Contrasting Indigenous entrepreneurship in Australia and Canada: how three applied research perspectives can improve policy and programs

AUTHOR

Kevin Hindle

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Contact details

Professor Kevin Hindle

BA(hons) MBA PhD CPA

Australian Graduate School of Entrepreneurship

Swinburne University of Technology

Cnr Wakefield and William Streets

Hawthorn Vic 3122 Australia

phone international: + 61 3 9214 8732

fax international: + 61 3 9214 8381

email: khindle@swin.edu.au

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Note: as mark of respect to Indigenous nations and peoples, it is a convention adopted throughout this report to use a capital "I" for the word "Indigenous" whenever it occurs.

Abstract

Quantification of the failure of the passive welfare system to alleviate the plight of Indigenous people in Australia indicates a remedial role for Indigenous entrepreneurship. However, sustained poor performance in Indigenous entrepreneurship in Australia contrasts with recent high levels of performance in Canada. Three phenomena account for the differences. Canadian Indigenous entrepreneurship policy, in both public and private sectors, is: specific, culturally sensitive and research based. For Australian Indigenous entrepreneurship policy to become more focused and culturally sensitive, it must be deeply grounded in research. Three emerging research perspectives can provide useful insights and a solid foundation for constructive public policy in the Indigenous entrepreneurship field. They are 'fourth world' theory, Whetten's 'hybrid' theory and a 'theory of values'.

Overview and objectives of the study

Australia is very much in the foreground of this study of Indigenous entrepreneurship policy and performance. Canada provides an inspirational background – almost in the sense of a distant but achievable horizon. The paper presents an argument: not a test. Its empirical component is confined to contrasting selected aggregate measures of the relative status quo of Indigenous entrepreneurship in Australia and Canada. The key issues pertaining to Indigenous entrepreneurship are very similar in both countries - as they are in most nation states that contain significant Indigenous minorities. However, on most variables measuring the quantity and quality of present day policy and performance in the field of Indigenous entrepreneurship, the contrast is stark. Canada rates high and Australia low.

The paper argues that Australian Indigenous entrepreneurship policy cannot hope to emulate Canadian success by copying in the absence of understanding. Three research perspectives offer insights for development of constructive public policy and private initiative grounded in the unique cultural backgrounds and present social problems of particular peoples and places.

The three research perspectives are:

- Fourth world theory

- Whetten's 'hybrid' theory and

- A theory of values (advocated, separately, by Hutcheon and Trudgen).

Australia and Canada: same issues divergent success

Definitions of Indigenous entrepreneurship

There has been wide discussion but very little carefully focused research on Indigenous entrepreneurship in Australia. Two works are prominent. A seminal study is Dennis Foley's *Successful Indigenous Australian Entrepreneurs* (Foley 2000). This is a detailed, methodologically strong, case study analysis of the entrepreneurs of five Indigenous Australian businesses. His criteria focused on private sector entrepreneurship and his definition was:

> *The Indigenous Australian entrepreneur alters traditional patterns of behaviour, by utilising their resources in the pursuit of self-determination and economic sustainability via their entry into self-employment, forcing social change in the pursuit of opportunity beyond the cultural norms of their initial economic resources. (Foley 2000: 25)*

In a depth-interviewing study involving 40 carefully selected respondents, Hindle and Lansdowne (2005) developed a formal, globally relevant paradigm for the field of Indigenous Entrepreneurship Research. Their study included a distillation of the collective wisdom of Indigenous Australian and American Indian entrepreneurs and entrepreneurial experts, all of whom had high credibility in both the Indigenous and mainstream cultures of their respective nations.

Hindle and Lansdowne (2005: 132) provide a broader definition of Indigenous entrepreneurship.

> *Indigenous entrepreneurship is the creation, management and development of new ventures by Indigenous people for the benefit of Indigenous people. The organizations thus created can pertain to either the private, public or non-profit sectors. The desired and achieved benefits of venturing can range from the narrow view of economic profit for a single individual to the broad view of multiple, social and economic advantages for entire communities. Outcomes and entitlements derived from Indigenous entrepreneurship may extend to enterprise partners and stakeholders who may be non-Indigenous.*

Global commmonalities and regional distinctions in Indigenous entrepreneurship

In all nations with significant Indigenous minorities, the economic and social deprivation of Indigenous peoples has long been of deep policy concern. However, in many countries including Australia, debate of relevant issues – particularly the welfare issue - has not been based on strong research nor has administration of the issues been under effective Indigenous control (Pearson 2000). Whether the intentions of non-Indigenous governance and aid agencies have been malicious or benign, the result of taking responsibility out of Indigenous hands has resulted in

the development of a very pervasive handout culture. Stimulation of Indigenous entrepreneurship has the potential to repair much of the damage through creation of an enterprise culture, which fully respects Indigenous traditions but empowers Indigenous people as economic agents in a globally competitive modern world. There is growing world-wide awareness that policies directed to developing Indigenous entrepreneurship have the 'win-win' potential of enhancing Indigenous self-determination while eliminating much of the waste endemic to passive social welfare programs (Hindle and Lansdowne 2005).

However, global commonalities must not be allowed to mask national and regional differences. For instance, a program that is 'best practice' in Canada could easily become worst practice in Australia if unthinking emulation were to be attempted – no matter how much money were invested in the project. The starkly contrasting status of Indigenous entrepreneurship in Australia and Canada raises several issues for both research and policy.

The historical relativity of deprivation

One dominant anachronism must be dismissed before any meaningful discussion of Indigenous Australian entrepreneurship can commence. Many contemporary analysts within the dominant culture take the current economically depressed status and relative deprivation of Australia's Indigenous population as 'a given' – as though it had no temporal dimension. Combine this with a tendency to equate technological development with economic development and it becomes easy to forget how high a standard of living Indigenous Australians had prior to colonisation. Geoffrey Blainey (1982: v-vi) reminds us of this:

> ' … if an Aborigine in the 17th Century had been captured as a curiosity and taken in a Dutch ship to Europe, and if he had travelled all the way from Scotland to the Caucasus and had seen how the average European struggled to make a living, he might have said to himself that he had seen the third world and all its poverty and hardship.'

Quantifying the failure of passive Indigenous welfare policy in Australia

It is estimated (ABS 1996: Census) that there are just over 420,000 Indigenous Australians, living mainly in urban centres. Over half live in New South Wales and Queensland but the highest regional concentration (27.7 per cent) live in the Northern Territory. The following figures come from Council for Aboriginal Reconciliation (2000) and Allen Consulting Group (2001).

Compared to the non-Indigenous, Indigenous Australians are two and a quarter times more likely to die before birth. Their life expectancy is only two thirds as long as a mainstream Australian. They have over 16 times the incarceration rate of non-Indigenous Australians. They need hospitalization nearly twice as much. Their unemployment rate is nearly four times the mainstream average. Their children are subject to nearly four and a half times the number of protection orders. They are more than 47 times more likely to be living in a dwelling with ten or more people. They have less than half the mainstream retention rates for final year high school. The Indigenous have only a third of the rate of post-high school qualifications and only 68 percent of the median weekly income of the non-Indigenous. The hospital admissions rate for Indigenous women, due to interpersonal violence, is over 23 times the rate for non-Indigenous women and the strongest causal factor is substance abuse.

This litany of disadvantage occurs despite the Federal Government (Australia has six State and two Territory Governments who also contribute) spending $2.2billion or $21,450 per Indigenous household (Office of Indigenous Policy: 1999). So, despite the existence of sporadic successes, it is fair to conclude, in the aggregate, that Indigenous Australians - as nations and individuals - have suffered rather than benefited from the development of the mainstream Australian state. And it can equally be said that Indigenous welfare and adjunct policies – including those designed to foster entrepreneurship (Tesfaghiorghis and Altman 1991) - have been and remain an aggregate failure. These conclusions can be derived dispassionately: from primary data sources. No selective choice of evidence or ideological bias is required.

Australian Indigenous entrepreneurship is failing as a remedy

In Australia, the potential for Indigenous entrepreneurship to redress past failure has been widely, if patchily discussed (see Altman and Nieuwenhuysen, 1979; Howard 1982; Fisk 1985; Miller Report 1985; Beckett 1987; House of Representatives Standing Committee on Aboriginal Affairs 1990; Moizo1990; Perkins 1990; Brennan 1991; Sanders 1991; Mansell 1992; O'Donoghue 1992; Butlin 1993; CAEPR 1993; Daly 1994; Bourke 1998; Roberts 1998; Hunter 1999; Schaper 1999; Trudgen 2000; Allen Consulting 2001). However, there is a big gap between discussion and action.

In Australia, Indigenous entrepreneurship is probably in decline. A 'high-end estimate' of the proportion of Indigenous Australians owning their own businesses, resulting from several specially commissioned surveys, was given by Altman and McLennan (1996), cited in Schaper (1999:89). For the year 1994, the proportion of Aboriginal males managing their own business either as owner-employers or as self-employed individuals was only 6.3 percent, compared to the Australian average of 17.3 percent. Among women, the discrepancies were 3.8 percent versus 11.8 percent.

There is evidence that the relative proportions have declined during the last eight years.

The Department of Foreign Affairs and Trade (www.dfat.gov.au/facts/indig business.html) estimates that there are approximately 3000 Indigenous people currently running their own businesses. Dividing by the ABS estimate of an Indigenous population of 420,000 (ABS 2002) we obtain a figure of 0.7 of one percent of the Indigenous Australian population engaged in business ownership. The flaw here is that the division only allows for one owner per business. Still, the calculus is sufficient to indicate a declining trend since 1994.

Let us compare this estimate of the total number of Indigenous-owned businesses with the figures for mainstream Australia, found in the last two years of the *Global Entrepreneurship Monitor Australia (GEM)* study (Hindle and Rushworth 2001: 8; Hindle and Rushworth 2002: 6).

Of the states participating in GEM 2001, Australia had the third highest rating of Total Entrepreneurial Activity (TEA index). This was 16.2% on an index measuring participation in 'new' less than 3-month old and 'infant', less than 42-month old businesses. In 2002, there was a substantial decline in the Australian TEA Index to 8.7%. New venture participation is the most fundamental defining characteristic of entrepreneurship. Using these GEM figures in association with the previously

calculated participation rate of 0.7% for Indigenous Australians (see above) entrepreneurial participation prevalence in mainstream Australia lies somewhere between 12 and 23 times more prevalent among mainstream than Indigenous Australians. Though statistical precision is elusive, it is uncontroversial to say that one of the world's most entrepreneurially active states (Reynolds et al 2001; Hindle and Rushworth 2001 and 2002) contains some of the world's least entrepreneurially active peoples.

Is there a 'Canadian solution'?

In contrast, Canada – where the underlying issues stemming from colonialism and a failed passive welfare system are very similar to the Australian situation - demonstrates increasing levels of Indigenous entrepreneurship.

The number of Aboriginal self-employed in Canada is growing at double the national average – and this holds for women as well as men. The movement to knowledge based rather than solely resource based Indigenous enterprise is well-established. The creation of 12,710 new Aboriginal businesses between 1981 and 1996 has added 48,502 new jobs of which 30,444 or 63 per cent are Aboriginal jobs. Aboriginal youth are more likely to be self-employed than all Canadian youth. Nineteen per cent of Aboriginal businesses are involved in export compared with four per cent for Canada as a whole. (*Aboriginal Business Canada*, quoted in Allen Consulting 2001: 10).

Simultaneously, Canada is at the leading edge of research and scholarship in the field of Indigenous entrepreneurship. Many initiatives justify the claim.

The world's first PhD in the field was done by a Canadian, Leo Paul Dana. Subsequent publication of aspects of the thesis in a major journal was instrumental in alerting the mainstream of entrepreneurship researchers to the possible existence of a new and important field (Dana 1995). Canadian publishing house, Coptus Press (out of York University in Toronto), has the world's most extensive specialist catalogue of works specifically dedicated to Indigenous entrepreneurship (see, for example, Chiste 1996). Canada houses one of the journals most relevant to the field: the *Journal of Aboriginal Economic Development*.

Many government programs are well targeted and effective. Canada pioneered the granting of high levels of governmental autonomy to Indigenous nations within the borders of the state (Jenkins 1992). Most of Canada's governmental Indigenous-aid programs are focused upon self-determination, not antipathetic to it (Myers 1999). Most of Canada's Indigenous-aid agencies cooperate rather than conflict. Their work augments rather than duplicates.

In the field of finance, *The First Nations Advantage Credit Union* has been called by the President of the World Council of Credit Unions:

'The most significant credit union development program that is being conducted in the world today' (Allen Consulting 2001: 92 and see also Guly 1998).

The results of Canada's pro-activeness in the field of Indigenous entrepreneurship are palpable. The number of Aboriginal self-employed in Canada is growing at double the national average – and this holds for women as well as men. The movement to knowledge based rather than solely resource based Indigenous enterprise is well-established. The creation of 12,710 new Aboriginal businesses between 1981 and 1996 has added 48,502 new jobs of which 30,444 or 63 per cent

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In the field of Indigenous entrepreneurship policy, what is Canada doing that Australia is not? There are three fundamental things:

1. Canadian policy, in both public and private sectors, sees Indigenous entrepreneurship as a very specific field – Australia does not.

2. Canadian policy is culturally sensitive – Australia's is not.

3. Canadian policy is research based – Australia's is not.

Indigenous entrepreneurship as a specific policy area

Predominantly, Australian public policy addresses Indigenous entrepreneurship both rarely and as part of a larger policy pot-pourri that includes, welfare, education, health, self-determination and many other portfolios and perspectives. There is no hard-edged focus. Until the advent of the Hawke Government (1983), one can agree with Colin Bourke's judgment: 'The role of Aborigines as entrepreneurs in the private sector has generally been overlooked'. (Bourke 1998: 232).

Since then, some initiatives directly addressing Indigenous entrepreneurship policy have been included in the vast array of government welfare programs. The Hawke Government (ended 1991) was prone to setting grand objectives – including the famous statement that by 1990 no Australian child would be living in poverty. In similar grandiose vein, the Hawke government announced its aim of achieving, by the year 2000, equality (i.e. the same level of participation rate) in the self-employment of Aboriginal people in Aboriginal-owned businesses as existed for non-Indigenous Australians (Altman 1991). It established the Aboriginal Enterprise Incentive Scheme (AEIS) for unemployed people to help them establish businesses and the Small Business Funding Scheme (SBFS) and an Enterprise Employment Assistance Program (EEAP) - all under an Aboriginal Employment Development Policy (AEDP). How effective was this impressive battery of acronyms in developing Indigenous entrepreneurship? Tesfaghiorghis and Altman (1991) stated: 'There is no concrete evidence to date that this strategy which incorporates a focus on enterprise development is having any success.' The 'target' year 2000 has come and gone. Eleven years after Tesfaghiorghis and Altman's judgmental pronouncement, we have the evidence (detailed in the previous section) of the Australian state's failure to achieve parity between Indigenous and non-Indigenous entrepreneurship levels.

The existence of some of the world's least entrepreneurial peoples in the midst of one of the world's most entrepreneurially active mainstream populations is a paradox of shame - not because of any intrinsic lack of entrepreneurial ability on the part of Indigenous Australians but because of sustained, demonstrable failure of policies and programs that have lacked both cultural empathy and any structured research basis.

Cultural sensitivity and propriety

Canadian policy, in both public and private sectors, has, for over a decade, been very sensitive to what might be called 'cultural propriety'. Simply put this means devising and implementing policies that are congruent with and not alien to the cultures and heritages of the particular peoples whom those policies are designed to help. In Australia, a classic example of the 'one size fits all' approach was the Whitlam Government's well-motivated but disastrous attempt to end the 'paternalism' of missionary-based education. The cure was often worse than the disease because cultural sensitivity was entirely lacking from many attempts to fast-track an inflexible system upon communities ill-equipped to absorb or benefit from the changes. In most of the Northern Territory, education standards fell as a result of the new policy.

Cultural misunderstanding is the root of policy failure.

Globally, reconciliation of all kinds is a major theme in the relationship between the dominant state and Indigenous peoples. A review of extant literature and policy implementations shows that reconciliation is at the heart of the two related themes that dominate the emerging field of Indigenous entrepreneurship (Hindle and Lansdowne 2005). Those themes are:

1. How do we reconcile tradition with innovation?

2. How do we employ mutual cultural understanding to blend the best of both worlds?

The globally relevant answer to both questions is: 'hard work based on structured understanding'. Establishing empathy between mainstream and Indigenous cultures requires great efforts based on sensitivity to Indigenous heritage. It is especially important for members of the dominant culture to develop a deep rather than a superficial approach to the Indigenous understanding of *time*. Using Indigenous Australia as an example, we can begin by trying to understand the trans-temporal nature of 'The Dreaming'. It is a term (following Stanner in a paper first published in 1956) now commonly used as a collective noun to summarize the various ways that a great variety of Aboriginal traditions describe the creative era: the time when the worlds of nature and culture came into being.

Rose calls it 'the heroic time which existed in the past and still exists today' (Rose 1988: 260). Stanner created the term 'everywhen' in attempt to generate empathy for the idea.

One cannot "fix" The Dreaming in time: it was, and is everywhen. (Stanner 1987: 225).

Edwards concludes:

The Aboriginal concept of time is therefore cyclic, rather than linear, but in the sense that each generation is able to experience the present reality of the Dreaming. (Edwards 1998: 79).

Here lies the great entrepreneurial excitement and vast future potential of The Dreaming in Australia, and of all Indigenous spiritual and cultural traditions, wherever they are found. These traditions offer not a closed book of immutable scripture, but an open universe of continuous possibility. The allegories of

Indigenous tradition can show the way to what *might be* - as well as what *has been*. This continuing and ever-present relevance of heritage, particularly spiritual heritage, is a dominant characteristic of all Indigenous peoples and nations. When applied to the challenge of entrepreneurship, far from creating a difficulty, Indigenous tradition, world-view, culture and values have the potential to be a powerful positive force: but only if they are properly and deeply understood by all who are committed to the development and education of Indigenous entrepreneurs – especially teachers coming from mainstream cultural traditions.

Hindle and Lansdowne (2005: 140) wrote:

> *There need be no paradox, no contradiction, no values sacrifice, no false dichotomy between heritage and innovation. The great teachings of many Indigenous traditions are rich in stories of brave-hearted men and women in quest of new knowledge, new ways of doing things, new discoveries leading to a better life for all the people. And that is the essence of ethical entrepreneurship.*

Research is a mandatory basis for policy making

If the twin hurdles to better policy in Indigenous entrepreneurship are focus and cultural sensitivity, then there is no escaping the need for Indigenous entrepreneurship policy to be deeply grounded in research.

Three emerging research perspectives seem capable of providing policy-makers with very useful findings. The next section provides a brief description of each perspective. The paper concludes with a discussion and an example of the type of policy initiatives likely to flow from an amalgamation of insights based on the three approaches.

Three emerging research perspectives

Fourth world theory

Robinson and White (1998) edited a collection focused upon examining the possibility of striving towards a new form of developmental state that can promote broad-based and equitable development in the context of legitimized, inclusive democracy. They argued that institutional arrangements that foster political participation, the dispersion of political power, and increased representation by women and other disadvantaged groups can make democratic regimes more sensitive to issues of poverty, social welfare, and gender discrimination through remedial action and policy commitments. Within this broader argument, a focus upon the specific promotion of greater autonomy for Indigenous nations has come to be called 'fourth world theory'.

In 1994, Demko and Wood edited a book called, *Reordering the World: Geopolitical Perspectives on the 21st Century*. It included a prognosis by Corbridge (1994) that emergent changes to established geopolitical orders – implicitly including a possible rise in Indigenous entrepreneurship – were about to change the institutionalization of business on a global scale. Demko and Wood's anthology was and remains a seminal book for the scholar of Indigenous entrepreneurship because it included works by authors covering a wide range of the political spectrum. It marked the acceptance by mainstream scholarship of the important contributions capable of flowing from fourth world theory.

Dyck (1985) provides one of the earliest references to the term 'fourth world' in the title of an edited collection of investigations into the relationship between Indigenous peoples and the nation-state in Canada, Australia and Norway. Bernard Nietschman, (see, for example, Nietschman 1994: *passim*), a political geographer, was a founding father of the 'fourth world' school. His works may veer too closely to the polemical to suit some scholars, but the challenges he issues are well grounded. Eltit (1995) and Seton (1999), read together, provide a good overview of the evolution and tenets of fourth world theory. The school has a thriving online journal, *Fourth World Journal* (website <www.cwis.org/fwj>) .

Whetten's 'hybrid' theory

David A. Whetten is an organizational researcher, renowned as a pioneer in the field of organizational identity. He has also had a career-long interest in using modeling – the pictorial/graphical arrangement of the relationship between concepts – as a tool for the discovery and development of social theory (see Whetten 2002, *passim*).

However, there is a very particular – and far less known – component of Whetten's scholarship that served as an important input to the research design of this study and shows promise of becoming an important theoretical milieu for the better understanding of Indigenous entrepreneurship as the field develops. For want of a better name, it might be called 'Whetten's hybrid theory'[1]. The pedigree for hybrid theory focuses on organizations and goes right back to Whetten's original interest in organizational identity. Elements from two (or more) primary social institutions - such as church, education, government, business, military, family – may be crossbred to produce hybrid organizations. For example, crossing government with military yields dictatorships; crossing business with education may yield corporate universities.

For students of Indigenous entrepreneurship, hybrid theory becomes most interesting when freed of confinement to strictly organizational contexts and allowed a more general reign. Here, the essence of the hybrid duality is always the existence of paradox between ideology and instrumentality. A good example is 'family business' – where 'family' is a largely ideological concept and 'business' is far more instrumental. Many seemingly irresolvable paradoxes are inherent in the blend. For instance, business is often supposed to be ruthless in getting rid of employees who fail to live up to performance norms and targets. Families are often very forgiving of their weaker members. So, what is to be done when ineffectual Uncle Roger is clearly seen to be under-performing in the family business?

Another example of hybrid organizational identity is a 'church university'. Here, the paradox is, on the surface, so great that the term seems almost oxymoronic. A church (ideology component of the hybrid) claims to have and represent a core and single truth. A university (instrumental component of the hybrid) claims to be on a never-ending quest for new knowledge by regarding all received wisdom as doubtful. Thus the hybrid is always a problem child – philosophically and practically.

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[1] The author is indebted to Professor Whetten for access both to personal conversation and a range of unpublished materials on hybrid theory. These include: notes, slides for lectures and correspondence between scholars. Nothing of a formal nature has yet been published on hybrid theory. It is to be hoped that Professor Whetten will publish soon.

Indigenous entrepreneurship is clearly a hybrid concept that goes beyond organizational boundaries.

From the highest and most abstract levels of philosophical speculation to the nittiest and grittiest of practical considerations, 'Indigenous' (ideological component) 'entrepreneurship' (instrumental component) seems fraught with irresolvable contradictions. The most obvious have already been discussed in previous sections of this paper. They are largely summarizable as the apparent contradictions between the retrospective pull of tradition versus the prospective push of innovation: the individual profit focus of much mainstream entrepreneurship versus the community sharing focus of much Indigenous tradition.

Despite its early stage of evolution, Whetten's hybrid theory holds great promise for resolving many of the inherent contradictions and core problems of Indigenous entrepreneurship because hybrid theory suggests ways to foster coherence among highly incompatible identity elements. In practical terms, this boils down to 'managing the hybrid identity incoherence predicament' for which Whetten (2002b) suggests two broad strategies – whose relevance to policy making is both obvious and acute.

The first strategy involves varying the *relative power* invested in each identity claim: 'In essence, the organization formally acknowledges that one identity claim is more indispensable and/or inviolate than the other (Whetten 2002b: 2)' Moving to the Indigenous entrepreneurship field, the utility of this strategy is clear. In one Indigenous entrepreneurship situation (for instance, the creation and sale of traditional artworks having sacred significance) might mean granting tradition primacy over profits. In another situation (say, the legal right to run a casino on tribal land) the venture might cede primacy to profit over tradition.

Hybrid theory's second strategy involves varying the *level of integration* between the identity claims. In the Indigenous entrepreneurship field, the detail (Whetten 2002b: *passim*) in this approach can help an Indigenous venture to manage the level of incompatibility between its identity claims.

Of course, the ultimate resolution of all identity claims will be made with reference to the values that individuals, groups and communities bring to the organizations they create. This brings us to brief consideration of the third research perspective that can aid the Indigenous entrepreneurship policy-maker: a theory of values.

A theory of values

The second major theme emerging from Hindle and Lansdowne's (2005) review of extant Indigenous entrepreneurship literature and policy was the dominant culture's misunderstanding of Indigenous culture's world-view and values. This indicates the potential utility of 'value theory' as framework for research and an aid to the policy-maker. Value theory is omnipresent in economics and ethics, rare in sociology and virtually absent in entrepreneurship scholarship.

'Value theory' has been a mainstream concern of economics since the 18th century. Fogarty (1996) has provided a succinct history of the subject. His summary includes an excellent short bibliography. In a seminal paper, Hutcheon (1972) brought value theory to the attention of sociologists but could not sustain their interest. She contended that sociology's tendency to under-emphasize values and moral issues stemmed from two causes: the cultural and organizational climate in which

sociologists operated and the lack of consensus among them about a conceptual framework within which accumulative research on values could occur. She provided the broad outlines of such a model in an effort to initiate 'a revival of constructive debate on value theory' (Hutcheon 1972: 172). Unfortunately, though her critique of the lack of attention paid to values in sociological research was provocative and revealing, Hutcheon's 'outline' of her model was too broad and diffuse to give it any strong appeal as a theoretical framework for research designs. So, it languished. And the discipline of sociology continued and continues to suffer from the weakness she articulated:

American sociology has tended to develop in isolation from the humanities, and in the form of a highly specialized technique rather than as a broad, philosophically and historically sophisticated perspective for the study of humanity. (Hutcheon 1972: 177).

In some of its aspects, the entrepreneurship discipline is a child of sociology. Looking back over nearly 20 years of the development of entrepreneurship as a social science, it is fair to say that it mirrors sociology's failure to adequately address the issue of values. Among entrepreneurship's greatest weaknesses as a developing discipline – often observed but never truly addressed - have been its isolation from the humanities, obsessive concern with technical issues of quantitative methodology (what Bill Bygrave[2] calls 'Physics Envy') and dearth of philosophical and historical sophistication. It is high time that concern for human values began to find some place in the discipline of entrepreneurship. This can begin by revisiting the seminal debate in the *ethics* of value theory.

It is a conflict between advocates and opponents of state re-distributive activity. The focus of disagreement now centers on the opposed positions of Rawls' '*Original Position*' argument (1972 and 1975) and Nozick's '*Theory of Justice in Distribution*' (1974). The overwhelming failure of government Indigenous welfare programs – evidenced in a previous section – is strong evidence that Rawls has lost the argument. Nozick rejected Rawl's contention that the income distribution attained by a market economy is conditional upon the initial distribution of resources (both physical and human). The classic example is the proposition that healthy children of rich parents are likely to do better than the unhealthy children of poor people. Nozick rejected the proposition primarily because the 'original position' argument excludes historical factors. This is a static stance and limits one to an end-state principle of distribution. Nozick concludes that it is inherently immoral and unjust for a state to distort distribution – even if this is on the basis of needs.

Moving from morality to efficacy, we observe again the conspicuous failure of interventionist Indigenous welfare policy despite, often, its good intentions. The evidence derived from observing Indigenous welfare policy performance in Australia and the USA supports Nozick's conclusion. But neither Nozick specifically, nor value theory generally, supply any practical guidelines for either research or policy making. They are too cerebrally aloof. In order to study the field of Indigenous entrepreneurship better, we need not 'value theory' - economic singular - but a theory of *values* – human plural.

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[2] Informal discussions with the authors and others.

Over a quarter of a century after her seminal paper (1972), Hutcheon's thinking had advanced to a point where the outline of what one might call a practically-oriented values theory is apparent. The general thesis of her most recent book is that, if we are ever going to solve the problems of society, we must understand how humans function as both the *creators and creatures of an evolving culture* (Hutcheon 1999). Despite not citing or possibly knowing Hutcheon's thesis, Richard Trudgen's work, *Why Warriors Lie Down and Die* (Trudgeon 2000: 68-136, discussed above), demonstrates the direct relevance of Hutcheon's thesis to Indigenous entrepreneurship. Clearly and compellingly Trudgeon supplies a practical theory of values to the field. His prescriptions for the Yolnu people of Arnhem Land can well be generalized for all mainstream cultures addressing all Indigenous cultures.

My colleagues and I believe there is nothing Yolnu cannot learn. The only limitation is the capacity of the teacher to teach. Unfortunately, dominant culture teachers and trainers currently come to Arnhem Land with almost no preparation in intercultural education. If the dominant culture trained its professionals in the Yolŋu language, the Yolnu world-view and Yolnu cultural knowledge base – and it is possible to do so – then Yolnu would not have to do all the hard work to cross the cultural knowledge barrier. They could then receive the vital information they need to survive. (Trudgen 2000: 120).

Here lies the much needed, practical theory of values. Dominant culture professionals – and that includes entrepreneurship researchers – have to stop *telling* long enough to start listening. They need to learn 'hear the grass grow' (Trudgen 2000: 113-120) – as Indigenous people can teach them to do. Hearing 'the whispering song of the wind in the grass' (Clegg: undated) is a metaphor, in many Indigenous cultures, for heeding and respecting Indigenous tradition and its deep attachment to the land and the harmonies of nature. Members of the mainstream culture have to struggle to achieve this cultural empathy before they can hope to transmit the best of what the mainstream has to offer: in health sciences, education, technology and methods for achieving economic self-determination.

Conclusion

Policy action guidelines: a synthesis of research perspectives

Australia will not catch up to Canada's superior performance in the field of Indigenous entrepreneurship unless it sees beyond the mechanics of successful Canadian programs and initiatives to their philosophical roots. These are:

- make programs specifically targeted at Indigenous entrepreneurship;

- base the programs on genuine understanding of Indigenous culture;

- do your homework – do all necessary research.

Fourth world theory, Whetten's hybrid theory and Trudgen's arguments for a theory of values are convergent theoretical frameworks that can greatly assist with meeting these mandates. All three research perspectives focus on the formidable challenge that the durable but depressed existence of Indigenous nations poses to a world where thought and action have been dominated by states possessing a single, mainstream culture.

Most importantly, all three perspectives help the researcher and policy-maker see 'through the eyes of the other' by emphasising the critical importance of empathy, diversity and cultural sensitivity.

A policy recommendation example

The *Global Entrepreneurship Monitor GEM Australia 2002 Report* (Hindle and Rushworth 2002: 64) presented a recommendation in the field of Indigenous entrepreneurship policy.

> *Recommendation 5: GEM Australia recommends the development and implementation of a targeted pilot program to test the efficacy of creating a diversified, national Indigenous entrepreneurship education and training program for Australia.*

Implementation issues were then discussed.

The partners involved in developing the program would include (but not be limited to): ATSIC[3]; selected other Indigenous representative organizations; a self-selecting Indigenous group or community willing to receive and evaluate the pilot program; appropriate departments of state and federal governments; and universities with established programs in entrepreneurship education. The immediate focus would be creation of a culturally sensitive curriculum (including course materials and presentations in Indigenous language) and mentoring program aimed at developing the entrepreneurial capacity of members of a self-selecting Indigenous community desirous of starting new ventures or enhancing the commercial range and viability of organizations currently in operation. The objective would be an adult education program, possibly supported by seed funding assistance, whose first measurable outcome would be production by course participants of a business plans capable of attracting the debt and equity capital and whose second assessable outcome would be the local development of skills required for successful implementation of those plans in the form of commercially viable new ventures.

The policy recommendation (released in November 2002) emerged from the deliberations of entrepreneurship researchers deeply cognisant of the three research perspectives articulated in this paper. If implemented and successful, the recommendation could serve as the template for development of similar, culturally sensitive entrepreneurship development programs for a wide range of Indigenous groups and communities throughout Australia.

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[3] ATSIC - the 'Aboriginal and Torres Straight Islander Commission' - was Australia's principal national policymaking and advocacy organisation for Indigenous people. ATSIC was an independent statutory authority established by the Commonwealth government in 1990 under the ATSIC Act. It ceased to exist by Parliamentary fiat in 2005.

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