneur’; Rotter, J. B. (1966) ‘generalized expectancies for internal versus external control of reinforcement’ in *Psychological Monographs: General and Applied*, Vol. 80, (1).

⁴⁵⁴ Rotter, J. B. (1966) ‘generalized expectancies for internal versus external control of reinforcement’.

⁴⁵⁵ McClelland, D. (1961:211-212) *The Achieving Society*.

risk in human endeavours. Risk is seen as that portion of uncertainty that cannot be insured and hence must invariably be borne by the entrepreneur. This is well established in entrepreneurship research.⁴⁵⁶

Risk taking has also been analyzed in terms of national cultures and proposed as a fruitful route of analysis.⁴⁵⁷ The key variables which were developed by Hofstede and assessed by various writers over the years included individualism, collectivism, uncertainty avoidance, power-distance and masculinity-femininity. In the consideration of the subject of risk taking, we see where different cultures exhibit different levels of uncertainty avoidance as a measure of their propensity for risk-taking. This is expressed by Hofstede in the form of an index table showing different countries at varying levels as representing their uncertainty avoidance propensity.⁴⁵⁸ The measurements of propensity for risk or avoidance of uncertainty in the culture of different nations have been applied to issues such as raising capital and innovation.⁴⁵⁹ Thus we see that not only is the issue of the individual entrepreneur's personality traits analyzed with regards to risk propensity but also that of cultures. The psychological factors, which are attendant on most entrepreneurs, do include others, which have not been given as close

⁴⁵⁶ Shane, S. (2003:103-106) in *A General Theory of Entrepreneurship* provides a fulsome report on various research conducted in both the USA, UK and Ireland to support a higher level of tolerance for risk among entrepreneurs.

⁴⁵⁷ Hofstede, G. (1980) *Culture's Consequences, International Differences in Work Related Values*. Abridged edition. Sage Publications. California; Hayton, J, C., George, G, G. & Zahra, S.A. (2002). "National Culture and entrepreneurship: a review of behavioural research."

⁴⁵⁸ Hofstede, G. (1980a:122). *Consequences, international differences in work related values*.

⁴⁵⁹ Shane, S. (1992) 'why do some societies invent more than others'; _____ (1993) "cultural influences on national rates of innovation"; _____ (1995) "uncertainty avoidance and the preference for innovation championing roles".

a treatment as those above.⁴⁶⁰ We can now turn our attention to the discussion of the events or external conditions that propel individuals into entrepreneurship.

5.4.2 Circumstances of the Entrepreneur

The second approach that we will look at considers the circumstances of the entrepreneur to be of significance in the emergence of the firm or venture. A complex mix of economic disadvantage, cultural disposition, contextual factors, opportunities and their recognition have been cited as responsible for entry into entrepreneurship by ethnic minorities.⁴⁶¹ These external factors may relate to the economic situations such as labour market discrimination or job losses or simply the attractiveness of an economic opportunity. They form important push – pull factors in ethnic entrepreneurship. The push and pull categorization of the motivational factors in ethnic entrepreneurship has been discussed at length in the literature.⁴⁶² Economic disadvantage emanating from racial discrimination in the labour market have been identified as an example.⁴⁶³ The issue of employment penalty for ethnic minorities has been variously presented.⁴⁶⁴ The relatively high incidence of ethnic entrepreneurship has also been located in the context of the economic restructuring of the UK in the period of the 1970s and subsequent years as the decline in manufacturing and other jobs led to the need to ‘hustle’. This line of

⁴⁶⁰ A more comprehensive discussion of the psychological factors and their supporting research can be found in Scott Shane (2003). *A General Theory of Entrepreneurship* chapter 5. pp. 96 -117.

⁴⁶¹ Basu (2006:583) ‘Ethnic Minority Entrepreneurship’.

⁴⁶² Basu (2006:583) ‘Ethnic Minority Entrepreneurship’.

⁴⁶³ Clark, K., & Drinkwater, S. (1998:403) ‘ethnicity and self-employment’.

⁴⁶⁴ Berthoud, R & Blekesaune, M. (2007). *Persistent Employment Disadvantage*. DWP. Norwich.

argument is highly similar to the contextual view of presenting ethnic entrepreneurship as located in a broader economic and regulatory framework of semi-embeddedness.⁴⁶⁵

Cultural disposition as a pull factor into entrepreneurship, whether by reason of religion and its attendant influences as in the case of Jews and Christians or more recently certain Muslims and Sikhs, or otherwise, has been cited as rationale and driver for entrepreneurship. This however, has been discounted in that for some groups living in the host societies, the levels of self-employment are unusually high compared to the incidence in their countries of origin. That is, they show a low tendency towards self-employment in their own countries, which militates against the notion that it is a cultural disposition rather than an economic response to their migrant and ethnic status in a host country or any other reason.⁴⁶⁶ The argument that for religious or cultural purposes immigrants may chose not to engage in the formal, salaried or wage sector finds support among African Caribbean people. A number of African Caribbean entrepreneurs, particularly those of the Rastafarian belief expressed the notion of being uncomfortable with working for someone else, particularly ‘White Babylon’. We may surmise that many entrepreneurs would still have chosen the path of self-employment and business even under better labour market conditions. The economic imperative, the economic opportunity are usually a strong enough pull into entrepreneurship rather than the push of being out of work or harsh economic conditions. This is in tandem with the received wisdom that entrepreneurs are go into business by due to a multiplicity of factors.

⁴⁶⁵ Ram et al. (2008) ‘ethnic minority business in the UK: a review’; Kloosterman and Rath 2002/1999; Rath, Jan. (2000). ‘Immigrant Businesses and Their Embeddedness in the Economic, Politico-institutional and Social Environment’ in J. Rath (ed.), *Immigrant Businesses: The Economic, Political and Social Environment*. Macmillan/St. Martins. Basingstoke/New York.

⁴⁶⁶ Basu, A. (2006:585) ‘Ethnic Entrepreneurship’.

Often, blatant and overt discrimination is not projected as the main reason for African Caribbean entrepreneurs to be in business. Ram, et al, in one of their works,⁴⁶⁷ drew heavily from an early research conducted by Curran and Blackburn⁴⁶⁸ which highlighted the desire for independence and autonomy, but rarely mentioned discrimination as a driving force among African Caribbean entrepreneurs. They further noted that Curran and Blackburn mentioned that some respondents might have deliberately chosen not to highlight this. It is fair to assume that 'negative' drivers such as discrimination and bad experiences in the work place are very much present among the list of likely motives. However, entrepreneurs almost by definition would find a way to apply a positive and optimistic philosophy to their choice.

The Loughborough Group took a detailed case study approach to their analysis of African Caribbean entrepreneurship. Their study however, did not discuss to any length the motives of the entrants to entrepreneurship but was extensive in its lauding of the achievements of the group. This study emerged more as a presented public relations work rather than a significant analysis of the group and its sectors of activity. The recent publication by Christopher A. Johnson - *British Caribbean Businesses: A Century of Challenges*, recorded and provided a more detailed outline of case studies covering an extensive range of sectors and business types. What is clear is that the politico-economic situation of the UK inevitably influenced the decision to enter into entrepreneurship by African Caribbean entrepreneurs.

⁴⁶⁷ Ram, M. & Deakins, D. (1995) *African Caribbean Entrepreneurship in Britain*.

⁴⁶⁸ Curran J. & Blackburn, R.A. (1993) *Ethnic Entrepreneurship and the High Street Bank*.

The need to address social inequities and economic conditions among ethnic minorities can be a significant driver and motivating factor in the creation of businesses. The resultant hybrid business/social model is increasingly common among a new breed of entrepreneurs.. The multiplicity of motives that is evident can be described as progressive and proactive. This can be seen as progressive in terms of its variance with a narrow, economic perception of entrepreneurship; and proactive in engaging the malaise that is present in communities. This existence of a multiplicity of reasons, which is a combination of economic as well as social/environmental motives is a classic feature of social entrepreneurship and a display of corporate social responsibility. Multiple motives were also identified in an earlier study of entrepreneurs in Northern Ireland conducted by Dr. Stanley Cromie who found that founding motives were multiple and non-economic drivers were of great significance to the founder in the starting of a business.⁴⁶⁹

The gender difference which was flagged by the work of Dr. Stanley Cromie, pointed to women needing to accommodate their ‘work and childrearing roles simultaneously’ For many African Caribbean females, even those in their mid-thirties, the demands of parenthood are not as stringent at the stage of their start-up as their children tend to be old enough to exhibit some level of independence. The need for school runs – pick-ups and drop-offs, might certainly be less than other mothers who had younger children. We see here another factor that might in tandem with others, give African Caribbean female entrepreneurs an added advantage when they decide to go into business at a certain age. The career stage at entry or the commonality in terms of

⁴⁶⁹ Cromie, S. (1987) ‘motivations of aspiring male and female entrepreneurs’.

absence of overwhelming domestic duties and family obligation might served to lessen the differences in motivation between African Caribbean men and women in general. This may be so despite findings by Cromie that men in general are more motivated than women.⁴⁷⁰ The literature has been discussed extensively by Barbato and DeMartino, whose work has sought to control for such factors as level of education and the presence of a marital partner.⁴⁷¹ It has been shown in the context of the USA that there was a direct link between motivation to go into entrepreneurship and the perception of success that a female entrepreneur was likely to have.⁴⁷² Those who chose entrepreneurship were also likely to value self-actualisation and achievement higher than profit and money. This would imply that the *nAch* among women is higher than is found among men. Or it may very well be that measurement and perception of achievement are actually influenced by gender. It is of some interest that the fertility and reproductive patterns of African Caribbean women, by and large, might not be as detrimental to the chances of entry into business later in life, but may actually confer an advantage. It may be the case that an early penalty in terms of foregone freedom and some amount of hardship are redeemed by freedom to pursue self-actualisation and economic empowerment in entrepreneurship and business ownership. A more definitive answer to this notion would require a detailed comparative analysis of cohorts of females that lie beyond the scope of this work.

⁴⁷⁰ Cromie, S. (1987:259).

⁴⁷¹ Barbato, R. & DeMartino R. (2003) 'differences in male and female'.

⁴⁷² Buttner, H. & Moore, D. (1997) 'women's organizational exodus to entrepreneurship: self-reported motivations and correlates with success' in *Journal of Small Business Management* 35 (1) 34 – 46.

5.5. Funding and Start-up Finance

Financial resources form one of several resources, which are combined to produce new goods or services. More often than not, it is the scarcest of resources for the entrepreneur. The acquisition of financial resources at the start-up stage is a very important element of the entrepreneurial process. Opportunities often demand financing over and beyond the capacity of the entrepreneur to provide, regardless of ethnicity or gender. Financing may differ by source as well as type. Loans of various sorts form a possible type of financing and are seen as separate from equity financing. Both types may be sourced from either individuals or institutions.

The literature on African Caribbean access to finance at the start-up stage is consistent in presenting the view that there are barriers. Some of these barriers may lie with the perception of nascent entrepreneurs and others may be with the institutions, which formally offer funding. The struggle to access finance has been noted in the work of Curran and Blackburn, who showed that African Caribbean entrepreneurs had problems accessing of formal high street bank offerings.⁴⁷³ This was also carried by a later study that showed that some 39% of African Caribbean entrepreneurs were having problems accessing finance.⁴⁷⁴ Shortly after this, a publication from the Birmingham based duo of Monder Ram and David Deakin featured African Caribbean businesses across the UK and presented evidence of a high level of self financing of start-ups, and

⁴⁷³ Curran and Blackburn (1993) *Ethnic Enterprise and the High St Bank*. Kingston Business School. Kingston University.

⁴⁷⁴ Jones, T, McEvoy, D. & Barrett, G. (1994) *Raising Capital for the Ethnic Minority Small Firm*. Liverpool. Liverpool John Moores University.

showed that trade credit was also a prominent means of financing start-ups.⁴⁷⁵ About the same time these issues were being flagged, the Bank of England commissioned research on financing for ethnic minority firms. This was published in 1999, with some underlining of the ‘perception’ among African Caribbean entrepreneurs that they were experiencing barriers to accessing start up financing.⁴⁷⁶ Following on the heels of that publication, the Centre for Enterprise and Economic Development Research, based at Middlesex University, delivered a government commissioned study on African Caribbean business owners in the London area.⁴⁷⁷ Their findings once more highlighted the anxiety of African Caribbean entrepreneurs concerning the barriers they faced in accessing finance, particularly at the start up stage.

One of the recommendations from the Bank of England’s study was the need for further research, with the suggestion that the sample size of previous studies rendered their conclusions highly questionable in terms of validity. The British Bankers Association was wont to put their penny in the pot and hopefully put to rest this smouldering charge of discrimination against African Caribbean entrepreneurs. Thus the British Bankers Association commissioned Monder Ram, David Smallbone, and David Deakins to research the issue. This was one of the largest surveys of ethnic minority businesses done up to that time and was particular in its remit to look on ‘access to finance’.⁴⁷⁸ One gets the impression that the trade group of Bankers, was

⁴⁷⁵ Ram, M., Deakin, D. (1995: 31 -33) *African Caribbean Entrepreneurship in Britain*, Small Business Research Centre, University of Central England Business School, Birmingham. UK.

⁴⁷⁶ Bank of England (1999) *The Financing of Ethnic Minority Firms in the United Kingdom: a special report*. London. UK.

⁴⁷⁷ CEEDR (2000) *Researching the needs of African Caribbean Business Owners in London*. Government Office. London.

⁴⁷⁸ Ram, M et al. (2002) *Ethnic Minority Businesses in the UK: Access to Finance and Business Support*. British Bankers Association. London.

wont to show that they were doing their part in facilitating the small business sector. The findings were later presented in an article in the *International Small Business Journal*.⁴⁷⁹ The survey looked at African Caribbean businesses as well as South Asian and Whites. Its findings indicated a low propensity on the part of African Caribbean businesses to seek as well as obtain financing from banks. Also, it was noted that they were less likely to obtain funding from informal sources as might have been expected of ethnic minority businesses.⁴⁸⁰ However, in the absence of some clarification as to what the category ‘informal’ included as against what the respondent might have declared as ‘self’ there could be some vagueness as to the source of funding for start-ups.⁴⁸¹ The study also found that this difficulty in accessing financing persisted, despite training as to the requirements of banks. This phenomenon forces a number of questions. Is it the case that individuals fail to understand the requirements of banks or are the training basically useless in preparing African Caribbean entrepreneurs? An analysis of the Barclays Bank training programme found that participants from the small business sector experienced faster growth and greater longevity than their counterparts who did not participate in the programme of training.” The availability of such programmes ought to have brought down the proportion of African Caribbean businesses, which could not access.⁴⁸² One study concluded, “(W)eaknesses in the ability of business owners to present convincing business plans, and or weak propositions, can be a common cause of a gap existing between those demanding finance and those willing to

⁴⁷⁹ Smallbone, D., et al (2003) ‘access to finance by ethnic minority businesses in the UK’.

⁴⁸⁰ Smallbone et al (2003:309) ‘access to finance by ethnic minority businesses in the UK’.

⁴⁸¹ Ram M., et al (2003) ‘banking on break-out: finance and the development of ethnic minority businesses’.

⁴⁸² Fraser S, Storey D, Frankish J, Roberts R, (2002) ‘the relationship between training and small business performance: an analysis of the Barclays Bank Small Firms Training Loans Scheme’ in *Environment and Planning C: Government and Policy* 20(2) 211 – 233.

supply it.⁴⁸³ This is a serious indictment on suppliers of enterprise and business support and is consistent with the doubt of their likelihood of fulfilling their mandate as raised by some authors.⁴⁸⁴

It is also quite possible that the glitch is at the stage of the banks, where stereotypes were still dominant in the minds of decision makers and gatekeepers. Recommendations for banking staff to be trained in order to reduce the likelihood of glitches at the supply side have been advocated⁴⁸⁵ and it has been reported that there has been some increase in awareness of the ethnic minority business community.⁴⁸⁶ This was reported to be predominantly with Asians.⁴⁸⁷ This closeness between Asian businesses and the banks is in sharp contrast to the evidence concerning African Caribbean businesses from as early as the work of Peter Wilson in 1983. He reported that Asians businesses were financed by the bank as many as five times the rate of African Caribbean businesses. His sample of nine bank managers said that this was primarily on the basis of their perception of the market size of the businesses as well as managerial ability.⁴⁸⁸ The same report showed that more African Caribbean business persons had relevant qualifications in the form of trade qualifications and business diplomas than did their Asian counterparts, who had more general education in terms of more first degrees (15% Asians, 3.3% African Caribbean). This is interesting given the charge of lack of managerial ability by the bankers and raises the issue as to which

⁴⁸³ Ram, M., et al (2003:678) 'banking on 'break-out': finance and the development of ethnic minority business'.

⁴⁸⁴ Ram M, Smallbone D. (2002) 'ethnic minority business policy in the era of the Small Business Service' in *Environment and Planning C: Government and Policy* 20(2) 235 – 249.

⁴⁸⁵ Ram, M., et al (2003:679) 'banking on 'break-out': finance and the development of ethnic minority.

⁴⁸⁶ Deakins, et al (2004:305) 'ethnic minority entrepreneurs and the commercial banks in the UK'.

⁴⁸⁷ Deakins, et al (2004:305) 'ethnic minority entrepreneurs and the commercial banks in the UK.'

⁴⁸⁸ Wilson, Peter (1983:6) *Black Enterprise in Britain*.

qualifications would have been more relevant to achieving success – specific technical training or general degrees? What was obtained might have been a case of a general bias against technical training in favour of degrees. Even so, none of the banks at the time had used the government loan guarantee facility in order to aid those businesses, African Caribbean or Asians, which were seeking finance. Access to bank financing has certainly been a dead end road for African Caribbean start-ups. This has largely left limited the options for the acquisition of this necessary resource.

Generally, the high level of personal and informal sources of funds such as personal savings, family or overdraft on personal accounts with banks have been a feature of the model of financing used by the entrepreneurs at the start up stage.⁴⁸⁹ This is seen as nothing strange given the notoriety of mainstream banks and financial institutions to fail in delivering services to minorities in both the UK and USA.⁴⁹⁰ In addition to the sources above, Ram and Deakin found trade credit to be quite high on the list of sources. The nature of some of African Caribbean businesses does not lend itself to trade credit as a source of financing. Also, African Caribbean retailers may find it difficult to access supplier credit as this facility is greatly influenced by a number of factors outside the influence of the entrepreneur. Suppliers themselves are often at a particular point in the supply chain that as operators with thin margins they are unable to give significant credit.

⁴⁸⁹ Ram, M. & Deakins, R. (1995:30).

⁴⁹⁰ Light, I, (2004) 'Ethnic Ownership Economy'

5.5.1 Sources of Funding at Start-up

The source of funding, particularly at start-up, can be a significant determinant in the level of success that the entrepreneur will experience. The usual sources of start-up capital include personal funds, bank or other loans, grants, equity funding or suppliers credit.

Research conducted by Smallbone et al, as described above noted that the take up of finance from friends and relatives was very low in the case of African Caribbean entrepreneurs.⁴⁹¹ Funds are usually loaned without formal contracts, security or collateral and no interest applied. Despite the regularity and indeed dominance of ‘self’ as the source of funding for African Caribbean start-ups, this category has received very little attention. A cacophony of woes and cries has been raised against banks and formal institutions without as much as a whisper as to where these monies might have come from to finance African Caribbean businesses. As to whether the basis of the discriminatory actions of the bankers related to simple risk assessment decisions, taken to the detriment of African Caribbean entrepreneurs, due largely to lack of information or some other matrix of factors, this was not fully pursued. We know full well that many African Caribbean persons, particularly first generation immigrants, were more confident of their own means of savings than they were of banks, it might have been the case that High Street banks had very little information on which to base their decisions, as individuals might very well have saved their money elsewhere. It appears uncertain as to the extent to which this remains for second-generation African Caribbean persons. It remains however that the alternatives to high street banks places of savings as well as

⁴⁹¹ Smallbone, et al (2003:309).

sources of funding warrants some discussion. These alternatives are savings and credit institutions. Savings and credit institutions, which have been available to African Caribbean persons, are of two types, namely, the formal credit union and the more informal 'Partner' system.⁴⁹² Both operate a type of rotating system whereby savers put in their money and can subsequently withdraw or borrow as long as they adhered to the set rules.

The influx of African Caribbean persons in the UK played a significant role in the revival of credit union system in the regions where they settled. Many were attached to churches or developed around places where these persons lived. Thus, in areas of Birmingham we find Handsworth Credit Union as well as Winson Green/Rotton Park Credit Union.⁴⁹³ Credit unions operate on a democratic basis with a management board or committee, which meet and decide on loans to be given to members who have made applications. Members are assessed on the basis of how well they have participated through regular savings and repayment of loans. Loans are awarded either within the number and value of shares or as a multiple of shares. This multiple rarely exceeded two.

'Partner' qualifies as a Jamaican example of Rotating Savings and Credit Association. The literature on African Caribbean financing and entrepreneurship has failed to discuss partners as legitimate sources of financial resources. The main emphasis in previous literature on African Caribbean entrepreneurial financing has been

⁴⁹² This is commonly referred to as 'pardna' in Jamaican parlance.

⁴⁹³ This credit union has subsequently been discontinued on the orders of the FSA.

to show the potential that exists for mainstream banks to make profits and supposedly aid the adverse state of underfunding that exists among African Caribbean entrepreneurs. Whereas credit unions are formally established in the UK and governed under the Financial Services Authority, the less formal 'Partner' are governed purely by informal social contract yet continue to make a telling contribution to financing of both consumption and business among African Caribbean people. The study by the Bank of England alluded to the role of Partner and used as an example the Birmingham Partner Fund, which operated on the same principle of regular partners but with a commitment to use its funds for commercial enterprise activities. It was set up with 15 members and after three years and a growth in membership of 10 persons it was able to acquire an office block with the money invested from regular monthly contribution of members and bank debt.⁴⁹⁴ It is on this form of finance that I would like to focus some attention.

5.6. 'Pardna' – A Jamaican Rotating Savings and Credit Association.

Rotating Savings Credit Associations have been formally studied from several different disciplines and directions including Anthropology,⁴⁹⁵ Sociology from a Marxist economic perspective as it pertains to ethnic entrepreneurship,⁴⁹⁶ and development economics.⁴⁹⁷ Interest in these types of credit associations came to the forefront of the social sciences in the early 1960s. It was Clifford Geertz, an

⁴⁹⁴ Bank of England (1999:31) *Financing of Ethnic Minority Firms in the UK*.

⁴⁹⁵ Geertz, Clifford. (1962) 'the rotating credit association: a "middle rung" in development' in *Economic Development and Cultural Change*, vol. 10, no. 3, pp. 249-54

⁴⁹⁶ Light, I., Kwuon, I. J., & Deng, Z. (2004) 'Korean Rotating Credit Associations in Los Angeles' *Immigrant and Minority Entrepreneurship: The Continuous Rebirth of American Communities* (eds) John Sibley Butler and George Kozmetsky.

⁴⁹⁷ Van der Brinks et al, (1997) 'microeconomics of an indigenous African institution: rotating savings credit association' in *Economic Development and Structural Change*.

anthropologist whose analysis of rotating credit associations in developing countries led him to the conclusion that they could be used as ‘middle rung’ in the drive for development. That is, they could aid in bridging the gap between a lack of savings and the level of savings, which governments were hoping to achieve in order to spur development. National saving rate was always a measure of the how far along the path to development economies were. This national savings rate or ratio was a measure of how much of the Gross Domestic Product is actually held as savings. This was always important given the basic premise that the level of investments, particularly in the absence of high levels of foreign direct investments – was dependent on the level of national savings. Many countries embarked on the introduction of modern, capitalist institutional reforms such as those affecting banking that were meant to generate high levels savings. The rapid shift from no concept of monetary savings to modern banking facilities were seen by Geertz as too drastic a shift for many developing societies in the 1950s and 1960s. Modern banking systems take for granted a certain level of trust to be placed in institutions run by strangers, which was a far cry from the level of person to person interaction that characterizes largely rural, Third World economies. This gap is mediated by rotating credit associations as they were called. These provided a way for segments of the society to retain traditional values while mediating and negotiating their way through the maze of modernity found in an increasingly commercial way of life.

ROCSAs’ role in ethnic resource acquisition, as explored by Light et al,⁴⁹⁸ showed that there is a clear extent to which it works outside of capitalism and certain mainstream economic functionalism. This type of ROCSA, as found among Koreans is

⁴⁹⁸ Light, I., Kwun, I. J., & Deng, Z. (2004) ‘Korean Rotating Credit Associations in Los Angeles’

referred to as *Kye* and has shown resilience even in the face of growing acceptance among Korean immigrants in the USA of the mainstream financial system. It was shown that this system owes a great deal of its strength and resilience to feminine networks which characterizes *kye* and also the extent to which family savings are controlled by women in the Korean immigrant communities.⁴⁹⁹ This system of savings and credit was brought to the UK by African Caribbean migrants in the post war years and remained. It has been noted that it was particularly useful as a savings strategy in the accumulation of capital for the purchase of houses in the face of discrimination in the rented accommodation sector.⁵⁰⁰

ROSCAs have also seen in-depth analysis in the Jamaican context, where Handa and Kirton analyzed the Jamaican Partner schemes applying a number of econometric tests which supported the prevailing economic theory on rotating savings credit schemes while paying particular attention to the role of the ‘banker’.⁵⁰¹ The basic outline of the operation is that members are recruited through contacts and from personal knowledge of each other, although there are cases where a particular member may only know a fraction of the other members in the scheme. Each person pays in or ‘throws’ a minimum amount per week or month. This set amount is called a ‘hand’. Some persons may throw multiple hands depending on their capacity and income. This is collected by the ‘banker’ who keeps a regular account of the books and pays out to each person when their time for payment arrives. Some partners are run on the basis of how many participants or hands and this determines how long it will run for. For example, if there

⁴⁹⁹ Light et al, (2004:187).

⁵⁰⁰ Barrett, G. A. (1999:317) ‘bank finance for African Caribbean enterprise’.

⁵⁰¹ Handa, S. & Kirton, C. (1999) ‘the economics of rotating savings and credit associations: evidence from Jamaican ‘Partner’.

are 50 persons paying in £10 per week, then this will run for 50 weeks. The first week's recipient will receive 50 x £10 as their 'draw' or payment. Usually, a single hand is paid to the 'banker' from the amount received or a 'gift' of a fraction or multiple of a hand is made. This is in payment for the services. Handa et al have shown that where the banker is paid and where the banker is of independent means the sustainability of the scheme is greatly improved.⁵⁰² One banker who was personally interviewed for this research made it clear that it is not a payment as such as it is usually retained in order to supplement the coffers for those times when a hand might be late or someone defaults. This speaks to a level of sophistication that explains the observation of sustainability made by Handa et al. The economics of the Partner System shows that if each person involved receives a loan, with the exception of the last recipient who receives his savings. This loan is basically interest free although the 'gift' made as payment to the banker could be seen as a type of charge on the services rendered. For the last recipient, he or she is usually some one who has more than one 'hand' in the Partner and as such would not be hard done by being last, as he or she would have received a payout earlier in the round.

The Jamaican inclination for this type of financial operation is well established. This study confirmed that females show a proclivity towards being involved in this system. The authors, in a functionalist view, attribute this to female lack of access to formal systems of credit due to 'lack of collateral or discrimination'.⁵⁰³ The extent, to which this holds, is questionable as a natural outgrowth of that notion would be an inverse relationship between wealth among women and use of Partner. This research has found that even the highly successful female entrepreneurs in the UK still 'throw

⁵⁰² Handa et al (1999:192).

⁵⁰³ Handa S, & Kirton, C., (1999:179).

pardna'.⁵⁰⁴ Participants both in the UK and Jamaica value this system as a type of 'compulsory saving' plan. This is also one of the conclusions for the study by Handa et al as to its attractiveness in the Jamaican context. Thus for many persons there is no difference between using a partner to get seed capital for the business or saving out of their wages in a mainstream bank. In both cases they are likely see it as their money unless probed further by the researcher.. One wonders if this was the case in the study done by Barrett, which did not find it being used by any of the respondents.⁵⁰⁵ He opined that this was due to the youthfulness of the respondents.

Even after starting their businesses, many entrepreneurs are prone to continue to use the system as a way of saving for recurrent special occasions. The schemes are useful in providing a forced savings and in aiding in taking care of family obligations such as back to school expenses, paying for holidays, among others. In the Jamaican context where there are no social welfare safeguards and public healthcare charges have only recently been repealed, saving for 'unplanned' expenses was always critical. It would appear however, that where these compulsory charges are mitigated by public funds or easy access to funding, the need to rely on the Partner system is far less. African Caribbean entrepreneurs seemingly continue to use partner schemes out of gratitude rather than absolute need as their pecuniary affairs are in far better shape than before. This provides an avenue for the entrepreneur to give back to the community, a gesture that is not usually without reward in terms of greater loyalty from coethnics.

⁵⁰⁴ This expression is used to denote participation.

⁵⁰⁵ Barrett, G. A. (1999:317) 'bank finance for African Caribbean enterprise'.

The implicit proposal of the Partner System as a viable strategy for business financing is advanced by Barrett. He opines that,

“An effective partner would allow the potential African Caribbean entrepreneur to borrow from the scheme in addition to or in place of bank finance. This would not only offset the acute problem of under-capitalisation experienced by African Caribbean businesses but also provide a community based stimulus for the further growth of the African Caribbean petty bourgeoisie.”⁵⁰⁶

As noted earlier Giles Barrett is an African Caribbean researcher and has seen the potential of this scheme, being privy to its ability to garner funds for specific purposes, not excluding commercial and entrepreneurial activities. The general perception that schemes which are this dependent on social capital such as personal trust must inevitably decline in the face of post-modernism has been proven wrong.⁵⁰⁷ The system obviously demands a certain level of trust between participants but is largely dependent on the reputation of the banker. We have already alluded to the banker retaining the ‘gift’ as a safeguard against possible default. Nonetheless the whole system is predicated on trust with the only recourse in the event of default being moral suasion and group sanction.

The view that the importance of personal trust on which partner schemes and other similar rotating savings and credit institutions are dependent will inevitably decline with post modernity has been questioned in the literature.⁵⁰⁸ There usefulness is

⁵⁰⁶ Barrett, G. A. (1999:317). ‘bank finance for African Caribbean enterprise’.

⁵⁰⁷ Light, I. (2004:15) ‘The Ethnic Ownership Economy’.

⁵⁰⁸ Light, I. (2004:15).

even the more poignant as the world economies reel under the strain of a financial and banking sector-derived recession. The call for greater regulation is only necessary because of the failure of institutions to live up to the trust that was placed in them. We see here that the African Caribbean person has not been without useful systems and traditions that can be leveraged for financing her entrepreneurial activities and dreams. It may very well be the case that even in this instant African Caribbean persons have deliberately perceived those institutions and practices which are a throwback to the Caribbean way of life as deserving of being abandoned. Recent events in the mainstream sector have only served to highlight the relevance of the old ways.

Institutions such as 'pardna' allow for the conversion (loosely defined) of social capital in terms of trust, community connections, fidelity etc, to some form of financial capital. This is highly valuable in an environment of hardship, discrimination and exclusion and also during times of uncertainty. While we can quickly recognize social entrepreneurship potential, there are also significant potential for strict commercial exploitation of opportunity using money saved and garnered by such systems as 'pardna' as seed funding.

CHAPTER 6

Entrepreneurship and the African Caribbean Pentecostal Church

6.1. A Discussion

The nexus of entrepreneurship and religion has been seen as a natural field in which to plough for nuggets of understanding of economic growth and advancement. Whereas religion deals with the issue of man's fundamental beliefs and interpretation of life and life events, economic growth and indeed survival is largely predicated on the ability of individuals to manipulate existing resources to produce new goods and services that are or will be of use to themselves and others. The connection between entrepreneurship and religion merits inquiry. For, whether consciously or unconsciously, fundamental beliefs direct our everyday life. This inquiry has been identified as the question that Weber attempted to answer in his work *The Protestant Ethic and the Spirit of Capitalism*. In the foreword to the 1971 impression of this work, translated by Talcott Parsons, R. H Tawney, an eminent theologian, reflected on the question that drove Weber's treatise as "... that of the psychological conditions which made possible the development of capitalist civilisation."⁵⁰⁹ Here we find religion as that significant factor influencing the psychological condition/conditioning or framework within which capitalism and the capitalist civilisation is formed. This is seemingly attested to by a number of important works that have been produced in response to Weber's volume. Werner Sombart's work on the role of the Jews in

⁵⁰⁹ Tawney, R. H. page 1 (c) in Weber, Max (1930) *The Protestant Ethic and the Spirit of Capitalism*. Unwin University Books. London.

Capitalism⁵¹⁰ and Michael Novak's much later positioning of the Catholics' contribution to capitalism,⁵¹¹ are not refutations of the importance of the question but rather complementary pieces to understanding the psychological groundwork for capitalism and indeed dominant notions of commercial entrepreneurship that religion provided. Here we have the three dominant western religious systems or philosophies being cast in terms of their contribution to that triumphant economic system and civilisation, namely capitalism. Firstly, Weber's thesis on the dominant and decisive role of Calvinist Protestantism, then Sombart's positioning of Judaism as a main contributor if not source, while Novak insists on paying tribute to the contribution of Roman Catholicism to the march of Capitalism.

Capitalism as an economic system provides a most telling demonstration of the power of the entrepreneur - whether he is cast as that hero-innovator, the superintendent-manager, that brilliant businessman, risk taker or the alert investor⁵¹² - to change the course of history, advance the wellbeing of humanity and solve age-old problems. It remains that the psychological orientation that enhances or hinders this phenomenon is deserving of investigation. To the extent that this psychological orientation is influenced by religion we most certainly can gain useful and unique insights into the phenomenon of entrepreneurship by peering through the lens of religion itself. There is value in maintaining the validity of an inquiry into this

⁵¹⁰ Sombart, W. (1911, 2001) *Jews and Capitalism*. Electronic copy published by Batoche Books, Canada.

⁵¹¹ Novak, M. (1993) *The Catholic Ethic and the Spirit of Catholicism*. Free Press, New York.

⁵¹² This is an encapsulation of what has been presented earlier. To Schumpeter the entrepreneur hero-innovator, Mill noted his role as superintendent-manager, that brilliant businessman was the take of Marshall, while Knight and Kirzner referred to the entrepreneur as risk taker and alert investor respectively.

orientation, even in this post ‘death of God’ era.⁵¹³ At the heart of entrepreneurship is the individual. This fact merits a serious investigation into those factors, which are attendant on the individual, including religion. By focusing on the religion of the individual and its effects allows us to bring into sharper scrutiny the beliefs, rites and rituals of discussion of the individual regardless of ethnicity.

For the ethnic entrepreneur, his ‘otherness’ has largely been deemed to be the dominant bundle that renders him successful or unsuccessful in the pursuit of enterprise and self-employment. Thus, he is viewed as leveraging the social and cultural capital that finds particular currency and value in the context of being ‘non-mainstream’. An economic outcome is thus arrived at through the agency of primarily a non-economic bundle of features or characteristics. This notion of ‘entrepreneurship by exceptionalism’ is not devoid of criticism.⁵¹⁴ However, what remains valid and worthy of exploration is that extent to which features of difference have impacted on entrepreneurship. Indeed, entrepreneurship itself is rooted in the difference between individuals, whether naturally occurring or the product of nurture.

The discussion of ethnic entrepreneurship and religion is almost paradoxical as religion is in many cases used as an ethnic category or proxy in the study of entrepreneurship itself. However, where ethnic entrepreneurship relates to the study of

⁵¹³ This ‘death of God’ statement is increasingly brought into question as the issue of religion becomes increasingly mooted in various circles. Most recently, the former Prime Minister of Britain Tony Blair was reported as declaring that no leader in contemporary society can afford not to ‘do God’. This is in direct contrast to a position that was taken by the publicist Alastair Campbell while in the employment of Prime Minister Blair.

⁵¹⁴ We have earlier alluded to this body of literature particularly the mixed embeddedness theory, which postulates that the basis of ethnic entrepreneurship is rooted in the regulatory and general economic conditions to which the ethnic entrepreneur is exposed.

the creation of businesses by persons from different cultural or geographical origin within host countries, it becomes valid to go beyond subsuming religion within the broader concept of culture. For despite the closeness and sometimes almost perfect amalgamation, for our purposes they must be seen as separate, though related. In terms of our discussion in this subsection, for religion we do not here refer to sects or denominations within broadly defined religious traditions but rather the major religions themselves. Sombart's work on the Jews was a reply to Max Weber's earlier treatise on Protestants. Yet, this is not a consistent comparison as whereas Weber dealt primarily with a sect or tradition within Christianity, Sombart dealt with an altogether different religion. A more consistent comparison would be between Weber's *Protestant Ethic* and Michael Novak's *Catholic Ethic* as both are looking primarily on traditions or sects within the same religion. Neither of these qualifies as an example of a discourse on ethnic entrepreneurship and religion as their subject was not the business practice or entrepreneurial activities of minority groups in a host society. The other major religions have come in for some reflection in the established literature, largely in terms of the wider sociological questions of society. This is more pronounced in the work of Weber. Once more Weber established his scholarship by looking at the religions of both India and China in books bearing the respective titles⁵¹⁵, but as before, not from ethnic minority backgrounds or perspectives as he analyzed them in the situation of their dominance. It is Sombart's *Jews and Capitalism* therefore, that stands out as the possible example of a discourse on ethnic entrepreneurship and religion. Seemingly, the diversity of the large world religions do not allow for easy adaptation to the analysis of

⁵¹⁵ Weber, M. (1968) *The Religion of China: Confucianism and Taoism*. Translated and edited by Hans Gert (1968) *The religion of India: the sociology of Hinduism and Buddhism*. Translated and edited by Hans H. Gerth and Don Martindale.

ethnic minority entrepreneurship. It may be that smaller and younger religions such as Sikhism would allow for greater analysis on the issue of entrepreneurship, as there appears to be greater homogeneity in beliefs and practices. It must be borne in mind that here we are still speaking of the religions themselves as units of analysis rather than sects or doctrines within the religion. As will be shown our work takes particular aim on a particular denomination set in a specific culture from a particular geographical origin.

It would be remiss to suggest that there are no detractors to the prominent works and ideas of religion and entrepreneurship that have been raised so far, as indeed there are. One of the main criticisms has been the Euro-centricity of the studies. It is viewed that Weber has projected Capitalism as a European idea that has been fully facilitated by Calvinist Theology. This is set against the background of the notion that in the absence of Calvinist Theology, there would be no world wide economic system and hence no development of the type that has been witnessed since. This exceptionalistic presentation of Europe has been rejected by Andre Gunder Frank, who has sought to show that what was obtained in Europe was pretty much a part of a worldwide system of development to which in some measure Europe was peripheral. He discusses the use of capital from India and the Orient, as well as the New World and the extent to which these provided the investment that drove Europe's industrial development.⁵¹⁶ In terms of Eurocentric exceptionalism, even Sombart's work on the Jews was simply seen as a part of the whole conspiracy. It can thus be argued, that ethnic entrepreneurship itself is the product of a Eurocentric idea wherein entrepreneurship by non-European 'ethnic' group must be seen as an oddity of sorts. In this same vein, we see a startling extent to which

⁵¹⁶ Frank, Andre Gunder (1998) *Reorient: Global Economy In The Asian Age*. University of California Press. USA

there emerges an hierarchy of entrepreneurial ability wherein Europeans or white ethnic groups are expected to be naturally entrepreneurial, followed by Orientals – Chinese, Japanese and Koreans, then South Asians – Indians, Pakistanis, and running at a pitiful last Blacks – including African Caribbean and Africans.

For the purposes of this chapter, our primary concern is to discuss a number of themes, which are of importance to the consideration of African Caribbean entrepreneurship; evaluate the extent to which we may surmise that the historicity, theology and psychological orientation of African Caribbean Pentecostalism affect African Caribbean entrepreneurship as seen in the UK. To this end we will review the main contributory sources of African Caribbean Pentecostalism and theology and their interaction with entrepreneurship and money. By assessing the socio-economic and religious conditions which prevailed in Jamaica, from the post-emancipation era, through to the point at which Pentecostalism arrived in the island and up to when the mass emigration to the UK commenced, we might be able to glean the psychological framework in which early Pentecostal immigrants and those who subsequently joined the churches viewed the issue of entrepreneurship. This chapter will show the validity of a theological discussion of, and engagement in, entrepreneurship from the point of view of African Caribbean Pentecostalism.

6.2. African Caribbean Pentecostalism and Entrepreneurship

Any consideration or discussion of African Caribbean Pentecostalism demands a definition of terms as both African Caribbean and Pentecostalism are rather varied and contested terms. In the course of this study, we use African Caribbean when in majority

of cases our discussion is largely centred on those persons of Jamaican background. To a great extent the dominant culture among African Caribbean peoples can be identified as Jamaican. It would be a mistake to suggest that those who hail from the other islands or Guyana - which is on the South American mainland - are by any means quiet or subdued concerning their culture, but it appears to a large extent that black West Indians found ways and means to employ the elements of their culture that will provide the greatest good to the largest number. A case in point is the use of Carnival. The Carnival celebration was virtually unknown in Jamaica up to the 1980s except among those who were students of the University of the West Indies at some point in time. Yet, it became a rallying point for the entire population of West Indians living in the UK starting in the 1950s. Carnival has now been embraced by all, including Jamaicans.

Pentecostalism as our focal point should in no way detract from the fact that there are other bona fide African Caribbean Christian traditions and churches, which are very much alive in the UK. Modood et al, using a variety of national data sources, showed that among Caribbean people, the most popular church was the Church of England.⁵¹⁷ The group which was designated 'New Protestants' showed a following that was 25% of the Caribbean population overall but 37% of the 16 -34 cohort. This group of New Protestants included not just Pentecostals but also Seventh Day Adventists and others. Up to recent times, a keen look on the Caribbean overall would reveal that Pentecostalism was only dominant in Jamaica and to a lesser extent St. Vincent. In all the other islands, Anglicanism and Older Protestants such as Baptists and Methodists were leading churches. This lends credence to the observation that here in the UK the

⁵¹⁷ Modood, et al (1997:299) *Ethnic Minorities in Britain: Diversity and Disadvantage*. Policy Studies Institute. London.

popular African Caribbean led Pentecostal churches betray a strong Jamaican influence. It must be noted that even in this context, the Pentecostal churches themselves were and are composed of many individuals who were members of other Older Christians churches. Many moved to the Pentecostal churches for a number of reasons, including blatant racism in the other English denominations. The present discussion does not allow us to follow this thread for indications of entrepreneurial actions or intent.

African Caribbean Pentecostalism, as is practiced in the UK, can claim a genealogical link all the way back through the slavery experience to Africa. Africa however, is not the only contributor to African Caribbean Pentecostalism. Both the USA and Europe have played a significant role in what is obtained in the current manifestations of African Caribbean Pentecostalism in the UK. Our analysis will follow the movements as well as the religious actors on the Jamaican scene over the years. The movements or religious forms include African expressions, conformist churches as well as non-conformists and Pentecostals. The actors are Obeahmen, Myalist priests and priestesses, parson and missionaries, enslaved Africans and Emancipated African Jamaicans. These movement and actors all had some impact on the sociology, psychology and indeed economics of Jamaica's history.

6.2.1. African Religious Retentions and Entrepreneurship – Myalism, Obeah and their Functions.

Commentators tend to see the style of worship and preaching of African Caribbean Pentecostalism as clear display of African retentions. This is by no means

surprising as it can be posited that Jamaican Pentecostalism runs a discernible line all the way to African religions as evidenced in Jamaica. The thesis that has been projected is that African Caribbean Pentecostalism is the successor of Myalism and its various offshoots.⁵¹⁸ The usage of Jamaican Pentecostalism as against African Caribbean Pentecostalism when referring to the UK is deliberate. Jamaican Pentecostalism is used with reference to Pentecostalism in Jamaica. Since African Caribbean is the only available ethnic category, it is used in the context of the UK. At the same time, bearing in mind the cultural and demographic dominance of Jamaican in African Caribbean Pentecostalism in the UK, the case can be made that there are rich insights to be gained by looking at the Jamaican trajectory in particular.

The discussions on African Jamaican religion during slavery often refer to two religious expressions, namely Obeah and Myal. Obeah predates Myalism, being recorded as early as 1736⁵¹⁹ and was viewed by contemporaries as having a very strong hold on both Africans and Europeans who lived in the island. It was largely used as a means of control among Africans and resistance against slavery, with the charge being laid on many Obeahmen of killing both slaves and Europeans. No rebellion or uprising took place without the active participation of Obeahmen. Nor were the practitioners always men, as women were known to be quite involved in the practice.⁵²⁰ It was often characterized by the use of herbs and other materials as varied as blood of animals and grave dirt. These materials were taken to have intrinsic power or able to be energized by the power and incantations of the Obeahman. Thus Obeah during the era of slavery was

⁵¹⁸ See Austin-Broos, D. (1997). *Jamaican Genesis* for a detailed discussion on the links between Jamaican Pentecostalism and African Jamaican religious forms.

⁵¹⁹ Long as cited in Monica Schuler (1991); Pitman, F. W. (1926:653) referred to records of an Obeah man being hung in Antigua for activities in a 1735 slave insurrection.

⁵²⁰ Thorton, Leslie (1904:263) 'obeah in Jamaica' in *Journal of Comparative Law*.

used; as the spiritual source of resistance; protection against the evils being perpetrated by whites against Africans and Africans against each other; and as a tool of evil (including murder) against both whites and blacks. Obeah is always focused on the individual rather than the community, and as such is often a source of disunity.⁵²¹

Myalism has been viewed as a response of the Africans during the days of slavery to counter the destructive effects of Obeah. This is evinced by the fact that the period in which Myalism was shown to thrive is much later than the earliest accounts of Obeah.⁵²² The idea has been advanced that the British expressed a policy of neutrality where customs, beliefs and ‘systems of thought’ were concerned except in cases where these affected or threatened life and property.⁵²³ Although the writer did not add profits to his list of factors against which threats must be seriously met, ‘action speaks louder than words’. It is also clear that in the case of the transported African his system of thought, beliefs and customs naturally and fundamentally represented a threat to the property, profits and life of the Europeans. This was unavoidably so, as the system of enslavement was inimical to the love of freedom inherent in humanity and could only exist where self worth is severely degraded. Myalism was a cult of resistance that simultaneously countered the Obeah with its system of murder and control through fear; the slave system that oppressed the people and blighted their every spring of hope; and the disunity and wickedness between Africans that naturally flourished under the oppressive canopy of slavery. The rituals of the Myal religion were centred on a dance – the Myal dance. Its belief system included belief in one God, angels and ancestors.

⁵²¹ Schuler, M. (1991) ‘Myalism’

⁵²² Schuler, M. (1991) ‘Myalism’.

⁵²³ Pitman, F. W. (1926:651).

As with the Obeah practitioners, Myalists were skilled in the use of herbs. This is a common skill within African religion priesthoods. It gives further credence to the theory that Myalism was the Jamaicanisation of the work of medicine men and women who arrived as slaves from Africa⁵²⁴ and whose work normally includes the protection of the tribe, clan or community from the work of witches. The importance of healing and the capacity to heal were of tremendous religious and economic import. In the context of slavery, the enslaved African Jamaican knows that his value to both his community and indeed the profiteering plantation society is dependent on his physical wellness. Being in a state of continued ill-health will no doubt affect his community of fellow enslaved persons as their share of work in the fields or factories would increase proportionate to his absence. The Obeah man or woman could heal as he/she could kill and did both, as was paid to do or as it suited his/her purposes. The Myalists however, were committed to healing only. This is not to say they were ignorant of the destructive powers of herbs, but made a decision not to follow that path. Myalism emerged in the post 1760 era when the plantation system was at its zenith. As such the flow of Africans into Jamaican slave plantations was at its maximum. This was also a time when the treatment of slaves was at its worst, as the primacy of the profit imperative outweighed everything else in the minds of the plantocracy. Extreme conditions of deprivation and servitude met with an increased inflow of Africans (which would no doubt increase the numbers of priests and medicine men arriving)⁵²⁵ were fertile grounds for the emergence of this religious form.⁵²⁶

⁵²⁴ Barrett, L. (1976) *The Sun and the Drum*; Mbiti, J. (1990:162 -167) *African Religions and Philosophy* 2nd edition. Heinemann Educational Publishers, Oxford.

⁵²⁵ It has been postulated that deliberate attempts were made by slave traders to prevent such individuals from getting onto slave ships and being transported to the New World. However, they were not always successful and a number of these individuals did make it to the New World, taking with them skills and

Many elements of their core beliefs were consistent with Christianity. Increasingly, Jamaican theologians are confirming that Myalism must be seen as an acceptable form of Christianity, more consistent with an African cosmology rather than simply a syncretised, primitive expression of Christianity. This however was not the view of the planter class who quickly outlawed the movement. All this has been expressed by Edmund Davis, who noted,

“Myalism enabled the oppressed and alienated Afro-Jamaican peasants to escape from the social reality of their suffering through trances, dances, drumming, spirit-possession and the celebration of their religious faith and hope in ways that the missionaries would never appreciate. In other words, the peasantry responded to the restorative rituals of Myalism as a therapeutic process for their social ills, since Myalism was against all forms of anti-social behaviour within the community as well as against economic extortions by the oligarchy. Instead of endeavouring to comprehend and appreciate the socio-religious significance of Myalism, European missionaries were determined to eradicate what they regarded as African superstitious and pagan beliefs and practices”⁵²⁷

The strong emphasis of the group on healing, social harmony, resistance to economic exploitation of blacks by their fellow blacks and a denunciation of anti-social behaviour were significant factors in its popularity and persistence. The view that Myalism was African superstition is a clear example of the narrow-mindedness of the European view.

abilities. Legend holds that Boukman Dutty was one such individual. He was transported from Jamaica to Haiti and subsequently became the spiritual advisor to the Haitian Revolution.

⁵²⁶ Schuler, M. (1991) ‘Myalism’.

⁵²⁷ Davis, Edmund (1978:44) “*Roots and Blossoms*”.

Myalism met with the Baptist Movement and gave impetus and credibility to that imported religious expression (Baptist Movement) in the eyes of the enslaved. Both found an unspoken symbiosis, wherein the Myalists could use the Baptists slender legitimacy to further the plot of overthrowing slavery, while the Baptists utilized the organisational system created by the Myalists.⁵²⁸ The Baptist Movement gained momentum and was at the forefront of the push for Emancipation, which culminated in full freedom for the enslaved in 1838.

Many of the Myalists remained a part of the Baptist churches during the period immediately after Emancipation. The period was characterized by concerted attempts by the plantation owners to force the newly emancipated African Jamaicans into working on the plantations for pittance rather than deciding their economic future through self-employment. Many slaves had saved up money earned from various entrepreneurial ventures during slavery but were prevented from buying land. This obstacle to self-determination and entrepreneurship was put in place by the plantocracy in order to keep the slaves dependent on the plantations and thus ensure a source of cheap labour for the planters. The Baptists were also quite instrumental in creating free villages in which assisted some individuals and families in getting access to land. The Myalists were also quite vocal in terms of the system that sought to bind emancipated slaves to plantation labour. Many refused to work, adamantly declaring that their work is to do 'the work of de Lawd' as a defence against various arbitrary laws which were passed in order to force them into wage employment. This was also a rebuke of the formal, professional,

⁵²⁸ The celebrated ticket system as a way of keeping track of their members and also to exclude pretenders was well accepted among the enslaved by the time the Baptist arrived. This was incorporated into the work of the Baptist Missionaries.

white ministers. The Myalists demanded the same legitimacy bestowed on Anglican ministers whose work for the Lord was quite dubious. They also led protests against the predatory activities of shop-keepers who traded on the estates. These shopkeepers showed a proclivity to manipulate prices and exacerbate the suffering of the poor. Estate shops were normally managed by African-Jamaicans who were favoured by the plantation owners and thus became the recipients of the scorn of the Myalists. The system of estate shops and provision commissaries played a significant role in the economic control of ex-slaves. These shops operated without competition. Forced to procure their necessities from them, the ex-slaves entered into this money economy being at a clear and extreme disadvantage. This system was also noticed in the context of the USA in the aftermath of the Civil War as many plantations had shops from which ex-slave labourers and share-croppers were forced to buy their provisions, clothing and tools. Here too, African American churches were instrumental in breaking this system of control that prevailed over the economic life of the ex-slaves.⁵²⁹ In Jamaica, the level of control and the absence of a general political economy that would engender competition left the Myalist with no choice other than to protest and preach against the wicked and exploitative practices of shop-keepers.⁵³⁰

In the subsequent years, differences in practice and doctrine led to a formal break between the Myalists and the Baptists. The segment displaying significant retention of Myalism became the Native Baptist, while the more 'orthodox' branch was established as the Jamaica Baptist Union. The Native Baptists continued the practice of

⁵²⁹ This and other instances of the link between churches and economic or commercial activities in the post civil War era is discussed at some length by John Giggee in the chapter on Spiritual and Commercial life in his book *After Redemption*.

⁵³⁰ Turner, Mary. (1998) *Slaves and Missionaries: The Disintegration of Jamaican Slave Society 1787 – 1834*. The University of the West Indies Press. Mona. Jamaica.

such rituals as 'the washing of the saints feet'. While the Baptist Union followed what might be described as a more Eurocentric model under the direction and support of the British based Baptist Missionary Society.

The 1860 Revival in Jamaica has been referred to as the Myal Revival. This spiritual movement saw expressions of old Myal practices being touted nearly a century after Myalism was brought to prominence. Out of this spiritual revival grew various forms of 'holiness' movements and congregations which did not make themselves a part of either the established historical churches or other non-conformist congregations, but drew in large parts from both the African tradition, as exhibited by the Myalists, as well as more Christian rituals and expressions. These discrete congregations were scattered all over the islands with some showing loose affiliations among themselves. The emphasis was on holy living, healing and the removal of destructive forces from community and individual lives. The march against evil in the form of Obeah continued to play a big part.

One of the most interesting of these was the Bedward Movement that had followings all over the island and was seen as a threat by the colonial forces. This movement was led by Alexander Bedward. The tenets of this organisation included an advanced pneumatology, a level of millennialism and a belief that the powers of oppression should be destroyed. These features are also prominent in Jamaican Pentecostalism. The influence of the dominant figure of this movement was attested to as he had followers from as far away as Latin America and Cuba. An interview with Alexander Bedward revealed that the rite of candle burning that was prominent in his

congregation was symbolic of the Trinity. Thus, Mary Beckwith, an American anthropologist and writer, who interviewed him reported, "He said, "The tallow is like God; the wick within the tallow is like Christ in the bosom of the Father; the flame is the Holy Ghost who came from the Father and the Son."⁵³¹ This is an example of the ways in which African Jamaicans were wont to express their understanding of God using every day examples that can be understood by the ordinary persons. The tenets of his beliefs gave pre-eminence to the role of the Spirit and the Spirit's work decades, before the Asuza Street event.

Alexander Bedward was highly intelligent, boasted knowledge of medicine and herbs and had visions. Like Marcus Garvey⁵³² and Howell⁵³³ who followed after him, in this vein of resistance, Bedward had spent several years abroad. Sadly, he was arrested by the colonial authorities, tried, declared insane and subsequently died in a mental asylum in Kingston, Jamaica. His movement continued for some time and eventually petered out, but is still talked about in discussions on indigenous religious expressions. The Bedward Movement remains in essence one of the most declarative religious based resistance movement against colonialism and oppression in the Americas.

The likelihood that Marcus Garvey was influenced by Bedward is significant. Yet, while Bedward was infamous and at times ridiculed as a result of the failure of

⁵³¹ Beckwith, M. W. (1923:42) 'some religious cults in Jamaica' in *The American Journal of Psychology*, Vol. 34, No. 1, (Jan., 1923), pp. 32-45

⁵³² Marcus Garvey had spent a number of years travelling in the Americas and later set up the UNIA. Whereas Garvey's United Negro Improvement Association was not explicitly religious, religion was a clear component

⁵³⁹ Howell had worked in the United States for some time. Howell's Rastafarianism was outrightly religious. Both Marcus Garvey and Howell started resistance movements.

some of his more fanatical predictions, the extent to which he openly advocated a view of the Millennium characterized by a reversal of power roles between Blacks and Whites and the fright it elicited among the upper echelons of colonial society would have provided some lessons for the radicalism of Marcus Garvey. We are forced to surmise that the failure of Bedward might have informed Garvey's 'Back to Africa' model of black liberation, rather than the overthrow of White Supremacy and colonial powers in the Americas. For both, entrepreneurship in the form of self-reliance was a significant plank in their resistance and liberation drive. At this point in our understanding, we can also accept that resistance itself as shown by both Garvey and Bedward, carry important elements of entrepreneurship – evaluation and risk taking. The foregoing provides an encapsulation of the nature and condition of religious expressions among African Jamaicans at the turn of the twentieth century. It is to the issue of entrepreneurship among the enslaved and following on into the post Emancipation period that we must now turn.

6.2.2 Entrepreneurship and Religion among the Enslaved

During slavery, enslaved African Jamaicans were allowed time off (usually a day per week) during the less demanding seasons to cultivate plots on marginal lands.⁵³⁴ This was hardly possible during the seasons of planting and harvesting of sugarcane as these activities are particularly labour intensive. The products from these plots would supplement their diet as well as provide income through sale. Slaves were also allowed

⁵³⁴ Mintz, S. & Hall, D. (1991:325).

at times to market their skills in whatever trade they possessed. Many enterprising individuals were able to earn appreciably good wages in this way and save as well.⁵³⁵ The Caribbean economic historian, Verene Shepherd, has shown that there was a highly diversified economy at work during slavery that clearly would have provided opportunities for enterprising slaves including artisans to earn and purchase what they desired.⁵³⁶ Quite understandably, there also emerged a class of intermediaries between producers and buyers, a prototype of the present day Jamaican ‘Higgler’⁵³⁷ but also very much an entrepreneur after the order of Kirzner’s trader. That is, one who sees an opportunity for profit in as a result of information and knowledge on prevailing prices. There was also evidence of considerably commercial selling of produce by ‘hawking’ or itinerant peddling as recorded by the historian Edward Long, who visited Jamaica and wrote in 1774. Mintz et al, further showed that Long estimated some twenty percent of the currency in national circulation at the time, was in the hands of slaves!⁵³⁸ The extent of the holdings of the slaves, all gained by careful industry and entrepreneurial trading is commented on by Long. This accrual is usually only seen when it is disposed of on the death of the slave. Long wrote,

“Negroes have been known to possess from £50 to £200 at their death; and few among them, that are at all industrious and frugal, lay up less than £20 or £30. For in this island they have the greatest part of the small silver circulating among them, which they gain by sale of their hogs,

⁵³⁵ Shepherd, Verene (1991) ‘Trade and Exchange in Jamaica in the Period of Slavery’ pp. 111 – 119.

⁵³⁶ Edwards, Bryan, (1793. 2:131) as cited in Mintz et al pp.324.

⁵³⁷ A higgler is a word of British origin used to describe an itinerant seller. It is still used in Jamaica, where it refers to someone, usually a female, who takes the produce from the farmers and sells in the city or large rural towns.

⁵³⁸ Mintz et al (1991:327) ‘The Origins of the Jamaican Internal Marketing System.’

poultry, fish, corn, fruits, and other commodities, at the markets in town and country.”⁵³⁹

This shows a level of entrepreneurial aptitude that became the mainstay of the local economy and the backbone of the domestic production of food on which Europeans, both those resident as well as travelling ships, were dependent. But it was not only the domestic economy that saw the active participation of enslaved African-Jamaicans, as a number of items that were not produced on a plantation or estate basis were also traded and exported. These included arrowroot, castor oil and turmeric, to name a few.⁵⁴⁰ Enslaved African Jamaicans were also actively involved in the production of small craft items essential to the daily lives of households.

The Sunday Market became an institution among slaves and provided many an entrepreneurial individual with a sizable income.⁵⁴¹ This kind of market would be immediately recognizable to any African, particularly as most of the ethnic groups from which enslaved Africans were drawn were significant traders and boasted settled trading towns throughout West Africa. Not only were Africans exposed and adept at the use of the market and its systems but also for the British and Europeans, the market was a special place. Of some interest to comment is the extent to which issues of religion and Christian beliefs took backstage to the economic imperative. This is seen in the very fact that the market day for slaves (and hence master and free households) was on a Sunday. The Planters were wont not to lose a day of slave labour hence they gave slaves what would normally be their rest day – Sunday – to be the day that they could take

⁵³⁹ Long, Edward, (1774, 2: 410 – 411) as quoted in Mintz et al (1991:328).

⁵⁴⁰ Mintz, S., & Hall, D. (1991:328).

⁵⁴¹ Mintz, S., & Hall, D. (1991) ‘The Origins of the Jamaican Internal Marketing System’ pp. 319 – 334.

their produce for sale. Such a practice would no doubt increase the demand for those entrepreneurs who would grasp the middleman position of taking goods from cultivators to market. For as slaves had only one day to either cultivate or walk a far distance to the market, there are those who would see it as far more beneficial to send their produce to market rather than take it themselves. To this day, in Jamaica, most small farmers will refuse to sell their own produce in the markets and are totally dependent on higglers and middlemen.

Understandably, both the Myalist and the Obeah practitioner were of importance to the market procedure and process. Their services provided psychic protection against both evil spirits and individuals as the traders travelled to market as well as to ensure good success in the trading. Moore et al cite Mary Turner as showing that Obeah charms were used for the protection of both individual and property.⁵⁴² The contested economic space of the Sunday Market would have also increased the likelihood of someone ‘working Obeah’ or using witchcraft to gain an advantage over a competitor. This would need to be countered by the Myalist. With the advent of the Baptist, as the first and most successful evangelists to the slaves, the Sunday Market as an institution was seen competing and hindering their missionary activities. The Baptist were not alone as Long, writing in 1774, is cited as lamenting the fact that ‘Christian dealers’ were not on equal footing with the Jewish traders who did not have to restrain from business on Sundays.⁵⁴³ This is a clear case of inevitable conflict between an economic opportunity for the enslaved soon to be ex-slaves and the interests of the missionaries.

⁵⁴² Moore, B. & Johnson, M. (2004:15). *Neither Led nor Driven*.

⁵⁴³ Long, E. (1774, 2:492) as quoted by Mintz et al (1991:330).

Interestingly, Sidney Mintz, a Caucasian scholar had this to say concerning the work of the Christian missionaries and the interaction with the market system, "... the same observers who debated whether the slaves were capable of learning even the fundamentals of Christian teaching were surely aware of their very human capacity for creating and employing wealth by cultivation and commerce."⁵⁴⁴ Sidney Mintz was easily one of the most eminent anthropologists and academic researching the Caribbean and other societies. He employed his skills to conclude that the entrepreneurial capacity of enslaved African Jamaicans leveraged during the infamous era of slavery was not only the lifesaver of the most profitable European colony in the New World but obviously one of the greatest examples of the 'human capacity for creating and employing wealth'.

What wealth did the slaves create? We could restrict our definition of wealth to sheer money, as indeed there is no need to formulate any new or contemporary notion of wealth. Simply put these enslaved African Jamaicans made money from the most marginal lands, limited time and minimal control over their own persons. 'Cultivation and commerce' throws up the combination of production (cultivation) and marketing and sound business practices (commerce). This is easily one of the finest definitions of the entrepreneur by any measure. It was the institution of the Sunday Market, being most integral to the commerce and the entrepreneurial process of enslaved African Jamaicans that the churches, both Non-Conformists and Anglican were now vigorously attacking as counter to the pursuit of God. This conceptualisation of the Christian God

⁵⁴⁴ Mintz, S. (2003:538). 'The Origins of the Jamaican Market System' in *The Slave Reader. Volume 1* (edited) Gad J. Heuman & Walvin, James.

being uncomfortable with money and business, particularly in the control of African Jamaicans was significantly underlined and cannot be overstated.

In the post emancipation era, Obeah – a religious practice - was used as an entrepreneurial activity. Leslie Thornton, a jurist who practiced in Jamaica, remarked concerning a growing trend in the latter part of the 1800s “... his (the Obeah man’s) craft has degenerated into a trade which attracts every charlatan or knave, who knows, it is easier to gain riches out of the superstition and gullibility of his countrymen than by the sweat of his brow.”⁵⁴⁵ This same writer recorded a number of successful prosecutions of persons suspected of ‘working Obeah’. This led to some optimism that this would decline and eventually die a natural death. In fact, the Honourable, Udai, noted that the Oxford Dictionary of English that had an entry for the word ‘Obeah’ that was referred to as ‘formerly of the West Indies’.⁵⁴⁶ He stressed his conviction that such pronouncements by the ‘learned editor’ were overly ‘optimistic’. The wish for its demise and decline has been around since the days of slavery as it was viewed as being not only the work of Satan but also responsible for tremendous financial loss to planters and slave-holders. Despite the fact that the practice of Obeah remains a criminal offence in Jamaica, there is no reason to believe it has declined in that country. It would be remiss of us to assume that the practice of Obeah by Jamaicans was left at the ports of the island when its citizens embarked for the UK. A substantive account of Obeah has been presented, covering the era of the first generation of Jamaican immigrants in

⁵⁴⁵ Thornton, Leslie (1904:263) ‘obeah in Jamaica’ in *Journal of Comparative Law*.

⁵⁴⁶ Udai, J.S. ‘Obeah in the West Indies’. *Folklore*, Vol. 26, No. 3, (Sep. 30, 1915), pp. 255-295.
<http://www.jstor.org/stable/1255424> . Accessed: 16/04/2008 15:36.

London.⁵⁴⁷ More recently, this researcher has personally conversed with one of the practitioners of the craft based in Birmingham, UK, who testified to the existence of a large clientele that spans the age range and ethnic divide (and included active churchgoers), as well as a network of practitioners of Jamaican and West African ancestry. Here again the entrepreneurial action and the profit motive are in evidence.

6.2.3. European Christian influences on Jamaican Pentecostalism and Entrepreneurship

Neither the Anglican nor Non-Conformist Baptists were keen on the independent development of entrepreneurship and general economic progress of African Jamaicans in the pre or post Emancipation era. The Anglican Church was primarily interested in making sure the society functioned as a profit generating entity. A committee of the Commons in 1790 heard from three witnesses that they knew of no programme or religious institutions for the benefit of Negro slaves.⁵⁴⁸ When planters posited that the licentious sexual behaviour of slaves was responsible for the failure of the slave population to replenish itself, Porteus, Bishop of London recommended that slaves be taught the Christian religion and therefore “ ... amply repay (this) kindness by the increase of their population, by their fidelity, their industry, ... and obedience to their masters”.⁵⁴⁹ Never did it cross the minds of the planters that the condition of slavery and the practice of working human beings to death not only affected the chances of pregnancies being brought to term safely, but also gave mothers very little impetus to

⁵⁴⁷ Newhall, Venetia (1978) ‘some examples of the practice of Obeah by west indian immigrants in London’. *Folklore*, Vol. 89, No. 1, pp. 29-51. <http://www.jstor.org/stable/1260092>. 16/04/2008 15:34.

⁵⁴⁸ See Worthington-Smith, Robert (1950:173) ‘slavery and christianity in the British West Indies’ in *Church History*, Vol. 19, No. 3, pp. 171-186.

⁵⁴⁹ Porteus, Beilby, *A Letter to the Governors, Legislatures and Proprietors of Plantations, in the British West India Islands* as reported in Smith.

see their children born into such miserable existence. Anecdotal evidence suggests that infanticide was common among enslaved women. It was also a well known fact that the so-called 'licentious' behaviour was not only a matter between slaves but saw the planters as willing participants if not main instigators, for their own sexual gratification.⁵⁵⁰

The Baptist, Methodists and Moravians were only sent out to civilize and bring souls to Christ. To their credit, their consciences did not allow them to sit back idly and allow the continuation of a system that was counter to their fundamental beliefs. They felt it incumbent on them to destroy the system of slavery. Their rationale might have been more succinctly presented by one historian and Baptist Minister, writing a century after the coming of the British Baptist Mission, he wrote, "(w)herever a great social evil is recognized and practised and made the basis for business and legislation, there general moral degradation is certain to be found."⁵⁵¹ This proposes that slavery, as that great social evil, whose very existence undermines every attempt to dethrone evil and encourages all forms of social and spiritual ills. It was little wonder therefore, that missionaries made public declarations never to rest until slavery was destroyed.

The post Emancipation era saw the Baptists buying land and aiding the establishment of self sustaining farms. The objective here was not for the economic empowerment of the black population but more so as a way of encouraging the development of Christian family life as a deterrent to 'licentious' sexual behaviour such as was found decadent physical environment of the slave estates. Another reason was

⁵⁵⁰ Numerous passages in Thomas Thistlewood's *In Miserable Slavery* highlighted this practice.

⁵⁵¹ Tucker, Leonard (1914:15) *Glorious Liberty*.

the fact that the high cost of rent for former slave huts. At the dawn of Emancipation, the very huts which the former slaves had occupied on the plantations were now seen as rented property by the planters. This was despite the fact that they were all compensated for their losses arising from the freeing of the slaves. As such these newly freed people had nowhere to live and were being forced back into wage employment at the mercy of their former owners. This was meant to force the ex-slaves to remain wage earners rather than self-employed homesteaders. The Baptists would have been contented if the ex-slaves remained working on plantations, earning decent wages and being able to afford decent Christian cottages. They were not averse to wage employment as long as the price was right. The ex-slaves had different ideas and were bent on exercising their own definition of what their freedom meant and move into self-employment and entrepreneurship.

In light of that slight but important difference between the view of the emancipated and the European missionaries, what then did the Europeans in general give to Jamaican Pentecostalism that might have affected their view of entrepreneurship? The British felt strongly about such terms as ‘industry’ and ‘hard work’. The infamous Queen’s Reply, which was a statement written by British officials in response to the request for land by ‘some poor people of St. Ann parish in Jamaica, stated that the people would best lift themselves from their situation by industry and prudence and by working for their wages.⁵⁵² These are words, which were uttered with the intention of bolstering the workforce available to estates and to ensure a well ordered colony structured along proper Christianized British lines. To this end, the

⁵⁵² This response is cited in Bruce Knox (1986) ‘the queen’s letter of 1865 and British policy towards emancipation and indentured labour 1830 – 1865’ in *The Historical Journal* 29 (2) pp. 345 -367.

influence of the British churches have been consistent with the establishment of law and civil order, the creation of institutions, the encouragement of education and the entrenchment of a social hierarchy of stratification that would ensure the White Christian was on top. One commentator, looking on the Jamaican society in the 1930s commented, “The schools, courts, churches, newspapers and amenities of life have produced an English type of life.”⁵⁵³ This was deemed to be more so in the city than in the rural parts. The import of this is carried, in that the city life in Jamaica, as in many other parts of the world, is taken to be the standard to which rural and ‘backward’ areas ought to subscribe. It was further observed that, “The outward controls and patterns are English and Christian”.⁵⁵⁴ Thus, it became standard to be of the view that to be Christian was to be more European (white, civilized), as against being African (black, uncivilized) and pagan. The major civil, legal, social and religious institutions of the society reinforced these values. Nearly all the jurists were white up until the declaration of independence in Jamaica.⁵⁵⁵ Bryan remarked that the colonial bureaucrats sought in every way to represent British imperial power and might in a bid to foster and legitimacy of British rule and cultural superiority.⁵⁵⁶ To a great extent this legacy has continued in some quarters.

The European or British influence on social aspirations is quite clear in the context of Jamaica. Education continues to be deemed to be of great value both inherently as well as a means of social mobility and economic value. The British of the latter part of the 1800s were greatly influenced by the notions of utility and the social

⁵⁵³ Merle, J.D. (1942 :5).

⁵⁵⁴ Merle, J.D. (1942:6)

⁵⁵⁵ Bryan, Patrick (2000:68) *Social Control*.

⁵⁵⁶ Bryan, Patrick (2000:256) *Social Control*.

ideas of Jeremy Bentham. Thus, the value to society of educating children took root in the England. The belief that Britain was not only that European location but rather the entire empire meant that in places where they could, they ought to extend the privileges which were available to subjects in England. It is interesting to note that it was only in the aftermath of the Second World War and after a move by Canada, that the notion of local citizenship being different from 'British' citizenship was contemplated.⁵⁵⁷ Thus, whatever reforms were seen of value in Britain were likely to be agitated for the island. Thus, Jamaica had universal access to free primary education from the late 1800s. The fact also that the island was under direct colonial rule and governed by the laws of England meant that those legal reforms which were made in the UK would be immediately applicable to Jamaica. Thus we can see that institutions, social norms, education and legal services were likely to carry that brand of British influence. As noted before, not only were institutions created to reflect this influence but also did the aspiration of the people on every stratum of society. For this is one of the inevitable impacts of social stratification – a most telling feature of British society to date. Whereas this has some usefulness to society, it can only hold for some time as the definition of class and each element involved in stratification will change over time.

The conditions that prevailed in the first two decades of the twentieth century were interesting ones exhibiting improvements over those that attended the 1800s. Whereas the period immediately after Emancipation saw some improvement in the affairs of the masses as the peasantry thrived, drought and deliberate actions by the planter class led to worsening of the state of the former enslaved. The island of Jamaica

⁵⁵⁷ Goulbourne, Harry (1991:98-99) *Ethnicity and Nationalism in Post-Imperial Britain*. Cambridge University Press. Cambridge.

was experiencing some amount of economic growth subsequent to the depressing conditions of the late 1800s. The factors that assisted in the amelioration of this condition included emigration to work in Central America, namely Costa Rica and Panama and the improved opportunities afforded by the burgeoning banana sector. Improvement in the conditions of the island at the turn of the century was not only the product of large-scale entrepreneurial and industrial activities but also of small and medium size peasant farmers. Whereas, big capital from America was quite involved here, local merchants, the Jamaican government as well as numerous small farmers were highly involved in the emergence of the banana trade. Their entrepreneurial actions were given some commendation by the Nobel Laureate Sir W. Arthur Lewis, who in 1959 wrote, "... the speed with which banana displaced sugar showed that its farmers, large and small, were still fairly quick at adjusting to changing opportunities in the export market".⁵⁵⁸ This was primarily because the new opportunity was the market for bananas and this market was in no other place than the United States of America -a place where the market for religion was seeing a tremendous growth of one of its many religious products, namely Pentecostalism. The changing opportunities of the export market were to have a profound effect on the religious and social make up of the island.

6.3. Jamaica and the USA – Advent of Pentecostalism

Several notions have been advanced concerning the emergence of Pentecostalism in Jamaica. Toulis' assertion that 'Pentecostalism had existed in Jamaica

⁵⁵⁸ Lewis, W. A. (October 1959:xxii) This is a passage from the Foreword of Eisner's publication (1959) *Jamaica 1830 – 1930*.

since the beginning of the twentieth century⁵⁵⁹ is made without qualification. The crux of the matter hinges on what exactly is meant by ‘Pentecostalism’. The main tenets of Pentecostalism have been presented as proposed by Marty as sanctification, healing of the body, speaking in tongues and the second coming of Jesus⁵⁶⁰, or by Steven Land’s recital of the ‘full gospel’ motifs that specifically added ‘Justification by faith in Christ’.⁵⁶¹ All of the above, except the distinct notion of sanctification were features of Christianized forms of religious groups and practices in Jamaica before the 1900s.⁵⁶²

Jamaica had enjoyed a good relationship with the USA up to the advent of banana. This relationship was good but not as economically strong as was possible. This was so for two reasons. Firstly, the USA had the capacity to produce for itself most of the things, which were produced in Jamaica. Secondly, given that the United Kingdom practiced a type of protectionism in that all the manufactures used by its colonies could only be purchased from foreign countries – non-British colonies – on pain of the levying of large duties⁵⁶³. Between 1832 and 1910, following the removal of strict levies and duties, imports from the USA increased by as much as five-fold.⁵⁶⁴ By 1884, Jamaica was more dependent on the United States as a market for sugar as they obtained a higher price in the US than in the UK where imports of sugar were now flowing from such places as East India and Mauritius.⁵⁶⁵ This was also a direct result of a policy of

⁵⁵⁹ Toulis, N. (1997:80) ‘*Believing Identity*’.

⁵⁶⁰ Marty wrote this in the foreword to Dayton’s (1987:11) *Theological Roots of Pentecostalism*

⁵⁶¹ Land, S. (2001:18) *Pentecostal Spirituality*.

⁵⁶² Healing, glossalia were prominent features of the Native Baptists. Millenarianism has been featured prominently in both Myal and Revivalist tradition of which Bedward’s proposed flight could be seen as a caricature.

⁵⁶³ This was the product of the Navigation Laws, which demanded all colonies had to buy their produce from Britain in return for monopoly for their produce in the UK market. This changed in 1830 with limited allowance for trade with the USA.

⁵⁶⁴ Eisner, Gisela (1961:269).

⁵⁶⁵ Eisner, G. (1961:268, 273).

cooperation followed by both the United Kingdom and the USA. The first ambassador of Great Britain to the USA, Lord Pauncefoot was keen to foster lasting goodwill between Britain and the USA. The Secretary of the Colonies, Joseph Chamberlain, was warm to idea and by 1895, the USA basically had free reign in the Caribbean in terms of investments.⁵⁶⁶

Banana however, was a different story. Thriving on the love for the taste of the golden ripe fruits that Americans have developed, Jamaican farmers cultivated them en masse, particularly in the parishes of Portland and St. Mary, which saw high rainfall and were close to seaports.⁵⁶⁷ The high profitability of this crop and the extent to which it influenced the life of the people concerned gave rise to songs and poems. Among them the world renown rendition ‘*Day Oh*’ by Jamaican American Harry Belafonte and ‘*Song of the Banana Man*’ by Evans Jones, a British based Jamaican. This time around the profits largely stayed in the island as the owners of these farms were not European absentees but rather local Jamaicans of every colour and hue. It was this success of small peasant farming for the export market that saw a reduction in the emigration of Jamaican labour whether to the Canal Zone of Panama, plantations of Costa Rica or the Cuban sugar plantations. Those who left for these shores were confident that with enough money they would return to purchase land and establish themselves and family. The export of banana was also linked to the growing tourist trade with North America as tourists were brought on ships, which on their return journey carried bananas in their holds. Both these trades as well as the fact that the various places that demanded Jamaican labour were financed by American capital, reflected the growing importance

⁵⁶⁶ Walker, Dorsey, (1951:151) ‘some realistic aspects’.

⁵⁶⁷ Eisner, G. (1959:203-206).

of the United States to Jamaica. Both banana and tourism survived the First World War that saw even further increases in the prominence of America particularly in the Caribbean and Latin America under the Monroe Doctrine. All this portends the increasing exposure of Jamaicans to American culture and influence and the economic implications. It was no wonder then, that American Pentecostalism found its way to Jamaica within a decade of the Asuza street experience.

The Pentecostal Movement has its origins in the USA. Among the first churches to be formed was the Church of God under A.J. Tomlinson. The splits in the body in 1923 resulted in two churches emerging, namely, The Church of God based in Cleveland Tennessee and the Church of God of Prophecy that remained under the leadership of the son of A. J. Tomlinson. The outreach of the Church of God (Cleveland) arrived in Jamaica about 1925. The message of the Church of God and its sister-church, the Church of God of Prophecy, found ready soil in the hearts of the Jamaican populace, particularly poor and dispossessed persons in the parishes of Clarendon, Hanover and Westmoreland. The itinerant nature of the preacher that was common on the Jamaican religious landscape, as well as the fact that persons frequently travelled far and wide to do season agricultural work, allowed for rapid dissemination of its message. Of particular value in this regard was the emphasis on healing. A message that promoted healing and actual miraculous recovery carried special interest and importance to a people who had meagre economic resources, often too small to acquire

medical help, and who were dependent on their physical strength in order to work. They had ready hearts and motives to value healing.⁵⁶⁸

An emphasis on holy and harmonious living also found credence with the populace. The founder of the New Testament Church in the UK, the late Dr Oliver A. Lyseight, had this to say concerning the members he saw prior to his conversion, “I was convinced that they were preaching the Word of God, and that most of the members lived up to a life of holiness. I saw a real change in their morals. Those who use(d) to steal, stole no more. They quit taking intoxicating liquour, stopped smoking and didn’t fight any longer.”⁵⁶⁹ This same writer reported that the services were ‘very lively, attractive and convincing’.⁵⁷⁰ This gives us a further insight into the extent to which this American import found commonality with the fundamental beliefs and religious expressions of Jamaicans.

Subsequent to the 1860 Revival that swept across the island, discrete and disparate religious organizations came to dominate the scene. Many of these were syncretisation of African religions and Christianity. These were dominant among the people of lower socio-economic backgrounds. The Baptist Union, which was the more orthodox, British dominated denomination, had grown to be more representative of the black middle classes and intelligentsia. The project of ‘civilisation’ through Christianity that the Anglicans were struggling to achieve had been strengthened by the

⁵⁶⁸ Conn, C. (1959:61) reports in a footnote, that the Church of God’s first missionary to Jamaica in 1917 was prosecuted for allowing the death of his child, rather than seeking medical aid. It may well have been the case that the missionary understood that the credibility of his work rested on proving the power of this imported denomination through prayer and fasting rather than resorting to the White man’s medicine or the African Jamaican science (Obeah)!

⁵⁶⁹ Lyseight, O.A., (1995:7) *Forward March (An Autobiography)*. Willenhall, West Midlands

⁵⁷⁰ Lyseight, O.A., (1995:7).

accomplishments of the Baptist, who started out as the champions of the common people, a distinction the Anglicans could not claim.

6.3.2. Jamaica and the coming of American Pentecostalism – Social and Economic Conditions.

The social and economic situation of the island in the post World War II period was rather decrepit. The rigidity of the economy in terms of its dependence on export agriculture, which was faced with lower prices on the international market due to high levels of competition from Latin America (banana), Cuba and other countries (sugar) meant that the prices were markedly depressed. Also, the period of the 1930s was an era of decreased global demand in the aftermath of the Great Depression. Jamaica, which has been close to the epicentre of the economy of the Western World since Christopher Columbus' fateful accident in 1492, was easily affected by the dilemma of the First World States. A better understanding of these situations and the extent to which they influenced the growth and emergence of Pentecostalism in general and the New Testament Church of God in particular demands that we reflect on the social make up of the country.

Jamaica has been characterized by a type of social stratification based on class. Race is a factor, but most commentators prefer to use class as the distinctive basis of stratification. This class stratification however was greatly influenced by skin colour or complexion – a proxy for race. A quotation from Dr. Merle Davis, a member of the

International Missions Council who visited the island in the period under discussion is worth listing en block. In 1942 he wrote,

“The racial situation of Jamaica has several distinguishing characteristics. Certain political, economic and social factors as well as the unusual groupings of the population have brought this about. At the apex of the pyramid representing the Crown stands the British official who has been sent to the island with responsibility to govern. Jamaica is his temporary assignment. He knows that in time he will be transferred or retired and that his term of residence is limited. Jamaica has been fortunate in the personnel of her officials. They represent the finest British traditions and are carrying on with intelligence and enthusiasm.”

This charming characterization of the colonial masters in this era is exactly what is expected of a conservative White Christian whose charge in surveying the island was to assess how best to evangelize and Christianize the population and to provide a model for similar ones. Were these British officials markedly different from the ‘aristocratic destitutes’ of a generation before?⁵⁷¹ Or were they worse, rejects of an empire in its waning years? Were they anything more than self-serving civil servants who knew that they needed to present the best picture of Britain in order to validate British rule as well as ensure that their return to the UK would get them a likely promotion from Whitehall as the writer noted? Their likely motives explained their enthusiasm and in the dying days of the British empire being placed in the salubrious climes and such pomp and luxury, there is no doubt in many minds that the official was far more fortunate than the island.

⁵⁷¹ Bryan, Patrick (2000:68).

He went further to describe a second group that was composed of Whites, descendants of former slave masters who have succeeded in remaining essentially white and English. Below this group he added,

“(A) third group, potentially the most powerful in the island, is the educated and nationally conscious Jamaican mulatto with both European and African blood in his veins. They are the barristers, the doctors, the teachers and the pastors. They are carrying the burden of responsibility for the life of the island but are without the power to direct and control. Among this group are some of the ablest minds and most brilliant leaders of the island.”

The members of this social class were the ones who most exhibited the love-hate relationship with British-ness. There was a part of them that rejected Britain and decried their virtual powerlessness in terms of the policy and direction. Yet they were also the ones to offer their services and that of their sons in the World Wars in defence of Britain and British-ness. As pastors, schoolteachers and civil servants, they were the instruments of British control, forced to carry out their maroonage and resistance with increasing vocality. The historian Patrick Bryan cited Wayne Cooper, the editor of Claude McKay’s book *The Passion*, as describing how this ‘psychological ambivalence’ is expressed by individuals “... attempting to embrace Black Jamaican origins while simultaneously clinging to Britain as a spiritual homeland.”⁵⁷² This was the group that was most likely to have the greatest effect on young persons who were upstanding and ambitious in 1940s Jamaica. Inevitably, this ambivalence, this

⁵⁷² Bryan, Patrick (2000:56).

continuous negotiation of identity would play itself out in various ways. While Britain and things British became the standard to which to aspire, it was also what Jamaicans could naturally claim as children of the Empire. This was often done without compromising the African-ness that was a part of their essence, the very substrate on which cultural identity was built.

Davis' categorization was incomplete. He further noted, "(F)ar below.... is the Jamaican proletariat - the "hewers of wood and drawers of water" – who provide the bulk of labour for the estates, the casual labour on the farms and in towns and who constitute the numerous, shifting, unattached class of workers." Also, "between this group and the educated coloured Jamaican is the small farmer – the man who owns and cultivate from three to twenty acres, who grows his own cane, fruit and vegetables."⁵⁷³

Both these groups described above, are composed of black Jamaicans and it is suggested that the chief difference between them is that of economic power. This is the first time that the economic is brought into the system of stratification and categorization used by Dr Merle Davis. Previous to this, the line of demarcation was based on the hue of the skin and degree of British-ness. Among those who were decidedly black, it is their economic holding that will decide stratum and category. The possibility of migration between these two strata is obviously quite common given the relatively low threshold in terms of landholding – three acres. It is obvious that such a move was possible in a single generation with the potential for real advancement into a higher class or stratum for one's children primarily through education. This was

⁵⁷³ Davis, J. Merle (1942:3).

obviously the intent of those among these two groups who migrated to Britain and the US in the post war era. Clearly, they knew that with the acquisition of a certain amount of land, life could change dramatically and the possibility of raising a family at an acceptable standard of living was certainly within their grasp. This was clearly the driving force for many migrant workers. They saw the possibility of answering both an economic need and a social challenge in that one stroke of migrating.

A similar hierarchy of stratification has been cited by McGravan, who drew on Smith and Kruijer 1957 Manual for Extension Workers in the Caribbean. Smith and Kruijer posited that,

“The most wealthy people, large produce dealers, merchants, and large land owners form the island’s elite. Other upper class people are physicians, solicitors, teachers, ministers and highly placed government officials. These are only very rarely found living in the rural areas away from towns. At the top of the social hierarchy in the villages and open country are the ministers of religion, teachers, nurses, post mistresses, sergeants of police, government officials and perhaps some better off shopkeepers and farmers. The lower classes in these areas consist mainly of farmers and labourers, but the differences in status among these are so marked that the lower classes have often been said to consist of five:

- The bigger men or big shots (often addressed as Mass) who never hire themselves out, who do not work day for day, who employ labourers more or less regularly and who make a relatively decent living

- Independents who own enough land so that they never hire themselves out but not enough to employ others
- Cultivators who own a few acres but do hire themselves out on occasion
- Labourers who do not own land
- Beggars, invalids and others who cannot work⁵⁷⁴

I have gone to some lengths to present this hierarchy in its fullness, given its detailing of the social stratification that existed in Jamaica. Here the writers have given little regard to the incidence of race or colour as was done by Davis, but have concentrated on the economic categories or class. This might be because in the period of strong national agitation and the demise of Britain's imperial might as was found in the 1950's, it would have been of little value to project such a race/colour based stratification. Contingent on this economic classification is the extent to which the rural/urban differentiation is accentuated. What was clear was that the bulk of black Jamaicans were included in the ranks of the masses who had to be labourers, seeking their daily bread from uncertain and unrewarding employment. For this group there was no future in Jamaica as far as they could see.

As the decade of the 1940s waned, the respite provided by banana cultivation was on the decline. The United Fruit Company, which had aided in the development of banana production in Jamaica, was now reaping the benefits of massive employment of American capital and Jamaican labour that took place a generation before in the

⁵⁷⁴ McGravan, Donald A. (1961:26) *Church Growth in Jamaica: A Preview of Things to Come in Many Lands*.

infrastructural and agricultural development of Costa Rica and Honduras. Furthermore, the glimmer of hope that was provided by wartime employment in the United States was all but snuffed out at the end of the war. The same Americans who were welcoming of Jamaican labour during the war years now reverted to their racist ways.⁵⁷⁵ It was in this atmosphere that British post war construction needs provided an outlet for the unemployed of Jamaica.

Yet, this was also an era in which the Pentecostal Movement thrived in Jamaica. Many churches grew from single mission into hundreds of churches and thousands of members. In 1942, Davis did not even think the Church of God warranted a place in his list of churches. Yet, a mere twenty years later, McGraven showed the Churches of God (this was a catch-all for the Pentecostals) running at a total of 40,000 members only 10% behind the front-runners - Church of England.⁵⁷⁶ He commented that the Church of England list might very well include the dead! Charles W. Conn, the Church of God, Cleveland Tennessee historian puts the number of Church of God members (this means New Testament Church of God) in 1959 at over 11,000 with 30,000 adherents.⁵⁷⁷ Toulis alluded to the impact of those members who had gone to the USA as participants in the Manpower Department's guest worker scheme during the 1940s, as having a tremendous impact on the growth of the Pentecostal movement and the two Trinitarian churches.⁵⁷⁸ This is a spurious causality, as the fact that many individuals who were members did participate in these programmes does not mean that the experience of being in the USA can be linked to the spread of the denomination in

⁵⁷⁵ See evidence provided by NTCG minister Ira V. Brooks in his autobiography *Another Gentleman to the Ministry*.

⁵⁷⁶ McGraven, (1961:12)

⁵⁷⁷ Conn, Charles W. (1959:71) *Like A Mighty Army*.

⁵⁷⁸ Toulis, Nicole Rodriguez (1997) *Believing Identity*.

Jamaica. Neither Lyseight nor Brooks, both of who participated in the programme, recorded being in touch with any Church of God churches in the USA. While it may very well be the case that other participants worshipped with and were influenced by Church of God or any of the distinct Pentecostal denominations while in the US, in the absence of clear evidence, it can only be seen as a spurious causality that the programme of working in the USA lent itself to the spread of Pentecostalism in Jamaica.

Jamaicans embarked for the UK from various social and economic origins. These individuals were drawn from a range of denominational backgrounds. It was from these persons that the early Pentecostal churches were drawn. Not all persons were originally of a Pentecostal persuasion, and many continued to worship with both Baptists, Anglican and Roman Catholic congregations notwithstanding experiences of clear racism.

Within the family of Pentecostal churches in the African Caribbean community, there are numerous denominations, many of which have only one or a few congregations. Some of these congregations are still led by individuals who arrived in the UK some sixty-years ago. The anecdotes are rife of individuals being spurned by both non-Pentecostals as well as Pentecostal churches in the UK. The absence of accommodating groups and institutions saw the emergence of Pentecostal churches as the meeting place for these individuals – a place where commonality of colour and hardship superseded the class differences of home. The way in which Pentecostalism in

the African Caribbean community in the UK allowed for a working out of these challenges may very well be the matter of some future research and intellectual inquiry.

In time, the Church of God of Prophecy and the New Testament Church of God emerged as the two largest denominations among African Caribbean Pentecostals in the UK. Both denominations are of the same origin and continue to share common theology and to some extent similarity in administrative structure and organization.

6.4. A Presentation of Select Themes in African Caribbean Pentecostalism and their Impact on Entrepreneurship and the Perception of Business among African Caribbean Pentecostals.

The issue of entrepreneurship and the church can be tackled from several angles. Firstly, we may analyze churches as entrepreneurial ventures within themselves. That is, evangelistic outreach, the planting and management of churches can be seen as a set of entrepreneurial undertakings. As is seen within the genre of, or akin to social entrepreneurship, the matrix of aims and objectives are more expansive than in strict commercial entrepreneurship. Secondly, we may see churches and their launches as the entrepreneurial product of the founder/pastor. Here again the motives might be multiple and our analyses would pay close attention to distinct traits and characteristics, which might be at work in church founding and growth. Entrepreneurship and the church may also be assessed in terms of the entrepreneurial projects and orientation of the church in its activities in social or economic enterprises in the community. Finally, the incidence of entrepreneurship by members of the church as well as the extent to which this is facilitated by the ethos and theology of the organisation can be valid subjects of analysis. It is this final subset namely, factors that might influence the perception of

money, business and entrepreneurship, and this I will do by discussing a number of themes.

The themes are Biblical ambiguity towards money and wealth, the homiletics of African Caribbean Pentecostals, a church versus world orientation, precedents in Jamaican Folk religions, the other-worldly orientation, Pentecostal eschatology as found among many African Caribbean Christians and the concept of time in African Caribbean culture.

These themes carry the potential to influence the attitude of a church or denomination towards money and business. The two subjects – money and business – are related but quite different. One could argue that a church could be open about money and yet not particularly attentive to entrepreneurship or business formation. As an example, we might offer the case of the Church of England. Arguably, the Church of England is one of the most open religious institutions in terms of access to information on its financial dealings. This may be related to the rather uneven history of its financing. Over the centuries, the Anglican Church in the UK has seen changing fortunes in the extent to which its financing from the public purse has been viewed. Moving from the ownership of large tracts of land and property to being financed by the hated tithe system through to present day modes of financing,⁵⁷⁹ the Church of England has arguably been one of the most open religious institutions with regards to its monetary collections. The Church of England has had the privilege of being generously

⁵⁷⁹ Several authors have offered some insight on the financing of the Anglican Church. Some works of general interest include Robert Lacey Everett (1887) *Tithes – their history, use and future*. <http://www.jstor.org/stable/60214489?origin=JSTOR-pdf>; Dominic Hobson, *The National Wealth: Who gets what*. (1999) Chapter Four, pp. 135 – 163.

endowed over the years and have enjoyed state sponsorship up until almost the turn of the century.⁵⁸⁰ The Churches Commissioners who manage the financial bounty of the Church of England have on many occasions outperformed other professional investors and funds.⁵⁸¹ A perusal of the Report of the Church's Commissioners for the year 2006 has shown a consistently positive increase in the amount of money under investments and a ten-year average returns on investments in excess of 10%, unadjusted for inflation.⁵⁸² The latest available report – 2008 – pointed to an average return of 5.7% over the past decade that was greater than 3.7% the average of UK pension funds over the same period.⁵⁸³

It is quite difficult to project the Church of England as an entrepreneur-enhancing church in this present era. If this were the case, there would certainly have been a far greater propensity for entrepreneurship in the UK as measured by the Total Early Stage Entrepreneurial Activity rule of the Global Entrepreneurship Monitoring team. The Global Entrepreneurship Monitor Report for 2007 shows that the level of entrepreneurship activity in the UK is higher than the average in the G7 countries but markedly lower than the USA and countries such as Brazil, China and India.⁵⁸⁴ The conservatism and adherence to tradition shown by the church is regarded as a hindrance to entrepreneurship and to some extent, the very anti-thesis of entrepreneurship. The main, state and society sanctioned church in a class stratified society cannot be entrepreneurial. Peter Sedgwick noted, “At times the Church is anything but risk-

⁵⁸⁰ A timeline and historical oversight is provided by the Queen Anne's Bounty Tercentenary Commemorative Booklet.

⁵⁸¹ Church Commissioners for England. *Church Commissioners' Annual Report* 2008 pp. 1.

⁵⁸² *Church Commissioners' Annual Report* 2006 pp. 51 -52.

⁵⁸³ Church Commissioners' Annual Report 2008 pp. 1.

⁵⁸⁴ Harding, R., et al (2007:7) *GEM Report*.

taking.”⁵⁸⁵ This is more than putting it mildly: entrenched institutions, whether Churches or otherwise, will struggle with entrepreneurship.

We see a certain level of comfort with issues of money at the highest levels of administration despite the absence of a strong record of enhancing entrepreneurship or even being vocal in terms of wealth creation and generation. Using this example of the Church of England, we can say that the issues of money and entrepreneurship may actually be looked at separately.

Pentecostal churches of the Caribbean ilk, especially those in the Caribbean can be rather vocal on the issue of money, particularly about tithe and offering paying, while being rather anti-business. This has been a rather consistent observation and may be due to the level of perceived or real economic oppression attendant on the society. It can clearly be seen as prophetic to condemn those practices, which are predatory, but on many occasions this comes across as anti-business. This ambiguity, this segregation of business and money in the minds of church people may very well be a way of resolving the dichotomy that is presented by the real need for money while at the same time to be true to a faith that has often projected the pursuit of money and business in a very negative light.

It is to this issue of teasing out a number of themes, which might have confirm or strengthened this dichotomy in African Caribbean Pentecostal theology and ecclesiology, that we now turn. These themes, as presented earlier, are Biblical

⁵⁸⁵ Sedgwick, P. (1992:33) *The Enterprise Culture: A Challenging New Theology of Wealth Creation for the 1990s*. SPCK. UK.

ambiguity towards money and wealth, the homiletics of African Caribbean Pentecostalism, church vs world orientation, precedents in Jamaican Folk religion, the other-worldly orientation eschatology found in Pentecostal theology and the concept of time as found in African Caribbean culture.

6.4.1. Biblical ambiguity towards money

The ambiguity which is often expressed concerning money is neither unique to Pentecostalism or African Caribbean experience. The Bible itself can be seen as the source of both a pleasant and positive attitude as well as a negative one towards wealth. We will discuss some of the texts by looking at the Psalms, the Wisdom Literature, the Prophets and the New Testament writings.⁵⁸⁶

The Psalms are also quite vocal concerning the punishment of the wicked rich.⁵⁸⁷ It is important to note that the Psalms do not just speak to the rich or wealth but specifically those who make themselves enemies of the poor and of God by oppressive social and economic practices.⁵⁸⁸ The Psalms have always held a place of prominence in African Caribbean religions. They offer comfort to the oppressed and the promise of victory for the righteous over the wicked. These motifs are by no means adulterated with the declarations of blessings and evidence of wealth in the lives of certain Biblical heroes, particularly the Patriarchs and early monarchs.

⁵⁸⁶ A comprehensive listing of scriptures is provided by Conrad Boerma (1979:35) *Rich Man, Poor Man – and the Bible*. SCM Press Ltd. London.

⁵⁸⁷ Psalm 52. David's characterisation of Doeg as rich, arrogant and wicked is presented in contradistinction to the righteous poor who trusts in God.

⁵⁸⁸ The Hebrew term used to denote the wicked is *rash'im*.

6.4.1.1. Psalms

We will discuss the Book of Psalms here under the premise that most were written during the period of the monarchy in Israel, including the times of David. The writings of the psalms often portray the poor as the elect of God, holding a special place in God's heart. The cause of the poor is celebrated. The poor is often the recipient of God's favour and blessing. Statements such as 'I will satisfy her poor with bread'⁵⁸⁹ and also "... the Lord will maintain the cause of the afflicted, and the right of the poor."⁵⁹⁰

Yet, it would be wrong to think that poverty is accepted or glorified in the psalms. The fact is, the position of the poor, and his situation are deemed temporary. The poor is offered comfort by the word of God and hope in finding a remedy for his condition through God's grace and blessings.

On the other hand, the Psalms often make reference to the wicked. This person is projected as oppressive to the poor, violent, evil and full of iniquity. He is in contradistinction to the righteous. He puts all his confidence in his great wealth and uses it to increase and strengthen his wrongdoing.⁵⁹¹

Conversely, the righteous is noted for his righteousness, his protection of the poor and obedience to God. The distinction between the righteous and the wicked is not

⁵⁸⁹ Ps. 132:15 King James Version

⁵⁹⁰ Ps. 140:12 King James Version

⁵⁹¹ Psalm 52 provides a good example of this presentation.

on the basis of his wealth; it is all down to his actions as indicative of his obedience to God. This is also seen in Ps 52 verse 8. Describing himself as a ‘green olive tree in the house of God’, shows that he is prosperous – healthy and wealthy. The righteous are virtuous and happy; they blest and their children and households are upright and comely; their land and livestock are productive. It shows in a serious way that the righteous are not necessarily materially poor. All the indications of wealth are contained in the descriptions of their family life and livelihood.⁵⁹²

The overall conclusion from the Psalms is that the word translated ‘riches’ or ‘rich’ is morally neutral. It is used in both positive and negative ways where it is the action and character of the wealthy person who decides what meaning it takes. Yet, there is often a distinct portrayal of riches and wealth in a negative way within traditional Pentecostalism. We now turn our attention to the view of wealth in the writings of the prophets.

6.4.1.2. Major and Minor Prophets

The prophets and their writings expressed strong opinions of wealth and riches. Most of the writings are utterances against the rich and showcase the oppressive nature of the wealthy. As the centuries passed, Israel became a nation state with large numbers of persons living within her walled cities. This process was hastened after the division of the kingdom into Israel and Judah. The city was often the scene of corruption and wealth. Prophet after prophet condemned the life that they saw and wealth became almost synonymous with wickedness and deceit. The rich are seen as deceitful and

⁵⁹² Ps 144:12 -15. King James Version

wicked. The prophecy of Isaiah about the burial of Jesus contrasted Jesus Christ with the wicked man who was violent; and the rich who were full of deceit.⁵⁹³ This same idea of the rich being deceitful and fraudulent is taken up by both Old Testament prophets Jeremiah and Micah.⁵⁹⁴ Jeremiah shows that the rich have become rich by the sheer size and frequency of their deceit. He also tells us that those who get rich the wrong way will pay a high penalty and lose it all.⁵⁹⁵ Hosea the prophet spoke of how Israel's merchants got wealthy by defrauding others, being confident that they would never get caught.⁵⁹⁶ It was however noted that this is not always the case as we see from the laments in the book of Job.⁵⁹⁷

The association of wealth with wickedness and sin does not only go for the individual but also for the nation state. This is brought out forcibly in the prophecy of Ezekiel towards Tyre. This seaport city was situated in what is now Lebanon, peopled by the Phoenicians who were famed as international traders. Tyre was such a rich state that even Solomon – the richest Israelite king - had to form an alliance with the king of Tyre in his day. The woe or lamentation of the prophet Ezekiel against the city-state of Tyre covered an entire two chapters – 26 and 27. The extent to which the wealth of Tyre

⁵⁹³ Isaiah 53:9. "He was assigned a grave with the wicked, and with the rich in his death, though he had done no violence, nor was any deceit in his mouth" (*New International Version* 1984).

⁵⁹⁴ Jeremiah 5:27. "Like a cage full of birds, their houses are full of deceit; therefore they have become great and rich" (*New Living Translation*, 2007); Micah 6:12 "The rich among you have become wealthy through extortion and violence. Your citizens are so used to lying that their tongues can no longer tell the truth." (NIV 2007).

⁵⁹⁵ Jeremiah 17:11. "Like a partridge that hatches eggs she has not laid, so are those who get their wealth by unjust means. At midlife they will lose their riches; in the end, they will become poor old fools." (*New Living Translation* 2007).

⁵⁹⁶ Hosea 12:7. "He is a merchant, the balances of deceit are in his hand: he loveth to oppress." (*King James Version*).

⁵⁹⁷ Job chapter 24

and its king was closely associated with pride and sin, caused many commentators to see him as an archetype of Satan.⁵⁹⁸

On the surface, the view of wealth and riches in the books of the prophets are consistently associated with sin, wickedness, pride, violence, deceit, arrogance and even sexual impurities. However, a careful analysis and a contextual reading would show that the prophets were condemning the actions and intent of individuals and nations rather than simply riches or wealth. The Bible at times referred to the wealthy and powerful as servants of God.

6.4.1.3 Wisdom Literature

In the Bible, the Wisdom Literature includes Songs of Solomon, Proverbs and Ecclesiastes. With the exception of Songs of Solomon - that does not mention the words rich, wealth or prosper - the books of the Wisdom literature referred to all three key words repeatedly.

Wealth and riches or rich (both as an adjective and a noun) are mentioned in different ways in the books of Proverbs and Ecclesiastes. The relationship between these virtues and wealth or riches is largely positive and reinforcing. At times, there is a causal relationship between suggested as in Proverbs 22:4, where it implies that humility and the fear of God results in riches, honour and life.⁵⁹⁹

⁵⁹⁸ Ezekiel 28:12 - 17

⁵⁹⁹ Proverbs 22:4. "By humility and the fear of the LORD are riches, and honour, and life." (*King James Version*)

The Wisdom Literature also showed us that some forms of riches are temporary, or not at all the most desirable of things. Pro 8:18, tells us, “Riches and honour are with me; *yea*, durable riches and righteousness.” That is, the riches, which come with the knowledge and wisdom of God, are of a kind that lasts. The idea is of value that comes with something that has existed from one age to another. This is the durable riches that is most cherished. The writer is not using an allegory or trying to say that some spiritual virtues are durable riches. He or she is showing that wealth can be durable, lasting a long time, when it is the product of wisdom.

Wisdom, which we have seen to be linked and associated with riches, is also projected as better than riches. In that wonderful Ode to Wisdom found in Proverbs 8, we are told that wisdom is better than rubies and nothing that is be desired can be compared to it. A good reputation or a good name is better than riches.⁶⁰⁰ Also, righteousness or the practice of doing what is right and acceptable in the sight of God is also more valuable than riches.⁶⁰¹

The Wisdom literatures of the Bible⁶⁰² and in particular Proverbs are more consistent in their treatment of wealth and largely view wealth in a positive way and poverty as the product of one’s own actions. Wealth is linked to wisdom but often runs second to wisdom and the knowledge of God.

⁶⁰⁰ Proverbs 22:1.

⁶⁰¹ Proverbs 11:4.

⁶⁰² It must be noted that Pentecostals restrict themselves to the Protestant Bible. The Catholic Bible offers a more positive reading of wealth.

6.4.1.4. The Virtuous Woman

One of the most revolutionary depictions of wealth and entrepreneurship is provided by Proverbs 31 in its presentation and description of the ‘Virtuous Woman’.⁶⁰³ Not only is she adept at the management of her household but she is also an active entrepreneur as depicted by the statement, “(s)he considers a field and buys it”.⁶⁰⁴ The presentation of this act suggests forethought, knowledge and the ability to discover and exploit opportunity. The power of her action is more impressive given the background of the legal system of Biblical times. The system was such that women were not allowed to buy fields and carry out such economic activities. Usually, they could only do so through an intermediary, who was a close relative or husband.

The passage describes her as a manufacturer, confidant, merchant, hero, and provider for her family. We can recognize the Schumpeterian as well as the Kirznerian features of the entrepreneur with this economic agent. This is consistent with what is often obtained among many African Caribbean women, Pentecostals and otherwise. The passage presents us with irrefutable evidence of the refusal of Scriptures to condemn wealth and the entrepreneurial without taking into consideration the motive behind the actions.

⁶⁰³ Proverbs 31: 10 – 31.

⁶⁰⁴ Proverbs 31: 16

6.4.1.5. The New Testament and Wealth

The observed hostility to wealth found in Christianity has been proffered by Thomas Schmidt to be a product of views expressed in the Synoptic Gospel and derived significantly from the sayings of the prophets and Jewish material.⁶⁰⁵ From his analysis of various sources, he concluded that the tradition of a negative view towards wealth existed independent of the socio-economic situation, which prevailed in Israel or Judea from time to time.⁶⁰⁶ This meant that among both upper classes and lower classes, during times of plenty and times of dearth, there was a consistent body of opinion that presented a negative and critical view of wealth. This seemingly culminates in Craig Blomberg's view that in the New Testament, "never was material wealth promised as a guaranteed reward for either spiritual obedience or hard work".⁶⁰⁷ It is further commented that there appears quite different emphasis by James and Paul concerning wealth and poverty, where Paul is on the surface rather silent, while James is strong on the condemnation of the status of the wealthy. The Pauline writings are more pastoral in their orientation. The Epistle of Timothy speaks clearly of the dangers of wealth, and the love of money.⁶⁰⁸ Still, there is no downright condemnation of wealth *per se*. There are numerous mentions of the words rich and riches in the New Testament. A brief search reveals that the books of Matthew and Mark have 5 references each. Luke has all of 19, while John does not use either terms, which are translated into riches. Mere statistics or counting of the occurrence of terms will not suffice in establishing or

⁶⁰⁵ Schmidt, Thomas, E. (1987) *Hostility to Wealth in the Synoptic Gospels*. *Journal for the Study of the New Testament Supplement Series 15*. Sheffield Academic Press. Sheffield England.

⁶⁰⁶ Schmidt, Thomas, E. (1987:163) *Hostility to Wealth in the Synoptic Gospels*.

⁶⁰⁷ Blomberg, C. (1999:242) *Neither Poverty nor Riches: A Biblical Theology of Possession*. APOLLOS. Leicester, England.

⁶⁰⁸ 1 Timothy 6:10.

identifying attitude, which is our aim. The different books of the Gospels seem to show different levels of emphasis to economic and social issues and also slight variation in attitude. This difference may be a reflection of the authorship, the place where it was written and also the main target audience. These all form the context and as the writers wrote under the guidance of the Holy Spirit, it may be the case that different emphases were shown.

So often the Gospels positions material wealth and spiritual wealth or spiritual life as opposites. In Jesus' Sermon on the Mount He said, "Do not store for yourselves treasure on earth.... But store up for yourselves treasures in Heaven".⁶⁰⁹ It is tempting to stop at this statement and see a condemnation of wealth, riches and its acquisition. However, the greater interest must be in what Jesus says further. He went on to show that emphasis must be placed on the attitude.⁶¹⁰

An impressive work on the issue of poverty and wealth in the Bible has been undertaken and presented by the Jamaican Seventh Day Adventist, Predrito U. Maynard-Reid in *Poverty and Wealth in James*.⁶¹¹ Here a balanced discussion on the Scriptures views of poverty as well as wealth is undertaken in the context of the book of James. Maynard-Reid, however, is of a non-Pentecostal denomination and it is quite likely that members of the New Testament Church have not heard of his work. He has

⁶⁰⁹ St. Mathew 6:19.

⁶¹⁰ St. Matthew 6:24. "No man can serve two masters: for either he will hate the one, and love the other; or else he will hold to the one, and despise the other. Ye cannot serve God and mammon."

⁶¹¹ Published by Orbis Books in 1987

shown that the New Testament is also critical of the rich and his treatment of the poor as represented in his treatise on James.⁶¹²

The preceding discussions have been presented, highlighting the possible ambiguous reading of the scripture by some Pentecostal Christians, which in turn might have resulted in a less than eager approach to discussions of money and wealth and engagement in business. However, there is in African Caribbean religious culture a negative element towards money that quite likely has found current expression in Pentecostalism.

6.5. Antecedents in the Predecessors of African Caribbean Pentecostalism

We have earlier developed the notion that Pentecostalism in the Caribbean had its antecedents in a number of religious expressions, including Myalism. Myalism's insistence on being different from Obeah meant a denunciation of money as an imperative. Obeah was always seen as oppressive with one of the charges regularly made against the Obeah man being that of demanding payment for services and being in the profession for gain.⁶¹³ Myalists therefore were wont not to be perceived as carrying out their practices and healings for monetary gain. The fact that money and other material means were often used as bribes by the plantocracy to control and subvert the resistance to slavery, also played a significant part in the virtual denunciation of money and materialism by those who were leaders in the Myal movement. Monica Schuler reported that the charge of being bribed by the magistrates was levelled against white

⁶¹² Maynard-Reid, P. (1987). *Poverty and Wealth in James*, particularly chapters 4, 5 & 6.

⁶¹³ See Udia (1915).

Baptists and Presbyterian ministers by their members when they advised slaves to go back to work in the aftermath of the 1831 War.⁶¹⁴ Myalists were keen to ensure that no such allegations might be made against them.

The same care for money and financial reward was to be found among the Revivalists at the turn of the twentieth century. Leonard Bartlett, in his book *The Sun and the Drum* related the calling and preparation of a Jamaican Revivalist healer in 1871. He wrote,

“Rozanne, in response to the call, is said to have been led by an angel near to the mouth of a remote cave at the foot of the Plowden Mountain where she remained for fourteen days in fasting – eating only bread and water provided daily by her husband. For the first seven days she was instructed by the angel in seventy-seven different plants and leaves which were to be medicine for balmings. For the following seven days she was instructed in the properties and uses of herbs to be taken internally, and in the ritual forms to be used, including the size of her tabernacle, the ritual colours, the time of day for healing and fasting and worship, and *the fee for her service*”⁶¹⁵

The emphasis here is that the amount to be charged as fee required the authorisation of the commissioning angel. Divine sanction and direction must be given concerning fees. By implication, we can conclude that those who charged fees on a

⁶¹⁴ Schuler, M. (1991:296) Myalism and African Religious Tradition in Jamaica.

⁶¹⁵ Barrett, L. (1976:54) *The Sun and the Drum: African Roots in Jamaican Folk Tradition*. Heinemann Educational Books. New Hampshire, USA.

‘wily nily’ or arbitrary basis would not have the confidence of the people and be regarded as charlatans.

A recent news feature in the online edition of the Jamaica Gleaner showcased a present day healer who insists on charging one hundred Jamaican dollars⁶¹⁶ for his services. The news report read, “His fee of J\$100 came to him in a dream and, for this reason, no matter what inflation has done to the economy, no matter what his overheads, no matter how popular he becomes, that's the cost of his cures. "Mi see di spirit come to mi in a slippas wid a flowers pon it with a \$100,” he explained.”⁶¹⁷ This shows that one hundred and thirty seven years after the experience of Rozanne Forbes, the principle of needing divine sanction for the charging of fees is still set as a part of the Revival tradition of African Jamaicans.

The reaction to wealth and money was always a good indicator of the calling, anointing and hence credibility of the messenger in the Revivalist tradition. In an environment where so many offered cures and divinations are part of an entrepreneurial venture, the true messengers had to distinguish themselves by taking a different approach to money. The importance of distinguishing between the counterfeit and those who truly have the Spirit by the litmus test of how much or whether or not they charge is important in the tradition that has come to influence Pentecostalism. The practice of activating the economic and revenue generating potential of religion is well established in dominant West African religions. Yoruba religion, particularly Ifa for example,

⁶¹⁶ This is equivalent to 0.76 British pence based on exchange rate accessed 11:29, September 30th, 2008 at <http://www.xe.com/ict/>.

⁶¹⁷ <http://www.jamaica-gleaner.com/gleaner/20080930/news/news4.html>.

which is claimed to have influenced the entire region of West Africa, shows that the profession of the specialists, called Babawalo, is a highly lucrative one requiring massive investment in time and money. The making of charms and the practice of divination produce large incomes for the well-established practitioners.⁶¹⁸ Reportedly, there is still today, a thriving trade in such artefacts between Yoruba entrepreneurs from Nigeria and followers of various religions in Brazil.⁶¹⁹

The same is seen in early Jamaican Pentecostalism where one of the most serious charges that could be laid against preachers was that of stealing money, which viewed with utmost public embarrassment by members of the populace. Added to the cultural taboo against 'tiefing church money' is the Biblical admonition against greed and 'filthy lucre'. The severity of the charges or allegations of financial misconduct is borne out in the autobiography of the founder of the New Testament Church in the UK. Dr, Lyseight related a case where one of his subordinate pastors brought up an allegation that had its foundation in a misunderstanding that occurred at least two decades before. The allegation of financial misconduct was dismissed. The fact that this story merited mention in the autobiography of the first Bishop of the New Testament Church in the UK, underlines the extent to which African Caribbean Pentecostals ministers and preachers are afraid of any such allegations being made against them.⁶²⁰ This can be clearly identified as one of the factors predicating how African Caribbean preachers approach the issue of money. This in turn has an undeniable effect on the

⁶¹⁸ Peel, J. D. Y (1990:21) 'the pastor and the "babalawo": the interaction of religions in nineteenth-century yorubaland in africa' in *Journal of the International African Institute*, Vol. 60, No. 3, pp. 338-369.

⁶¹⁹ This was related by a Yoruba businessman who told me that this trade has provided the initial investment for many businesses in Nigeria and London.

⁶²⁰ Lyseight, O. A. (1995:80-81) *Forward March*.

perception of their congregants. Between the numerous Biblical admonitions against wealth and a tradition of disdain for money as expressed in the Jamaican forerunners of Pentecostalism, it becomes quite easy for preachers to facilitate and perpetuate the perception of being anti-money and anti-business.

6.6. The Homiletics and Theology of African Caribbean Pentecostal Preaching

When reference is made to preaching, we would be correct in reading this as not only a matter of organization and delivery of sermons, that is, homiletics, but also of the theology and hermeneutic framework that inform what is said from the pulpit. How Black Pentecostals (including most African Caribbean Pentecostals) deliver their messages is often characterized linguistically in terms of the rhythm, use of imagery and call and response style.⁶²¹ It is not the language and style of delivery that is our focus here but rather the underpinning theology that is expressed in the statements of the preacher such that the definite impression can be given of a negative attitude towards money and business..

The theology of a people or church is a highly complex issue, relating to culture, history and the influences and nuances of individuals and the conduits through which these are mediated. The issue is that African Caribbean ministers and preachers are seen as prone to debase business and entrepreneurship as professional fields. There are four theological premises or motifs that I would like to cite as possible sources of this perception among the hearers of African Caribbean preachers. They are exclusively

⁶²¹ A discourse on Black Preaching style in the UK is carried out in the Masters Thesis of Carol J. Tomlin at the Department of Theology, University of Birmingham, 1988.

expressed in a church versus the world motif, an ‘other worldly’ orientation, the eschatology of Pentecostalism and the perception of time among African Caribbean people. These are all inter-related, yet each can stand on its own for reasons of discussion. I posit that these premises influence the hermeneutical framework in which Pentecostals read and interpret the text of the Scripture as it relates to business and entrepreneurship.

6.6.1. Church vs. World Orientation

African Caribbean Pentecostal theology is strong on the concept of the ‘new creation’ in Christ.⁶²² Being born again, meant a whole new sleuth of changes as this conversion is worked out in the believer’s life. It is the role of the preacher to continually emphasize and remind and encourage the saints⁶²³ to maintain and live in the integrity of this new life, found by relationship with Christ. As such purity from the world is of greatest importance. In this vein, a definition of ‘the world’ is often proffered that is predicated on being different. That is, the church is different from the world. This concept is quite applicable in terms of individuals, where the church are those who are born again and members of the congregation, and hence the world is composed of those outside the congregation. Thus, even family members are ‘worl’ian’ in the African Caribbean Pentecostal parlance. Undoubtedly, most businesses owners, whether African Caribbean or otherwise, would fall within the realm of the world. This

⁶²² 2 Corinthians 5: 17. “Therefore if any man be in Christ, he is a new creature: old things are passed away; behold, all things are become new.

⁶²³ The term ‘saints’ is used in African Caribbean Pentecostalism to denote a saved person, who has experienced this born again conversion.

is often allied with the fact that there is already a strong rhetoric against money, leading to a strong perception of bias against money and business.

This orientation of exclusivity takes on a countercultural cloak expresses itself in the notion that ‘the things, which are of importance in the world (system) are not what matters in Christ and the church.’ The two subjects that often become the bane of this cultural critique is understandably, wealth and status. Toulis commenting on African Caribbean Pentecostal preaching concluded that the ‘denigration of prestige and status markers generates some of the richest religious oratory’.⁶²⁴ These status markers include money and material possessions. The issue here is that whereas the utterances might have served as countercultural tools in the affirmation of individuals who are deprived or downtrodden in the past, their effects have actually been deterring to the achievement and a confirmation of that negative perception. The notion that they are countercultural affirmation is largely derived from the earlier social deprivation theory that was made popular in its application to Pentecostals, as seen in the presentation of Robert Mapes Anderson.⁶²⁵ Anderson was one of the earliest researchers on Pentecostalism, who in his seminal work on the sociological origins of American Pentecostalism *Vision of the Disinherited: The Making of American Pentecostalism* contended that, “the great store of hostility and aggressiveness of the early Pentecostals ... arose from the frustration imposed by their class position”⁶²⁶ He opines that the absence of an appropriate and natural outlet for their hostility led to a conservative and reactionary positioning on a number of issues. This may be seen as the basis of the countercultural orientation of

⁶²⁴ Toulis N. (1997:181). *Believing Identity*.

⁶²⁵ This hypothesis is the main backdrop of Robert Mapes Anderson’s discussion on the emergence of Pentecostalism. See *Vision of the Disinherited*.

⁶²⁶ Anderson, R. M., (1979:195). *Vision of the Disinherited: The Making of American Pentecostalism*. Oxford University Press. New York USA.

Pentecostals. Is this what is at work in the theology of African Caribbean Pentecostal preachers?

There is a genuine belief in the separation of world and church such that issues which might be rife in the African Caribbean Pentecostal community and therefore affecting individuals as well as the church are at times left to solve themselves; or seen as the purview of the relevant authorities, only to be pontificated on from the pulpit. Nowhere is this more apparent than in terms of the economic issues. For whereas there are often responses to social needs, expressed as early childhood provisions and senior citizens clubs, very little is done in that which pertains to direct economic action. This can be seen as demonstration of the 'rejection of the world' orientation, which is largely derived from a view of sin being the cause of social and economic ills. From this viewpoint, any attempt at amelioration is purely temporary and a case of dealing with the symptoms rather than the source. It is sin in the world that must be dealt with and this requires that the world through Jesus be saved.

These issues form major elements of sermons, exhortations and weekly meetings and both their urgency and importance leave little room for musings on other issues

6.6.2. Other – Worldly Orientation

The otherworldly orientation of African Caribbean Pentecostals has been cited as a significant part of Pentecostal worldview. Many African Caribbean persons who

are outside of the Pentecostal faith often express the view that Pentecostals are “so heavenly minded, they are no earthly good”. This criticism is not without basis as the burning issues of the day often go without a passing comment by church leadership and preachers. The otherworldly orientation of African Caribbean Pentecostalism is very much seen as a declining incidence in the churches and has been attributed to the increase in education among its members and adherents as well as improved social and economic status. Yet, the centrality of its eschatology to its doctrinal orientation and hence preachments will tend to convey a distinct impression of otherworldliness, particularly if the references and application of the Bible to the existential issues are skirted by preachers. This otherworldliness is seen as being closely linked to the eschatology of Pentecostals.⁶²⁷

It is difficult but not impossible to see this orientation as ‘future focus’ and ‘visionary’ in a way that is conducive to entrepreneurship and economic engagement. It is far easier to take the view that this is a case of escapism. Yet, there may very well be in all of this a capacity among Pentecostals to ‘de-link’ during time of adversity as well as times of plenty and thereby tap into a potentially rewarding mode of operation.

6.6.3. Eschatology

The eschatology of Pentecostalism takes a prominent place in its doctrine and also its practice, in that for most their view of the future determines what they do in the

⁶²⁷ Chan, S. (2000:116) *Pentecostal Theology*.

present.⁶²⁸ Wilson notes that the eschatological views of Pentecostals are by no means unique but are shared with other evangelicals. The imminent return of Christ is the essence of this doctrine. His second coming will eradicate evil, which is endemic to human existence, and usher in a new order. This basic doctrine of Pentecostalism has left many adherents with a view that evil is inevitable in this world and hence a resignation to the social and economic ills and struggles which are a feature of life among the oppressed. Whereas the notion that this resignation is a feature of African Caribbean Pentecostals would not be wholly correct. The eschatological views of African Caribbean Pentecostals have been earlier identified as an obstacle to emancipation-liberation.⁶²⁹ It can be argued that to a certain degree, eschatological beliefs play a part in the persistent perception of an anti-money and business bias among preachers. Among the issues that project themselves onto our consciousness are the urgency of saving souls given Jesus' imminent return, the impermanence of material possessions and the implications of the pre-millennial coming of Jesus Christ. These doctrinal imperatives are significant drivers in what is said and how the spoken word is perceived by the congregation.

The urgency of saving souls or the evangelical orientation and mission of the African Caribbean Pentecostals, which are imperatives, naturally limit the extent to which the existential issues of life can be discussed in a given sermon. Whereas churches are never without souls that need saving or saints that need to 'anchor' their souls, it is expected that sermons and messages must highlight these imperatives. Preachers are inevitably prone to preach as is expected if not what is expected. An altar

⁶²⁸Wilson, D. J. (2002:601) 'Pentecostal perspectives on eschatology' in dictionary pp. 601 -605.

⁶²⁹ Alexander, V. A (1996:352) "*Break Every Fetter*"

call, or invitation to give one's life to Christ or reaffirm one's commitment is expected at nearly every service. In one of my earliest sermons, at the end of which I had not made an altar call, I was gently admonished by my pastor and mentor, the late Rev A. A. Savoury, to 'always give an altar call, as yuh not sure whose soul yuh helping to save'. Thus, preachers clearly will put more currency on getting the heart ready for an altar call than in linking the biblical message to entrepreneurial activity.

The impermanence of worldly possessions, from car to house, is a regular feature of Pentecostal messages. This too is tied to the eschatology and is one arena in which the earlier charge of other worldliness and eschatology are clearly associated. The fact that Christ will return to take His world, purging it by fire, is a comfort to the believer who has made her investment in the spiritual rather than the material. And most certainly so, given the admonition of the Saviour to store riches that cannot rust or be destroyed by natural agents. The implications of the rapture of the church, that is, the removal of the believers from the earth just prior to the Great Tribulation cannot be underestimated. Of what worth is the acquisition of wealth and material possessions given the fact that Christ will return soon? It is this approach and orientation to life that many African Caribbean Pentecostals have to resolve in their own minds.

6.7. Concept of Time among African Caribbean Pentecostals

The concept of time is a significant psychological phenomenon that is closely allied to the philosophy, culture and theology of a people. The conceptualisation of time

in African Caribbean culture is largely influenced by the African psyche and shared past. John Mbiti's treatise on the African concept of time is still relevant as he postulates time as the key to understanding many features of African life and philosophy. He posits that to the African psyche, "time is simply a composition of events which have occurred, those which are taking place now and those which are immediately to occur."⁶³⁰ This shows that the concept of the future, which is common in Western societies are not taken on by African minds. The emphasis in time conceptualization is on the present and the past. This is consistent with the notion that time is in the experiential realm rather than the conceptual. "People," wrote Mbiti, "set their minds not on future things but chiefly on what has taken place."⁶³¹ Thus, time has to be experienced for it to be real. This denotes an events oriented view of time. This is spuriously dubbed an emotional view as against the mechanistic view of time that is common in Western understanding. Despite the Western situation and experience of African Caribbean Peoples, it is the African conceptualisation of time that predominates in their minds.

At the commonplace level it is often expressed that Jamaicans are laid back, and never in a rush to do things. This is reciprocated of Europeans by Jamaicans who view them as often in a haste to get things done. One of the findings from a piece of research that I had conducted among African refugees and asylum seekers in the UK revealed that they were particularly stressed by the conditions of work in the UK. The participants reported that the part that was most stressing for them was not the amount

⁶³⁰ Mbiti, J. (1969:17) *African Religions and Philosophy*.

⁶³¹ Mbiti, J. (1969:17) *African Religions and Philosophy*.

of work but having to work to the clock. That is, they were most perturbed by the fact that there were set times for different tasks as well as leisure.

The implications of this conceptualisation of time are two-fold for the preacher. Firstly, he needs to make future events appear as real as the present in order to make any impression on his audience or congregation. Secondly, preparation for the existential and material future is of diminished concern. The first is often achieved by the use of strong imagery and language that provokes the senses to the impending nature of the future event, whether the coming of Christ, Baptism in the Holy Spirit or some possible danger. The emphasis is on the urgency of the event. Anything other than this will render the effect null and void. In the second case, there is less emphasis on preparation for life's stages, whether it is taking care of a family or starting a business.

The demands of future events are usually outside of the range of the 'impending' and as such are relegated to another category of time. Mbiti shows that where future events are certain to occur, or if they fall within the inevitable rhythm of nature or life, they are viewed as potential time.⁶³² Where there is a clear lack of certainty about the events, it is regarded as being useful to ruminate on the implications. We can now see that for the preacher, he connects best with his audience in referring to past, present and impending future in descending degrees of comfort and efficiency. Issues or events where the degree of certainty is low would best be left out of the sermon. There is therefore in African Caribbean Pentecostal preaching a dearth of engagement with the existential future, which is where issues of money and business belong.

⁶³² Mbiti, J. (1969:17) *African Religions and Philosophy*.

The emergence of more educated persons as preachers, teachers and pastors within African Caribbean Pentecostalism seems to be having a welcome move away from this orientation or an amelioration of its strictness. Education forces on persons the capacity to see beyond the present even if that can only be achieved by a projection from the past. Thus, by understanding the social and economic forces, which have been at work, and comparing events and results, which were obtained, with present day observations, some degree of extrapolation into the future can be made. This inevitably will propel persons to think of the future in more realistic terms. What we might see then is a gradual shift from a negative pronouncement concerning money and business to some silence on the issue until a level of comfort with the subject is built up to make worthwhile directives and statements concerning what is to be done. It appears that where the church is now, is at a middle stage where pronouncements from the pulpit are not as negative as they used to be but are still nuanced.

We therefore find that given the presence of a strong theological influence generated by African Caribbean Pentecostal doctrines of church exclusivity, otherworldliness, and elements of eschatology it is only natural at this stage to find a less than overtly supportive stance towards money and entrepreneurship being expressed from the pulpit. To this complex mix we can easily add the African Caribbean conceptualisation of time that pervades the psyche.

CHAPTER 7

CONCLUSION

Entrepreneurship is clearly positioned as an important element of human existence. This is so regardless of the definition that we apply to the entrepreneur and his work, and indeed whether he attains the success that he usually demands of himself or hopes for. We have seen the extent to which this actor has demanded the attention of academics and practitioners over the years. Although the entrepreneur will be found under any set of economic and regulatory conditions, how he plies his skill and how we define him are greatly influenced by these overarching conditions. The universal occurrence of the entrepreneur has been established, and in accordance with this, the incidence of the entrepreneur is a matter of record in African Caribbean history. Where we see the entrepreneur as the actor who uses his judgment, drive and creative capacity to create products or services, or make sterling contributions in the betterment of the human race, he is undeniably present over the course of African Caribbean history. In the dark days of slavery, entrepreneurship expressed itself as resistance and survival and within that framework the creation and sustenance of institutions of economic strength was also present. In the post emancipation era, the survival and flourishing of individual and cooperative activities for the material survival and progress of individuals as well as the community were of primary concern. The activities and programmes of social and economic control were met head on by the engagement of the entrepreneurial abilities of individuals and groups. In all of this, the religious groups and movements played a significant role.

From the largely Africanized religious forms of Myal, through Revivalism there has been a concern with the social and economic exploitation of oppressed members of the society. This concern expressed itself prophetically in the condemnation of those engaged in economic activities such as shop-keeping as well as opposition to certain governmental activities. This orientation in turn led to a significant degree of self-reliance in terms of both social and economic terms. By arguing that African Caribbean Pentecostalism can find elements of its roots in religious movements such as Myalism, we can in turn see that engagement of the churches in direct economic empowerment through entrepreneurship is a valid course of action.

In this concluding chapter of this work I will present and elaborate a number of specific points. Mainly the chapter will show the theological significance of dominant issues, which have been discussed in the thesis; it will present the strengths of the work, the limitations of that have been identified; areas, which might lend themselves for future research, will also be discussed; and specific policy and practice implications of this thesis will be stated.

7.1. Theological Significance and Linkage of Main Items Presented

Early in this thesis, one of the pioneers of entrepreneurial studies was a French clergyman, Nicolas Baudeau (1730 – 1792) whose interest in the welfare and progress of his parishioners led to analyses and studies of how to enhance and improve commerce in his local parish and beyond. There is no reason to think that this was unique to Baudeau, as priests, and other Church officials considered the stewardship of

their constituency to include the maintenance and improvement of economic activity within the geographical sphere of their influence. The passage of time has not diminished the need for and relevance of this type of engagement of faith – spiritual and transcendental – with the material and existential. The wide range of schools of thought and traditions across the Western world that had lent their acumen to the analysis of entrepreneurship and the entrepreneur is proof sufficient of the importance and also the universality of the subject. This is indicative of its theological importance.

The case for the analysis of entrepreneurship and the economic from the viewpoint of African Caribbean Pentecostalism was laid out in Section 2.6 of Chapter 2. This laid the ground for subsequent analysis on the basis of the fact that ethnic entrepreneurship can be seen as the sociology of entrepreneurship. That is, looking at the recognition, evaluation and exploitation of economic opportunities and the creation of value in such a way that no group is left behind or faces deliberate discrimination. This must be of theological import. As such, Chapter 3 reviewed and critiqued the literature on ethnic entrepreneurship, delineating some weaknesses and biases, which have largely gone unchallenged. This act must be seen as prophetic, in the sense that that which is carried as truth is subjected to interrogation from the perspective of the African Caribbean person.

Chapter 4, with its extensive discussion on the definition of social entrepreneurship highlighted some of the flaws of a definition that is highly not simply economic but rather slavish to the notion of ‘trading’. The point was that this inevitably precluded decades of activities by the African Caribbean Pentecostal

churches that ought indeed to be seen as entrepreneurial, from being included under the canopy of entrepreneurship. The fact that this is equally true for other faith groups serves only to exacerbate the injustice inherent in this definition. As the chapter closes, there is a more concentrated analysis of ‘voluntary’ action by the churches and within them. The brief view of two economic and social entities that were presented allowed us to have a greater appreciation of the years of engagement in social entrepreneurship that has been an ongoing feature of African Caribbean Pentecostalism in the UK.

In Chapter 5, the sojourn through the presentation on some key themes and perspectives in African Caribbean entrepreneurship was never meant to be exhaustive. These themes themselves showcased examples of features of African Caribbean way of life that can themselves provide opportunities for theological engagement as much as for entrepreneurship. From age, sex or gender through education, family structure, motivation and financing of entrepreneurial activities, we find the African Caribbean person utilising what is present as drivers to achieve. The theological challenge presented by education – needs, skewness and inequity – is present and rising. The same can be said of family structure. Motivation is easily acknowledged as the product of personality traits and characteristics as well as external push – pull factors. The theological import is present, as Pentecostals do believe that the power and transforming force of the Spirit of God can impart changes in personality and character as well as empower the individual believer for action against external structures and strictures.

Yet, it may very well be that the theme of financing gave us a particularly interesting theological goldmine in the presentation on ‘pardna’ schemes. As a rotating

credit and savings association, it shows its direct links with the practice of shared labour that enslaved Jamaicans used to assist each other in the cultivation of their food plots. It has survived the centuries and the onslaught of sophisticated financial institutions and products to continue to provide a stable savings pot as well as fellowship among peers. A theological precedent can be found in practices of the communal activities espoused by the Bible in both Old and New Testament. The prohibition of interest charges that adorn Hebrew precepts is clearly obeyed here. Also, the principles of communal approach to economic challenges that were showcased in the early history of the Jewish church as shown in Acts 2 would be exhibited here. In the light of embarrassing disclosures and downright fraud in the mainstream financial sector, the theological implications of the 'pardna' system cannot be denied.

Chapter 6 allowed us to look in some detail at a number of themes and perspectives that might have influenced the perception of business and entrepreneurship among African Caribbean Pentecostals. Whereas Chapter 5 dealt with the broader African Caribbean community and entrepreneur, Chapter 6 looked specifically on the Pentecostal experience and individual. That is, the religious and theological framework in which entrepreneurship is engaged. The discussion looked at religious practices and theological orientation within the antecedents and among the predecessors of African Caribbean Pentecostalism. Keen attention is paid to Myalism, Obeah, post emancipation religious movements, social and economic situation up to the period of mass emigration to the UK. This approach encapsulated the impact of the African, British (European) and American influences on perception of God and money or business.

Further to this, theology, as exhibited by the homiletics of African Caribbean Pentecostalism as well as the dominant way of reading the Bible is discussed. The Bible's ambivalence towards wealth and money is discussed in context by looking at the main threads running through the Patriarchs, the Prophets, Psalms, Wisdom Literature as well as New Testament Scriptures. The impact of the perception of time, which betrays African religious, on economic issues is also discussed.

7.2 *Strengths of Thesis*

The clear theological links that have been highlighted above represent a distinct strong point of this thesis. The bringing together of an acknowledged economic imperative as entrepreneurship and theology is will hopefully add to the general body of knowledge particularly as it relates to African Caribbean experience in the UK. The discourse on religion and entrepreneurship that points consistently to the relevance of appreciating the deep and incontrovertible links between them is a recurring theme in this work. This has been argued for the particular case of African Caribbean Pentecostalism that provided a background to this thesis.

The comprehensive review of literature on the historical development of entrepreneurship research, social entrepreneurship and ethnic entrepreneurship research in the general as well as specific UK context is also a clear strength of this thesis. This thesis has presented a new perspective on African Caribbean entrepreneurship that has evaded UK researchers on the subject by taking into sharp account a certain historical and religious framework. The literature and analysis on social entrepreneurship both in

terms of what is proffered as ‘the struggle for definition’ as well as a distinct African Caribbean Pentecostal perspective are new developments in the field. The critique of the identified bias in the definition of social entrepreneurship, which effectively bar the inclusion of the works of many African Caribbean Pentecostal denominations and indeed other faith groups is a necessary addition to the existing body of knowledge.

The delineation and discussion of select significant themes in African Caribbean entrepreneurship can be viewed as ground-breaking. Of age, sex, education, family structure, motivation and funding of new ventures, all bring into sharp focus features of African Caribbean life in the UK, which lend themselves to the strengthening of entrepreneurial activities. Whereas these are largely general features of African Caribbean life in the UK, the theological significance, challenge and potential are undeniable.

The discourse on the use of ‘pardna’ schemes must be seen as presenting new information into the academic realm, particularly in understanding the social groundings of economic action among African Caribbean peoples. This by itself is a critique of a certain strict economic/market approach that takes into appreciation the social. The role of women in African Caribbean life and entrepreneurship is presented here as well as elsewhere under the canopy of themes and perspective. This thesis has discussed the impact and potential of female entrepreneurship at a time when there is growing acceptance that here is significant potential for economic development and renewal.

In the presentation of factors, themes and perspectives that might have influenced African Caribbean Pentecostal views of business, money and entrepreneurship, we find erstwhile analysis of such issues as the influences of African, European (British) as well as American practices and views. The theology of African Caribbean Pentecostalism retains vestiges of these influences. Although these influences, roots and retentions might have been identified in other studies, their direct links with business, money and entrepreneurship are discussed and analysed in this thesis. Time, that constant companion and arbiter have been analysed in terms of its likely influence on economic decisions from a psycho-religious angle. This represents new ground of analysis.

7.3 Limitations and Future Research Areas

This study has not been without limitations, shortcomings and obvious areas that project themselves as candidates for further and future research. One of the telling limitations of this work is the absence of statistical and empirical data. As such this work is largely theoretical in nature, leaving empirical work for future pursuit. The grounding of the thesis in the Jamaican experience is not in any way meant to detract from the fact that the category of 'African Caribbean' here in the UK is made up of people who are from the other islands. It can be appreciated that not all features of the historical reality of Jamaica will hold for the other islands.

A number of areas that can be easily identified as ground for future research are:

1. Detailed quantitative analysis of African Caribbean entrepreneurship and its relationship with the themes and perspectives that have been identified in this thesis.
2. Further work on the interaction of religious beliefs, faith communities and economic empowerment through entrepreneurship.
3. There is room for academic research into creative, cultural and academic entrepreneurship among African Caribbean people as well as other ethnic minorities in the UK and other host countries.
4. The relationship between degree of assimilation and entrepreneurial propensity.
5. Quantitative and empirical analysis of the perception and incidence of entrepreneurship, its type and quality among African Caribbean Pentecostals and the extent to which this might differ from other African Caribbean denominations as well as other faith communities here in the UK.
6. The impact of the perception of time as a construct on economic decisions among African Caribbean persons and others.
7. African Caribbean female entrepreneurship, its incidence and potential among in Pentecostalism. This is of interest as African Caribbean females are not only dominant in entrepreneurship but also in the churches, albeit not in direct positions of leadership.

8. The potential, role and impact of rotating savings and credit association schemes and community based financial programmes such as ‘pardna’ in advanced societies.
9. The direct influence of pastors, preachers and their theology in African Caribbean Pentecostalism on perceptions of business, money and entrepreneurship.

It is believed that these areas have significant potential to enhance further our understanding of ethnic (African Caribbean and otherwise) entrepreneurship and its relationship with religious beliefs and Pentecostalism in particular. Also to increase our understanding of the potential and role of entrepreneurial activities generated by faith groups in western advanced societies.

7.4 Implications for Policy and Practice

This thesis on African Caribbean entrepreneurship in the UK has implications for entrepreneurship policies as per governmental, quasi-governmental agencies, faith communities and individual entrepreneurs. In terms of direct ecclesiological implications, this thesis speaks clearly and prophetically to a need for churches and other faith groups to reconcile their faith with the existential issues facing individuals, families and communities who form their constituents.

7.4.1 An integrative and interdisciplinary approach to entrepreneurial policy formulation

The thesis allows for a better understanding of African Caribbean entrepreneurship and experience in the reading of ethnic entrepreneurship. This is also instructive for other ethnic groups particularly minority ethnic groups in the context of Europe. This understanding must be informed by the voices of minorities who have a unique insight into their own situation. Such an orientation will lead to a greater appreciation of the creative use of ethnography in entrepreneurial research. Researchers and policy personnel will recognize the importance of a multi or interdisciplinary approach to the understanding of entrepreneurship.

7.4.2 Import of ethnic entrepreneurship in immigration policy and community cohesion considerations

It is hoped that this paper will point to the impact of immigration policies and practice on entrepreneurship among minority ethnic groups in a host society. As the global travel, exchange and interaction increase, migration whether permanent or temporary will also increase. It is clear that the UK immigration policy is influenced by entrepreneurial considerations. This is seen in the fact that specific avenues for entry visas and settlement terms are now wooing individuals perceived as possessing particular entrepreneurial prowess. A proper understanding of entrepreneurship and its contribution to the host country will not only affect immigration policies but is also likely to enlighten host populations and facilitate the amelioration of prejudice, xenophobia and racism, thereby enhancing community cohesion.

7.4.3. Dismissing the false distinction between entrepreneurial activities by faith groups and social entrepreneurship

In terms of both policy and practice, social entrepreneurship offers a number of possibilities and opportunities. The need to include the non-trading component of entrepreneurship has already been stated. It remains also that churches and charity groups need to become more 'entrepreneurial' in their orientation and activities. That is, recognize, assess, evaluate and exploit opportunities and in general show a greater propensity for risk taking. Even as the notion of the Big Society is being touted, both individuals and organisations from mainstream as well as ethnic minority communities ought to be engaged to the fullest extent to grasp opportunities for the solving of social problems, delivery of services and generation of jobs.

7.4.4 Keener appreciation of the special case of female entrepreneurship

The potential of female entrepreneurship is becoming increasingly recognized as an imperative. Policies ought to be geared at unearthing and facilitating the creative and entrepreneurial drive of single mothers regardless of age and education. This must be done with cultural sensitivity and the general awareness of the universality of entrepreneurial potential. In tandem with the promotion of job skills, entrepreneurship must be seen as a real alternative. The skills which females already bring to bear in their everyday lives must be seen as valuable, scalable and applicable to the realm of business. There is the need for the understanding that the female entrepreneur (as with the male) is very much an employee of the entity that she has created. As such, she has not only created a job for herself as well as leaves room for another person to be employed from the labour pool in any position she would have otherwise taken. The

perception of the entrepreneur must be re-examined by those in policy positions as well as practitioners.

7.4.5 Importance of social analysis and enterprise development by African Caribbean Pentecostals and other faith groups

This thesis has brought to the fore certain factors which might have given rise to a less than delighted perspective on entrepreneurship and business among African Caribbean Pentecostals. With the case for the engagement with the economic argued, these churches, both in policy and practice are being invited to take a deep look at the need for social analysis, Biblical reflection on things economic and the potential, which exists to liberate through entrepreneurship. For the purposes of entrepreneurship, we have seen that there is clear ambiguity in what is presented by the text on the issue of wealth. We have identified a strong and continuous anti-wealth body of thought that runs consistently from the days of the prophets to the present era. This fact, considered against the background of the critical need for wealth generation within the church and community, requires the African Caribbean Pentecostal church to read the Word with a new sense of openness to the Spirit's guidance. The charge that theologians pay too little attention to the Spirit cannot be dismissed offhand. For African Caribbean Pentecostals, no recommendation will be even considered if there remains any disconnect with their understanding of the Holy Spirit. To what extent can we engender the Spirit's guidance in social and historical analysis? This becomes the task of anyone

who seeks to utilize social analysis in the context of the church, for surely, '*the letter killeth, but the spirit giveth life*'. It is the understanding of the Spirit in African Caribbean Pentecostal thought that offers the best way forward in terms of engendering social change and economic empowerment through entrepreneurship.

7.5 Conclusion

In concluding, this thesis has allowed us to review key literature on ethnic and general entrepreneurship as it pertains to religion and the African Caribbean community, family and individual. We have also looked keenly on social entrepreneurship as well as strong themes and perspectives on African Caribbean entrepreneurship and Pentecostalism. The bringing together of economics, particularly entrepreneurship, and theology (in this case African Caribbean Pentecostalism) was never an easy task. Common ground was found in our view of the historicity of African Caribbean experience that at various points in history combined the two for the greater purposes of survival, liberation and advancement. This can be found in any other group of people at every point in history. When we take into focus the view that entrepreneurship is the engagement of God-given creative capacity to respond to opportunities and challenges, the nexus becomes distinct and the role of religion in entrepreneurship becomes clear. For the African Caribbean Pentecostal individual, the interaction between the Spirit of God (referred to as 'the Spirit' in this thesis) and her own life becomes the point of focus.

The concept of the role of the Spirit in African Caribbean Pentecostal Theology is that of the Third Person of the Godhead being active in the everyday life of the believer. The baptism in the Holy Spirit as a distinct experience holds pride of place in the sojourn of the believer. This underlines the pervading belief that the presence of the Holy Spirit provides an added dimension to the life of the believer and his witness through the concept of the anointing. The anointing of the Spirit confers a power and dynamism that facilitates a level of achievement and possibilities of productivity that go beyond known limitations. This speaks directly to the ability of the Spirit to increase the mental capacity of the individual believer as well as make personality improvements conducive to a holy life. Both mental capacity and individual personality have been acknowledged as key components to entrepreneurial success. Both therefore are available substrate for the work of the Spirit in the business of empowerment.

LIST OF REFERENCES

1. Books and Articles

Aldrich, Howard E., Cliff, J.E. (2003) 'the pervasive effects of family on entrepreneurship: toward a family embeddedness perspective' in *Journal of Business Venturing* Vol.18.pp. 573 – 596.

Aldrich, Howard & Waldinger, Roger (1990) 'ethnicity and entrepreneurship' in *Annual Review of Sociology*, Vol. 16, pp. 111-135.

Alexander, Valentina E. (1996) "*Breaking Every Fetter*"? *To What Extent Has the Black Led Church in Britain Developed A Theology of Liberation?*" PhD Thesis. University of Warwick.

Anderson, Robert Mapes (1979) *Vision of the Disinherited: The Making of American Pentecostalism*. Oxford University Press. New York USA.

App.el, Michael, (1992) *Werner Sombart: Historiker und Theoretiker des modernen Kapitalismus*. Marbyrg. Metropolis.

Atkins, M E; Chapman, Ron J.; Chivers, Geof E and Cumberbatch, M D (2007) *Researching Equality in the Labour Market: African Caribbean Business in the United Kingdom*. Loughborough University. Loughborough, UK.

Austin, Jim, Stevenson, Howard & Jane Wei-Skillern (2006) 'Social and Commercial Entrepreneurship: same, different or both' in *Entrepreneurship Theory and Practice*. Vol.30, no. 6, pp.1 -22.

Austin-Broos, Diane (1997) *Jamaica Genesis: Religion and Politics of Moral Order*. University of Chicago Press. Chicago, USA.

Bank of England (1999) *Financing of Ethnic Minority Firms in the UK*. London. UK.

- Banton, Michael (1968) Book Review: 'Toward a Theory of Minority-Group Relations' in *Race Class* 9 pp. 395 - 6.
- Barbato, Robert & DeMartino, Richard (2003) 'differences between women and men MBA entrepreneurs: exploring family flexibility and wealth creation as career motivators' in *Journal of Business Venturing*. Volume 18, Issue 6, November, pp. 815-832.
- Barreto, Humberto (1989) *The Entrepreneur in Microeconomic Theory: Disappearance and Explanation*. Routledge. London.
- Barrett, Giles A. (1999) 'bank finance for African Caribbean enterprise' in *Journal of Ethnic and Migration Studies* Vol. 25 No. 2: pp. 299-318.
- Barrett, Giles, Jones, Trevor P., & McEvoy, David. (2001) 'socioeconomic and policy dimensions of the mixed embeddedness of ethnic minority business in Britain' in *Journal of Ethnic and Migration Studies*. Vol. 27.No.2: pp. 241 – 258.
- Barrett, Leonard. (1976) *The Sun and the Drum: African Roots in Jamaican Folk Tradition*. Heinemann Educational Books. New Hampshire, USA.
- Basu, Anuradha. (1998) 'an exploration of entrepreneurial activity among Asian small business' in *Small Business Economics* 10 (4) pp. 313-26.
- Basu, Anuradha & Goswami, A. (1999), 'determinants of South Asian entrepreneurial growth in Britain : A multivariate analysis' in *Small Business Economics* 13 (1) pp. 313 – 26.
- Basu, Anuradha & Altinay, Eser (2002) 'the interaction between culture and entrepreneurship in London's immigrant businesses' in *International Small Business Journal*, 20, (4) pp. 371 - 92.

- Basu, Anuradhura. & Altinay, Eser (2003) *Family and Work in Minority Ethnic Businesses*. The Policy Press. Bristol.
- Bates, Timothy (1994) 'social resources generated by group support networks may not be beneficial to Asian immigrant owned small businesses' in *Social Forces* 72 (3) 671 – 689.
- Baumol, William J., (1968) 'Entrepreneurship in Economic Theory' in *American Economic Review* 58 (2), pp. 64–71.
- Beckford, Robert (1998) *Towards A Dread Pentecostal Theology: The Context of a Viable Political Theology within Black Pentecostal Churches in Britain*. PhD thesis. University of Birmingham.
- Beckwith, Mary. W. (1923) 'some religious cults in Jamaica.' in *The American Journal of Psychology*, Vol. 34, No. 1, (Jan., 1923), pp. 32.
- Benn, Melissa (2005) 'which way forward for black children' in *Community Care* 8-4 Dec Sutton. Also available online at <http://www.communitycare.co.uk/Articles/2005/12/08/52096/which-way-forward-for-black-children.html> .
- Berthoud Richard, & Blekesaune, Morten (2007) *Persistent Employment Disadvantage*. DWP. Norwich.
- Berthoud, Richard, (2001) 'Teenage births to ethnic minority women' *Population Trends* 104, Summer pp.12 – 17.
- Blanchflower, David & Oswald, Andrew (1998) 'what makes an entrepreneur?' in *Journal of Labour Economics*. Vol. 16, no 1, pp. 26 - 60.
- Blaug, Mark (1991) *Richard Cantillon and Jacques Turgot*. Elgar Reference Collection. Edward Elgar. Hants, England.

- Blaug, Mark (2000) 'Entrepreneurship before and after Schumpeter' in Swedberg, Richard (ed.) *Entrepreneurship: The Social Science View*. Oxford University Press. UK
- Blaug, Mark (2000) *The Economics of Adam Smith*. Heineman. London.
- Blomberg, Craig (1999) *Neither Poverty nor Riches: A Biblical Theology of Material Possession*. APOLLOS. Leicester, England.
- Boerma, Conrad (1979) *Rich Man, Poor Man – and the Bible*. SCM Press Ltd. London.
- Bonacich, Edna & Modell, John (1980) *The Economic Basis of Ethnic Solidarity: Small Business in the Japanese American Community*. University of California, Berkeley
- Bonacich, Edna (1973), 'A theory of middlemen minorities' in *American Sociological Review*, 38, pp. 583 -594.
- Bonacich, Edna (1993) 'the other side of ethnic entrepreneurship: A dialogue with Waldinger, Aldrich, Ward and Associates' in *International Migration Review* 27, pp. 685 – 92.
- Bonnett, A. Carrington, Bruce, (2000) 'fitting into categories or falling between them? rethinking ethnic classification' in *British Journal of Sociology of Education*, Vol. 21, no.5, pp. 487 -500.
- Boschee, Jerr & McClurg, Ji, (2003) *Toward a Better Understanding of Social Entrepreneurship: Some Important Distinction*.
<http://www.sel.org.uk/ftp/BoscheeMcClurgEssay.pdf> . Accessed
- Borch, Carl (1973) 'The Place of Uncertainty in the Theories of the Austrian School' in Hicks, J. R and Weber, W (ed) *Carl Menger and the Austrian School of Economics*. Clarendon University Press. Oxford.
- Bororah V., Hart, M. (1999), 'factors affecting self-employment among Indian and black Caribbean men in Britain' in *Small Business Economics*; Sep; 13, 2; pp. 111 -130.

- Brockhaus, Robert (1982) 'The Psychology of the Entrepreneur' in *Encyclopaedia of Entrepreneurship* (eds) C A Kent, D L Sexton, K H Vesper (Prentice-Hall) USA.
- Brooks, Ira V. (1982) *Another Gentleman to the Ministry*. Great Britain.
- Bruce Knox (1986) 'The Queen's letter of 1865 and British Policy towards emancipation and indentured labour 1830 – 1865' in *The Historical Journal* 29 (2) pp. 345 -367.
- Bryan, Patrick (2000) *The Jamaican People 1880-1902: Race, Class and Social Control*. University of the West Indies Press. Kingston, Jamaica.
- Butler, John Sibley & Greene, Patricia. (2004) 'The minority community as a natural business incubator' in *Immigrant and Minority Entrepreneurship: The Continuous Rebirth of American Communities* (eds.) John S. Sibley and George Kozmetsky. Praeger, Conn. USA.
- Butler, John Sibley. & Greene, Patricia (1997) 'Ethnic entrepreneurship: the continuous rebirth of American Enterprise' in Donald Sexton and Raymond Smilor (eds.) *State of the Art of Entrepreneurship*. Upstart Publishing House, Denver, pp. 267 – 290.
- Buttner, E. Holly, & Moore, Dorothy (1997) 'women's organizational exodus to entrepreneurship: self-reported motivations and correlates with success' in *Journal of Small Business Management* 35 (1) pp. 34 – 46.
- Bygrave, William (2007) 'The Entrepreneurship Paradigm (I) revisited' in Helle Neergaard and John Parm Ulhoi (eds.) *Handbook of Qualitative Research Methods in Entrepreneurship*. Edward Elgar. Cheltenham, UK.
- Carter, Sara; Shaw, Eleanor; Wilson, Fiona & Wing Lam (2006) 'Gender, Entrepreneurship and Business Finance in the UK' in *Growth Oriented Women Entrepreneurs and their Businesses: A Global Research Perspective* (ed.) Brush,

Candida G.; Carter, Nancy M.; Gatewood, Elizabeth; Greene, Patricia and Hart, Myrna M. Edward Elgar, Cheltenham. UK.

Casson, Mark & Andrew Godbley (2005) 'Entrepreneurship and History' in Youssef, Cassis & Minoglou, Ioanna P. (eds.) *Entrepreneurship in Theory and History*. New York: Palgrave Macmillan.

Casson, Mark (1990) (ed.) *Entrepreneurship*. Edward Elgar. Hants. UK.

Casson, Mark, Bernard Yeung, Anuradha Basu & Nigel Wadeson (2006) *The Oxford Handbook of Entrepreneurship*. Oxford University Press, UK.

Centre for Enterprise and Economic Development Research, (2006) *Informal Economic Activities and Deprived Neighbourhoods*. Department for Communities and Local Government. London.

Chaganti, Radba and Patricia Greene (2002), 'who are ethnic entrepreneurs? a study of entrepreneurs' ethnic involvement and business characteristics' in *Journal of Small Business Management*, 40 (2) pp. 126 -143.

Chan, Simon (2000) *Pentecostal Theology and the Christian Spiritual Tradition*. Sheffield Academic Press. Sheffield, UK.

Church Commissioners' Annual Report 2006. Church Commissioners for England. England.

Clark, Kenneth, & Stephen Drinkwater (1998) 'ethnicity and self-employment in Britain' in *Oxford Bulletin of Economics and Statistics*. Vol. 60, issue, pp. 383-407.

Clarke, Edith (1957) *My Mother Who Fathered Me*. George Allen & Unwin Ltd. Ruskin House, London.

- Coard, Bernard (1971) *How the West Indian Child is Made Educationally Subnormal in the British School System: The Scandal of the Black Child in Schools in Britain*. New Beacon Books. London.
- Coase, Robert H. (1937) 'the nature of the firm' in *Economica*, New Series, Vol. 4, No. 16 Nov. pp. 386-405.
- Collins, Jock; Gibson, K.; C. Alcorso, D. Tait, and S. Castles (1995a) *Shop full of Dreams: Ethnic Minority Small Business in Australia*. Pluto. Sydney and London.
- Conn, Charles (1959) *Like a Mighty Army, Moves the Church of God, 1886 -1955*. Church of God Publishing House. Tennessee, USA.
- Cowling, Marc & Taylor, Mark (2001) 'entrepreneurial men and women: two different species?' in *Small Business Economics*. Vol. 16, No. 3, pp. 167 – 175.
- Cromie, Stanley (1987) 'motivations of aspiring male and female entrepreneur' in *Journal of Occupational Behaviour*. Vol. 8, No 3, pp. 251 – 261.
- Davis, Edmund (1978) *Roots and Blossoms: A Critical Analysis of the Development of Theological Education in Jamaica*. Cedar Press. Barbados.
- Davis, J. Merle (1942) *The Church in the New Jamaica*. Dept of Social and Economic Research and Counsel. International Missionary Council. New York.
- Davison, Robert Barry (1962) *West Indian Migrants*. Oxford University Press. London.
- Dayton, Donald W. (1987) *Theological Roots of Pentecostalism*. Hendrickson Publishers, USA.
- Dees, J. Gregory (1998) *The Meaning of 'Social Entrepreneurship'*. Center for the Advancement of Social Entrepreneurship. Fuqua School of Business, Duke University.
- Dees, J. Gregory, Emerson, Jed & Economy, Peter (2001) *Enterprising Nonprofits: A Toolkit for Social Entrepreneurs*. Wiley and Sons Inc. New York.

- Desai, Rushami H. (1963) *Indian Immigrants in Britain*. Oxford, UK.
- DFES (2006) *Ethnicity and Education: The Evidence on Minority Ethnic Pupils aged 5 – 16*. Department for Education and Skills. UK.
- Dhaliwal, Spinder & Adcroft, Andy (2007) ‘Accurate Portrayal or Lazy Stereotype? The changing Nature of the Asian Business Sector in the UK’ in (eds) Dowling, Michael and Jürgen Schmude *Empirical Entrepreneurship in Europe: New Perspectives*. Edward Elgar, UK.
- Dorr, Donal (1983) *Option for the Poor: A Hundred Years of Vatican Social Teaching*. Orbis Books. New York.
- Edwards, Bryan, (1793. 2) *The History, Civil and Commercial of the British Colonies in the West Indies*. Volume II.
- Eisner, Gisela, (1959, 1961) *Jamaica 1830 – 1930: A Study of Economic Growth*. Manchester University Press. Manchester, England.
- Ekelund, Robert, B. Jnr. & Hébert, Robert (1990) *A History of Economic Theory and Method*. Third edition. McGraw-Hill Co. New York.
- Erskine, Noel, L. (2001) ‘the black church and public policy issues in the Caribbean’ in *Black Theology*. 4. 1. pp. 32 – 52.
- Evans, Merlene & Syrett, Stephen (2006) *Informal Economic Activities*. Department of Communities and Local Government, UK. Accessible online at www.communities.gov.uk
- Formiani, Robert (2001), ‘the engine of capitalist process: the entrepreneur in economic theory’ in *Economic and Financial Review*, 4th Quarter, pp. 2 – 10.

- Fowler, Allan (2000) 'NGDO as a moment in history: beyond aid to social entrepreneurship and civic innovation' in *Third World Quarterly*, Vol. 21, no.4, pp. 637 – 645.
- Galbraith, Craig. & Stiles, Curt (ed.) (2004) *Ethnic Entrepreneurship: Structure and Process (International Research in the Business Disciplines)* Elviesier Ltd. Oxford, UK.
- Gap Min, Pyong, & Bozorgmehr, Medhi (2003) 'United States: The entrepreneurial cutting edge' in (eds) Kloosterman, R & Rath, Jan. *Immigrant Entrepreneurs: Venturing Abroad In The Age Of Globalization*. 17 – 37. Berg. Oxford, UK.
- Geertz, Clifford (1962) The Rotating Credit Association: a "middle rung" in development in *Economic Development and Cultural Change* Vol. 10, no. 3, pp. 249-54.
- Giggee, John (2007) *After Redemption: Jim Crow and the Transformation of African American Religion in the Delta, 1875-1915*. Oxford University Press. UK.
- Gonzalez, Justo (1990) *Faith and Wealth: A History of Early Christian Ideas on the Origin, Significance and Use of Money*. Eugene. USA.
- Goulbourne, Harry (1991) *Ethnicity and Nationalism in Post-Imperial Britain*. Cambridge University Press. Cambridge.
- Gouldbourne, Harry (1999) 'Caribbean Kinship in Britain' in (ed) McRae, Susan. (1999) *Changing Britain: Families and Households in the 1990s*. pp. 176 -197.
- Granovetter, Mark (1973) 'the strength of weak ties' in *American Journal of Sociology* 78(6): pp. 1360- 1380.
- Granovetter, Mark (1985) 'economic action and social structure: the problem of embeddedness' in *The American Journal of Sociology*, Vol. 91, No. 3 (Nov.), pp. 481-510.

- Grebel, Thomas (2004) *Entrepreneurship: A New Perspective*. Routledge. London.
- Groenewegen, Peter (1993) *The Economic Journal*, Vol. 103, No. 418 (May), pp. 762-764.
- Groenewegen, Peter (1995) *A Soaring Eagle: Alfred Marshall 1842 – 1924*. Edward Edgar. England.
- Hamamoto. (1992) ‘Black-Korean conflict in Los Angeles.’ *Z Magazine* July/August, pp. 61 -62.
- Handa, Sudhanshu. & Kirton, Claremont (1999) “the economics of rotating savings and credit associations: evidence from Jamaican ‘Partner’” in *Journal of Development Economics*. Vol. 60.pp.173.
- Harding, Rebecca (2004) ‘social enterprise: The new economic engine?’ *Business Strategy Review*, Vol. 15, pp. 39-43.
- Harding, Rebecca (2007) *Social Entrepreneurs Specialist Summary*. Available online at http://www.london.edu/assets/documents/facultyandresearch/GEM_UK_2006_Social_Entrepreneurship_Specialist_Summary.pdf. Accessed 0952, 30/05/09.
- Harding, Rebecca & Harding, D. (2007) *Social Entrepreneurship in the UK*. Available at <http://www.deltaeconomics.com/> accessed 0955, 30/05/09.
- Harris, Abram L. (1913) *The Negro as Capitalist: A study of Banking and Business among American Negroes*. The American Academy of Political and Social Sciences.
- Hay, Donald (1988) *Economics Today: A Christian Critique*. APOLLOS, Leicester, England.
- Hayek, Friedrich A. (1937) ‘economics and knowledge’ in *Economica*, New Series, Vol. 4, No. 13, pp. 33 – 54.

- Hayek, Friedrich A. (1991) *The Trend of Economic Thinking: Essays on Political Economists and Economic History*. Bartley, W.W. III and Kresge, Stephen (ed) Routledge. London.
- Hayton, James, C., George, Gerard. G. & Zahra, Shaker, A. (2002) ‘national culture and entrepreneurship: a review of behavioural research’ in *Entrepreneurship: Theory and Practice*.
- Hébert, Robert F. & Link, Albert N. (1988) *The Entrepreneur: Mainstream Views and Radical Critiques*. 2nd Edition. Praeger. New York.
- Higgs, Henry (1892, 1991:1) ‘Cantillon’s Place in Economics’ in Blaug, Mark (1991) *Richard Cantillon and Jacques Turgot*. Elgar Reference Collection. Edward Elgar. Hants, England pp.1 – 21.
- Hockerts, Kai, Mair Johanna & Jeffrey Robinson (2006) *Social Entrepreneurship*. Palgrave Macmillan. Basingstoke. UK.
- Hodgson, Geoffrey M. (2001) *how economics forgot history*. Routledge. Great Britain.
- Hodgson, Jeffrey (1988) *Economics and Institutions: A manifesto for a Modern Institutional Economics*. Polity Press & Basil Blackwell. Cambridge and Oxford. UK.
- Hofstede, Geert Hendrick. (1980) *Culture’s Consequences, international differences in work related values*. Abridged edition. Sage Publications. California.
- Hollander, Samuel (1973) *The Economics of Adam Smith* (Studies in Classical Political Economy) Heinemann Educational. London.
- Hoselitz, Bert F. (1991) ‘Explorations in Entrepreneurial History’ in *Richard Cantillon and Jacques Turgot*. (ed) Mark Blaug.
- Johnson, Susan (2000) *Literature Review on social entrepreneurship*. Canadian Centre for Social Entrepreneurship.

Joseph, Ricky (2007) *Housing wealth and accumulation: Home ownership experiences of African Caribbean families migrating to Birmingham and London in the period 1950-1970*. Ph.D thesis. University of Birmingham.

Kennedy, Caroline. (2003) *from Dynasties to Dotcom: The Rise, Fall and Reinvention of British Business in the past 100 years*. Director Publications, London.

Kirzner Israel M. (1999) 'creativity and/or alertness' in *Review of Austrian Economics*. Vol.11 pp. 5 – 17.

Kirzner, Israel M. (1973) *Competition and Entrepreneurship*. Chicago: University of Chicago Press.

Kirzner, Israel M. (1997) 'entrepreneurial discovery and the competitive market process: an Austrian Approach' in *Journal of Economic Literature*, Vol. 35, No. 1, pp. 60- 85.

Kirzner, Israel M. (2008) *The Alert and Creative Entrepreneur: A Clarification*. Available at: <http://ssrn.com/abstract=1224842>.

Kloosterman, Robert & Rath, Jan (2001) 'immigrant entrepreneurs in advanced economies: mixed embeddedness further explored' in *Journal of Ethnic and Migration Studies* Vol. 27, No. 2: pp. 189 – 201.

Kloosterman, Robert; van der Luen, Joanne &, Jan Rath (1999) 'mixed embeddedness: (In)formal economic activities and immigrant businesses in the Netherlands' in *International Journal of Urban and Regional Research*, 23: pp. 253 -267.

Klyver, Kim; Hindle, Kevin & Denny Meyer (2007) 'influence of social network structure on entrepreneurship participation – study of 20 national cultures' in *International Entrepreneurship Management Journal* (4) 331 -347.

- Kutnick, Peter, Jules, Verna & Layne, Anthony (1997) 'Gender and School Achievement in the Caribbean' *Education Research Paper*. No. 21.
- Land, Stephen J. (2001) *Pentecostal Spirituality: A Passion for the Kingdom*. Sheffield Academic Press. Sheffield. UK.
- Levenstein, Margaret (2004) 'African American Entrepreneurship: The view from the 1910 census'. *Immigrant and Minority Entrepreneurship: The Continuous Rebirth of American Communities* (eds.) John S. Sibley and George. Kozmetsky. Praeger, Conn. USA.
- Leventman, Seymour (1973) Book Review in *Contemporary Sociology*, Vol. 2, No. 3 (May), pp. 318-319.
- Light, Ivan (1979) 'disadvantaged minorities in self employment' in *International Journal of Comparative Sociology*, 20, 31 – 45.
- Light, Ivan H, Kwuon, I. Jung, & Deng, Zhong (2004) 'Korean Rotating Credit Associations in Los Angeles' in *Immigrant and Minority Entrepreneurship: The Continuous Rebirth of American Communities* (eds.) John Sibley Butler and George Kozmetsky.
- Light, Ivan H. (1984) 'immigrant and ethnic enterprise in North America' in *Ethnic and Racial Studies* 7 (2) pp. 195 -216.
- Light, Ivan H. (2004) 'The Ethnic Ownership Economy' in Galbraith, Craig & Stiles, Curt (eds.) *Ethnic Entrepreneurship: Structure and Process (International Research in the Business Disciplines)* Elviesier Ltd. Oxford, UK.
- Long, D. Stephen (2000) *Divine Economy: Theology and the Market*. Routledge Taylor Francis. London.

Long, Edward, (1774, Volume 2) *The History of Jamaica or General Survey of the Antient and Modern State of the Island with Reflections on its Situation, Inhabitants, Climate, Products, Commerce, Laws and Government*. T. Lowndes. London.

Low, Murray (2008) *Older is Wiser but Entrepreneurial Experience is what Matters Most: Why We Should Encourage Our Students to Start Businesses Early*.

Lovell-Troy, Lawrence A. (1986) 'Class structure and economic activity: the case of Greeks in Small Business Enterprise' in Scott Cummings (ed.) *Self-help in Urban America: Patterns of Minority Economic Development*. Port Washington, New York. Kennikat Press. pp. 58 -85.

Lyseight, Oliver A. (1995) *Forward March (An Autobiography)* Willenhall, West Midlands, UK.

Marx, Karl, (1969) *Theories of Surplus Value*. Part 1. Lawrence and Wishart. London.

Maynard-Reid, Predrito U. (1987) *Poverty and Wealth in James*. Orbis Books. USA.

Mbiti, John (1990) *African Religions and Philosophy* 2nd edition. Heinemann Educational Publishers, Oxford.

McClelland, David (1961) *The Achieving Society*. The Free Press. USA.

McGravan, Donald Anderson (1962) *Church Growth in Jamaica: a Preview of Things to Come in Many Lands*. Lucknow Publishing House. Lucknow

McRae, Susan. (1999) *Changing Britain: Families and Households in the 1990s*. Oxford University Press. Oxford.

Menger, Carl (1981) *Principles of Economics*. Translated and edited by James Dingwall and Bert F. Hoselitz. New York University Press. NY.

Mill, John Stuart (1896) *Principles of Political Economy: with some applications to social philosophy*. Longmans, Green and Co. London.

- Minton, Henry M. (1913) *Early History of Negroes in Business in Philadelphia*. Read before the American Historical Society. American Historical Society.
- Mintz, Sidney W., & Hall, Douglas (1960, 1993) The origins of the Jamaican internal marketing system. *Yale University Publications in Anthropology*, No. 57, Yale University Press, New Haven, CT, pp. 3-26.
- Mises, Ludwig (1949) *Human Action*. Yale University Press. USA. Available online at: <http://mises.org/Books/humanaction.pdf>.
- Modood, Tariq; Berthoud, Richard; Lakey, Jane (1997) *Ethnic Minorities in Britain: Diversity and Disadvantage*. Policy Studies Institute. London.
- Moore, Brian. & Johnson, Michele (2004) *Neither Led nor Driven: Contesting British Cultural Imperialism in Jamaica, 1865 – 1920*. University of the West Indies Press. Kingston, Jamaica.
- Murphy, Antoin E. (1991) ‘Richard Cantillon – an Irish Banker in Paris’ *Cantillon and Jacques Turgot* (ed.) Mark Blaug pp.194 – 223.
- Myrdal, Gunnar (1944) *An American Dilemma: The Negro Problem and Modern Democracy*. Harpers & Brothers. New York.
- Nathan, Ronald. A. (2001) ‘prosperity through empowerment: a tribute to the late revd. Leon H. Sullivan (1922 – 2001)’ in *Black Theology*. 4. 1. pp. 25 – 31.
- Newhall, Venetia (1978) ‘some examples of the practice of obeah by West Indian immigrants in London’ in *Folklore*, Vol. 89, No. 1, pp. 29-51.
- Novak, Michael (1993) *The Catholic Ethic and the Spirit of Catholicism*. Free Press, New York.
- O’Brien, Dennis Patrick (1975) *The Classical Economists*. Clarendon Press. Oxford.

- O'Brien, Dennis Patrick (2004) *The Classical Economist Revisited*. Oxford University Press. Oxford UK.
- OFSTED (1996) *The Gender Divide*. DFES, UK.
- Peel, J.D.Y (1990) The Pastor and the "Babalawo": the interaction of religions in nineteenth-Century Yorubaland' in *Africa: Journal of the International African Institute*, Vol. 60, No. 3 (1990), pp. 338-369.
- Peredo, Anna Maria, & McLean, Murdith. (2006) 'social entrepreneurship: a critical review of the concept' in *Journal of World Business*. 41 (1) pp. 56 -65.
- Pierce, Joseph A. (1957) *Negro Business and Business Education*. Harper Brothers. New York.
- Pitman, Frank Wesley (1926) 'the fetishes, witchcraft and Christianity among the slaves' in *The Journal of Negro History*, Vol. 11, No. 4 (Oct., 1926), pp. 650-668. Accessed online at <http://www.jstor.org/stable/2713886> Accessed: 31/05/2009 09:27.
- Polanyi, Karl (1944) *The Great Transformation*. New York. Holt Rinehart.
- Portes, Alejandro & Min Zhou (1992) 'gaining the upper hand: economic mobility among immigrant and domestic minorities' in *Ethnic and Racial Studies*, 15, 491 – 522.
- Portes, Alejandro & Jensen, Leif I. (1989) 'the enclave and the entrants: patterns of ethnic enterprise in miami before and after mariel' in *American Sociological Review*, 4 (6), 929 – 949.
- Portes, Alejandro & Jensen, Leif (1987) 'what's an ethnic enclave? the case for conceptual clarity' in *American Sociological Review*, Vol. 52, No. 6, pp. 768-773.
- Portes, Alejandro & Min Zhou (1996) 'self-employment and the earnings of immigrants' in *American Sociological Review*, 61 (2) pp. 219 -230.

Portes, Alejandro (1987) 'social origins of Cuban enclave in Miami' in *Sociological Perspectives*. 30 pp. 340 -72.

Porteus, Beilby (1808) *A Letter to the Governors, Legislatures and Proprietors of Plantations in the British West India Islands*. London.

Ram, Monder & Jones, Trevor. (2008), 'ethnic minority business in the UK: a research review' in *Environment and Planning C: Government and Policy 2008*, volume 26, pp. 352 – 374.

Ram, Monder; Smallbone, David; Deakin, David & Trevor Jones (2003) 'banking on break-out: finance and the development of ethnic minority businesses' in *Journal of Ethnic and Migration Studies*, Volume 29, Number 4, July 2003, pp. 663-681(19)

Ram, Monder, Smallbone David (2002) 'ethnic minority business policy in the era of the Small Business Service' in *Environment and Planning C: Government and Policy* 20(2) pp. 235 – 249.

Reis, Tom (1999) *Unleashing the New Resources and Entrepreneurship for the Common Good: Scan, Synthesis and Scenario for Action*. W.K. Kellogg Foundation. Battle Creek, MI.

Ricketts, Martin (2006) 'Theories of Entrepreneurship: Historical Development and Critical Assessment' in *Oxford Handbook of Entrepreneurship*. Casson, Mark, Bernard Yeung, Anuradha Basu & Nigel Wadeson. Oxford University Press, UK.

Roosens, Eugeen E. (1989) *Creating Ethnicity: The Process of Ethnogenesis*. Sage Publishers. London.

Rotter, Julian B. (1966) 'generalized expectancies for internal versus external control of reinforcement' in *Psychological Monographs: General and Applied*. Vol. 80, (1)

Sanders, Jimmy, Nee Victor (1987) 'Limits of Ethnic Solidarity in the Enclave Economy' in *American Sociological Review*, Vol. 52, No. 6, pp. 745-767.

Scarman, Leslie George (Lord) (1986) *The Brixton Disorder 10 -12 April 1981* Cmnd 8427 HMSO. London

Schlesinger, Benjamin (1968) 'family patterns in Jamaica: Review and Commentary' in *Journal of Marriage and the Family* Vol.30, no. 1 pp. 136-148.

Schmidt, Thomas, E. (1987) *Hostility to Wealth in the Synoptic Gospels. Journal for the Study of the New Testament Supplement Series 15*. Sheffield Academic Press. Sheffield England.

Schneider, Harold K. (1974) *Economic Man: The Anthropology of Economics*. Free Press.

Schuler, Monica (1991) 'Myalism and African Religious Tradition in Jamaica' in *Caribbean Slave Society and Economy: A Student Reader (eds.)* Beckles, Hilary & Shepherd, Verene. New Press. pp. 295 -303.

Schumpeter Joseph A. (1954) *Capitalism, Socialism and Democracy* 4th edition, 13th impression. Unwin University. London.

Schumpeter, Joseph A. (1934, 1961) *The Theory of economic Development: An Inquiry into Profits, Capital, Credit, Interest and the Business Cycle*. Oxford University Press. Galaxy Books. New York.

Schumpeter, Joseph A. (1942) *Capitalism, Socialism and Democracy*. New York: Harper & Row. New York.

Schumpeter, Joseph A. (1954) *History of Economic Analysis*. Oxford University Press. New York.

- Sedgwick, Peter. (1992) *The Enterprise Culture: A Challenging New Theology of Wealth Creation for the 1990s*. SPCK. UK.
- Shane, Scott (1993) ‘cultural influences on national rates of innovation’ in *Journal of Business Venturing*, Vol. 8. Issue 1. pp. 59 -73.
- Shane, Scott (1995) “uncertainty avoidance and the preference for innovation championing roles” in *Journal of International Business Studies*, Vol. 26.
- Shane, Scott Andrew (2003) *A General Theory of Entrepreneurship: The Individual–Opportunity Nexus*. Edward Elgar. USA.
- Shane, Scott. (1992) ‘why do some societies invent more than others’ in *Journal of Business Venturing*, Vol. 7, issue 1. pp. 29 – 46.
- Shepherd, Verene (1991) ‘Trade and Exchange in Jamaica in the Period of Slavery’.pp.111 – 119. *Caribbean Slave Society and Economy: A Student Reader (eds.)* Beckles, Hilary & Shepherd, Verene. New Press.
- Sherlock, Phillip (1966) *West Indies*. Thame and Hudson. London.
- Small Business Service (2005) *Survey of Social Enterprises Across the UK*. SBS. London.
- Smith, Adam (1895) *An inquiry into the Nature and Causes of the Wealth of Nations*. Nelson and Sons. London.
- Smith, Barry (1986) ‘Preface: Austrian Economics from Menger to Hayek’ in *Austrian Economics*. (Ed) Grassl Wolfgang & Smith, Barry. Crom Helm Ltd. Kent. UK.
- Smith, Michael Garfield (1973) *The West Indian Family Structure*. University of Washington Press. USA.

Smith, Raymond T. (1963) 'culture and social structure in the Caribbean: some recent work on family and kinship studies (Review Article)' in *Comparative Studies in Society and History*, Vol. 6, No. 1 (Oct., 1963), pp. 24-46.

Smith-Hunter, Andrea (2006) *Women Entrepreneurs Across Racial Lines. Issues of Human Capital, Financial Capital and Network Structures*. Edward Elgar. England.

Sombart, Werner (1911, 2001) *Jews and Capitalism*. Electronic copy published by Batoche Books, Canada.

Stopler, Wolfgang F. (1994) *Joseph Alois Schumpeter: the Public Life of a Private Man*. Princeton University Press. New Jersey.

Streissler, Erich W. (1990) 'The Influence of German Economics' in *Carl Menger and His Legacy in economics*. Bruce J. Caldwell (ed) Annual Supplement to volume 22, *History of Political Economy*. Duke University Press. Durban and London.

Swedberg, Richard (ed.) (2000) *Entrepreneurship: The Social Science View*. Oxford: Oxford University Press.

Taylor, Thomas C. (1980) *The Fundamentals of Austrian Economics*. Adam Smith Institute. Brighton, England.

Thompson John, A. Geoff & A. Lees (2000) 'social entrepreneurship – a new look at the people and the potential' in *Management Decision* 38, 5, pp. 328-329.

Thorton, S. Leslie (1904) 'obeah in Jamaica' in *Journal of the Society of Comparative Legislation*, New Series, Vol. 5, No. 2, pp. 262-270.

Toulis, Nicole Rodriguez (1997) *Believing Identity: Pentecostalism and the Mediation of Jamaican Identity and Gender in England*. Berg. Washington, DC. USA.

Tucker, Leonard (1914) *Glorious Liberty. Kingston, Jamaica*.

- Turner, Mary. (1998) *Slaves and Missionaries: The Disintegration of Jamaican Slave Society 1787 – 1834*. The University of the West Indies Press. Mona. Jamaica.
- Udai, J.S. (19150) ‘obeah in the West Indies’ in *Folklore*, Vol. 26, No. 3, pp. 255-295.
- van der Berg, Aart (1998) *God and the Economy: Analysis and Typology of Roman Catholic, Protestant, Orthodox, Ecumenical and Evangelical Theological Documents on the Economy, 1972 -1992*. Ebron Publishers. Delft, Netherlands.
- van der Brinks, Rogeir & Chavas, Jean-Paul (1997) ‘microeconomics of an indigenous African institution: rotating savings credit association’ in *Economic Development and Cultural Change*, Vol. 45, Issue 4, pp. 745 -743.
- Virdees, Satnam (2006) ‘race, employment and social change: a critique of current orthodoxies’ in *Ethnic and Racial Studies*, Vol. 29, No. 4 July 2006 pp. 605-628.
- Waldinger, Roger (1989) ‘structural opportunity or ethnic advantage: Immigrant business development in New York’ in *International Migration Review*, 23 (10) 48 -72.
- Waldinger, Roger, McEvoy, David & Aldrich, Howard (1990) ‘Opp.ortunities, Group Characteristics and Strategies’ in *Ethnic Entrepreneurs: Immigrant Business in Industrial Societies*. Waldinger, R., McEvoy, D. & Howard Aldrich (eds.) Sage Publications. London.
- Waldinger, Roger, McEvoy, David & Aldrich, Howard (2004) ‘Spatial dimensions of opp.ortunity structures’ in Galbraith, Craig & Stiles, Curt (ed.) (2004) *Ethnic Entrepreneurship: Structure and Process (International Research in the Business Disciplines): Structure and Process*. JAI.
- Walker, Dorsey E. (1951) ‘some realistic aspects of the progress of Jamaica 1895 - 1947’ in *The Journal of Negro Education*, Vol. 20, No. 2 ,pp. 148-159.

- Walker, Francis. (1887) 'source of business profits' in *Quarterly of Journal of Economics* 2: pp.263 -296
- Ward, Robin & Reeves, Frank (1980) *West Indians in Business in Britain*. House of Commons Home Affairs Committee. HMSO.
- Ward, Roger & Jenkins, R (eds.) (1984) *Ethnic Communities in Business*. Cambridge. Cambridge University Press.
- Ward, Roger (1986) 'ethnic business and economic change' in *International Journal of Small Business* 4 (3) pp. 10 – 12.
- Washington, Booker T. (1969) *The Negro in Business*. Hertel, Jenkins and Co, Boston.
- Weber, Max. (1951) *The Religion of China: Confucianism and Taoism*. Translated and edited by Hans Gerth. Free Press. New York.
- Weber, Max. (1958) *The religion of India: the sociology of Hinduism and Buddhism* Translated and edited by Hans H. Gerth and Don Martindale. Free Press. New York.
- Werbner, Pnina (1980) 'from rags to riches: Manchester Pakistanis in the garment trade' *New Community* 9, pp. 84 -95.
- Werbner, Pnina (1984) 'Business on Trust: Pakistani Entrepreneurship in the Manchester Garment Trade' in *Ethnic Communities in Business* (eds.) R. Ward, R. Reeves Cambridge University Press, Cambridge pp. 166 -188.
- Werbner, Pnina (1999) 'what colour success? distorting values in studies of ethnic entrepreneurship' in *Sociological Review*, 47, pp. 548 -579.
- Werbner, Pnina (1985) 'how immigrants can make it in Britain'. *New Society*, 20th September.
- West Midlands Enterprise (2008) *West Midland Social Enterprise Baseline Mapping: Executive Summary*. Advantage West Midlands. UK.

- Williams, Colin (2006) *The Hidden Enterprise Culture: Entrepreneurship in the Underground Economy*. Edward Elgar, Cheltenham, UK.
- Wilson, D. J. (2002) 'Pentecostal perspectives on eschatology' in *The New International Dictionary of Pentecostal and Charismatic Movements*. Editor Stanley M. Burgess; assoc. ed. Eduard M. van der Maas. Zondervan. Grand Rapids, Michigan, pp.601 -605.
- Wilson, Peter (1983) *Black Enterprise in Britain*. Runnymede Trust. London. UK.
- World Council of Churches (1989) *Political Economy of the Holy Spirit*. World Council of Churches. Geneva.
- Smith, Robert Worthington (1950) 'slavery and christianity in the British West Indies' in *Church History*, Vol. 19, No. 3, pp. 171-186.
- Youssef, Cassis & Minoglou, Ioanna P. (eds.) (2005) *Entrepreneurship in Theory and History*. New York: Palgrave Macmillan.
- Zenner, Walter (1987) 'middleman minorities in the syriac mosaic: trade conflict and image management' in *Sociological Perspectives* 30 (Oct) pp. 400 -421.
- Zhou Min, & Logan, John R. (1989) 'returns on human capital in ethnic enclaves: New York city and Chinatown' in *American Sociological Review*, 54, pp. 809 – 820.
- Zhou, Min (2004) 'Role of the Enclave Economy' in *Immigrant and Minority Entrepreneurship: The Continuous Rebirth of American Communities* (eds) John S. Butler and Kozmetsky, G. Praeger, Conn. USA.
- Zhou, Min. (2004) 'revisiting ethnic entrepreneurship: convergences, controversies and conceptual advancements' in *International Migration Review* 38, pp. 1040 -1074.

2. Internet Sources

<http://www.econlib.org/library/Knight/knRUP.html>. Accessed 20:38 10/8/09.

See <http://www.businessballs.com/herzbergmotivationdiagram.pdf>. Accessed February 01:37, 9/02/10.

<http://www.standards.dfes.gov.uk/ethnicminorities/resources/PriorityReviewSept06.pdf>. Accessed 16:58, 31/08/08.

<http://www.guardian.co.uk/politics/2008/jul/16/davidcameron.conservatives1>. Accessed at 19:46, 05/09/08.

<http://www.diversitypractice.com/Resources/Factor-8.aspx>. Accessed 19:08 15/08/09.

www.jubilee-centre.org/cambridge_papers. Accessed 20:18, 18/05/09.

<http://www.guardian.co.uk/world/2009/oct/13/black-men-unemployment-figures>. Accessed 21:44, 22/10/09.

http://www.boj.org.jm/publications_show.php?publication_id=14. Accessed 21:32, 22/10/09.

<http://cfec.vub.ac.be/cfec/9505.html#fn0>. Accessed 23:30, 13/01/09.

http://oce.catholic.com/index.php?title=Nicolas_Baudeau. Accessed 26/06/08.

<http://www.youtube.com/watch?v=hjctX7hmYLY>. Accessed 10:00 14/07/09.

http://nobelprize.org/nobel_prizes/economics/laureates/. Accessed 20:27, 23/10/09.

<http://www.jewishvirtuallibrary.org/jsource/Judaism/nobels.html>. Accessed 20:27 23/10/09.

http://www.youtube.com/watch?v=2ibiE23_8gw. Accessed 11:15, 29/03/09.

http://www.youtube.com/watch?v=2ibiE23_8gw. Accessed 11:15, 29/03/09.

<http://ssrn.com/abstract=1224842>. Accessed 12:15 12/05/08.

<http://www.eumonitor.net/modules.php?op=modload&name=News&file=article&sid=14114>. Accessed 21:03 23/20/09.

www.ccsr.ac.uk/esds/events/2006-11-07/slides/heath.ppt. Accessed 12:15, 02/02/09.

http://www.london.edu/assets/documents/PDF/GEM_UK_specialist_summary_-_Social_Entrepreneurship_2006.pdf. Accessed 12:52, 09/10/08.

www.guidestarinternational.org. Accessed 20/12/08

<http://www.charity-commission.gov.uk/publicbenefit/pbsummary.asp>. Accessed 19/08/08.

<http://www.sfsgo.com/guaranteecompany.asp>. Accessed 19/08/08.

<http://www.cicregulator.gov.uk/Leaflets/OverviewLeafletMarch2008.pdf>. Accessed 19/08/08.

<http://www.cicregulator.gov.uk/aboutUs.shtml>. Accessed 19/08/08.

http://www.fsa.gov.uk/pages/doing/small_firms/msr/societies/index.shtml. Accessed 19/08/08.

http://www.socialenterprisewm.org.uk/Images/AWM%20Social%20Enterprise%20EXEC%20SUMMARY%20v110408_tcm19-12592.pdf. Accessed 0157, 15/12/08.

http://www.fuqua.duke.edu/centers/case/documents/dees_sedf.pdf. Accessed 10/08/98.

<http://www.deltaeconomics.com/> Accessed 09:55 30/05/09.

http://www.unltd.org.uk/useful_links.php?Section=Reports%20and%20articles%20on%20social%20entrepreneurship. Accessed 11:00, 29/05/09.

www.odpm.gov.uk. Accessed 20/5/09.

<http://www.charity-commission.gov.uk>.

<http://www.jstor.org/stable/60214489?origin=JSTOR-pdf>. Accessed 21/09/08.

<http://www.xe.com/ict/>. Accessed 11.29, 30/09/2008.

<http://www.jamaica-gleaner.com/gleaner/20080930/news/news4.html> Accessed 11:20,
30/09/2008.

<http://www.sel.org.uk/ftp/BoscheeMcClurgEssay.pdf>. Accessed 20:13, 20/4/06