

https://dspace.org/

Entrepreneurship: a foucauldian analysis of enterprise development and the Post-Apartheid subject

Beilings, Christopher

2019

https://hdl.handle.net/10539/29355

Beilings, Dylan Christopher (2019) Entrepreneurship: a Foucauldian analysis of Enterprise Development and the Post-Apartheid Subject, University of the Witwatersrand, Johannesburg, <http://hdl.handle.net/10539/29355>

Downloaded from a DSpace repository. https://dspace.org/



Entrepreneurship: A Foucauldian analysis of Enterprise Development and the Post-Apartheid Subject

Christopher Beilings

841787

Supervised by Dr. Ahmed Veriava

Department of Political Studies

University of the Witwatersrand

Submitted in partial fulfilment of the requirements for the degree of Master of Arts in Political Studies

March 2019

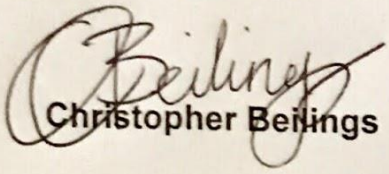
Abstract

Set in the context of a post-Apartheid South Africa, this research report constitutes a Foucauldian analysis of how state institutional support for SMME resonates with neoliberal governmentality and the consequent attempt to prompt the post-Apartheid subject. Relevant herein, are the state institutions that are mandated to further the states initiative of enterprise development. Primarily making use of archival analysis, policy data from these institutions were sought out and analysed. Analysing enterprise development from a historical perspective, it is evident that intentions have evolved with regard to two factors. Firstly, the ever permeating growth in the promotion of 'entrepreneurial culture'; and secondly, the differentiation of targeted subjects. Through studying these findings, it is argued that there is an attempt by the state to condition entrepreneurial subjectivities. It can further be argued that, as a consequent to the former, the agenda of the state is to outsource fiscal liabilities to informal markets. This research report ultimately constitutes a Foucauldian interpretation of these two cardinal findings.

Declaration

I hereby declare that this dissertation is my own original work and has not been submitted before to any institution for assessment purposes.

Further, I have acknowledged all sources used and have cited these in the bibliography section.



Christopher Beilings

23/07/2019

Date

Table of Content **Page**

List of Abbreviations **8**

Chapter 1 Introduction **9**

1.1. Introduction 9

1.2. Research questions 10

1.3. State institutions concerned with Enterprise Development 12

1.3.1. SEDA 12

1.3.2. NEF 14

1.3.3. NYDA 16

Chapter 2 Literature Review **18**

2.1. Introduction 18

2.2. Theoretical literature 18

2.3. Foucauldian perspectives on post-Apartheid South Africa 24

2.4. Entrepreneurship and society 26

2.5. Global perspectives on entrepreneurship 30

Chapter 3 Methodology **33**

3.1. Introduction 33

3.2. Extended case method 33

3.3. Limitations to extended case method 35

3.4. Data collection 36

3.5. Archival analysis 37

3.6. Interviews 38

Chapter 4 Enterprise Development as Power, Right and Truth 41

4.1. Introduction 41

4.2. Governmentality 42

4.3. Normalisation and discipline 48

4.4. Subjectivity and entrepreneurship of self 53

Chapter 5 On the State Apparatus promoting Entrepreneurship 57

5.1. Introduction 57

5.2. South African enterprise development, 1994-present 58

5.3. An act of development 64

5.4. Entrepreneurial pedagogy: methods of training 68

5.4.1. Asange share scheme and investor education campaign 70

5.4.2. The business mentorship programme 73

5.4.3. A localised pedagogy 75

5.5. Themes that emerged from archival analysis 78

5.5.1. Saving & investing 78

5.5.2. The subject as “customer” 78

5.5.3. An elusive pedagogy 80

Chapter 6 The post-Apartheid Subject: A Foucauldian discussion on Enterprise Development and the Entrepreneurial Subject 83

6.1. Introduction 83

6.2. Those who bare a target 84

6.2.1. Black individuals 85

6.2.2. Women 87

6.2.3. The youth 89

6.3. The state’s entrepreneurial subject 91

6.3.1. Entrepreneurial culture 91

6.3.2. Conductive subject 92

6.3.3 Resistance and counter-conduct 93

6.4. The entrepreneur as state subsidiary 94

6.5. An administrative contradiction 97

Chapter 7 Conclusion and Recommendations 99

Bibliography 104

Abbreviations

ANC	African National Congress
BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
DTI	Department Trade and Industry
GNU	Government of National Unity
ISP	Incubation Support Programme
JSE	Johannesburg Stock Exchange
LSC	Local Service Centre
NDP	National Development Plan
NEF	National Empowerment Fund
NP	National Party
NPC	National Planning Commission
NYDA	National Development Agency
RDP	Reconstruction and Development Programme
SEDA	Small Enterprise Development Agency
SME/SMME	Small and Medium Enterprises

Chapter 1

Introduction

1.1. Introduction

Following the end of apartheid, South African government faced two significant challenges: (1) transforming an economy that was heavily dominated by white owned capital; and (2) including the black majority in it's economy. With the global decline of socialist systems and the pressure exerted by global financial institutions and large corporations, the South African government opted for a neoliberal policy framework to meet these (see Bond 1999, Desai 2004). As Ashwin Desai (2004) notes, the post-apartheid administration has only tended to wounds left by apartheid through flaccid attempts at transformation such as social cohesion programmes and the commodification of service delivery. Arguably one of the key ongoing campaigns within these transformation initiatives is the state's mission to provide support for the promotion of entrepreneurship. This is seen as a means to empower previously disadvantaged black individuals. The claimed objectives of state entrepreneurship programmes is pertain to economically uplifting black individuals, while creating jobs and alleviating poverty.

This research project seeks to undertake a critical analysis of the present framework for the promotion of entrepreneurship from a Foucauldian perspective. As a study modelled on Michael Burawoy's extended cases method (see Chapter 3), Michel Foucault's writings on neoliberal governmentality forms the initial theoretical basis structuring my investigation into the ways state support for entrepreneurship constitutes a mode of governmentality to reshape post-apartheid subjectivities. In this regard this research has looked at the extent to which institutions affiliated and administered by the South African government work to form entrepreneurial

subjects that are responsible, self-regulating and calculative. My hypothesis asserts that the state, employing a neoliberal rationality, aims to cut the costs of resource deployment (such as basic goods and services that are necessary for society to function) and further attempts to mitigate the dependency of citizens on governmental support through regulating and fashioning them into entrepreneurs. It may be argued that this hypothesis is not entirely outrageous. Recent history exhibits that neoliberal policy is not foreign to the South African government. Academics such as Gill Hardt have argued that the the late Apartheid administration had turned to a policy of neoliberalism as a means to counteract the decaying migrant labour system. While Harold Wolpe presented the means by which Apartheid itself constituted a policy of exporting the burden of reproducing labour to the 'black homelands'. This project aims to demonstrate how, through the use of targeted institutional interventions, the post-Apartheid state uses a familiar line of neoliberalism to mitigate costs through informal economies. Furthermore, as upheld by Foucauldian dialectics, this report will illuminate how particular subjectivities are propagated by the state.

1.2. Research Questions

Before stating the overarching research questions on which this project is based, it would now be prudent to point out that this research project does not aim to dispute the effectiveness of entrepreneurial support in combating economic inequality. The intention is rather to challenge the normalised narrative that is currently held by the state and discourse around enterprise development. This research intends to undertake a deeper analysis of governmental rationality and the types of subjectivity that entrepreneurial support tends to create. The research questions that have guided the process of investigation as presented were thus:

1. *In what ways, and to what extent, does enterprise development articulate with neoliberal modes of governing citizens?*

2. *How does this enterprise development attempt to prompt post-apartheid subjectivities?*

In asking these questions, the intended purpose was to scrutinize state institutions which play an effective role in developing and supporting entrepreneurs. Furthermore, to that end, there was an effort to look beyond entrepreneurship as a remedy and analyse it as a form of governmentality and the creation self-administered subjectivities. It must be emphasised that the research objective was not to analyse whether South Africa's post-apartheid approach to transformational development constitutes a neoliberal one. Such had already been confirmed by existing literature. Rather the objective in this project was to study neoliberal governance (in a post-Apartheid, South African context) and its intention to co-opt self-regulating citizens- in this case through the use of institutional support for entrepreneurship constituted a suspected means to achieve this. To be clear, the common terminology this institution is regarded as *enterprise development*.

In this regard this research project has constituted an analysis of institutionalised enterprise development through the lens of a two tiered, complementary machinery of power:
-Firstly, it looked at how and if enterprise development comes to reflect a neoliberal mode of governmentality; one that aims to cut costs and privatize the means of distribution. The idea then is that small businesses will step in where there are needs in society, mitigating the role and responsibility of the state. In this regard the state operates somewhat like an enterprise in its own right. However, although the state plays less of a role, it still retains the power to control and mould subjectivities- this is where the second part of my question comes in.
-Secondly, it looked at how and if enterprise development attempts to create a citizen-subject that is autonomous, calculable, individualistic and of course entrepreneurial. In this way subjects are able to govern the use and

acquirement of the resources they require on their own as opposed to doing so through the state.

1.3. State Institutions concerned with Enterprise Development:

For the purpose of properly informing the reader on the institutions studied by this research paper, it is imperative at this point to present the structure and mandate of the institutions involved in supporting entrepreneurs in the small to medium enterprise sector. The specific institutions that this research project is concerned with is the Small Enterprise Development Agency, the National Empowerment Fund and the Youth Development Agency. All these institutions function under the umbrella of the Department of Trade and Industry in their common and complementary effort towards supporting marginalised entrepreneurs. Each institution will also be investigated through archival research and interviews as will subsequently be briefed in Chapter 3.

1.3.1 Small Enterprise Development Agency:

The “Small Enterprise Development Agency”, otherwise known as SEDA, is a subsidiary of the Department of Small Business Development and the Department of Trade and Industry. It aims to implement state strategy regarding small business development. SEDA is considerably one of the most significant institutions under government administration which deals with entrepreneurial support; this is validated by it’s large presence across the nation, including “a staff complement of above 600 and a network of service delivery points which comprises 9 provincial offices, 43 main branches, 12 satellite branches, 43 Seda supported incubation centres, 50 information kiosks, about 19 mobile units and 29 co-location points in areas where Seda does not have a branch” (The DTI Agencies: SEDA, 2018).

It was first established in December of 2004, with its founding roots in the National Small Business Amendment Act, Act 29 of 2004. The establishment of SEDA was done by three merging organisations- namely the Ntsika Enterprise Promotion Agency, National Manufacturing Advisory Centre

(NAMAC), and Community Public Private Partnership Programme (CPPP) (The DTI Agencies: SEDA, 2018). SEDA aims to provide small business development and support to small enterprise through its said, national network, in partnership with other key role players involved in the support and backing of small enterprise. Specifically, however, SEDA aims to implement programmes targeted at business development in areas prioritised by governmental sectors.It is mandated to implement governmental small business strategy across all tiers of government (The DTI Agencies: SEDA, 2018). In doing so, SEDA thus aims to develop, support and promote small businesses, especially those vital to governmental sectors, while also ensuring their own growth and sustainability. Simultaneously while focusing inwards, SEDA also seeks to extend co-ordination and partnership with various international partners. These would thus make international practices available to local entrepreneurs (The DTI Agencies: SEDA, 2018) .

With the above being said, SEDA has implemented programmes to aid in such objectives. One of the first being the “The Cooperatives and Community Public Private Partnership Programme” (COOPS and CCCP), aimed at promoting entrepreneurship and the development of small enterprises by providing customised non-financial business support services that results in business growth and sustainability in collaboration with other role players. This programme is specifically aimed at trading in townships and rural areas, increasing the number of cooperatives trading with stakeholders, and supported through supplier development (The DTI Agencies: SEDA, 2018). SEDA seeks to apply such by implementing the “Rural Enterprise empowerment Process” (REEP). REEP would enable the facilitation and development of sustainable enterprises in a way that seeks to lead effective empowerment of the collectives involved (The DTI Agencies: SEDA, 2018) . However, before doing so, SEDA asserts that their “One Municipality One Product” (OMOP) is needed before implementing REEP- OMOP is a micro-regional development approach in which a community is encouraged in supporting and producing one competitive product. Its entire value chain, as a

business, is to gain sales revenue and improve the livelihood of members of the community (The DTI Agencies: SEDA, 2018).

SEDA is also involved in the technology sector, offering several programmes dedicated to the development and support of small enterprises crucial to this- namely programmes such as the Incubation unit, as well as the Technology Transfer unit. The Incubation unit is designed to strengthen technological commercialization and harness the entrepreneurship of the technology community of South Africa. Its support seeks to directly aid innovators, and their new enterprise, to "use technology optimally in improving the competitiveness of their products and services" (The DTI Agencies: SEDA, 2018). Above this, it offers aid and access to infrastructure, guidance, as well as financial and legal advice, amongst others. Similar to the Incubation Unit, the Technology Transfer unit also seeks to "promote and facilitate the transfer of technology which is appropriate, effective and competitive to small enterprises" (The DTI Agencies: SEDA, 2018). The unit offers grant funding for the acquisition of technological equipment, key to the facilitation of technological transfer, thus improving access to technological infrastructure and linking innovators with other similar, or linking, small enterprises (The DTI Agencies: SEDA, 2018).

1.3.2. National Empowerment Fund

"The National Empowerment Fund" (NEF), sees itself vital to the role of supporting Broad-Based Black Economic Empowerment (BB-BEE). The NEF has its founding roots in the National Empowerment Fund Act No 105 of 1998 (NEF Act) (Strategic Role and Positioning, 2017). The NEF anticipates a future in the funding and investment of young black individuals, communities, and black-owned businesses. This includes a focus on preferential procurement, broadening the reach of black equity ownership, transformation in management and staff and preventing the dilution of black shareholding. The NEF asserts that their mandate is carried out through three ways: Asset management; where it aims to foster a culture of savings and investment

among its beneficiaries; Fund management; which supports the pillars of black enterprise by providing financial and non-financial solutions across a range of sectors to black empowered businesses; and Strategic Projects Fund, which allows entrepreneurs to participate in projects that are at an early stage within sectors identified by the government as key drivers to the economic growth of South Africa (Strategic Role and Positioning, 2017).

With the above being said, the NEF has implemented programmes and funds aimed at the expansion of black-owned businesses and organisations- namely the iMbewu Fund, the uMnotho Fund and the Rural and Community Development Fund (Strategic Role and Positioning, 2017). The iMbewu Fund aims to aid and support black entrepreneurs wishing to start new businesses, as well as pre-existing black-owned enterprises with expansion capital. The fund supports such entities by offering debt, quasi-equity and equity finance products with a funding threshold (Strategic Role and Positioning, 2017). The uMnotho Fund seeks to improve access to such funding and support with the use of five products, namely “Acquisition Finance, Project Finance, Expansion Finance, Capital Markets Fund, and Liquidity and Warehousing” (Strategic Role and Positioning, 2017). These products provide capital, as well as footing, in the purchasing of equity shares in pre-established predominantly black owned businesses (Strategic Role and Positioning, 2017) . Lastly, the Rural and Community Development Fund is designed to “promote sustainable change in social and economic relations and supporting the goals of growth and development in the rural economy, through the financing of sustainable enterprises” (Strategic Role and Positioning, 2017). This would be attained through the mobilisation of rural communities in order to participate in the broader economic activities of South Africa. Products to aid this would be “Acquisition Finance, Expansion Capital and Project Finance (New Venture/Start-up/Greenfields)” (Strategic Role and Positioning, 2017) .

1.3.3 The National Youth Development Agency

“The National Youth Development Agency” (NYDA) is an established agency primarily designed to tackle the challenges faced by South African youths. It has its founding roots in the Act of Parliament, Act no 54 of 2008 (National Youth Development Agency, 2018). This institution was ultimately established as a single, unitary structure, established to address youth development issues at both a macro and micro level.

The NYDA seeks to ensure that all major stakeholders, such as government, private sectors and civil societies, prioritise youth development and contribute towards identifying and implementing solutions that aid in youth developmental challenges. The NYDA seeks to aid in long term youth development- this would be done by the implementation of certain programmes. Firstly, at a micro-level, the NYDA provides career advice, guidance, mentorship and skill development. They also provide entrepreneurial development and support (National Youth Development Agency, 2018). At an intermediate level, the NYDA encourages youth leadership within their community (National Youth Development Agency, 2018). At a macro level, through policy development and partnership, the NYDA facilitates youth participation and input in policy making (National Youth Development Agency, 2018) .

Like the programmes mentioned above, i.e SEDA and NEF, the NYDA also offers a grant programme, specific to youth entrepreneurship and small enterprise. Their objective is to provide young business owners, or innovators, access to both financial and non-financial aid (National Youth Development Agency, 2018) .

Chapter 2

Literature Review

2.1. Introduction

There has been a plethora of literature on the nature and themes of neoliberalism in South Africa's post-Apartheid era. These have dealt with the issues of class, racism, biopower and many other aspects that pertain to neoliberal governmentality. As previously mentioned, scholars have already made the link between the theories on biopolitics, as set out by Foucault, and the policy implementations of the South African government, post-1994. It is therefore no surprise that, featured in the literature of this research topic, would be the state support for entrepreneurship- the hallmark of an individualist and neoliberal ideology.It must be noted that no literature, comments specifically on the narratives of enterprise development as a post-Apartheid state initiative in South Africa. This research paper is enriched with the narratives and theories that are derived from Foucault, Hart & Negri and Schumpeter.

This chapter does not deal with the theories from Foucault as discussed in Chapter 4 (in that the latter discusses aspects of governmentality, biopolitics and discipline). Nonetheless, these narratives, as the reader shall note throughout the progression of this research report, will be extremely relevant to understanding the basis of the aforementioned research question on the one hand; while equally comprehending the subsequent process, logic and deduction of the conclusions reached in chapter 6.

2.2. Theoretical Literature

Given its importance of theoretically grounding my project, a key component of the reading undertaken in this section of the report focuses on the writing of Michel Foucault. The themes herein relate to neoliberal governmentality and the entrepreneurship of the self. Furthermore there is a lot to be drawn from Foucault's general insights of biopower and how power over the population is

inscribed into the institutions and technologies of governmentality. This research paper borrows its theoretical basis from the ideas espoused by Foucault in his transcribed lectures given at the Collège de France. These lectures were based on his own research with regards to knowledge, power and governmentality. Fittingly the literature that is reviewed in this regard include *Society Must Be Defended; Security, Territory, Population*; and *the Birth of Biopolitics*. Some of the themes from Foucault's better known published works also include *Subject & Power* and *Discipline & Punish*.

Following the chronological order that Foucault gave these lectures, *Society Must be Defended* suffices as the first to be discussed herein. There are three themes to the lectures, of which the second resonates most- that being the historiography of race wars; the introduction of biopower, and modern racism. This lecture series was after all the first in which Foucault discusses a concise formulation of his thesis on biopower as a concept. Herein Foucault describes the latter as two tiered. These consist of anatomo-politics, whereby “discipline tries to rule a multiplicity of men to the extent that their multiplicity can and must be dissolved into individual bodies that can be kept under surveillance, trained, used, and…punished” (Foucault, 2003, p. 242); and biopolitics, which can be described as “massifying, that is directed not at man-as-body but as man-as-species” (Foucault, 2003, p. 243). In other words, the paramount concern of the state with regard to biopower is no longer the right to kill or “make die and let live”, but rather through certain mechanism the concern is directed towards welfare of the population through the process of “making live and letting die”. There is thus a shift that Foucault notices in history, starting from the 18th century, whereby power is no longer violently repressiveRather, power is clandestinely concerned with producing the most efficient outcomes for the population through controlling the psychology and behaviour of bodies through specific mechanisms. An important aspect to how this power fashions the way subjects act and think involves what is described as disciplinary institutions coupled with discourse. Discourse in this sense delineates the manner in which power dispels knowledge that would lead to unfavourable

subjectivities (Foucault calls this subjugated knowledge). Furthermore, knowledge favourable to a certain rationale gets elevated to that which is considered “truth”. (Bio)power is thus the ultimate decider of the economy of knowledge:

> ”The point of all these investigations concerning madness, disease, delinquency, sexuality, and what I am talking about now, is to show how the coupling of a set of practices and a regime of truth from an apparatus (dispotif) of knowledge-power that effectively marks out in reality that which does not exist and legitimately submits it to the division between true and false”.

It is in this vein that knowledge and discourse on the entrepreneur is circulated throughout the post-Apartheid social body. Through the agencies that are considered in this research, particular forms of knowledge and training is sanctioned by the state, not necessarily to merely correct the subject, but to a larger extent to manage and fashion a subjectification towards the end of a particular scheme.

Subsequent to the *Society Must Be Defended* lecture series, Foucault gave his next set of lectures entitled *Security, Territory, Population*. It is here that Foucault discusses the dynamics of *governmentality.* Governmentality in this context is defined as the government over populations. As alluded to in Society must be Defended, the modern state is not solely concerned with disciplining the body or the individual. The modern state has a further concern with populations- specifically the welfare, mortality, education and lifespan thereof. The rationale behind this concern for the population (described by Foucault as governmentality), is directed towards a certain political or economic end. The general theme to *governmentality* is systematic efficiency Examples to this end include the mitigation of revolt or the reproduction of the workforce. Foucault notes that the manner in which the population is governed within the social stratum is through the use of scientific testing, studying and

calculating in order to assess the risks and precautions with which to chart the processes of government (this aspect of analysing risk owes to Foucault's discussion on security apparatus). on the theme of governmentality relates to the research topic in this report. Governmentality resonates greatly with how enterprise development is used as a tool with which to achieve certain objectives in a post-Apartheid context. The most paramount thereof, as hypothesis by this research, is to form subjectivities within the population.

Perhaps the most relevant theme that emanated throughout this project was Foucault's discussion on neoliberal governmentality in *the Birth of Biopolitics*. In this course, Foucault draws on an elaborate genealogy of liberal thought, focusing on texts from British, German, French and American liberal theorists. Through discourse analysis, Foucault (2010) provides a critique of what he calls neoliberal governmentality by drawing on assumptions that underlie its approach to the government of the state. What is important with respect to this research, is Foucault's (2010, p. 84) intriguing point that with the neoliberal state the social becomes reformatted as the economic:

> "… the economy, economic development and economic growth, produces sovereignty; it produces political sovereignty through the institution and institutional game that, precisely, makes this economy work. The economy produces legitimacy for the state that is its guarantor. In other words, the economy creates public law, and this is all absolutely important phenomenon, which is not entirely unique in history to be sure but is nonetheless a quite singular phenomenon in our times."

This point, which emanates throughout Foucault's analysis of neoliberal governmentality, fits in with the analysis of the emphasis on enterprise development in contemporary South Africa.

Another area of literature belonging to Foucault which had been influential to this research project is *The Subject and Power*. As the title denotes, Foucault

expounds on the relation between ruler and the ruled, not so much as a relation of linear oppression, but the process of manufacturing a desired individual (Foucault, 1982). Following from this argument, there is a double meaning to the *subject*. The subject is simultaneously yet ironically an object of self-awareness while also one to be controlled. This point is important for this research report as it resonates with themes of subject formation. Of course, the desired outcome of the subject in this case is that of the "entrepreneur", the supposed saviour of society. This could also fit into a post-apartheid perspective of how the subject is governed, in that for power to prevail, the freedom of the subject is a necessary premise. Thus, power over the subject prevails, through the promotion of entrepreneurship Furthermore, the subject is delineated as a newly "freed" demographic the previously disadvantaged black citizenry.

Lastly, though one of Foucault's most impactful works is *Discipline and Punish: The Birth of the Prison*. There are many themes and points within this piece of literature that this research report draws on and utilizes in order to make certain deductions about Enterprise Development. Within this piece, Foucault's objective is to show how the modern state, has progressed away from using discipline and punishment to effect power. In other words, the power relations associated with physical punishment has seen a significant change subsequent to the modern era. In order to demonstrate this point, he uses the modern penal system and the evolution thereof. Akin to Foucault's typical methodology, this piece shows evidence from the history of the penal justice system as excavated through genealogical and archaeological processes. It starts by analysing punishment prior to the 18th century- wherein corporal punishment and public executions were key to establishing order. Not only were these ceremonial killings directed towards the body of the transgressor however, it also reinforced the power and authority of the sovereign to be recognised by the public. With the dawn of modernity however, this method of punishment became inefficient and therefore obsolete. A new form of punishment was needed to suite the theme of

biopower which was premised on “letting live” in order to control. Disciplinary mechanisms were thus introduced for the purpose of introducing order amongst inmates. This was complementary to an extensive surveillance system, modelled on Bentham’s panopticon in order, not just to observe the inmate, but in order to ensure the inmate monitors their own behaviour. These new forms of punishment thus ensured the compliance, not just of inmates, but of individuals in society as well. The point that Foucault try to convey is that the mechanisms used to ensure discipline and compliance in the penal system can be generalised to the social body as well. It was a priority within the deductions of this research to borrow some of Foucault's elements regarding discipline and surveillance in order to discuss certain methods of entrepreneurial pedagogy.

Many commentators on Foucault have made extended points to the aforementioned themes Following from Foucault's work, the *Birth of Biopolitics*, Thomas Lemke provides an insightful observation of the work ranging from neoliberal governance to technology of the self (Lemke, 2002). These points, which Lemke expounds on in *Foucault, Governmentality and Critique*, had been pivotal areas of argument in this research report. This is primarily due to the fact that the research question as previously mentioned is premised on the idea of the technology of responsibilisation. To further illustrate this idea of responsibilisation, social issues such as employment, healthcare and education becomes the responsibility of the entrepreneurial subject as opposed to the state. Within the area which this research intends to investigate, small business is considered a means by which individuals become socially and economically responsible. Likewise, the subject is reared towards believing and acting in a way to realise this rationality- as this paper will subsequently make apparent, this appears within the process of the State endorsing and reinforcing entrepreneurship.

In a similar vein to the first two pieces of literature that been cited, *Political Power beyond the State* is an intriguing work that would add much value to

this research report. Herein, authors Nicolas Rose and Peter Miller make some claims through their passages regarding the perceived dichotomy between the state and civil society; public and private. They hold that "[p]ersonal autonomy is not the antithesis of political power, but a key term in its exercise, the more so because most individuals are not merely the subjects of power but play a part in its operations" (Rose & Miller, 1992). This piece thus touches on the perceived constitution of government and the state- while proposing, following Foucault that power is infused and inscribed in the technologies of governmentality. This argument is important for analysing the expertise, knowledge and calculability that is imparted onto the subject through various discourses, training programmes and forms of support provided by the institutions studied in this research report. This also has a link to the private sphere, where entrepreneurial subjects are supposedly operating to "create employment" and "alleviate poverty" whereas, the entire time they are regulated by the political power of governmentality.

2.3. Foucauldian perspectives on Post-apartheid South Africa

One article that sheds a relevant light on the issue of post-apartheid South Africa and the swift turn towards neoliberalism that the GNU undertook was *Ideology, Discourse, and the Geography of Hegemony: From Socialist to Neoliberal Development in Postapartheid South Africa* by Richard Peet (2002). Here Peet (2002) focuses on what caused the abrupt turn in policy with which post-Apartheid South Africa was to be governed, Peet goes on to attribute this to an "academic-institution-media complex". This complex, which radiated from both within and outside the country is what persuaded that monumental move towards neoliberalism. This conclusion that Peet (2002) comes to was derived from a combination of Gramscian and Foucauldian theory on hegemony and global discourse. Just as much as the global discourse of neoliberal governmentality was impressionable on the post-Apartheid state, so too was the sanctioning of enterprise development.

Much like Peet's article on how global hegemonic discourse influenced a neoliberal shift in post-Apartheid politics, Kate Manzo (1992) in *Global Power and South African Politics: A Foucauldian Analysis* provides a perspective on how Western dogmas have influenced and normalised certain ideas of identity, subjectivity and governmentality in South Africa during the transitional negotiations. T Manzo discusses how the state's knowledge-apparatus such as schools and churches normalises certain ideas, including ideas on the market and private property: " Anyone who agreed with the aims of the government described as 'a realistic development plan' for southern Africa; protection of the rights of individuals, minorities, and national entities; greater private sector economic activity; and the maintenance of order - was reasonable and worth talking to. All others, and especially those who continued to favour the sort of practices associated with Marxism, could not be considered worthy negotiating partners for the government" (Manzo, 1992, p. 53). This then ties into the objective of this research report being the illumination of the ways in which institutionalised entrepreneurial pedagogy, as endorsed by the state, is a means to control and form post-Apartheid subjectivities.

Another article, *Haunted by the Rebellion of the Poor: Civil Society and the Racialized Problem of the (Non-)economic Subject* by Anna Selmeczi (2015), takes its premise from Foucault's writing on the genealogy of liberalism and using civil society as a technique to govern the population. Ultimately, what Selmeczi (2015) proposes is that dissent and protest by the poor masses in post-apartheid South Africa is designated within the narratives of civil society. They are thus regarded as the ungovernable other and not worthy of being the economic subject or subject of rights. Akin to my research project the aim of this article was to challenge dominant narratives, in this case that of civil society, which is supposed to keep checks and balances on government, but rather acts within itself as a means to govern (Selmeczi, 2015). In the same vein state support for entrepreneurship too acts as a means to diminish ungovernable behaviour and to render the population from desiring "excessive

freedom". Entrepreneurship as will be discussed, is an individualizing discourse where, for the subject, dependence on the state for resources is considered "weak" and unfathomable.

2.4. Entrepreneurship and Society

For definitional purposes, the theories espoused by Joseph Schumpeter offer an important starting point to gauging what sort of value the entrepreneur has in society; of what the image of entrepreneurship radiates. Schumpeter (2003) describes the entrepreneur in a very heroic manner- as someone who brings innovation to society; someone who braves the risks of financial failure to bring new products to the market place while at the same time providing jobs and economic prosperity. While the previous literature reviewed in this chapter are somewhat critical to entrepreneurship, Schumpeter has a considerably sympathetic approach to analysing the entrepreneur. In this view the entrepreneur is interpreted as heroic, individualist and necessary to the business cycle and economic development. This is attributed to the characteristics of creativity and savviness that are intrinsic in the entrepreneur (Schumpeter, 2003). The purpose of this research project however, was not to investigate whether South Africa's society is in need of innovation, or whether the former is an outlying objective of South Africa's government. On the contrary this project's objective was to analyse subject formation through the promotion of entrepreneurship. Perhaps what is most relevant to this research project in terms of Schumpeter's work, is his contribution on "creative destruction" in *Capitalism, Socialism and Democracy*: "The opening up of new markets, foreign or domestic, and the organizational development from the craft shop and factory to such concerns as U.S. Steel illustrate the process of industrial mutation that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one. This process of Creative Destruction is the essential fact about capitalism. It is what capitalism consists in and what every capitalist concern has got to live in." (Schumpeter, 2003, p. 83) Entrepreneurship can thus be seen as the

internal revolution within capitalism; a process of development. Contextualised to the case of post-Apartheid South Africa, Schumpeter's entrepreneurship can be thought of as an alternative, "revolutionary" means to distribute resources.

Hardt and Negri focus on how capital uses entrepreneurship to consume the common (production of resources). Hardt and Negri, alongside Michel Foucault, are an influential duo in postmodern thought, especially amongst social labour theorists and autonomists. Their series of pertinent works include *Empire, Multitude, Commonwealth* and most recently *Assembly*. Throughout these works Hardt/Negri provide an analysis of the development and current state of capitalism, neoliberalism, imperialism, labour and productive relations and political economy in general through their interpretation of Marx's texts. Perhaps their most pertinent observation as per Marx is the development of capitalism from formal subsumption (industrial and factory-based production) towards real subsumption- under which in the latter labour is decentralised and dispersed (not merely concentrated to the factory) to all aspects of life public and private (Hardt, Hardt, & Negri, 2017). It is from this point that Hardt/Negri develop their thoughts on entrepreneurship in chapters 9 and 12 of Assembly. After touching on Schumpeter's evolving thoughts on the nature and importance of the entrepreneur in society, Hardt/Negri move to a perspective of neoliberal entrepreneurship. They add that what's missing from the perspective of the individualisation of entrepreneurship is the atmosphere of social production on the ground amongst the multitude: "After all, doesn't neoliberal ideology exhort us each to become entrepreneurs of ourselves, to wean ourselves of state assistance and construct an entrepreneurial society? Being entrepreneurs in this way means that each of us individually must be responsible for our own lives, our own welfare, our own reproduction, and so forth. What is missing and mystified by this neoliberal entrepreneurship, however, are the mechanisms and relations of cooperation that animate social production and reproduction" (Hardt & Negri, 2017, p. 144). Thus for Hardt/Negri entrepreneurship and the cooperative production of the common

belongs to the multitude, however it is co-opted and domesticated by the individualism of neoliberalism.

One theme that this research project attempts to illuminate is the socialisation of entrepreneurship. The discourse inherent in this socialisation pursuit only to better the individual but to improve society and the economy as a whole. In that regard, it is required that there exists a social discourse, promulgated by the powers that be, whether capital or the state (or both for that matter), of the businesswoman/man who is independent, well-off, and navigates social spaces as a leader and innovator. These were the tenets of research conducted by Ruta Adamoniene and Adele Astromskiene (*The Peculiarities of Socialising Entrepreneurship*) in the socialisation of entrepreneurship. Herein, socialisation is articulated as:

> "... a process of acceptance of moral orientation and behaviour norms of society, becoming of a person (individual) a society member. Values, life provisions and actions in concrete culture form in primary socialization; while in the secondary socialization, also other social groups involved in education process of a person (individual), in which values, behaviour norms, roles and models form and on their basis knowledge, values, provisions and behaviour are taken over."
> (Adamoniene & Astronskiene, 2015, p. 849)

Deirdre Tedmanson et. al (2012) in their paper *Critical Perspectives in Entrepreneurship Research* discuss the "messy" side of entrepreneurship that is less excavated by academic journals- these refer to the political, "edgy" aspects to entrepreneurship such as gender equality, economic equity and ethics. Tedmanson et. al (2012) analyse the problematics of entrepreneurship through the gauze of those marginalized including female and indigenous entrepreneurs (in post-colonial societies). The most important aspect to this work, however, is the theoretical base from which these critiques are made. The authors here speak of hegemonic discourse of which entrepreneurship is

an ideological tool both politically and economically. Herein there lies the discourse that entrepreneurship is the only means of achieving wealth and prosperity, while showcasing the entrepreneur as the heroic figure within society. This aspect of hegemonic entrepreneurial discourse within civic spaces, especially within the neoliberal climate of South Africa, is a vital aspect that was included in this research paper.

Campbell Jones and Anne-Marie Matula (2012), much in the same vein as Hardt and Negri, speak of entrepreneurship in relation to the commons, or the collective. Thus, following from Hardt/Negri, and in turn like they have borrowed from Marx, Jones and Matula (2012) note a positive aspect to entrepreneurship in its contemporary form. That is, entrepreneurship as a social phenomenon promotes the socialisation of labour. However, there is simultaneously a negative aspect to entrepreneurship in its current form. Through individualistic tendencies, entrepreneurship captures and appropriates the common in favour of private interests. Thus, without shying away from its cultural or narrative aspects, Jones and Matula (2012) frame entrepreneurship within a dimension of political economy through their exposure of its “open secret”- the appropriation of the common. This framing of entrepreneurship had been essential to this research project, especially as to how it ties into resource redistribution in South Africa by the post-Apartheid state.

2.5. Global perspectives on Entrepreneurship

David Phillips (2001), in his report entitled *Implementing the Market Approach to Enterprise Development* embarks upon case study research involving 10 different state instruments to support domestic enterprises. Based on the findings of this research, Philips (2001) finds that the best approach is that of a decentralised, market-based approach towards providing grants to enterprises. This is based on the primary principle that the said enterprise is concerned with social goods and services. What’s interesting here is that the author suggests the privatisation of public support for enterprises (Phillips,

2001). However, the case of South Africa has not yet reached this extent (yet). One aspect that South Africa may have in relation to these findings is the prioritisation of skills and knowledge provision as opposed to equipment. In a similar instance, South African institutions that support enterprises prioritise non-financial, skill-set development as opposed to funding or equipment-although these are made available on a loan or lease basis.

Another report that is included in this review is that undertaken on behalf of the World Bank in 2007 entitled *South Africa: Enhancing the Effectiveness of Government in Promoting Micro, Small and Medium Enterprises* (Wagle, Weber, Clarke, Phillips, & Konishi, 2007). Much like the previously mentioned document compiled by David Phillips (though he does contribute to this report as well), this report is constituted a number of surveys, to gauge the effectiveness of both public and private assistance to enterprises in South Africa. The research was conducted on both the agencies which offer this assistance as well as the beneficiaries (enterprises). The variables that were involved on this research include accessibility, support programme effectiveness, financial support and support infrastructure. What's most important about this report is that it does research on some of the same institutions and programmes that are premised in this proposed research report (such as Ntsika/SEDA). The report concludes that for a more competent system of SMME support, that these institutions should become decentralised. The government (DTI), in the meanwhile, is advised to play a regulatory/oversight role. This opposes the current role the DTI administers which is predominantly centralised. Furthermore, the report encourages more intervention from the private sector, particularly the first economy.

Written more recently than the two previous reports that have been mentioned, Fransesco Quatraro and Marco Vivarelli (2014) have compiled *Drivers of Entrepreneurship and Post-entry Performance of New Born Firms in Developing Countries* again on behalf of the World Bank. The purpose of this report was to highlight the shortcomings of newly formed start up enterprises

in developing countries. These failures were essentially attributed to bureaucratic constraints and poor property rights in these countries. Of course, a key feature of the report was to recommend ways in which governments should intervene, though through a limited basis, to eliminate any obstacles to aspiring entrepreneurs, “target potentially successful entrepreneurs by shaping eligibility criteria to gain access to specific funds or tax credits” (Quatraro & Vivarelli, 2014, p. 23), and only focus on entrepreneurs that exhibit promising and market-friendly traits. Regarding these core tenets of this literature, it is already clear that there is a neoliberal stance towards state support for entrepreneurs while mitigating potential costs.

Chapter 3

Methodology

3.1. Introduction

The research methodology that has gone into this research project had included a medley of methods to ascertain the vital information from each of the relevant governmental institutions considered in this project. As will subsequently be justified and explained, the method of data collection included archival analysis and interviews (though the latter was only achieved to a limited extent). The theme under which this data was organised and collected resonated with the extended case method as inspired by Michael Burawoy. The temporal element under which this research project was conducted was nowhere near the intensive amount of time that Burawoy recommends the research sets aside for data collection. With this said there has however been enough time and effort allotted to establishing a steady rapport with the administrators of the institutions involved in the analysis of this project. This was enough to establish a narrative with which this project could compare to the initial hypothesis developed in the commencement of research. The following chapter will detail and outlined the necessity and employment of these methods in detail.

3.2. Extended Case Method

As this research project relies on both a rich contingent of theoretical literature as well as empirical data, the research methodology that was employed resonates with the extended case method. Inspired by Michael Burawoy (1998), the extended case method was chosen with the objective to reconcile empirical data with the theoretical data on which this research is based. Extended case method can be understood in terms of examining the effects of the macro on the micro while not just accepting dominant narratives whether or not they may be correct (Burawoy, 1998). In fact, the objective of this

method is to refute dominant narratives or theories based on the findings of contextualised cases:

> "In our fieldwork we do not look for confirmations but for theory's refutations. We need first the courage of our convictions, then the courage to challenge our convictions, and finally the imagination to sustain our courage with theoretical reconstruction. If these reconstructions come at too great a cost we may have to abandon our theory altogether and start afresh with a new, interesting theory for which our case is once more an anomaly." (Burawoy, 1998, p. 20)

Burawoy (1998, p. 16) thus formulates this method with the purpose of falsifying or readjusting the theory on which it is based; as he holds that "science offers no final truth, no certainties, but exists in a state of continual revision". In the same way there exists two pivotal theories or narratives in this research- this was of course an intended situation to provide a balanced theoretical basis. These theories pertain firstly to Foucauldian theory which would advocate that state support for entrepreneurship is a means of control and an attempt to fashion particular subjectivities; and secondly there is the neoliberal narrative (as promulgated by the South African government and the likes of the World Bank) on enterprise development, highlighting that it is necessary for job growth and economic prosperity. It must however be emphasised that the extended cases method is thus useful to this project, not so much to the extent that it tries to falsify theory, but rather to use theory as an analytic to test the hypothesis based on the data collected. Regarding the nature of the data collect throughout the course of this project, as Chapter 6 & 7 will present, Foucauldian theory was used to validate the hypothesis wherein the power relations of institutionalised enterprise development resonate with neoliberal governmentality and attempt to fashion particular subjectivities. This was not to say however that the neoliberal narrative on job

creation was debunked, but rather proven not to be the whole truth, so to speak.

3.3. Limitations to Extended Case Method

As discussed, the chosen research technique for this specific project involves a different direction, in terms of data collection, to that of Michael Burawoy. Burawoy (1998) recommends participant observation as a method of investigation. The limitation this research would thus not be the same to that which Burawoy outlines to the extended case method. For example, the relation herein as observer to participant will not be as intimate that it may constitute domination. The participant in this case will not respond in their individual capacity but as a representative of the institution that was investigated.

It had been however anticipated that this research would fall into the side effect of objectification which Burawoy (1998) speaks about. Objectification is an unfortunate yet inevitable task of seeking to highlight certain external power or method of control over the subject. However, in doing so, this makes the subject in the investigation appear as a mere object of the power she is being subjected to. This is no exception to the premise of this research project. The premise herein is to investigate subject formation through state support for entrepreneurship, which in itself, relegates the subject in question (which in the case of the entrepreneurs being supported are made up of individuals who are already oppressed on the basis of race, gender and class) to an object of the state. Consequent to the acknowledgement of this limitation, the aim throughout the research process was to resist such objectification at all costs. This was pursued through animating these entrepreneurs not just as objects to be controlled, but as individuals who too seek to navigate, with their own agency, the tough terrains of capitalism and neoliberalism. This point shall also be reiterated throughout this research report.

The second limitation is that of trying to outline normalisation, as per power relations. Of course, this is a key premise in this research report. The aim herein was to debunk the normalised rationale that entrepreneurship, and the support thereof, is necessarily solely for economic reasons. The problem that Burawoy (1998) mentions about this is that the researcher tries to tailor the theory in order to fit the social situation, and reducing the social situation to a "case, recomposed to digest the anomaly" (Burawoy, 1998, p. 24). Though it is never a good idea to conflate theory and certain social situations. Burawoy (1998) explains that it is at times necessary in reflexive science to take context for granted in order to make power relations apparent. Especially where there is a contradiction or flaw in theories representation in a social situation.

3.4. Data Collection

With regards to the empirical aspect to this project, archival analysis was employed in order to source the relevant data to be investigated. In addition, it was used to provide substantiation to the theories discussed in Chapter 2. As mentioned previously, this research report constituted an extended case method approach. This means that there was intended to be a high level of engagement and dialogue between researcher and participant. Consequently, proactive approaches such as interviews and archival collection in the case of this research project we necessitated. Dialogue (though only to a limited extent due to circumstances that will later be discussed) was thus envisioned to be an important feature of this research as it aimed to unite the observer and participant in the search for knowledge:

> "Dialogue is the unifying principle of reflexive science... it demands an analysis of interaction within social situations; it uncovers local processes in a relation of mutual determination with external social forces; and it regards theory as emerging not only in dialogue between participant and observer, but also among observers now viewed as participants in a scientific community. Theories do not spring tabula rasa from the data

> but are carried forward through intellectual debate and division." (Burawoy, 1998, p. 16)

It was thus have been ideal to apply and test theory through dialogue within the empirical field- which is what this research aimed to achieve.

3.5. Archival Analysis

As mentioned, archival research formed a significant contingent of data collection in this research project. This thus meant that seeking access to reports, policies, speeches, conferences, projects, legislation and seminars from the institutions that were to be studied. The area of focus that the study tuned into, as mentioned in Chapter 1, was inclusive of three seminal State agencies; being the *Small Enterprise Development Agency (SEDA); the National Empowerment Fund (NEF); and the National Youth Development Agency (NYDA).* These institutions were chosen because they all fall under the curatorship of the Department of Trade and Industry (DTI)- although the most important perhaps would be SEDA as it is directly mandated by the National Small Business Act. The fact that all of these institutions fall under the umbrella of the State is important because within the process of investigation, there was essentially an analysis the governmental rationality- with the DTI being within the executive arm of government. All of these institutions also offer non-financial support to the youth, underprivileged and formerly disadvantaged as their targeted segment of the population. This is an important variable as it points towards the social differentiation of a particular subject- the entrepreneur.

The purpose of archival research in this regard, involved actively engaging and interacting with these institutions in order to gain access to documents policies, trajectories or drafts that are not widely available on public domain (Ventresca & Mohr, 2002). This had involved a level of rapport and dialogue the head offices of these institutions. Subsequent to communicating and requesting permission to do so, supporting information was obtained in order

to add context to the documents had been procured. The nature of these documents was relevant to how entrepreneurship is supported by these institutions, to what ends and who is selective for support on what basis. The timeframe of these documents was also important (as the earliest serious consideration by the GNU was expressed in a 1995 publication) to present as this research report pertains to the post-Apartheid era.

A considerable limitation to archival research in this regard was that some data is suspected to have been sensitive and thus classified. Therefore certain institutions might have withheld such information- especially since the data pertains to individuals and their small businesses. That's not to say that such sensitive information will be absolutely pertinent to my research. There must also be the consideration, in this case, that certain information, that may denote particular intentions on behalf of the state. In this case, such information would be quite vital to this particular project. It would not be expected for a State institution to divulge information that would compromise the neutrality or benevolence of the State, in spite of its relevance to this project. Nonetheless, in the case where certain gaps in information was encountered, to the greatest extent afforded, efforts were made to contact and retrieve information from employees of these agencies.

3.6. Interviews

One considerable limitation faced by the data collection methods of this research project was the accessibility of the reports or documental information to do my analysis. As some of these documents weren't openly available to public domains such as the internet. Consequently, there was an intention to conduct interviews in order to supplement what could be desktop research. This was essentially meant to fill the gaps that have presented themselves in the information that these organisations publish online.

One limitation with interviews, was working around the availability of respondents (given the tight schedules that managerial staff have) and

working it into the time constraints of my research plans. Unfortunately, this was encountered throughout my research process. Numerous attempts were made to schedule interviews with agency member and employees (who shall not personally be named due to lack of consent), however these individuals were either unresponsive or unable to make time for an interview due to work constraints. The closest to an interview that was encountered throughout the research process was one scheduled in January with Waseem Carrim (the CEO of NYDA), though this was cancelled due to unforeseen circumstances. Limited yet meaningful communication was however maintained with members of staff in all three agencies via phone call and email. In these conversations, ad hoc discussions were deliberated which resonated with the objectives and narratives of the respective agencies. These ad hoc deliberations were more or less conducted along the same line of questioning as presented in the intended interview schedule. These participants, being the members of staff, also provided further information sources such as documents and briefs in order to provide further information. It must be noted however that these communications were ad hoc and unrecorded due to the aforementioned issues of time constraint.

Due to the taxing time constraints and workload faced by members of staff, data collection was only possibly through ad hoc conversation. In hindsight, this was, however, very useful in analysing the evidence. This additional information added much needed context to the documents that I had set aside for archival analysis. In this sense, the aforementioned limitation was averted to an extent. The staff who were contacted were very helpful and informative despite their workload. Respect was, however, observed in asking for their availability in providing information as it would be unethical to expect staff to undermine the expectations of their job. Measures were also taken to ensure that the information and documents that were shared for the purpose of analysis were open to the public in terms of the Promotion of Access to Information Act, No 2 of 2000. This was thus how the crisis this research faced in data collection was counteracted through liaison.

Chapter 4

Enterprise Development as Power, Right and Truth

“In a society such as ours—or in any society, come to that—multiple relations of power traverse, characterize, and constitute the social body; they are indissociable from a discourse of truth, and they can neither be established nor function unless a true discourse is produced, accumulated, put into circulation, and set to work. Power cannot be exercised unless a certain economy of discourses of truth functions in, on the basis of, and thanks to that power.”

-Michel Foucault, Society Must Be Defended

4.1. Introduction

As Foucault notes in a variety of his works, power relations are omnipresent within society- it is present in the family, school, places of worship and even in the most intimate relationships. These are the guiding forces by which individuals identify themselves and others. It informs the manner in which the subject acts and thinks. under the guise that these actions are her own, these power dynamics synthesise a complicated degree of “freedom”. In his works on governmentality, Foucault mentions that these are the same type of forces that the modern state aims to enact. Though indirectly, these forces inform and codify a type of subjectivity that is self-regulating and independent. This is of course in line with the neoliberal governmentality of the modern state. What this chapter aims to do is discuss Foucauldian concepts of knowledge and power, together with the concepts of discipline and normalisation which it encourages. It aims to adapt these concepts to the research topic at hand - that being the post-Apartheid, entrepreneurial subject as supported by the State agencies concerned with Enterprise Development. It must be stated that the purpose of this chapter is to inform the reader of these themes that appear in Foucault's extensive works. Furthermore, these overarching themes will be discussed in this chapter as an analytic tool to uncover the method and nature

to which enterprise development constitutes a mode of control, surveillance and regulation in order to reinforce post-Apartheid subjectivities based on entrepreneurialism. To further reiterate, this chapter distinguishes itself from chapter 2 as it provides a finely tuned focus and elaboration on the themes to be borrowed from Foucault, as opposed to pointing out the theoretical gap this research aims to satisfy.

4.2. Governmentality

It is owing to Foucault (2004) that the contemporary social sciences have an understanding of the art of governmentality. Through the genealogical process of analysis, the historical development of the state and the residues of the ancient regime, one is able to understand what Foucault describes as biopower and biopolitics. Herein, the very body, mind and behaviour of the populace comes under the control of the state through ever present sites and technologies of power. Though, what's important to note is that power in this sense wasn't just exercised through violent repression, but through clandestine means. This is exhibited in the following definition of biopower:

> “It was a mechanism of power that made it possible to extract time and labor, rather than commodities and wealth, from bodies. It was a type of power that was exercised through constant surveillance and not in discontinuous fashion through chronologically defined systems of taxation and obligation. It was a type of power that presupposed a closely meshed grid of material coercions rather than the physical existence of a sovereign, and it therefore defined a new economy of power based upon the principle that there had to be an increase both in the subjugated forces and in the force and efficacy of that which subjugated them.” (Foucault, 2003, pp. 35-36)

In order to analyse how a particular state operates, it is important to understand its art of governmentality and the rationale behind it. A state does

not just exist in society solely for the benefit of the populace. Rather, in a clandestine sense, it exists on the basis of how to govern the populace through the most efficient and surgical means. The state doesn't not merely exist or operate on the basis of providing healthcare, education, etc. It has an ulterior purpose in that it controls how these provisions are meted out and to what ends. The operational question here is thus "based on the resources and technologies available to the state what and how is the best method to govern the populace down to the individual?". The telos in this regard is to evoke within the individual, or subject of power, the best manner in which to govern themselves, and while in so doing, govern the behaviour of others. It is in this manner that biopower is a more and covert method of governing- one in which the subject is not totally aware or in control. Instead of harsh physical coercion, control is meted out in subtle ways such as cues and incentives.

It is thus befitting to discuss this mode under which the state functions with reference to Foucault iteration of biopolitical power, as opposed to disciplinary power which will later be discussed. The former is directed towards the population, while the latter is directed toward the individual. Thus, to an extent, the bases on which state power is meted out involves the population. The telos in this regard involves security; to the end of avoiding certain risks and in order to take precautions. For example, a lot of resources are invested by the state in order to study and observe particular behavioural tendencies of the population. In this regard, certain behavioural aspects can be exploited in order to maintain social order and compliance. This does not, however, always involve social behaviour. Certain aspects of the economy also take precedence in certain instances. Predominantly this would involve oversight practices such as regulating the labour market. The concept of biopolitical power, and to an equal extent disciplinary power, will be important to deducing theories on how population control is maintained through the administration of enterprise development. It doesn't just have a micro effect to the extent of only regulating entrepreneurial subjectivities, but it also has a societal impact on

the entire population, including non-entrepreneurs. This will be further discussed later.

With regards to governmentality, specifically analysing the nature of post-Apartheid governmentality, one ought to ask the question, precisely as Foucault had asked “What are the rules of right that power implements to produce discourses of truth? Or: What type of power is it that is capable of producing discourses of power that have, in a society like ours, such powerful effects?”. It is after all through the production and reproduction of truth and knowledge that the state is able to determine the grounds on which it governs. It can thus be thought of as the tool under which it governs. Discourse is a powerful means by which the state “delineates” and “reproduces”. Thus, in sum, “on the one hand, the rules of right that formally delineate power, and on the other hand, at the opposite extreme, the other limit might be the truth-effects that power produces, that this power conducts and which, in their turn, reproduce that power” (Foucault, 2003, p. 24). Governmentality thus goes hand in hand with a certain type of discourse that delineates a suggested culture, under which the subject is to be cloaked and embraced in order to be regulated. This is no exception to the design and purpose of enterprise development. Given, at an economic level it may aid the issues of unemployment or under representation of black individuals in the economy. However, at a political level the devil is in the detail. Enterprise development exudes a certain expectation of the population to embrace the capitalist system, under which profit is key; and neoliberalism, under which the individual is calculative and self-sufficient. Furthermore, this creates a self-governing individual.

What’s also noteworthy about this aspect of discourse being circulated throughout biopower is that it exudes a type of knowledge and expertise. Knowledge here refers not to a universal, objective method of reason. Instead it refers to a specific method of thinking and reasoning that resonates not only with discourse, but with discipline and power too. As Foucault notes,

knowledge is particular, heterogenous and competitive amongst individuals. It is in this vein that the state acts, through a limited function, to categorise and organise this economy of knowledge. In sum, knowledge is annexed and redistributed by the state through discourse. While in so doing, the state also disqualifies certain aspects of knowledge as “untruths”, as it may conflict with the state’s rationality. Furthermore, there is the normalisation of particular forms of knowledge which are advantageous to the aforementioned state rationality, thus making clashing forms knowledge easier to amalgamate. Finally, there is the categorisation and hierarchisation of knowledge. How does this particular conception of knowledge fit into Enterprise Development? This is an article of discussion that would need extensive deliberation in subsequent chapters. However, it is important to keep in mind that Enterprise Development is a technology which in itself promotes knowledge- a knowledge that is closely regulated and revised. There are particular notions within state mechanisms which provide expertise and skills which inform a type of normalisation towards the end of fashioning particular subjectivities- these subjects would continue to reproduce power through its conductive network. There are examples of the latter statement in which the entrepreneur is propped up as the provider within her community. This constitutes an instance where the subject is elevated to a position of power. This elevation of the subject in order to convey power is achieved through the promotion of entrepreneurial knowledge.

Furthermore, with regard to the nature of governmentality that is at stake in this paper- one turns to the observations of Foucault where he speaks of a new (in contrast to a feudal or monarchical mode of government) art of government which develops in the 18th century. It suffices to say that the post-Apartheid South African state too finds itself under this form of governmentality, as it is the mirroring of a euro-centric state, through its colonial remnants. This art of government may be termed, in its contemporary form as neoliberalism, an ideological phenomenon. Neoliberalism is thus a form of governmentality that is not alien to the modern state itself, which

Foucault describes this modern state as “frugal”. The translation of “frugal” in this sense is not only fiscal, but also political. In sum, neoliberalism is the approach to government which ultimately seeks the most efficient manner in which “not to govern so much”. Foucault describes neoliberal governmentality as a form of post-welfarism, whereby the duty of caring or providing for the population is outsourced. This thus necessitates the need for a “responsibilised” subject- preferably a rational, knowledgeable individual. Darrow Schecter provides some concise insight on this point:

> “Foucault regards the exercise of power and the formalisation of knowledge to be intimately bound up with the constitution of living individuals as subjects of knowledge, that is, as citizens and populations about whom knowledge is systematically constructed... Subjects are not born subjects so much as they become them. In the course of becoming subjects they are classified in innumerable ways which contribute to their social integration, even if they are simultaneously marginalised in many cases.” (Schecter, 2010, p. 171)

It is possible to translocate this theoretical point to the discussion of enterprise development. This is exemplified by the instance of the entrepreneur as the provider in her community. Here the subject is “responsibilised” as the provider in not only individually, but socially as well.

It is evident that there is a genealogical source Foucault provides for the establishment of this liberal rationality of government. He presents this source as the market. More specifically the *source of truth* lies in the market. The historical development of the modern state replicated this pattern in which aspects such as truth (falsifiable and testable government policies) and veridiction may be acquired using market related principles. Foucault attributes this to the “natural” and spontaneous mechanism under which the market, and consequently the state, operate under. There is thus a connection between political economy and state’s reasoning. In the same way the South

African state operates on the basis of neoliberal governmentality. There is observable evidence that after apartheid, the popular liberation party, the ANC, had abandoned its socialist aspirations. However, the globalised narratives, in conjunction with oppositional pressure from the NP, persuaded a general state policy that resonated with notion of neoliberalism (McKinley, 2017). This convention was owing to the perception of neoliberalism as just and truth-baring, just as in the case of the development of the modern state, whereby the market was viewed as sacred.

Going back to governmentality for a final time. The structural grid of power that exists in the modern state is observed as neoliberal governmentality which appears as the *raison d'etat*. It constitutes not only of a theorisation based in political economy, but it entices a culture and way of life under which individuals are incentivised to follow. It is thus a form of political and sociological reasoning that infects the entire social body, thus owing to the totality of biopower. How then does this bare upon the individual as subject? Herein is where Foucault speaks about homo economicus, or the economic man. The latter refers to the subject who is regulated in such a manner that her entire life, behaviour and thoughts come into the context of quantifying, calculating and reasoning based on economic sciences and rationale. In other words, the economic has seeped into the daily life and rituals of the individual, to the point where life becomes economic. Thus, enters the concept of entrepreneurship of self. This is the process whereby the individual has limited choice in exception to commodifying herself in order to attain her proverbial daily bread. This course of commodification is necessary not solely to progress in life, but in order to survive as well. The subject who lives and navigates through society as human capital, constitutes essential to being part of the neoliberal power system.. In order to make a living, and achieve success, one ought to seek and utilise capital, such as skills and education, in order to get a good job and progress upwards within the society.

In the case of South Africa, the point of homo economicus takes a significantly different form, or perhaps even a non-existent one. This is predominantly due to the legacy of Apartheid A large portion of the populace, being the black majority, were greatly marginalised from the economy. During Apartheid many black workers were de jure regarded as migrant labour, and thus not fully integrated into the economically motivated system of power. Furthermore, black people were stripped of the capital needed to embrace entrepreneurship of self. The post-apartheid state for this reason couldn't possibly expect black individuals to immediately adopt the sort of subjectivity in relation to neoliberal governmentality. Due to the policies of apartheid, black individuals were thus economically stunted by the fact that they were deprived of certain skills and training needed to survive a neoliberal environment. With the option of socialist policies taken off the table by the GNU, enterprise development was established as a form of welfarism. This was implemented in order to instil, through paternal and pedagogical means, entrepreneurial subjectivities.

4.3. Normalisation and Discipline

Governmentality and biopower, as previously noted, is a phenomenon which is totalising and omnipresent. In order to rule and govern there is a need for the state to gather and maintain a degree of observation over the population in order to learn and strategize the most efficient path forward. Such can be described as the power-knowledge element of biopower. Furthermore, the method in which the population is observed is intricate its undertaking. The method of surveillance in this sense pertains to the Foucauldian analogy of *Panopticism*. In other words, there is a constant and omnipresent surveillance on the populace within a society, in order to observe their behaviour. This concept is thus not alien to this research project, as the nature of enterprise agencies consists of an element of surveillance as findings will present. From the localisation of institutional subsidiaries, present in even the most rural of communities; to the regulations within the training and incubation (see chapter 5) of enterprises and therefore entrepreneurs. Through the promotion of

entrepreneurship, the state is thus still able to control the subjectivity it is trying to enforce. This is limited only by the potential for success, efficiency and cost worthiness in terms of funds and administration. It must be noted however that observation of the subject is not the only purpose of panopticism. Perhaps more importantly, it also reinforces disciplinary power. When the subject is aware that she is under surveillance, there is a tendency for her to cooperate with the correct and "normal" manner in which to conduct herself. Disciplinary power, together with its complementary component of normalisation, will thus constitute a significant aspect to the analysis on the surveillance and regulations that stem from the state programme of enterprise development. it would thus be prudent to discuss the details of discipline and normalisation while linking it to the research topic.

Discussing the elements that regulate life within the social body, Foucault compares codified law and discipline. Mechanisms of security within society are based on juridical principles whereby the manner in which individuals conduct themselves or the constraints thereof are imagined On the other hand, one finds realm of discipline is characterised by more realistic principles grounded in physics:

> "Discipline works in a sphere that is, as it were, complementary to reality. Man is wicked, bad, and has evil thoughts and inclinations, etcetera. So, within the disciplinary space a complementary sphere of prescriptions and obligations is constituted that is all the more artificial and constraining as the nature of reality is tenacious and difficult to overcome." (Foucault, 2004, p. 69)

There is thus, a significant degree of rationality, science and statistics that goes into the process of discipline. This is for the purpose of marking out that which is normal and abnormal in order to mitigate the risk of the latter (or the scourge of abnormality in the form of revolt for example). To go further, the ultimate purpose of discipline is, simply, to inform a preconditioned mode of

subjectivity. The process through which this is achieved socially is through the process of normalisation.

Discipline, via normalisation, works on a two-tier basis whereby it studies a particular case (this goes back to the rational and scientific method in which discipline operates). Based on the findings there of, corrective measures forged in order to amend the problematic elements within society:

> "Discipline, of course, analyzes and breaks down; it breaks down individuals, places, time, movements, actions, and operations. It breaks them down into components such that they can be seen, on the one hand, and modified on the other." (Foucault, 2004, p. 84)

Foucault mentions here that the division of elements in order to work them and subsequently distinguish them on the degree to which they fit the norm. The *norm* in the sense of the modern state is considered a medical, as opposed to a legal derivative. As discussed in *Security, Territory, Population* (2004), the behaviour of the individual is not to be conditioned through punishing deviation, but through curing it. The process of fixing society is thus hinged on fixing or curing the subject to fit the norm. Fitting the norm earns the individual the categorisation of normality, otherwise they are cured and conditioned to fit the latter. The premise here however is not on normality but instead placed on upholding the norm. it is thus based on this norm that normalisation, or *normation* as Foucault prefers, is perpetuated:

> "Disciplinary normalization consists first of all in positing a model, an optimal model that is constructed in terms of a certain result, and the operation of disciplinary normalization consists in trying to get people, movements, and actions to conform to this model, the normal being precisely that which can conform to this norm, and the abnormal that which is incapable of conforming to the norm." (Foucault, 2004, p. 84)

Foucault, in his observation of disciplinary normalisation notes that there exists within it a contradictory yet necessary feature. The population within a society is moulded in uniformity yet simultaneously, it is categorised and divided:

> "Like surveillance and with it, normalization becomes one of the great instruments of power at the end of the classical age. For the marks that once indicated status, privilege and affiliation were increasingly replace — or at least supplemented — by a whole range of degrees of normality indicating membership of a homogeneous social body but also playing a part in classification, hierarchization and the distribution of rank. In a sense, the power of normalization imposes homogeneity; but it individualizes by making it possible to measure gaps, to determine levels, to fix specialities and to render the differences useful by fitting them one to another. It is easy to understand how power of the norm functions within a system of formal equality, since within a homogeneity that is the rule, the norm introduces, as a useful imperative and as a result of measurement, all the shading of individual differences". (Foucault, 1977, p. 184)

Now one would question, what is the necessity of such an apparent disjuncture? Firstly, the use of homogeneity and uniformity is beneficiary to the endeavour of governmentality as it eases the process of ordering society. Secondly, and this is specifically unique to biopower. The individualisation of the subject is key to the notion of *conducting the conduct of man.* Division, categorisation and hierarchisation is key to enforcing subjectivities amongst different groups of the population to the tune of rationality-that is in line with governmentality. The goal of discipline and normalisation is to reinforce a degree of docility within the population at an individual level. Consequently, at

an anatomical level, the individual can be moulded, trained and subjected to a particular end.

This dual process of homogenization and categorisation is also present in the process of enterprise development and the broader entrepreneurial culture as a whole. It is an apparatus which is firstly homogenising as it commits the general population towards embracing the notion of entrepreneurialism not just as a means to make a living, but as a method of living. It is propagated as a means to quell desires towards socialism, protest and ultimately revolt. In this sense homogeneity acts as a quelling mechanism which reassures the poor and destitute that a common effort towards entrepreneurship will either make the individual (as the entrepreneur) prosperous or it will benefit and provide the community (through the process of selling goods and services which fill a gap in the market; though this gap in poor communities tend to be necessities). In this sense entrepreneurship is either to be embraced by the individual or accepted as a means to receive goods and services by the community. Furthermore, the individualising feature of enterprise development plays a systematic role in which entrepreneurial culture and pedagogy is distributed. Considering the agencies which are engaged in this report (SEDA, NEF, and NYDA), there is already distinguishing features in terms of which component of the population they target, and what sort of entrepreneurial subjectivity is intended to be reinforced. Furthermore, within the process of its pedagogical programmes, individuals are further divided according to particular constraints and characteristics. Meanwhile, there are varying degrees to which training is provided based on the entrepreneur and their enterprise. It is in this regard that disciplinary and normalising power has an immense bearing on the type of subjectivity that is reinforced amongst individuals, and how these individuals reflect these subjecties onto themselves and others.

4.4. Subjectivity and the Entrepreneurship Self

Foucault, much like fellow French philosophers of his time such as Louis Althusser, took an anti-humanist approach to viewing the subject and subjectivity. In this sense, the individual is not the true master of her identity or destiny- one's identity and decisions are not independently one's own. Rather, to a large extent, one's identity is determined by a larger structure or power system, consisting of a network of technologies, forces and relations that fashion the individual's subjectivity. While it may seem to the individual that her reality, decisions and behaviour is totally under her control.It appears true that the individual is willing herself to act as she pleases to the extent that she perceives it as truth. In real terms, the individual's will to act is directed and controlled through covert ques. This is the type of "democratic" nature that the neoliberal modern state would allow for individuals to be "free" to act and think.I In reality, these actions are influenced by the power relations that individuals are constantly exposed to throughout life; and throughout society. This "freedom" is only curbed, as previously mentioned, through being disciplined and fashioned into favourable subjects; or being punished for unfavourable acts or thoughts. Thus going back to the concept of subjectivity- in a Foucauldian sense, it is not autonomous, but fashioned by forces of the power structure. Similarly, in post-Apartheid South African society, the subject is fashioned into a responsible, autonomous individual, who rather than take to the street in protest for provisions from the state, would start an enterprise not only keeping herself constructively occupied but theoretically eliminating the shortage of goods and services in her own community. At least this is what the state would hope for. Nonetheless, the subjectivity created here, is especially encouraged for black, female and young individuals It is not a path specifically chosen by the individual (especially given the fact that a small business would be flooded in a Post-Apartheid economy dominated by entrenched white capital), but rather one that is fashioned through pedagogical and disciplinary power.

Foucault (1982) talks about how power possesses the tendency to objectify its subjects through objectification. In this sense the subject is exposed to

science, or objective knowledge (in this case of this research, this relates to entrepreneurial pedagogy). Thus objectification occurs when the subject embracing a self-image (entrepreneur) as reflected by a particular phenomenon (entrepreneurship), as opposed to focusing on embracing her own personal power such as free will or agency (or the subjective Foucault (1982) mentions three types of objectification technique which is observable in the modern state. Firstly, being information and statistics of the individual, almost like analysing the specs of a computer. Secondly there is the division and categorisations of specific groups of individuals. Lastly the manner is which individuals themselves reflect a subjectivity in relation to a broader categorisation or structure (according to class, sex, race etc.). It must be emphasised that in the instance of the post-Apartheid state's policy of enterprise development, the first two modes of objectification do play a role in subjectification. For example statistics on age race and gender are considered and entrepreneurs are grouped and classed (between small or medium sized, etc.) in preparation for support. However, third mode of objectification is the most pertinent in the case of enterprise development. South Africans, especially youths, are exposed to the image of the prosperous and successful entrepreneur. One is overwhelmed with the ideas of self-employment, profits and riches. Not only is there a certain image circulated through various discourse, but there is a definite pedagogy being taught from school to university.

Foucauldian notions of governmentality as power, right and truth can thus be translocated to the subjectivities implicated in enterprise development. There is an evident tendency on behalf of the state to chart a way forward that is precalculated and rationalised in order to reinforce the "ideal" subject. Governmentality, and the way forward is one that reinforces a narrative or truth on what is good and right; while infiltrating how the subject's actions and thoughts are conditioned, and repressed if problematic acts and thinksFurthermore, as earlier stated, the South African state has its historical routes in a western configuration. Consequently, it's governmental

methodology tends towards a neoliberal outlook due to history and globalisation amongst other factors. What Foucault notes about this configuration of governmentality is that it tends to prompt an entrepreneurial subjectivity. It reinforces a culture of living life in a way that is calculative and independent. What Foucault meant by this and how it is instilled within the social takes place through a plethora of technologies. It must be noted that entrepreneurship wasn't economically implied here. However, in the context of this research topic, it is the case that through biopolitical enforcement and strategy of enterprise development, the post-Apartheid state attempts to prompt subjects that are literally entrepreneurs. Of course, this isn't without rationale. In order to mitigate the costs of state provision and redistribution at the end of Apartheid. To sum this point up, through the elusive biopolitical structure and network of technologies at hand (that being the state agencies and apparatus discussed in this paper) this reinforces and regulates a sense of *entrepreneurship of self.* As earlier mentioned through objectification, not only does the individual identify as such in a professional sense, but she lives her life in this manner (calculative, autonomous and independent) as prompted by the broader power structures that be.

Chapter 5

On the State Apparatus promoting Entrepreneurship

"There is no power relation without the correlative constitution of a field of knowledge, nor any knowledge that does not presuppose and constitute at the same time power relations"

— Michel Foucault, Discipline and Punish: The Birth of the Prison

5.1. Introduction

This chapter will speak to the seminal findings that this research has consolidated throughout the research process. This will involve the relevant themes that are emitted from the data collected in order to analyse how these either fit into or contradict the Foucauldian hypothesis upon which this paper is based. The types of evidence and information presented here is adapted and explained is to the most neutral yet informative extent possible. This thus constitutes the findings that have been accumulated throughout the process of data collection. The documents referenced herein pertain to the archival research that was conducted throughout the research process. These documents are thus sourced from the DTI, NEF, NYDA and SEDA. These documents have included transcribed speeches, reports, media statements, brochures, research reports and various other mediums of presenting the operations and aspirations of these institutions

It is also through interacting with these institutions that further information was gathered as to how the evidence in their respective archives fits together in a chronological and strategic narrative. In other words, the information presented here is meant to fit into a chronological pattern in order to map out how policy around enterprise development and entrepreneurial culture has progressed since 1994. The objective here was also to observe how this evidence fit into the narrative and policy strategies of the DTI and its affiliated agencies. It is thus in that regard that this chapter attempts to present a

concise narrative on the progression and teleology of enterprise development in post-Apartheid South Africa.

5.2. South African Enterprise Development, 1994-present

Observing the amount of legislation that has been drafted by the post-Apartheid government regarding enterprise development, it's evident that the current political dispensation has a far greater focus on small to medium enterprises than its NP led predecessor (DTI, 2004). On this basis it might be evident that the South African state is intent on expanding its resources and efforts to spread entrepreneurial culture within the post-Apartheid era. Enterprise development under apartheid wasn't as complex as it is contemporarily. Rather, the post-Apartheid approach to enterprise development by the is one that is top-down, efficient and differentiated to focuse on a diversified group of individuals. This is observed in the gradual shift in legislation from 1981; and then from 1996 to 2004. The latter era is synonymous with the implementation and development of the largest, most resourced state institution that deals with enterprise development: SEDA.

The South African state's involvement in the support of the SMME sector can be traced back to 1962, whereby the Apartheid state made specific provisions to develop and equip aspiring entrepreneurs through the government entity known at the time as the Development and Finance Corporation (amended to the Small Business Development Corporation in 1982) (DTI, 2004). Owing to the principles of separate development, this provision was made exclusively available to white South Africans. Limited access to enterprise support was provided to coloureds and Indians through the Coloured Development Corporation and the Indian Industrial Development Corporation respectively. It wasn't until 1982 that these three state institutions were merged to serve all races with the exception of black African individuals (DTI, 2004). Up until the early 1990s the objective of the state was to deprive the black individuals of the skills and access to technology under which participation in enterprise is essential. The justification for this, as with all other state amenities, was that

black African individuals were expected to make use of the “homeland equivalent” to enterprise development agencies. Thus, the bulk of the enterprise development and support was reserved for white aspiring entrepreneurs.

Following the first democratic elections in 1994 the GNU was tasked with the directive to embark on what is termed the “integration strategy”. This involved initiative to make access to state enterprise development inclusive to all races (DTI, 2005). In line with the new RDP legislation at the time, this would have to resonate with BEE objectives. Prior to the amended of BEE policy to that of BBBEE, this involved, in theory, a focus on empowering black individuals with the purpose of elevating them to an equal footing with whites in the economic sphere. This had a significant influence on the post-Apartheid policy towards enterprise development This can be viewed as the post-Apartheid state taking a starkly different stance than its predecessor. What's also important to take away from this historical and comparative analysis of enterprise development between apartheid and post-1994 is that in the past these sort of support initiatives were largely fractured and isolated in the former. This was due to the fact that agencies during Apartheid were race and gender based, as earlier explained, This created the necessity for a plethora of different agencies and institutions to provide support for entrepreneurs based on different priorities. In the post-apartheid era, this presented the obligation to unify them in terms of policy; and decentralise efforts in terms of technicality in order to provide the necessary support structures to implement a common entrepreneurial culture (DTI, 1995). It is important to note here that the research and statistics on entrepreneurial practices come under the control, to a large extent, of the state. There is evidence of the DTI commissioning private institutions such as the National Small Business Corporation to conduct entrepreneurship research for state usage (DTI, 2018). The point that is being conveyed here is that since the dawn of democracy, a lot of the activity that has been carried out in terms of enterprise development has been under the directorship of the state.

The year 1995 saw the drafting of the *White Paper on the National Strategy for the Development and Promotion of Small Business* (hereafter referred to as the White Paper). This document is monumental for the post-Apartheid era as it was the first to pave a way for enterprise development under a new establishment. The White Paper was also the first policy to advocate services to the entire South African demographic. Not only was it monumental, but it also constituted the blueprint for the subsequent manner in which the SME sector was to be monitored and developed by the state. The White Paper consequently laid the foundation for contemporary enterprise development agencies that are currently operational.

The teleology of this national strategy has for the past 24 years remained largely the same as it is contemporarily administered. The objectives of job creation and equalising the economic playing field has been a staple policy regarding enterprise development since the White paper. This point is validated by a quoted referenced from the Minister of Trade and Industry (in 1995), Mr. Trevor Manuel:

> "Since the elections of April 1994 the issues of economic empowerment and growth have been placed high on the agenda of the Government of National Unity of South Africa. With millions of South Africans unemployed and underemployed, the government has no option but to give its full attention to the fundamental task of job creation, and generating sustainable and equitable growth. Small, medium and micro-enterprises (SMMEs) represent an important vehicle to address the challenges of job creation, economic growth and equity in our country". (DTI, 1995, p. 3)

There has since been few changes in policy regarding the purpose of enterprise development since 1995 with common themes resonating as job creation, poverty alleviation, and equitable economic representation.

When analysing the White Paper one finds that these training techniques proposed were not the only objective of this early stage of enterprise development policy. As early as 1995, there was a proposed directive to keep a record of certain statistics and information regarding entrepreneurship:

> "Reliable statistical information is important for the small business sector, for small-enterprise support agencies and for the central as well as provincial governments to monitor policy effectiveness and facilitate forward planning. At present the statistical base is extremely poor with respect to most aspects of small-enterprise development in South Africa. The task to upgrade and regularly update relevant trends cannot be the responsibility of government alone." (DTI, 1995, p. 37)

With regard to the documents and plans that went into the establishment of a developmental strategy for enterprise promotion, it's important to note an expansion of state resources within government tiers with the objective of concentrating these resources on the ground. This may denote an intention of the post-Apartheid state to extend its reach to a grassroots level, towards individuals on the ground. In the White Paper, there is reference to Local Service Centres (LSC's) which were proposed to operate at a municipal level under which training and education would be deployed to communities.

As quoted by the White Paper there was an intention on the part of the state, in conjunction with the private sector, to embark on the objective of creating an "entrepreneurial culture" amongst South Africans:

> "While progress has already been made in this sphere over the past years, efforts will greatly facilitate the implementation of the national strategy. This should include country-wide educational and sensitising efforts, increased cooperation between business and tertiary education institutions, and the

> further expansion of ownership participation of formerly disempowered people" (DTI, 1995, p. 22)

This presents an imperative insight to the intended reach of enterprise development that the state was intent to embark on. As presented by subsequent policy documents, this intention put into action. It can be observed in the types of pedagogy the state enforces in order to teach and train individuals in entrepreneurialism.

Subsequent to the White Paper, the DTI saw it fit to expand its resources, strategies and focus on the dynamics of differentiating enterprise development. With its sights set on furthering the objectives envisioned by the White Paper, the state drafted the *Integrated Strategy on the Promotion of Entrepreneurship and Small Business Development* (hereafter referred to as the Integrated Strategy) in 2005. Though it specifically states that there is a general loyalty to the standards as presented in the White Paper, the goal here was ultimately to enhance existing strategies. The Integrated Strategy may therefore be observed as the second volume to the White Paper, as it further stressed the need for the inclusion of the marginalised black, female and youth demographics. In other words, the White Paper laid the strategic foundation for the establishment of SEDA as well as its precursors. Likewise the Integrated Strategy subsequently laid the strategic foundation for the establishment of NEF and NYDA where marginalised demographics are given greater attention. This thus juxtaposed the previous use of one centralised agency with a generalized, monolithic outlook of the South African demographic.

The core purpose of the Integrated Strategy though, as indicated by the title is the "integration" and streamlining of the strategies, networks and institutions involved in enterprise development. This involves three "dimensions" as mentioned in the following strategy:

> “integration of different socio-economic policy areas; integration of programmes within the public sector (cutting across national, provincial and local government), and between the public and private sectors; and the integration of the activities of different entrepreneurship and small enterprise promotion institutions”. (DTI, 2005, p. 8)

There is a notable clash between the dual purpose of dividing attention between demographics while also integrating all relevant institutions. Though a finer reading of the document may indicate that the purpose of integration is to make its strategy more efficient while the division of institutions has only to do with the sort of enterprises or entrepreneurs they deal with (i.e Black empowerment, female empower, youth development). The process through which respective entrepreneurs are supported are for the most part under a common strategy.

The State’s strategy of enterprise development has remained significantly unchanged until the introduction of the NDP in 2012. Thereafter, further improvements were made to enterprise development policy which included the overhauling of enterprise Incubation programmes which will later be discussed. The subsequent section of this chapter will discuss the implications that the NPA had on enterprise development as well as the initiatives that came thereafter.

5.3. An Act of Development

As drafted by the NPC in 2012, the NDP is exemplary to how the state intends for the previously disadvantaged, black, female and youth masses to take a degree of responsibility for their own upliftment with the help of entrepreneurial support. The only expense on behalf of the state would involve facilitatory and regulatory role through enterprise development. In reference to chapter 3 of the NDP, there is specific mention of implementing development and support to the SME sector in the following ways: through education at a basic and

tertiary level, the elimination of governmental red tape and the recruitment of ex-entrepreneurs in the efforts of training and skills development (NPC, 2012)(It must be noted however that these exclude the administration of financial support, which is superfluous to this research topic). In the NDP, there is a significant emphasis on entrepreneurial pedagogy.That is, teaching and training within the skills of management and business administration. The objective of this is to encourage autonomous and self-sufficient entrepreneurs:

> "Provide training for school leavers and unemployed youth with a focus on skills development. The public sector should establish programmes run by well-trained ex-entrepreneurs who have first-hand experience of the sector; the government should incentivise the private sector through tax breaks to set up mentoring programmes; established small enterprises should be offered wage subsidies to take on apprentices and to offer youth placements...Provide skills development for students currently in school with a focus on grooming an entrepreneurial attitude. This should include reviewing the curriculum with a view to encouraging entrepreneurial thinking and creating the skills necessary for start-ups. The review should consider focusing education into technical and academic streams after grade 8, and establishing vocational and technical training for students in grades 9 and 11." (NPC, 2012, p. 143)

Through the examination of these points, it can be observed that the state uses both educational and incentivised approaches to encourage individuals. In this case the youth, there is a pedagogical encouragement to embrace a culture of independence which resonates with entrepreneurialism. The entrepreneurial attitude that is alluded to is evident of the type of entrepreneurial culture alluded to in the NDP. Entrepreneurial culture is encouraged by the state through these type of training programmes in

schools. Within the NPD, complementary to entrepreneurial training, there is a praising of the successful service and provision that SMEs can provide to their community (NPC, 2012).

Subsequent to the drafting of the NDP in 2012, the DTI, was intent on developing new programmes to support entrepreneurs. An important initiative in this regard was the process of *Incubating* of enterprises. Valid from September 2012 to March 2022, the Incubation Support Programme (ISP) was designed and established to facilitate the funding and mentorship (often in the form of monitoring and surveillance) to SMEs through support both from government (DTI) as well as the private sector. In line with the developmental language of the NPD, Minister of the DTI, Mr Rob Davies discussed the intention of ISP as:

> "…part of a process of continuing to strengthen economic development through broadening participation in the economy, a new robust programme is thus provided in pursuit of ensuring that SME's eventually graduate into the mainstream economy through the support provided by the incubators. The Incubation Support Programme is one of the support measures to encourage private sector partnerships between small and big businesses, with big business assisting SME's with skills transfer, enterprise development, supplier development and creating marketing opportunities" (DTI, 2012, p. 2)

Incubation, already active in the enterprise industry before ISP, refers to the placement of developing enterprises under the directorship of an entrepreneurially mature party- in most cases private enterprise or research institution. This therefore infers the involvement of the private sector.

The DTI regards the incubation programme as a process "which provides a nurturing, instructive and supportive environment for entrepreneurs during the

critical stages of starting up a new business including pre-incubation and post incubation programmes" (DTI, 2012, p. 4). The "incubatee" is the enterprise, and consequently the entrepreneur. The latter is conditioned towards particular fiscal and social standards. The "incubator" refers to "a physical and/or virtual facility designed to accelerate the successful development of new entrepreneurs through an array of business support resources and services. The facilitation herein may either involve a technology, cultural or social incubator. Expertise in areas such as business management, cost saving, efficiency, technology and equipment procurement constitutes a significant objective of the ISP. There is thus training, mentorship and monitoring which is intended to play a prominent role in ensuring that the entrepreneur is educated enough to keep her enterprise competitive, productive, frugal and efficient. Thus, as mentioned by the DTI:

> "The incubation support will be available on a cost sharing basis between the government and private sector partner(s). It is available for infrastructure and business development services necessary to mentor and grow enterprises to ensure that within 2 to 3 years, the enterprises will graduate to a level of self-sustainability by providing products and services to the market." (DTI, 2012, p. 5)

The process can be thought of as the procedure whereby an underperforming financial entity, such as a bank, comes under the curatorship of the state in order to regulate and stabilize it. The same can be said here for the ISP whereby entrepreneurs are intended to comply and assimilate into certain standards of functionality.

In addition to attempting to enforce a culture of self-sustainability within the entrepreneurial subject (in this case the "graduate" of the incubation process) the purpose of the ISP is to make the incubation process a self-sufficient one, outside of direct agency of the state (aside from limited funding):

> “The intention of the programme is to provide funding for incubators that over time can generate revenue through the provision of its services and initiatives can be self-sustainable”. (DTI, 2012, p. 4)

Although there is a cost sharing ratio of 60:40 between the DTI and the enterprise, a large extent of the programme has more to do with knowledge and skills sharing as per the involvement of research and educational institutions:

> “The incubator to be supported may be...an academic or research institution incubator in partnership with a private enterprise, and must be focused on establishing and/or growing enterprises that will graduate to sustainable enterprises.” (DTI, 2012, p. 4)

In the process of incubation, the state intends to keep cheques and balances on the applicant-entrepreneurs. Within the fine print of the ISP document (DTI, 2012), there is condemnation of the deviation from certain compliance components of the programme, with the consequence of legal implications. In accordance with these checks and balances, representatives of the DTI, which may include “engineers or other experts” are delegated to inspect enterprise to ensure that cost and operational measure are consistent with the regulation of the programme (DTI, 2012). This inspection also includes the examination of records, finances and other sensitive information regarding the enterprise. If it is found that payments or purchases is made under market value, the enterprise will be immediately be cut from the programme. Necessary though these regulations may be for purposes of corruption, there is a high degree of surveillance of the operation of enterprises. Under the subsector labelled “monitoring” the enterprise beneficiary is obliged, in written form, to present a periodical assessment of business operations and activities and whether these comply with state regulations (DTI, 2012). Supplementary to this, auditors are assigned to ensure the validity of business activity. It is

not, the enterprise may be eligibly excluded from the ISP. In the case of non-compliance with the DTI's standards, consequences could involve the following:

> "Should the Beneficiary not comply with any requirement of the incentive guidelines or this schedule the DTI shall be entitled without prejudice of any other rights that it may have, to reject the application and/or claim; to stop all further payments and/or benefits and to reclaim any or all of the moneys already paid in its sole discretion". (DTI, 2012, p. 7)

In particular cases of non-compliance, the DTI is also liable to legally act against beneficiaries, whereby entrepreneurs could face litigation. The abovementioned points relate to the measures of monitoring and discipline of entrepreneurs who divert from the standards as set the state.

5.4. Entrepreneurial Pedagogy: Methods of Training

A further observation of the White Paper presents a very important blueprint to the enterprise development apparatus under the state's contemporary use. An imperative objective which was envisioned, and consequently carried out currently, is the intention to administer a form of entrepreneurial training which will henceforth be referred to as *Entrepreneurial Pedagogy.* This pedagogy resonates with the various initiatives, seminars and programmes that are implemented by the DTI's affiliated agencies. These agencies, as well as the entrepreneurial pedagogy which they administer, are instrumental in furthering the objective of promoting the entrepreneurial culture. The most prominent of these agencies, being the NEF, NYDA and SEDA, are investigated and presented in this section

In the White Paper, it is made clear that there was an attempt to move away from outdated forms of enterprise development, which merely involved the provision of funds to SME's without training. The state has therefore, in 1995, rationalized that individuals would not, on their own know how to use these

funds efficiently. This would thus necessitate the training of aspiring entrepreneurs This point is further illustrated by the following passage:

> “Government believes that it is necessary to break away from the traditional and static approach to small business development based narrowly on the provision of financial support. We instead are committed towards a dynamic, demand-driven and creative approach which in the first instance recognises the multiplicity of needs of SMMEs. The notion of "real services" is critical to this approach, i.e. that a wide range of services can be instrumental in enhancing the performance of small firms.” (DTI, 1995, p. 23)

It is important to note the intention of transforming and moving away from old methods of support. This new hands-on approach would thus involve the intervening in how entrepreneurs are to operate and comply with state objectives. The reference to “real services” here is implicative of the intention to teach and “enhance” not only the enterprise but the individual as well.

Focus should also be placed on the manner in which this pedagogy is intended to be administered. Referenced from chapter 3 of the White Paper, a particular “compliance” to business standards is envisaged. These are linked to notions of saving and financial responsibility:

> “The government also feels strongly that small business support has to be linked to compliance with generally accepted standards of business behaviour. This relates as much to [...] financial and costing disciplines of firms, both small and medium-sized. The strategy should enable SME’s to comply with negotiated and broadly accepted, flexible standards, but it is also the objective of the strategy to encourage such compliance. This is felt to be the only way in which SME support can, in the final instance, be linked to

South Africa's quest for international competitiveness." (DTI, 1995, p. 23)

There is thus an intention on behalf of the state to use pedagogical programmes in order to instil an attitude that resonates with narratives of efficiency and competition. The teaching of certain standards and regulations are notably an integral component of the administered pedagogy.

5.4.1. Asonge Share Scheme & Investor Education Campaign

With regard to the NEF's approach to entrepreneurial pedagogy, there is a notably hands-on approach to administering training within particular communities. Relevant avenues non-financial training, entrepreneurial skills sharing are made available for interested individuals. Whats notable about the NEF's pedagogical methodology is its pertinent use of campaigns and seminars held within small and rural communities.

To provide an example, one such campaign launched by the NEF in 2010 was the Asonge Share Scheme which reportedly saw the acquisition of discounted MTN shares (Blue-chip shares listed on the JSE and originally purchased by NEF) by 87000 black investors (NEF, 2017). Observably this campaign didn't constitute an outright distribution shares, which in itself is not entirely redistribution as the shares were bought by the agency and then sold off rather than given to "beneficiaries". This in itself constitutes investment pedagogy. There was furthermore an additional element to this campaign. Intended for those who did not have the means to purchase MTN shares (as the minimum buy-in was fixed at R2000), information and skills sharing seminars were administered to an extensive extent. This campaign was thus designed as a two-fold process. Firstly to provide black investors with a "stake in the economy", as a manner of marketing black investorship entrepreneurialism. And secondly, hinged on this marketing, to provide entrepreneurial pedagogy, and subsequently entrepreneurial culture amongst those who can't afford to invest. For the sake of including aspiring

entrepreneurs and investors the NEF ensured to provide a supplementary educational roadshow complimentary to the Asonge Shares Scheme campaign. As referenced from the information brochure advertising the campaign:

> "- Mobilisers touched 10 000 groups and 150 000 individuals through one-on-one education efforts,
> - Collaboration with Stokvel associations,
> - Further education around investing and financial markets was done through TV and radio, features and drama,
> - A dedicated Call Centre assisted with all queries in all languages,
> - Print and electronic advertising in all languages, as well as outdoor advertising inside and outside taxis on all major national and local routes,
> - News coverage value estimated at R7.7 million,
> - Over 1 million leaflets and posters distributed nationwide at Post Offices and street corners,
> - Thousands of people were reached by 9 regional road shows, with KZN and the Free State exceeding expectations with multitudes attending the Roadshows" (NEF, 2017, p. 2)

By the NEF's (NEF, 2017) standards at least, this event was marketed as extremely successful and well received.

Another such example is the Investor Education Campaign launched in 2014; a campaign whereby the NEF arranged various talks and seminars (which were led by financial experts) in the North West province. Community members were encouraged to attend at different locations in community halls and civic centres:

> “The three-hour seminars will target members of the public, members of stokvels and investment clubs, as well as entrepreneurs, where valuable information will be given directly in the local language by accredited financial and investment advisors at no cost to participants. NEF General Counsel Mr Mzi Dayimani says the primary objective of the Investor Education Campaign is to empower black people by creating a culture of understanding sound equity investments.” (NEF, 2014, p. 16)

These thus constitute the pedagogical initiatives as conducted by the NEF. It is notable that its target population in this regard constitutes black South Africans in line with the principles of BBBEE. The main method of pedagogy that is administered resonates with the normalisation of saving and investing amongst black individuals.

5.4.2 The Business Mentorship Programme

The NYDA, unlike its sister agencies, didn't administer any discernible education campaigns. Rather it embarked on loosely based narratives and one-on-one initiatives as methods of administering pedagogy. What is meant here is a diversion from the use of campaigns or roadshows as a method to market entrepreneurial culture. Rather, NYDA relies on pre-existing, positive societal narratives on entrepreneurship as a pull factor in order to reach aspiring entrepreneurs. In this sense individuals who are enticed by existing discourse on entrepreneurship approach the agency for pedagogy. It is observed that NYDA embarks on a method called the Business Mentorship Programme. In this programme young entrepreneurial participants are profiled and paired up with experienced business owners who are assigned as their mentor.

Similar to the ISP, the mentorship programme as administered by NYDA is intended to mitigate the cost bared by entrepreneurs for business consulting

by providing mentors on a free basis. The intended purpose of this programme is to grapple with problem presented by disadvantaged young entrepreneurs who lack access to social capital:

> "Once the start-up capital for their businesses have been secured, the young entrepreneurs have to immediately start making an income to pay off what is generally expensive finance. With these time and financial challenges placed on the entrepreneur, he/she is hardly in a position to shop around for a credible business consultant, nor pay exorbitant business consulting fees. The volunteer mentorship programme thus introduces the young entrepreneur to the potential value of good business advice and support services." (NYDA, 2012, p. 32)

This is, however, problematic as the notion of social capital supposedly translates as access to capital goods and assets made available through friendship and/or family ties. This sort of value is not the same as would be attained from mentorship or enterprise education. There is therefore a contradiction to be noted with this programme. Firstly, start-up capital is already so hard to come by. Secondly it undermines the financial intelligence of young entrepreneurs. Problematic though this observation may be, the mentorship programme becomes necessary owing to notable tendency amongst enterprise development agencies to administer non-financial, as opposed to direct funding.

As per the intentioned objective of this programme, there are macro-intentions which go beyond supporting individual small businesses in order to grow and prosper. Reference is made to a larger scheme which this programme intends to achieve:

> "Involving corporate volunteers and postgraduates as business mentors will promote socially responsible business

> practice that will benefit business and society, and it will help achieve social, economic and environmentally sustainable development." (NYDA, 2012)

In other words, the aim of this programme is not only to make individuals more responsible and self-regulating. It also transforms this individual as well as her enterprise into simulated buffer between the state and society. Through the use of entrepreneurial pedagogy as a remedial mechanism, the youth is thus envisaged as the future providers in society. Providing assistance to young entrepreneurs is imperative for NYDA, and consequently the state, as it is a form of investing in developmentalism and the future.

5.4.3. A localised pedagogy

Finally, there is the training programmes as administered by SEDA. Of the three of the agencies investigated by this report, SEDA is the only one that solely provides non-financial support to entrepreneurs. This means that the agency does not provide any funding whatsoever. Rather SEDA solely administers training and education:

> "SEDA provides *inter alia,* business related information, advice, consultancy, training and mentoring services in all areas of enterprise development in partnership with other role players". (SEDA, 2018, p. 27)

SEDA operates on a very dispersed basis. In other words, it operates at a grassroots level with local information and training centres. This is regarded as "the organisation's mandate to implement government's small business strategy…[and to] design and implement a standard and common national delivery network for small enterprise development...across all tiers of government" (SEDA, 2018, p. 28). The dispersal of these information centres is meant to affect a greater reach to targeted entrepreneurs across the country. Rather than administering once off initiatives, the educational programmes are affected over a long-term period. The intended purpose for

this method of pedagogy pertains to three objectives according to the SEDA's a report titled *Unlocking potential for SMMEs to create jobs.* Namely these objectives aim to lengthen the lifespan of enterprises; to create jobs and to evoke an entrepreneurial culture amongst subjects:

> "The current economic realities necessitate that Seda continues supporting the entire small enterprise sector, with the aim of reducing the mortality rate of nascent enterprises and creating an entrepreneurial culture at micro and survivalist level and creating jobs and globally competitive small enterprises at the small and medium enterprise level." (SEDA, 2012, p. 12)

Economic woes such as the lack of access to capital and unemployment is given here as a rationale for the institutions prolonged engagement with entrepreneurs

SEDA implements various methods in which to administer entrepreneurial pedagogy at a localised level. These are inclusive of short-term engagements, whereby five day courses are administered to provide training and skills sharing. This is in addition to long term engagements of 3 years within incubation units. For definitional purposes, Incubation is best directly referenced from SEDA:

> "The Incubation unit is designed to strengthen technology commercialisation. This support directly helps inventors and new enterprises to use technology optimally in improving the competitiveness of their products and services. Furthermore, it facilitates access to business infrastructure, strategic guidance, financial and legal advice, and creates an environment of learning and sharing of information". (SEDA, 2015, p. 5)

This can thus be thought of as the technical pedagogy of entrepreneurship,

wherein entrepreneurs get access to knowledge regarding technical and machinery aspects of business. Specifically, with SEDA's incubation, training is administered with the intention for entrepreneurs trained in independently sourcing and operating these technologies. What's also highlighted in this pedagogy are the themes of competitiveness and efficiency.

In terms of general pedagogy administered by the various SEDA branches across South Africa, training is provided through a hierarchical approach. Based on their entrepreneurial status, entrepreneurs can receive training through *Business Talk, Business Start, Business Build*, and *Business Grow* "offerings". The supposed idea behind these progressive levels of training is to provide specialised mentorship relevant to the "maturity" of the enterprise, and by extension the entrepreneur.

There is another SEDA programme similar to the aforementioned methodology of selectively profiling of entrepreneurs. one of the programmes launched by SEDA is the National Gazelle's Programme. Much like a private corporation offering a premium service to its wealthier clients, SEDA only offers this programme to enterprises or entrepreneurs who accumulate a turnover of R1 million per annum (the minimum amount for an enterprise to be considered a "gazelle"). The offerings of this programme would entitle entrepreneurs to:

> "customised business mentorship, support and coaching; Participation in international trade and business visits; Access to a broad library of online tools and business resources; Procurement opportunities from state-owned enterprises and other companies; Facilitated access to funding for growth and expansion; Access to special products, services and benefits from Gazelles partners" (SEDA, 2018, p. 35).

The National Gazelle's Programme may be regard as unfruitful to a degree. This is owing to the fact that SEDA failed to reach its own annual target of

promoting 200 gazelles per year. It only reaching 40 eligible entrepreneurs in its last reported figures in 2017 (SEDA, 2018). Perhaps this is the reason why the programme is largely absent in the agency's major advertisements and publications.

5.5. Themes that emerged from archival analysis

Considering the three institutions that are under review by this report, there have been some common and departing thematic points to take away from the varying documents, narratives and discourse in each. All three of these agencies and their respective policies, to some degree, appeal to the ideals of neoliberal governmentality. Some of these policies have notable leaning towards the socialisation, to some degree; while others wain in the face of pressure from public resistance. This section will be taking a look at the considerations that have emerged from the archival analysis conducted in this chapter.

5.5.1. Saving and Investing

As observed, the notion of saving and investing seems to be an important skill that entrepreneurial pedagogy aims to instil, especially on behalf of the NEF. The purpose is to encourage individuals to save their income produced from labour thereby ensuring that they amass a source of capital in which either to establish an enterprise or to invest in the ventures of others with the goal of reaping dividends. The act of saving and investing thus has an effect of replicating a perpetual culture of entrepreneurship. Under this pretext, even those who choose to sustain themselves through selling their labour are able to participate in the initiative entrepreneurialism by saving and investing. On the other hand, at a psychological level, the individual is also incentivised to be individualistic. As opposed to investing savings within the community for the benefit of all, the emphasis is placed capital accumulation or profiteering as implied by corporate investment or buying shares. There is therefore a two-

fold pedagogy that takes place through the process of training subjects to save and invest.

It must be pointed out that the method of distributing information, within entrepreneurial pedagogy, has a socializing tone to it. It is notably a means whereby free (in most cases) information is distributed to the general population. This is validated by the catchphrase to one of the NEF's save and invest campaign brochure: "...NEF takes investor education to the people" (NEF, 2014). It's clear that the method in which this information is distributed is undoubtedly a social one. What is however questionable here is the very information being imparted on members of these communities. Attempting to condition individuals into the culture of "saving and investing" is theoretically different from encouraging individuals to think and act communally and using the commons in a collective way. Through the principles of saving and investing, value is placed here on the money and capital accrued by each member of the community individually, as opposed to the basic and necessary resources to be distributed and shared.

5.5.2. Subject as the "Customer"

Throughout analysing the documents published by these agencies, it is evident that there is a tendency for the entrepreneurs receiving support to be referred to as customers. Perhaps this fits into the corporate image through which these agencies present themselves. There does however remain a conundrum, as "customer" implies that individuals or entrepreneurs are willingly or consentingly subjected to pedagogy and the entrepreneurial culture. However, individuals are more so subjects as opposed to customers. This is not only because these services are not paid for, but because there is limited agency in being induced under the ideology of entrepreneurship. It is presented as the best and only means to be successful, and as a means to be involved in society, when in reality the individual, as well as society's fate, is really under the intentional control of the state.

As for the non-investment of funds in aspiring entrepreneurs, it could be argued that entrepreneurial education is just as valuable as fiscal support. This information and pedagogy is not free in all instances. This is intended to encourage a culture of payment for services. Enterprises are expected to pay for these services on their own accord:

> "The need to instil a 'fee for service culture' also applies to the small-business sector; wherever possible services received by enterprises should be paid for." (SEDA & BER, 2016)

This is unorthodox as SEDA is the best financed state agency which supports entrepreneurs (SEDA, 2018). Its notable that the bulk of this agency's finances goes into non-financial entrepreneurial pedagogy. Perhaps this paints a picture of how seriously the state takes the issue of entrepreneurial pedagogy. This is validated by the fact that SEDA is financially endowed with finances. Furthermore. it has the widest geographical reach and best resources of any other state agency regarding enterprise development.

5.5.3. An Elusive Pedagogy

Lastly there is a theme of elusiveness. These documents present a language which delineates the state's intention to maintain as little direct involvement as possible in its intention to create particular subjectivities and attitudes through enterprise development. Many publications as written as though the state is neutral and merely a facilitator. Though the policies that are envisaged and enacted are those that create certain cultures, environments and incentives. What then is the point of these directives? It constitutes an attempt for the subject, in this case the entrepreneur, to be preoccupied with the supposed advantages and opportunities they create in their community. This preoccupation masks the existence of anterior objectives of the state, to which the entrepreneurial subject is apparently oblivious.

Regarding the White Paper, there was an allusion to "ownership participation" (DTI, 1995, p. 22). The latter is meant to denote the developmental dialectic of

the post-apartheid state which is cardinally based on introduction of black individuals into the economy. Of course, while this is a valiant objective, it fails to illustrate how black individual are at the same time being moulded into subjects of the state. They are subjected to the mentality that entrepreneurship makes them free and autonomous when this is merely an illusion. This can be compared to interpellation as posited by Louis Althusser (2000), under which the ideology of entrepreneurship instils in subject particular ways of thinking, acting and reflecting on the self. Subjects may be free, but only to the extent that it frees the state to the responsibility directly providing for the poor and unemployed masses. So called entrepreneurs are but the subjects of the state; complicit in the expropriation and exploitation of the labour that it supposedly “creates”. In fact the operative word here, “creates”, is but a fallacy- a job or labour is not to be created, but rather provided or made available for all. Though instead of making the job environment open for all, the state indirectly intends to do so through opening and incentivising the “environment for entrepreneurship” (DTI, 1995).

Since 1994 it has been one of the main objectives of the post-apartheid government to undertake a political strategy that would be in line with development theory (McKinley, 2017). That is, fostering an economy and society whereby there is growth, inclusion and employment for all. Of course, this does not happen through direct efforts as one would see in centralised, planned economies.Rather it is facilitated through indirect, facilitated campaigns on behalf of the state. Enterprise development has been a significant feature in the state’s effort to supposedly embark on a developmental drive. There is however, a deeper objective of control and manipulation over the population.

It is thus argued that the developmental programme as endorsed by the state is thus little more than illusion to mask its intention of biopolitical control. That is, the regulation of bodies on the ground with limited effort on its own part. This thus resonates with neoliberal governmentality. There are many state

issued publications that prove this point such as *Small Business Connect*- an entrepreneurship themed magazine published by the DTI (see DTI (2015)). Herein one would find a discourse and imagery glorifying the “successful entrepreneur”. There is thus a general heroization of the entrepreneur in this discourse. It is argued, however, that there is an objective attached to this discourse. This objective pertains to the individuals that are targeted and set up as “ambassadors” of the state. The intention therein is to indirectly create employment opportunities and provide goods and services to communities through proxies, i.e, entrepreneurs.

Chapter 6

The post-Apartheid Subject: A Foucauldian discussion on Enterprise Development and the Entrepreneurial Subject

"People know what they do; frequently they know why they do what they do; but what they don't know is what what they do does."

— Michel Foucault, Madness and Civilization: A History of Insanity in the Age of Reason

6.1. Introduction

This chapter is intended to discuss the amalgamation of literature and theory that has been discussed in chapter 4 together with the practical evidence that has been unearthed and presented in chapter 5. The product to be achieved is thus a discussion chapter whereby these preceding articles are to be comprehended in order to discern the conclusions of this research report. That is casting light on the post-Apartheid subject. As has thoroughly been mentioned throughout these chapters, this subject, is one that is increasingly entrepreneurial. owing to the use of extensive disciplinary mechanisms,. These mechanisms in a trior of economic, psychological and social spheres. This is made apparent through Foucault's use of the modern homo economicus. Herein all the aspects of one's life, being cultural, political, social, etc. are reared towards the tendency of becoming increasingly calculative, investment minded, and profit-seeking (all these are not solely meant in a financial sense, but rather in an instance where one's body is the ultimate form of capital).

In discussing these sorts of subjectivities, it is important to understand what sort of individuals are targeted or selected by the overarching power in order to fulfil a role in its grand scheme. One can expect that these would be different or particular groups of individuals, as opposed to a blanket reach over the population. This is because biopower, is inherently divisive and hierarchical (in addition to its contradictory homogenising trait). The particular

groups of people that are targeted are thus chosen as a result of the deployment of knowledge-power, whereby the state studies the population. The result is a targeted selection of individuals particular to certain population groups. These individuals, in a general sense, are conditioned to adopt a subjectivity that is self-governing, and entrepreneurial. The varying population groups that are selected in this regard, in accordance with the data collected in the research process, tend towards individuals who identify as *black individuals, the youth, and women*.

What's left is to examine the ontology of the entrepreneurial subject. What is the nature of this post-Apartheid being based on the studies from the discourse that has been examined in this report? As noted in Chapter 4, subjectivity is an important aspect to understanding the power of the modern state. Moreover, this is the subjectivity that the individual “chooses” to cultivate. This decision is ultimately incentivised by certain mechanism. As will be discussed, there is a discourse of entrepreneurship culture, as pioneered by the institutions of enterprise development. This is an important mechanism through which post-apartheid subjectivities are determined and fashioned.

The investment that is made on the part of the state is also called into question here. If the state is, by all means, trying to adopt the most efficient and cost-effective manner of governing the behaviour of individuals, while encouraging the same culture in subjects, then why spend so much resources on pedagogy? This contradictory yet vital question shall be discussed with the goal of deducing the best possible conclusion. This is of course based on what is known from the operations of the state in enterprise development pedagogy.

6.2. Those who bare a target

The grasp of biopower is absolutely far reaching. For this reason it encompasses the entire social body. Thus, every individual within the population is affected in some way or through some means by power. Even

those who administer it. In this regard, the organisers of state power are also affected by the relations of control which they have a hand in. As Foucault fittingly notes that power is affected on all. The purpose here however is to study and identify the subjects under which power and knowledge (through pedagogy) is aimed at reinforcing and shaping to fit the states agenda. As noted, these tend to be the individuals within society that have been marginalised by the Apartheid regime, and thus left out of the new agenda of the democratic state. The Apartheid state operated under one of two directives. On one hand it excluded individuals of certain races, classes or genders within its political and economic schema to the same extent. Alternatively it tailored differential subjectivities as done with the Coloured and Indian Finance Corporations. In order to integrate these individuals into common biopolitical scheme under the post-Apartheid state, provision was to be made for those previously disadvantaged and marginalised. In this sense, the state's mechanism and power systems is far more complex and far reaching than its apartheid predecessor. Furthermore, this is where the homogenising aspect of disciplinary power comes into effect. as it brought black, female and poor individuals are assimilated into the general population under which they would be considered subjects, At the same time these groups of individuals would still be categorised and fashioned based on which societal structure they fall into.

6.2.1 Black individuals

Overwhelmingly, the major target group of the population which all enterprise development aim to impact are individuals who identify and qualify as racially black. This includes black youths, women and the poor. In the dying days of Apartheid, there was already deliberated to develop a strategy whereby the black population would be included in economic development(Harris, 1990). This agenda, according to the argument of this report, was not primary to the objective of the post-Apartheid state. The major concern within the realm of biopower is that of control and governance. A strategy would need to be put in

place in order to bring the entire population into the range of social and political governance. A priori, it's apparent that economic participation of black individuals was at the time, and still remains, an important objective.I It is, however, argued here that this is in fact a secondary concern. In other words enterprise development for the inclusion of the black masses, as with many other state initiative, can be understood here as a cover for a larger scheme. That is, to subtly slip black individuals into a different power dynamic under which they found themselves under apartheid.

The agenda of the newly formed post-Apartheid State was to invent a strategy whereby black individuals could attain political and economic representation (Harris, 1990). This representation however came with the inclusion of black individuals within neoliberal power relations involving the use of enterprise development. Thus, the power dynamic under which black people now find themselves, instead of being physically violent and repressive, has been traded for one under a democratic regime wherein mechanisms of control are far subtler, "liberating" and still suppressive. Suppressive, in the sense that it attempts to subvert, through discourse, any ambitions within the subject. This includes those who the subject impacts within their community, of dependency upon the state for the provision of free amenities. On the contrary these subjects are used as the entrepreneurial vessels under which to provide these said amenities. In arguing the aforementioned points, it must be argued that is not to say that lack people were not under the biopolitical control of the Apartheid regime. Governmentality under apartheid was biopolitical- this is indisputable. The type of agenda, however, through which this biopolitics was conducted differs to that of the contemporary South African state. Thus, the type of subjectivity to which the state attempts to instil upon black individuals, in a post-Apartheid context, diverges significantly from that intended under Apartheid.

In deducing the targeting of black individuals within the biopolitical campaign of enterprise development, the death of apartheid thus becomes clearer. The

Apartheid regime struggled to maintain control over an agitated mass of black individuals who weren't only underrepresented (or rather the total lack thereof) but where underprovided for by that state. Governance, therefore, proved to be difficult, if not impossible. What was the solution to this issue? The evidence illustrates that increasingly neoliberal tendencies were administered through covert measures. The only viable, and most efficient manner in which to govern the South African social body would thus be to use economic integration as a method in which to include black individuals within the grid of biopower.Furthermore this would bring the black populace under a new form of governance. integral strategy was therefor to reinforce a culture of independence from the state.

6.2.2 Women

Woman are an important contingent to the agenda of enterprise development, just as in the case of black individuals. Women, especially black women were also oppressed and marginalised under apartheid. It would thus make sense to bring into the power grid, this contingent of individuals who constitute over half of the population in South Africa. This furthermore gives justification to bestow "empowerment" onto to female entrepreneurs. This is apparent in a globalised context, whereby the growth of capitalism has necessitated an expanded workforce to include women. This is not to say that woman in South Africa do not possess the power in which to elevate themselves in society. The point here, however, is that like other marginalised groups discussed here, the state's agenda is to fulfil an oversite role with regard to its supposed "empowerment" through entrepreneurship. In reality, enterprise development constitutes a mechanism to enforce a subtle form of paternalism, one that does not promote empowerment as it may claim but rather compliance. It evokes a certain standard- one that is specific to women in this regard. With regard to how state institutions view black women and women from poor backgrounds, the premise on which it provides pedagogical aid is patriarchal. This point shall be further argued.

Due to the subpar economic situation in South Africa, conditions dictate that be a finite amount of jobs available thus making it an extremely competitive job market. It is on this basis that many women form the bulk of the unemployed contingent of society, due to historical reasons of experience and the lack of skills (Madzivhandila & Dlamini, 2016)., Instead of directly correcting this lack of skills, the intention of the state is to maintain a level of entrepreneurialism amongst women in poorer communities. Women are expected to become self-employed in the informal sector as a means to make an additional household income. This perception of women is one that resonates with the nuclear family, whereby the woman who is expected to be the wife and mother within the household. The problem here is that this premise is an extremely patriarchal one. Furthermore teaching and reinforcing this narrative upon female entrepreneurs only further the entrenchment oppression against women. Women aren't viewed as independent in the charting of their own lives, as would be the case for male entrepreneurs. On the contrary, for women, the entrepreneurial role is to supplement the family. The base for women in this instance is thus regarded as the home. Their end is not to benefit the community or create employment but to sustain the household through a supplementary income. This can be interpreted as a means to reinforce the reproduction of the workforce. The patriarchal intention of female empowerment through entrepreneurship is thus not an unintended one. It works rationally within the State's agenda.

The premise on which the state promotes empowerment of women entrepreneurship is thus questionable. As shall be discussed with youth entrepreneurship, it evokes a certain paternalism for the otherwise "hopeless" and "redundant" unemployed contingent of women. in poor communities. The mode of reinforcing this entrepreneurial mode of subjectivity amongst women thus further entrenched patriarchy in society.

6.2.3 The Youth

The youth, like women, find themselves under the patronising entrancement of the post-Apartheid state's enterprise development. In South Africa, the youth make up 35% of total unemployment in the country (Madzivhandila & Dlamini, 2016). It is for this reason that circumstances, according to the DTI, has "necessitated" the need for enterprise development. Owing to the impressionable nature of youths, they are widely exposed to entrepreneurial discourse even outside of the state's direct reach.

As per Foucault, biopower is decentralised and permeates throughout all facets of society. Therefore even before the enactment of enterprise development, entrepreneurial culture is already influenced upon young minds through the increasingly accessible discourse of the media and so forth. Though this point is generalisable to all groups of the population, it is more prevalent among the youth. It is in this regard that the state attempts to administer an extensive pedagogy. Entrepreneurialism or entrepreneurial culture is intended to inform all aspects of life that the youth may encounter in the future. This is argued here due to the fact that, particularly within NYDA, skills and training goes beyond the aspects of finance and business, and trains individuals are given guidance wider aspects of life such as preparation for the workplace, involvement in sports and how to maintain one's health. This is unique, though considerably unorthodox for an agency that was originally established for the promotion of entrepreneurship. One would question as to why the agency was prompted to diversify beyond solely promoting enterprise development. One possible deduction, as would befittingly lend itself to the theory of Foucault, is to further promote entrepreneurship of self. Social capital is applicable not just in entrepreneurial intuitions within business but also through other faculties of life. This is the essence upon which entrepreneurial culture was intended for individuals throughout society. This is one of the means by which state power permeate the social body.

In conjunction to its decentralised omnipresence, efficiency constitutes a hallmark of the states biopower. Regarding enterprise development policy, the importance of efficiency supersedes that of the subjects attitude and willingness to embrace entrepreneurship This is evident within certain state documents, such as the research conducted by SEDA on youth entrepreneurship,:

> "...the economic, technological, legal and cultural environment in which entrepreneurs operate makes an enormous difference often determining their original decision to start a new business. In other words, the policy environment of a country should promote...youth entrepreneurship by focusing on the main factors that facilitate and stimulate, or hinder and impede, the entrepreneurial activity". (Madzivhandila & Dlamini, 2016, p. 608)

To put this passage into perspective, what is being discussed here refers to the type of policies and initiatives that are to be put in place in order to condition certain actions or attitude on behalf of the subject. The entrepreneurial attitude, whether the individual had it or not prior to enterprise development or not, is reinforced in this instance. There is a clear use of policy which would either incentivise or impede the behaviour of the subject based on whether this fits the general narrative and agenda of the state. This is thus in tandem with Foucault's thoughts on biopower in which predetermined outcomes are dictated through the biopolitical moulding of the subject.

6.3. The State's Entrepreneurial Subject

6.3.1. Entrepreneurial culture

When reading through the various policy documents that have been published by the DTI and its affiliated agencies, one comes across the term *entrepreneurial culture.* Simply this may be understood as the intention to

create an atmosphere considered conducive to the principles of entrepreneurialism. However, this does not just stop at the initiative to start one's own business as a means to supplement a personal income or to provide for one's community. It goes further than this as seen with youth enterprise development. The discourse of entrepreneurialism and entrepreneurship culture is meant to permeate into every aspect of the way subjects think and rationalise certain situations within their lives. In this regard the theme of entrepreneurship of appears in the way individuals are encouraged to behave in such a way that they utilise their personal assets in order to progress through life. Power relations between state and subject thus encourage such behaviour among subjects as it encourages a sense of individualism and responsibility. Furthermore, it creates competition amongst individuals to the end that they are unable to reach solidarityCollectivised revolt against this form of power is thus subdued before it can even begin. Subjects are rather enticed to outdo their colleagues and peers.

To be clear state has ulterior motives for entrepreneurs in which they become subsidiary providers in their communities. The aforementioned psychological aspect of entrepreneurial culture is not meant to be understood as undermining the these motives The *psychological* and *schematic* themes of enterprise development work in tandem with each other in an attempt to fashion subjects who are conditioned toward the state's agenda. The psychological theme of enterprise development refers to an entrepreneurial culture, while the schematic them refers to the entrepreneur as a subsidiary to the state. This thus provides insight into the workings of the discourse promoted as entrepreneurial culture. Herein individuals are exposed to and incentivised into adopting within their identity. The state intends for entrepreneurialism to form part of the subjects identity. This entails the structure and culture to which they subscribe to. This is considered to be the reason for such an extensive use of particular terms in enterprise development discourse. Terms like *female entrepreneur, young entrepreneur, black entrepreneur* come into the fray of political economy

discourse.Furthermore, these terms are widely used in reference to and in the process of entrepreneurial pedagogy. In this regard, the idea of the entrepreneur is meant to provide an attachment to the individual's identity.

6.3.2. Conductive subject

It is perhaps best to initiate this next topic of discussion with a quotation by Foucault regarding the passing of power through individuals. The coinage herein of the *conductive subject* is thus owing to the following passage*:*

> "Power must, I think, be analyzed as something that circulates, or rather as something that functions only when it is part of a chain. It is never localized here or there, it is never in the hands of some, and it is never appropriated in the way that wealth or a commodity can be appropriated. Power functions. Power is exercised through networks, and individuals do not simply circulate in those networks; they are in a position to both submit to and exercise this power. They are never the inert or consenting targets of power; they are always its relays. In other words, power passes through individuals. It is not applied to them." (Foucault, 2003, p. 29)

This is an important passage adapted from Foucault to present the de-centrality of power. In the sense of the entrepreneur, power passes through the subject, and is further circulated throughout society. While power is a network, subjects are conduit to it as it passes through them. Not only is power applied to them, but they have a complicated part in conducting power. The entrepreneur is thus a subject to discourse and power, while at the same time she possesses a level of privilege in society and is therefore able to conduct a degree of power.

There is thus a degree of power allocated to the subject in this regard. This residual power allots the subject a degree of oversight over others such as employees and customers. In this regard power is constantly replicated

throughout society. Much like power passes through copper to the end of powering a light source, so too does biopower pass through the subject to fulfil a certain objective. As will later be discussed, this end in terms of the entrepreneurial subject is supposedly the provision of goods and services as a de facto subsidiary to the state. Within this substitution of provision of goods and services, the entrepreneur is given the power to decide prices and to exploit the lack of certain commodities in less fortunate communities.

6.3.3. Resistance and counter conduct

Foucault speaks about the omnipresence of power that is permeated throughout society and amongst relations between bodies. Though, due to the non-repressive nature of this power, there does exist gaps wherein the subject may repurpose their agency. These forms of non-violent disobedience are directed, not towards the ends of the states overarching scheme, but to the project of counter-conduct and resistance:

> "if it is true that at the heart of power relations and as a permanent condition of their existence there is an insubordination and a certain essential obstinacy on the part of the principles of freedom, then there is no relationship of power without the means of escape or possible flight…. It would not be possible for power relations to exist without points of insubordination which, by definition, are means of escape." (Foucault, 1982, p. 794)

Though it may seem that power relations are presented as inescapable in its totalising grip, there still remains inevitable avenues of insubordination.

In contemporary South African politics, there has been a rise in resistance to the commodification of service delivery (McKinley, 2017). Although these may seem to be generalisable examples, the likes of fees must fall movements and service delivery protests lend themselves to instances whereby individuals are denouncing policies associated with the attempt to create neoliberal

subjectivities. These are instances whereby bodies are coming together in solidarity, and counter-scheming against the narrative of entrepreneurship as a means to “provide” for the people. The point that is being made here is that even though entrepreneurial discourse as circulated through enterprise development may have seemed benevolent and viable, it is slowly becoming obsolete. This is made apparent by increasing unemployment and lack of service delivery. Both of these instances were supposed to be rectified through entrepreneurialism. This thus presents a question regarding enterprise development, one that is better left open due to the constraints of this research project. Is this supposed decline of enterprise development a result of poor policy on behalf of the state, or owing to the collective resistance to its attempted subjectification?

6.4. The Entrepreneur as State Subsidiary

The very foundation upon which neoliberal governmentality is built constitutes the tendency to seek out modes of governing that are less direct yet more efficient. Thus, the point is to conduct a form of governmentality whereby administration is done less on behalf of the state. Meanwhile the subject is encouraged to become self-governing. Entrepreneurialism, if you like, is a form of self-government while constituting a realm of governmentality in itself. On the one hand, the psychological aspect of entrepreneurial culture enforces a behaviour that resonates with individualism. On the other hand, there is an attempted strategy whereby the entrepreneur is meant to become a de facto subsidiary of the state. The entrepreneurial subject becomes the privileged provider of goods, services and jobs within her community. This is the objective which the state attempts to achieve through enforcing enterprise development. It is in this regard that SME’s are intended to commodify and substitutes the state's role in the community. This thus curbing the direct involvement of the state in service delivery. These are the type of “gaps in the market” which entrepreneurs are expected to exploit within their communities. This instance of attempting to establish entrepreneurs as subsidiaries of the

state resonates with Foucault's (2008) discussion on the remnants of the market seeping into the modern state. The market is therefore used as a tool to address the problems of governmentality. Within the mechanism of the market, enterprise development, along with the production of the entrepreneur, fills that problem in the same sense.

The entrepreneur as the subsidiary of the state can thus be further understood as complementary to the arguments posed by Jones & Mortula (2017) who provide a critique to the type of autonomism and entrepreneurship as discussed by Hardt and Negri (2017). Here the idea of entrepreneurship cannot only be thought of as “production of the common, by the common for the common” (Jones & Murtola, 2017, p. 649). To an extent the argument from Hardt and Negri is valid. The entrepreneur and the consumer do form a personalised, socialized relationship- one very different to larger corporations. Though, what Jones and Mortula aim to point out is that there is simultaneously an expropriation of the common on behalf of the entrepreneur that takes place:

> “We are surrounded daily with production in common and the expropriation of the common. We work with one another, drawing on what others have produced, in order to produce new possibilities for ourselves and others. In these processes, which are becoming increasingly recognized, the figure of the entrepreneur plays a key role in the expropriation of the common. Entrepreneurship researchers have acknowledged this production in common, but have been hesitant to account for the other side, the capitalist capture and expropriation of the common in which the figure of the entrepreneur plays a crucial role. The reason for this, we suggest, is that to do so would involve admitting that capitalism is a system built on brutal dispossession and expropriation of common life. Entrepreneurship acknowledges the common, and must

> increasingly do so today. But at the same time, under capital, that common is not taken as something to be respected, but rather rendered as something to be seized, manipulated and exploited." (Jones & Murtola, 2017, p. 651)

It is thus through the private sector that the common, which is owed to the all as necessary and basic products, becomes expropriated and commodified by the entrepreneur. The process of governmentality itself becomes commoditized. It is noteworthy that the state isn't mentioned within Jones & Mortula's (2017) argumentHowever, in the context of this research, the post-Apartheid state becomes the facilitator of the indirect governmentality of commodification and expropriation through entrepreneurship, instead of being the provider and mediator of the common amongst the people.

6.5. An administrative contradiction

When reading through the arguments and theories explored throughout this research report, one is perhaps provoked by certain paradoxes that have arisen. Perhaps the most perplexing of these is the paradox of the "frugal government":

> "Well, I think that actually at this moment we are entering what could be called the epoch of frugal government, which is, of course, not without a number of paradoxes, since during this period of frugal government, which was inaugurated in the eighteenth century and is no doubt still not behind us, we see both the intensive and extensive development of governmental practice, along with the negative effects, with the resistances and revolts which we know are directed precisely against the invasive intrusions of a government which nevertheless claims to be and is supposed to be frugal." (Foucault, 2008, p. 28)

Evidently, even Foucault is aware of this paradox. That a form of government which premises itself on frugality and seeking methods to govern less, is

indeed problematic. The problem lies in a “frugal” state which expends resources to actively interlope within the lives and behaviour of its subject. It is however arguable that the post-Apartheid state is somewhat aware of this problem as well within its agenda. This can be deduced from certain policy positions that have been adopted in an attempt to amend enterprise development.

One such position is the reduction of red tape in the application and process of enterprise development on the side of the state. This was the proposal made by the DTI (2004) in the Review of Ten Years of Small Business Support in South Africa. What is meant here by removing red tape is the laxing on regulations and conditions that the state imposes on individuals within certain process. Thus, the removal of red tape within the aspect of enterprise development refers to less interference in how the state governs how enterprises are to be started up and function. The facilitation, however, of pedagogy would still exist. What's important to note here is the possible intention of the state to become less involved within the process of entrepreneurial subjectification.

It is unclear whether this laxing of red tape in the SME sector had been a success for the states agenda, or even whether it had been enacted as proposed. What is clear is that certain initiatives of enterprise development, such as the process of incubation, still accompany, as mentioned in chapter 5, some hefty regulations and compliance standards. Incubation programmes are championed as campaigns which are merely facilitated by the state without further intervention. For the most part these campaigns are intended to function self-sufficiently between entrepreneurs and the private sector. The point that is attempted to be highlighted here is that the process of incubation could be another attempt at governing less with less intervention.Though this includes the retainment of regulation.

Chapter 7

Conclusions and Recommendations

This research report has gone into extensive measures to take the reader along the research path into which Enterprise Development can be viewed along the lines of a disciplinary mechanism; a biopolitical tool with which the population is regulated for the purpose of efficiency and malleability. This thus contradicts the dominant narrative which dictates that the policy of enterprise development is inherently benign for the progress of society and the economy through stimulating entrepreneurship. This narrative is misleading as it often shies away from the political implications that entrepreneurial culture has on society down to the individual. To reiterate of the aim research of this project, the objective observed throughout this project was to study the purpose and operations of state agencies concerned with enterprise development in order to answer the research questions on which this project was based. These research questions were firstly, *in what ways, and to what extent, does enterprise development articulate with neoliberal modes of governing citizens?*; and secondly*, how does enterprise development attempt to prompt post-apartheid subjectivities?.* . It should also be re-emphasised that the pattern of austerity and externalising state debt through certain policies has been a trademark of the South African governmentality for some decades. This research was instrumental, however, in illuminating how issue of governmentality are apparent in the contemporary policy of enterprise development as administered by Post-Apartheid South Africa. The seminal theories on power, governmentality and discipline as presented by Michel Foucault were put to use in this regard Some interesting, though at times contradictory, conclusions were made owing to the use of these theories to the end of deducing answers to the research questions presented.

As discussed in Chapter 3, the methodology that had been employed in order to reach these results resonated with the extended case method as pioneered

by Michael Burawoy. The marriage of theory and evidence in producing answers was the main reason as to why this methodology was pertinent to this research project. It must be emphasised though that the modus operandi of this research process was not primarily concerned with finding holes within the theory on which this research was based. Thus the data gathered was not utilised for the purpose of debunking or reconstructing the theory. Rather, the methodological premise was placed on using theory in order to validate the hypothesis. Consequently the deductions which followed were based on the practical evidence analysed. In other words, the research procedure can be summarised as follows: (1) predictions were hypothesised based on theory, (2) evidence was collected and analysed, and thus based on taking the two into account simultaneously, (3)deductions were made and discussed.

Thus the deductions which stem from attempting to answer the research questions can be divided in two. The first is in regard to the question pertaining to the manner in which enterprise development resonates with a form of neoliberal governmentality. The answer to this, in simple terms, is that it does so in many ways.The discussion in this research report presents this through a number of expressions. The literature reviewed in Chapter 2 illustrated and provided a basis for the instances whereby the post-Apartheid state has exhibited neoliberal tendencies with regard to how basic goods and services in poor communities tend to become commodified and expected to be used under a pay-to-use basis. Keeping this instance in mind, enterprise development is used as a complimentary mechanism towards that end. It creates a culture whereby commodification is an acceptable means to distribute provisions within society. This aspect has more to do with the second research question so it will be further discussed later. What's important to note however is that enterprise development resonates with neoliberal governmentality in that it fits into the agenda of taking responsibility away from the state and shifts it to the subject. In line with neoliberal rationality, the state should govern as little as possible, while the citizen-subject should govern themselves. This in essence is what entrepreneurial pedagogy does- this is where Foucauldian theory of disciplinary

power envelops the individuals. The biopolitical aspect to it, however, comes in with regard to how enterprise development attempts to establish the entrepreneur as a de facto subsidiary to the state, whereby the entrepreneur is intended to become the provider in her community, thus phasing out the burden on the state. This is thus directed towards the population, and it has a psychological effect whereby entrepreneurialism is either to be respected or embraced. This is in itself a security measure wherein protest and resistance is deterred through ensuring that through entrepreneurship, an individual can either become one or the population can be fed by one. Of course, judging by the contemporary rise in service delivery protests and the like, these security measures do fail.

The second research question relates to how enterprise development attempts to promote post-apartheid subjectivities. Since the post-apartheid state is neoliberal, as already established; the subject is but a fashioned product of the discourse circulated by the state in an anti-humanist sense; and thirdly enterprise development is a mechanism of neoliberal governmentality. It is deduced here that this post-apartheid subjectivity resonates with a culture of self-sufficiency, calculability and responsibility. The variable as mentioned here provide a succinct yet justified answer to the research question, though there are various layers and aspects to it that have been discussed in this research report. Discourse plays a highly significant role both in how power is maintained and perpetually reproduced, and likewise in how subjectivity is fashioned and regulated. Discourse thus too plays a key role in enterprise development, as it entices and justifies. It entices in that it sells the role of the successful and profiteering entrepreneur, who is a heroin in her community. It also justifies in that it makes entrepreneurship necessary for development and progress in society. What transpires here is the maintenance of multiple subjectivities of docility, amongst the entrepreneur, the employee and the consumer- one in which all three think their basic needs are being met, and there is no further need to revolt. Also needs are being met in a responsible way. All of this is

inclusive in the discourse of entrepreneurial culture, which the DTI and affiliated agencies are intent on circulating.

Looking retrospectively at this research project, it is regrettable that the semi structured interviews intended for this project were not attainable due to unforeseen circumstances. It is unfortunate that circumstances, beyond anyone's control, have not been favourable to conducting these interviews. This was largely owing to the taxing workload which preoccupied members of staff in the respective agencies. It would thus have been more suiting for a research period of at least two years in order to successfully pursue the practical fieldwork necessitated by this project. Given that this is a research report, to be completed in conjunction with course work, this left limited time and space to employ meaningful fieldwork. It would however be more suitable to undertake such fieldwork within the timeframe and resources which I do intend to utilise in future doctoral research. It would furthermore be beneficial to conduct fieldwork in more of an extensive context, working closer with the agencies that administer enterprise development. To be clear, this would involvement working and observing within the teaching and training programmes under which entrepreneurial pedagogy is conducted. From this one could witness and deduce the techniques of discipline, psychological and behavioural impacts as well as the implications on society regarding power relations.

It is with these final affirmations that this research report comes to a close. By no means are the findings and deductions herein presented meant to be total and final.Rather, as any political scientist should aspire to, they are falsifiable and theorised to the end of provoking further thought on the subject of enterprise development with regard to power relations and subjectivity. Furthermore, this research was conducted, with significant influence from Michel Foucault, to the end of encouraging critique of the institutions of power and the benevolent narratives that accompany them. It is in this regard that this research attempts to impact the social sciences.

Bibliography

1. Adamoniene, R. & Astronskiene, A., 2015. Peculiarities of entrepreneurial socialization expression. *Procedia - Social and Behavioral Sciences,* p. 890 – 895.
2. Alshenqeeti, H., 2014. Interviewing as a data collection method: A critical review. *English Linguistics Research,* 3(1), pp. 39-45.
3. Althusser, L., 2000. *Essays on Ideology.* New York, Verso.
4. Burawoy, M., 1998. The Extended Case Method. *Sociological Theory,* pp. 4-33.
5. DTI, 1995. *The White Paper on National Strategy for the Development and Promotion of Small Business in South Africa,* Pretoria: Department of Trade and Industry.
6. DTI, 2004. *Review of Ten Years of Small Business Support in South Africa 1994-2004,* Pretoria: Department of Trade and Industry.
7. DTI, 2005. *Integrated Small Enterprise Development Strategy,* Pretoria: Department of Trade and Industry.
8. DTI, 2012. *Incubation Support Programme,* Pretoria: Department of Trade and Industry.
9. DTI, 2014. *Youth Enterprise Development Stategy 2013-2023,* Pretoria: Department of Trade and Industry.
10. DTI, 2015. Small Business Connect.
11. DTI, 2017. *The DTI Enterprising Women,* Pretoria: The Department of Trade and Industry.
12. DTI, 2018. *The DTI Annual Report 2017-2018,* Pretoria: Department of Trade and Industry.
13. Foucault, M., 1977. *Discipline and Punish.* New York: Vintage Books.
14. Foucault, M., 1982. The Subject and Power. *Critical Inquiry,* 8(4), pp. 777-795.

15. Foucault, M., 2003. *Society Must Be Defended: Lectures at the Collège de France, 1975-1976.* New York: Picador.

16. Foucault, M., 2004. *Security, Territory, Population: Lectures at the College de France, 1977-78.* New York: Palgrave Macmillan.

17. Foucault, M., 2008. *The Birth of Biopolitics: Lectures at the College de France, 1978-79.* New York: Palgrave Macmillan.

18. Hardt, M. & Negri, A., 2017. *Assembly.* New York: Oxford University Press.

19. Harris, L., 1990. The Economic Strategy and Policies of the African National Congress. In: *Economic Alternatives.* Kenwyn: Juta & Co, Ltd, pp. 25-76.

20. Jones, C. & Murtola, A.-M., 2017. Entrepreneurship and expropriation. *Organization,* 19(5), pp. 635-655.

21. Lemke, T., 2002. Foucault, Governmentality, and Critique. *Rethinking Marxism,* pp. 49-64.

22. Madzivhandila, T. S. & Dlamini, M. S., 2016. *Women and Youth owned enterprises in South Africa: Assessing the needs, oppurtunities and challenges,* Pretoria: Small Enterprise Development Agency.

23. Manzo, K., 1992. Global Power and South African Politics: A Foucauldian Analysis. *Alternatives: Global, Local, Political,* 17(1), pp. 23-66.

24. McKinley, D., 2017. *South Africa's Corporatised Liberation: A Critical Analysis of the ANC in Power.* Aukland Park: Jacaranda.

25. NEF, 2010. *NEF Vision 2020,* Johannesburg: National Empowerment Fund.

26. NEF, 2012. *Save Invest Brochure.* Johannesburg: National Empowerment Fund.

27. NEF, 2014. *Eyethu Sonke Le BB-BEE,* Johannesburg: National Empowerment Fund.

28. NEF, 2014. *Investor Education,* Johannesburg: National Empowerment Fund.

29. NEF, 2017. *Information Manual,* Johannesburg: National Empowerment Fund.

30. NEF, 2017. *Integrated Report 2015/16,* Johannesburg: National Empowerment Fund.

31. NEF, 2017. *NEF ASONGE Share Scheme.* [Online] Available at: https://www.nefcorp.co.za/about-the-nef/asset-management/nef-asonge-share-scheme/ [Accessed 6 August 2018].

32. NEF, 2017. *Strategic Role and Positioning.* [Online] Available at: http://www.nefcorp.co.za/AboutbrtheNEF/StrategicPositioning.aspx [Accessed 7 July 2018].

33. NPC, 2012. *Natioanl Development Plan,* Pretoria: National Planning Commission .

34. NYDA, 2008. *National Youth Development Policy,* Pretoria: National Youth Development Agency.

35. NYDA, 2012. *Volunteer Enterprise Mentorship Programme,* Pretoria: NYDA.

36. NYDA, 2017. *Integrated Youth Development Strategy 2020,* Pretoria: National Youth Development Agency.

37. NYDA, 2018. *Annual Report 2017/2018,* Pretoria: National Youth Development Agency.

38. NYDA, 2018. *National Youth Development Agency.* [Online] Available at: http://www.nyda.gov.za/Pages/default.aspx [Accessed 10 July 2018].

39. Peet, R., 2002. Ideology, Discourse, and the Geography of Hegemony: From Socialist to Neoliberal Development in Postapartheid South Africa. *Antipode,* 34(1), pp. 54-84.

40. Phillips, D., 2001. *Implementing the Market Approach to Enterprise Support.,* Washington, D.C.: The World Bank.

41. Quatraro, F. & Vivarelli, M., 2014. *Implementing the Market Approach to Enterprise Support.,* Washington, D.C.: The World Bank.

42. Reinert, E. S., 2010. Developmentalism. *Working Papers in Technology Governance and Economic Dynamics,* Volume 34.

43. Rose, N. & Miller, P., 1992. Political Power beyond the State: Problematics of Government. *The British Journal of Sociology,* pp. 173-205.

44. Schecter, D., 2010. *The Critique of Instrumental Reason from Weber to Habermas.* New York: Continuum.

45. Schumpeter, J., 2003. *Capitalism, Socialism and Democracy.* New York: George Allen & Unwin.

46. SEDA, 2012. *Unlocking the potential for SMMEs to create jobs,* Pretoria: Small Enterprise Development Agency.

47. SEDA, 2015. *SEDA Information Brochure.* Pretoria: SEDA.

48. SEDA, 2018. *Anual Report 2016/17,* Pretoria: Small Enterprise Development Agency.

49. SEDA, 2018. *The DTI Agencies: SEDA.* [Online] Available at: https://www.thedti.gov.za/agencies/seda.jsp [Accessed 9 July 2018].

50. SEDA & BER, 2016. *The Small, Medium and Micro Enterprise Sector of South Africa,* Stellenbosch: University of Stellenbosch.

51. Selmeczi, A., 2015. Haunted by the Rebellion of the Poor: Civil Society and the Racialized Problem of the (Non)-economic Subject. *Foucault Studies,* 20(1), pp. 52-75.

52. Tedmanson, D., Verduyn, K., Essers, C. & Gartner, W. B., 2012. Critical perspectives in entrepreneurship research. *Organization,* 19(5), pp. 531-541.

53. Ventresca, M. J. & Mohr, J. W., 2002. Archival Research Methods. In: J. A. Baum, ed. *Companion to Organizations.* s.l.:Blackwell, pp. 805-828.

54. Wagle, D. et al., 2007. *South Africa: Enhancing the Effectiveness of Government in Promoting Micro, Small, and Medium Enterprises,* Washington, D.C.: The World Bank.