Destituent entrepreneurship: Disobeying sovereign rule, prefiguring post-capitalist reality

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This article introduces ‘destituent entrepreneurship’ as a way of imagining the political thrust of entrepreneurship under conditions of crisis. Taking its cues from Giorgio Agamben’s work on destituent power, and from theories of prefigurative praxis by other thinkers, this analysis uses the occupied-enterprise movement in Argentina as an illustrative case to cultivate sensitivity for the more radical possibilities of entrepreneurship as they emanate from the free-floating conflictual energy at the heart of society. Specifically, refracting destituent entrepreneurship into its essential components, we highlight, first, how laid-off workers redefined themselves as resistant entrepreneurs who counter-acted the fraudulent close-down of their enterprises by reclaiming their right to work. Second, we point out how the reclaimed enterprises created new opportunities not only for creating income, but for prefiguring post-capitalist realities rooted in self-organized and dignified work, democratic decision-making and the creation of a common people. The key contribution this article makes is to alert us to how entrepreneurship under conditions of crisis is less a matter of necessity alone, i.e., making a living in hard times, but an opportunity to redefine the realm of economic practice by one’s own rules.

Keywords: Destituent entrepreneurship, Agamben, prefigurative praxis, worker-occupied enterprises, resistance, post-capitalism, sovereign rule, a common people, the commons
Introduction

The recent economic crisis has witnessed a myriad of cases of disobedience and civil unrest in the face of perceived injustices and economic hardship. Examples include protests, direct action, the rise of (new) social movements, court mediations against powerful institution such as banks, hunger strikes, or people who chain themselves to their houses in order to prevent being evicted (Barbero, 2015). Some commentators have argued that entrepreneurship too represents a response to the widespread suffering which the recent economic crisis has engendered, and a particularly effective one at that. We are talking here not about entrepreneurship as a strategy for employment generation, innovation, productivity and growth (cf. van Praag and Versloot 2007), but about entrepreneurship as a way of advancing, first and foremost, justice (Santos 2013), decommodification (Vail 2010), community building (Savaya et al. 2008), social innovation (Nicholls and Murdock 2011), or emancipation (Rindova et al. 2011). Not surprisingly, entrepreneurship scholars have been keen to embrace ‘crisis’ as a topical area of research (Zikou et al. 2011), understanding that it presents an opportunity to create fresh insights into how entrepreneurship generates value for society by nudging ‘bottom-up social transformations that are neither rigid nor bureaucratic, that are neither formal nor fixed’ (Daskalaki et al. 2015, 2).

Today, we find a growing and increasingly detailed literature on how entrepreneurship works to enliven communities and entire societies. Some of the clearest examples of this strand of research can be found in accounts of social entrepreneurship (Mauksch and Rowe forthcoming) or community-based entrepreneurship (Peredo and Chrisman 2006), which supposedly create social and financial value in situations where the state failed to do so.¹ It is unarguably one of the main merits of this literature, which is still in a nascent stage, to have created sensitivity for how entrepreneurship in the context of crisis functions as an ‘engine’ not only for economic recovery and growth, but for increasing the resilience and viability of neighborhoods, communities, or entire societies (Parra and Ruiz 2014).
However valuable these contributions are, they tend to delineate a rather sanitized image of entrepreneurship. Focusing largely on how entrepreneurship solves existing problems, replaces ossified structures through more efficient ones (Zahra et al. 2009), or incrementally makes conventional business more socially responsible (Driver 2012), existing research fails to grasp the inherent violence and brutality of neoliberal capitalism as the very root cause of recurring crises (Harvey 2010, 2014; Sassen 2014). The effect of this omission is an overly optimistic belief in the power of entrepreneurship as a vehicle of positive change in society. In a similar vein, existing research typically fails to consider that radical change, i.e., change which engages the capitalist edifice head-on, might presuppose subverting, disrupting, or even destroying existing relations of force.

These shortcomings have enticed commentators to suggest that the term entrepreneurship – including cognates such as social or ethical entrepreneurship – is inadequate for explaining (radical) social change (Hjorth 2013; Jones and Murtola 2012). We agree with this qualification, and suggest the neologism ‘desituent entrepreneurship’ to highlight a form of entrepreneurship which does not only operate in the context of crisis engendered by neoliberal capitalism, but actively challenges and disrupts neoliberal capitalism by suspending some of its foundational values and practices. Using the worker-occupied enterprises in Argentina as an illustrative example, our conceptualization harks back to two important works: first, Agamben’s work on destituent power which conveys the key insight that the realization of new historical possibilities necessarily involves struggle, resistance and disobedience, and second, theories of prefigurative praxis advanced by other authors which chiefly explore possibilities of establishing alternative modes of individual and collective life from within existing conditions of possibility. Conjoining these bodies of literature offers a conceptual repertoire which permits a thoroughgoing reappraisal of neoliberal capitalism by providing insights on how radical forms of entrepreneurship emanate from the conflictual energy at the heart of society.
This article suggests that it would be naïve to believe that entrepreneurship under conditions of crisis is merely about fixing existing problems, whilst leaving the larger economic system untouched. Thus the overarching contribution of this article is to demonstrate how destituent entrepreneurship disrupts and transcends neoliberal capitalism by way of building basic values of co-ownership, co-creation and the commons into the everyday life of entrepreneurship. In this way, our conceptualization contributes to extant research on entrepreneurship by drawing attention to the important, but largely overlooked, political dimension of entrepreneurship.

The remainder of the article is structured as follows. First, we problematize existing research on entrepreneurship in the context of crisis. This is followed, second, by a tentative overview of the economic crisis in Argentina and the worker-occupied enterprise movement. Third, a conceptual case description of the worker-occupied enterprise movement is presented. Moving back and forth between the historical facts of the occupations in Argentina and Agamben’s work on destituent power and theories of prefigurative praxis developed by others, we incrementally advance the concept of destituent entrepreneurship. Fourth, we adumbrate the main elements of destituent entrepreneurship. A few short concluding observations draw the article to a close.

**Entrepreneurship under conditions of crisis: A problematization**

Recent years have witnessed a renewed interest in questions of how entrepreneurship can create value for society under conditions of crisis (van Putten II and Green 2011). This literature reflects broader attempts to (once again) render entrepreneurship socially meaningful by re-aligning the subject matter with the interests and desires of society (Cornwall 1998; Steyaert and Katz 2004; Steyaert and Hjorth 2006). At the risk of oversimplifying, the general thinking is that in moments of crisis entrepreneurship can contribute to rebuilding communities and even entire societies under strain by stimulating
cooperation between private sector actors and community groups (Johannisson 1990), thereby strengthening the cultural, natural and social capital upon which societies are based (Peredo and Chrisman 2006). A conspicuous aspect of this perspective is that it associates entrepreneurship not so much with the capabilities of a rare breed of individuals, but with the kind of embedded and hybrid agency that typifies neighborhoods or communities (Steyaert and Katz 2004). Entrepreneurship qua distributed agency is not limited to a particular sector or type of organization, but defined more by its effects, i.e. how entrepreneurship develops communities, creates social capital, and implements bottom-up revitalization strategies with no or minimal government funding (Bailey 2012).

Even if this literature is anything but homogeneous, it is united by an emphasis on entrepreneurship’s redemptive and enabling qualities. For instance, stressing bottom-up innovation in the context of austerity and welfare state retrenchment (Mauksch and Rowe forthcoming), entrepreneurship is seen as an effective means for solving problems associated with the enormous budget cuts in public spending, and the deficiencies in public services more generally. Construing entrepreneurship as local, community-led regeneration and reforms in public service provision opens up new possibilities for thinking about how entrepreneurship can address increasing levels of pauperization by exploiting new opportunities which become available under conditions of crisis.

Although we are largely in agreement with many of the claims advanced by this literature, we also believe that it presents a one-sided view which does not lead to an adequate understanding of the crisis of neoliberal capitalism, nor the political role entrepreneurship can play therein. As briefly intimated before, the literature on entrepreneurship in the context of crisis is marked by considerable shortcomings. For instance, zooming in on the transformative potential of entrepreneurship in solving existing problems, available research tends to turn a blind eye to the larger politico-economic circumstances that have engendered the various problems in the first place (Dey and Steyaert 2012; Dey et al. forthcoming). Thus, glossing
over intricate issues pertaining to, for instance, power, values, or class which some commentators deem essential components of radical change (Jameson 1999), existing research on entrepreneurship obfuscates the broader political, economic and, legal underpinnings of the crisis, and the systematic violence and brutality of neoliberal capitalism at large (Harvey 2010, 2014).

Arguably, these omissions are at least as much ideologically motivated as they are theoretically informed, since they essentially work to consolidate a positive image of entrepreneurship premised on the idea of harmonious and frictionless change. What we are most concerned about here is that the existing literature (re)assesses, if inadvertently, complex social, political and economic situations adopting a logic that promotes value-free problem solving. And second, this literature advances an understanding of social change that fails to take into account the broader conditions of the neoliberal capitalist economy. Hence, unlike those who saw the recent economic crisis as signaling the need for fundamental changes in the economic order to prevent similar meltdowns in the future (e.g. Harvey 2014, Roy 2014, Sassen 2014), the literature on entrepreneurship remains silent on this issue.

Thus, suggestive as the current literature on entrepreneurship in times of crisis is, it is ultimately inadequate to explain how neoliberal capitalism works and how it can be changed (Harvey 2010, 2014). As argued below, entrepreneurship can be more than just a problem-solving device, but a form of political intervention geared toward the creation of realities that transcend the desiderata of neoliberal capitalism by contesting and re-negotiating its core values and practices. We thereby seek to overcome the theoretical rigidities discussed above by advancing the concept of ‘destituent entrepreneurship’. Before doing so, we first provide some background information on our case study: the worker-occupied enterprises in Argentina.

**Background: The Argentinean crisis in 2001**
The recent economic crisis, and its ensuing fiscal crisis (Clarke and Newman 2012), has resulted in the curtailment of essential social services, and in many countries created fractured societies which left people excluded from basic human rights. Citizens who used to participate in public and commercial life were transformed into what Agamben (2000) calls the ‘fragmentary multiplicity of needy and excluded bodies’ (p. 31), or more bluntly, the ‘wretched, the oppressed, and the vanquished’ (ibid.). Turning the time back to the year 2001, we can see that the people in Argentina experienced similar levels of disenchantment and social suffering. While the Argentine economy had been touted as a poster child of the IMF’s structural adjustment policies throughout most of the 1990s, in 1998 the economy went into recession and in 2001 Argentina had to declare a default on some part of its external debt. Though this is not the space to explore in any detail the full complexity of the Argentine crisis, it is pertinent to point out that it was preceded by an era of emerging finance capitalism where Argentina tried to establish itself, with the support of transnational organizations such as the World Bank and the IMF, as part of the international financial architecture (Soederberg 2004). To achieve this end, the government during Carlos Menem’s presidency (1989-1999) chiefly opened up the local economy to global capital, expanding the extensive borrowing practices which had already started in the 1970s (Teubal 2004). The overarching aim of Menem’s government was to bring Argentina in line with a logic that envisioned free markets, trade and large corporations as the basic pillars of a thriving economy. This was to be accomplished by making access to capital a major priority.

The policy of attracting overseas investment to boost national productivity resulted in what Harvey (2005) called a ‘neoliberal state’, i.e., a state which elevates the interests of global capital to the position of a political imperative (Grugel and Riggirozzi 2007). Large companies were the main beneficiaries of official policies and programs, which were geared toward privatizing and deregulating public services and utilities. During its neoliberal era, the state in Argentina was mainly catering to the interests of big businesses by increasing their
share of the market in both the industry and the services (Teubal 2004). Furthermore, the state raised taxes for low and middle-income households and suspended all promotion regimes for small-size manufacturers in the context of public procurement. Further measures involved the reduction of public expenditure in the realm of education and welfare provision.

Menem’s neoliberal strategy stimulated legal reforms designed to render labor laws more flexible, allowing owners to enhance the productivity of their enterprises by employing workers outside of collective bargaining agreements (Ranis 1999). Officially called a ‘crisis prevention procedure’, these legal reforms reduced wages and increased the precariousness of working conditions for employees. Although Menem’s flexibilization of labor formed an important motif of the subsequent enterprise occupations, probably even more relevant was the realization that the economic crisis was ‘often fraudulently used by the owners to decapitalize their firms, attain governmental credits for non-production related financial speculation and, ultimately, to deprive the workers of their earned salaries’ (Ranis 2005, 10-11).

Together, these different interventions had the effect that many citizens felt that official norms and laws, although nominally binding, were not compelling since they had fallen out of step with the needs of society (Peñalver and Katyal 2010). The dwindling confidence in the integrity of the neoliberal state as the arbitrator of welfare and wealth, and the general distrust in its ability (and willingness) to ensure justice, eventually triggered an uprising in December 2001 when Menem’s successor Fernando de la Rúa limited people’s bank withdrawals to $1000 per month, thus effectively denying people access to their own savings (Cole 2006). Confronted with a situation in which 25% of the Argentine population was unemployed and 60% were living in poverty, an estimated one third of the Argentine population took to the streets to voice their discontent with the way they had been governed (North and Huber 2004). Spanning all social classes, the so-called pots and pans demonstrations involved people from all walks of life (Ranis 2004). Unified by the battle cry
¡Que se vayan todos! (they must all go!), the protest marked a frontal attack on the state, the president and the neoliberal economic model (Colectivo Situaciones 2003). The insurrection opened up a space for a variety of socio-economic experiments, such as the worker-occupied enterprises which form the substantive focus of the following conceptualization.

A conceptual reading of the worker-occupied enterprises

The following reading is based on a conceptual case description of the worker-occupied enterprises. This is then used as a basis for the incremental development of the concept of destituent entrepreneurship. The two concepts destituent power and prefigurative praxis are used to offer a conceptual framework attentive to issues related to disobedience, resistance, self-organized work, democratic decision-making and the commons. The reading will proceed by moving back and forth between historical facts, conceptual analysis, and illustration.

Occupied enterprises and destituent power: Disobedience, struggle and resistant entrepreneurs

From the workers’ point of view, the political and economic power structures in Argentina were not deemed a pertinent model for securing the wellbeing of society, since they led to the prioritization of the sectional interests of the owners of big businesses and the affluent strata of Argentine society more generally. During the crisis, the Argentine government had implicitly incentivized owners to file for bankruptcy, thereby allowing them to close their factories without having to bear any of the social costs. Deceitful bankruptcies became a common practice. Examples include the owners of Global S.A. who, after having filed for bankruptcy, precluded bankruptcy procedures by removing all machinery from the building to start a new business (Monteagudo 2008).

Workers felt betrayed by their bosses who, in their view, had abandoned the factories without any consideration of the fate of their employees. Similarly, they lost confidence in a
system that permitted the previous owners of the companies they had worked for to act with impunity, despite the fact that they had evidently mislead their creditors and unpaid employees. After thousands of enterprises were closed during the crisis, most workers saw no other option than to seek employment elsewhere. Yet, a small minority refused to accept the close-down of their enterprises. Workers in and outside of Buenos Aires started to occupy and recover abandoned factories. In total, about 200 factories were recovered, totaling approximately 15’000 workers. The worker-occupied enterprises movement included many industries, from the metallurgical, clothing and textile sector to the pharmaceutical, food and beverage industry, as well as schools and hotels (Lavaca Collective 2007).

*Occupations as political disobedience*

One way of looking at the occupations is to say that they constitute an act of illegality since the enterprises were officially shut down and declared bankrupt in accordance with existing laws. However, instead of seeing workers merely as delinquents, i.e., ‘property outlaws’ (Penalver and Katyal 2010), we seek to advance a different appraisal by framing the occupations not as a juridical issue, but as a case of political disobedience. Disobedience has many meanings, but the prevailing interpretation in political theory is that disobedience chiefly tries to challenge sovereign power with the ultimate aim of establishing a new legal constitution or social order which is deemed more adequate (in terms of democracy, equality or freedom). This form of disobedience (referred to in political theory as constituent power; Laudani 2013) does not correspond to the events in Argentina, since the worker-occupied enterprises did not – at least during the initial stages – try to reform the sovereign structures with the aim of creating a better constitution. Quite the contrary, the worker-occupied enterprises symbolize a form of disobedience characterized by a general desire to withdraw from the impeding influence of the neoliberal state by deactivating and suspending its official norms and rules.
This is what Agamben (2014) refers to as destituent power. Central to destituent power is an understanding of disobedience as the outright rejection of the legitimacy of sovereign rule and its politico-juridical apparatus. Destituent power thus describes a revolutionary moment characterized by resistance to official norms and sovereign rule (Laudani 2013). Destituent power attends to ‘goals such as outright political independence or the freedom to live with dignity and without the violent imposition of force by the powerful’ (Fransceschet 2015, 3). The defining moment of destituent power is a kind of disobedience predicated on resistance. Whilst reflected in their slogan ‘Occupy, Resist, Produce’, which the workers had borrowed from the Brazilian landless movement, moments of resistance became manifest at different levels and during different stages of the occupations.

*Resisting bankruptcy orders and reclaiming the right to work*

To begin with, resistance in the case of the occupied enterprises was actualized when the workers, who had been excluded from their officially bankrupt enterprises, reopened the enterprises to resume work. The general reasoning of the occupants was that the abandoned enterprises implicitly belonged to society because many of them had received state subsidies, tax exemptions and other forms of government assistance prior to their fraudulent close-downs (Cole 2004). Since the workers construed the enterprises as public assets as they had been supported by taxpayer money, the occupations in their view merely signified the exercise of their right to work. Succinctly put, by taking control of the means of production, workers were effectively ‘taking back’ what they thought belonged to them already.

Looked at in this way, it becomes clear that the occupations resisted sovereign rule by refusing to accept the bankruptcy orders it had issued. However, resuming work by claiming access to the means of production is by no means a straightforward endeavor. For instance, workers were perpetually struggling to put their factories on a sound footing (Ranis 2006), faced difficulties in gaining access to capital and in establishing relationships with the formal
economy which in part had become reluctant to work and trade with the occupants. However, perhaps the main challenge to the liberation of the economic realm was the workers’ own sense of identity and self-perception.

The need for new identities: From workers to resistant entrepreneurs

Workers’ sense of who they were was so deeply rooted in wage-labor logic that it was very difficult for many to envision any other life trajectory. Having been used to working for a wage, workers suddenly became part of a revolutionary moment of which they probably never thought they would be part (Marti and Fernandez 2015). As the following extract shows, workers were at times overwhelmed by the revolutionary prospect the occupations had opened up and notably by the inescapable transition from worker to resistant entrepreneurs: ‘If they [the bosses] had come to us with 50 pesos and told us to show up for work tomorrow, we would have done just that’ (Gibson-Graham 2006, xxxv).

The ability to participate in this revolutionary moment, and to contribute to the widening of the field of economic possibilities, implied a need on the part of the workers to cultivate a new sense of identity which would permit them to resist and transcend norms of authority and hierarchy that had hitherto informed their sense of being. Monteagudo’s (2008) ethnographic study of the recovered balloon factory La Nueva Esperanza (The New Hope) is instructive here as it reveals how female workers learned to experience themselves as efficacious beings capable of voicing and asserting their interests and perspectives. The decision to occupy their enterprise literally pushed the female workers into believing in and trusting their own entrepreneurial capabilities. The revolutionary act of occupying their enterprise allowed them to grasp ‘the possibility of becoming something other than wages-workers relegated to spending life producing for others within the capital-labor relation’ (Viesta 2014, 784). Looked at from the perspective of destituent power, we can see that the workers re-invented themselves as ‘resistant entrepreneurs’ who refused to endorse normative
assumptions of labor, hierarchy and coercion, understanding that cultivating a novel political identity capable of pushing back against sovereign rule was imperative for liberating their economic reality.

Resisting court decisions and ex-proprietors

Perhaps one of the clearest examples of resistance emerged as a reaction to police violence perpetrated in the context of forced evictions. An exemplary case is provided by the workers of Brukman, a textile company in Buenos Aires, who had taken over their enterprise in 2001 after the owners had fled the indebted company (North and Huber 2004). Approximately a year after the workers’ occupation, the police took over the enterprise on the authority of a court order to reclaim the machinery. The workers, mainly women, who were present at the enterprise were immediately arrested. According to the theory of destituent power, expelling the workers from their premises signifies attempts to reestablish order within society. However, only a few hours after the arrests, supporters of the Brukman workers as well as various activists and human rights groups arrived on site to protest against the forced eviction and the detention of the female workers. The protests resulted in the withdrawal of the police forces and the release of the arrested workers. And even though various eviction attempts by the police followed, the Brukman workers were ultimately successful in retaining control over the enterprise and even received legal permission to return to their enterprise (Rossi 2014).

While Brukman offers an illuminating example of how workers were able to push back police forces, it cannot be stressed enough that resistance was a collective endeavor that strongly relied upon the support from the communities. As one worker of Chilavert, a book publishing firm, reminds us: ‘It [the enterprise] wasn’t won merely by its eight workers [...] It was also won by the neighbours, the teacher, the plumber, the grandmother for the neighbourhood who came out and fought off the police, who helped stop the eviction attempt’ (Huff-Hannon 2004). This anecdote draws attention to how destituent power entails the rise of
a collective will that refuses to succumb to sovereign rule. This collective will only emerges occasionally during moments of crisis (Agamben 2000).

To summarize, what the concept of destituent power allows us to see is how workers turned into resistant entrepreneurs who, with the support of the community, fought against the debilitating effect of the official order (i.e., courts, governments, the police force and ex-proprietors) and who occupied the abandoned enterprises to reclaim their right to work. The next paragraph complements this image by homing in on how the occupied enterprises were used to prefigure emancipatory working conditions and thriving communities.

**Occupied enterprises and the prefiguration of post-capitalist realities**

A basic insight that can be gleaned from our analysis so far of the worker occupations is that resistant entrepreneurs based their actions on their own rules and sense of justice. This involved not only the decision to occupy the enterprises on the grounds that they already, if implicitly, belonged to them (cf. above), but also demonstrated their will to recreate the labor process according to a set of new ideals and principles. This self-legislating nature of the worker-occupied enterprises is indicative of the literature on prefigurative praxis.

In broad strokes, prefigurative praxis includes a broad range of activities which are united by a desire to unleash emancipatory, post-capitalist aspirations in the course of everyday life. In prefigurative praxis, emancipatory goals are not projected into the distant future, but recursively built into and activated in the context of everyday life. The basic contention of prefigurative praxis is that a self-determined life under capitalism requires a radical redefinition of the realm of economic practice in the ‘here and now’. Popularized in the context of social anarchist works (Graeber 2002) where it formed a critique of revolutionary Marxism (Boggs 1977), prefigurative praxis today is as an inherent part of experiments in alternative politics and ‘diverse’ economies (Gibson-Graham et al. 2013) as well as social movements (Maeckelbergh 2011). Buechler (2000) maintains that prefiguration
is central to a host of anti-oppressive initiatives that aim to ‘work directly from basic values to daily practice’ (p. 207). We would like to begin by first revealing and conceptually reflecting on how the occupied enterprises brought about emancipatory effects by rearranging the production process in line with principles of democracy, justice and solidarity. In a second step, we aim to show how the enterprises themselves were used to prefigure a common people by being redefined as part of the commons.

Prefiguring emancipatory working conditions

A conspicuous aspect of the reclaimed factories is that their occupants resumed production, but did so under radically different conditions. After their previous bosses had abandoned the enterprises (Rossi 2014), the workers used their newfound ‘liberties’ to establish relationships amongst their co-workers characterized by solidarity (Lavaca Collective 2007) and an ethos of mutual support (Monteagudo 2008). This formed a strong contrast with how the hierarchically organized enterprises had previously operated, as workers were often not supposed to talk to each other during their shifts. As Carmen, a member of La Nueva Esperanza, recalls, workers under their previous bosses ‘did not even say “hi” to each other’ (Monteagudo 2008, 204).

These new practices and ways of relating were mostly made possible through cooperative forms of co-creation, co-ownership and democratic decision-making. Revitalizing the historical struggle for the exercise of control over the means of production, co-operative principles enabled dignified and empowering working conditions by ensuring that everyone would receive the same wage, that basic management decisions were taken democratically by an assembly, and that leaders were elected by the workers (one worker, one vote). Although they loosely followed the example of the cooperative movement around Robert Owen (1771-1858), the occupied factories fostered largely non-oppressive working conditions predicated on values of democracy, justice and equality. Consistent with the literature on cooperative and
self-determined organization (Gibson-Graham 2003), accounts of the occupied enterprises show that even though salaries sometimes varied from month to month and most reclaimed enterprises were not working at full capacity, workers were able to carry on production and to do so in a way that was conducive to workers’ sense of fulfillment and happiness (Palomino et al. 2010). As one worker at the ceramics factory Zanón commented: ‘When we had an owner, I couldn’t talk the way we are right now. I couldn’t even stop for a couple of minutes. Now I work calmly, with my conscience as my guide, and without a boss yelling that we have to reach the oh-so-important objective’ (Lavaca Collective 2007, 60).

These cursory examples of self-managed and cooperative work offer an emblematic example of how the labor process can be used to transcend authoritarian and hierarchical models of organizing which typify the mainstream economy. In this way, the occupied factories support the conclusion that entrepreneurship is not necessarily antithetical to ethics (Longenecker et al. 1988) for it can be effectively used to implement standards that embrace ‘aspects of a post-capitalist world by interlacing alternatives with the ethics, values, and practice that are being struggled over and desired’ (Vieta 2014, 784). In this way, prefigurative praxis draws attention to how enterprises achieve a reshaping of capitalism from within by democratizing ‘the economic realm at the micro-level of the productive enterprise’ (ibid., 796).

Commoning enterprises and the prefiguration of a common people

A key aspect of destituent entrepreneurship involves the transfer of ownership from private owners to the workers. At this decisive point of our argument, it is important to note that many of the formerly investor-owned enterprises were not just taken over by resistant entrepreneurship, but re-appropriated as part of the commons. The commons are understood as the resources that are accessible to all human beings (e.g., water, air, or communal land, but also open-source software or knowledge). The commons form a crucial ingredient of
social organizing outside of and against capitalism (Fournier 2013). In the Argentine case, some of the occupied enterprises were transformed into commons in the sense that their premises were used to engage with local communities via the establishment of health clinics and learning centers, or the creation of sites of pedagogical, cultural and artistic production (Ranis 2005).

Consider, as an example, IMPA (Industria Metalúrgica y Plástica de Argentina) which set up a cultural center for young people providing education to students and a health care center providing free services to the neighborhood (Jaramillo et al. 2011). Or think about Zanón which helped set up a health clinic in a poverty stricken neighborhood (Cole 2007). These are but two illustrations of how the occupied enterprises were used as a shared resource allowing community members to develop new skills and relationships and to satisfy basic human needs. Realizing a broad set of cultural, social, political and economic goals (Palomino 2003), the occupied enterprises as part of the commons became the linchpin of community life in society. Creating circuits between segments of society which were mostly separated by the social division of labor (Jaramillo et al. 2011), the commoning of the occupied enterprises eventually achieved the prefiguration of a ‘common people’. The common people, as Agamben (2000) points out, are not a unified entity, but a heterogeneous assemblage of subjects who previously had no place in the prevailing order. The common people in the case of the occupied enterprises materialized when excluded groups, including the middle class, various groups of street picketers (picqueteros), the retired, political activists and human rights groups and many others, were drawn together by a desire to use the enterprises as an openly accessible medium of social organization (Fournier 2013). Through their collective will, they now strove to protect the commons from being annexed, dispossessed or reclaimed by the neoliberal state, its police force or the previous owners (cf. above).

To summarize, the regained enterprises offered resistant entrepreneurs the possibility to recreate reality by their own rule. This involved attempts at redefining the labor process in
such a way as to prefigure post-capitalist modes of (co-)existence based on values of democracy, justice and equality. Furthermore, through the use of their premises to establish community centers, schools, hospitals, and sites of cultural production, the enterprises were re-appropriated as part of the commons and used to prefigure a common people.

Discussion

Our conceptual reading of worker-occupied enterprises highlights that destituent entrepreneurship involves the simultaneous refusal of sovereign rule as enforced by the neoliberal state on the one hand, and the collective desire to create alternative realities according to one’s own rules on the other. Destituent entrepreneurship thus throws light on how disobedience, resistance and struggle but also the affirmation of more democratic and emancipatory modes of economic production all form inherent parts of the mundane experience of entrepreneurship. Testifying to the generative potential of entrepreneurship under conditions of economic hardship and crisis, our conceptualization not only accounts for the creation of new income opportunities under dire circumstances, but, importantly, the imminent transformation of identities (from workers to resistant entrepreneurs), enterprises (from privately owned to collectively managed entities), and communities (from the excluded to the common people). Overall, the concept of destituent entrepreneurship raises interesting, albeit potentially unsettling, questions about the normative role and radical potential of entrepreneurship in society.

To carve out the unique contribution destituent entrepreneurship makes to the further development of entrepreneurship studies, let us accentuate a few points. Evidently enough, the Argentine crisis offers just another example of the destructive effects global neoliberal capitalism ultimately has on the people by putting them out of work. Viewed in this light, one might infer that the reclaimed enterprises form a prototypical example of what entrepreneurship research terms ‘necessity entrepreneurship’ (Fayolle 2011). This inference is
empirically supported by a survey which revealed that 60% of the occupants were not motivated by ideological reasons, but rather by the imperative of putting food on their tables (Corriente Marxista Revolucionaria 2004; referred to in International Socialist Review 2007). It is here that the parallels end, though. Destituent entrepreneurship is, first and foremost, a political endeavor which uses economic means as a vehicle for prefiguring dignified working conditions and relationships based on solidarity and mutual support. Hence, rather than merely converting a crisis into an economic opportunity (according to the motto: ‘never let a crisis go to waste’), destituent entrepreneurship implies that the right to work, dignity and solidarity are accomplishments that need to be reclaimed; destituent entrepreneurship is – to paraphrase Gibson-Graham et al. (2013) – about ‘taking back the economy’. Evidently then, destituent entrepreneurship cannot be reduced to the resumption of work, i.e., making a living in hard times, since it is constitutively based on disobedience, resistance and struggle. To complement the picture, our conceptualization has revealed that the true force of destituent entrepreneurship lies in its ability to actualize immanent collective (rather than individual) possibilities that are available in the present (Gibson-Graham 2006). Perhaps one of the most inspirational insights gained from our conceptual reading is how the occupied enterprises were used to relate to, collaborate with and mobilize their neighborhoods, thereby contributing to the development of a common people. Destituent entrepreneurship, far from merely being an individual strategy of income creation, self-improvement or coping (Ozarow 2013), represents an eminent fabric of collective life in society.

To the extent that destituent entrepreneurship is primarily a political endeavor, there is seemingly an overlap with the concept of political entrepreneurship. This impression is potentially misleading. The defining feature of political entrepreneurship is that it actively seeks to transform the political system by addressing political goals that are not being met by this system. Political entrepreneurs are ‘individuals whose creative acts have transformative effects on politics, policies, or institutions’ (Sheingate 2003, 185). What bears emphasizing
here is that political entrepreneurship is underpinned by the logic of sovereignty (Colectivo Situationes 2003) with its fundamental assumption that society must be based on centralized political institutions and clear lines of authority (Franceschet 2015). In Agamben’s (2014) view, the logic of sovereignty is deeply problematic due to the way it tends to reproduce structures of repression by simply replacing one constitutional order with another. The logic embodied by destituent entrepreneurship is diametrically opposed to that of sovereignty as it seeks to attain change not through the sovereign structures with their juridical and police apparatus, but outside their influence. As illustrated by the Argentine example, destituent entrepreneurship endeavors to break free from sovereign rule without, however, establishing a new constitutional order. This refusal to seize power and to strive for a new constitution does not, as Laudani (2013) argues necessarily represent an impediment to or weakness of destituent entrepreneurship. Rather, destituent entrepreneurship signifies a conception of politics which engenders radical change by refusing to submit to the norms and rules laid down by sovereign power.

Undoubtedly, our reading of the worker-occupied enterprises casts a positive light on the radical potential of destituent entrepreneurship. An important clarification is in order, though. The looming return of the previous owners of the enterprises, first-hand experience of police violence and of constantly being at the mercy of sovereign rule eventually sparked a desire among some workers to seek protection via inclusion in the legal order. More than sixty occupied factories signed a letter to Congress demanding the establishment of a national law allowing the expropriation of self-managed factories from their former owners (International Socialist Review 2007), thus providing protection from creditor demands based on the previous owner’s debts (Ranis 2010). The requests stimulated various legal and quasi-legal reforms, such as the reform of bankruptcy laws with greater stress on workers’ right to work (Cole 2006). In 2002, a bankruptcy law was adopted which allowed workers to initiate
production in the factories if a majority of the workers agreed to participate in the endeavor (Rossi 2014).

However, legal permissions were only temporary, and even if the enterprises were later expropriated by government, this typically meant that the ownership of the factories was given to government and ‘only’ the control of the premises to the workers (Cole 2006). Although the new stipulations generally turned workers into public sector employees (Ranis 2006) whose factories remained nationalized property administered by bureaucrats, this aptly illustrates how the more radical aspects of the occupied enterprises, notably the renunciation of the capitalist ownership model, were neutralized. This means that while the legal reforms and the government-led expropriations clearly offered the workers some sense of security by eliminating the threat of evictions, they also undermined the movement’s more radical edge in re-defining ownership and the labor process. With the introduction of the ‘logic of the state into organizations that were initially conceived as autonomous and collectively self-empowering’ (Monteagudo 2008, 193), a noticeable shift in the modus operandi of the regained enterprises occurred as they gradually shifted ‘from a political focus to a practical, production focus’ (Carroll and Balch 2007).

Workers’ reliance on government support exemplifies that destituent entrepreneurship is never completely safe from state capture. Whereas destituent entrepreneurship remains an ‘arduous task’ (Agamben 2014), since it is always at risk of being eclipsed by the logic of sovereignty (Colectivo Situationes 2003), we can infer that the power of entrepreneurship as an instrument of political disobedience is related to a large extent to the ability to become ungovernable, and to retain the potential of staying so (Agamben 2014).

In a broader sense, our conceptualization applies to situations where the broader politico-economic order has lost touch with the interests of society. This was the case in Argentina where the state was firmly wedded to financial interests and guided by the policies of transnational organizations such as the IMF. The bold contention destituent
entrepreneurship makes is that entrepreneurship is not a key driver of the ‘economic destiny’ (Baumol 1993, 197), but the very mechanism which disrupts the core values of neoliberal capitalism by transforming the economy from within. The Argentine experience, as an exemplary case of destituent entrepreneurship, offers a powerful example in support of Ostrom’s (1990) influential work on the commons which bears out that people are able to collaborate – through entrepreneurship – in such a manner as to share resources in a peaceful and sustainable manner, while at the same time protecting themselves from the risk of being hijacked by sovereign power.

**Concluding comments**

The starting point of this article was that existing theorizing in entrepreneurship studies offers novel approaches to thinking about the sort of contribution entrepreneurship can make for society under conditions of crisis. Despite its undeniable merits, we have shown that a key shortcoming of this research is that it relegates entrepreneurship to the status of a compensatory force that steps in whenever government has failed. To remedy this shortcoming, we have coined the neologism destituent entrepreneurship to ensure the viability of entrepreneurship as a political concept. Extending canonical interpretations of entrepreneurship during moments of crisis, destituent entrepreneurship makes a significant contribution in that it draws attention to how entrepreneurship forms a vehicle for disrupting and transcending the foundational values of neoliberal capitalism by incorporating the basic values of co-ownership and co-creation as well as the commons into the everyday life of entrepreneurship. In this way, our conceptualization adds a valuable perspective to existing theorizing on entrepreneurship in the context of crisis by revealing that the creation of alternative realities often presupposes the suspension of existing conditions of normative rule.

We cannot, of course, claim originality for having discovered the political thrust and entrepreneurial ingenuity of the Argentine workers. Indeed, the recovered enterprises have
been skillfully chronicled by various documentaries, notably The Take directed by Naomi Klein and Avi Lewis. These Argentinean enterprises have also stimulated a myriad of inspirational reflections based on concepts such as autogestion (Vieta 2010), horizontalization (Sitrin 2006), and autonomism (Cuninghame 2010) to name but a few. The point to be stressed, however, is that while writing this article it became increasingly obvious to us that these discussions mainly take place outside of entrepreneurship studies. Although this absence is probably symptomatic of the general political quiescence of entrepreneurship studies (Verduyn et al. 2014), we believe that this situation must change. Thus, we would like to close the article by expressing our hope, the focal motto of this special issue, that the field of entrepreneurship studies will in future become more hospitable to investigations into how entrepreneurial creation involves acts of subversion (Bureau, 2013), disruption (Hjorth and Steyaert 2009) and destruction (Jones and Murtola 2012). More specifically, any attempt that purports to capture the radical political possibilities of entrepreneurship must engage, in one way or another, with the complex questions of neoliberal capitalism as the organizing principle of society (Harvey 2005). Neoliberal capitalism is not perforce the superior system of economic organization that many still want it to be, but rather a global process which, albeit uneven, has proven successful in dispossessing ordinary people of their economic rights and their access to common resources. Given this destructive potential of neoliberal capitalism, we must insist on asking if and how entrepreneurship can intervene at this historical conjuncture.

Notes

1 It should be noted that this debate also involves alternative concepts such as ‘community-led social venture creation’, ‘ecopreneurship’, or ‘sustainable entrepreneurship’.
2 The term denotes all actions taken by the state to govern society, such as the making and executing of laws, collection of taxes, issuing of trade agreements, and the application of military or police force.
3 A key distinction from Marxist theorizing is that the transformation of the economic realm in prefigurative praxis is not predicated on the seizure of power or the takeover of the state (Springer 2014).
4 For instance, the Programme for Self-Managed Work, a government instrument for ‘institutionalizing’ the occupied factories, required that the factories must be transformed from collectively owned into individually
owned bodies. Excluding the possibility of collective ownership was exchanged for financial assistance, job preservation and self-managed work (Dinerstein 2007).

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