

From the spirit of capitalism to the entrepreneurial spirit: the consolidation of ideas about entrepreneurial practice in a historical-materialist approach

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Abstract

This essay investigates the displacement of the capitalist spirit to the ideology of entrepreneurship through a historical-materialist approach, aiming to apprehend reality from its ontogenetic contradictions and in its social development. This is a theoretical essay beginning from the gap in “critical approaches to entrepreneurship”, contributing to deepen criticism of entrepreneurial practice, situating it before the stage of development of the productive forces in its historical path, and not only limited to capitalist realism that delimits human action by individualist, competitive, or even liberal acting. We emphasize that the spirit of capitalism corresponds to the movement of capital expansion while entrepreneurship is the ideological version of that spirit today, needing a system of ideas that puts it in motion, given its effectiveness as a means for subordination and impoverishment.

Keywords: Spirit of capitalism. Historical materialism. Criticism of entrepreneurship.

Do espírito do capitalismo ao espírito empreendedor: a consolidação das ideias acerca da prática empreendedora numa abordagem histórico-materialista

Resumo

Objetiva-se perscrutar o deslocamento do espírito capitalista à ideologia do empreendedorismo mediante uma abordagem histórico-materialista, em busca de apreender a realidade com base em suas contradições ontogenéticas e em seu desenvolvimento social. Trata-se de ensaio teórico cuja análise parte da lacuna nas “abordagens críticas no empreendedorismo”, contribuindo para o aprofundamento da crítica à prática empreendedora, situando-a diante do estágio de desenvolvimento das forças produtivas em seu percurso histórico, e não apenas circunscrita ao realismo capitalista que delimita a ação humana ao agir de modo individualista, concorrencial ou liberal. Entre as conclusões, salientamos que o espírito do capitalismo corresponde ao movimento de expansão do capital, enquanto o empreendedorismo é a versão ideológica desse espírito hodiernamente, necessitando de um sistema de ideias que o coloque em movimento, dada sua efetividade como meio para subordinação e pauperização.

Palavras-chave: Espírito do capitalismo. Materialismo-histórico. Crítica ao empreendedorismo.

Del espíritu del capitalismo al espíritu emprendedor: la consolidación de ideas sobre la práctica emprendedora desde un enfoque histórico-materialista

Resumen

El objetivo de este estudio es investigar el desplazamiento del espíritu capitalista a la ideología del emprendimiento, a través de un enfoque histórico-materialista, en un intento de aprehender la realidad desde sus contradicciones ontogenéticas y en su desarrollo social. Se trata de un ensayo teórico cuyo análisis parte de la brecha en los “enfoques críticos del emprendimiento” y que contribuye a la profundización de la crítica a la práctica emprendedora, ubicándola ante la etapa de desarrollo de las fuerzas productivas en su trayectoria histórica, y no solo circunscrita al realismo capitalista que delimita la acción humana al actuar de modo individualista, competitivo o incluso liberal. Entre las conclusiones, destacamos que el espíritu del capitalismo corresponde al movimiento de expansión del capital, mientras que el emprendimiento es actualmente la versión ideológica de ese espíritu, que necesita un sistema de ideas que lo ponga en movimiento, dada su efectividad como medio de subordinación y empobrecimiento.

Palabras clave: Espíritu del capitalismo. Materialismo histórico. Crítica del emprendimiento.

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INTRODUCTION

The term “entrepreneurial spirit” is often explained as the ability to create businesses and perceive opportunities (Filardi, Barros, & Fischmann, 2014; Serafim & Feuerschutte, 2015). Although there is a consensus in the literature around the notion of the entrepreneurial spirit as a “creative” ethic – resembling Weber’s (2004) spirit of capitalism – one could ask whether the entrepreneurial spirit is the same spirit of capitalism, but with a new look. Also, assuming that there is an entrepreneurial spirit, it is worth asking what it is for and whom it benefits. In this sense, Boltanski and Chiapello (2009) and López-Ruiz (2007) argue that this spirit would be a new manifestation of capitalist subjectivity.

Discussions about entrepreneurship have increased (Oliveira, Cabanne, & Teixeira, 2020) as much as they are conceptually diffuse (Bittar, Bastos, & Moreira, 2014; Corrêa, Vale, Melo, & Cruz, 2020). Costa, Barros, and Martins (2008) point out the lack of critical analysis from Brazilian researchers when studying entrepreneurship, arguing that researchers disregard the relations of power and domination underneath the discourses on the subject. For the authors, it would be naive to import and incorporate foreign concepts. However, it is not a question of naivety or simply importing concepts. Entrepreneurial practice plays a role in reproducing the current system, as we will demonstrate. More recently, Sandoval (2020) elucidated that, given its capitalist logic, entrepreneurship channels human activity by reducing it to individualism, competition, and instrumental rationality. For the author, therefore, it is not possible to adopt entrepreneurship from a progressive perspective.

Studies that somehow questioned entrepreneurship include Bittar et al. (2014), Boava and Macedo (2017), Ésther (2019), Paiva, Almeida, and Guerra (2008), and Costa et al. (2008). Adopting the words by Gimenez (2017, p. 8, our translation), these studies present “critical approaches to entrepreneurship: studies and analyses that address entrepreneurship seeking to highlight negative aspects of the phenomenon and its limitations.” The gap in these critical studies consists of placing criticism within the limits of the capitalist mode of production, assuming this mode of production as given. Thus, critics identify the negative aspects of entrepreneurship in order to neutralize them and preserve the concept, despite Sandoval’s (2020) warning on adopting entrepreneurship from a progressive perspective. For some authors, it is a case of separating “good” entrepreneurship from “bad” entrepreneurship; for others, it is necessary to “humanize” competition and include excluded social groups (Vinhas & Lopes, 2021). Others argue that entrepreneurship is necessary and inevitable, as it overcomes the work-capital dichotomy (Damião, Santos, & Oliveira, 2015).

Nevertheless, in a society marked by growing social inequality and built on labor exploitation, how can one passively accept a phenomenon such as entrepreneurship? Therefore, we insist on the need for historical-materialist criticism, in line with the suspicion raised by Ésther (2019, p. 868):

The question is the significance that has been attributed to this activity [entrepreneurship], and above all, why. The question could be put in another way: who has an interest in this significance? If it is the dominant class, which intends to maintain its system of domination, the ideological construction of this significance makes sense in terms of the politics of identity.

However, from our point of view, this is not a problem related to politics of identity, which is possible to similarly equate with politics of “entrepreneurial spirit” that is a dominant way of being and would determine subjectivity. The spirit does not create the individual. The social relations produce a spirit that limits the conditions to form the individuals’ subjectivities (Marx & Engels, 2007). So the problem is reversed. If there is an ideology and a spirit of entrepreneurship, before there were material relationships that conditioned, without determining, such subjectivities – this is the historical and dialectical materialism contributing to our investigation.

Studies addressing the entrepreneurial practice present an idealistic analysis that takes subjectivity (or spirit) as the creator of reality. These works fail to address the historicity of the dialectical movement (objectivity – subjectivity – objectivity) to advance the knowledge they already produced. In addition to the studies mentioned above, this gap is exemplified in the studies by Carmo, Assis, Gomes, and Teixeira (2021) and Druck (2021). Both works correctly point out the profound relationship between neoliberalism and entrepreneurship and the effects on class subjectivity and its relationship with the capitalist state. However, what has been called neoliberalism is not a volitional form of political economy operation but the exasperation of capitalist contradictions (Streeck, 2019). So neoliberalism is not an anomaly. It is regular capitalism in the face of the development of today’s productive forces. In other words, the end of neoliberalism will not necessarily represent the end of entrepreneurship – nor the end of capitalism. Therefore, we must challenge neoliberalism for its effectiveness.

We live in a society mediated by commercial exchanges that appear like a massive collection of goods (Marx, 2013). In a type of sociability where everything has a price, the rise of purchasing power, i.e., the ethics of prosperity represented nowadays by the entrepreneurial spirit, hides a series of contradictions inherent to sociability itself. Thus, this theoretical essay examines the displacement of the capitalist spirit to the ideology of entrepreneurship through a historical-materialist approach.

We justify the relevance of this article by the growing contingent of the Brazilian workforce involved in entrepreneurship – 52 million people in 2018, according to the Global Entrepreneurship Monitor (GEM, 2019). As researchers, we have the challenge of helping to build paths for these and for the more than 13 million unemployed people (Instituto Brasileiro de Geografia e Estatística [IBGE], 2020), whose main destination has been self-employment (Antunes, 2018) or an uberized form of work.¹

In addition to the gaps in critical studies on entrepreneurship, it is worth mentioning Schumpeter's ideas that entrepreneurship is the engine of economic development (Autio & Fu, 2015; Barros & Pereira, 2008; Fontenele, 2010; Griffiths, Gundry, & Kickul, 2013; Naudé, 2011; Souza & Lopez, 2011; Stel, Carree, & Thurik, 2005) and the agent of innovation (J. L. Contador, J. C. Contador, Oliveira, & Sátyro, 2020; Drucker, 2002; Ferreira, Pinto, & Miranda, 2015; Pio, 2020). These ideas are challenged by Ferraz (2021) when considering Brazilian entrepreneurship. The author points out the need for radical critical analysis, considering that despite the country's high rates of entrepreneurship achieved in the past few decades, the promise of economic development remains unfulfilled, with growing unemployment, social inequality, and environmental degradation.

The term "entrepreneurship" represents the object in its appearance with gnosiological formulations. We offer in this article a materialist analysis admitting the category "entrepreneurial practice" (Ferraz, 2021) as the ideal reproduction of real movement in its multiple synthesized mediations. This measure allows advancing towards the essence that originates its objective and subjective realization. This work focuses on its subjective realization.

The next section presents how the entrepreneurial spirit appears nowadays, in dialogue with Schumpeter's ideas. The following section takes us back in time to demarcate the transition from the entrepreneurial spirit (capitalist) to entrepreneurship as an ideological phenomenon related to the structural changes of capital after 1970. This exercise demonstrates the detachment of the concept from its material basis when the working class also desired the spirit of capitalism. Subsequently, we briefly examine the emergence of capitalist society seeking its basis in political economy and present the final considerations.

WHO DOES THE "ENTREPRENEURIAL SPIRIT" SERVE?

The image of the "global hero," as Campos and Soeiro (2016) pointed out when referring to people such as Steve Jobs and Oprah Winfrey, is a source of hope for better days given the growth of pauperization and economic and social inequality. This image is the main cause of adherence to the discourses of meritocracy and the acclamation of risk-taking behavior as a social virtue.

Although the current stage of the productive forces' development shows that a worker can become a capitalist (i.e., managing to mobilize capital through self-effort and accumulate surplus value through exploitation), these heroic figures are an exception, not the rule. The possibility exists, even if it is against the odds. However, these figures are important to "inspire" other brave people in search of glory.

The realization of this entrepreneurial spirit is far from the reality of the vast majority of the population since most people who venture into entrepreneurship do not become capitalists (capital that is valued and accumulated), as suggested by the high failure rate of small businesses in Brazil (Serviço Brasileiro de Apoio às Micro e Pequenas Empresas [Sebrae], 2016).

¹ "[...] the uberization of labor represents a particular form of capitalist accumulation, producing a new form of mediation of the subsumption of the worker, who takes on the responsibility for the main means of production to perform the labor activity. The online subsumption of labor to capital indicates that the worker is subordinate to the labor relationship under the uberization pattern, although the immediate appearance is of autonomy and freedom over the production" (Franco & Ferraz, 2019, p. 854). The contingent of people working in an "uberized" manner is growing (Druck, 2021), surrounded by the entrepreneurial ideology that sells flexibility and the absence of a boss, but which actually translates into intense working hours and wages below the minimum necessary for workforce reproduction.

It is an exhausting struggle to keep a small business open in the country, usually with the help of family members, without employees, without growth prospects, without technological innovation, and with incomes below BRL 24,000 per year (GEM, 2019).

Thus, the entrepreneurial spirit translates the expectations and contradictions of the many individuals who face the concrete condition of uncertainty and competition, characteristic of this mode of production: living more comfortably and being recognized as someone who cultivates capitalist values. However, as we shall see, the contradictions are present, but the expectations usually are not met.

Before discussing entrepreneurial spirit, it is essential to look at the prominent work of Weber (2004) on the spirit of capitalism. When studying the consolidation of Protestantism based on the Christian theologian João Calvino, the author indicated that the emergence of capitalism was an unforeseen creation of the Protestant ethic. For Weber, the work ethic sought by religiosity in modernity can be synthesized as the disenchantment of the world (denying the medieval mysticism). It is a disenchantment based on the belief that although it is not possible to know the divine plans about who is chosen for the kingdom of heaven, it is possible to perceive signs of “being elected” through a work ethic, a life based on individual, rational, and methodical effort, with the denial of carnal feelings and passions in the name of rational virtue. The sign of being a chosen one is economic prosperity.

If such a notion seems anachronistic, the research by Serafim and Feuerschutte (2015, p. 181, our translation) analyzing the relationship between the influence of the church (religious belief) on members who are entrepreneurs demonstrates that it is not. The authors conclude that “religious technology” can develop the following skills:

The first – the developed capacity of having faith in moments of uncertainty, unpredictability, or adversity – leads them to act as the entrepreneur described by Schumpeter (1961). The second – the hope in the divine intervention and in the future success – makes them go through possible adversities from decisions made in a more resilient and particular way.

This ethic of work and prosperity conforms the spirits to the objectives of the relationships of life (re)production nowadays. Accepting that the spirit (theological or ideal) creates reality would be accepting the existence of a selfish and a priori human essence and that this essence is the demiurge of society when, in fact, it is a product of what it expresses and not its producer. The human spirit is self-produced through the exteriorization of subjectivity as a sensible, practical activity. Such activity is conditioned by the socio-metabolism between individuals and nature, of which objectivity is the core moment (Marx & Engels, 2007).

Thus, the problem of idealism in the Weberian conception is to start with subjectivity and remain there, incapable of apprehending the ontopractic nature of thought, as seen in the “critical approaches to entrepreneurship.” When the phenomenon’s appearance is taken as the essence, the reflections and practices may become means of concealing and suppressing the confrontations arising from the contradictions inherent in the reproduction of a given subjectivity. Therefore, it is necessary to investigate based on an effective view of the world to unravel what ideology seeks to hide, as Marx did – before and differently from Weber – when discussing the Jewish question in nineteenth-century Germany: how the secular religions are integrated into modernity.

Practical need, egoism, is the foundation of the bourgeoisie society, and as such, appears in pure form as soon as the bourgeoisie society has fully created the political state. The god of practical need and self-interest is money. [...] money is the essence of humans’ work and existence, and this alien essence dominates them, and they worship it (Marx, 2010, p. 58, our translation).

There is an issue of value, i.e., capitalist ethics admits money (and the market) as a representation of a virtuous individual. This social value – the search for individual advantage – finds conditions different from previous modes of production. The Jewish question deals with a double negation of the spirit, Catholicism, and Protestantism. The overcoming of the contradictions of these negations led to the acceptance of the money-god as a capitalist value. It is also why the persecution of the Jews’ “greed” continues today. Marx argues, based on a claim of Judaism, that greed is prior to capitalist society, but it is in this sociability that such a predicate becomes a virtue engendered by estranged relationships.

Furthermore, the quote above clarifies that the money-god imposes itself as a principle of pursuit of private interests with the advance of capitalist relations in their higher stages (the “Political State,” which is secular). The more capitalist the relationships among people are, the more they will “feel” that the accumulation of money mediates the fate of their existence (the god, the telos, the guiding force of their actions).

That which is for me through money, that for which I can pay, i.e., which money can buy, that am I myself, the possessor of the money. The extent of the money’s power is the extent of my power. Money’s properties are my – the possessor’s – properties and essential powers. Therefore, what I am and what I am capable of is by no means determined by my individuality. [...] That which I cannot do as a human, and of which all my individual essential powers are incapable, I can do by means of money. The money turns each of these powers into something, which in itself it is not. Turns it, that is, into its contrary (Marx, 2015).

When discussing capitalist ethics based on an “entrepreneurial spirit,” the presence of the “capitalist spirit” is clear – considering the current well-developed stage of global capitalism. If there is a spirit, it has to correspond to a material basis, even though at first sight, it has an inverted or distorted appearance.

It has been socially accepted that the entrepreneurial spirit appears to give meaning to life, creating wealth and developing society. An example of this is seen in an excerpt from the lecture *Favela é bilhão* (Favela is a billion), given at a sponsored entrepreneurship event by the Brazilian media group Rede Globo by Gilson Rodrigues. He introduces himself as a social entrepreneur, consultant, and community leader in Paraisópolis – the largest favela in the city of São Paulo. The favela borders the affluent neighborhood of Morumbi.

My family has lived in Paraisópolis for 60 years. When we came here from Bahia, we had a dream of becoming rich, taking care of our children’s education. We arrived here and saw that it wasn’t quite like that, you know? [...] We never dreamed of living in the favela; nobody dreams of living in a risky area, on top of a stream, struggling with floods, or things like that. We dream of living in a neighborhood, being happy, living in peace, making money, and becoming rich. Like everyone else, you know? Everyone wants to make money, to be able to be successful, to educate their children. (Rodrigues, 2020, our translation)

Rodrigues advocates for the favela’s economic capacity to produce capitalist wealth – which is absolutely real, given that the GDP of the Brazilian favelas was BRL 120 billion in 2019 (Boehm, 2020). Let us assume that it is an “entrepreneurial spirit” that seeks the prosperity of the community. The community leader does not question why favelas exist. Why did he and his family have to leave the Northeast region of Brazil to get rich? Why did his children not have access to education? Instead of finding the causes of these issues, the prosperity ethic, currently represented by entrepreneurship, appears as a solution. In short, life is all about “being happy, living in peace, making money, and becoming rich” (Rodrigues, 2020).

Common sense hovers over the appearance of reality and it is something plausible given the practical need that emerges as a means of survival. For a significant part of scientists, the “entrepreneurial spirit” is not substantially different, lacking a critical examination to understand that it is part of the cause of problems.

Therefore, we can begin to unveil the “entrepreneurial spirit” by its most famous author, Schumpeter (1997):

First of all, there is the dream and the will to found a private kingdom, usually, though not necessarily, also a dynasty. The modern world really does not know any such positions, but what may be attained by industrial or commercial success is still the nearest approach to medieval lordship possible to modern man. [...] Then there is the will to conquer: the impulse to fight, to prove oneself superior to others, to succeed for the sake, not of the fruits of success, but the success itself. From this aspect, economic action becomes akin to sport – there are financial races, or rather boxing-matches. The financial result is a secondary consideration, or, at all events, mainly valued as an index of success and as a symptom of victory, the displaying of which very often is more important as a motive of large expenditure than the wish for the consumers’ goods themselves. [...] Finally, there is the joy of creating, of getting things done, or simply of exercising one’s energy and ingenuity.

According to Schumpeter, an innovation enthusiast, the entrepreneurial spirit is not just for-profit. Industrial and commercial success, i.e., the prestige of being an entrepreneur, is the current perspective of success. Profit would only be a consequence. Schumpeter warns that this entrepreneur (the entrepreneur-innovator) is not a regular person. As being an entrepreneur is neither a profession nor, in general, a lasting condition, entrepreneurs do not form a social class in the technical sense, as do landowners, capitalists, or workers. This is because “entrepreneurs are a special type, and their behavior a special problem, the motive power of a great number of significant phenomena” (Schumpeter, 1997). Therefore, what drives the entrepreneur is the desire for success.

What, however, is success these days? Success and money, in their various facets, are two sides of the same coin, the neuralgic social value of these times (Ferraz, 2020). Therefore, Schumpeter’s postulate is an apologetic tautology of the entrepreneurial spirit. Furthermore, even if delimiting such capacity to a specific group of people, the entrepreneurs with the capacity to innovate would be few. Economists have not explained that if the spirit does not incarnate everyone, it is not for lack of faith, but because entrepreneurship requires a series of material conditions, the main one to have accumulated capital or the means to appropriate it and customize the necessary movement of capitalist expansion, with intra-capitalist competition as an obstacle.

The historical moment of Schumpeterian theory – between the First and Second World War, when the liberal model collapsed in the face of the economic crisis, and Keynes’ theory on the state’s role in economic recovery gained strength, marks the beginning of the welfare state in countries of central capitalism – helps to understand that Schumpeter is in a context of socio-economic dynamics. At that moment of “opportunity,” the Austrian economist celebrated the figure of individuals who could ascend socially – something that happens only in the capitalist mode of production – and highlighted the role of production in the face of the growing financialization of the market (Schumpeter was a banker).

A topic of the Schumpeterian theory that is little alluded to in research on entrepreneurial practice in Brazil is the role of credit in innovations. Schumpeter (1997) conditions the achievement of these leaps in economic development to credit supply, which explains why, for him, being a capitalist is different from being an entrepreneur. Thus, every entrepreneur can be a capitalist, but not every capitalist can be an entrepreneur. There are, however, no solo roles in capital. What happens is that capital is transmuted into various forms in its course to reproduce itself – productive capital, commercial capital, monetary capital, commodity capital (Marx, 2013).

Schumpeter decisively surpasses the economists of his generation for understanding that economics is not hermetic. However, his theory has a partial scope and only covers the development of capitalist production, considering the particularity of a society that accepts the prosperity ethic as part of the human race’s nature. The capitalist particularity is considered universal, which is why it suffers from the same Robinson (Marx, 2013) as classical economists, but its prominence against the vulgate of the neoclassical economists is undeniable.

Finally, it is essential to combat the false idea that, when fulfilling its mission to create novelties, the capitalist mode of production is responsible for the average increase in the quality of life, i.e., there would only be technology, medicine, and arts because of capitalism, or because of the entrepreneurial spirit. The socialization of labor, and not necessarily its submission to capital, leads to a high degree of development. Therefore, to condition the progress of human production (material and immaterial) to a subject’s passion for success and fortune seems a narrow prerogative, much like the ideological decadence of the bourgeoisie (Lukács, 1959). The reflection above, therefore, leads to the analysis of the entrepreneurial spirit consolidation in the next section.

THE ENTREPRENEURIAL SPIRIT MOVES TO ANOTHER CLASS

Ascending in capitalist society does not necessarily mean being less exploited. At best, it means more – and better quality – consumption capacity, leading to a more qualified workforce for a given social activity (Marx, 2013).

The absence of a classical personification relationship between capital and labor does not reduce the intense working hours, the precarious condition of life and work, and belonging to the class whose only property is its own capacity to work: the working class. On the other hand, the capitalist class can be characterized as the owner of the means of production, who depends on the other class to mobilize the value crystallized in raw materials and labor instruments, add new values, and realize this surplus value in the sphere of circulation. This is all to continue accumulating (Marx, 2014), which is the effective role of the entrepreneurial spirit: enabling the reproduction of capitalism.

This entrepreneurial spirit has been present since the first moments of capitalist society (Bittar et al., 2014; Paula, Cerqueira, & Albuquerque, 2000), although its ideological role has expanded in the last century. If, at its inception, entrepreneurship was linked to the capitalist, nowadays, it moves away, and the capitalist spirit has been transforming into an entrepreneurial spirit.

We start from the well-known classification of the American authors Hirsch, Peters, and Shepard (2014) on the types of entrepreneurial ventures: lifestyle, founding company, and high potential. Note that big capital does not appear as an entrepreneur, even though its leaders appear in the media as symbols of the “global heroes.”

Let us go back in time to analyze basic works on entrepreneurship, which date from the beginning of the twentieth century, as shown in Box 1.

Box 1
Works legitimating entrepreneurship

Author	Title	Year
Weber	Protestant ethic and the spirit of capitalism	1904
Schumpeter	The theory of economic development	1911
Sombart	<i>Der moderne Kapitalismus</i> (Modern capitalism)	1916
Hayek	The pure theory of capital	1941

Source: Research data.

During the first decades of the twentieth century, it made no sense to talk about workers’ entrepreneurship. The turn of the twentieth century can be summarized as the expansion of monopoly capital, whose labor relations, given the expansion of manufacturing and the working class, were marked by union battles and the expansion of formal work. The twentieth century was also marked by recurrent crises. One of the main ones gave rise to the welfare state, which lasted for a few decades – in a few countries – and soon found its limit. Therefore, according to Streeck (2019, p. 157, our translation), it was necessary “to prevent the State from acting on social injustices; ensure market expansion; internal and limited democracy (external power).” The discourse of market freedom before the state is strengthened again. It is about the “return of liberalism,” or neoliberalism, as it has been called (Dardot & Laval, 2017), in the last quarter of the century.

Since the beginning of the twentieth century, we see a series of robust theories that prepared an avenue through which the entrepreneurial practice would pass (Rattner, 2004; López-Ruiz, 2007). However, it is only at the end of the century that entrepreneurship takes on the contours we know today. If the entrepreneurial spirit “slept” between the beginning and the end of the century, what woke it up?

Industrial capital underwent a new and profound change in its production process in the mid-1970s, the landmark of which was the great oil crisis. At the same time, its corollary was the increase in productivity as a result of technological progress promoted by microelectronics and automation, which contribute to the replacement of human labor by machines and the reduction of jobs.

For individual capitalists, this represented the possibility of increasing profitability. Nevertheless, from the economic-social point of view, it is a question of intensifying (and postponing) the crisis of the law on the trend of profit rate. The contradiction is summed up by the fact that if, in the short term, individual profit is increased, in the medium/long term, the rate of exploitation of surplus-value is reduced. Additionally, since less variable capital (labor force) is necessary, the average social profits were a source of value generation, whose counter-movement is the expansion of capitalist activities and the redoubling of its contradictions.

This very brief synthesis of the twentieth century helps present the socio-economic panorama that leads to the growing expropriation of rights presupposed by neoliberal policies while engendering the material conditions necessary for entrepreneurship is an efficient means of guaranteeing the survival of the capitalist mode of production. According to Wadhvani (2010, p. 351):

Unlike the earlier research, the recent wave of scholarship has associated entrepreneurship with small businesses and start-ups. [from the 1980s – today] This inclination was the product of concurrent historical developments, particularly the competitive challenges that large diversified firms in mature industries began to face in the last third of the twentieth century

For Wadhvani (2010), this period marks the association between entrepreneurship, small businesses, and start-ups, citing Ronald Reagan and Margaret Thatcher as a reference of neoliberal governments considering the measures against workers' rights, privatizations, and economic austerity. The period shows the emergence of a varied focus of entrepreneurs and the adaptation of policies according to economic interests. In developed countries, start-ups and SMEs combat unemployment and are innovation agents since they are more flexible than large companies. Therefore, these governments explicitly worked to spread and legitimize entrepreneurship, disseminating entrepreneurial education in business schools. Since then, they have fostered society's interest in this area. Rattner (2004) described this movement in Brazil as follows:

Policies to support the promotion of small and medium-sized enterprises (SMEs), incubators and technology parks seek to rebuild what has been destroyed by the "market" forces. Governments are caught among the pressures of national and international financial capital to maintain macroeconomic policy guidelines and respond to demands of disadvantaged masses – the landless, homeless, unemployed, and excluded population who demand access to the welfare state. Even when formed of left-wing parties, the governments are unable to change macroeconomic policy, at the risk of causing political instability, capital flight, and sedition movements in Congress and throughout the country.

The entrepreneurial practice, therefore, was a way to ratify the weakening of the welfare state in developed countries, seeking both to deal with the structural unemployment caused by the new arrangement of productive forces and to foster innovations at a lower cost, replacing the large research and development centers (e.g., open innovation, crowdfunding, knowledge transfer). In Brazil and other developing countries – where the welfare state was not consolidated – entrepreneurship is an ideology used to conform and hide expropriation rather than a structural change in the capital-labor relationship (Ferraz, 2021).

Above all, the entrepreneurial practice expresses the expansion of the exploitation of the working class, a decisive element in the class struggle nowadays (Ferraz, 2021). This is due to the pressure from the reserve army of labor that lowers the workforce value or the expropriation of labor rights so that individuals are "free" from the state to open their own businesses. Other elements that contribute to the increasing exploitation of the working class are the submission of a growing contingent of people to self-employment to be able to survive; or to work in precarious jobs that extract some of the value produced in the form of fees paid for the mediation of digital applications and credit card machines (Antunes, 2018) and all the many expropriation sources that large economic groups have created to extract value from precarious workers – or, as they call them, entrepreneurs.

The 1970 crisis was the starting point to investigate the consolidation of entrepreneurial practice and its corresponding ideology. The period marks a new crisis that spread from central to peripheral countries, aiming to regain the surplus-value rate levels (Streck, 2019). According to López-Ruiz (2007, p. 30, our translation), entrepreneurship reemerged as a mass

phenomenon and “has become the attitude of a people, the attitude expected from the population, as announced today in the vast business literature.” However, our analysis points out that this is not a resurgence but a new conformation of labor relations corresponding to the current stage of development of the productive forces of capitalism.

Among its functions, entrepreneurship aims (precariously) to replace, in part, the role that used to belong to the state (Campos et al., 2021), moving even further away from the political sphere to the private sphere so that health, education, social security, and even economic development are funded individually, and not socially, as a class (Sandoval, 2020). A few decades ago, the state acted as a contradictory mediator that made it possible to reduce the rate of surplus-value (via public services) and lower wages by guaranteeing part of the means of consumption of the workforce. Nowadays, the extinction of these rights intensifies impoverishment and social inequality.

Based on these structural changes, we can say that the entrepreneurial spirit is more related to capitalist ethics, while entrepreneurship can be characterized as an ideology produced by the current development of the productive forces of capitalist relations. This entrepreneurial spirit is the very spirit of capitalism. However, entrepreneurship, as a political, economic, and social phenomenon, is the intensification of current capitalist production relations, which tend to be the terrain of class struggle in this century marked by intermittent work, uberization, 4.0 industry, and whose greatest symbol is entrepreneurship: ways to extract more value without necessarily having the presence of a “boss.”

Observing the implications of entrepreneurial practice, considered here the subjective effects of an “entrepreneurial spirit,” it is possible to infer that its ideology acts in a potentially harmful way on the working class by increasing pauperization. For the capitalist class, while the spirit approaches the Schumpeterian hypothesis (success, profit, wealth accumulation), its role is to conform the workers’ subjectivities to present, objectively and subjectively, demands for the capital to sell the workforce in the market.

Finally, it is worth stating that, although Schumpeter and the neoclassical scholars have sought, on the theoretical level, to break down the walls that separate capital and labor, in reality, they defend an entrepreneurial spirit. In recent decades, entrepreneurship has played a different role from economic development, justifying increasing exploitation.

FINAL CONSIDERATIONS: THE ENTREPRENEUR, THE POLITICAL ECONOMY, AND MODERN PHILOSOPHY

There is a consensus in Brazilian academia that Richard Cantillón and Jean-Baptiste Say were the first to introduce the concept of entrepreneurship to the study of political economy (Bittar et al., 2014). In turn, among classical economists, the term appears in Adam Smith (1982) and Karl Marx (2013, 2017), both mentioning the “entrepreneurial spirit.”

Concerning the concept, two clarifications are necessary to unveil what the “entrepreneurial spirit” hides. The first is that Cantillón preceded and influenced Smith’s work, while Say, a Smith reader, formulated new, less rigorous theories regarding the unveiling of the labor-value determinations, paving the way for the emergence of the Neoclassical School, which displaces the discussion for the utility value. The classical authors found themselves grappling with the source of value, a mystery that Marx solved by demonstrating that the workforce was this source. The economists who succeeded Marx could not continue at this point without denying capitalism itself (Paula et al., 2000) in its contradictory development: the creation of capitalist wealth is also the generation of misery.

Far from being trivial, the mobility of the theoretical basis (from labor value to utility value) compromises the apprehension of social relations engendered by mercantile exchanges. Thus, instead of understanding the production of wealth as social, the focus is projected on the individual, as if their wills and rational (economic) decisions determined the world’s direction. Political economists committed to apprehending the determinants of the nascent society leave the scene, and vulgar economists emerge – as Marx called them – seeking to legitimize the state of affairs and not to unravel them.

The second clarification, which is related to the first, is that, since Smith, entrepreneurship has been incarnated in the individual and not as an unfolding of social relations that engender and presuppose entrepreneurial practices. This topic will not be developed here, but it is important to point out that every liberal philosophical tradition, including Locke, Kant and Smith,

presupposes individual (formal) freedoms as the limit and extension of social freedom. Marx also read Smith and was his greatest critic. He stressed the reifying and dehumanizing nature of capitalist relations, their effects on subjectivity, and the reduction of human freedom for value reproduction.

With the critique of political economy, Marx (2013) demonstrates that society is not limited to a collective of individuals; it consists of the social relationships among them. The individual is at the same time social and individual (Marx, 2015). Furthermore, “people make their history but not of their free will; not under the circumstances they have chosen but under given and inherited circumstances with which they are confronted” (Marx, 2011, p. 25, our translation). In other words, social relationships mediate action in the world not as a determination, but as limits of possibilities, as possible choices. It is through this movement that the individual is formed.

This digression helps understand that the notion of entrepreneur appears as a given possibility in capitalist society – it is the entrepreneurial spirit fulfilling its role. However, this discussion has been separated from that found in today’s society: the contradiction in the relationship between capital and labor. The individual who seeks profit, or starts a business, or invents a product to commercialize is not someone exceptional, a hero, or a differentiated person. This individual reflects in their subjectivity the values of their time.

We examined in this essay the displacement of the entrepreneurial spirit to the ideology of entrepreneurship through a historical-materialist approach. We concluded that the spirit of capitalism corresponds to the movement of capital expansion, while entrepreneurship is the ideological version of this spirit, which expresses the entrepreneurial practice in the current, productive stage. This practice, at its core, is precarious work submitted to capital. As such, it needs a system of ideas that sets it in motion while reproducing its condition of subordination and expression.

Based on historical and dialectical materialism, we seek to deepen criticism of the entrepreneurial practice, placing it within the capitalist development and class struggle instead of limited to capitalist realism (Fisher, 2020) that delimits human action to individualistic, competitive, or liberal acts. Thus, establishing a critique of entrepreneurship without, at the same time confronting capital, is to seek a way out within the mode of production that gave rise to the phenomenon. As mentioned above, the “entrepreneurial spirit” was born imbricated with the notion of (surplus)value. We agree with Sandoval (2020) when the author states that it is not through entrepreneurship that we will be able to think about changing the world. After all, as Fisher (2020) asked, is it easier to imagine the end of the world than the end of capitalism?

Entrepreneurship has a double contradictory role in today’s society. On the one hand, given the structural unemployment resulting from global capitalist reproduction, it presents itself as a possible means of reproducing physical and spiritual existence. On the other hand, it intensifies the condition of impoverishment. Such contradictory praxis causes a strange subjectivity in the working class: the entrepreneurial spirit – and the spirit of capitalism – which conceals the class struggle by hiding the ills caused by production relations engendered by human exploitation.

In this sense, according to Ésther (2019, p. 867), “The defense of entrepreneurship – understood now as ideology – constitutes the defense of an excluding perspective because, it is certain that the social world is not made up of only entrepreneurs – even though this is the discourse of the ideological plan which has been widely publicized.” What we have witnessed in academia and in public policy is that discourses apologetic to entrepreneurship wave with one hand to the free market and, with the other, keep the working class away from the political dispute. Therefore, it is not enough to weave a conciliatory critique for the maintenance of entrepreneurship. By refraining from demonstrating the contradictions of entrepreneurial practice, we reinforce the trench of the capitalist class, which is based on social relations mediated by commercial exchanges, profit, and prosperity as if they were the universal values that guide human existence.

The corollary of capitalist sociability can be characterized by increasing environmental degradation and social inequality. The average economic growth of the countries’ GDP remains stationary, while the states’ indebtedness increases and the interest rates are zero. These elements are all connected. To illustrate this contradiction, on the brink of a Fourth Industrial Revolution, we have still not overcome diseases transmitted by mosquitoes, such as dengue and yellow fever, and about 820 million people are in hunger (Food and Agriculture Organization of the United Nations [FAO], International Fund for Agricultural Development

[IFAD], United Nations Children’s Emergency Fund [UNICEF], World Food Program [WFP] & World Health Organization [WHO], 2018). The COVID-19 pandemic demonstrated that the biological virus is far less deadly than the social virus: capitalism. Is life worth more than profit?

Therefore, we reinforce the need to radicalize criticism, seeking possible ways to think about substantially different and emancipatory transformations. We suggest new studies using a historical-materialist approach to unveil themes such as the consequences of a bankruptcy for precarious workers; emerging post-pandemic topics, such as social entrepreneurship, credit, and the innovation policy aimed at small businesses; and themes that connect the current stage of development of the productive forces with the working class.

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