Understanding How Indigenous Community Factors Affect Indigenous Entrepreneurial Process

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Thesis Abstract

Key words
Entrepreneurship, Indigenous entrepreneurship, community, entrepreneurial process

Background
Indigenous people in colonized countries across the globe are attempting to attain equitable life circumstances on par with populations that form the majority. The manner in which Indigenous peoples seek to achieve this assumes many different forms, some confrontational and some involving reconciliation. One way Indigenous people hope to create higher living standards in their communities is by engaging in the acquisition, creation and management of new ventures. In Canada these entrepreneurial activities occur in a variety of settings. This thesis is focused upon entrepreneurial activities (principally those of new venture creation) within one specific type of Indigenous community – the reserve or ‘band’.

The research problem
The research problem reported in this thesis is fundamentally concerned with the broad issue of how a wide range of entrepreneurial processes can be successfully conducted in the context of Canadian Indigenous band communities. It is a thesis about the role of context on entrepreneurial process in a particular setting. Put at its simplest, my core question, stated at its broadest level of generality is: what makes for successful as distinct from unsuccessful entrepreneurship in the Canadian band community context? To do this, I need to understand how Indigenous context at the community level influences entrepreneurial process.

The thesis thus involves the quest to achieve two actionable objectives. **Objective 1: perform a structured investigation.** This research seeks to understand the entrepreneurship phenomenon and associated entrepreneurial processes as they occur in Indigenous communities (as represented by Canadian bands) by detailed, structured examination and comparison of How Indigenous Community Context Affects Indigenous Entrepreneurial Process
How Indigenous Community Context Affects Indigenous Entrepreneurial Process

communities that are performing entrepreneurship (both successfully and unsuccessfully) and communities that are not even attempting entrepreneurial performance.

**Objective 2: develop a theoretical/analytical framework** directly germane to understanding the relationship between Indigenous community context and successful entrepreneurial process.

**Conceptual discovery**

Involved three literature reviews.

1. Development of an understanding of the context of the Indigenous band and entrepreneurship within the specific ‘band’ environment (chapter 2).
3. A search for existing wisdom and models purporting to be effective for understanding the entrepreneurial potential of a ‘community’ (chapter 4)

**Two empirical investigations**

A two-part empirical investigation was conducted. I first constructed a grounded theory of successful entrepreneurship from data obtained through semi-structured interviews of members from three ‘exemplar’ Canadian Indigenous bands. Then, after comparing the emergent-grounded theory against existing frameworks a second empirical investigation involved three theoretically guided ‘case studies’ with the objective of formulating a model that could identify the salient features of ‘community’ that affect the entrepreneurial process.

**Results**

The first stage empirical investigation resulted in a grounded theory with significant comportment with the analytical framework posited by Hindle (2010). ‘Community factors’ that facilitated the entrepreneurial process in the exemplar communities were in five ‘categories’, (1) governance and institutions, (2) culture and tradition, (3) land, (4) human capital, (5) networks. These findings comported well with Hindle’s existing diagnostic framework which was then employed for further empirical study. A revised analytical framework called the Indigenous Community Venturing Model (ICVM) resulted from further case
studies. The ICVM is my principle finding and has significant implications for research, practice and policy.

Implications

In Canada there are many researchers studying entrepreneurship, but few focussed on Indigenous issues. Interested parties can find a variety of studies about Indigenous entrepreneurship but the majority of these are not empirically based. The literature is fragmented and eclectic. This left a gap (now filled) in the information available for future researchers, practitioners, Indigenous and non-Indigenous governments and policy makers. Researchers, practitioners and policy makers will find the ICVM to be both necessary and a useful tool.
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To my parents I want to say a special thank you. The pride they feel and encouragement they’ve given me to pursue my goals has always driven me.
Declarations

This work contains no material which has been accepted for the award to the candidate of any other degree or diploma;

To the best of my knowledge this work contains no material previously published or written by another person except where due reference is made in the text of this thesis.

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Bob Kayseas
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1. Summary of the study

Chapter Abstract

This first chapter introduces the overall research project that is the topic of this thesis. The chapter begins by outlining my motivations for even attempting to conduct such a complex investigative exercise. Concurrent to that discussion is a summary of the objectives that guided the investigation.

The importance of providing any eventual reader or user of this dissertation with a clear contextual framework from which to examine the discussion and arguments offered within is recognised and addressed by including a set of clear definitions. Succinct definitions of ‘Indigenous’, and its sub-categories (in Canada), the band (the unit of analysis), and the entrepreneur, entrepreneurial process and Indigenous entrepreneurship all provide the needed contextual foundation.

The overall research design is briefly introduced and discussed. A summary of the methodological choices, supported by a brief rationale for each precedes a discussion of the research design map. The research design map is a visual representation of the overall thesis that is offered as a means of aiding understanding and clarity.

The chapter concludes with a summation of each of the eight chapters that form this thesis.
1.1 Research motivation and objectives

[Note: this section is, to a large extent, identical with Section 5.1 of this thesis. It is a convenience to the reader to have this fundamental statement in both the opening and the methodological chapter.]

Appropriately reviewed literature (chapters 2, 3 and 4, below) has shown that it is uncontroversial that successful entrepreneurial processes can help members of Canadian Indigenous communities – individuals, groups and the entire community as an entity - redress many of the disadvantages that are their current lot primarily as a result of colonialism. My motivation for conducting the research embodied in this thesis is that I am an Indigenous Canadian band member, passionately interested in the redress of relative disadvantage through means of fostering entrepreneurship. So, I want to understand how entrepreneurship can be successfully conducted in the context of the Canadian Indian band.

Accordingly, the research problem reported in this thesis is fundamentally concerned with the big issue of how a wide range of entrepreneurial processes can be successfully conducted in the context of Canadian Indigenous band communities. It is a thesis about the role of community context on entrepreneurial process in a particular setting. Put at its simplest, my core question, stated at its broadest level of generality is: what makes for successful as distinct from unsuccessful entrepreneurship in the Canadian band community context? To do this, I need to understand how Indigenous context at the community level influences entrepreneurial process. That understanding is the output I seek from the research process.

The broad issue of interest requires considerable refinement to turn it into a research problem with objectives succinct and focused enough to be meaningfully investigated within the confines of a doctoral candidacy. To obtain this focus I begin with my desired end point: I want the ultimate yield of any empirical investigation I conduct to be a ‘map’. I seek to discover, articulate and
develop an evidence-based conceptual map that that can be used as a tool of theoretical understanding, practical guidance and research direction. The ‘map’ I seek should show both the factors that matter (the theoretical aspect of my quest) and serve as a navigation aid to those who want to pursue and/or research entrepreneurship in the Indigenous community context (the practical component of my quest).

Moving from the loose analogy of a ‘map’ to the precision of a formally described investigative agenda, I seek to discover and arrange the key issues that matter for the conduct of successful entrepreneurship in the Canadian Indigenous band context. The endpoint of my research will be a framework that must be useful for both explaining and facilitating entrepreneurial action within the unique and specific circumstances of the Canadian Indigenous on-reserve community.

My thesis thus involves the quest to achieve two actionable objectives.

Objective 1: perform a structured investigation. This research seeks to understand the entrepreneurship phenomenon and associated entrepreneurial processes as they occur in Indigenous communities (as represented by Canadian Bands) by detailed, structured examination and comparison of communities that are performing entrepreneurship (both successfully and unsuccessfully) and communities that are not even attempting entrepreneurial performance.

Objective 2: develop a theoretical/analytical framework directly germane to understanding the relationship between Indigenous community context and successful entrepreneurial process. The study seeks to develop, as its principal finding and output, a theoretical/analytical framework that can:

• describe and explain the importance of and the relationships between key contextual factors that affect successful or unsuccessful entrepreneurship within the context of the Indigenous Canadian Band community;
• indicate to prospective Indigenous entrepreneurial actors how to negotiate the positive and negative influences of these factors in order to prosecute entrepreneurial initiatives that are likely to succeed for the benefit of both the entrepreneurial protagonists and the community at large;
• facilitate insightful and constructive research of a wide range of entrepreneurial processes in the specific context of the Canadian Indigenous ‘band’ community.

1.2 Definition of keys terms

Research is a systematic process of collecting and analysing information for the purposes of creating greater understanding and new knowledge of the phenomenon of interest (Leedy & Ormrod, 2001, 4). Good research clearly delineates all aspects of the research thus allowing others to more easily understand discipline specific and context specific terms and constructs. The definition of terms and constructs also allows for the evaluation of research outcomes. Finally, the definition of key terms is also useful for implicitly articulating limitations and/or boundaries of the study (Leedy & Ormrod, 61). Therefore, the following definitions, of ‘Indigenous’ and ‘entrepreneurship,’ are included at this early stage as a means of offering the reader a clear understanding of who the population of interest is within this thesis and a clear delineation of what is being researched. Readers will soon discover that the term ‘Indigenous’, in Canada, unless specifically defined, could be used loosely to reference a wide variety of distinct people and cultures whose distinctions should be recognized and articulated precisely when detailed, focused research is the objective of the communication. For this reason the definition provided here of ‘Indigenous’ is further supported by defining other important terms often used when discussing Indigenous Canadians. The definition of these terms will provide the foundation needed to understand the various concepts (like

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1 In this thesis ‘construct’ refers to the abstractions used by social and behavioural scientists. Constructs are ‘theoretical concepts’, like for example, social status, power, and intelligence. Because you ‘cannot literally put your finger on any of these to measure them, you must find a concrete representation that approximate what you mean when you speak of such concepts’ (Kidder and Judd, 1986, 40)
Indigenous), and constructs (like entrepreneurship) developed in this thesis and how they are used.

The terms Indigenous and First Nation are used to describe the population of interest throughout this thesis. Other terms defined below will be used when discussing those specific populations and when the term forms part of a name, place, or program.

1.2.1 Indigenous

‘Indigenous’ is a generic term used to describe all the original (i.e. pre-colonial) inhabitants of a nation. I utilize the United Nations Secretariat of the Permanent Forum on Indigenous People’s definition of what constitutes an Indigenous person, nation or community:

“Indigenous communities, peoples and nations are those which, having a historical continuity with pre-invasion and pre-colonial societies that developed on their territories, consider themselves distinct from other sectors of the societies now prevailing on those territories, or parts of them. They form at present non-dominant sectors of society and are determined to preserve, develop and transmit to future generations their ancestral territories, and their ethnic identity, as the basis of their continued existence as peoples, in accordance with their own cultural patterns, social institutions and legal system…On an individual basis, an indigenous [sic – no capital ‘I’] person is one who belongs to these indigenous populations through self-identification as indigenous [group consciousness] and is recognized and accepted by these populations as one of its members [acceptance by the group] (United Nations, 2004, 2).

The term ‘Indigenous’ is descriptive of the people and culture being referenced. It implies a relationship to a specific piece of land developed over a period of time (McLeod, 2000, 28). For this reason it is also important to point out what Indigenous does not mean. Indigenous is not used to describe entrepreneurs...
and/or entrepreneurship (who are otherwise members of the mainstream society or relatively recent immigrants to the particular nation state now enjoying political hegemony) in a regional context. For example, Terjesen, Planck, and Acs’ (2007) study of foreign direct investment and the growth of knowledge-based entrepreneurship in what they call ‘indigenous Irish and Welsh’ firms does NOT conform to the use of the term Indigenous in this study.

Aboriginal
The term ‘Aboriginal’ is defined in Canada’s Constitution Act of 1982. The definition states that: ‘... Aboriginal peoples of Canada includes the Indian, Inuit and Métis peoples of Canada’ (Imai 1998, 215). Thus, the terms Indian, Inuit, and Métis are all terms used to define three segments of society that are simultaneously recognised as distinct from one another but are all considered to be Aboriginal in the sense of ‘original’ inhabitant as distinct from members of the post-colonial mainstream. Moreover, because ‘Status Indians,’ a subgroup of Indian, are conferred certain rights, for example land reserved for their use (reserves), annuity payments, health and education benefits, the federal government created the legal definition of Indians and their various sub-groups in order to identify who can legally access those rights. The following definitions are helpful in making a clear distinction between First Nations (Indian), Inuit, and the Métis peoples of Canada.

First Nations (Indian)
While ‘Indian’ is enshrined in legislation as the legal term for this segment of the Aboriginal population, the majority of Indigenous Canadians no longer accept it as a proper form of address (See Taiaiake Alfred, 1999 for a detailed analysis of terminology regarding ‘Indian’). Too often the term has been used in a derogatory manner. Today, the term First Nations has gained widespread acceptance (but not universal\(^2\)) by Indigenous Canadians as a respectful, acceptable term. In this thesis, focused as it is on the sub-population of original habitants who are now organised under the band system, ‘First Nations’ will

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\(^2\) The majority of Indigenous bands in British Columbia did not sign treaties and thus prefer to be distinct from others that did. Therefore the pan-Indian term ‘First Nations’ is not acceptable to many.
thus be used to describe the segment of Aboriginal peoples defined as ‘Indians’, both in an individual and a collective context. First Nations is also used as a proper noun, for example; Fishing Lake First Nation (a community of Indigenous people), therefore the term will also be used in that context throughout the thesis. Indians are categorized into three different legal definitions, Status, Non-Status, and Treaty Indians.

**Status Indian:** A person who is registered as an Indian under the *Indian Act*. The act sets out the requirements for determining who is an Indian for the purposes of the *Indian Act*. Status Indians are the primary population within the band (see below) (INAC, 2008).

**Non-Status Indian:** An Indian person who is not registered as an Indian under the *Indian Act*. Non-Status Indians often identify themselves as Indian but are not eligible to receive the benefits deemed to Status Indians (INAC, 2008).

**Inuit**
An Inuit person is defined by the federal government of Canada as an Aboriginal person who primarily lives in the northern regions of the country (INAC, 2008). Inuit are not registered in the Indian register and thus are not considered to be Status Indians.

**Métis**
The term Métis is French for ‘mixed blood.’ The Métis people of Canada are legally recognized as being Aboriginal, however they are not considered to be Status Indians (INAC, 2008).

**1.2.2 Band**
According to the Indian and Northern Affairs Canada (INAC), a ‘band’ is: ‘...a group of First Nations having a historical connection and a common interest in land and money’ (INAC, 2008). Historically, bands were made up of small groups of families who lived as a single entity. The contemporary meaning of the term has evolved to describe the administrative unit at each First Nation community legally recognized by Indian and Northern Affairs Canada as a band. There are 615 bands in Canada. The populations of bands primarily consist of
CHAPTER ONE – SUMMARY OF THE STUDY

Status Indians, as they are the only Aboriginal group accorded the legal right to ‘use for their benefit’ lands reserved for them by the Crown (INAC, 2008).

The research reported in this document will focus on the populations within the band communities that have been afforded the legal distinction of an ‘Indian band,’ according to the Indian Act and as such are governed by the rules and procedures outlined in that legislation. Since the research aims to understand the factors impacting the entrepreneurial process within the ‘band’ to ultimately create greater understanding of conditions under which successful Indigenous entrepreneurship operates – it is therefore a logical deduction to examine it within the context of the Indigenous community.

A definition of ‘entrepreneurship’, ‘Indigenous entrepreneurship’, ‘the entrepreneur’ and the ‘entrepreneurial process’ provided at this early stage will also contribute to a greater understanding of the what that is affected, i.e. the entrepreneurial process. Therefore, those definitions follow.

1.2.3 The entrepreneur, the entrepreneurial process and Indigenous entrepreneurship

Entrepreneurship is a multi-dimensional concept the definition of which largely depends on the focus of the research undertaken (Verheul, et al., 2001, 4). That statement succinctly encapsulates the justification for how entrepreneurship is defined in this thesis. The research is not focussed specifically on the entrepreneur nor on the entrepreneurial process but rather on how both are affected by environmental factors. The formal definitions then are (see Section 3.3.1 for further discussion of entrepreneurship, the entrepreneur and the entrepreneurial process).

_Tepreneur is someone who perceives an opportunity and, 1) creates an organization to pursue it (Bygrave & Hofer, 1991, 14), and/or creates new value from an opportunity (Hindle, 2009b), acknowledging that the entrepreneur could be an individual or a group of people (Hindle, 2010).
Entrepreneurial process involves all the functions, activities, and actions associated with the perceiving of opportunities (Bygrave & Hofer, 1991, 14) and the creation of value based on the perceived opportunities, without specifying the business model utilized (Hindle, 2010), while acknowledging that the process is affected by the intermediate environmental and macro environmental contexts (Hindle, 2010).

The entrepreneurial process depends on a holistic integration of factors. The nature and blend of factors will tend to vary according to various socio-circumstances contexts. Moreover, because this study is concerned with the Indigenous population of Canada that primarily reside within ‘reserves’ the definitions of entrepreneur and entrepreneurial process must be enhanced to include three issues – a collectivist cultural orientation (Redpath & Nielson, 1997, 330), the absence in many instances of profit for individual gain as the primary motivator (Peredo & Chrisman, 2006, 316) and a broader understanding of the entrepreneur, i.e. community, organization, individual (Hindle & Lansdowne, 2007, 9). Hindle and Lansdowne’s definition of entrepreneurship encompasses all of these elements as well as taking into account the Indigeneity of the population of interest.

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 (Hindle & Lansdowne, 2007, 9)
1.3 Research methods and design of thesis

1.3.1 Methodology

I examined the extant literature on entrepreneurship and entrepreneurship research as a means of developing an understanding of the approaches used and methodologies taken by various scholars in the field who were interested in a range of problems and issues related to those at the heart of this thesis. The search led to the following conclusion; qualitative research offers an opportunity to examine the entrepreneurship phenomenon in a manner that could potentially lead to better research outcomes, Hofer and Bygrave illuminate this point by stating,

*Given the holistic, dynamic, unique, and potentially discontinuous nature of entrepreneurial activities and processes, it is far wiser to gather accurate, precise, qualitative data that is rich in its descriptive characterizations of the situation/phenomenon involved, and then address the categorization and measurement issues at a later time, than to seek more quantitatively oriented data that describe the underlying concepts and constructs far less accurately and precisely* (1992, 97).

Qualitative researchers are more likely to confront the constraints of the everyday social world. They see this world in action and embed their findings in it (Denzin & Lincoln, 2000, 10). The knowledge and insights that are developed through the immersion in large collections of qualitative data seem to ring ‘a bit truer and clearer’ (as opposed to quantitative studies) and qualitative researchers often become ‘connoisseurs of entrepreneurship scholarship’ because they are more likely to immerse themselves to a greater depth and in a wider variety of situations where entrepreneurship occurs (Gartner & Birley, 2002, 394).

There are many examples of entrepreneurship researchers who have utilised qualitative research methods very effectively. For example, two studies reported in the *Journal of Business Venturing* (2002) both used qualitative research methods. Kodithuwakku and Rosa (2002) quoting Bonoma (1985) said that ‘Qualitative research is the major or perhaps the only valid knowledge accrual
device for studying human behaviour’ in their study of the entrepreneurial process in a constrained environment (Kodithuwakku & Rosa, 2002, 436). Jack and Anderson (2002) studied the effects of embeddedness on the entrepreneurial process also used a qualitative research design because they were dealing with ‘soft issues’ that are not amendable to quantification when ‘searching for the meanings behind the actions’ (Jack & Anderson, 2002, 473). These summary points provide support for choosing a qualitative research methodologies, this is expressed in more detail in chapter 5.

1.3.2 Methods used to achieve objectives
The study reported in this thesis utilized two separate but related methodologies:

(1) Grounded theory (Glaser & Strauss, 1967; Strauss & Corbin, 1998)
(2) Case method (Yin, 1994).

Each in isolation has proved capable of providing sound results for researchers studying empirical phenomena (Charmaz, 2003, Glaser & Strauss, 1967; Locke, 2001; Stake, 2003; Yin, 1994). However, when these methodologies are combined into one study they reinforce one another to provide comprehensive, cohesive investigative system from which to build a theory based on empirical data. The methods are briefly described below and elaborated in greater detail in chapter 5.

1.3.3 Research design map
A research design describes a flexible set of guidelines that connect theoretical paradigms first to strategies of inquiry and second to methods for collecting empirical material. A research design situates researchers in the empirical world and connects them to specific sites, persons, groups, institutions, and bodies of relevant interpretive material, including documents and archives. A research

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3 The concept of a ‘research design’ map utilised here was invented by Kevin Hindle (1997, 6). The research design map provides a means of conceptually mapping the entire dissertation with one diagram.
design also specifies how the investigator will address two critical issues of representation and legitimation (Denzin & Lincoln 2002, 36).

**Figure 1.3.2 - Research design map**

Figure 1.3.2 also appears as Figure 5.3.3 on page 199 (see Chapter 5). Section 1.5 below provides a brief summary of each chapter that is represented in the above ‘map.’

### 1.4 Structure of the thesis

**Chapter one** is a summary of the whole thesis. It briefly describes each of the important elements of the thesis.

**Chapter two** provides a brief historical account of the current ‘reserve’ system and a statistical profile of the Indigenous ‘on reserve’ populations of Canada. This chapter forms the first part of the conceptual discovery phase.

**Chapters three and four** comprise parts two and three of the conceptual discovery components of this thesis. These chapters are primarily concerned with providing an in depth foundation that entails conceptual and contextual background to the Indigenous entrepreneurship phenomenon then a narrowing down to a more focused examination of a ‘candidate’ analytical framework.
Chapter five describes the methods utilised to achieve the results of the research. It delineates the structure of research process, objectives, and the rationale and technical description of methodologies employed in this thesis.

Chapter six reports the first empirical analysis, an operationaliization of the grounded theory methodology as posited by Glaser and Strauss (1967). Three Indigenous bands were visited in order to develop a grounded theory of the elements in the Indigenous community that impact the entrepreneurial process.

Chapter seven is the second empirical analysis – it presents three more case studies – structured in a manner that was guided by the combined theoretical insights developed from an existing analytical framework along with the results of the data analysis and synthesis described in chapter six.

Chapter eight is the final chapter – it presents the theoretical and practical implications of the research.
2: Underdevelopment and Indigenous entrepreneurship in the Canadian band context

Chapter abstract
The chapter is introduced with the argument that improved entrepreneurial leadership and practice in Indigenous communities must be evidence-based. This makes research a mandatory component of successful Indigenous entrepreneurship and economic development.

Sections 2.2.1 and 2.2.2 provide an introduction to the unique circumstances of Indigenous Canadians. That introduction begins with a report from a regional newspaper that succinctly captures the essence of life in many of these Indigenous communities. More importantly readers will begin to grasp the complexity and uniqueness of life on Canadian reserves. Then, in Section 2.3, an introduction to the underdevelopment of Indigenous communities, internationally and in Canada is offered. Closely related to that discussion is an exposition of the theoretical frameworks that have been posited to explain and facilitate the development of Indigenous people. That discussion immediately concludes in Section 2.3.3 with a sample of stories from Canadian newspapers concerning the development strategies of Indigenous ‘bands’. The information in that section was derived from a search on ABI Inform using relevant keywords. A discussion of the apparent invisibility of the entrepreneur, as a singular for-profit actor – as distinct from a community venturer – concludes that subsection. Then, Section 2.4 introduces Indigenous underdevelopment, both in a global and national context. The chapter then concludes in Section 2.4.4 with the identification the requirements for a theoretical framework specifically for meeting the stated objectives of this thesis.
2.1 Introduction

It is a basis and axiom of this thesis that improved entrepreneurial leadership and practice in Indigenous communities must be evidence-based. This makes research a mandatory component of successful Indigenous entrepreneurship and economic development.

Canadian Indigenous communities are seeking to develop environments conducive to the entrepreneurial process. As this occurs many of the leaders within those communities will require advice and assistance from many sources, especially from other Indigenous people and communities. They will require technical support from governmental and non-governmental agencies that are mandated to work in the economic development of Indigenous communities. These Indigenous leaders will require research. Only research-based strategies and policies – arguments derived from evidence rather than wishful thinking – are likely to have any chance of success. Good research can provide many things that are mandatory for good policy and improved practice. The list includes a conceptual framework, a map if you will, that will allow Indigenous communities, leaders and entrepreneurs to understand what factors within their communities impede and/or enable entrepreneurial pursuits. Most importantly, this map must be infused with awareness of the importance of Indigenous culture. Therefore, the research Indigenous leaders must gain access to must provide them with an understanding of how best to incorporate and reconcile both innovation and heritage (Hindle & Lansdowne, 2005, 2007).

This need encapsulates the essence of the research problem at the heart of this thesis. Core research is needed that will inform other research and offer opportunities for the cumulative effects of evidence-based knowledge to inform policy and practice. The research should allow Indigenous leaders to create actionable strategies. However, before this thesis proceeds to its more technical components, i.e. the literature review, description of methods used to achieve results, and the outcomes of the research, a thorough understanding of the context of the research is required. That is the fundamental objective of this second chapter.
2.2. The Canadian Indigenous ‘band’

‘Headline: Government takes over Pine Creek management’

Indian and Northern Affairs Canada (INAC) took over Pine Creek First Nation this week, turning control of the band government and finances over to a third-party manager. But it’s not for the usual reasons, reserve residents say. They say that cutthroat politics, not bad debt, threw the western Manitoba Ojibway First Nation 437 kilometres northwest of Winnipeg into financial chaos this summer. Typically, bands are broke when Ottawa steps in and takes control. But in July, Indian Affairs decided to sideline the Pine Creek chief and four councillors over what Ottawa saw as a total breakdown in band government. “The situation at Pine Creek First Nation has severely deteriorated to the point that the First Nation in unable to function,” stated a letter dated July 17 from regional Indian Affairs officials. The letter, obtained by the Winnipeg Free Press, is addressed to Chief Billy Jo De La Ronde and the four-member council. It cites numerous allegations of political interference in band management. Personality conflicts ruined the First Nations relationships with the only bank willing to lend it money, Ottawa says – consequently, loans were called in on the band’s houses. The federal government alleges that safety standards fell apart and the health of the 1,191 people living on the reserve was threatened when staff stopped cleaning the tanks on the water trucks which deliver the only potable water on the reserve. On top of that, said INAC, there was a breakdown of a hard-won agreement on council to pay down a $1.2 million deficit with tobacco tax profits and VLT gaming revenues. “Administration of programs and services are largely dysfunctional. There is direct involvement of councillors in administration. Staff are intimidated, mixed directions are sent to staff and political agendas take priority over services. There is no clear separation between administration and politics,” the federal government’s letter stated. The breakdown is political and it’s getting worse as rivals gear up for an election expected to be called in December, community elder Rodney Chartrand said…Band payroll hasn’t been met in two weeks but it will be on Monday…Mothers with
children staged a protest with a bonfire overnight Thursday and they succeeded in getting $88,000 in overdue welfare cheques handed out to an estimated 160 households on Friday… “We put a fire outside the band hall (and) we sat there all night. At eight o’clock this morning we got our welfare cheques” (Paul, 2008, C10).

The above newspaper report from October 2008 underscores the complexities that exist, and point to the degree of responsibility the band government, for better or worse, possesses over the lives of their Indigenous constituents. Canada’s Indigenous people who live within these reserve environments exist within social, political, economic and legislative environments (Anderson, Hindle, Dana, Kayseas, 2004; Boldt, 1993; Frideres & Gadacz, 2005; Helin, 2006; Newhouse, 2000; RCAP, 1996) that are unique in the combination and proportion of undesirable factors that interplay to define one from another; but many of the factors contributing to a poor quality of life are common across many bands. The lands they live on are legally defined as ‘reserves’ (Imai, 2004, 23). The federal government of Canada only recognizes one group of Aboriginal people (see Section 1.3 for definitions) as having the legal right to enjoy the benefits of reserve land and ‘Indian’ status (Imai, 24). While those special rights are difficult to understand as conferring something of value given the nature of the above newspaper story, they nevertheless are legally and constitutionally entrenched, and are extremely important to the lives of Indigenous Canadians. Why? Because without the special rights conferred to ‘Status Indians’ they are subsumed into the mainstream society without any recognition of the rights already in place (Coates, 2008, 8; McDonnell and Depew, 1999, 352-360).

The introductory chapter provided a prologue to this study by offering a brief account of Indigenous socioeconomic circumstance in Canada today – as well it briefly outlined the purpose of the research that is the topic of this thesis. That context is very important, but a richer elaboration will be contextually very useful. Therefore, this section provides an overview of the origins of the reserve system as well as its current manifestation and a brief overview of the treaties between Canada and Indigenous peoples who have subscribed to various
treaties. The *Indian Act* and its repressive nature is presented with a focus on how that legislation, which only applies to ‘Indians,’ affects key conceptual and practical aspects of Indigenous life such as governance and land tenure. A brief analysis of the funding that Indigenous governments receive from the various federal government agencies responsible for the provision of transfer payments (for example INAC and Health Canada) precedes the conclusion of this section. Then, Section 2.3 is concerned with a brief statistical profile of the 615 federally recognized ‘bands’.

### 2.2.1 Origins of the reserve system

The concept of reserves in Canada began as early as the beginning of the seventeenth century. The ‘reductions’ as they were called allowed for concentrations of Indigenous people to be more conveniently instructed in the Christian religion (RCAP, 196, 472). The reserve system was then firmly entrenched in Canadian legal jurisprudence and government policy after the passing of the Royal Proclamation of 1763. The Royal Proclamation set forth five important principles:

1. Legal proprietary title to all lands was vested in the Crown;
2. The Crown recognized a ‘usufructuary/possessory’ right of Indians in their ancestral lands (that is use and benefit, not ownership);
3. Indian usufructuary/possessory right in the lands could be surrendered (or sold) only to the Crown;
4. The Crown could, at its pleasure, extinguish the ‘Indians’ usufructuary/possessory right, subject to reasonable compensation;
5. Selected lands (Indian reserves) were to be set aside for the exclusive use and possession of Indians (Boldt, 1993, 4).

The rationale for ‘framing’ these ‘rights’ in this way was not to ensure justice for Indigenous Canadians. Rather, the framers of the Royal Proclamation wanted two things; (1) to develop a framework for engaging Indigenous people in the treaty making process – as a means of gaining the legal surrender of Aboriginal title in land to the Crown, and (2) to achieve political order in the colony by
eliminating private-person purchase of Indian lands (Boldt, 1993, 4). With this framework in place the setting aside of reserves for Indigenous people continued throughout the eighteenth century – sometimes as part of treaties, sometimes not (RCAP, 196, 473).

In eastern Canada Indigenous communities went through a period of ‘insulation’ and ‘removal from colonial society’ both as a means of protecting them from displacement and to ensure access to lands for settlers. The insulation and removal of Indigenous peoples resulted in their isolation to small tracts of land that acted as places of ‘enforced exclusion’ (Shewell, 2004, 9). Shewell succinctly summarises the eventual use of the reserve system, on a national level, as a tool for assimilation;

*This policy was still driven by imperial assumptions about the inferiority of ‘backward races.’ A key part of assimilation policy – which was also an outgrowth of typical colonialist thinking – was the creation of reserves as laboratories for teaching Indians the ways of European civilization. The reserve system was precisely the type of enforced exclusion that Memmi has more recently described as a dominant trait of the colonizing process (Shewell, 2004, 9).*

The manner in which Indigenous communities received reserve lands differed across Canada. For example, as noted above, the Indigenous communities in the eastern part of Canada received reserve lands primarily as a means of ‘insulating’ them from the growing settlement of their lands by non-Indigenous settlers (Shewell, 2004). There were no treaties signed in the Atlantic Provinces in which reserve land was promised. Reserves were established only after the ‘petitions’ by Indigenous peoples and because colonial authorities had to address the ‘sorry circumstances’ they existed in (RCAP, 1996, 144). Reserves in Quebec were primarily established by grants from the French to its Indigenous allies and by missionary orders to ‘Indians’ they hoped to convert to Christianity. For example the Jesuits established the first ‘true reserve’ in this way at Sillery, Quebec in 1637 (RCAP, 142).
Two Treaties, the Robinson-Huron and the Robinson-Superior negotiated and signed in 1850, provided access to most of southern Ontario for settlement. These two treaties were the first to offer all four of the following; ‘once-and-for-all’ expenditures, annuities, reserves, and guarantees concerning hunting and fishing (Frideres and Gadacz, 2005, 191). Chiefs of the communities who signed the Robinson-Huron and Robinson-Superior Treaties were allowed to choose their own reserve sites – the amount of land of each site was not based on a formula as other later treaties were (Surtees, 1986, 19).

Indigenous communities from west of Lake Superior (today’s Ontario) to the Rocky Mountains (Alberta) were allocated reserve lands according to terms set out in a series of treaties (Numbers 1 through 7) in the 1870s in what was then the Northwest (Frideres and Gadacz, 2005, 191). Treaty 8, 9 and 10 were signed from 1889 to 1906, and Treaty 11 was signed in 1921 (RCAP, 1996). The numbered treaties were all consistent in that each involved surrender of large tracts of land, small annuity payments (for example Treaty 1 and 2 provided for annual payments of $3 per person, Treaty 4 provided for annuities of $5 per person) and reserve lands (Frideres and Gadacz, 188; RCAP, 1996, 159). The terms of the Numbered Treaties in regards to the allocated land were also not consistent. For example, Treaty No. 5 stipulated each family would receive 71 hectares per family while other Treaties provided 285 hectares per family (Frideres and Gadacz, 2005, 193). In the 1880s British Columbia bands, where treaties were not signed, were allocated reserve lands based on 20 acres of land per family. This is in contrast to non-Aboriginal settlers that received 320 acres per family (Frideres and Gadacz, 189).
CHAPTER TWO — UNDERDEVELOPMENT AND INDIGENOUS ENTREPRENEURSHIP IN THE CANADIAN BAND CONTEXT

How Indigenous Community Context Affects Indigenous Entrepreneurial Process

Figure 2.2.1 - Canadian Indian Treaties
(Source; Natural Resources of Canada, 2008)

The above offers a very brief outline of the origins of the reserve system in Canada – without detailed reference to many of the circumstances that led to their creation. The map of Indian Treaties in Figure 2 offers a visual depiction of the scope of the land surrendered by Indigenous people. One final important issue that is related to the reserve system and treaties is how contemporary land claims rely on what the treaties both specified and what was omitted, or not treated. The federal government of Canada recognises three types of land claims, they are:

(1) Comprehensive claims occur where there are continuing Aboriginal rights and title – primarily where treaties were not signed.

(2) Specific claims arise from ‘alleged’ non-fulfilment of Indian treaties and other lawful obligations.

(3) Other claims that do not meet the ‘strict acceptance criteria of the programs 1 and 2 above (INAC, 2003, 8).

Indigenous people have argued that written treaty texts were not the same as what was verbally negotiated prior to the actual signing. Other claims involved the inequality of land grants from one treaty to the next, and the failure by the
government to provide Indigenous communities with the land they were promised as specific claims (Frideres and Gadacz, 2005, 193).

As of March 31, 2003, 1,185 specific claims have been 'received', 540 cases are under review, 112 are in negotiation, 251 have been settled, and 282 have been dealt with in a variety of 'alternate ways’ (INAC, 2003, 10). Through the specific claims process, as at 2003, Indigenous communities have received approximately $1.7 billion from the federal and provincial governments (INAC, 2003, 11). The agreements have also allowed them to purchase 3,486,372 acres of land that could be converted to reserve status (INAC, 2003, 11).

Between 1973 and 2007 the federal government, provincial governments and Indigenous communities have successfully negotiated and signed 21 comprehensive land claims. The total amount of the settlements, in land and financial awards is considerable. INAC reported that as of 2005 the total financial awards for comprehensive claims (also referred to as modern day treaties) are approximately $2.8 billion with an approximate land settlement of 600,000 square kilometres that is almost the size of the province of Manitoba (INAC, 2007a).

![Figure 2.2.2 - Areas where comprehensive claims/modern day treaties have settled](source; Indian and Northern Affairs Canada (2007a).)
This section briefly introduced the origins of the reserve system.

The topic of land claims is a contentious issue that has been debated at great length by others, in a variety of contexts (see for example Asch (ed.), 1997; Cummings and Mickenberg (ed.’s), 1972; Neu and Therrien, 2003; RCAP, 1996). There is no need to delve any further into either the origins of reserves and the relationship that process had to the making of the treaties in Canada – and the subsequent land claims.

A discussion that provides the context of the Indigenous ‘band’ in Canada must include one more issue of critical importance, and that is the legislation that defines ‘Indian’ and both the ‘band’ and ‘reserve.’ That legislation is the 1876 Indian Act.

2.2.2 The Indian Act

The Indian Act is a ‘controversial and intrusive’ piece of legislation that has governed and continues to govern almost all aspects of life of ‘Status Indians’ especially those that live on any of the 615 legally recognized ‘reserves’. It impacts areas of reserve life from band governance, land tenure systems to restrictions on cultural practices, to defining who is legally an ‘Indian’ (Coates, 2008, 1). Today, it is neither unfair or particularly controversial to describe the Indian Act as a legislative fossil. While most contemporary Canadian government departments and other organizations rely on collegial decision-making and policy development, policy research, human resource development, management accounting systems, and citizen engagement, the Indian Act does not mention any of these (Abele, 2007, 3). Its systems reflect organizational and administrative practices that were characteristic of public organizations in the early and mid-twentieth century. It relies on regulation, top-down authorities, fiscal control, and enforcement. It has a significant impact on the quality of democracy in Indigenous communities and, having the force of law and backed by the financial resources of the federal government, it mandates one particular set of institutions and practices to the exclusion of all others (Abele, 3).
Canada’s Parliament passed the legislation in 1876 and its development was based on Indian policies created in the nineteenth century. It has survived through the years in roughly the same form in which it was first passed (RCAP, 1996, 256). Its current manifestation is of significant relevance to this thesis for a number of reasons, the most important of which are related to governance and land tenure systems. A brief overview of the Act and its particular relevance to this thesis is the topic of this section. Then, immediately following that overview comes a discussion concerning the development of Indigenous communities. This section mirrors the structure of the previous one in that the discussion moves from the historical Act to its contemporary form rather freely simply because it has not changed in any substantive way. However, the time element will be noted wherever relevant.

**Indian Act and governance**

The Act provided and provides the political and administrative constraints and boundaries within which three sets of officials - federal, provincial and Indigenous – must work. It was never created with self-determining governance in mind. Rather, its original purpose was to provide a legal framework from which the federal government could control Indigenous populations and to ‘enable social engineering’. Fundamentally it was a tool of assimilation (Abele, 2007, 4; Coates, 2008, 2). It allowed the federal government and its civil servants to manage band affairs, supervise Indigenous lands and trust funds, direct the personal and family lives of individual Indigenous people, and to deny the basic civil and personal rights to thousands of Indigenous ‘wards’ of the state (Coates, 2008, 2). Therefore the ability to create effective democratic governments within Indigenous communities was effectively hampered simply because of the restrictive and paternalistic nature of the Act (Abele, 2007, 3).

There are several important aspects of the Act that contribute to understanding how ‘governance’ is affected - these are found in the very early sections of the legislation. Abele (2007), writing for the National Centre for First Nations Governance, has provided a succinct overview of governance related issues in a recent paper – the following discussion of governance and the *Indian Act* heavily relies on the Abele article.
Section 2 of the Act defines the political relationship between an Indigenous community and the Crown by defining the band, the band council, and by clearly delineating the ownership of reserve land and the authorities of the Minister in its disposal or use. Very briefly the issues identified by Abele are explained immediately after each definition.

*Band means a body of Indians*

(a) for whose use and benefit in common, lands, the legal title to which is vested in Her Majesty, have been set apart before, on or after September 4, 1951,

(b) for whose use and benefit in common, moneys are held by Her Majesty, or

(c) declared by the Governor in Council to be a band for the purposes of this Act (Department of Justice, 2009).

This definition of the band clearly asserts Crown control over ‘what it will consider to be a relevant political entity in its relations with Indigenous peoples’ by stating that the Governor in Council has the power to ‘declare’ who or what a band is (Abele, 2007, 5). In this very short definition the Crown also asserts control of reserve lands and how bands will make use of those lands (‘use and benefit in common’). Another issue of critical importance – with resounding impact to both the past and present Indigenous communities – is what the definition omitted. There is no recognition that the band might be self-defining, no pre-existing political entities are recognized (Abele, 2007, 6). Additionally, there is no recognition that decision-making or authority might be shared in some circumstances – all power to define the nature of the relationship between Indigenous governments and band members is assigned to the Crown (Abele, 2007, 6). The concept of governance and accountability within the Indian Act’s legislative regime also created an accountability structure that is upwards to the Crown, Allard described it in this way;
Reserves are one-dimensional systems. Elsewhere in Canadian society, multiple voices act as checks and balances on each other...There are no such ‘other voices’ on reserves, leaving the single dimension of politics in which to work out solutions to social, economic and political problems...the checks and balances to keep the chiefs and councils on the straight and narrow were not there. People could not pick up and go to a band with a better administration. And since the money funding the band did not come from band members, they had no means to hold their chiefs and councils accountable (Allard 2002, 128, 131).

The regulations in Section 80 of the Act prologues a number of sections that confer ‘by-law’ making authorities to the band. For example, Section 81 (1) states that the band government ‘may make by-laws not inconsistent with this Act or with any regulation made by the Governor in Council or the Minister, for any or all of the following.’ Some of those by-law making powers include to; (a) to provide for the health of residents on the reserve and to prevent the spreading of contagious and infectious diseases; (b) the regulation of traffic; (c) the observance of law and order...(f) the construction and maintenance of watercourses, roads, bridges, ditches, fences and other local works; (g) the dividing of the reserve or a portion thereof into zones and the prohibition of the construction or maintenance of any class of buildings or the carrying on of any class of business, trade or calling in any zone...(Imai, 2007). Section 83 includes ‘money by-laws, that allow bands to develop regulations respecting revenue generation, for example, (a) subject to subsections (2) and (3), taxation for local purposes of land, or interests in land, in the reserve, including rights to occupy, possess or use land in the reserve; and (a.1) the licensing of businesses, callings, trades and occupations (Department of Justice, 2009). However, Section 82 gives the Minister the authority to overrule or disallow every by-law made by bands.

While these regulations provide significant opportunities they also further undermine the legitimacy of band governments because while concurrently establishing the decision-making framework the Act also specifies power and
authority to the Minister of Indian Affairs over the elected officials (Abele, 2007, 10). The legitimacy of the band government may be questioned by band members simply because it must always seek the approval of INAC. The control and authority extended to Minister also extends to lands, that topic is discussed next.

Defining reserves;

(a) means a tract of land, the legal title to which is vested in Her Majesty, that has been set apart by Her Majesty for the use and benefit of a band…

Each time the Act defines reserves it also asserts control or ownership of the lands with ‘reserve’ status. In effect the limitations of ownership by Indigenous communities over the land ‘set aside’ for them takes control from them and places the authority of what the land could be used for in the hands of the federal government and its civil servants.

The Indian Act and land tenure

Within First Nations society the Indian Act is omnipresent. While its effects are probably impossible to fully document, it is safe to say that its impact on First Nations economic development has reached mythical proportions. Some find its existence so overwhelming that economic development is not even attempted, while others recognize it as out of date and out of touch with modern realities and look for ways to work around its anachronistic requirements. Suffice it to say, any discussion of First Nations economic development will start with and constantly return to understanding and trying to work with this invasive legislation (Shanks, 2005, 9).

The quote from Shanks encapsulates the essence of the Indian Act and the development of entrepreneurial ventures and economic development programs/projects within Indigenous communities. The manner in which it impacts entrepreneurship and economic development endeavours is significant. As stated above, the Indian Act clearly asserts control and ownership over
reserve lands. That ‘invasive legislation’ as Shanks referred to it, asserts federal government authority over all of the following areas in respect to ‘reserve’ lands; improvements, compensation for loss of use, rights of temporary possession, transfer or cancellation of location tickets (a form of allocation to band members), remedy to trespass, approval of commercial transactions concerning reserve produce (in three provinces only), infrastructure maintenance, and the taking of reserve lands by authorities (such as provincial and municipal governments). Therefore, while the Act confers authority to the band to develop by-laws in a wide range of areas (while maintaining the authority for final approval with the Minister) it also limits the ability to act in many ways simply because of the restrictions on how land can be used.

The RCAP characterised the impact of the above noted policies outlined in the Indian Act as having the effect of removing ‘Indian’ lands and property from the Canadian economic realm and setting them aside in enclaves (RCAP, 1996, 812). For example, while entrepreneurs in every municipality, town, city, and province of Canada can search for and discover business-licensing requirements, business taxation regimes, zoning bylaws and other land use policies – this is not so in Canadian Indigenous bands. The manner in which an entrepreneur operates or begins to operate within the band is almost entirely defined by the band council as the governing body of that reserve. However, the lack of clarity in regard to new venture creation and operations is changing. Indian and Northern Affairs reported that 140 of the total 615 band governments have enacted by-laws under the authority of Section 83 (which was added to the Indian Act in 1988), of which 113 were collecting property taxes, and ‘several others’ had enacted business licensing by-laws (INAC, 2008). However, the Act places other unique rules that impact how entrepreneurs engage in economic activity, for example;

(1) Many common legal rules that apply to land do not apply because ‘reserve’ land cannot be brought and sold like other land. Ownership is vested with the Crown. The band council can allocate land for use to its members but those members cannot sell, lease, or mortgage it (Schulze, 2008, 14).
(2) Real property cannot be seized. Section 89 does not allow creditors to seize the real property of ‘Indians’ and ‘bands’ (Imai, 2007, 190). This has created much difficulty in obtaining financing for new venture creation (Imai, 2007, 150).

Indigenous communities are effectively islands unto themselves (RCAP, 1996, 812). While the rest of Canada enjoys the benefits of a well-defined legal and property rights system, access to financial institutions, and zoning and by-law regimes that are clearly defined – the majority of Indigenous Canadians who live on reserves exist in very different financial, regulatory and legal realities. The band government is the political body within the Indigenous community that is responsible for the administration of programs and services. But it is more than just an administrative body – it is in fact the government, service and program provider, policy developer, and the creator of the rules and regulations entrepreneurs exist within in those communities. Given the nature of responsibility of the chief and council, responsibility enshrined within current federal legislation, and through the norms socialized over many decades, it is apparent that they are much more than just an administrative body. Meanwhile, there is no mandated training or qualification set except being elected in a system that may have nothing to do with heritage governance and owes everything to the mandates of the Indian Act. Is it any wonder that stories such as the one that started this chapter feature failed band governance as such a distinctive feature of much of reserve life? The ignorant and the racist may put this down to some alleged set of intrinsic inferiorities of the Indigenous population. The astute need look no further than the systemic weaknesses enshrined in the Indian Act.

Finally, before moving to the next section it is important to clarify an important point. As stated in the preceding paragraph, it is up to the chief and council to create the appropriate governance and policy regimes that will allow entrepreneurs, individuals and groups, to have a chance of creating value from new ventures. How is this possible given the above discussion of the restrictive nature of legislation as it pertains to the Indigenous community? Can Indigenous communities create the environment that entrepreneurs need? Does
the current legislative environment – grounded in the foundation of the 100 plus year old *Indian Act* – provide the opportunities for First Nations to create effective and efficient governing bodies that can facilitate economic activity? Very simply, the answer is; it depends. The ability to move into self-government agreements or recently passed legislation that effectively takes control away from the Act and places it into the hands of Indigenous communities depends on the largesse of the federal government. To date very few Indigenous communities have taken either route.

That then is the Canadian Indigenous band.

This section has provided a very succinct introduction to the historical development of the reserve system and treaties. The reserve system has created a patchwork of entrenched, disadvantaged communities across Canada from what was only meant to be a stepping-stone to complete integration and ‘full citizenship’ into Canada (Helin, 2006, 94). The creation of reserves, prohibition of selling commercial goods – even those sown by Indigenous farmers – enfranchisement, residential schools, the pass system, all served to disrupt the normal evolution of the ‘Indian economy’ (Boldt, 1993, 225). Until the late 1970s ‘the neoclassical paradigm in economic literature focused on the behaviour of firms in varying market settings under the assumption that underlying institutions were well-defined and operational’ (Libecap, et al., 1999, 2). It was further assumed that if the prevailing institutions were not ‘well-defined and operational’ that market forces would put pressure for institutional change. Market forces continuously ‘disciplined’ institutions so that they would always stay near what was considered optimal (Libecap, et al., 1999, 2). This has been patently not so in Canadian Indigenous ‘reserves.’ Institutional structures, like the 1876 *Indian Act* prevented market forces from even entering into the equation. Populations within reserves lived outside Western style market forces – and still do – without institutional structures to support entrepreneurial activities. Competition within the reserve cannot be logically considered because entrepreneurship was not allowed to gain a foothold. Why? ‘Indians’ in the late 1800’s could not claim a homestead because of the 1876 *Indian Act*. They could not raise external investment capital because their land
could not be mortgaged. Then, if they were still able to get a crop harvested or cattle to market size they found they could not sell their product or stock because of strict regulations and a permit system (Carter, 1992, 266). As pointed out in previous pages, while the Indian Act was legislation created more than 130 years ago it is still a body of law that governs much of the lives of on-reserve populations.

The political institutions on reserves are a result of decades of legislation and court rulings that slowly subordinated once independent peoples with strong, local and regional economic and social traditions to smaller groups of dependent, marginalized on-reserve populations subject to a-traditional, imposed systems of governance. However, strong memories of past political independence remained (Boldt, 1993, 88). Allard describes these rather recently formed aberrations of so-called Indigenous ‘governments’ as being at the bottom of the filtering system of an absorbent ‘layer of consultants, program officials and administrators, and professionals of all kinds who soaked up a significant percentage of the money filtering down through the system to chiefs and councils’ (Allard, 2002, 130). Furthermore, given the nature and structures of the imposed system, the chiefs and councils created under that system are very different people and bodies from pre-colonial community leadership structures. Officials elected under the post-colonial system often make up a small, closed elite class in many Indigenous bands. That elite comprises politicians, landowners, bureaucrats and a few entrepreneurs that rule over a large lower class made up of destitute, dependent and virtually powerless people (Boldt, 1993, 124). The unfortunate impact on development that this reality of reserve life creates is that many Indigenous governments are ‘power’ oriented instead of ‘problem’ oriented. In effect Indigenous governments are thus focused on issues relating to the expansion of their jurisdiction and control over band administrative and political structures.

…put another way, concerns that affect the power, status, and privileges of the elite class are given preference over the problems that afflict the Indian lower class: high unemployment; excessive rates of
Mainstream government policies have changed over the years. However, changes have been generally to the detriment of Indigenous peoples. By the early 1960’s government control of Indigenous people was so ‘deeply entrenched, there was policy on almost every aspect’ of Indigenous peoples lives (Elias, 1991, 1).

The repressive and paternalistic measures of the 1876 Indian Act were introduced in previous paragraphs as a means of developing greater understanding of how the quality of governance and the lack of viable land tenure systems within the ‘fossil’ like legislation creates a great many negative impacts on Indigenous communities. The next section will provide a ‘snapshot’ of those communities, primarily from a statistical point of view. This will be followed by a discussion that is focused on the underdevelopment and development of Indigenous communities, internationally and in Canada.

2.3 Statistical profile of the ‘band’

The population of all three Aboriginal groups, the Métis, Inuit and North American Indian surpassed 1,000,000 for the first time in 2006 (Statistics Canada, 2008b, 9). The overall population of 1,172,790 Aboriginal people now accounts for 3.8 percent of the total Canadian population of 31,612,897. The Aboriginal population accounted for 3.3 percent and 2.8 percent of the Canadian population in 2001 and 1996 respectively (Statistics Canada, 2008b, 9). The Aboriginal population grew at a rate of 45 percent in the 10 years between 1996 and 2006, a rate almost six times higher than the general population growth rate. The ‘First Nations’ population increased by 29 percent between that same period, to 698,025 in 2006. It is the members of this population that identify themselves as ‘First Nations’ that we are concerned with in this thesis. Refining even more specifically, the population that this thesis deals with is that portion of the ‘First Nations’ population who live ‘on reserve’.
The First Nations population is increasingly urban, with almost 60 percent of the overall population now living in urban centres (Statistics Canada, 2008b, 8).

The following statistical description of ‘First Nations’ is primarily concerned with the population that live on reserve and the data mainly comes from Canada’s statistical agency reporting data from recent census reports and tables. Its inclusion in this thesis is mainly to provide evidence of the difference between Indigenous circumstances in Canada in relation to the general population on several indicators often used to measure socio-economic well-being (O’Sullivan and McHardy, 2004).

There are 615 bands in Canada with 198 in British Columbia, 46 in Alberta, 70 in Saskatchewan, 63 in Manitoba, 139 in Ontario, 39 in Quebec, 15 in New Brunswick, 13 in Nova Scotia, 2 in Prince Edward Island, 3 in Newfoundland, 26 in the Northwest Territories and 18 in the Yukon Territory (INAC, 2009). These reserves cover approximately 7.5 million acres with an average land base of 10 square kilometres (Fiss, 2004, 3). There are no reserves in Nunavut. It would seem logical that a large portion of the First Nations population would be concentrated in British Columbia – given the high number of reserves in that province. However, that is not the case. Of the 698,025 persons that reported being of First Nations ancestry (North American Indian) in the 2006 census, 81 percent are registered Status Indians according the Indian Act and 60 percent of these live off reserve (up from 58 percent in 2001). While it is true that Ontario and the four western provinces accounted for 577,300 First Nations, 83 percent of the total – only 19 percent of them lived in British Columbia (Stats Can, 2008, 40). Frideres and Gadacz (2005) recently reported that the average population within Canadian bands is approximately 500 persons, see Figure 2.3.2 (62).
Figure 2.3.2 - Bands in Canada by population size
(Source; Frideres and Gadacz, 2005, 62)

Labour force participation and income
O’Sullivan and McHardy used three variables to measure labour force and income. The measures they used for the former were participation rate and the employment rate, and to measure income the authors used ‘per capita income’ (3). The below discussion reports all of these measures except the per capita income – that measure is reported simply as the median income.

The employment rate for the on-reserve population was more than 20 percent lower than the rest of Canada in 2006. The on reserve population had an employment rate of 39 percent in 2006 while the overall Aboriginal population’s employment rate was 53.7 percent and Canada’s was 62.4 percent (Statistics Canada, 2008a). The Status Indian population had a lower employment rate regardless of where they lived, either on or off reserve. For example, the Status Indian off reserve population had an employment rate of 64 percent while Non-Status First Nations had an employment rate of 71.4 percent (Statistics Canada, 2008a) Furthermore, as identified in Table 2.3.3 and stated above, the employment rate was even lower for the on-reserve population. The unemployment rate was significantly higher for the on-reserve Indigenous population with a rate almost four times higher than the general population and 10 percent higher than the overall Aboriginal population, see Table 2.3.3). One can infer from those figures that Aboriginal people are twice as likely to be
unemployed than non-Aboriginals and on reserve populations almost four times as likely.

<table>
<thead>
<tr>
<th>Table 2.3.3 – 2006 Employment and income data</th>
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<tr>
<td></td>
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<tr>
<td>On reserve</td>
</tr>
<tr>
<td>Unemployment rate *</td>
</tr>
<tr>
<td>Employment rate *</td>
</tr>
<tr>
<td>Participation rate *</td>
</tr>
<tr>
<td>Median Earnings ($)**</td>
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</table>


There was also significant discrepancy in the median earnings of the three categories reported in Table 2.3.3. The on reserve population had median earnings almost $10,000 less than the overall Aboriginal population and more than $13,000 less than the general population. Participation rates were almost identical in the scope of difference as median earnings. One form of income is social assistance or welfare. The difference in welfare dependency rates between on reserve populations and other Canadians is also very alarming.

The incidence of welfare and social assistance for on-reserve populations has been considerably higher than non-Aboriginal and other Aboriginal groups for some time. For example, Calvin Helin, reporting data taken from the Royal Commission of Aboriginal Peoples, showed that the on-reserve population had a 41.5 percent reliance on welfare as opposed to 23.5 percent for Métis, 22.1 percent for off-reserve First Nations, and 8.1 percent for the general population (Helin, 2006, 112). This translates into an on-reserve population reliance on welfare that was five times higher than the general population! Another study that evaluated INAC’s Income Support Program (social assistance) reported that in 2005-06 the average on-reserve dependency rates was 36 percent compared to the national average of 5.5 percent (INAC, 2007b, 11). The
dependency rates did decline by approximately 5 percent for on-reserve populations in the ten years between 1996 and 2006 but was still much higher than the national average.

**Education**

The 2006 Census reported an estimated 555,400 adults aged 25 to 64 identified as an Aboriginal person. One in three (34 percent) Aboriginal persons had not completed high school and 21 percent had a high school diploma as their highest educational qualification (Statistics Canada, 2008b). The First Nations population reported similar educational attainments, 38 percent had not completed high school, and 20 percent had a high school diploma as their highest educational qualification. However, the on reserve population reported significantly lower education attainments than the off reserve ‘Status Indians.’ The 2006 Census reported that 50 percent of on reserve populations between the ages 25 to 64 had not completed high school. Another important statistic regarding education attainment was completion of post-secondary studies. In 2006, 20 percent of off reserve Indigenous people had a college diploma, compared to 14 percent of the on reserve population. Furthermore, an estimated 9 percent of the off reserve population reported they had a university degree while only 4 percent of their on reserve counterparts reported they had a degree (Statistics Canada, 2008b, 19).

**Housing**

Housing is a critical component of overall family well-being (Bratt, 2002, 14). Armstrong (1999) utilized similar indictors as O’Sullivan and McHardy in his study of the geographical patterns of socio-economic well being of First Nations communities, employment ratio, income, education and housing. He utilised average number of persons per room as a variable to measure well-being, the smaller the number the higher the well being (2). That indicator is certainly pertinent to the discussion of Indigenous on reserve populations. O’Sullivan and McHardy utilised a similar measure but also included a quality measure measured by the proportion of the population living in homes in need of major repair (2004, 2). Those variables are included in the following brief overview of the 2006 Census housing data.
The 2006 Census reported that First Nations people were more than five times more likely to live in a crowded home, with crowding defined as more than one person per room (Stats Canada, 2008b, 45). Only 3 percent of the general population reported living in crowded conditions while 15 percent of all First Nations reported living with more than one person per room, more than five times more than the general population! Moreover, overcrowding was especially prevalent on reserve. Slightly more than one quarter (26 percent) of the on reserve populations lived in crowded conditions. There was also a considerably higher percentage of people that reported living in homes in need of major repair in the on reserve population. In fact, 44 percent of the on reserve population lived in homes that needed major repair compared to just 7 percent of the general population and 28 percent of the overall Aboriginal population (Stats Canada, 2008b, 46). The on reserve housing situation got worse between the 10 year period 1996 and 2006. In 1996 only 36 percent of the on reserve population reported living in homes that required major repairs, 8 percent less than the 2006 figures.

The preceding descriptive analysis of the Indigenous band provided a glimpse into the difference in living conditions, and ‘well-being’ using four socio-economic indicators. While very brief, the above census data when combined with the information in Section 2.2.1, that described the origins of the reserve system, and several key factors in the band, for example treaties, land claims, and the Indian Act, now allows the reader to formulate a detailed, evidence-based picture of how Indigenous Canadians live within the contemporary reserve. That ‘picture’ can now be used to complement the stark narratives with which the chapter began.

The contemporary reserve emerges as a place of paternalistic government intervention, a place of broken treaties and unrecognized claims. The people live within repressive systems of governance and are ‘led’ by leaders from within their own community, who often may not have the requisite level of schooling, leadership skills, training or aptitude for any of the tasks their position actually requires. Would-be entrepreneurs often cannot access information
needed to start a business, almost no business licensing regimes exist, and they cannot leverage their property for start-up capital as most other mainstream entrepreneurs can. The people within the Indigenous band experience socio-economic circumstances very different than the general population of Canada as well as other Aboriginal groups.

The above outlines the contemporary manifestation of the Canadian Indigenous band. The 'picture' that is described by the information and statistical data in the preceding reports measures of central tendency for data that is normally distributed. Naturally, there is no such entity, in reality, as an 'average' band. However, it is beyond dispute that the vast majority of on-reserve, First Nations peoples, organised in the bands mandated by the Indian Act live in circumstances that mainstream Canadians would not accept and are not obliged to endure. I move now to broaden the discussion of Indigenous disadvantage.

2.4 The wider context of Indigenous underdevelopment

2.4.1 Globally

Aboriginal people make up one quarter of the NT population and suffer excessively from premature death and preventable illnesses and injury. The Aboriginal mortality rates are three to four times higher than non-Aboriginal rates in the Territory. The direct causative factors include poor nutrition, poor environmental conditions, smoking and alcohol misuse… (Trudgen, 2000, 61).

The above statement comes from a book titled, ‘Why warriors lie down and die.’ The author is a non-Indigenous man that lived with the Indigenous people of Arnhem Land in northern Australia for many years. The author presents a damning account of how the ‘paternalistic dominant culture’ brought suffering to many disempowered traditional Indigenous communities (Trudgen, 2000, 240). Trudgeon described the transition of Aboriginal communities in Arnhem Land from people who were a ‘proud, strong and healthy’ who ‘found death’ typically in old age to communities where receiving welfare was the central economic
activity, people were hopeless and dying very young, where destructive social behaviour, neglect of responsibility, drug abuse, violence, self-abuse, homicide, incest and suicide had become prevalent (7). Also on the Australian continent, Foley described the Aboriginal and Torres Strait Islander people as the most ‘socially, economically and culturally disadvantaged group in Australian society.’ They are generally under-educated, exist on the fringes of society and in poverty (2000, 1). The circumstances of Indigenous Australians are not isolated to that country – Indigenous underdevelopment is a global phenomenon. Indigenous populations in many parts of the world in which the majority population is non-Indigenous experience socio-economic disadvantage (Robertson et al., 2005; Cornell, 2006; Hindle and Lansdowne, 2005). The following section presents a concise portrait of Indigenous underdevelopment in South America and the United States as a means of further illustrating this point.

Peredo described today’s Indigenous Quechua of the Peruvian Andes as desperate people suffering from poverty and ‘blatant discrimination’ (2003, 156). Indigenous populations in the Andes are suffering from decades of ‘macroeconomic shocks’ that effectively have left them with very few choices. Their limited range of options include choices between staying in their traditional homelands and attempting to eke out a subsistence-level existence or migrating to ‘the endless shantytowns’ that surround many cities and towns, where crime is ‘rife’ and unemployment staggering (156). Mariqueo (2004) provided an historical account of Peru’s ‘pacification campaigns’ that occurred in the late 1800’s against the Mapuche people. The campaigns resulted in the loss of approximately five million hectares of land and the forceful resettlement of the Mapuche to reserves (205). Today, the approximately 1.5 million Mapuche are also migrating to the urban areas. In fact, there is almost half a million Mapuche living in the ‘poor peripheries’ of Santiago where many work as servants (206). These brief accounts serve to demonstrate Indigenous disadvantage in South America, that disadvantage could also be found in the Indigenous population of the United States as is illustrated next.
Stephen Cornell and Joseph Kalt founded the Harvard Project on American Indian Economic Development (Harvard Project) in 1987. In collaboration with the Native Nations Institute for Leadership, Management and Policy at the University of Arizona the Harvard Project has engaged in several hundred research and advisory projects in American Indian communities (Harvard Project, 2008a). Two brief accounts of the deplorable circumstances in American Indian reservations are described in a recent Harvard Project paper. The Crow Indian Tribe in south-central Montana experiences a variety of debilitating social pathologies like alcoholism, crime and ill health care. The community also has very high unemployment with 60 percent of its population reporting they were unemployed for the 15 weeks previous to the 1990 census. The situation is similar in the Pine Ridge Sioux Reservation in South Dakota. That community has an on-reserve population of approximately 20,000 people with approximately 47 percent of the population on welfare. Furthermore, 73 percent of the population is unemployed (Cornell and Kalt, 2000, 444). Moreover, in a recently published book by the Harvard Project, ‘The State of Native Nations; conditions under U.S. policies of self-determination’, the authors describe the contemporary situation of Indigenous Americans as;

*By and large, when compared with the average American, Indians not only suffer from lower incomes but they hold far less personal wealth (as indicated by homeownership and home quality)...At the end of the 1990’s, Indians in the service areas of the Indian Health Service were almost five times more likely to die from chronic liver disease and cirrhosis than the average American. The death rate from preventable diabetes is almost four times greater for Indians than for the U.S. population as a whole...Indians on reservations are approximately twice as likely as the general population to be on public assistance (Harvard Project, 2008b, 9).*

Some theorists have argued that the plight of Indigenous populations, as illustrated by the Harvard Project above, was largely due to their struggle to hold on to their traditional beliefs and values, (O’Neill, 2004, 5; Tucker, 1999, 8). O’Neill disagreed with that assertion by quoting Joseph Jorgenson, an anthropologist,
'the conditions of the “backward” modern American Indians are not due to rural isolation nor [to] a tenacious hold on Aboriginal ways, but result from the way in which United States urban centers of finance, political influence, and power have grown in expense of rural areas’ (O’Neill, 2004, 6).

In much the same tone, Tucker described the global Indigenous condition as, ‘unwilling conscripts of civilization…[they] are in a particularly precarious situation. They exist at the periphery of the periphery. They have been consigned to the margins not only of society but also of social science and the development discourse’ (2001, 19). These very brief accounts provide an indication of the under development of Indigenous people. The referenced works noted above each discuss the plight of Indigenous people in several different continents. Indigenous people in South America, Australia and the United States live primarily outside of mainstream society. As O’Neill pointed out the American Indian situation has evolved not as a result of the actions of the federal government but in spite of them (2006, 15). The next section offers an account of Canada’s Indigenous population.

2.4.2 Indigenous underdevelopment in Canada

“Years ago our people were self-reliant. We made our living by trapping and from whatever nature was able to provide for us. Our life was hard. It was not an easy life… But we lived like men. Then the government came and offered welfare to our people…When they offered us welfare, it was if they had cut our throats. Only a man who was crazy would go out to work or trap and face the hardships of making a living when all he had to do was sit at home and receive the food, and all he needed to live. It seemed as if the government had laid a trap for us, for they knew that once we accepted welfare they would have us where they wanted…I think this is where the government made its mistake…We do not want welfare assistance from the government. I would rather see the government put its money where it would help us most…Instead of sending us welfare, why does the government not send us the money to develop the resources that we have here so that people can make their
living from these reserves? Maybe I am wrong, because these are only my thoughts. But one thing I do know, we will never get anywhere, the way the government is working” (Cardinal 1969: 63).

The quotation comes from a highly regarded book, 'Unjust Society' written in 1969 by Harold Cardinal. It succinctly captures the essence of Canadian government policy regarding ‘Indians’. It is a manifestation of the culture of dependence (Boldt, 1993, 261). It provides insight into the mind of an Indigenous man’s feeling of powerlessness and dependency. He poses the question ‘why does the government not send us the money to develop the resources’ with great conviction and sincerity – but to him the answer to solving the dependency on government transfers is not within his community or himself – to him the remedy must come from the place that lead to their dependence in the first place! Calvin Helin, a First Nations’ lawyer from British Columbia, offered his views on how to address the dependency culture of the on-reserve Indigenous population in his book, ‘Dances with Dependency; Indigenous success through self-reliance’. He described first hand experiences growing up on a reserve and witnessing the ‘nouveau culture based on welfare dependency and government transfer payments’ (Helin, 2006, 25). He asked the reader to imagine a situation where people have been socialized into thinking that tragically high suicide rates, gross unemployment figures, persistent abuse – verbal and physical – are normal (25). That is his perception of the current situation in Canadian bands. Frideres argued the social pathologies described by Helin are not the causes of the underdevelopment of Indigenous communities. Rather, the underdevelopment is the cause of the poverty, ill health, and dependent culture (Frideres, 1984, 52). The policy of the Canadian government after the signing of the treaties in the late 1800s was to segregate ‘Indians’ geographically (through the reserve system), socially (by prejudice and discrimination), politically (through the introduction of a colonial system of governance and administration), and legally (through the Constitution and the Indian Act) (Boldt, 1993, 171). The effect of this forced isolation – and the cutting off of the ‘Indians’ ability to live a traditional form of subsistence – was an involuntary move from a state of economic self-sufficiency to one of
dependence upon government social assistance (Boldt, 172). The following discussion offers a brief account of how the underdevelopment of Canadian bands evolved. The use of one particular hydro project is used to convey essence of the ‘construction of dependency’ as the title of the paper written by Martin Loney implies.

The case of the Grand Rapids Hydro Project provides a telling account of how the federal government of Canada and the Manitoba provincial government of the late 1950s and the early 1960s could disregard the welfare of Indigenous people in the name of progress. The Grand Rapids Hydro Project was initiated by the Province of Manitoba in the late 1950s. It involved the flooding of 856 square miles of delta in order to create a lower cost source of electric power (Loney, 1987, 58).

There were six Indigenous communities directly affected by the hydro project. Two Cree bands were deeply affected (Kulchyski et al., 2006). The Chemawawin and Moose Lake each had significant land holdings that were flooded by the development. In fact, both communities lost access to traditional lands that for generations provided a significant local renewable resource economy through access to fishing, trapping and hunting (Loney, 1987, 58).

While the federal and provincial governments did negotiate with the bands the discussions were hardly fair. The federal and provincial negotiators dealt with band members of the three communities who mainly spoke Cree, had very little or no contact with the outside world and had no ability to conceive the impact and scope of a project such as the one proposed (Loney, 64). As well there was no external assistance provided to the bands to assist in negotiations. The development of the hydro project and the concurrent ‘breach of trust’ between the federal and provincial governments and the Indigenous communities resulted in economic and social devastation. These Indigenous communities were forcefully moved from a traditional existence with no alcoholism, no crime, good health and self-sufficiency to one of dependence on welfare, and a host of social pathologies that still exist today (Loney, 67) see Table 2 for a sample of statistics that indicate the disparity between the affected communities and the overall Manitoba populace.
Table 2.4.2 - 2006 Indices of Hydro Project Communities

<table>
<thead>
<tr>
<th>Community</th>
<th>Population</th>
<th>Population density per square kilometre</th>
<th>Median income persons 15 yrs and older</th>
<th>Government transfer - % of income</th>
<th>% population of no certificate, diploma or degree (15 years and over)</th>
<th>Unemployment rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemawawinin</td>
<td>983</td>
<td>366.5</td>
<td>$15,392</td>
<td>30.6%</td>
<td>79.4%</td>
<td>43.8%</td>
</tr>
<tr>
<td>Moose Lake *</td>
<td>698</td>
<td>462.2</td>
<td>$10,976</td>
<td>34.3%</td>
<td>74.1%</td>
<td>28.1%</td>
</tr>
<tr>
<td>Manitoba</td>
<td>1,148,401</td>
<td>2.1</td>
<td>$24,194</td>
<td>12.5%</td>
<td>29.47%</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

* now called the Mosakahiken Cree Nation

The relocation of the Chemawawin First Nation from their traditional settlement to a ‘rocky outcrop’ on the shores of the newly expanded Cedar Lake created significant hardships. Reduced fishing opportunities caused by debris in the lake as a result of the hydro project was blamed for the loss of a traditional food staple and source of income (Loney, 58). A researcher who lived in Easterville, the new location of the band, said,

the overall impression one gets of the community is that it is a very depressing place to live. The dominant feature is of rock and gravel which permeates the entire community. There is no such thing as a lawn in Easterville’. Within the inhabited area of the community, trees are sparse and stunted (Loney, 67).

A count of the wildlife and fish stocks five years after the project revealed the tragic results of the hydro project on these resources. The moose count went from 291 to 22, deer from 57 to nil, ducks from over 6,500 to 207, and an approximately 30,000 decrease in fish stocks (Loney, 68). Then, in 1973 the lake was closed for fishing because of mercury contamination (Loney, 71). Overall health declined, alcohol abuse was widespread, crime and vandalism, almost unknown pre-1960 was rife (Loney, 70), gasoline and glue sniffing among children had become widespread (Loney, 71), and welfare dependency was endemic (Loney, 74).
Government officials were aware of the likely damage to these renewable resources and the negative impacts on Indigenous communities. For example in a November 1960 memo, an Indian Affairs official responsible for the federal government side of the proposed hydro project wrote:

> Although a great deal of thought and effort has gone towards the selection of a new site for the Bands concerned, the record does not indicate how or where these people are going to earn their living when their reserves have been flooded... It is very doubtful if the wildlife resources will provide anything like the livelihood which has been available in the past (Memo, November 1, 1960 in Loney, 64).

One could question the use of the Manitoba Grand Rapids project as being representative of the treatment of all bands in Canada simply because it is related to a hydro development project with unique circumstances. However, it is not the specific details of the case that are applicable to other Indigenous communities but the ideology and philosophy of development without care to the human cost that is the issue. The creation of a dependency culture was a product of that ideology. Is there any other reasonable outcome but dependency when a community of more than 900 people is transplanted from a 5,000 plus acre homeland to a 30 acre rocky outcrop with no more access to fish, ducks, moose and deer? (Loney, 62).

The dependency culture has been extensively discussed not only in literature (Boldt, 1993; Helin, 2006; RCAP, 1996; Trudgeon, 2000) but also in federal government commission reports and inquests. For example, the 1967 Hawthorn Report (commissioned by the federal government), the 1978 Beaver Report (commissioned by the federal Department of Indian and Northern Affairs), and the 1996 Royal Commission on Aboriginal Peoples (commissioned by the federal government). Welfare dependency was almost a foregone conclusion given the manner in which government officials performed their job in implementing policy. What is more, government officials were well aware of the
problems associated with welfare – as is discussed in the 1966 Hawthorne Report, the 1978 Beaver Report and the 1996 Royal Commission on Aboriginal Peoples (see reference section for citation information for each report). Helin describes the effects of a dependency culture as ‘inherent barriers’ to development. The dependency on welfare by individuals and federal transfers to bands has been socialized over generations into the collective psyche of Indigenous people (2006, 191). This dependency creates inherent barriers to development by offering a level of income that freezes people from charting into unknown waters (employment, a better material living, and better alternatives of getting ahead) because of fear and apathy:

And by creating a political system in Indigenous communities that’s raison d’être is the receipt, management and distribution of transfer payments ‘which are actually another form of welfare’ (Helin, 2006, 192).

Indigenous communities are not sitting idly as the following brief discussion of the ‘efforts to end dependency’ demonstrates.

2.4.3 Efforts to end dependency
The above discussion of the Indigenous community, Indigenous governments, and dependency is stark. To leave the description as it is above without qualifying the Indigenous situation with a sketch of the positive aspects of Indigenous life is to present an inaccurate picture. Indigenous people have faced considerable adversity – as is discussed in the previous two chapters. However, in the midst of that adversity, and as they engage in development plans today, they have maintained strong ties to their culture, traditions, and communities (Atlantic Canada Opportunities Agency, 2003, 7; Loizides and Wutunnee, 2005, 2; Redpath and Neilson; 1997, 337). As well, Indigenous people have maintained a significant degree of cohesion – while living amidst considerable turmoil (Peredo, et al., 2004, 3). Despite the numerous attempts to assimilate Indigenous Canadians there is continued recognition of Indigenous people and their unique culture, attachment to traditional territories, languages and rights to self-governance. Their resilience and knowledge base allowed
Indigenous people to exist for thousands of years in ‘particular environments’ (McGregor, 2004, 390).

In response to the dire circumstances described above Indigenous people are today creating administrative structures, negotiating the settlement of outstanding Treaty and ‘Aboriginal’ rights claims, and developing financial and education institutions (Anderson, 1999, 2). As well, Indigenous people are engaging in economic development and entrepreneurship at increasing rates while maintaining those strong ties to culture and traditional beliefs (Anderson, Hindle, Kayseas, Giberson, 2005).

As is illustrated in previous sections, Indigenous Canadians live well below the economic, educational, health, and social standards that the majority of Canadians enjoy (Vodden et al., 2001, 2). They are faced with ‘unparalleled problems of unemployment, poorer health experiences,’ intense challenges to adjustments of urban life, and the ‘reformulation of Indigenous governance structures’ (Ketilson and MacPherson, 2001, 2). The adjustments and reformulations occurring within Indigenous communities provide the impetus for this research and define its practical motive.

2.4.4 The collective community is not the only entrepreneurial protagonist

A major, salient feature of band-based entrepreneurship must be stated starkly. The private sector within Indigenous bands is not as visible as it is outside of the reserve system.

The following now introduces several cases of entrepreneurship in Indigenous communities. While this topic was briefly discussed in section 1.1 the narrative now expands to introduce two areas of importance – to be discussed concurrently in this section. The first relates to opportunity, the second to the land and financial resources being transferred to Indigenous communities through the settlement of different types of legal claims. Indigenous people all over the world are regaining control over valuable land and its resources (Anderson, Hindle, Kayseas, Giberson, 2005). For example in Canada
Indigenous people currently own over 600,000 square kilometres of land – an area twice the size of England (Helin, 2006, 184). Furthermore, because of unresolved land claims some estimates project that in the future Indigenous Canadians will have control over an area equivalent to land mass of Europe (184)! In addition, land claims have provided Indigenous groups with considerable resources (see Section 2.2). There are also a growing number of Indigenous groups that are now exploiting the opportunities available to them in the form of new venture development (Anderson, 1999; Anderson, 2002; Anderson, Hindle, Kayseas, Giberson, 2005; Peredo et al., 2004; Slowey, 2005). However, of the more than 600 Indigenous ‘bands’ in Canada there are only a small number that have achieved enough success to be found in the literature and in the news. The majority of the 600 plus communities are still searching for the right approach. This research is not only concerned with developing a model and concepts to explain the phenomenon of Indigenous entrepreneurship it also is concerned with facilitating commerce in the communities where Indigenous people live (Hindle, 1997, 20; Low, 2001, 18).

The following narrative therefore provides a brief collection of Indigenous communities exploiting opportunity by engaging in entrepreneurship. It is meant to provide a deeper understanding of the magnitude of Indigenous entrepreneurial activity in Canada and the seemingly random approach to development many bands have taken.

A search was completed on ABI Inform using the keywords, ‘First Nations’ + ‘business.’ The keyword search was targeted at the citations and document text of all the databases on ABI Inform. The search returned over 6,000 hits in a very diverse range of topics. The following six stories from Canadian newspapers and periodicals are taken from the first 500 hits. Each story was then augmented with a refined search, for example, ‘Moose Cree First Nation’ + ‘mining’ was used to develop more information for the first story that follows. The stories are all focussed on the business activities of Indigenous communities as a collective. The conclusion to this section provides analysis concerning the seemingly invisibility of individual entrepreneurs in reserve communities. I have organized the small collection of cases into arbitrary categories, not to delineate any specific typology of activity, but simply as a
means of organization for ease of reading. With that in mind then, the first section is concerned with entrepreneurial activity in the resource sector, following that is a small set of mini-cases concerned with partnerships, strategic alliances, and joint ventures. Then, the section concludes with a discussion of several bands that have created or want to create new ventures in the gaming industry.

The exploitation of resources…

The Moose Cree First Nation is located on a small island on the Moose River 13 miles south of the southern tip of James Bay. The community is only accessible by train and boat. Moose Cree First Nation’s registered membership is 3,562 [those recognized as having ‘Indian’ status by Indian and Northern Affairs Canada] with 1,531 living on reserve. In June of 2007 the Band signed an Impact Benefit Agreement (IBA) with DeBeers Canada Inc. The multi-national diamond mining and retail company will open the Victor mine in the first quarter of 2008. The Victor Mine is expected to produce six million carats during its 12-year life span (Canada Newswire, Sept. 18, 2007). The IBA will provide the community with ‘commitments to education, training, business, compensation and other initiatives’ (Canada Newswire, 2007). According to the Moose Cree First Nation community website the Band has a two-pronged approach to economic development. The first involves the establishment of an economic development program that provides training and employment programs and seed capital for entrepreneurs. Secondly, there is the Moose Band Development Corporation. There is very little information available concerning the activities of the development corporation except that both ‘arms’ of the development strategy are primarily funded by INAC (Sutherland, 2007).

The use of partnerships, strategic alliances and joint ventures…

In 2001 the Kehewin, Frog Lake, Cold Lake and Heart Lake First Nations from northeast Alberta purchased an oil and gas-drilling rig for $5 million. The federal government made the purchase possible through a $1.1 million grant. The East Central Treaty 6 Project (ECAT 6) is an example of the ‘capacity building’ endeavours the member First Nations utilize to bring economic development to their communities. For example, of the 30 new jobs being created by ECAT 6
there are 18 earmarked for band members currently receiving welfare (Canada Newswire, Sept. 20, 2001). The project also epitomizes the partnership approach to development the member First Nations have taken. The approach ‘embraces’ community, government and industry partnerships to develop sustainable projects (Canada Newswire, Sept. 20, 2001). Indigenous communities in British Columbia are also using the joint venture as a method of entering into the formal economy. The following vignette is a good example of two communities partnering with a non-Indigenous corporation.

Two British Columbia First Nations located on Victoria Island, the Hupacasath and Ucluet bands, signed a partnership agreement with Polaris Minerals Corp. The agreement will see them become 30 percent owners of Alberni Aggregates Project. The company will ship six million tonnes of granite annually to markets in California. The venture requires each band to create a development corporation to act as shareholder of the newly formed company. Band members will act as directors on the board as well as being given preference for 80 direct year-round jobs (Vare, 2002). The First Nations Bank of Canada is another good example, on a slightly larger scale, of strategic alliances between Indigenous communities and the organizations they create.

In 1996 a partnership was established between the Federation of Saskatchewan Indian Nations, which represents the 74 bands in the province of Saskatchewan and the Toronto Dominion Bank (TD), one of the ‘Big Five’ chartered banks in Canada. The venture saw the creation of what was intended to be the first Canadian ‘Aboriginal-owned’ and controlled independent bank. The goal to independence came one step closer in the fall of 2007 with an investment of $14 million by Indigenous groups from Nunavut and the Northwest Territories (Lyons, 2007). The new ownership allows the First Nations Bank to buy back enough common shares from the TD to lower its ownership to nine percent. Various Aboriginal and First Nations investments groups own the remaining 91 percent of common shares. The bank owns assets of approximately $210 million with branch offices in Ontario, Manitoba, Quebec, and the Yukon (Lyons, 2007).
Many of the stories of the ventures discovered in the database search described above consisted of only one or two articles on each venture described above. That was not the case of the Osoyoos Indian Band. There were eight stories in the first 500 hits concerning the development efforts of this band that is located in the Okanagan Valley in southern British Columbia. The community injects approximately $40 million into the surrounding community and earns annual revenues of more than $13 million from its nine businesses. In fact it is the biggest employer in the southern Okanagan (MacDonald, 2007). Joint venturing and partnerships are a big part of the development model in the Osoyoos Indian Band. For example, the Nk'Mip Winery, is an award winning winery established through a partnership with Vincor International – Canada’s largest wine producer (Anderson, MacCaul, Kayseas, Hindle, 2006, 16). The Osoyoos Indian Band Development Corporation (OIBDC) also has a partnership with Bellstar Hotels and Resort. The OIBDC and Bellstar’s partnership allowed for the creation of the Spirit Ridge Vineyard Resort and Spa – a four star property on reserve land (Mazurkewich, 2007). There is also a partnership in the development of the Mount Baldy ski hill (Macdonald, 2007). The winery and resort and spa are all part a larger $25 million dollar development plan referred to as the Nk'Mip Project. There is also an all season, 80 hook-up RV park, a golf course, and desert interpretive and heritage centre. Chief Louie envisions expansion beyond their current western Canada market for Nk'Mip wines. ‘We’re trying to be the only native winery in the Americas…We’re trying to branch off into the casino tribes because lots of casino tribes have high-end restaurants and high-end events…there are hundreds of casinos in the states but we only want to be in the high-end ones’ (Black, 2004, T8). Those casino operations are providing significant economic benefits to some Indigenous communities as is evidenced in the following paragraphs.

The creation of gaming establishments…

The Tsuu T’ina First Nation adjacent to Calgary’s southwest boundary will open the Eaglestone Casino in August of 2007. The $40 million venture will have 600 slot machines along with 50 table games (Ohler, 2007). The band government has a budget of $60 million with 85 percent of it earned by the 20 on-reserve
businesses. The band owns two golf courses – one of which was scheduled to host a Professional Golfers Association (PGA) tournament in 2007. It also the land adjacent to the golf course that houses an upscale housing development on reserve land. ‘We’re building a future’ is how Peter Manywounds, the economic development officer, characterized the economic development plan that may see the First Nation become a shopping, gambling, and entertainment ‘hub at the western gateway to the city’ (Wilton, 2004).

Individual entrepreneurs are not organized in a chamber of commerce or a board of trade (RCAP, 1996, 809). In the majority of bands there is not likely to be an industrial park or commercial centre where local entrepreneurs are located. There are likely to be no clear ‘rules of the game’ between the private sector and band governments (RCAP, 809). A study of the economies of four Shuswap communities in British Columbia found that approximately 90 percent of the funding that the band governments received through their own business activities or from federal transfers ‘leaked’ back outside the reserve to institutions and businesses (RCAP, 813). The reason for such high leakage is simply that there are not enough businesses within the communities to fully absorb band expenditures and employee spending on recreation, consumption and subsistence goods. Most bands are small. Possessed of very small populations, reserve economies can only support those businesses that can operate on a small scale, like a corner store, a gas bar, a hairdresser or auto mechanic shop (RCAP, 813).

Another study prepared for Industry Canada by Caldwell and Hunt (1998) utilised two sets of data to deepen the understanding of privately owned ‘Aboriginal’ businesses and their prospects for growth (1). The authors found that Indigenous people are less likely to own firms than other Canadians (1998, 13). The authors use information taken from the 1991 Aboriginal Business Survey conducted by Statistics Canada. That study reported that Indigenous entrepreneurs 15 years and older who owned a business accounted for 4.8 percent of the Indigenous population while the comparable figure was 6.6 percent for non-Indigenous entrepreneurs in Canada’s non-Indigenous population (Caldwell and Hunt, 13). Those figures changed somewhat in the
years between that Aboriginal Business Survey and 2003, when the Aboriginal Entrepreneurs Survey was released by Statistics Canada. In that period there were 27,195 Aboriginal ‘self-employed’ of whom approximately 14 percent were on-reserve entrepreneurs (3,920), and of the remaining 86 percent half were Métis, more than one third were female and 61 percent resided in urban areas (Statistics Canada, 2004, 2). The number of Indigenous on reserve entrepreneurs only amounted to 1.3 percent of the overall on reserve population of 286,159 in 2001 (Statistics Canada, 2001, 12). Furthermore, the on reserve entrepreneurs were more likely ‘be home-based, seasonal or part-time, unincorporated, located in rural settings, more reliant on local community markets, and much more likely to exclusively have Aboriginal clients’ (Statistics Canada, 2001, 47).

**Investigating individual entrepreneurship in Indigenous contexts**

Can we delve deeper into the analysis of individual Indigenous entrepreneurs than the information provided in the brief statistical data presented above?

Empirical research on Indigenous entrepreneurs would help elucidate the topic. However, a problem arises. The lack of available empirical research studies is a daunting issue. For example, in the performance of a literature review for their study of the barriers faced by Aboriginal, youth, women and minorities in accessing capital Heidrik and Nicol (2002) found there were very few empirical studies of Indigenous entrepreneurs (21). Cachon (2000) also pointed out a gap in literature on ‘Aboriginal’ entrepreneurs (3). However, Cachon did provide some insight that can help to understand the Indigenous entrepreneurs apparent invisibility, both in the media and in empirical research.

Cachon examined ‘Aboriginal entrepreneurship’ on four reserves in northern Ontario. He interviewed 22 entrepreneurs located on four reserves. His findings support the Caldwell and Hunt study in that 88.9 percent of the businesses were unincorporated, small, with very few employees (Cachon, 2000, 6). The problems associated with business ownership identified by Cachon’s respondents included; isolated from information channels, availability and conditions of entrepreneurship ‘programmes,’ almost no networking, small
markets, higher costs, thus higher prices, limited access to land (Cachon, 8). An important point made by one respondent was that there are no role models in older generations that would allow them to ‘benefit from the entrepreneurial spirit’ (Cachon, 9). In another study by Breher, Gagnon, Roberge, (1990) of Indigenous entrepreneurs in Quebec the authors examined the motives of the entrepreneur, the type of organization they created, and the ‘arrangements and compromises’ required for successful ventures (2). The authors interviewed 43 ‘native entrepreneurs’ in three communities from which a typology of enterprises was created. The two most common types of enterprises were family run with 17 in that category, then community owned, 11, SME’s, 8, with the remaining 7 being blended Family-SME, 6 and SME-Community, 1 (Breher, et al., 168). The enterprises were small, 14 were in the handicrafts sector, and almost half in the retail and services sector included taxi services, outfitting and guiding, small grocery stores, plumber, garages, electricians (Breher, et al., 103).

Therefore, given the above discussion one can surmise why individual entrepreneurs within Canadian Indigenous reserves are so difficult to find in the literature and media. It is a ‘numbers issue’ more than anything else. There are simply very few on reserve entrepreneurs in relation to the overall reserve population. Moreover, within that small number of entrepreneurs many are home-based, with very few employees, and primarily serve local markets. The low number of on reserve entrepreneurs may also be evidence of the difficulties of on-reserve new venture creation. Section 89 of the Indian Act prohibits reserve land from being mortgaged or pledged in any manner thus entrepreneurs cannot leverage their on-reserve assets for start-up financing (Caldwell and Hunt, 1998, 36). Other factors include; lack of required management and business skills, limited sector specific knowledge and information, the rural location of many reserves, and other legal and structural obstacles (Parkinson, 1988, 28). In addition, after years of suppression under the passive welfare system, entrepreneurs represent a new phenomenon in many Indigenous communities. They have often no role models or older generation entrepreneurs to facilitate the generation of the entrepreneurial spirit (Cachon, 2000, 9).
The above discussion concerning the on reserve individual entrepreneur supports the notion that this group faces considerable challenges. Many Indigenous community governments are also synonymous with 'community entrepreneurs' operating on reserve and individual entrepreneurs are very low in number and are typically owners of very small operations. However the research articulated in this thesis is not so much concerned with the entrepreneurial protagonist, the actors doing the process, whether that be the band government, an individual or an organization. My research is focused on the entrepreneurial process (Gartner, 1985; Hindle, 2010, 2009a; Steyaert, 2007) and the context (environment, milieu, community) those actors must operate within. The fact that the entrepreneur is a group, an Indigenous government, or an individual is an important factor but subsidiary to what factors within the community affect the entrepreneurial process they engage.

Chapter summary
This chapter has provided the contextual foundation for readers to understand the current circumstances of Canada’s Indigenous, on-reserve populations. Also included in previous discourse was a summation of the historical events that led to the current economic situation experienced by Indigenous people within Indigenous ‘band’ communities. The chapter concluded with a brief overview of several related topics concerned with the development, and under-development, of contemporary Indigenous communities, as well as their efforts to address current economic circumstances. The thesis now moves from the practical, contextual domain to the theoretical realm with topics that include; a collection of theoretical perspectives concerned with explaining the development and/or research of Indigenous populations; entrepreneurship as constructed by theorists in the field; and the specific sub-discipline of Indigenous entrepreneurship.
3. Underdevelopment and Indigenous entrepreneurship in wider perspectives

Chapter Abstract

This chapter provides a broader look at Indigenous issues than the previous chapter. The conceptual framework from which to view the Indigenous community and the entrepreneurial process within it is provided in the course of the four parts of this chapter.

The first section of the chapter provides the conceptual domain and foundational support of this research with analysis of several theoretical perspectives that have been applied to Indigenous populations.

Then, the second section provides discussion of current debates concerning entrepreneurship and entrepreneurship research, and definitional issues concerning the entrepreneurial process.

A final ‘theoretical’ section provides a review of the emergent field of Indigenous entrepreneurship. The chapter concludes with a synthesis of the issues contained in the previous chapter and in this one as a means of extracting salient ‘factors’ that are pertinent to the examination of the entrepreneurial process in Canadian Indigenous bands.
3.1 Wider perspectives: theories of underdevelopment and development

3.1.1 Overview of the section
The 1960’s heralded in a time when ‘subordinated’ groups, including Indigenous people, from all across the globe began to call for more attention to the contradiction between the standards of human rights proclaimed by nation states and international standards and the actual way in which those were ‘imposed on or ignored’ (Blaser, Feit, McRae, 2004, 4). Indigenous peoples, as well as academics and practitioners in the field challenged the conventional view of development, with its emphasis on economic elements and ‘modernization’ (Young, 1995, 5). For example, the 1966 seminal work by Andre Gunder Frank outlined two important development issues that offer a glimpse to the changing ‘development and underdevelopment’ discourse. The first relates to the recognition that many of the theoretical categories and guides to development policy of the day were distilled exclusively from the historical experience of the European and North American advanced capitalist nations with very little attention paid to the colonial and underdeveloped lands (Frank, 1966). Second, Frank argued that underdevelopment of a country should be understood as the product or reflection of its own economic, political, social, and cultural characteristics or structure and not as a stage of development that current developed countries once experienced (Frank, 1966). The shifting from the belief that development is natural and/or preordained to the acknowledgement of its human, shared belief nature did not yield immediate answers to the inequality puzzle. Rather it raised more questions. For example, is civilization as we know it compulsory? Which values must be preserved and which abandoned in order have a higher quality of life (Tucker, 1999, 3)?

The previous chapter provided the groundwork for this chapter by providing a contextual foundation from which to better understand the contemporary Canadian Indigenous community. The discussion now moves to several theoretical perspectives posited to explain and/or predict the development of Indigenous people more generally.
In this quest, Tucker's (1999) account of the evolution of ‘modernization’ is particularly relevant to this discussion because of its profound link to early development efforts forced upon Indigenous peoples (Tucker, 5). Anderson’s (2003) critique of modernization and dependency perspectives is also an important topic because of its offering of the notion of ‘regulation theory’ as an ‘emerging Aboriginal approach to development’ (Anderson, 147). Anderson suggests regulation theory as an appropriate approach because of its emphasis on contingency and human agency (148). Manuel and Poslun’s (1974) Fourth World Theory articulated a path for Indigenous people that would lead not to assimilation within the nation states they existed in but to a reality where the values, strengths, beliefs – the way of understanding the world – would be inherited by future generations of Indigenous people. Peredo and Chrisman (2006) suggested a ‘community-based enterprise’ model for sustainable local development of poor populations. The authors offered their model as being necessary because traditional concepts of entrepreneurship and economic development do not ‘capture the essential’ elements of venturing in depressed regions, for example in Indigenous communities (Peredo and Chrisman, 2006, 310). Lastly, traditional economic perspectives have made significant contributions to the understanding of entrepreneurship; in fact many of the seminal works on the topic have arisen from economics discipline (Say, Schumpeter, etc.). The collection of theoretical perspectives is not offered as a definitive collection of development perspectives related to Indigenous people. Nor is it an historical account of how development discourse concerning Indigenous people moved through and amidst its various stages. Rather, the collection of theoretical perspectives summarised below is fundamentally a search. This thesis requires in-depth analysis of how scholars have attempted to elucidate the entrepreneurship phenomenon in Indigenous communities – and in particular how their research was operationalized, the identification of critical variables within communities and/or individuals, and questions that were asked. Research requires a framework that conceptualizes the phenomenon under study (Ticehurst and Veal, 1999, 32). The framework should consist of four elements; identification of concepts, definition of concepts, exploration of relationships between concepts and operationalization of the concepts (how
they may be recognized and assessed) (Ticehurst and Veal, 32). Therefore the review of the theoretical perspectives encompasses the theories described below as well as much of the research identified in Section 3., which specifically focuses on Indigenous entrepreneurship research. The conclusion of this chapter is concerned with the articulation of a set of criteria for an appropriate theoretical / conceptual framework that can form the basis of this study.

3.1.2 Modernization theory

Development has often been described as a process that leads to modernisation (Young, 1995, 4). Many people who view the world from a deeply-ingrained and often unconsciously assimilated Western, first-world perspective regard the process of ‘development’ as a transformation of disadvantaged societies living standards and material wealth to socio-economic levels that are viewed to be acceptable to first-world standards of living (Young, 1995, 4). In the case of Indigenous people living in colonized countries it has been the dominant Anglo-Saxon society that has decided what level of living standards are acceptable and how minority groups should achieve those standards. The discussion that follows is concerned with the elucidation of an argument that articulates how one discourse of ‘development’, commonly referred to as ‘modernization,’ evolved into a ‘regime of truth’ with deep and long-lasting effects on the populations of many countries and regions (Ladson-Billings, 2000, 257). The basis of this argument posed below rests on the notion that individuals' underlying assumptions of culture, tradition, and modernity shapes the manner in which they pursue knowledge and impacts the eventual narrative derived from research pursuits (O’Neill, 2004).

The first part of this section begins with a discussion on modernization’s Enlightenment heritage within a framework of how thinkers and leaders employed the Enlightenment paradigm when dealing with underdeveloped populations. Then, the narrative moves to its (modernization’s) formally recognized beginning at the end of Word War II. The modern uses of the words ‘development’ and modernization’ were first coined by spokespersons for the West – the use of these terms reflected the belief in an ‘evolutionary scenario’
that advocated that the ‘more developed’ nations should aid those ‘left behind’ in the ‘race for progress’ (Tucker, 1999, 7). The conclusion offers a summary of ‘modernization’s’ impact on Indigenous people.

The ‘Doctrine of Assimilation’ was viewed as an enlightened social policy when its various legislative and policy frameworks were introduced in Canada in the early 1800’s. The Doctrine of Assimilation was based on several assumptions; Aboriginal people were inferior, they were unable to govern themselves, and they required the protection of colonial and Canadian authorities. One more assumption stated that European ideas about progress and development ‘were self-evidently correct and could be imposed on Aboriginal people without reference to any other values and opinions – let alone rights they may possess’ (Helin, 2006, 92). Western society was viewed as being modern and ‘therefore was not only desirable but also the ultimate cultural destination on the road to economic development’ (O’Neill, 2004, 5). It was within paradigmic frameworks such as this that early policy on ‘traditional’ societies were created.

Historically, many of the ‘remedies’ aimed at addressing the issues faced by Indigenous Canadians had foundations in early development ideologies. These ideologies allowed early settlers, and the governments who represented their interests, to justify ethnocentric and racist policies (RCAP, 1996, v.1, 139) Tucker succinctly summarize the historical development of modernity;

The idea of progress with its attendant notions of perfectibility and inevitability gained pre-eminence in the period of the French and English revolutions. Armed with the confidence of having history if not nature on their side, the new economic and political revolutionaries of Britain and France set out about changing the world and the way in which it was perceived…their worldview came to be intuitively self-evident and was believed to be universally valid…This was the period of the emergence of the modern economy, of the modern state, and of the concept of universal sovereignty…Like the earlier Europeans who saw their mission as Christianizing those parts of the world that they conquered, the new modern Europeans saw themselves as missionaries with a universalizing
mission. This mission was modernity...Rationality came to be measured by economic imperatives. The discourse of progress was forged in a context in which other societies were subjected to processes of economic and military domination and even genocide (Tucker, 1999, 5).

This concept of development came to be enshrined in policy both in Europe and abroad. Scholars and policy makers concluded that the ‘neoclassical modelling of economic behaviour that described the logic of incentive, disincentive, and growth in the advanced West could also describe the logic of economic backwardness and felicitous take-off in non-Western regions...’ The central thread that bridged these seemingly contradictory policies was that success and survival within the ‘capitalist economic system required cultural change’ (O’Neill, 2004, 5). For example, the General Act of the British Conference (1884-85) – with the ‘imperial nations’ in attendance – set guidelines for how Africa would be ‘carved up’ and pledged support for missionaries and institutions ‘calculated to educate the natives and to teach them to understand and appreciate the benefits of civilization’ (Tucker, 1999, 5). Then in 1919 the League of Nations, Article 22 of its Covenant, gave the ‘advanced’ nations responsibility for those ‘peoples not yet able to stand by themselves under the strenuous conditions of the modern world...as a sacred trust of civilization’ (Tucker, 5). Even before that, the British had passed legislation (1857) in Canada as a means of legally civilising ‘Indians’. The Act to Encourage the Gradual Civilization of the Indian Tribes of this Province (Upper Canada) provided the opportunity Indians to voluntary enfranchise – effectively give up their ‘Indian’ status and acquire the rights of ordinary citizens (RCAP, 1996, 145). Then, in the 1880’s the newly confederated Canadian government’s policy of dismantling ‘tribal’ or ‘communist’ systems of Indigenous life to more ‘individualist’ was in full force. In fact, in 1889 Hayter Reed, Indian Commissioner, boasted that under his administration, ‘the policy of destroying the tribal or communist system is assailed in every possible way, and every effort made to implant a spirit of individual responsibility instead’ (Carter, 1992, 264. The government policy that led to legislation, like the 1876 Indian Act formally acknowledged the intent to remove the cultural identity of Indigenous people and communities. The Indian
Act ‘grew out of’ the Province of Canada’s legislation referred to above. Several provisions contained in the 1857 Act to Encourage the Gradual Civilization of the Indian Tribes of this Province were incorporated into the Indian Act. The concept of enfranchisement, an integral component of the 1857 legislation, was a policy of the ‘civilization’ process adopted for the Indian Act. Enfranchisement, which allowed ‘Indians’ to free themselves from the protected status of being an Indian, remained virtually unchanged in the Indian Act until the mid-1980s (Notzke, 1994, 175; RCAP, 1996, 271).

The Enlightenment discourse of class and superiority that led to ethnocentric government policies were not limited to the political realm. Enlightenment science ‘allowed the dominant culture to define, distance, and objectify the other’ (Ladson-Billings, 2000, 259) because of its ability to control the production of knowledge (Tucker, 7, 1999). Enlightenment thought endured and became further enshrined in policy in other countries immediately after World War II.

The theoretical paradigm referred to as ‘modernization theory’ was a historical product of three events that took place after World War II:

1. The rise of the United States as a superpower;
2. The spread of a united world communist movement;
3. The disintegration of European colonial empires in Asia, Africa and Latin America. This gave birth to many new nation-states in the Third World (So, 1990, 17).

It was in this environment that new nation states began a search for models of development to ‘promote their economy and enhance their political independence’ So, 1990, 18). American political elites thus encouraged social scientists to study Third World nation-states as a means of promoting political stability and to avoid losing burgeoning nation-states to the new Soviet communist bloc (So, 18). Anthropologists, sociologists, psychologists, and economists ‘all contributed to the modernization project with unquestioning
optimism’ (So, 17). Again, Tucker succinctly captured the essence of the how Europe-centered development thinkers viewed the world;

While there was considerable diversity among the various theoretical positions deduced from these metatheoretical postulates, the underlying assumptions were so taken for granted that they escaped critical scrutiny. They were rooted in an evolutionary myth, a series of metatheoretical postulates, which reduced history to a series of formal stages honed from the particular experience of European societies and then elevated to the status of universals. This schema became a destiny and a norm by which other societies were judged and moulded (Tucker, 1999, 7).

Discourses of progress, development and modernization were therefore constructed on the basis of the false polarities of traditional and modern (Tucker, 1999, 8; O’Neill, 2006, 4-5; Roberts & Hite, 2000, 9) with little or no attention paid to the impact or importance of culture (Tucker, 1999, 11) or the different histories of nations (Roberts & Hite, 2000, 10).

Modernization theory could be thus summarised:

(1) as a process that involves the passage through various stages,
(2) as requiring traditional societies to move toward modernity. This transition involved shedding traditional culture and social structures because these were viewed as ‘barriers to progress’;
(3) as requiring monetary income and economic growth to be used as indicators of development;
(4) as viewing the motivations of ‘humans’ centrally focused on self-interest and rational economic behaviour (Anderson Honig, Peredo, 2006, 66).

Truncated works of several renowned postulates of modernization theory were included in a recently published edited book on the evolution of thought on development, ‘From Modernization to Globalization’ (Roberts and Hite, 2000).
Works by Talcott Parsons (*EvolutionaryUniversals in Society*, 1964), W.W. Rostow (*The Stages of Economic Growth; a non-communist manifesto*, 1960), Daniel Lerner (*The Passing of Traditional Society*, 1958), Alex Inkeles (*Making Men Modern; on the causes and consequences of individual change in Six Developing Counties*), and Samuel Hunniton (*The Change to Change; Modernization, Development, and Politics*, 1971) all ‘set up dichotomies’ that perceived development as progressing from point A to point B along a single trajectory. They all viewed development as a process: ‘a social, psychological, economic, cultural, political, and even biological sequence of changes’ (Roberts and Hite, 9). As referenced above – modernization theorists were viewed as being ‘ahistorical’. They failed to recognize or make distinctions between countries, regions, structural conditions, or specific historical experiences.’

Another critique of modernization theorists was that ‘modernization’ really referred to ‘Americanization’ and that it was ethnocentric and pro-capitalist (Roberts and Hite, 10-11). O’Neill (2004) supported those arguments in her explication of the modernization/traditional dichotomy in relation to the experiences of American ‘Indians’.

O’Neill suggested that acknowledging ‘historical specificity’ does not mean capitalist theory must be abandoned. On the contrary, ‘moving beyond the discourse of development’ will allow for the creation of new theoretical models that take into account multiple histories and for the removal of ‘paradigmatic blinders’ (O’Neill, 2004, 12).

*Theoretical paradigms that posit subsistence ways of life against proletarian experiences and the traditional versus the modern render historically invisible economic systems that do not fit within those dualistic parameters. Recognizing the coexistence of modernity and tradition within the same historical time and space and refusing to think of culture as purely a terrain of resistance reveals a much more complicated and compelling story (O’Neill, 2004, 12).*
There was no room for traditional societies beliefs and values in the modern world. Capitalism was viewed as being an important mechanism, but certainly not the only mechanism nor a simplistic one – to achieve modernization. Indigenous people in colonized countries were often the victims and the target of modernization programs and projects as argued at the outset of this section. One very important and fraught criticism of modernization theory was that it ‘blamed the victims’ for their situation by clinging to traditional beliefs and values (Roberts & Hite, 11) while concurrently rendering Indigenous population invisible because of the ‘steeped positivist assumptions’ that embraced a universal notion of modernity (O'Neill, 2).

In the introduction to this section a statement was made concerning the idea that people’s ‘underlying assumptions of culture, tradition, and modernity shapes the manner in which we pursue knowledge and impacts the eventual narrative derived from research pursuits’ (O'Neill, 2006). The false universalist notions of ‘modernity’ and ‘modernization’ have been and remain deeply entrenched impediments to accurate analysis and appropriate policy development for relatively disadvantaged communities, wherever they lie and at whatever scale they exist – national, regional or local (Hindle, 2009). ‘Modernization’ and ‘modernity’ are inaccurate concepts, and inappropriate bases for policy formulation and community advancement. There is no ‘specific’ modernity. There is no specific definition of a ‘traditional’ community (Hindle and Lansdowne, 2005; Hindle, 2009; O'Neill, 2004, 12). There is no single, ultimate destination for humanity. Ryser (quoted in Setton, 1999) has succinctly articulated the ‘great lie’ in the following phrase.

*IF INDIGENOUS PEOPLE WILL ONLY REJECT THEIR OWN HISTORY, INTELLECTUAL DEVELOPMENT, LANGUAGE, AND CULTURE AND REPLACE THESE THINGS WITH EURPOEAN VALUES AND IDEALS, THEN INDIGENOUS PEOPLE WILL SURVIVE* (Ryser in Seton, 1999, 4; emphasis in original).
Today Indigenous Canadians soundly reject the notion that traditional aspects of their society are impediments to development and should be abandoned if they desire to progress economically (Anderson, 1999).

Opponents of the modernization perspective have offered a range of other theories on the process of development. A selection of these will be discussed in the following sections of the chapter.

### 3.1.3 Dependency theory as an alternative to modernization

Modernization theory posited a single trajectory path to development often without regard the specific circumstances and histories of the countries or regions posited to be in need of development (Roberts and Hite, 2000, 9). The application of modernization perspectives has been particularly detrimental to the lives of Indigenous people in colonized countries, especially those in Canada. Those Europe-centred perspectives were attributed to a number of Canadian social, political and economic policies targeted at its Indigenous populations. The failure of the modernization perspective to effectively predict the development of nations and regions led researchers to seek other models — both in Canada — and internationally (Anderson, 2002, 48). One development model, dependency theory, came from economists working at the Economic Commission for Latin America in the 1960’s (Roberts and Hite, 2000). Dependency theory was the first ‘major Third World’ challenge to Europe-centred academic discourse (Munck and O’Hearns, 1999, 12). This section will briefly discuss dependency theory — as a means of introducing it as an alternative to modernization, as posited by its protagonists, and to establish a link to a theoretical perspective that was developed in response to the failure of both modernization and dependency perspectives. That theory, regulation theory, is the topic of the sub-section immediately following this one.

Dependency theory, in its simplest form, posited the ‘Third World’ had been kept in a subordinate position and merely served as a source for ‘cheap raw’ materials for the West and as a market for its expensive manufactured goods (Roberts and Hite, 2000, 11). According to dependency theorists the world
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consisted of two poles, wealthy countries at the centre of a global capitalist economy and poorer countries at the periphery. Peripheral countries,

*Have low wages, enforced by coercive regimes that undermine independent labor unions and social movements. The center exploits them for cheap labor, cheap minerals, and fertile topical soil. Therefore the poor and wealthy countries are parts of the same whole (that whole being the global capitalist system), not similar entities at different stages of development (as modernization would have had us believe). For dependency theorists, underdevelopment in the periphery is the direct result of development in the center (Roberts and Hite, 2000, 13).*

Therefore, dependency theorists argued from a polar opposite perspective. While modernization proponents examined internal aspects of national economies dependency theorists insisted that it was the structure of the international system itself that should be studied to understand the development of ‘peripheral’ countries (Smith, T., 1979, 248). There were, however, several important concerns regarding dependency theory. First, it too strongly restricted its perspectives on the economic and political aspects of ‘dominion and control’. And, it failed to address cultural dimension of domination. More importantly, dependency theory did not address the question of the desirability of development, that was just assumed, very much like modernization. Dependency theorists also conceived development largely in terms of economic growth, industrialization, and liberal democracy, also a similar characteristic of modernization (Munck and O’Hearns, 1999, 12).

While dependency theory was a response to the inability of modernization theorists to explain why some ‘underdeveloped’ countries already had well modern industries, education systems and other ‘precursors’ to modernity. And, modernization seemed to blame the victims (Roberts and Hite, 11). The dependency paradigm thus offered another theoretical lens from which to view development of countries in the ‘periphery’. Moreover, specifically in the context of Indigenous Canadian populations, dependency theory provided a means of
explaining the circumstances of ‘native communities’ (Gagné, 1998; Haddad, & Spivey, 1992). Researchers studying both the historical and contemporary situation of Indigenous Canadians have effectively applied the dependency perspective to this population. For example, Gagné’s study of the James Bay Cree in northern Quebec focuses on the effects of the fur trade, policies of the Hudson’s Bay Company (HBC), and the ensuing political, legislative, and constitutional assaults on the lives of the Cree (Gagné, 1998, 358). The James Bay area became a ‘periphery’ through the actions of the Hudson’s Bay Company (HBC), and following HBC, the federal government. The ‘core’, created the dependency, not members of the periphery (Gagné, 359). Similarly, Haddad and Spivey (1992) carried out a study on an Ojibwa ‘reserve’ located near a large Ontario city. The study found that while many aspects of the development projects being implemented on the reserve were thought to be based on ‘modernization principles’ that in fact the dependency/world systems framework more adequately explained the conditions of Indigenous people in Canada and also in the community that was the object of the study (Haddad and Spivey, 1992, 204). The authors point to a study completed by Frideres (1988) also concerned with the application of the dependency model to Indigenous communities. Several core tenets of the dependency model were linked to the actions and policies of the federal government in Canada. For example, the insistence of the federal government that ‘Indians’ become agriculturalists continued ‘until today.’ Frideres points out that a structural feature of an underdeveloped society is dependency on an agricultural economy (Haddad and Spivey, 210). The creation of an internal ‘political-economic elite’ is another major attribute of a dependent society. Frideres characterised the establishment of ‘Native elites’ in most Native communities by stating that;

*These elites are able to derive high status and income from linking their interests with those of the dominant power elite. They can do so because their activities are generally associated with the developed economic structure and they (the Native elites) are willing to engage in direct exploitation of Native masses. These elites, while perhaps legally defined as Indian, are culturally and socially integrated into the*
development structures of the dominant economy… (Frideres in Haddad and Spivey, 210).

Probably the most devastating aspect of dependency on the lives of Indigenous people all over the world is the institution of a passive welfare system (Boldt, 1993; Foley, 2000; Hindle & Lansdowne, 2005; Hindle and Moroz, 2007; Trudgeon, 2000). The discussion of circumstances in Indigenous bands provided above provides evidence of that reality (see Section 2.2.1). The ‘government-business’ interface is another attribute of ‘Native’ dependency. Government policy for the administration of lands, and others that impact access to financing, technology and other resources renders economic development projects as being virtually an externally led process. For example;

Because Natives are unable to develop their reserves themselves, they must lease their lands to Non-Natives at a lower rate than these developers would pay to non-Native landowners. The non-Natives then undertake the development and pay taxes as occupiers of Native land. The benefit foregone is in the forms of: (1) reduced lease rentals; (2) economic spread effects; and (3) opportunity costs (Haddad and Spivey, 1992, 211).

All of these above attributes combined are posited as characteristic of the dependency paradigm. Once again, the are;

1. creation of an agriculturally based economy;
2. existence of a political-economic elite;
3. dependency on a passive welfare system;
4. and a reliance of ‘core’ business arrangements to develop resources with benefits mainly derived in the ‘core’ (Haddad and Spivey, 1992).

The development approach that dependency theorists suggested has been characterised as being of two different ‘schools’. One, assume a Marxist perspective by arguing that ‘underdevelopment is not a phase but a permanent,
inescapable condition’ (Roberts and Hite, 2000, 13). They suggest that capitalism must be ‘escaped’ – however, the means to achieving that goal are often through the use of political measures (Roberts and Hite, 14). The second ‘school’ offers a different approach by arguing that development can still occur even within relationships of dependence (Roberts and Hite, 14).

Essentially, the modernization and dependency perspectives ‘proposed competing and mutually exclusive cause and solutions’ for underdevelopment (Anderson, Dana, Dana, 2006, 47). The failure of both the dependency and modernization perspectives to adequately explain the ‘actual outcomes’ in real world situations led to the rejection of both perspectives by many researchers and the search for other explanatory models (Anderson, et al., 47). While modernization and dependency theories dominated much of the development discourse throughout the middle decades Twentieth Century (Anderson, 2002, 47) they have been found not to have the explanatory power earlier proponents postulated. Corbridge emphasised a growing recognition of contingency and human agency in theories of capitalist development (Anderson, 2002, 47). One such theoretical perspective is regulation theory – a brief introduction and overview of that theoretical perspective follows.

3.1.4 Regulation Theory

Smith (1995) argued that attempts to conceptualize the transition of central and eastern Europe have been dominated by ‘unilinear modernizationist’ accounts that espouse the benefits of private property ownership and market based economies (Smith, A., 761). The transfer of state owned property to private enterprise will transform regions and industries and will create a new and vibrant private economy. However, those arguments fail to take into account the ‘embeddedness’ of regional economies and their integration in ‘socio-spatial networks of co-operation and competition’ (Smith, A., 761). Given the discussion above concerning modernization theory it is disheartening to see that as recently as 1995, when Smith published the above article, that a perspective with such ethnocentric connotations can still be touted as an acceptable theoretical proposition. Others too have raised concerns about
dependency and modernization perspectives. For example, Anderson (1997) quoted two authors,

‘Tired old conceptual dichotomies (e.g. modernization-dependency, internal-external) seem no longer to afford needed explanatory power’ (Brohman) and,

‘The changing contours of global production are no more accessible to accounts of modernization theory and neoclassical economics than they are to’ Marxist Development Studies (Corbridge,) (in Anderson, 1997, 1486).

What are the alternatives? Which are relevant to the Canadian Indigenous community? That is in fact the topic of this section. You will find one alternative to the modernization and dependency discourse – a ‘contingency’ perspective that has been applied to Indigenous Maori in New Zealand (Buckingham and Dana, 2005), and very extensively to Indigenous Canadians (Anderson and Bone, 1995; Anderson, 1997; Anderson 2002; Anderson, Dana, Dana, 2006). After a brief overview of regulation theory the next section will introduce ‘Fourth World Theory,’ another candidate postulated as an optimal means of Indigenous development. But first, the following will attempt to define regulation theory and discuss its principle components.

The attractiveness of the contingency perspectives of development can be found in two ways that are explicitly different than both the modernization and dependency perspectives. First, the outcome of development efforts depends on the circumstances and actions of the parties involved, it is not preordained by some ‘fundamental’ law of capitalism (Anderson, 1997, 1488). Secondly, contingency approaches emphasize the existence of multiple and diverse pathways to development (Wiarda in Anderson, 1997, 1488). A people’s culture, values, history, and resources shape pathways to development, and not totally dependent on the ‘centre’ or on a unilinear path already trod by developed countries. Thus, regulation theory is a new approach to understanding development. Its emphasis on human agency and contingency is respectful of
the notion that local development can integrate into the global economy while maintaining unique characteristics of particular regions (Anderson, Dana, Dana, 2006, 48). Arguments for a regulationist approach have not centred solely against modernization and dependency. In fact, Aglietta’s seminal work, *A Theory of Capitalist Regulation* is based in the double critique of conventional economics and Marxism. Friedman quoting Aglietta describes regulation theory:

> For regulationists, capitalism is neither automatically stabilised (as in conventional economics theory) nor will it inevitably break down (Marxism). Instead, it develops through a series of ruptures in the continuous reproduction of social relations. Crises are resolved through an irreversible transformation which allows the fundamental or ‘determinate structure’ of capitalist society to continue. A regime of accumulation, with characteristic labour and competitive processes, arises and develops. This regime comes to be regulated through certain socio-political institutions. Eventually the regime’s internal contradictions mean it can no longer be reproduced or regulated in the old way. It must give way to a new regime with its own characteristic mode of regulation, if capitalism is to survive (Friedman, 2000, 61).

The existence of a pure economy, always in a natural state of equilibrium, ‘stretches the postulate of homogeneity to its very limit’. It assigns the same identity to all individuals who are in pursuit of their goals in an economic pattern that is applied to any social domain (Aglietta, 1998, 42). Marxism too, as an economic theory, explains capitalism by rejecting homogeneity, but it itself remains homogeneous in its assertion that capitalism will ‘move in accordance with general laws which lead to its overthrow’ no matter the nature of the society in which it develops (Aglietta, 1998, 42). What does all of the above mean then? What is regulation theory? There are three central concepts of regulation theory – regime of accumulation, modes of social regulation and modes of development (Anderson, 1995, 4). Anderson quotes Peck and Tickell to define regime of accumulation as;
The dominant mode of economic growth and distribution. Elements of the accumulation system include the conditions of production (such as the amount of capital invested, the distribution of capital among the various branches and the norms of production) and the conditions of consumption (Anderson, 1995, 4).

Thus the regime of accumulation describes the how capital moves through various stages, from production, circulation, consumption and distribution. The context of the regime of accumulation defines the modes of social regulation. Modes of social regulation come to be regulated through certain socio-political institutions’ (Friedman, 2000, 61). They provide the structure, laws, policies, institutions (with their own sets of rules and regulations), and norms that allow regimes of accumulation to grow and expand. Modes of social regulation are made up of ‘a series of formal and informal structures of governance and stabilization ranging from the state through business and labour associations, to modes of socialization which create ingrained habits of behaviour’ (Anderson, 1995, 5). The third concept, modes of development, is essentially the ‘coupling’ of the regime of accumulation and the modes of social regulation (Anderson, 5). Therefore, according to regulation theory the possibility exists for people of a particular region to develop a mode of development, given the mode of social development that exists, that is consistent with ‘the requirements of the regime of accumulation and with their traditions, values and objectives’ (Anderson, 5). However, eventually, the regime’s internal contradictions mean it can no longer be reproduced or reregulated. Thus, in order to survive, it must give way to a new regime of accumulation (Friedman, 2000, 61).

An illustrating example of a regime of accumulation breaking down may be the situation that occurred in the United States banking system in the fall of 2008. A mode of social regulation evolved over time that allowed for the banking sector to utilize high-risk forms of investments (sub-prime mortgages). Then, when a conflict evolved between the regime of accumulation and the mode of social regulation the system broke down, thus requiring a new mode of social regulation and regime of accumulation.
As pointed out above, regulation theory has been applied to Indigenous communities in a variety of contexts. Buckingham and Dana’s (2005) theoretical explication of the economic development efforts of the Maori of New Zealand and how those efforts are reminiscent of regulation theorists perspectives. Anderson has also argued that regulation theory, one of three contingency perspectives (the others being the post-imperial perspective and alternative/Indigenous development approaches) offers explanatory power that other theoretical propositions fail to fulfil (2002, 48). All three perspectives Anderson expounds as appropriate propositions for explaining the approaches ‘Aboriginal’ communities in Canada are undertaking converge on one important point. Economic activity within a particular region can exhibit characteristics unique to that region, serve the people of that region and still be integrated into the global economy (2002, 48). Anderson’s use of case studies in a series of papers provides substantial support for the usefulness of contingency theories (there is no clear delineation between the three perspectives in any of Anderson’s work but he does discuss regulation theory with considerably more depth) in explaining the development of Indigenous communities in Canada. For example, a 1995 case study of the Meadow Lake Tribal Council, a precursor to a larger research project involving all 74 Indigenous bands in Saskatchewan, lends support to the contingency perspectives applicability and explanatory power (Anderson, 1995, 10). Anderson and an assortment of co-authors conducted a series of both empirical and theoretical studies that contributed to the development of a significant knowledge base of economic development approaches of Canadian Indigenous communities (see for example, Anderson, 1999; Peredo, Anderson, Galbraith, Honig, Dana, 2004; Anderson, Dana, Dana, 2006; Anderson, Peredo, Honig, Dana and Weir, 2007; Hindle, Kayseas, Anderson, Giberson, 2005).

Anderson and colleagues’ research provide support for the application of regulation theory as a means of answering research questions within Indigenous communities – especially questions related to the economic development of those communities. More analysis of its usefulness to the current study is included at the conclusion of this chapter.
Another perspective of significant relevance to research efforts within Indigenous communities, especially in Canada, is Fourth World Theory. The discussion concerning Fourth World Theory that follows was first co-authored by a prominent Indigenous Canadian political leader, international statesman, orator, and author George Manuel. It offered a highly regarded theoretical perspective of progress and development that is clearly grounded in Indigenous thought. That discussion follows.

3.1.5 Fourth World theory

As a society, we are starting to move away from the time of great pain and to lay the foundations for what I have come to call “modern Aboriginal society.” Across the country, I see a strong desire to build Aboriginal communities on a foundation of Aboriginal tradition, custom, and ideas. Accomplishing this goal is difficult as a result of our position as Aboriginal peoples as a small minority within an environment dominated by western ideas…(Newhouse, 2002).

Indigenous peoples, as defined in this thesis, are people who exist in formally colonized countries and ‘are determined to preserve, develop and transmit to future generations their ancestral territories, and their ethnic identity, as the basis of their continued existence as peoples, in accordance with their own cultural patterns, social institutions and legal system’ (United Nations, 2004, 2). The central issue is thus; how can Indigenous peoples hope to preserve, develop and transmit their culture, develop their communities socially, politically and economically within the dominant hegemony they now exist in? And, furthermore, how can theorists develop a ‘mode of investigation’ that both accounts for the process of integration (into the global economy) and the process of ‘self-identifying on the local Indigenous level (localization)? (Seton, 1999, 1). One theoretical perspective commonly referred to as, ‘Fourth World Theory’ arose in the 1970s as a result of intense Indigenous activism, greater sensitivity to human rights, and the growing influence of nongovernmental
organizations in ‘galvanizing world opinion’ on Indigenous issues (Griggs & Hocknell, 1995, 51). This section introduces Manuel and Poslun’s development perspective by first providing a brief overview of its origins followed by discussion of its principle propositions. It then concludes with a brief summary of Forth World theory.

The term Fourth World first came into wide use in 1974 with the publication of Chief George Manuel and Michael Poslun’s, ‘The Fourth World: An Indian Reality.’ Fourth World Theory provides a thought provoking framework from which to view the development of Indigenous people. Its growth is a result of the acknowledgement of the limitations of the three-world schema (First World – capitalism, Second World – socialism, communism, Third World – developing). Fourth World Indigenous peoples throughout the colonized world are struggling to develop new relationships with the states that encapsulate them (Seton, 1999). Their experiences are analogous to their Third World peers in that they have experienced underdevelopment, marginalization, colonization, and welfare dependency (Seton, 33). However, there is one fundamental difference. While the Third World countries have the opportunity to eventually merge from the struggle between East and West the Fourth World Indigenous peoples are almost wholly dependent on the good faith and morality of the nations of East and West in which they find themselves a part of (Manuel and Poslins, 1974, 6). George Manuel summarized the ultimate objective of people of the Fourth World;

For a people who have fallen from a proud state of independence and self-sufficiency, progress—substantial change—can only come about when we again achieve that degree of security and control over our own destinies. We do not need to recreate the exact forms our grandfathers lived their lives—the clothes, the houses, the political systems, or the means of travel. We do need to create new forms that will allow future generations to inherit the values, the strengths, and the basic spiritual beliefs—the way of understanding the world—that is the fruit of a thousand generations’ cultivation of North American soil by Indian people (Manuel and Poslins, 1974, 4).
A fundamental issue that arises from Manuel's explication of the objective of Fourth World peoples is concerned with the question; how do Indigenous people achieve the transference of their epistemological stance to future generations within a hegemonic dominant paradigm that posits it is more than just another way to view the world—it claims that it is the only way to view the world! (Ladson-Billings, 2000, 258). What do Fourth World theorists suggest as a means of overcoming this formidable challenge? Before we seek answers to that puzzle we must first articulate several important definitions that Fourth World theorists and advocates use to structure and frame their arguments.

**State:** a state is a centralised political system with a recognised civilian and military bureaucracy established to enforce one set of institutions, laws, and sometimes language and religion within its boundaries, and

**Nation:** is a people with a distinct culture evolved over time...bound together by such common attributes as ancestry, history, society, institutions, ideology, language, territory, and religion...are self-defining...and are created by a sense of solidarity (Seton, 1999, 4).

It is within this context that Indigenous people must develop the process that will allow them to strengthen and preserve that which makes them Indigenous. ‘Remaining Indian’ will require the taking control of the economic and social development of Indigenous communities by Indigenous people (Manuel and Poslins, 1974, 221). The process that Manuel and later advocates of Fourth World theory imagine is formidable. The process involves:

- the legal and constitutional recognition of Aboriginal rights to land (title to land that is not vested in the Crown).
- the legal and constitutional recognition of Indigenous institutions.
- the development and recognition of Indigenous forms of ‘responsible’ government.
entrenched political authority, for example, a number of seats allocated to Indigenous people in Canada’s parliament.

- the development of an ‘economic and social development model’ that allows the whole community to ‘share’ in the good feelings that come from the achievement of ‘material’ goals as well as in deciding on ‘priorities in moving toward the ultimate goal’, with planning and decision-making in the ‘hands of local communities’ with the support of employed technical staff (Manuel and Poslins, 1974, 246-247).

The process articulated by Manuel in the early 1970s was argued primarily through the lens of an Indigenous political leader concerned with the development of the Indigenous population on a national level. Other writers offer theoretical perspectives using other units of analysis, (for example, global see Seton, 1999, and Griggs, 1992; national, see Slowley, 2005; and local Watkins, 1977). One common element of these perspectives is the focus on the development of Indigenous peoples within a world ‘where thought and action have been dominated by states possessing a single, mainstream culture’ (Hindle and Lansdowne, 2005). Slowley raises an important issue in regards to the development Hindle and Lansdowne, Manuel and other theorists make reference to – in fact it is an issue that may very well be relevant to all economic development and entrepreneurial pursuits Indigenous people engage in. Indigenous development, in the Fourth World context, is referred to encompassing a broad spectrum often involving the social, economic and political sphere (Manuel & Posluns, 1974, Seton, 1999). Moreover, in the era of globalisation and neo-liberalism, the transition from development characterised by state intervention and Indigenous dispossession cannot occur without active engagement in a capitalist market economy that is dominated by the beliefs, values, and norms of Western cultures – simply because Indigenous people within the Fourth World exist within the First. Slowley asserts;

*The fact remains, however, that not all indigenous communities fit into the neoliberal paradigm as well as others. Neoliberalism affects not only the way in which indigenous development is organised, but also how it tends to unequal relations of power...Already a new group of*
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indigenous peoples is emerging, one that competes more vigorously in the marketplace than others...development and self-determination, like globalization, increasingly raise issues of unequal relations. The result is that market driven self-determination may lead to the separation of indigenous nations, both within state borders and globally, into “have” and “have not” groups as globalization causes stratification potentially within and certainly among indigenous groups as economic development strategies and political success are accentuated (Slowley, 2005, 5).

That is if course the opposite of what Fourth World advocates desire. Solutions that are meant to address ‘social disruptions’ as occurred in Indigenous communities for decades, should not become an excuse for another social disruption (Manuel and Poslins, 183). Greater understanding of the processes of development and entrepreneurship within Indigenous communities at a local level is vital to the maintenance of the Indigenous ‘ways of knowing.’ Manuel eloquently expands on the importance of Indigenous people who want to maintain their Indigenous identity while concurrently navigating life outside their communities. Manuel freely admits and wholeheartedly supports the choices some Indigenous people have made by exercising their freedom of choice by choosing to live and work outside their home communities and who have accepted Christian life (Manuel and Poslins, 1974, 184). At the same time there are thousands who have returned home to the reserve or who now live in the slums of urban centres. For those it (life circumstances) has not worked. The reason it has not worked for Indigenous people and for any other culture in the same circumstances is because no one can ‘long endure to stand with one foot in one boat, and the other in a different boat. When there is a parting of ways, it is the person who has one foot in either boat that suffers. The helmsman, in either boat, is the one who is safe and can endure’ (Manuel and Poslins, 184). This is an extremely important issue and is fundamental to understanding Manuel’s position. He desires respect and recognition for Indigenous people as a distinct people, with distinct culture and traditions, recognition that it is possible for Indigenous people to co-exist in different ‘boats.’ The recognition must be genuine. For too long Indigenous people have been told that in order
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for them to survive they need to abandon their ‘boat’. Proof of that has been discussed at length in earlier sections in a variety of ways, for example, through government legislation, the Indian Act, government policy like the 1969 White Paper, modernization and even neoclassical economics that assume homogeneous behaviour from all rational economic beings (Aglietta, 1998). This recognition must include legal and constitutional recognition of Indigenous rights to land (title to land that is not vested in the Crown), legal and constitutional recognition of Indigenous institutions and governments, entrenched political authority, and the creation of a development model that allows for Indigenous communities as a whole to experience material wealth with planning and decision-making in the ‘hands of local communities’ (Manuel and Poslins, 246-247). He further adds;

There will be no significant change in the condition of unilateral dependence that has characterized our history through the past century and more until Indian peoples are allowed to develop our own forms of responsible government. The route to be followed to the Fourth World will be as diverse and varied as are the Indian tribes. The Fourth World is not, after all, a Final Solution. It is not even a destination. It is a right to travel freely, not only on our own road, but in our own vehicles. Unilateral dependence can never be ended by forced integration…The way to end the condition of unilateral dependence and begin the long march to the Fourth World is through home rule (Manuel and Poslins, 1974, 217).

Essentially then, that is what constitutes the Fourth World. It explains how Indigenous people, encapsulated within political, social and economic hegemonic states, have maintained the culture that is so important to their identity. It offers ideas outlining the manner in which Indigenous people will continue to pursue their goal of equal partnership with the political, social and economic hegemonic state that encapsulates them. The path to the Fourth World that Manuel describes so eloquently in his co-authored book is formidable and requires substantial change. In some ways those changes are occurring today, more than 30 years after the Fourth World treatise was...
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published and almost 20 years after George Manuel’s passing. The settlement of land claims, the negotiation of self-government agreements, and the wealth being created through entrepreneurial activities has created greater opportunities for the recognition Manuel desired for Indigenous people.

Another theoretical perspective that could be applied to the Canadian Indigenous community is Peredo and Chrisman’s theory of Community Based Enterprise. Its scope is international – and has a focus on entrepreneurship (local business development) as the primary means of alleviating poverty and to protect the natural environment (Peredo and Chrisman, 2006, 309-310). That topic is next.

3.1.6 Community Based Enterprise

Peredo and Chrisman’s (2006) theoretical framework, they have aptly named, Community Based Enterprise (CBE), is ‘an adaptive and socially innovative response to macroeconomic, social, legal and political factors with economic, social, environmental, political, and cultural fallout for already impoverished communities (Peredo and Chrisman, 2006, 323). Broken down into its constituent components, that rather complex statement encapsulates much of the issues discussed concerning both the current and historical circumstances of the population of interest in this thesis. We have concluded that the Indigenous population is in dire need of some form of adaptive response and a significant amount of literature points to entrepreneurship in and the economic development of Canadian Indigenous communities as an acceptable response (Atlantic Canada Opportunities Agency 2003; Anderson, 1999; Peredo, Anderson, Galbraith, Honig, Dana, 2004; Anderson, Dana, Dana, 2006; Anderson, Peredo, Honig, Dana and Weir, 2007; Elias, 1991; Cachon, 2000; Hindle, Kayseas, Anderson, Giberson, 2005; Loizides and Anderson, 2005; Loizides and Wutunnee, 2005; Mitchell, J., 2007; Newhouse, 2000, 2002; RCAP, 1996; Reynolds, J., 1998; Wutunnee, 2004). There is also considerable evidence of the economic, social, political and cultural fallout these communities have experienced (Abele, 2007; Coates, 2008; Frideres and Gadacz, 2001; Helin, 2006; RCAP, 1996; Imai, 2008; Manuel and Posluns, 1974; Young,
1995). Furthermore, the literature is rife with evidence of the impoverishment of Indigenous people on a global scale, for example in Australia see Foley (2000), Trudgeon, 2000, in the United States see Black, (1994); Cornell and Kalt (2000, 2002), Cornell (2006a, 2006b), in New Zealand see Buckingham and Dana (2005). Therefore the proposed framework offered by Peredo and Chrisman is relevant and timely. The following paragraphs will delve deeper into the framework through analysis that defines its principle propositions. Its possible application and use to the empirical part of the research articulated in this thesis forms part of the overall discussion on that specific topic, found in the concluding section of this chapter.

The core of the propositions posed by Peredo and Chrisman is found in the concept of the community-based enterprise (CBE). CBE is defined as;

...a community acting corporately as both entrepreneur and enterprise in pursuit of the common good. CBE is therefore the result of a process in which the community acts entrepreneurially to create and operate a new enterprise embedded in its existing social structure. Furthermore, CBEs are managed and governed to pursue the economic and social goals of a community in a manner that is meant to yield sustainable individual and group benefits over the short and long term (Peredo and Chrisman, 2006, 310).

Some examples of CBE’s are the Mondragon Corporation Cooperative in Spain, the Communal Enterprises of Salinacocha in Ecuador, the village of Ralegan Siddhi in Indian, retirement Living in Elliot Lake, Canada, the Walkerswood Community in Jamaica, and the self-managed community enterprise of Lloccllapampa and the Community of Chaquicocha Trade Fair, both in Peru (Peredo and Chrisman, 2006, 316).

The above definition of the CBE contains similarities to the definition of Indigenous Entrepreneurship operationalized by Hindle and Lansdowne (2005) and in use in this thesis. The only difference of significance between the two
definitions is the explicit delineation of who the entrepreneur may be – in the CBE it is explicitly the ‘community.’ However, Hindle and Lansdowne state that the entrepreneur could be an actor that may seek benefits much broader than economic gain, thus the entrepreneur could be an individual, a group of individuals or a community, the authors do not explicitly state who the actor may be (Hindle and Lansdowne, 2005). The relevance of pointing out the similar position these definitions assume is found in the rationale the authors give for engaging in the development of their research. Hindle and Lansdowne state that the;

…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 (Hindle and Lansdowne, 2005).

Peredo and Chrisman also argue that the CBE can alleviate the poverty experienced by impoverished local communities – and both definitions point to entrepreneurship as the primary development vehicle. These are important considerations. Another comparison, and one of significant consequence, is related to how entrepreneurship literature, in its current state, does not ‘capture’ the essential features of venturing in depressed areas – especially that practiced by Indigenous people (Hindle and Lansdowne, 2005; Peredo and Chrisman, 2006, 310). Therefore, a ‘practical necessity’ arises, Indigenous people themselves must create the ‘paradigm of Indigenous entrepreneurship (Hindle and Lansdowne, 2005) ‘new theories, new models, and new frameworks’ are required (Peredo and Chrisman, 310). Gaps exist in our knowledge of entrepreneurial activities under conditions of material poverty (Peredo and Chrisman, 311). Lastly, ‘conventional approaches to entrepreneurship in materially disadvantaged communities societies will yield minimal results, since they are inconsistent with societal norms and ill-equipped to deal with structural impediments to economic development’ (Peredo and Chrisman, 312). That then is the rationale for the creation of the CBE. The
authors also specify the conditions that influence the development of CBE’s as well as the essential characteristics, that topic follows.

CBE’s are triggered in response to some combination of the following, (1) economic crisis and the lack of individual opportunity, (2) the processes of social disintegration, (3) social alienation of a community or subgroup from mainstream society, (4) environmental degradation, (5) post-war reconstruction, and 6) volatility of large business (Peredo and Chrisman, 316). Thus the major impetus for the creation of CBE’s;

*appears to be a threat either causes communities to perceive a major disequilibrium in their way of life or an equilibrium condition that is so far below the former equilibrium condition that a search for opportunities and new resource combinations with both economic and social values is undertaken* (Peredo and Chrisman, 317).

Other ‘conditions’ that are necessary for CBE’s to emerge include; the existence of social capital – CBE’s are created on the basis of collectively owned cultural, social, and ethnic endowments; community size – the community must possess, or can access, sufficient resources to start an enterprise (Peredo and Chrisman, 317). CBE’s will take on certain characteristics after being launched. These characteristics will depend on three elements; the availability of existing skills, a multiplicity of goals and the stock of social capital. The first involves the availability of existing skills within the community that influence the chosen entrepreneurial venture. For example, communities with a stock of experience in cheese making, mining, trade, handicrafts and so on will typically choose to engage in economic activity where the existing pool of skills can improve the chances of success and form the context of the search for opportunities (Peredo and Chrisman, 319). Secondly, CBE’s typically have a multiplicity of goals that include the need to achieve social, economic, environmental and cultural objectives simply because many of the communities that engage in the creation of CBE’s are caught up in a ‘spiral of poverty’ (Peredo and Chrisman, 319). Finally, the CBE relies on the stock of social capital for both its formation
and in the way it is eventually governed and managed (Peredo and Chrisman, 320).

CBE’s can make significant impacts on communities from more than just the economic returns realized from enterprise. There is potential for the growth of an entrepreneurial culture because of the positive influence on perceptions of entrepreneurs and of the feasibility of enterprise development (Peredo and Chrisman, 321). Also, in the process of developing the infrastructure needed to support its enterprise the CBE also then creates an opportunity for other businesses along the value chain (Peredo and Chrisman, 321).

That briefly encapsulates the essence of Peredo and Chrisman’s conception of what constitutes the theory of a Community Based Enterprise. The impetus for the creation of CBE’s is a ‘disequilibrium’ state or, similarly, an equilibrium state that is very far below a previous equilibrium (Peredo and Chrisman, 317). CBE’s are entrepreneurial ventures created by communities acting corporately and they often occur in times of economic stress. They are in fact an adaptive and innovative response to macroeconomic, social legal, and political factors (Peredo and Chrisman, 322). However, profits are not the primary motivator. In fact, profits could be viewed as strictly instrumental in the achievement of larger community goals (Peredo and Chrisman, 316). CBE’s are owned, managed, and governed by the people instead of by government or some smaller group on behalf of the people (Peredo and Chrisman, 316). The creation of CBE’s often results in additional community benefits through the development of the infrastructure to support enterprise and through the creation of more entrepreneurial opportunities – and by facilitating the development of an entrepreneurial culture. The authors conclude their explanation of the CBE theory by offering suggestions for further research into such areas as examination of the various forms of community that engage in the creation of CBE’s, for example shared locality and kin-based. As well, research into the various forms of voluntary and natural associations and environments where CBE’s occur, for example, Indigenous reserves, rural, urban, and new settlements. Further research could be directed to the forms of governance utilized to oversee CBE’s as well as the impact of resources and skills, or lack
of (Peredo and Chrisman, 324). The theory of the CBE offers several relevant theoretical propositions and associated concepts. A final theoretical perspective on the development of Indigenous communities, neoclassical economics, is the topic of the next section.

3.1.7 Traditional economics perspectives

*The neo-classical theory inspired by liberalism, which amounts to a representation of the system as a pure economy in a natural state of equilibrium, stretches the postulate of homogeneity to its very limits. Not only does the axiom of rationality assign the same identity to all individuals in pursuit of their goals by defining an economic behaviour pattern that can be applied to any domain of social practice, but the characterization of the whole system as an equilibrium created by perfect competition implies that each player is totally aware of the web of their relations with all other players, and that this web presents itself to the individual in the form of constraints on the use of their resources (Aglietta, 1998, 42).*

The above arguments posed by Aglietta, a native of France, should be quite controversial to North Americans given that most Canadian and American students of economics at college or university education institutions learn what is referred to as neoclassical economics (Weintraub, 2002, 1). Neoclassical theory is the foundation of general equilibrium theory – the dominant theory in economics today (Kirchhoff, 1991, 95). Kirchhoff succinctly captures the core of the general equilibrium theory – the foundation of the neoclassical theory;

*Marshall (1886) developed a rigorous, logically consistent, macroeconomic welfare theory based on now well-known rationality axioms of human behavior in exchange theory…The theory describes how a society of independent buyers and sellers creates and distributes wealth. Fundamental to Marshallian theory is the assumption that supply and demand operate in a perfectly competitive market of many rational
suppliers and many rational buyers, a market without controls or
regulations where price co-determines supply and demand. Marshall
demonstrates that such a market system will expand, through a process
involving economies of scale in production, to create wealth and

Fundamental to the Marshallian theory, and to the general equilibrium model,
are the characteristics of rationality, perfectly competitive markets, and
economies of scale (Kirchhoff, 95). Therefore, theoretical propositions based on
the assumptions of ‘rational preferences’, the maximization of utility by both
individuals and firms, and on how people act independently based on full and
relevant information are neo-classical theories (Weintraub, 2002).

However, general equilibrium theory, and thus neoclassical economics, does
not adequately address entrepreneurship (Busenitz, 1996, 36). Why? Harper
(2003) responds by stating that ‘standard economic theory’ virtually excludes
the role of entrepreneurship in the economy (5). Neoclassical economics
provides a distorted view of the ‘competitive market process and of the process
of economic adjustment’ simply because of its ‘almost exclusive’ focus on
equilibrium and its treatment of individual decisions as ‘immune from error’
(Harper, 5). Neoclassical theory assumes economic decision-makers respond
‘mechanically’ to the signals on the market, there is no ‘spotting a gap in the
market, no exercise of initiative’, and entrepreneurial initiatives are thus
excluded from the model (Harper, 5).

Recent evidence developed by scholars examining microeconomics issues has
generated ‘new attention’ to role of entrepreneurship within the general
equilibrium paradigm (Kirchhoff, 1991, 94). For example, in the United States,
Kirchhoff reported data from the early 1990s that showed that new and small
firms created the vast majority of ‘net new jobs,’ they provided half of total
employment and nearly half of the gross domestic product. The recognition of
entrepreneurship’s role in the economy has generated discussion by
macroeconomic theorists of the inappropriateness of general equilibrium theory in today’s ‘realities’ (Kirchhoff, 94).

This very brief depiction of neoclassical theory does not in any manner provide the depth and breadth of the topic and its impact on global economic theory and policy. Its inclusion in this section is only to provide support for the following assertion; economic policy based on the neoclassical economic model cannot be applied in any constructive manner to Indigenous populations. Evidence of this assertion is found in Section 3.2.4 – which is concerned with the emergent Indigenous entrepreneurship theoretical perspective. Lastly, Aglietta’s statement at the outset of this section provides support for the above statement - the limits placed on propositions based on the neoclassical economic theory are not congruent with the realities of the lives of Indigenous Canadians. The invisible hand guiding the rational economic man does not afford practical guidance to Indigenous leaders development efforts, and the current life circumstances provide proof that Canadian economic policy – primarily based on general equilibrium model – have not been beneficial to the Indigenous populations and communities.

The search for a theoretical framework must include research of entrepreneurship within and by Indigenous communities. Moreover, since the research on Indigenous entrepreneurship is fundamentally within the larger discipline of entrepreneurship that research within the ‘parent’ discipline would offer guidance in respect to key concepts and constructs, therefore that literature must be included also (within certain parameters identified below). Further, a discussion of the entrepreneurial process must also be included in order to clearly delineate what is meant by that term within this thesis. Those topics follow.

**3.2. Entrepreneurship and the entrepreneurial process**

‘A free-enterprise revolution is sweeping around the world.’ William Bygrave made this comment in a paper published in the *Journal of Business Venturing* in 1993 (Bygrave, 1993, 256). The publication was a compilation of papers
presented at the Theory Building Conference on Entrepreneurship held in October of 1991 at the University of Illinois. Another conference that year at the University of Baltimore, co-sponsored by the Baylor University, focused on the interdisciplinary nature of entrepreneurship research also resulted in a two-volume publication in *Entrepreneurship Theory and Practice*. Publications focused on entrepreneurship in general and entrepreneurship research more specifically, conferences, significant increases in entrepreneurship education and research, increased numbers of professional associations and academic appointments focused on entrepreneurship provide evidence of the popularity and interest in the field of entrepreneurship (Low, 2001, 17). This interest is also very evident in Canada. Publications like the *Journal of Small Business and Entrepreneurship* have been growing in readership and stature and since 1996 entrepreneurship centres at Canadian universities have been opened ‘at unprecedented rates’ (Menzies, 2000, 15). The importance of the potential of entrepreneurship to create wealth for Indigenous Canadians can be found throughout this thesis. Therefore the relevance and importance, to Indigenous Canadians, of the research articulated in thesis is very evident.

This section is devoted to the topic of entrepreneurship. It begins with a summary of issues surrounding the discipline itself – issues that certainly have an impact on the emergent field of Indigenous entrepreneurship, a brief overview of entrepreneurship and entrepreneurship research follows. This latter section provides the background needed to substantiate and support the assertion, made in the section immediately following this chapter, that Indigenous entrepreneurship is indeed a distinguishable discipline with its own characteristics and ‘invitation to research’ (Peredo and Anderson, 2006, 254). The final topic is concerned with literature on the entrepreneurial process, which is a relevant subject given its inextricable connection to the topic of this thesis.

### 3.2.1 Entrepreneurship research and issues of definition

In his paper presenting a summary of entrepreneurship research to date and ‘trends in the development of the field’ Filion noted that there are more than 1,000 entrepreneurship publications each year presented at more than 50
conferences and in 25 specialized journals (Filion, 1997, 1). This increased attention in entrepreneurship is warranted given the growing body of evidence that indicates ‘new venture creation’ is a critical driving force of economic growth and that it contributes to thousands of new jobs every year (Low, 1988, 139). However, while there is more and more research available on the topic of entrepreneurship, research that is done by researchers in a wide variety of disciplines, (see for example the reference sections of Gartner, Bird & Starr, 1992; Low & MacMillan, 1988; Reynolds, 1991; Shane & Venkataraman, 2000; Shaver & Scott, 1991; Stewart, 1991; Kirchoff, 1991), as yet there is no universally accepted definition of an entrepreneur (Bygrave & Hofer, 1991, 13), there has yet to be a definitive definition of what entrepreneurship is (Shane & Venkataraman, 2000, 218), no ‘distinctive boundaries’ for the field of entrepreneurship have yet been established (Busenitz, West, Shepherd, Nelson, Chandler, Zacharakis, 2003, 287), no ‘consistent universal theory’ yet exists (Virtanen, 1997, 1), and the scholarly understanding of the field of entrepreneurship is ‘actually quite limited’ (Shane, 2003. 2). Then, of the research that is currently available, there is almost no form of order to what is published under the entrepreneurship label (Davidsson, 2003). Even though researchers from a variety of disciplines, for example sociologists, economists, psychologists, anthropologists, have published entrepreneurship articles, a major weakness is that, in many cases, researchers from one discipline have tended to ignore entrepreneurship studies by researchers in other disciplines (Bull & Willard, 1993, p. 184, citing Wortman, 1992). Low, writing about the ‘adolescence’ of entrepreneurship research charged students interested in the area to ‘make something of the field’ or risk missing an important opportunity (2001, 17). Taking all this into consideration, it is no wonder why researchers studying Indigenous entrepreneurship find it difficult to gain acceptance as researchers studying an area that is legitimately a distinct field of inquiry when the field of entrepreneurship itself is still in its early developmental stage.

The study of the entrepreneurship phenomenon occurs in many different disciplines, and is pursued in a wide variety of purposes and objectives, with many different questions being asked and many different units of analysis (Low & MacMillan, 1988, 140). One effect of entrepreneurship’s multi-disciplinary
nature is that there are many different definitions of what constitutes entrepreneurship. For instance, Schumpeter (1934) defined both the entrepreneur and entrepreneurship in his seminal study, ‘The Theory of Economic Development’. Entrepreneurship is the creation of new combinations of materials and forces that disturb previous equilibrium states and result in new ones that, a priori, are assumed to be better. The question for Schumpeter, then, is how the new combinations are brought about. His response to that question is entrepreneurship. ‘The carrying out of new combinations,’ he writes, ‘we call ‘enterprise, the individuals whose function is to carry them out we call entrepreneurs’, entrepreneurship and the entrepreneur, then, are instruments in the Schumpeterian view – the means by which the economy, and society, is transformed and improved (1949, in Greenfield, 1979, 6).

*Schumpeter postulated his theory as an alternative to what he referred to as ‘equilibrium theories’ of economic process. His basic point was that the ultimate explanation of economic conduct was to be found in non-economic factors, and that these were bought into play through the actions of individuals operating in the market (Greenfield, 1979, 5).*

Schumpeter theory of ‘creative destruction’ offered a view of change that occurred where new firms with the ‘entrepreneurial spirit’ would displace less innovative incumbents, thus leading to a higher degree of economic growth (Audretsch, 2002, 2). Schumpeter further elaborated,

*The function of entrepreneurs is to reform or revolutionize the pattern of production by exploiting an invention, or more generally, an untried technological possibility for producing a new commodity or producing an old one in a new way...To undertake such new things is difficult and constitutes a distinct economic function, first because they lie outside of the routine tasks which everybody understand, and secondly, because the environment resists in many ways (Schumpeter in Audretsch, 2002, 2).*
Schumpeter’s and other early definitions of entrepreneurship and the entrepreneur ‘laid the foundations for today’s dominant positions concerning’ the phenomenon (Bruyat and Julien, 2000, 166). In 1732, the Irish economist, Richard Cantillon, defined entrepreneurship ‘as the willingness of individuals to carry out forms of arbitrage involving the financial risk of a new venture’ (Minniti and Lévesque, 2008, 603). Knight’s (1921) definition of entrepreneurship focused on the ability to predict the future successfully (Low and MacMillan, 1988, 140). Turgot and Say delineated the difference between the capitalist and the entrepreneur by stating that the former is responsible for assuming risk and uncertainty while the latter obtains and organizes production factors to create value (Bruyat and Julien, 167). The debate concerning what constitutes entrepreneurship and the entrepreneur is therefore not a new one (Bruyat and Julien, 167). Leibenstein (1968) defined the entrepreneur as one who coordinates activities necessary to create or carry an enterprise and when successful fills market deficiencies (73). Israel Kirzner (1985) defined the entrepreneur as someone who perceived profit opportunities and initiated action to fill currently unsatisfied needs and improve market inefficiencies (Bull and Willard, 1993, 185).

They are several important perceptual distinctions to understanding entrepreneurship, especially as it relates to understanding it as a field of research. First, Davidsson (2003) expressed the importance of distinguishing entrepreneurship between its ‘societal phenomenon’ and the ‘scholarly domain’ (Davidsson, 316). Entrepreneurship as a societal phenomenon describes the function of the entrepreneur in society while the scholarly domain of entrepreneurship ‘suggests’ what researchers should study in order to understand the societal phenomenon (Davidsson, 317). Secondly, it is important to recognize that, within the research perspective – the scholarly domain – there are two major schools of thought. Hindle (2009) summarized the ‘two schools’ as (1) ‘the emergence perspective’; and (2) ‘the opportunity perspective’;
The ‘emergence perspective’ (where the work of Gartner is highly influential) emphasises the dynamics of new organisation creation, whether or not the venture includes innovation (the development of new means-ends relationships) as a core component. In this school, new venture creation is the primary issue and novelty, innovation and changing means-ends relationships are all secondary considerations. Following Shane and Venkataraman (2000) an alternative view, the opportunity perspective, suggests that the primary issue of the discipline should be a focus on entrepreneurial opportunities involving the discovery and evaluation of new relationships between means and ends irrespective of whether this involves the creation of a new venture or not. Here new venture creation is a second-order issue: novelty, innovation and changing means-ends relationships are the primary concerns (Hindle, 2009).

The themes Hindle described are clearly evident in the current literature on entrepreneurship. As outlined above, the first conceptualizes entrepreneurship as the creation of a new venture. For example, Gartner (1985) defined entrepreneurship as the ‘organizing of new organizations’ (697). Low and MacMillan, (1988) defined entrepreneurship as ‘the creation of new enterprise’ and entrepreneurship research ‘seek to explain and facilitate the role of new enterprise in furthering economic progress’ (Low and MacMillan, 141). Ucbasaran, Westhead and Wright’s (2001) article examined the focus of entrepreneurship research. The authors stated the phenomenon could be researched from the perspective of the creation of ‘new independent firms’ and corporate venturing (Ucbasaran, Westhead and Wright, 58). McMullen, Bagby and Palich’s (2008) study published in *Entrepreneurship Theory & Practice* examined economic freedom and the motivation to engage in entrepreneurial action. The authors based their study on the view that ‘entrepreneurial action’ was associated with new venture creation (2008, 875). Lastly, Thornton’s (1999) reviewed a diverse set of literature as a means of developing a sociological perspective on entrepreneurship also explicitly stands on the ‘emergence perspective’. Thornton defined entrepreneurship as the creation of
new organizations, following Gartner, ‘which occurs as a context-dependent, social and economic process’ (Thornton, 20).

The ‘opportunity perspective’ school views entrepreneurship research from the viewpoint of exploitation of opportunity and innovation and the turning of new knowledge into new value (Hindle, 2009, 5). Shane and Venkataraman (2000) argued that in order to have entrepreneurship you must first have entrepreneurial opportunities (220). They offered a definition of entrepreneurship that said the scholarly examination of the phenomenon should focus on ‘how, by whom, and with what effects opportunities to create future goods and services are discovered, evaluated, and exploited’ (Shane and Venkataraman, 218). Daviddson (2003) proposed that the scholarly domain of entrepreneurship research should focus on ‘the behaviours undertaken in the processes of discovery and exploitation of ideas for new business ventures’ (Daviddson, 317). Audretsch, (2002) argued that entrepreneurs are agents of change, and entrepreneurship a process of change. He elaborated on his conception of entrepreneurship by adding a quote from the Organization of Economic and Co-operation and Development’s (OECD) proposed definition of entrepreneurship that stated, ‘Entrepreneurs…act to accelerate the generation, dissemination, and application of innovative ideas…Entrepreneurs not only seek out and identify potentially profitable economic opportunities but also are willing to take risks to see if their hunches are right’ (OECD in Audretsch, 2002, 3). Additionally, Boettke and Coyne, (2003) also viewed entrepreneurship from the opportunity perspective by describing it in the sense that;

...economic decision makers do not simply react to given data and allocate their scarce means to realize given ends. The entrepreneurial element in human action entails the discovery of new data and information; discovering anew each day not only the appropriate means, but the ends that are to be pursued (Boettke & Coyne, 2003, 68).
The distinction (or not) between these to schools of thought in respect to the research of Indigenous entrepreneurship in the context of the current study is clarified next.

The previous paragraphs offer an indication of the complexity involved and the current state of two issues, (1) defining entrepreneurship and (2) researching the phenomenon; two issues of extreme importance. However, while the term ‘entrepreneur’ has been in use for over two centuries it continues to be extended, reinterpreted, and revised (Bull and Willard, 1993, 185). Low and MacMillan (1988) eloquently expressed the complexity involved in defining entrepreneurship:

...intertwined with a complex set of contiguous and overlapping constructs such as management of change, innovation, technological and environmental turbulence, new product development, small business management, individualism, and industry evolution. Furthermore, the phenomenon can be productively investigated from disciplines as varied as economics, sociology, finance, history, psychology, and anthropology, each of which uses its own concepts and operates within its own terms of reference. Indeed, it seems likely that the desire for common definitions and a clearly defined area of inquiry will remain unfulfilled in the foreseeable future (1988, 141).

Low (2001) restated that assertion because of its ‘continued relevance’ by asking, ‘If the issues are so many, and the range of disciplines so broad, how can we ever expect to come together as a field and produce a community of scholars with a coherent literature?’ (Low, 2001, 19).

Then too entrepreneurship research has been discussed in terms of the difficulties associated with formally conceptualizing it into a coherent, broadly accepted framework (Bull and Willard, 1993; Daviddson, 2007; Filion, 2007; Hindle and Lansdowne, 2005; Ireland, Ruetzel and Webb, 2005; Phan, 2004; Sarasvathy, 2004; Shane and Venkataraman, 2000). Gartner recently stated
there may be no theory of entrepreneurship that can reflect all entrepreneurship scholarship as is currently practiced (2003, 28). He provides evidence of that assertion by linking Shane and Venkataraman’s definition of entrepreneurship scholarship to the current level of literature being sought by, and reported, in the Academy of Management Entrepreneurship Division Domain Statement for the National Academy of Management Meeting Call for Papers. He concluded by stating,

*I do not believe that scholars in the entrepreneurship field (i.e., scholars that convene in such places as the Academy of Management Entrepreneurship Division, the Babson/Kauffman Entrepreneurship Research Conference or RENT) are exploring topics that have a similar theoretical underpinning. There is simply, no theoretical way to connect all of these disparate research interests together (Gartner, 2001, 30).*

Lowe’s (2001) comment regarding the opportunity and potential pitfall of entrepreneurship as an academic field is parallel to Gartner’s sentiments expressed above. The opportunity for entrepreneurship scholars is to effectively articulate theories, models and concepts that can explain and facilitate commerce in the new economy. The potential pitfall is the phenomenon is too broad and unfocused to be achievable (Lowe, 18). The issue of definition cannot be solved at this point in time. Further, there are currently no widely accepted, broadly employed theoretical frameworks of entrepreneurship from which cumulative knowledge is generated. While those statements may be disconcerting to scholars in the field they also provide some support for the development of Indigenous entrepreneurship as a distinct sub-field within the developing field of entrepreneurship scholarship. Moreover, as the following concluding comments to this section indicate, the field of entrepreneurship research, as is currently articulated by several highly cited scholars, is evolving to encompass areas closely connected to the scope of Indigenous entrepreneurship as delineated by Hindle and Moroz (2007). That issue is more fully elaborated on in the section immediately following the next.
Steyaert and Katz’s (2004) introduction to a special issue of ‘Entrepreneurship & Regional Development’ provides a recent conceptualization of the entrepreneurship phenomenon. The authors offered three propositions that form the ‘conceptual axes’ of their own paper and four others that make up the contents of the special issue. The first proposition states that ‘when bringing entrepreneurship into its social context says that entrepreneurship takes place in multiple sites and spaces’ (more than currently considered). Propositions two and three are as a consequence of the first. The former recognizes the political nature of entrepreneurship and the latter posits that it (entrepreneurship) is an ‘everyday activity’ and not only a matter of the actions of the elite (Steyaert and Katz, 181). Entrepreneurship now occurs in multiple sectors of society. For example, it occurs by national governments engaging in the privatization of nationalized businesses or by revitalizing existing government services. It occurs in the actions local governments that compete with larger established cities for new firms and settlers. Entrepreneurship is occurring in communities of ethnic groups that see it as a means of social and economic betterment (Steyaert and Katz, 181). The entrepreneurship phenomenon has evolved to encompass a broader perspective – one not placed solely in the centre of economic life – rather, in life tout court (Steyaert and Katz, 181).

In a recent book, Pierre André Julien asked the question, ‘why do some small regions grow while others – even those located close by – either fall into decline or find it difficult to keep up to the general economic trend?’ (Julien, 2007, 1). Julien posited a complex theory of local entrepreneurship that depends on;

(1) the entrepreneurs ‘individual, psychological, family and broader psychological characteristics (origins, culture, education, training, and so forth)’ (2007, 8), Thus the model of local entrepreneurship incorporates a broadly based perspective that takes into account the entrepreneurs origins, culture, life experiences, education, training, and stakeholders like family members, associates, employees, business partners, ‘or anyone else in the entrepreneur’s milieu, who serve as a model or are able to provide useful information’ (9).
(2) It incorporates the geographic space the entrepreneur lives in, specifically on the ability of that region to support entrepreneurial activity, with resources like social, financial, and human capital, infrastructure, consumers, and institutions (10). Thus, it incorporates the locale, social capital, networking and entrepreneurial culture within a given region. Stam’s (2003) assertion that stated ‘it is now recognized that economic competiveness depends to a large extent on non-economic factors…and the creation of structural competitiveness relies on a strong inter-dependence between economic and non-economic factors’ (Stam, 1) offered credible support for Julien’s thesis.

As Steyaert and Katz asserted, entrepreneurship is occurring in ‘multiple sites and spaces’ (Steyaert and Katz, 2004, 181). Their question, ‘What spaces have we privileged in the study of entrepreneurship and what spaces could we consider?’ (Steyaert and Katz, 183) points to the questioning of missed levels of analysis of entrepreneurship research. The incorporation of neighbourhoods, communities, villages, circles, and households in a geographic sense as we study entrepreneurship will allow for ‘new camera positions, such as close ups and wide angle shots, or frog and bird perspectives by zooming in and out’ (Steyaert and Katz, 183).

In the much the same manner, Julien’s model of local entrepreneurship proffers the ‘entrepreneurial milieu’ as an essential element for local economic development (2007, 116) therefore concurrently widening the scope of entrepreneurship research because of what constitutes the Julien’s ‘milieu’.

Entrepreneurship and entrepreneurship research are multi-disciplinary phenomenon with considerable complexity and little crystallization – as is evidenced from the literature referenced throughout this section. However, the field of entrepreneurship also continues to generate considerable attention – which is also discussed throughout the previous paragraphs. Lastly, it is continuing to evolve to encompass broader ranges of people, places, and supporting actors, as in Julien’s ‘entrepreneurial milieu’. All of these factors bode well for the development of Indigenous entrepreneurship as a distinct field of inquiry. That assertion is explicitly elaborated on in the section immediately
following the next topic, entrepreneurial process, a topic of considerable importance to this study.

### 3.2.2 Entrepreneurial process

Entrepreneurship researchers tend to focus on certain areas of the entrepreneurship phenomenon, for example, the characteristics of the entrepreneur, opportunities they respond to, the strategies they form, or on resource acquisition and organizing processes (Busenitz, West, Shepherd, Nelson, Chandler, Zacharakis, 2003, 298; Shane, 2003, 2-3). While research in these areas has contributed to the knowledge base on the entrepreneurship phenomenon (Bull and Willard, 1993, 184; Fabian and Ndofor, 2007, 249; Low and MacMillan, 1988, 140; Low, 2001, 18) the rather narrow focus has resulted in a lack of a widely accepted general theoretical framework for entrepreneurship (Shane, 2003, 3). While that assertion is also made above – its relevance to the topic of entrepreneurship as a process is made evident in the paragraphs below.

One more important topic should be noted before moving on to the real purpose of this section. The discussion concerning the entrepreneurial process will not debate the need to create a process theory of entrepreneurship, Hindle (2009b) and Steyeart (2007) have contributed to that discussion with persuasiveness in previous studies. Rather, the point of this discussion of the entrepreneurial process is to clearly articulate what is meant by that construct within this thesis.

Ucbasaran, Westhead and Wright (2001) examined the focus of entrepreneurship research with particular attention paid to contextual and process issues. The authors discovered six different themes in the extant literature on entrepreneurship, with Theme 3 identified as ‘process’, and the others being: theoretical antecedents, type of entrepreneur, types of organization, the external environment and finally, outcomes (59). The authors focused on two ‘broad dimensions’ of the entrepreneurial process; (1) opportunity recognition and information search and (2) resource acquisition and business strategies (61). They found that while there is recognition that the first
‘critical step’ of the entrepreneurial process is ‘considered to be’ opportunity recognition and information search that limited empirical research has been conducted on the topic (Ucbasaran, et al., 2001, 61). There are three important points made by Ucbasaran, et al., that are worth including here, each of these points are made concerning particular aspects of the process they identify:

- The ability to make a connection between specific knowledge and a commercial opportunity requires a set of skills, aptitudes, insights, and circumstances that are neither uniformly nor widely distributed (61).
- The extent to which individuals recognize opportunities and search for relevant information can depend on the make-up of the various dimensions of an individual’s human capital (61).
- Resources and assets, both tangible and intangible, and including human, social, physical, financial, and organizational capital are accumulated throughout entrepreneurial careers (Ucbasaran, et al., 2001, 63).

All of these issues contribute to the discussion concerning an appropriate analytical framework from which to examine the entrepreneurial process within Indigenous communities. The literature describing the current circumstances of the people within those communities describes the limited amount of entrepreneurs (Breher, 1990; Cachon, 2000; Caldwell and Hunt, 1998; Statistics Canada, 2001) other studies point to the low rates of human capital (Boldt, 1993; Helin, 2006; RCAP, 1996). Both of these factors, limited amount of entrepreneurs and low rates of human capital, may contribute to communities without people who have the skills aptitudes, and insights to identify commercial opportunities. Moreover, the human, social, physical, financial, and organizational capital required to effectively move from conception of a commercial idea to the development of a business strategy may also be in low supply. This topic is further analysed in the concluding section to this chapter.

Scott Shane (2003) offered his own perspective on the structure of the entrepreneurial process in the context of articulating a framework for understanding entrepreneurship (9). The ‘central premise’ of Shane’s theoretical framework rests on the notion that entrepreneurship can be best explained by
considering the ‘nexus’ of enterprising individuals and opportunities – a model based on the ‘opportunity perspective’ as described in previous pages. He further adds the framework is useful for understanding the ‘processes’ involved in the exploitation of opportunity – essentially then the entrepreneurial process, as Shane operationalized it for the purpose of his research, involves:

…the identification and evaluation of opportunity; the decision whether or not to exploit it; the efforts to obtain resources; the process of organizing those resources into a new combination; and the development of a strategy for a new venture (9).

These activities occur and are influenced within the context of a set of individual, industry, and institutional level factors (Shane, 2003, 10). The impact of those varying levels of analysis on the entrepreneurial process are discussed at length and are in fact the topic of the individual chapters of his monograph.

Bygrave and Hofer (1991) also conceptualized the entrepreneurial process, with their idea of the phenomenon based in the ‘emergence perspective’ school. They stated the entrepreneurship process ‘involves all the functions, activities, and actions associated with the perceiving of opportunities and the creation of organizations to pursue them’ (1991, 14). Some important characteristics of the entrepreneurial process are:

- It is *initiated* by an act of *human volition*.
- It occurs at the level of the *individual* firm.
- It involves a *change of state*.
- It involves a *discontinuity*.
- It is a holistic *process*.
- It is a dynamic *process*.
- It is *unique*.
- It involves *numerous antecedent variables*.
- Its outcomes are extremely *sensitive* to the *initial conditions of these variables* (Bygrave and Hofer, 1991, 17, [emphasis in original]).
The complexity of the entrepreneurial process, its multi-dimensionality, its interdependence on variety of factors both endogenous and exogenous to the individual, the opportunity and the eventual value created, requires researchers to articulate a clearly elucidated definition of what is meant by that construct within a given research project. Bygrave and Hofer’s identification of important characteristics is but one explication of the phenomenon. Others have also formulated conceptual frameworks to formulate boundaries for their own research. Aldrich and Martinez (2001) claimed, in their description of the process of entrepreneurship, that the successful transformation of an idea into an organization largely depends on the resource profile of the new venture (Aldrich and Martinez, 2001, 45). The resources they offered as being ‘essential elements’ required by ‘nascent entrepreneurs’ are; human, financial and social capital (45). Fabian and Ndofor (2007) suggested that the singular use of the term ‘entrepreneurial process’ implies a single process that entrepreneurs follow to create successful ventures. In fact, the entrepreneurial process occurs within a varied mix of people who become entrepreneurs, the resources they control and possess, the ventures they create, and the very broad range of actions they take (Fabian and Ndofor, 250). The authors framed their definition of the entrepreneurial processes within an implementation perspective by stating that it encompasses all of ‘the methods, practices, and decision-making styles managers use to act entrepreneurially’ (252). Herron and Sapienza (1992) also utilize a behavioural perspective in their explication of model that describes the process of creating a new venture, up to and including the initiation of ‘launch activities’ (49).

Herron and Sapienza proffered a 12 ‘link’ model with each link encapsulated within one of four stages that together form their conception of the entrepreneurial process. The four stages of the process that leads to new venture creation are search, discovery, evaluation, and launch (1992, 50-51). The first link represents a search, initiated by dissatisfaction with a current state. Then a level of aspiration and the skills that interact with dissatisfaction in the ‘determination of search’ are identified as link two and three. Link four’s ‘hypothesis’ states ‘that skills are at least partially determined by the interaction
of aptitudes with training’ – thus training, that includes experience as well as formal training – is link four. Link five in the model is representative of the notion that greater skills lead to higher aspirations. Then, link six postulates personal values and context (environment) as having an affect on the aspirations of the actor as well as his or her traits and the context (link seven). These seven links form the precursor to the search and, in fact ultimately influence the search behaviour (Herron and Sapienza, 1992, 51). Then when the search starts ‘discovery’ will involve both context and strategy, which the authors identify as link eight. To illustrate this point, the search may have identified an ‘opportunity’ in the steel industry, its ‘rough’ context. Then, the entrepreneur may identify a ‘rough strategy,’ the development of a mini-mill to manufacture structural steel (51). The ‘conscious’ evaluation of the opportunity is link nine, which involves a more detailed means-ends analysis of the opportunity (51). Link ten represents a choice of three possible outcomes resulting from the more detailed analysis of the opportunity. Labels of ‘poor,’ ‘bland,’ and ‘good’ could then either lead back to a ‘reinstitution’ of the search process in the case of a ‘poor’ opportunity or to a search with the objective of improving the opportunity, represented by Link 11. A ‘good opportunity’ outcome initiates the launch process that results in the creation of an ‘organization structure’ (Herron and Sapienza, 52).

Hindle’s generic model of entrepreneurial process is conceived with the understanding that the entrepreneurial protagonist could be an individual or a team working within an ‘environment populated by profit-seekers’ (2009b, 2). That limitation is qualified by Hindle to include the social entrepreneur by stating that, ‘one need only redefine the measurement of the concept of ‘value’ away from net present value expressed in dollars to some assessable measure of social benefit (2). The model could thus be effectively applied to Indigenous entrepreneurial protagonists, whether they act individually or as a community. Furthermore, Peredo and Chrisman (2006) found that within the ‘community based enterprise’ phenomenon profits were often viewed as being important to ensure the sustainability of the venture but also as being ‘instrumental’ to the achievement of larger community goals (316). For this reason, Hindle’s model of the entrepreneurial process can be effectively and methodologically applied.
within this study. The following will very briefly outline how that model is applied in this thesis.

One of the reasons why Hindle’s model of the entrepreneurial process (MEP) is appealing is because of its simplicity. Hindle’s MEP conceptualises the phenomenon as a set of activities that takes the ‘entrepreneurial protagonists,’ from a starting point of questioning whether an opportunity exists, ‘to an end point where measurable value is ultimately achieved’ (2009b, 2). The progression from idea conception to value creation embraces three distinctive but inter-related categories, or domains of activity: the strategic, the personal and the tactical. As in the Herron and Sapienza model described above, the MEP is also person centric; there is inherent focus on the actor within the MEP, at each stage of the process. The MEP can be described in a linear fashion, for the sake of conceptual clarity with the understanding that it is an iterative process, as moving from;

• Questioning whether an opportunity exists, to evaluation⁴. These activities occur within a ‘contextual’ environment that captures the depth and breadth of evaluation within a given context. For example, an evaluation of opportunity in the field of ‘nano-technology’ involves ‘many contextual evaluative activities’ compared to a sandwich bar (Hindle, 2009b, 3). The outcome of the evaluation, discovery process is the creation of a, ‘interim business model.’ That model only needs to be defined in such a manner that the entrepreneurial protagonists can respond to the question, ‘does an opportunity exist that we can potentially exploit?’

• The personal domain effectively only involves the concept of commitment which is defined as, ‘the pledged willingness of defined actors to undertake obligations and their consequences’ (Hindle, 2009b).

• Within the tactical domain resides the exploitation of the opportunity. Hindle defines exploitation as involving ‘the managerial skills necessary to actually implement the business model’ (2009b, 3).

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⁴ Evaluation; ‘as the systematic determination of merit, worth, and significance of something or someone using criteria against a set of standards’
Without overspecifying the MEP this brief description describes its fundamental components.

As pointed out previously, the complexity of the entrepreneurial process, its many elements, contexts, and potential actors contribute to the variety of definitions that are used to define it (Kodithuwakku and Rosa, 2002, 432). Then, as in the theoretical propositions outlined by Herron and Sapienza, (1992) and Hindle (2009b) there are also considerable individual specific characteristics, for example value systems and levels of knowledge and experience that interact to lead to a immensely wide range of behavioural outcomes. The resource profile of the entrepreneur also contributes to the process that ultimately emerges from the entrepreneurial ‘idea’ (Aldrich and Martinez, 2001). Additionally, the numerous ‘antecedent’ variables that Bygrave and Hofer declared as having considerable impact on the outcomes of the entrepreneurial event also add considerable complexity to the overall entrepreneurial process (1991, 17).

**Operationalization of the entrepreneurial process**

This leads to the fundamental purpose of the above discussion. Good science must begin with good definitions (Bygrave and Hofer, 1991, 13). That is essentially the purpose of describing how complex the entrepreneurial process has been described by a variety of scholars. As averred by Kodithuwakku and Rosa, there is difficulty in ‘unpacking’ the basic concepts of the entrepreneurial process into validly defined and accurate measures (2002, 4). Therefore the purpose of this section was to introduce a variety of definitions of the entrepreneurial process, elucidate its complexities, and then offer an explicitly defined set of basic concepts that clearly delineate how that construct will be operationalized in this thesis. That explicitly defined set of concepts follows.

As stated in Section 1.2.3 the entrepreneurial process will utilize an adaptation of Bygrave and Hofer and Hindle’s definition of the entrepreneurial process to provide a structure for that construct within this thesis. That definition is restated now;
Entrepreneurial process involves all the functions, activities, and actions associated with the perceiving of opportunities (Bygrave and Hofer, 1991, 14) and the creation of value based on the perceived opportunities, without specifying the business model utilized (Hindle, 2009b), while acknowledging that the process is affected by the intermediate environmental and macro environmental contexts (Bygrave and Hofer, 1991, Hindle, 2010).

This definition recognizes the need to perceive an opportunity as being fundamental to the process. The reason for this is because two people with different backgrounds, dissimilar human, financial, and social resource profiles, may be presented with the exact same idea. That ‘idea’ could potentially lead to the creation of some form of value, but both may have very different perceptions of that opportunity. One may engage in the entrepreneurial process while the other may not. Furthermore, the definition acknowledges not all entrepreneurial outcomes have to be in the form of a new organization – as averred by Shane and Venkataraman (2000), Davidsson, (2004), and Hindle (2009a). Lastly this definition recognizes that both intermediate environment (the community or region), referred to as antecedent variables by Bygrave and Hofer (1991) and the macro-environment can impact the entrepreneurial process.

That concludes the discussion concerning entrepreneurship, and its sub-topics, that included its definitions, research issues and the discussion in the preceding paragraphs concerning the entrepreneurial process. With the above as foundation it is now possible to focus even narrower to topics more germane to entrepreneurial process within the specific environmental context that is the focus of this thesis. Therefore, the next section now moves to the emergent field of Indigenous entrepreneurship.

3.2.3 Indigenous entrepreneurship defined as an emergent field

There have been considerable increases in the amount of research on Indigenous entrepreneurship (for example see, Chamard & Christie, 1994; Dana, 1995; Foley, 2000; Galbraith, Rodriguez, Stiles, 2006; Hindle and
Lansdowne, 2005; Kayseas, Hindle, Anderson, 2007; Peredo & Anderson, 2007; Peredo, Anderson, Galbraith, Honig, Dana, 2004). A variety of theoretical frameworks have been explicated on the Indigenous entrepreneurship phenomenon (Anderson, Peredo, Galbraith, Honig, Dana, 2006; Foley, 2000; Hindle and Lansdowne, 2005; Peredo and Chrisman, 2006). However, as yet, there is no globally relevant research paradigm for investigating Indigenous entrepreneurship (Hindle and Lansdowne, 2005). In effect the absence of an explicitly stated, boundary-defined area of study prevents the cumulative effects of research activities and also inhibits the effective evaluation and comparison of policy and programs targeted at Indigenous populations (Hindle and Lansdowne, 2005). While the stimulation of an Indigenous economy has the potential to remedy much of the damage created by the numerous government interventions that occurred in the past (Anderson, 2002; Greenall & Loizides, 2001) there as yet in no definitive theory of how best to research and in particular how to do entrepreneurship in Indigenous communities. While more and more research is being conducted in the emergent field of Indigenous entrepreneurship there as yet is no widely accepted, globally relevant, research paradigm that would allow for the cumulative building and testing of theory (Hindle & Lansdowne, 2005). This section of Chapter 3 introduces the field of Indigenous entrepreneurship as a sub-discipline of the entrepreneurship discipline itself. It is followed by a recent study meant to synthesize the extant literature on the topic of Indigenous entrepreneurship as a means of ‘defining’ the field.

Literature focused specifically on Indigenous entrepreneurship is slowly accumulating (see in particular the reference sections of: Anderson 1999; Anderson 2002; Anderson et al., 2001; Asch 1997; Cachon, 2000; Chiste, 1996; Cornell and Kalt, 1992; Cornell and Kalt, 1998; Dana, 1996; RCAP, 1996; Hindle and Lansdowne, 2005; Kayseas, Anderson, Hindle, Giberson, 2005; Newhouse, 1999). Studies germane to Indigenous entrepreneurship are appearing in a wide range of disciplines; anthropology (Greenfield, et al., 1979; Stewart, 1991); sociology (Reynolds, 1991); economics (Kirchoff, 1991; Liebenstein, 1968; Virtanen, 1997); and psychology (Shaver & Scott, 1991) to name a few. As well, there are many studies that have been written on the
general topic of the economic conditions in Indigenous communities (Coates 1996; Frideres and Gadacz 2001; Royal Commission on Aboriginal Peoples, 1996; Steckley and Cummins 2001). However, a coherent pattern of cumulative research has yet to be developed. Hindle and Lansdowne expanded on that topic by stating;

‘The absence of an explicit, globally relevant, research paradigm prevents the achievement of both cumulative effects accruing to research efforts and useful comparison between various policy and program initiatives’ (Hindle and Lansdowne, 2005).

A logical implication of the preceding statement is that entrepreneurship research, Indigenous entrepreneurship research in particular, has not grown to the degree where clearly outlined boundaries of the field have been developed and the identification of exactly ‘what’ should be studied within the discipline established. The conceptual domain of Indigenous entrepreneurship is still at its infancy stage (Hindle and Lansdowne, 2005). The problem that this creates for researchers in the field can be referred to as the ‘iteration problem.’

Simply stated the iteration problem is one of youth. Indigenous entrepreneurship research is in an early stage of growth. While there is more and more people with an interest in the topic there, as yet, is not a universally agreed upon understanding of exactly what it is. Therefore, there are no cumulative effects occurring in the domain (Hindle and Lansdowne, 2005), which leads to scholars defining the phenomenon and its characteristics in their own unique way each time. Is Indigenous entrepreneurship research concerned solely with the application of ‘mainstream’ entrepreneurship theories to Indigenous populations? A good example of research in this category is Lindsay’s study of entrepreneurial attitude within Australian Indigenous populations (Lindsay, 2005). Or is Indigenous entrepreneurship research concerned with the processes Indigenous populations are using in their attempts to ‘rebuild’ their economies? Anderson’s 1999 examination of ‘Aboriginal’ economic development in Canada is a good example of research
within this realm (see also Beveridge and Schindelka, 1978). Or, because of its immaturity, should Indigenous entrepreneurship be focussed on the development of a ‘universal’ research paradigm in order to better formulate its boundaries? Hindle and Lansdowne’s ‘Brave Spirits’ is a good example of empirical research on this category (2005). However, as discussed in Section 3.2 – the parent discipline – entrepreneurship – is still working through its own widely accepted definitional, boundaries and theoretical framework issues.

Additionally, is there agreement amongst researchers of ‘Indigenous’ issues about who is Indigenous? Does the examination of ‘Indigenous’ entrepreneurial ventures in Ireland qualify as Indigenous entrepreneurship research (Acs and Szerb, 2007)? What about the study of the level of entrepreneurship by ‘Indigenous’ people in Nigeria, Africa (Akinremi, 2007)? Where does the answer to these questions lie? Who is responsible for the development of a universally acceptable definition of Indigenous entrepreneurship research? This is in fact the essence of the iteration problem. The absence of a globally relevant paradigm of Indigenous entrepreneurship research forces a new iteration to emerge with every new researcher joining the fold.

This may soon change. There are a growing number of scholars with a passionate interest in Indigenous entrepreneurship. The release of an edited book titled, ‘International Handbook of Research on Indigenous Entrepreneurship Research’ by Edward Elgar Publishing in the summer of 2007 provides evidence of the growing cohort of highly regarded academics with a keen interest on this topic – both as researchers and as educators. The collection of articles could very well provide more form and structure to research in this area. However, it also may add more fuel to the debate of what exactly constitutes ‘Indigenous entrepreneurship’. Why? The collection of works within the publication cover a diverse range of topics, for example, entrepreneurship research, gender, strategies, social embeddedness, culture and social capital (2007, v-viii). The collection also identifies a broad range of communities and groups as ‘Indigenous.’ For example, the ‘Irish Gaeltacht’, the Nande, Luba, and Kumu of the Dominican Republic of Congo, the Ainu of Japan, and the African ‘Maasai’ as well as Indigenous people from North, Central and South America,
the Maori of New Zealand, and Indigenous Australians are all identified as ‘Indigenous’ within the volume (2007, v-viii).

Another indication of the growing interest in the field of Indigenous entrepreneurship can be found in the growing number of Indigenous scholars studying the phenomenon. More and more Indigenous academics are developing their own capacity to conduct scientific research of a standard acceptable to the larger academy. For instance, Wanda Wutunee, a Cree woman from the Red Pheasant First Nation in central Saskatchewan, recently completed a PhD program with research focussed on Aboriginal entrepreneurship and values (2004). Dennis Foley, an Indigenous Australian, completed his PhD dissertation on the topic of ‘Aboriginal entrepreneurship’ concerning his home country’s Indigenous population (2004). Michelle Lansdowne, a Sioux from the northern United States, recently completed a PhD with her research focussed on ‘American Indian entrepreneurship’ (2004). The actual number of Indigenous entrepreneurship scholars could be much higher given the current popularity of the phenomenon, both in practice and theory. While there is a growing interest in Indigenous entrepreneurship – there is also some concerns respecting its separation from other areas of research that have already gained acceptance by the academy, for example ethnic entrepreneurship. That topic is broached in the next section.

3.2.4 Indigenous entrepreneurship research as a distinct field of inquiry

There are several fields of inquiry related but distinct from Indigenous entrepreneurship, for example, ethnic entrepreneurship and social entrepreneurship. The acceptance by the broader academic community of Indigenous entrepreneurship as truly being distinct from other currently recognized areas of research will not occur until recognizable and proven differences from other research foci have been firmly established. This section briefly introduces both ethnic and social entrepreneurship and it concludes with arguments made by scholars who have averred that Indigenous entrepreneurship research is indeed a distinct sub-discipline of entrepreneurship research. These scholarly attempts to delineate the
CHAPTER THREE – REVIEW OF A SELECTED LITERATURE

boundaries of Indigenous entrepreneurship described in this section prefaces the focussed, theoretically guided, work of Hindle and Moroz reviewed in the section immediately following this (see Section 3.3.5).

3.2.4.1 Ethnic entrepreneurship

Ethnic entrepreneurship theory broadly addresses the ‘economic independence’ of immigrants and ethnic minorities (Light, 2004, 30). The concept ‘mainly’ refers to ‘SME business activities undertaken by entrepreneurs with a specific socio-cultural or ethnic background’ (Masureal et al., 2002, 240). Ethnic entrepreneur’s group memberships are often tied to a common cultural heritage or origin and they are ‘intrinsically intertwined’ in particular social structures in which individual behaviour, social relations, and economic transactions are constrained (Zhou, 2004, 1040). There are a number of concepts within the ethnic entrepreneurship paradigm that make the connection to Indigenous populations appealing – three are now elaborated on.

One stream of ethnic entrepreneurship research focuses on the factors that ‘cause’ people of ethnic origins to become entrepreneurs. A number of the concepts that have gained acceptance by scholars in the field could be applied to Indigenous populations. For example, the concept of ‘disadvantaged’ is commonly referred to in ethnic entrepreneurship literature that is focussed on the examination of the determinants of entrepreneurship. Racial, ethnic and religious discrimination are the major causes of disadvantage along with the lack of language skill and unaccredited human capital. People that face disadvantage often turn to self-employment (Light, 6). Two types of disadvantage in discussed in ethnic entrepreneurship literature are ‘labour market disadvantage’ and ‘resource disadvantage’. Labour market disadvantage occurs when ‘workers cannot obtain wage or salary employment that reaches the prevailing market return for their productivity’ (6). Resource disadvantage occurs when, ‘as a result of some current or past experience, such as slavery or peonage, members enter the labor market with fewer resources than others’ (Light, 6). The resources referred to here include all of the factors that improve the productivity, like human capital, positive work ethic, good health, contact networks, and self-esteem (Light, 6). Both types of
disadvantage could be applied to Indigenous populations in Canada – see Chapter Two for discussion that supports that assertion.

Two other concepts that are attributed to ‘group level’ characteristics are ‘bounded solidarity’ and ‘enforceable trust’ (Zhou, 1049). Bounded solidarity is a characteristic of immigrant populations that is created by ‘virtue of their foreign status and by being treated as culturally distinct, which heightens the symbols of common origin, shared cultural heritage and mutual obligations among coethnic owners, workers and customers’ (Zhou, 2004, 1049). Enforceable trust is an ‘enforcement mechanism against malfeasance among prospective ethnic entrepreneurs’. These group characteristics are embedded in ethnic social structures, ‘forming an important source of social capital facilitating entrepreneurial growth’ (Zhou, 1049).

There is an understandable inclination by scholars to apply the above ‘ethnic entrepreneurship’ concepts to Indigenous populations. However, there are important distinctions between Indigenous and ethnic populations that suggest the need for researchers to create a separation between the two – those distinctions were recently argued by several prominent researchers in a co-authored article that not only outlined a distinction between Indigenous entrepreneurship and ethnic entrepreneurship but also postulated a theory of Indigenous entrepreneurship (Peredo, Anderson, Galbraith, Honig, Dana, 2004). The author’s present three reasons for distinguishing Indigenous entrepreneurship from ethnic entrepreneurship:

(1) Ethnic entrepreneurship is almost always concerned with immigrant populations that are new to a particular region or country with particular emphasis on the economic interactions within an area of relatively new settlement. On the other hand Indigenous populations almost always involves individuals with a close attachment to ancestral land and the natural resources therein.
How Indigenous Community Context Affects Indigenous Entrepreneurial Process

(2) Indigenous entrepreneurship almost always is concerned with community-based economic development whereas ethnic entrepreneurship is mainly concerned with individual or family based enterprise development.

(3) Many Indigenous populations have gained a quasi-governmental or ‘nation’ status. Thus, economic factors of enterprise development are much more formally linked to the broader political and cultural factors (Peredo et al., 2004).

The authors acknowledge that there are many universal concepts in entrepreneurship research, for example, social capital, networks, cognitive styles, and technology adoption. However, in respect to Indigenous groups these concepts must be examined and properly analysed in the context of the historical differences between co-ethnic populations and Indigenous populations (Peredo, et al., 2004). A good example of research encompassing that perspective can be found in Levitte’s (2003) study that was based on two objectives; (1) the application of the concept of social networks to the investigation of economic exchange and economic development, and (2) the study of economic development policy for Aboriginal peoples in Canada (2003, 1). Levitte hypothesized that in ‘the Aboriginal context, the problem of small scale economies has been exacerbated by years of policy making that undermined social networks’ (Levitte, 5). The study provides an excellent example of a universal concept, social capital, and the need to adapt its application to the unique circumstances of the Indigenous people of Canada.

3.2.4.2 Social entrepreneurship

The concept of ‘social entrepreneurship’ is used to refer to entrepreneurial activity with an embedded social purpose. The concept combines the ‘passion’ of a social mission with the business oriented, innovative, determined fervour of an entrepreneur (Dees, 1998, 1). The manner in which social entrepreneurship is defined can understandably lead to attempts to apply the concept to the entrepreneurial pursuits of Indigenous populations. The below brief review of a number of scholar’s conceptualizations of social entrepreneurship provides support for that statement. This section then concludes with the arguments
raised by a group of scholars concerning the distinction between social entrepreneurship and Indigenous entrepreneurship.

Austin, Stevenson, Wei-Skillern (2006), in their theoretically based article that outlined the distinctions between social and commercial entrepreneurship, defined that concept as referring ‘to the phenomenon of applying business expertise and market-based skills in the non-profit sector such as when non-profit organizations develop innovative approaches to earn income’ (1). Alvord, Brown and Letts (2002) offered several similar but distinct meanings of the concept in their exploratory study of social entrepreneurship. The concept of social entrepreneurship has been examined with the perspective of; combining commercial enterprises with social impacts; innovating for social impact; and as a way to catalyze social transformation (3). Anderson, Honig, and Peredo (2006) defined social entrepreneurship as ‘organizations combining resources toward the delivery of goods and services that provide social improvements and change’ (62). Each of these operationalizations of the concept ‘social entrepreneurship’ has relevancy to Indigenous populations. In fact the Anderson et al., believe that:

…the enterprise-related activities of Indigenous people in pursuit of their social/cultural self-determination and economic goals exemplifies a distinctive activity that can be called ‘indigenous entrepreneurship’ which operates at the intersection of social and economic entrepreneurship, perhaps even calling into question the distinction between the two (2006, 57).

However, the authors do further argue that there should be a distinction between social entrepreneurship and Indigenous entrepreneurship – they present two arguments. The first is related to the concern raised above – in respect to ethnic entrepreneurship – and that is that Indigenous entrepreneurship is predominantly a collective enterprise with a strong element of ‘nation building or re-building’ – something that is not as pertinent to social entrepreneurship (Anderson et al., 2006, 62). The second reason for delineating a boundary between social entrepreneurs and Indigenous entrepreneurs is that
there is much stronger ‘economic element’ to the entrepreneurial pursuits of Indigenous entrepreneurial protagonists (62).

The arguments posed by Anderson et al., do have merit. The multitude of factors involved the creation of an new enterprise within contemporary Canadian Indigenous communities – as portrayed in Chapter 2 – point to an environment that is much more convoluted and complex than that experienced by social entrepreneurs operating within the more structured, well-defined, markets that exist in ‘off-reserve’ Canada. In an earlier empirical study Hindle, Kayseas, Anderson, and Giberson (2005) reported their findings concerning ‘success factors’ in the entrepreneurial activity of a northern Saskatchewan Indigenous community. The Lac La Ronge Indian Band is actively involved in entrepreneurship. The community is ‘widely recognized as leaders in economic development in Canada (4). The authors stated the objectives of ‘Aboriginal economic development’ as including: (1) seeking to have greater control of activities on their traditional lands, (2) an end to dependency through economic self-sufficiency, (3) the preservation and strengthening of traditional values and the application of these in economic development and business activities and, of course (4) improved socioeconomic circumstance for individuals, families and communities (2005, 3). The objectives reported by the authors do include both social and economic imperatives – and thus provides support for the Anderson et al., (2006) propositions concerning the existence of an ‘intersection’ between social entrepreneurship and Indigenous entrepreneurship. However, there is also further support for the two reasons Anderson et al., (2006) postulate as requiring a distinction between the two paradigms. The Lac La Ronge Indian Band pursues economic wealth primarily through collective pursuits that are led by the chief and council as the governing political body in the community – support for point one noted in the concluding section of the previous paragraph. Additionally, Hindle et al., (2005) quoting the then Chief Executive Officer of Lac La Ronge Indian Band’s development corporation, Ray McKay also provides strong support for point two of Anderson, MacCauley, Hindle, Kayseas (2006). CEO McKay stated:
Kitsaki seeks to create and manage a portfolio of active business investments rather than the individual companies. We try to obtain a majority interest in a business with a highly motivated entrepreneur or a strong corporate partner. We then work with that partner to maximize profits, employment, and training opportunities (McKay in Anderson et al., 2006, 5).

The statements concerning the strategy pursued by Kitsaki – as the business development arm of the band – indicate a strong economic focus with a goal to ‘maximize profits’. This statement lends credence to Anderson et al., two propositions. The intersection of social entrepreneurship and Indigenous entrepreneurship is found in the manner in which those profits are utilized by the Lac La Ronge Indian Band government – it is in that place that exists the strong social mission.

This briefly encapsulates arguments concerning the need to distinguish Indigenous entrepreneurship from other areas of scholarly interest. Others scholars agree with this distinction. For example, in an empirical study Dana (1996) stated that traditional entrepreneurship literature – including that found in its sub-domains, for example ethnic and social entrepreneurship – is ‘less useful’ when examining Indigenous populations. In a study of Indigenous and non-Indigenous entrepreneurs in Canada’s north Dana compared several theories of entrepreneurship to the experiences (garnered through interviews) of non-Indigenous and Indigenous entrepreneurs (1996, 58). Dana reported a significantly lower incidence of entrepreneurs amongst the Indigenous population along with a different perspective concerning the identification or recognition of opportunity (67). Furthermore, the Indigenous entrepreneurs that self-identified in Dana’s study were concentrated in the primary industry. This is an important point because, as Hindle and Moroz (2007) indicate in the next section and as previously discussed in Section 3.2, there is an emphasis on two schools of thought in mainstream entrepreneurship research, the emergence perspective and the opportunity perspective. Dana found that (1) Indigenous people did not recognize opportunities in the same manner as the studies non-Indigenous participants, and (2) their participation in the capitalist economy
were largely based in the primary industry – certainly not the domain of novel enterprises. To reiterate, Dana suggested that traditional entrepreneurship literature is ‘less useful’ in the context of his study – because of the differences in the perception and reaction to opportunity by Indigenous and non-Indigenous entrepreneurs (Dana, 1996, 67).

Noel Lindsay, Professor of Innovation and Entrepreneurship at the University of South Australia wrote in as study concerning Indigenous entrepreneurial attitude that given ‘the deep-rooted nature of Indigenous culture, culture must feature as a contextual variable in Indigenous entrepreneurial attitude theory’ (Lindsay, 2005, 1). Lindsay believes that Indigenous entrepreneurship has to be examined within an Indigenous cultural context and that Indigenous culture will ‘shape Indigenous entrepreneurial attitudes’ (5). He offers a quotation from Redapth and Nielsen’s application of Hofstede’s Cultural Value Dimensions to categorize Indigenous people as high collectivist, low power distance and uncertainty avoidance, and high femininity/low masculinity (Lindsay, 3). The categorization of Indigenous people as being high on the collectivist cultural orientation scale impacts the entrepreneurial domain in several ways:

(1) Personal control and influence over a business is secondary to family, extended family, and community control and interests (6). Refer to Appendix 1 for a visual representation of the complexity of an Indigenous enterprise in relation to a non-Indigenous and a non-Indigenous family venture.

(2) Opportunity recognition occurs in a ‘what’s best for the family, extended family, community’ context. Therefore ‘they (Indigenous entrepreneurs) look for a ‘different’ community oriented opportunity type – and this may not be regarded as an opportunity by western non-Indigenous standards’ (9).

(3) Indigenous entrepreneurship is focused on attaining both economic and non-economic goals (Lindsay, 7).

Lindsay concludes his study by acknowledging that Indigenous entrepreneurship research is still at its ‘embryonic stage’, but that there is a growing recognition and acknowledgement that it is different from mainstream entrepreneurship theory (Lindsay, 10). That last statement regarding the notion
that Indigenous entrepreneurship is ‘different’ than mainstream entrepreneurship was the primary focus of this section. There is a growing body of literature focused on the topic of Indigenous entrepreneurship – but little cumulative research is currently available. While some scholars do reference other works no evidence could be found of scholars building on the earlier work of other scholars in the field. With that in mind, the next section now moves to the work by Hindle and Moroz (2007). Hindle and Moroz examined a ‘loosely connected but rapidly growing body of literature,’ what they referred to as ‘the emerging Indigenous entrepreneurship canon’ (2007, 2). The ‘canon’ the authors tendered is the topic of the next section.

3.2.5 the work of Hindle and Moroz

Why are new entrepreneurial ventures (opportunities) created in some Indigenous communities and not in others? How did these ventures come into existence? Could the existence of entrepreneurial ventures in some communities be simply a timing issue, right time, right place, and right people? Were the opportunities entrepreneurs exploited based solely on an ideal location? Or was access to resources the driving force behind the creation of new entrepreneurial ventures or the creation of new knowledge into value? Why do some Indigenous communities exploit these new opportunities and others do not? How do communities exploit these opportunities? What have Indigenous communities done in respect to creating the ‘environment’ where entrepreneurial ventures can thrive? It makes sense then that in order for a study to be considered an Indigenous entrepreneurial study the responses to these questions must have a uniqueness that sets them apart from entrepreneurial studies of a general nature. It is understood that the researching of entrepreneurship within Indigenous communities must rely on existing knowledge of entrepreneurship simply because almost every explanation ‘for business, and for that matter, capitalism itself, relies on entrepreneurship as a cornerstone’ (Shane, 2003, 1). However, there is also a need for a definitive, or at the very least foundational, description of what constitutes Indigenous entrepreneurship. Because, if Indigenous entrepreneurship is not in the realm of ethnic entrepreneurial studies, as argued above, and is in fact a unique area of study, as Lindsay (2005) and Peredo, et al., (2004) postulate, then what exactly
is the conceptual domain of the phenomenon? Can we accept the notion that Indigenous entrepreneurship is different solely because Indigenous people must be ‘studied’ within a framework that recognizes their unique historical circumstances? Recent work by Hindle and Moroz (2007) has contributed to the debate concerning Indigenous entrepreneurship by attempting to create some structure around the extant literature on the putative discipline. That topic forms the body of this section.

Hindle and Moroz (2007) recently developed a classification of works in the field of Indigenous entrepreneurship research with the objective of defining the field. The authors examined a collection of publications focused on Indigenous entrepreneurship research. The papers were assembled using a structured, methodical search of the extant literature – and were organized around three key questions;

Question 1 – What theory, techniques and practice should be used to distinguish the specific characteristics of a literature in order to determine whether or not it constitutes a valid field of academic study?

Question 2 – Does the specific phenomenon of Indigenous entrepreneurship possess any characteristics distinct enough to distinguish it from the general phenomenon of entrepreneurship?

Question 3 – If so, what are the specific characteristics that pertain to Indigenous entrepreneurship and do they form a unique subset that can be successfully employed to define a distinct domain of investigation? (Hindle and Moroz, 2007, 8).

The literature search strategy developed and applied by Hindle and Moroz led them to 102 papers that fit the parameters outlined in their paper (Hindle and Moroz, 3). Of these papers only eight were categorised as having as its principal objective the ‘attempt to conceptually map or define the boundaries of Indigenous entrepreneurship research’ (Hindle and Moroz, 4). The small number of papers associated with the daunting task of defining the field of
Indigenous entrepreneurship is a testament to the adolescence of the emergent field. As well, Hindle and Moroz identified the existence of a ‘single theme’ that emerged from the literature. However they qualified the offering of that ‘single theme’ as only ‘if one were forced to distil one’, that theme is;

*What Indigenous people lost by act of conquest was their autonomy: their freedom to control their own destiny in their own way – a way that may involve cultural norms that are significantly different from those pertaining in the mainstream polity. They want that autonomy, that freedom, returned. That is the grand theme of all Indigenous aspiration throughout the world...Today, the quest for autonomy is recognised by enlightened Indigenous communities and leaders as being inextricably linked to the ability to create economic independence through the opportunity development and business creation activities of entrepreneurship (Hindle and Moroz, 7).*


The Hindle, Moroz paper is reminiscent of a paper published by William B. Gartner in 1985. The Gartner paper was concerned with the development of a conceptual framework that would facilitate the investigation of the new venture creation phenomenon in a more systematic and cumulative manner. The basis of Gartner’s theoretical paper was also a literature review – but with a much narrower scope. Gartner’s objective was to provide future researchers with a clearer, less reductive, conceptual framework in order to allow all, at the minimum, to know the name, if not the nature, of the ‘beast with which they are dealing’ (Gartner, 1985, 696). In fact the objective of the Hindle, Moroz is

The authors also reported several consistencies in the studies. One factor of particular relevance to the current discussion is that much of mainstream entrepreneurship research is inapplicable to Indigenous populations because of its failure to address the differences in cultural and social norms between mainstream and Indigenous populations (Hindle and Moroz, 4).
The preceding discussion offered a brief essay of the attempt by two scholars to ‘build’ the field of Indigenous entrepreneurship by offering a conceptual framework from the extant literature. Other researchers have also attempted to accomplish this task using a variety of methodologies (for example see, Chamard & Christie, 1994, Dana, 1995, Foley, 2000, Galbraith, Rodriguez, Stiles, 2006, Hindle and Lansdowne, 2005; Kayseas, Hindle, Anderson, 2007, Paredo & Anderson, 2007; Peredo, Anderson, Galbraith, Honig, Dana, 2004). However, previous studies lacked the systematic rigour and focus of the Hindle, Moroz study.

3.3. Criteria for selecting an analytical framework for the influence of community on entrepreneurial process

The above noted theoretical perspectives either attempt to explain development of Indigenous peoples from an outsider perspective, for example, modernization, dependency and regulation theories, or seek to define the process of development from an inside, Indigenous perspective, for example, Fourth World theory. Peredo and Chrisman’s theory of Community Based Enterprise posits a scenario of how ‘community’ can be used to facilitate the development of Indigenous peoples. Following that, in Section 3.2, was an introduction to the entrepreneurship discipline, which included definitional issues and challenges concerning researching the entrepreneurship phenomenon. Then, a brief introduction to the entrepreneurial process preceded discussion of Indigenous entrepreneurship. The culmination of the above should involve the formal articulation of the analytical framework that could then be utilized to offer a structure of related concepts, themes, categories (Strauss and Corbin, 1998, 22) that can be used to explain the phenomenon in question within this thesis. Therefore, after a brief articulation of what constitutes ‘theory,’ a brief analysis concerning a set of criteria for selecting an analytical framework is conceived. The section concludes with an evaluation of the above noted frameworks against those criteria.

Researchers with the task of examining any phenomenon must clearly identify the constructs he or she is using before attempting to operationalize them.
(Trochim, 2005, 57). Logically then that requirement should lead researchers to first gain a good understanding of the concepts, themes, and possible associated relationships within their field of interest – as a means of identifying what is relevant to their own research – then to ‘operationalize’ it within a theoretical or conceptual framework (Trochim, 57). That task, as noted above, is essentially the purpose of this section.

What then constitutes a good theoretical or conceptual framework? In order to respond to that question two steps must follow, the first is to define that concept, then a brief examination how one would choose a theoretical framework precedes the identification of the criteria noted above.

Strauss and Corbin define a theoretical framework as, ‘…a set of well-developed categories (e.g., themes, concepts) that are systematically related through statements of relationship to form a theoretical framework that explains some relevant social, psychological, educational, nursing, or other phenomenon’ (1998, 22). The definition offered by Strauss and Corbin and Trochim’s viewpoints all provide direction for examining the above frameworks against a set of criterion developed from information contained in Chapter 2 as well as the discussion concerning the emergent paradigm of Indigenous entrepreneurship, found in Section 3.3.1. The criterion is formulated from the description of the contemporary Indigenous community and is expressed as follows.

Chapter 2 provided an introduction to the Indigenous ‘band,’ its evolution from a reserve system imposed on Indigenous populations, to its current manifestation. It is within that contemporary community that entrepreneurial activities are now occurring, by both the community and individual entrepreneurial protagonist. Therefore, a set of characteristics that impinge or facilitate activities occurring within the entrepreneurial process are derived by referring back previous discussions:
Page 10 – ‘Issues related to limited access to financing, lacking physical infrastructure, remote locations, and small markets contribute to an environment that does not support entrepreneurial activities.’

Page 56 - ‘While entrepreneurs in every municipality, town, city, and province of Canada can search for and discover business-licensing requirements, business taxation regimes, zoning bylaws and other land use policies – this is not so in Canadian Indigenous bands. The manner in which an entrepreneur operates or begins to operate within the band is almost entirely defined by the band council as the governing body of that reserve.’

Page 56 - ‘reserve land cannot be brought and sold like other land. Ownership is vested with the Crown. The band council can allocate land for use to its members but those members cannot sell, lease, or mortgage it.’

Page 57 - ‘It is more than just an administrative body – it is in fact the government, service and program provider, policy developer, and the creator of the rules and regulations entrepreneurs exist within in those communities…Meanwhile, there is no mandated training or qualification set except being elected in a system that may have nothing to do with heritage governance and owes everything to the mandates of the Indian Act.’

Page 67 - ‘It is up to the chief and council to create the appropriate governance and policy regimes that will allow entrepreneurs, individuals and groups, to have a chance of creating value from new ventures.’

Page 79 - ‘Would-be entrepreneurs often cannot access information needed to start a business, almost no business licensing regimes exist, and they cannot leverage their property for start-up capital as most other mainstream entrepreneurs can.’

Then taking some quotations from cited literature:

…. 50 percent of on reserve populations between the ages 25 to 64 had not completed high school and only four percent had a university degree (Statistics Canada, 2008).
Real property cannot be seized...does not allow creditors to seize the real property of 'Indians' and 'bands' (Imai, 2007, 190)...much difficulty in obtaining financing for new venture creation (Imai, 2007, 150).

entrepreneurs represent a new phenomenon in many Indigenous communities. They have often no role models or older generation entrepreneurs to facilitate the generation of the entrepreneurial spirit (Cachon, 2000, 9).

isolated from information channels, availability and conditions of entrepreneurship ‘programmes,’ almost no networking, small markets, higher costs, thus higher prices, limited access to land (Cachon, 8).

Indigenous entrepreneurial activity there is a recurring theme that points to communal and collective patterns of social organization that includes property arrangements and distribution of resources (Paredo, et al., 2004, 5).

Indigenous entrepreneurship has to be examined within an Indigenous cultural context (Lindsay, 2005, 5)...Indigenous people...high on the collectivist cultural orientation scale (Lindsay, 2005, 7).

The most cited characteristics point to more collective focus in societal activities and a different sense of property ownership (Galbraith, Rodriguez, Stiles, 2006, 5, Paredo, et al., 2004, 5).

Extracting salient elements of these statements then reveals the following factors within Indigenous communities, ‘financing,’ ‘lacking physical infrastructure,’ ‘remote locations,’ ‘community,’ ‘small markets,’ governance,’ ‘rules and regulations,’ ‘land,’ and land tenure, lack of ‘information,’ ‘financing,’ ‘networks,’ ‘culture,’ collectivist,’ ‘different sense of property ownership.’ Other identified issues include, the inability to lease, pledge or mortgage reserve property, lack of human capital within the band government, low education attainment in the overall community, and no entrepreneurial role models.

Therefore any useful framework should have the ability to provide a frame of reference that facilities knowledge and explanatory power on as wide a range of these ‘factors’ as possible. As well, there should be some manner of understanding possible relationships between and amongst the identified variables.
With the above noted ‘factors’ in mind then several questions can be used examine the possible utility of theoretical frameworks discussed above, modernization, dependency and regulation theories, Fourth World and Community Based Enterprise perspectives, as well as neo-classical economic perspectives. Is it possible to utilise regulation theory as a framework from which to design the overall research program that is this thesis? Can the ‘modes of social regulation that come to be regulated through certain socio-political institutions’ (Friedman, 2000, 61), provide ‘the structure, laws, policies, institutions and norms’ to ‘allow regimes of accumulation to grow and expand’ (Anderson, 1995, 5) offer an effective guide to understanding what contextual factors reside with Indigenous communities that may effect the entrepreneurial process in that specific context? Can the research outcome framed with a Fourth World perspective be useful in not only explaining the phenomenon but also in helping to facilitate its successful implementation? Moreover, can the final derived model from the research be action-oriented as well as theoretically sound? Does the model of Community Based Enterprise as explicated by Peredo and Chrisman offer a conceptual guide for the research articulated within this thesis?

The answer to these questions could very well be a ‘yes’. However, while much of the research cited above has offered what may be contextually appropriate models of development each has limitations that render their application and usefulness to this study deficient. The primary reason is because while they all converge on key points none offer specific detail for operationalizing research. The theoretical frameworks noted above simply do not facilitate the research process because of the absence of explicit direction as to how best to operationalize the concepts, themes, and relationships each identifies into a program of research focused on gaining a broader understanding of how factors within the Indigenous community might impinge or facilitate the entrepreneurial process.

However, a recent model, referred to in this thesis as, ‘Hindle’s Bridge’ does provide this needed direction. The Hindle Bridge analytical framework is not in competition with other models – rather it encompasses certain key elements of
the models described above — but it is more action oriented. Therefore, it simplifies the process of operationalizing research. The reason why I am interested in Hindle’s Bridge’ is because it was formulated by a scholar with an intense interest and a lengthy list of works in Indigenous entrepreneurship.

Kevin Hindle is a scholar deeply concerned with four closely related research areas:

- The relationship between innovation and entrepreneurship (Hindle & Yencken, 2004);
- Defining and modeling entrepreneurial process (Hindle, 2009a);
- Creating effective entrepreneurship and innovation policy (Hindle, 2009b) and;
- Diagnosing how community factors affect entrepreneurial process (Hindle, 2010).

The culmination of his work has resulted in very recent publications now at the leading edge of this quartet of important issues.

The theoretical framework posited by Hindle (2010) is specifically concerned with the ‘diagnosis’ of how ‘community’ can affect the entrepreneurial process. A review of the Hindle Bridge is the primary focus of the chapter 4. However, the overview of the Hindle Bridge propositions follows two extremely important topics pertinent to this thesis – and that is the manner in which ‘context’ and ‘community’ interrelate to converge on an entrepreneurial process in Indigenous communities that require a new, state-of-the-art approach, Hindle’s Bridge may be that.

More discussion of that framework follows.
4. Community context and entrepreneurial process: developing a focussed pre-theoretical understanding

Chapter Abstract

This chapter reports the third phase of a three-part literature review.

The chapter begins with a discussion concerning the ‘appropriateness’ of developing a theoretical pre-understanding within the framework of a grounded theory study.

A review of literature that describes the need for including ‘context’ in theoretical and empirical frameworks is discussed. Then, the scholarly treatment of ‘community’ as a unit of analysis is briefly illustrated.

The core of this chapter provides a detailed overview of an analytical framework, referred to as ‘Hindle’s Bridge’. The chapter concludes with a synthesis of the literature and its relevance to the Indigenous ‘band’.
4.1 The appropriateness of a theoretical pre-understanding within a grounded theory study

To explain the purpose, content and structure of this chapter I must anticipate some key components of the next. In the next chapter I will provide full details on the research design and methodology of the empirical component of the study. The heart of the matter will be two sets of case studies. In the first set of cases I will perform a grounded theory very much along the original lines postulated by Glaser and Strauss (1967) rather than any of the many subsequent developers of grounded theory practice. The exercise will be aimed at revealing what observation and the opinion of Indigenous people in Band communities indicate are the key issues for understanding (and therefore for theorizing about and further researching) the way that community factors affect entrepreneurial process. As is appropriate to a grounded theory exercise, I will be making a conscious endeavour NOT to import any pre-existing theory into the exercise, but this is not to say that I, as researcher do not have or should not have any pre-existing knowledge. It is the purpose of this chapter to perform a focussed literary review that will get me to the frontier of existing knowledge concerning the investigation of the way in which community factors affect entrepreneurial process. I wish to distil that knowledge and select from it what might be called a ‘candidate’ theoretical and analytical framework. It will only be a ‘candidate’ – not as in other theses a fully preselected guideline to the empirical investigation – for the simple reason that my entire investigation is in a very large sense about the development of an original theoretical/analytical framework. Thus, as chapter five will reveal in detail, my research design involves: finding out what the state of the art of received wisdom is (this chapter); setting that knowledge aside to perform a grounded theory exercise; comparing and combining the received and grounded knowledge to develop investigative guidelines for a second set of guided (not grounded) case investigations; and, finally, using the insights developed from the second set of cases of cases to develop a theoretical/analytical framework for understanding/investigating the way that Indigenous community factors affect entrepreneurial process.
This chapter represents the first part of that complex process. Here, I seek to discover and examine the state of the art of existing knowledge about the way in which community factors affect entrepreneurial process.

A common misconception about grounded theory is that researchers are required to ‘enter the field without any knowledge of prior research’ (Suddaby, 2006, 634). A recent *Academy of Management Journal* article argued against six common misconceptions about the grounded theory methodology. The first describes two extremes of the above issue. At one end of the argument some scholars have stated that researchers must enter the field without knowledge of the literature or prior experience of the field and without a defined research question (Suddaby, 634). Others at the less extreme end argue that researchers must defer the review of existing literature until the data is collected and analysed (Suddaby, 634). The notion that research can be conducted without defined research questions and knowledge of existing theory ‘defies logic’ (Suddaby, 634). In fact, it is impossible for researchers to make observations about data *tabla rasa* (Locke, 2001, 46). Suddaby blames proponents of the ‘blank slate’ issue on the ‘serious misreading’ of seminal texts on grounded theory (634).

Glaser and Strauss’s (1967) original explication of the grounded theory approach stated that the,

…sociologist may begin research with a partial framework of ‘local’ concepts, designating a few principal or gross features of the structure and processes in the situations that he will study…These concepts give him a beginning foothold on his research. Of course, he does not know the relevancy of these concepts to his problem—this problem must emerge—nor are they likely to become the core explanatory categories of his theory (Glaser and Strauss, 1967, 45).
Glaser and Strauss did not intend for researchers to ‘enter the field’ without the benefit of training in a ‘disciplinary tradition…Nor…did they intend that researchers enter the field without the orientation provided by a broad school of thought’ (Locke, 2001, 46). Thus, this ‘orientation’ is depicted in Figure 9 and can be found in section 5.3.3 of the next chapter. The review of the literature outlined in Chapters 2 and 3, above, provided the necessary ‘beginning foothold’ in three areas, historical and contemporary Indigenous circumstance, theoretical perspectives of Indigenous development and entrepreneurship and Indigenous entrepreneurship conceptual foundations. Those literary investigations provided an opportunity to review a large pool of the extant literature pertinent to my study. To complement the development of that sound understanding of relevant issues I now seek to refine examination of the literature with the goal of searching to discover if there is an existing analytical framework specifically focused on the way in which community factors affect entrepreneurial process that may contribute to my own theoretical ‘pre-understanding’.

Anticipating the results of this chapter’s focused examination of relevant literature, it turns out that there is a very promising ‘candidate’ theoretical/analytical framework which I will refer to as ‘Hindle’s Bridge’ (Hindle 2010). Its potential strength for the purposes of my research, Hindle’s Bridge offers a model for systematically diagnosing the way in which community factors affect entrepreneurial process for any community, however defined. I am interested in a very particular type of community: the Indigenous community as found in the specific circumstances of the Canadian band system. Prima facie, the explanatory and investigative regime offered by Hindle (2010) seems to have great relevance to the particular communities in which I am interested – not least because though it is a general model of the way in which community factors affect entrepreneurial process it was developed principally through study of Indigenous communities. However, I will not trust Hindle’s Bridge or any other explanatory/investigative regime until after my own grounded theory investigation, rooted in my own communities of interest, has, as it were, let Indigenous people in Canadian bands ‘speak for themselves’
Before accepting or amending Hindle’s Bridge or any other pre-existing approach as a model for understanding and investigating the way in which Indigenous community factors affect viable Indigenous entrepreneurial processes, I intend, as indicated, to undertake an empirical research program that will allow for Indigenous community members to articulate a ‘grounded theory’ of the way in which successful entrepreneurship can be harmonised with community context. At this stage of the research process it is appropriate to search the literature for the state of the art in understanding the influence of community context on entrepreneurial process.

4.2 The role of context in entrepreneurial process

4.2.1 Context is vital

In a recently published book edited by Schoonhoven and Romanelli two questions were posed in the introduction. The first was, ‘what are the conditions, including economic, cultural, and even personal situations and proclivities, that prompt the founding of new organizations?’ The second question was, ‘what are the real and important outcomes of entrepreneurial activity?’ (Schoonhoven and Romanelli, 2001, 1). These questions lie at the heart of the research articulated in this thesis. The first asks what are the origins of new organizations, propagated by various units of analysis: including individuals, groups within communities and entire communities acting through their governing bodies. Greater understanding of the conditions that are conducive to the birth of new ventures is key to understanding what factors within communities affect any entrepreneurial process within a community no matter who may be its progenitor. A particularly important finding is that possession of greater understanding of the outcomes of entrepreneurial activity beforehand may allow Indigenous leaders and entrepreneurs to create development strategies that will not interfere with the maintenance and growth of cultural values and principles. The importance of the latter issue cannot be stressed strongly enough because, as was demonstrated at length in chapters two and three, above, many of the Indigenous communities in Canada must undergo significant transformation of their social, economic and political
structures in order to effectively compete in the open, capitalist market system (see, in particular, Anderson, 2002; Hindle, Kayseas, Anderson, Giberson, 2005). Furthermore, research on Indigenous entrepreneurship has demonstrated that development should not occur if it means giving up or forever altering Indigenous culture (Anderson, Kayseas, Hindle, 2005; Hindle and Lansdowne, 2005; Foley, 2002; Newhouse, 2000; Paredo, Anderson, Dana, Honig, 2006; Wutunnee, 2004). A quotation from Schoonhoven and Romanelli underscores the importance of incorporating context into the research of entrepreneurship in Indigenous communities,

...New organizations do not emerge de novo from the idiosyncratic and isolated invention of individual entrepreneurs. Their ideas for new organizations, their ability to acquire capital and other important material and human resources, and their new organization’s likelihood of surviving derive from the contexts in which individuals live and work. Context, even assuming a special and broad influence of distinctive and uncommon individual inclinations, must exert a constraining influence on rates and kinds of organization creation at the same time that it motivates organization creation (Schoonhoven and Romanelli, 2001, 2).

These opening comments provide the introduction to the fundamental concern of this research project: examining the efficacy of entrepreneurial process as it is conditioned by community context. Not until very recently (Julien 2007; Hindle 2010) have entrepreneurship researchers sought to identify and codify into a theoretical analytical system, which factors, whether endogenous or exogenous to communities, regions or nations, should be emphasized or which are of greater importance. However, there is quite a body of eclectic knowledge germane to the study of the way in which community factors affect entrepreneurial process and I will review it before coming to an examination of the more recent highly focused work.

The first topic that immediately follows explores the concept of ‘the entrepreneurial environment’ from both the economist’s and the
entrepreneurship researcher’s perspective. The literature on the entrepreneurial environment is particularly useful for its identification of factors within ‘environments’ that impinge or facilitate entrepreneurial activities. That is followed by a summation of literature on the importance of context in relation to research entrepreneurship.

4.2.2 The entrepreneurial environment

The number of people who choose self-employment by starting new firms varies considerably across nations (Freytag and Thurik, 2006). Researchers from a variety of disciplines have made assumptions of the causal factors that explain the variations of the number of entrepreneurs, income levels, and economic growth (see for example, Bull and Willard, 1993; Bygrave, Minniti, 2000; Carree, Thurik, 2005; Easterly, 2002; Fogel, G., 2001; Gwartney, Holcombe, Lawson. 2004; Helpman, 2004; High, 2006; Mueller, 2007). Researchers have also focused attention on the ‘environmental’ conditions that can impact the entrepreneurial process (El-Namaki, 1988; Gnyawali, Fogel, D. 1994; Harper, 2003). Also, it is widely recognized that ‘environmental forces’ ranging from purely cultural and social currents to governmental regulations, bureaucracy and institutional arrangements can either facilitate or inhibit the ‘driving force behind entrepreneurs’ (El-Namaki, 1988, 110; Van de Ven, 1993, 216). A logical question arises from that statement, what are those environmental factors that may impede the entrepreneurial ‘force’ in Indigenous communities? Is there a way of identifying a set of factors that can be used across such a broad, diverse set of communities as exist in Indigenous Canada? The first step to respond to these questions is to develop an understanding of what the literature says of the environments entrepreneurs operate in and to identify the factors that impact the process they engage in.

The ‘entrepreneurial environment’ is the combination of factors that play a role in entrepreneurship developing in a country or region (G., Fogel, 2001, 103; Learned, 1992). Gnyawali and D., Fogel (1994) describe these factors as being in either of two categories. The first relates to the overall economic, socio-cultural, and political factors that influence people’s willingness and ability to
undertake entrepreneurial activities. The second category refers to the availability of assistance and support services that facilitate the start-up process (Gnyawali and D., Fogel, 44). The authors report an interesting set of commonalities in the literature they reviewed. The first is related to a common understanding among scholars that the more conducive the business environment, the more likely new firms will emerge (Gnyawali and Fogel, D., 44). Why? Because when the social environment values entrepreneurship, opportunities exist, and entrepreneurs have the skills and abilities to exploit those opportunities, people will feel more competent and confident in starting a new venture (Fogel, G., 2001, 103) A second theme points to the need for the creation of an environment conducive to entrepreneurship as being more important in ‘emerging market economies and in developing countries’. Lastly, the need for an appropriate entrepreneurial environment is greater for small-scale enterprises because of the limited control they exert over the ‘environment in which they operate’ (Gnyawali and D., Fogel, 46). In fact, the existence of highly supportive entrepreneurial environments can actually ‘create’ entrepreneurs (Gartner, 1985, 700).

Two separate studies offer converging sets of environmental conditions – one more explicitly defined than the other. Gartner (1985) quoting Bruno and Tyebjee, noted twelve variables that influenced new venture creation, they are;

1. Venture capital availability
2. Presence of experienced entrepreneurs
3. Technically skilled labour force
4. Accessibility of suppliers
5. Accessibility of customers or new markets
6. Governmental influences
7. Proximity of universities
8. Availability of land or facilities
9. Accessibility of transportation
10. Attitude of the area population
11. Availability of supporting services
12. Living conditions (Bruno and Tyebjee in Gartner, 1985, 700).
The influence of these variables on new venture creation suggests that entrepreneurs would not or could not become entrepreneurs if they did not perceive the existence of an appropriate mix of these factors (Learned, 1992). After all entrepreneurs do not operate in a vacuum – they respond to their environment (Gartner, 1985, 700).

Holcombe (2003) discussed how some economists have moved from the neoclassical theory of economic development, that stresses investment and technological advances, to a greater interest in how economic policy can ‘create an environment conducive to entrepreneurship and economic progress’ (39). He argued a nurturing environment is more important over the long run than one that is created with explicit policy because of the nature of the entrepreneurial act. Holcombe stresses several important points:

- Entrepreneurship is a key ingredient to a prosperous society. The existence of entrepreneurship requires a vibrant private sector as well as government policies that support the entrepreneurial act.
- Governments must create stable economic environments, with efficient market institutions, protection of property rights and minimal disincentives like taxation, regulation and redistribution;
- Policy that ‘nurtures’ entrepreneurship is more important than policy that encourages investment. The reason for this is because an environment conducive to entrepreneurship creates private incentives to invest (Holcombe, 2003, 40).

Holcombe stressed the key to an environment conducive to entrepreneurship is stable market institutions (2003, 40). In an earlier study Gnyawali and D., Fogel (1994) suggested five dimensions as being essential components of the entrepreneurial environment. These five dimensions are integral to the development of entrepreneurship in a nation or region;

1. Financial assistance
2. Non-financial assistance [market studies, business planning]
3. Entrepreneurial business skills
4. Socio-economic conditions and

How Indigenous Community Context Affects Indigenous Entrepreneurial Process
(5) Policies and procedures for entrepreneurial activities (Gnyawali and D., Fogel, 1994).

The convergence of the above-suggested frameworks by Gartner, Holcombe, and Gnyawali and D., Fogel lies in the recognition of external forces ability to influence the entrepreneurial process. All of the authors believe that the environments the entrepreneurs exist in can impact the eventual entry into entrepreneurship and possibly the outcomes of that activity. The evidence is strong. The environmental context plays a very significant enabling/constraining role in new venture formations collectively (Learned, 1992).

The preceding discussion concerning various concepts of ‘conditions’ existing in a particular contextual environment can either provide the impetus and support for entrepreneurial action or erect barriers to its successful implementation (G., Fogel, 2001; Gnyawali & D., Fogel, 1994, 44). The studies described in the preceding paragraphs provide the theoretical starting point for understanding the direction of the research described in this thesis by outlining how entrepreneurship and the contextual environment are interrelated. The understanding that entrepreneurs undertake a definitive action, i.e., they start a new business or introduce a new product, and that this action cannot be viewed in a vacuum devoid of context has been articulated by a number of prominent scholars (Aldrich and Baker, 2001; Carree & Thurik, 2005; Gartner, 1985; Hindle, 2009; Steyaert, 2007). That proposition is the basis of a diagnostic tool, which can also be viewed as a theoretical framework, articulated by Hindle (2010) and that I have used as the investigative foundation of the research reported in this thesis. However, before proceeding to detail this usage, there is a need to discuss the importance of context more generally.

4.2.3 Entrepreneurship scholars on the importance of context

Minniti & Bygrave, (1999) used the phrase ‘subjective relative returns’ to refer to the difference between what a potential entrepreneur expects to get from entrepreneurial activity and the expected return of doing something else (42). The decision to become an entrepreneur is a function of three ‘simultaneous
elements', they are; (1) the ‘subjective’ initial endowment (personal); (2) institutional and economic circumstances of the economy (objective and community specific); (3) the existing level of entrepreneurial activity in that community as perceived and evaluated by that individual (Minniti & Bygrave, 42). Forgetting for the moment that Minniti and Bygrave’s focus is on the decision process of potential entrepreneurs, it can be assumed that researchers and practitioners interested in the entrepreneurship phenomenon – in general – and not specifically on one aspect of its total manifestation, i.e., cognition, can safely argue that the authors are advising others to ensure that ‘objective and community specific’ factors should be examined within the realm of entrepreneurship research. That is not a unique suggestion. Scholars and researchers have acknowledged, in a variety of contexts, that the entrepreneurial act is more than just a singular activity by an entrepreneur. In fact, the context within which the entrepreneur operates must be considered (Aldrich & Baker, 2001; Carree & Thurik, 2005; Gartner, 1985; Hindle, 2010; Reynolds, 1991; Steyaert, 2007). For example, Van de Ven, in a study outlining the ‘issues and processes’ involved in the creation of an infrastructure that facilitates and constrains entrepreneurship, pointed out deficiencies in entrepreneurship research exist when its study only focuses on the characteristics or behaviours of an individual entrepreneur and it treats the ‘social, economic, and political infrastructure for entrepreneurship as externalities’ (Van de Ven, 1993, 211). Furthermore, Bruton, Ahlstrom, Obloj, (2008) in a review of literature related to entrepreneurship in emerging economies reported two primary issues in the extant literature:

- In almost all of the articles the authors reviewed they found that established theory from developed economies was applied ‘with little regard to their respective emerging economy context.’ The assumption the authors of the reviewed studies made was that the setting from the which the theory is derived has little impact (Bruton et al., 4);
- Few studies went beyond testing established theories on emerging economies or by describing how an emerging market entrepreneurship phenomenon differs from a mature economy, thus there was no integration of the contextual nature of emerging economies. ‘There is a
need to contextualize the research in emerging economies’ (Bruton et al., 2008, 5).

The issue of contextualising entrepreneurship research does not only relate to emerging economies. Steyaert and Katz (2004) offered their insights into the implications of conceiving entrepreneurship as a social rather than economic phenomenon (179). Two of three key points raised by the authors are pertinent to this discussion;

First, to fully appreciate entrepreneurship as practiced in our societies and communities, entrepreneurship researchers need to think more broadly and sample more diversely among people and organizations. Studies such as the Global Entrepreneurship Monitor (GEM 2001) capture only one type or situation of entrepreneurship…The true measure of entrepreneurship in a society as a whole needs to sample across multiple sectors, domains and spaces.

Second, entrepreneurship as a process or interaction is far more widespread and ubiquitous than current approaches to research might suggest. In a way, current measures of entrepreneurship are too coarse-grained, looking only at business creation or even limiting itself to high-growth business creation, and missing the myriad fine-grained forms of entrepreneurial interaction taking place in any society (Steyaert and Katz, 2004, 193).

The fundamental issue of locality can be found in all of the research referenced above – entrepreneurship has a spatial characteristic that has not yet been fully appreciated (Steyaert, 2007, 2). Entrepreneurs do not operate in a vacuum (Gartner, 1985) they are in constant ‘dialogic’ with and between new value creation, ‘within an ongoing process and within an environment that has specific characteristics’ (Bruyat & Julien, 2000, 165). The phenomenon of entrepreneurial behaviours cannot be ‘meaningfully separated from the social and economic context in which those behaviours occurred’…a new venture in the United States involves a very different set of dynamics than does the
creation of a new venture in China or in Kenya’ (Bloodgood, Sapienza, Carsrud, 1995, 123). Entrepreneurs are embedded in a community context (Rønning & Ljunggren, 2008), they are actors that part of complex community contexts and are involved in a range of reciprocal relations and the actors’ creative practices must be studied within these networks and the community context (Alsos et al., 2007). Entrepreneurship is essentially a local process bounded by the resources and cultural understandings of local environments (Schoonhoven and Romanelli; 2001, 10), it is embedded in the local context...it involves analyses of firms and industries as well as cities, regions, and countries (Audretsch, Keilbach, Lehmann, 2006). In fact, it is a behavioural process that involves the interaction of three critical elements; the individual, the venture, and the environment (Hoy, 1995, 146). Busentitz et al. have summarized succinctly: fully understood, the domain of entrepreneurship research is fundamentally at the ‘nexus of opportunities, enterprising individuals or teams, and modes of organizing within the overall context of wider environment’ (Busenitz, West, Shepherd, Nelson, 2003, 297).

Given the arguments of the above authors it seems reasonable to assume that in order to understand the role of context in the realization of entrepreneurial processes we need modes of analysis to conceptualise, articulate and operationalized the influence of context. For example, would women in different environments, perhaps Indigenous women in living in Cape York, Australia exhibit similarities, start the same kinds of firms, and be motivated by the same drivers as Indigenous women on a Canadian Indigenous reserve in northern Manitoba? Moreover could governments working on creating ‘entrepreneurial environments’ in both locations use the same strategies? Holcombe argued a nurturing environment is more important over the long run than one that is created with explicit policy because of the nature of the entrepreneurial act. Why is that important? Because we must overtly recognize the relationship of any entrepreneurial act to the environmental factors within which it occurs. Entrepreneurs respond to the incentive structure within the country, region, or community where they operate in (Holcombe, 2003, 40). If governments enforce high taxation, regulation and redistribution of entrepreneurial profits then it can kill the incentives for entrepreneurship (Holcombe, 2003, 40; Gnyawali & Fogel,
The contextual factors entrepreneurs must contend with or take advantage of are closely related to this discussion. Contextual factors like culture, availability and access to natural resources, presence of economic barriers to employment, social capital, access to financial resources, and individual factors such as life situation, aspirations, skills, and alternatives all shape the activity that may or may not occur (Miner, et al., 2001, 11). Bruton, Ahlstrom, and Obloj, (2008) found that research on entrepreneurship in emerging economies typically does not recognize the inherent differences of how entrepreneurs should be studied in the vastly different environments of for example the United States and Columbia. The contextual factors noted above are very dissimilar in countries like Columbia and the United States – yet theoretical paradigms developed by First World scholars on samples located in the First World are assumed to be applicable to populations in emerging economies (Bruton et al., 2008, 4). The assumption of universal theoretical paradigms by First World scholars can be characterised as belonging to an epistemological framework very similar to modernization theorists of decades past. To adhere to an a-contextual belief in universally applicable truths within environments that exhibit such diverse economic, political, social and cultural characteristics is to fail to respect the diversity that exists in humankind. Finally, the lack of contextualizing research to suit the environments within emerging economies may not provide an accurate depiction of the phenomenon under study (Bruton et al., 2008, 5).

The arguments posed above substantiate the need for a framework that offers a contextualized view of the entrepreneurial process.

4.3. Community as a unit of analysis

The development of a theoretical model focused on the community as a unit of analysis has been performed by a variety of scholars for a variety of purposes (Alsos, Borch, Førde, Rønning, and Kluken, 2007; Hindle, 2010; Johannisson & Nilsson, 1989; Johannisson, 1990; Johnstone & Lionais, 2004; Peredo & Chrisman, 2006; Rønning & Ljunggren, 2008) and has been pointed to as an area of important future research (Steyaert & Katz, 2004). A number of studies
are presented in this section as means of emphasizing the importance of studying the communities potential as a centre for entrepreneurial activity and why it, the ‘community’, should be included within frameworks that are postulated as offering some level of utility to researchers and to practitioners.

This section is organized as follows. First I specify why community is an important concept within this research project and second I clearly define ‘community.’ Then, I provide a very succinct review of literature concerning how ‘community’ impacts the entrepreneurial process.

4.3.1 Defining community, what it is and why its important

The concept of community can be defined or imagined in a multitude of ways, as physical, political, social, psychological, historical, linguistic, economic, cultural, and spiritual ‘spaces’ (Smith, 1999, 125). Some use it as a synonym for ‘locality’ (Plant, 1974, 38). Its importance to research involving the process of entrepreneurship is related to locating the act of entrepreneurship into the specific context of its occurrence. However, much of the extant entrepreneurship literature fails to incorporate the concept of community as a unit of analysis (Steyaert, 2004, 185). For example, Brockhaus’ (1982), study of internal locus of control, previous experiences, and personal characteristics as explanatory variables for the study of entrepreneurship, and Shane’s (2003) general theory of entrepreneurship that described the nexus of individual and opportunity. Then, at the firm/organizational level, Aldrich and Ruef’s (2006) theorized an evolutionary approach to understanding the creation of new organizations. Carter, Gartner and Reynold’s (2004) search for a theory that explains the transition from gestation to firm birth asks important questions about that aspect of the entrepreneurial process. Finally, at the country level, the Global Entrepreneurship Monitor’s assessment of national entrepreneurship activity covered 42 countries in 2008 (GEM, 2008). There is no detracting from any of these works – each and every one made a contribution to understanding the phenomenon of entrepreneurship in a significant way. However, I need a theoretical framework and investigative regime that specifically incorporates the unique space that the Indigenous community occupies, just as each of the just
cited studies did within their closely-defined defined spaces. The scholars who developed the models and theories above did so as a means of answering important questions within their realm of understanding or interest – answers that were not answered with existing models and theories, or were extensions of existing models and theories. The importance of including ‘community’ as part of the analytical framework for Indigenous entrepreneurship research has been stressed throughout this thesis. As discussed in previous sections (see section 2.1 and 2.2) the Canadian Indigenous reserve has clearly demarcated boundaries that exist within unique legislation, social, economic, and political systems that are not found anywhere else in Canada. Therefore alternative perspectives must be utilized to effectively conceive the entrepreneurial process within that unique ‘space’ (Steyaert, 2004, 186).

Where shall I seek an appropriate investigative framework?

Lorenz (1992) articulated a theoretical perspective concerned with explaining the growth of areas like Silicone Valley and the Oyonnax region in France (commonly referred to as ‘Plastics Valley’). The premise of his argument – of how cooperation among producers develops – rests on how cooperation interacts with ‘two observed features of dynamic industrial districts’; how they are embedded within ‘communities’ and the high level of trust among the producers within those districts. While his theory is not applicable to the arguments made in this thesis, his background discussion of ‘community’ is. He uses a definition of community developed by Michael Taylor in a 1982 book on how community maintains social order. Community is there defined as a ‘small and stable group of individuals’ who;

1. hold beliefs and values in common;
2. whose relations with each other are direct as opposed to being mediated by the state or some other bureaucratic institution;
3. whose relations are many-sided as opposed to specialized (there is no clear distinction between economics and politics); and
4. who practice reciprocity (Taylor in Lorenz, 1992, 196).
The core conceptual idea of community is intuitive. Communities consist of people within a delimited, although not necessarily spatial, group with members who have common beliefs and values. Community members adhere to behavioral constraints commonly agreed to, have direct and many-sided relations, and who have an obligation of loyalty and reciprocity.

Another important aspect of ‘community’ is related to its literal meaning – and is expressed well by Plant (1974) using the German language. In Germany there are two words for community—*Gemeinde* and *Gemeinschaft* (38). The literal meaning of the *gemeinde* refers explicitly to the local community – a place or locality. The other term, *gemeinschaft* has a much broader meaning – it refers to the ‘quality of the relationship of people in a particular place or locality or belonging to a particular group’. Therefore, residence community = *Gemeinde*, and moral community = *Gemeinschaft* (Plant, 1974, 38). Understanding community in the first sense recognizes the spaces in which people interact, as in community school, community centre, and community church. However, while the conception of community centre does denote a locality, it would also seem that in most cases the moral character of the concept of community is also present (Plant, 39).

This moral aspect of community is integral to understanding the identity of Indigenous people. Indigenous writers have expressed the ‘multiple identities’ of Indigenous people that are formed around the concept of community – in both of its expressions. For example, Smith (1999) described the manner in which the Maori create identities by naming ‘the mountain, the river, the tribal ancestor, the tribe, and the family’. In this manner the Maori locate themselves geographically, politically, and genealogically (Smith, 126). Gerald Taiaiake Alfred, a Mohawk from Kahnawake, Quebec, characterized the Mohawk identity as, ‘localised Kahnawake, national Mohawk, broader Iroquois, and pan-Native’. He elaborated by stating, ‘Thus people of Mohawk descent who live in Kahnawake have a multi-layered identity which incorporates each one of the ’communities’ he or she has inherited, and which also includes the broader Native – or the more common ‘Indian’ – identity flowing from their racial affiliation and identification as the indigenous peoples of North America’ (Alfred
The identities that Indigenous people assume incorporate all aspects of the definition of community quoted above. These identities are manifested in both the ‘residence’ and ‘moral’ characterizations of the concept of ‘community’. These are important issues – not only because of the collective nature of Indigenous communities – but also because of its delimiting and boundary defining nature. The concept of examining how ‘Indigenous community factors affect Indigenous entrepreneurial process’ can now be understood within a locality as well as an emotional or psychological space – as it should be. The importance of these identities is elaborated on in Section 4.3.4.

### 4.3.2 Community as a unit of analysis

Several scholars concerned with the practical issue of ‘community’ as a unit of analysis have explained the emergence of entrepreneurship within specific localities in a variety of ways. For example, Julien’s (2007) recent exposition of ‘local entrepreneurship’ in the knowledge economy offers a detailed analysis of how the ‘milieu’ can impact the growth or emergence of an enterprising culture within some regions or communities and not in others.

If entrepreneurs and organizations are both necessary conditions for local economic development, then the existence of an entrepreneurial, innovative milieu is the sufficient condition for them to flourish. The milieu is both a place and the collective mechanism that explains and facilitates various social ties, allowing a collective entrepreneurial spirit to blossom and providing the basic resources, including information and tools needed to transform it into new knowledge, to meet the challenges of the new economy (Julien, 2007, 73).
Julien defines the milieu as requiring a ‘minimum provision of population and resources’ within a medium-sized city, that can make available to entrepreneurs;

- a system of public organizations (schools, colleges, professional associations, and public administration offices) and rules and operating codes;
- buildings of ‘all kinds’ for leisure activities and sustenance, and for meetings, and socio-cultural events to encourage relaxation and creativity;
- various urban organizations that can provide support for entrepreneurs like chambers of commerce, design and advertising firms, research laboratories, and financial agencies, ‘and so on’ (Julien, 2007, 118).

The confluence of all these factors makes up the socio-economic environment that ‘surrounds’ the entrepreneur and the small business, and which facilitates or fails to facilitate the commercial and non-commercial links that ‘distinguish one territory from another’ (Julien, 120). The ‘surrounding’ factors that make up the entrepreneurial milieu could be categorized into two sets, one human and other environmental. On the environmental side the milieu provides basic resources like a skilled workforce, buildings, second-hand equipment for new small firms, upstream resources like suppliers and maintenance services, and downstream resources like transporters, and distributors (Julien, 124). All made accessible to the entrepreneur through networks, ‘personal ties of proximity and fidelity that minimize transaction costs and facilitate the coordination of a new firm’s activities. Other important components of the milieu could be ‘angel capital’ – funding that can support new and existing business, training and information (Julien, 2007, 124). The second set of factors in the milieu are ‘human’; an entrepreneurial culture that supports business (or not), it can be measured by the rate of openness of ‘economic players’ to new venture creation, extent of innovation, and the attitude to change. It can also be measured by the ‘cultural stock’ of present and future entrepreneurs measured by education attainment and business experience. The business experience can be within the individual or accessible through personal and professional
networks (Julien, 124). And, finally, social capital to act as glue to hold all of these factors together (Julien, 131).

This brief summary of Julien’s complex definition of an entrepreneurial ‘milieu’ is meant only to offer an example of one scholar’s treatment of a research problem similar to the one that is the topic of this dissertation. While, Julien’s framework incorporates several ‘community’ factors that support local entrepreneurial activity, for example the need for an entrepreneurial culture, infrastructure and social and economic networks – it also ‘over-specifies’ the requirements for the milieu (Hindle, 2010). The need for a milieu to include a medium-sized city in Julien’s definition excludes a significant portion of the Indigenous community population across Canada. In 2001 65 percent of the total number of Indigenous bands were located in areas classified as rural (between 50 and 350 kilometers from the nearest service center), remote (located over 350 kilometers from the nearest service center) and special (no year round road access to a service center) (McHardy & O’Sullivan, 2004, 17).

Therefore, the specification of a medium-sized city eliminates almost 400 of the 615 Indigenous bands.

Moreover, another requirement for Julien’s entrepreneurial milieu relates to a set of five ‘players.’ Two of the set of five players are; a large number of businesses, and engineers and technicians, which is a requirement that also renders the application of Julien’s framework to this population to be almost impossible to use. That requirement cannot be fulfilled in the context of the population of interest within this research project. Julien’s work, while not easily operationalized within the specific circumstance of an Indigenous ‘band’ remains relevant because of its articulation of two areas of importance – both related to ‘community’. The first is related to the viewpoint that Julien assumes in regards to how best to explain the variation in levels of entrepreneurship between localities. He argues that entrepreneurship…;

*can only be understood within the context of its social environment. It is seen in different economies and territories through the lens of a specific social and cultural context and a given history or level*
of general development...new value creation, like any other research topic, must be taken in its context...Entrepreneurs and what they do are reflections of their time and place (Julien, 2007, 5).

The recognition of the entrepreneurial process’ interrelationship with the environment is profound. That recognition provides support and encouragement for the research project articulated in this thesis. Second, Julien outlines several of the environmental factors that he describes as being integral to the development of a facilitating environment for entrepreneurship. Julien’s requirements of an entrepreneurial milieu include institutions, both formal and informal and the infrastructure, for example buildings that support the entrepreneurial process as well as the softer, human requirements, like an enterprising culture, and networks (Julien, 119).

After considering many aspects of the definition of community and many frameworks for analysing the way that community, environment and context influence entrepreneurial process, I arrived at ‘Hindle’s Bridge’ (Hindle 2010) as the framework with the highest potential for guiding my investigation. First, his model offers the ability to articulate and operationalize an investigation into the two areas that I found most fundamental to the impact of community on entrepreneurial process: human factors and the institutional and resource capabilities, currently available or needed. Second, his model neither over-specifies nor under-specifies the concept of community. Because it is a diagnostic framework, it uses general principles to get at the specific features of individual cases.

4.4. A ‘candidate’ theoretical and analytical framework: ‘Hindle’s Bridge’

Indigenous communities all over the world experience living standards significantly lower than the rest of society in the countries in which they live. As evidenced in previous chapters many Indigenous communities are engaging in entrepreneurship as a means of addressing the dire circumstances they now
live in (Anderson, 2005). The entrepreneurs within these communities proceed through a very complex process that involves movement from and through opportunity identification, to evaluation, to the ‘creation, management and development of new ventures for the benefit of Indigenous people’ (see definition of Indigenous entrepreneurship in Section 1.3).

To guide empirical investigation of entrepreneurship processes in these communities, there is a need for a framework that can be simultaneously theoretical and practical. It needs to provide explanatory power for articulating the key issues involved in the way community context affects entrepreneurial process and it needs to provide investigative guidelines for structuring empirical investigation of those issues. As all my literature investigation to date has indicated, the necessary theoretical/analytical framework that I need for my purposes, must appreciate and acknowledge the reciprocity and interaction between the entrepreneur, the process engaged in, and the community as the intermediate environment wherein the process operates. The framework I seek and require must take into account the many variables that may facilitate a given entrepreneurial process or impede its movement forward. The framework must embrace the overwhelming complexity that the entrepreneur is faced with and yet be ‘manageable’. It should also provide a means of understanding the myriad of issues regarding resources, human, social, financial, infrastructure, and so on as well as the manner in which these may interrelate and interact.

In short, I need this theoretical/analytical framework as the missing ‘piece of the puzzle’ in respect to the study of Indigenous entrepreneurship within the specific contextual environment of the Canadian Indian reserve: the ‘Band’ as community.

As discussed in chapter three and this chapter, many have postulated theories on the development of Indigenous peoples. But, as evidenced by the current life circumstances of Indigenous people all over the world – extant research has not provided researchers, practitioners and policy makers with the means to effectively address Indigenous underdevelopment. Populations within Canadian Indigenous communities continue to exist as many other Indigenous people do.
across the world. Many are collective societies (Redpath & Neilsen, 1997), with strong kinship based relationships (Strouthes, 1997), often exhibit strong attachments to their ancestral lands (Peredo, Anderson, Galbraith, Honig, Dana, 2004). However, many suffer from significant social pathologies, for example, welfare dependency (Frideres & Gadacz, 2005; Helin, 2006; Trudgeon, 2000), substance abuse, high rates of suicide, significantly lower employment and income rates than the general population in the country they live in (Barsh, 1994, 11; Cornell & Kalt, 1992; Foley, 2000, 4; Trudgeon, 2000).

Sheer size (or rather, lack of it) is a key issue. In Canada, Indigenous on-reserve populations live in small communities, averaging about 10 square kilometres that are little more than housing sites (Barsh, 1994, 10), with average populations of approximately 500 persons (Frideres & Gadacz, 2005, 62). It is for studies in these contexts that a theoretical and analytical framework must be selected. The Hindle approach (Hindle 2010), about to be summarised, offers a unique and action-oriented perspective that can lead to both answering a broad variety of research questions and to potential practical applications. The diagnostic framework postulated by Hindle (2010) offers a conceptual and theoretical lens from which to examine the Indigenous community empirically for research purposes and practically from the practitioner and policy maker perspective. More importantly, ‘Hindle’s Bridge’ (as I shall call the framework for brevity’s sake) is very comprehensive in terms of both its scope and its deep focus on fundamentally important issues rather than providing shallow treatment of a host of often peripheral issue as many other studies tend to do – see following paragraphs for evidence.

While other models exist that superficially seem to offer frameworks for examining the role of community context in influencing entrepreneurial process (for example, Foley, 2000; Anderson, 2007) there is one critical component lacking in all of them: they are all more descriptive than analytical. They simply do not provide either systematic explanation of the phenomena described (thus qualifying as theoretical frameworks) or systematic guidelines for improvement of practice (thus qualifying as analytical frameworks). Hindle’s diagnostic framework addresses both criteria.
A major desired outcome of this study is the development of a conceptual map of how Indigenous communities can best formulate their development strategies – within the context of affecting areas of change that are within their control, for example, political and economic institutions. Therefore any candidate theoretical framework I am interested in must go beyond seeing the phenomenon in a specified way. It must also offer a means of doing. Hindle’s Bridge (Hindle, 2010) is, in my view, potentially at least, a doing tool. It provides a framework for examining the entrepreneurial process encompassing four units of analysis; the human agent (an individual or team), the object entity or objective (‘a new venture or a business opportunity’), the community or intermediate environmental context, (‘an area capable of some degree of control by the human agent but also exercising some degree of control over him or her’), and the a macro environmental context (‘an influential constraint upon but uncontrollable by the human agent’) (Hindle, 2010, 7). Further, Hindle’s work though now generic to all community contexts, started life with his empirical investigation of indigenous communities. The ‘genesis’ of Hindle’s Bridge resulted from a desire to investigate the ‘condition of membership of one particular category of community - an Indigenous community - affected the possibility and feasibility of various forms of entrepreneurship’ (Hindle, 2010). Hindle offered further rationale for the development of the model by stating;

*Exploration in the specific field of Indigenous entrepreneurship revealed that when community context is sensitively incorporated into the design and execution of entrepreneurial initiatives, the results can be a win-win situation: a strengthening of the community’s traditional aspirations simultaneous with the application of innovative business venturing to create new value. Closer consideration of the factors that make for successful entrepreneurship in the specifically Indigenous context raised the exciting possibility that it might be possible to develop a generic procedure – a general analytical framework – as a diagnostic tool for determining the influence on any entrepreneurial process of any community context. If such a framework could be articulated, it could fill a pronounced gap in the extant literature and serve as the basis for both*
operationalizing focused research and designing effective practice and policy (Hindle, 2010).

Fundamentally the model is offered as both an analytical framework from which to build further empirical research and as a practical ‘diagnostic’ tool to facilitate practice and policy (Hindle, 2010). Researchers with an interest in examining any entrepreneurial phenomenon set in a community context can utilise the framework as means of framing their research into a coherent set of concepts, themes and relationships (Strauss and Corbin, 1998, 22).

Thus ‘Hindle’s Bridge’ potentially offers me a highly appropriate theoretical and analytical framework directly germane to my quest. It identifies the conceptual domain as well as relationships between the variables that make up a community as well as a method to determine the influence of those factors on the likelihood of successful entrepreneurial process. Miner et al., (2001) described, contextual factors like culture, availability and access to natural resources, presence of economic barriers to employment, social capital, access to financial resources, and individual factors like life situation, aspirations, skills, and alternatives all shape, in some amorphous way, the general likelihood of whether entrepreneurial activity may occur or not (Miner, et al., 2001, 11). But they do not offer a systematic regime for determining how these should be systematically analysed to determine how to increase the chances of specific, successful, contextualised, entrepreneurial activity. ‘Hindle’s Bridge’ does claim to do this. It facilitates knowledge regarding the interaction of these variables on the entrepreneurial process and is not afraid to produce the conclusion that, in some current community circumstances, certain proposed entrepreneurial processes may be undesirable or not feasible.

Policy makers and practitioners interested in encouraging more entrepreneurship within their regions can utilize the framework as a diagnostic tool to examine the entrepreneurial potential of a given community, Hindle explains;
It may well turn out that a particular community, systematically and dispassionately analysed...is so bereft of requisite physical, human and institutional resources that it is not, in its current state, a suitable context for any viable entrepreneurial initiatives. The deficiencies of the context thus defined, will then become the focal impediments that any programs aimed at enhancing entrepreneurial capacity in that community must address (Hindle, 2010).

Thus, Hindle’s Bridge offers an analytical tool that assists in the ‘diagnosis’ of the community’s entrepreneurial potential and/or to assess what kinds of entrepreneurship facilitation programs may be appropriate in any given community. At the maximum level of generality the analytical framework provides, ‘for any community to which it is applied’:

(1) a general assessment of the entrepreneurial potential of the whole community in its current state;

(2) a specific assessment of the technical and contextual viability of any proposed entrepreneurial initiative by any set of community actors given the current status of community development;

(3) the ability to articulate the foundations for design and execution of entrepreneurial projects (physical, institutional and educational) that are both feasible and desirable for a range of entities who are community members (this importantly implies the opposite: the ability to recognize and reject inappropriate entrepreneurial initiatives before resources are wasted in pursuing them);

(4) the ability to identify the focal areas where facilitations and programs of varying kinds might be created to enhance the existing resources and skills of various community members and institutions so that desired initiatives, which are not feasible at present, may become feasible in future (Hindle, 2010).
The assumption that Hindle bases the development of the model on is that the attributes defining the overall community as well as an ‘individual’s or group’s attitudes and behaviours as a member of the community’ influences the kinds of ‘entrepreneurial process that are both feasible and desirable within a community’ (Hindle, 2010). Consequently, ‘no allegedly helpful initiative (such as, for instance, a well-motivated but culturally inappropriate education program) designed to enhance entrepreneurship within a community can have any chance of success unless a systematic and dispassionate analysis of the entrepreneurial status and potential of that community is first performed’ (Hindle, 2010).

‘Hindle’s Bridge’ is illustrated in figure 4.4.

![Figure 4.4 ‘Hindle’s Bridge’: A diagnostic framework for assessing the influence of community factors on entrepreneurial process.](Source: Hindle 2010)

I provide a summary of Hindle’s diagnostic framework below.

The model contains six principal elements, categorized under the two main headings; ‘generic structural factors’ and ‘generic human factor’. The three components that make up ‘Pillar One’, generic structural factors, are:

- baseline physical resources;
- governance and institutions, and
property rights and capital management.

The three that comprise ‘Pillar Two,’ generic human factors, are:

• baseline human resources;
• worldview and social networks;
• and boundary spanning.

These six elements define the community with respect to any envisaged entrepreneurial process and thus are the underpinnings (‘pillars’) needed to provide a ‘pathway’ that connects community context to a contextualized entrepreneurial process. The ‘cross braces’ further strengthening the pillars of the structure are:

• programs and facilitation exercises designed to strengthen human resources as required and
• tools needed to augment required physical resources.

Hindle (2010) provides a highly structured method of analytical procedure. After, first specifying the nature of the entrepreneurial process being contemplated for conduct within the community, the analysis proceeds in 11 stages (Hindle, 2010).

Stage 1. Describe and assess baseline physical resources: land and infrastructure

Stage 2. Describe and assess baseline human resources: demographics and human capital

Stage 3. Describe and assess world views and social networks

Stage 4. Describe and assess governance mechanisms and the nature and role of institutions

Stage 5. Describe and assess the property rights system and capital management regimes
Stage 6. Describe and assess the mandates and possibilities of boundary spanning

Stage 7. Define community context through synthesis of the six components

Stage 8. Design and implement required facilitation initiatives and programs

Stage 9. Design and teach the use of task specific tools

Stage 10. Specify and encourage the types of entrepreneurial activities needed by and feasible in this community

Stage 11. Recognize plurality: multiple pathways multiple travellers (Hindle, 2010).

The framework, claimed to be applicable to a broad range of communities, presents a prescriptive regime for researchers, practitioners and policy makers to follow.

My research project is specifically focused on the examination of the factors that may affect the entrepreneurial process in Canadian Indigenous communities. Therefore, it is important to begin with a conceptual foundation that specifically focuses on that particular issue. Hindle’s Bridge meets this requirement. It is also important to begin with a grasp of the possible relationships between the factors within communities that can impact the entrepreneurial process – and the manner in which to examine those relationships – again Hindle’s Bridge accomplishes this. The degree of diagnostic power offered by the Hindle model is, in my assessment, unmatched by other potential theoretical/analytical frameworks examined in the literature referenced in this thesis. In the following sections, this chapter concludes with a detailed appraisal of why, prima facie, I think the Hindle’s Bridge framework, may be particularly appropriate to the study of entrepreneurial processes within Canadian band communities. For each element in his model I offer first, a commentary on what the entrepreneurship literature has to say and second, a focus on issues highly relevant to Indigenous communities, particularly the Canadian Indigenous band.
4.4.1 Baseline physical resources: land and infrastructure

The most basic and most ‘objective’ defining element of any community is the set of physical resources it owns or controls… How much land and other fundamental property (if any) does the community own? What is the nature volume and productive capacity of improvements (if any) to that land? Are there factories, roads, communications’ systems, or other relevant physical resources? (Hindle, 2010).

Researchers and scholars with an interest in how community context can affect entrepreneurial process are taxed with developing some level of understanding of a variety of environmental factors within their sphere of interest, whether it is a city, a rural municipality or an Indigenous band. Baseline physical resources are a fundamental element of any community engaged in entrepreneurial activity. That is, land and other ‘fundamental property’ owned by or within the community’s control should be understood in respect to its volume and productive capacity – the latter being a function of the availability of elements of a community’s infrastructure, for example, factories, roads, communications (Hindle, 2010). This understanding necessitates knowledge development concerning the entrepreneurial potential of the community’s ‘baseline physical resources’ - simply because without that knowledge interested parties cannot adequately formulate (1) strategies to effectively engage in entrepreneurship (for the practitioner), and (2) understanding of how that factor can potentially affect the entrepreneurial process that is ultimately engaged in (for the scholar).

Treatment in the entrepreneurship literature

The importance of ‘baseline physical resources’ to the conduct of entrepreneurship has been examined elsewhere in the literature. For example, in respect to infrastructure requirements for entrepreneurship several authors have theorized the issue in a variety of ways. Van de Ven’s (1993) study formulated a model of how the construction of an industrial infrastructure can either facilitate or constrain entrepreneurship (211). After examining other

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5 Hindle expands on the classical notion of land as a factor of production to include entrepreneurial protagonists that do not utilize or hold title to ‘land’ as a means of production but in fact hold common property rights to such things as patents, copyrights, and royalty streams.
approaches used to study entrepreneurship Van de Ven conceptualized a model for examining how ‘different actors and functions interact to facilitate and constrain entrepreneurship’ (1993, 2110). He noted that the existence of proprietary R & D, manufacturing, marketing and distribution functions by private entrepreneurial firms, often treated as externalities to entrepreneurship, act to constrain or facilitate entrepreneurship (Van de Ven, 1993, 211). Later, Verheul et al. (2002) described a two-way relationship between technological advancement and entrepreneurship. The authors described how recent advances in information technology, like the internet, email, and mobile communications, create better access to information and communication which facilitates small business ventures and enhances their competitiveness (23). Venkataraman (2004) concurred in a more recent study by stating that several ‘necessary elements’ for transformative entrepreneurship to occur include such things as corporate and tax laws, capital markets and financial systems, and infrastructure, including telecommunications and transportation (Venkataraman, 154). Finally, in an empirical study that examined the constraints to entrepreneurship in Bangladesh Chowdhury (2007) identified infrastructure as forming one important component of the overall ‘environmentally determining phenomenon’ for entrepreneurship (242). Of course, the issue of infrastructure without access or ownership of land is a moot point.

Relevance to the Indigenous community
As stated above, in 2001 65 percent, or almost 400 of the 615 Canadian bands, were located in areas classified as either rural, between 50 and 350 kilometers from the nearest service center; remote, located over 350 kilometers from the nearest service center; or ‘special,’ no year round road access to a service center, (McHardy and O’Sullivan, 2004, 17). These ‘no year round access’ communities are situated in locations with physical barriers like rivers, lakes, or muskeg swamps, and are without a permanent road. The often-remote locations of bands contribute to range of infrastructure deficits. For example, a 2006 Canadian Council on Learning study reported that only 13 percent of bands had broadband access compared to 60 percent of urban communities and small towns with access to DSL, cable or wireless broadband services (Stewart, M., 2008). Many Indigenous bands lack ‘connections to the basic
infrastructure’ like telephone lines, underground cables, and cell phone towers (Stewart, M., 2008).

The existing infrastructure is an issue for many Indigenous bands – that is compounded by the relatively low amounts of land in control through ownership or other means (such as existing Aboriginal title as in British Columbia). While a growing land base was noted in Chapter 2 – growth attained through the successful negotiation of land claim settlements – it was also noted that the average land base of the 615 Indigenous bands is 10 square kilometers (Barsh, 1994, 10). While the figure Barsh quotes is dated – it should be noted that Indigenous bands do not have the means to grow their existing land base except through the successful negotiation of land claim settlements. Therefore because of the ‘long and complicated process’ of the land claims process – a process that only seen 20 percent of specific claims resolved over a 36 year period starting in 1970 – it is logical to assume that the average size of land base has not changed considerably since 1994, the year Barsh references (St. Germain and Sibbetson, 2006b, 9).

The availability of land and the improvements to that land in the form of infrastructure are important elements in the entrepreneurship process.

4.4.2 Baseline human resources: demographics and human capital

…who people are (articulation of the standard demographic variables – age, sex, education, income, health variables etc.) and what they can do (the human capital embodied in their skill-sets) (Hindle, 2010).

Treatment in the entrepreneurship literature

In a book focused on the articulation of a, ‘General Theory of Entrepreneurship’ Scot Shane argued that venture performance is determined by how well the entrepreneur manages the following entrepreneurial process activities; opportunity identification, evaluation and exploitation (2003). He argued that non-psychological and psychological factors contribute to the ability of people to
recognize entrepreneurial opportunities. The non-psychological factors are, education, career experience, age, social position, and opportunity cost (Shane, 2003, 62). The psychological and non-psychological as well as demographic variables exert a ‘powerful influence’ over who exploits entrepreneurial opportunities and who does not’ (Shane, 61). Furthermore, because links between an entrepreneur’s human capital profile and outcomes related to firms entry, exit and performance (Shane, 2003; Ucbasaran, Westhead, Wright, 2007, 153) have been established, it is very important to develop the demographic and human capital profile of communities under scrutiny. The Hindle bridging diagnostic regime offers a means of fulfilling that task. Entrepreneurship scholarship has made contributions to the body of knowledge concerning human capital. A brief review of a small set of that literature precedes a discussion concerning the applicability of this factor to the study of the entrepreneurial process within Indigenous ‘band’ communities concludes this section.

Previous knowledge plays a critical role in intellectual performance. It assists in the integration and accumulation of new knowledge (Davidsson and Honig, 2003, 306). This previous knowledge can refer to an individual’s distinctive knowledge of a particular subject matter and it facilitates the ability for an individual to identify opportunities (Shepherd and DeTienne, 2005, 92). Shane elaborates,

…people discover opportunities that others do not see for two reasons: First, they have better access to information about the existence of the opportunity. Three factors influence the likelihood that people will gain early access to information valuable for recognizing opportunities, previous life experience, social network structure and information search. Second, people are better able to identify opportunities than others if they can more easily recognize opportunities, given the same information. Two factors influence the ability to recognize opportunities…absorptive capacity and cognitive processes. The most important aspects of absorptive capacity are prior knowledge about
Previous knowledge can be derived from past work experience, formal education, and non-formal training, such as training programs not provided by formal educational facilities (Davidsson and Honig, 2003, 306). However, the formal education aspect of human capital is an important concept simply because of the issue concerning accessibility of higher education. Not everyone can afford formal post-secondary education. That is a concern because there have been many benefits attributed to formal education and entrepreneurship. For instance, people with formal education have developed knowledge networks – through fellow alumni. These networks facilitate greater access to important information for potential or existing entrepreneurs (Arenius and DeClercq, 2005, 206). Moreover, highly educated people have a broader knowledge base and thus have a higher chance of relating their knowledge to potential opportunities (Arenius and DeClercq, 206). Individuals with more knowledge also appear to think in a more intuitive way (Shepherd and DeTienne, 2003, 93) and can therefore discover opportunities and exploit them when others can’t. There are other human capital variables that are also important to understand in any research process involving the entrepreneurial potential of a community. However, this brief review provides an indication of why the concept of human capital is important in this context.

Relevance to the Indigenous community
It is possible, then, to infer that the stock of human capital ‘stored’, as it were, within an entrepreneur will aid a successful progression through all aspects of the entrepreneurial process – from opportunity identification to exploitation. That is in fact the fundamental issue in regard to, ‘baseline human resources; demographics and human capital’. At its core it is concerned with the notion that some level of human capital must be available within a given community in order for that community to engage successfully in the various aspects of entrepreneurial process. Furthermore, without the availability of someone within the community who has the ability to perceive an opportunity then it would be
likely that other economic activities would be more prevalent. Previous discussions have provided evidence of the prevailing situation in Canadian Indigenous bands that indicate a lower level of education attainment (see Chapter 2), lower employment rates (see Chapter 2), and considerably low levels of overall entrepreneurial activity (see Chapter 2). All of these translate to a level of entrepreneurial potential that may not contribute to high rates of new venture creation. However, practitioners and scholars with an interest in this specific area cannot hope to affectively address the issues without gaining prior knowledge of the basic demographics of the community of interest as well as the stock of human capital held within it.

4.4.3 Worldviews and social networks

‘Weltanschauung’. It is a concept fundamental to German philosophy and epistemology and refers to the intricate network of ideas and beliefs through which an individual interprets the world and interacts with it. In a practical sense, an individual’s world view is the core of their philosophical approach to the world and distinguishes both the preconceptions influencing observations and the methods that the individual brings to the task of evaluating what is perceived (Hindle, 2010).

Treatment in the entrepreneurship literature

‘Worldviews and social networks’ are important concepts in the context of examining the entrepreneurial process within specific community environments. Very simply stated these are concerned with how people view the world and how they relate to one another (Hindle, 2010). A thorough review of the extant entrepreneurship literature did not reveal any explicit references to ‘worldview’. However, there are many studies on ‘culture’ and entrepreneurship. A definition of culture from the Merriam Webster dictionary provides rationale for focusing the discussion of worldview on culture, ‘the customary beliefs, social forms, and material traits of a racial, religious, or social group; also the characteristic features of everyday existence (as diversions or a way of life) shared by people
in a place or time (Merriam Webster, 2008). Another definition of culture that has been widely used in entrepreneurship studies is Hofstede’s ‘collective programming of the mind’ (1980, 43). The ‘key aim of social network theory is to classify the linkages between people in a social situation’ (Hindle, 2010). It provides an avenue to examine how social interactions influence behaviour (Klyver and Schött, 2008). That briefly introduces the topic of worldview and social networks. The below discussion first offers some insight from the extant literature and conclude with its relevance to the Canadian Indigenous band.

Scholars have asserted the existence of a greater predisposition or propensity toward entrepreneurship in some societies than others. This propensity points to an implicit role of culture in the theory of entrepreneurship (Thomas and Mueller, 2000, 289). Freytag and Thurik (2006) identify three views concerning culture and entrepreneurial behaviour, they are (1) the aggregate psychological trait explains entrepreneurship by stating that if a society contains more people with ‘entrepreneurial values’ then more people will become entrepreneurs, (2) the second view is concerned with the degree of ‘legitimization’ or ‘moral approval’ of entrepreneurship within a culture – the higher overall level of legitimization of entrepreneurship leads to wide ranging manifestations including increased attention for entrepreneurship in the education system, a higher social status for entrepreneurs, and more tax incentives to encourage new venture creation, and (3) the third view is referred to as the ‘push’ explanation of entrepreneurship. That view posits that the variation in entrepreneurship is based upon differences in values and beliefs between the overall population and the potential entrepreneurs. This difference in values and beliefs, within a society that is pre-dominantly non-entrepreneurial, may drive the potential entrepreneur away from the non-entrepreneurial organization into self-employment (Freytag and Thurik, 8). Each of these propositions along with the ‘greater predisposition’ assumption contributes to our understanding of cultures (and thus worldview) importance to understanding the entrepreneurial process. These concepts are intricately related to the concept of social networks as will be revealed next.
Klyver and Schøtt (2008) offered three propositions regarding how social networks influence status attainment – which in turn is posited to affect intentions to become an entrepreneur. Three propositions ‘have emerged and been formulated’,

(a) social networks affect the outcome of instrumental actions, (b) the nature of resources obtained from social networks is affected by people’s original position, and (c) the nature of resources obtained from social networks is affected by the strength of ties (Lin, 1999 in Klyver and Schøtt, 2008).

Klyver and Schøtt’s research is targeted at examining the relationship of entrepreneurial intentions and social networks. The findings of their empirical study suggest three factors, network density, business network size and having other entrepreneurs in the network influence development of entrepreneurial intentions (2008). There is a definite link between the entrepreneur’s social networks and entrepreneurship. As the presence of entrepreneurial opportunities in a network increase, the likelihood of entrepreneurial behavior increases, ‘but only if someone is inclined toward entrepreneurial behavior’ (DeCarolis, Litzky, Eddleston, 2009, 528). That in fact is the link – ‘only if someone is inclined’ – and the inclination, as Freytag and Thurik (2006) suggest is derived from (1) belonging to a society that has entrepreneurial values, (2) belonging to a society that views entrepreneurship as a legitimate and acceptable activity, (3) people with entrepreneurial inclinations are pushed by non-entrepreneurial organizations or societies into ‘self-employment’ (Freytag and Thurik, 8).

Relevance to the Indigenous community
A recent article by Peredo, Anderson, Galbraith, Honig, and Dana (2004) posited a ‘theory of indigenous entrepreneurship’. The authors’ thesis concerns the emergence and recognition of activities by Indigenous peoples and a line of inquiry for interested researchers. The authors raise several important questions that are expressly linked to this discussion,
CHAPTER FOUR – DEVELOPING A MORE FOCUSED PRE-THEORETICAL UNDERSTANDING: A CANDIDATE ANALYTICAL FRAMEWORK

- Does entrepreneurship among Indigenous people display distinctive combinations of entrepreneurial features? Do Indigenous history, tradition and culture appear to promote, or inhibit, any of these features?
- Are Indigenous people fundamentally or naturally more ‘collective’ or community-based in their entrepreneurial activities as often suggested, or do other legal, economic or structural characteristics mask other entrepreneurial traits embedded in indigenous communities?
- Are there different cognitive processes among Indigenous people that affect entrepreneurial dimensions such as start-up motivations, entrepreneurial orientation, opportunity recognition, self-efficacy, and network participation? Do potential differences in the way Indigenous people recognise and process patterns influence their entrepreneurial decisions? (Peredo, Anderson, Galbraith, Honig, Dana, 2004, 16).

While these questions are focused on inquiring whether or not Indigenous entrepreneurship is distinguishable from entrepreneurship in general, they are also useful for identifying the relevance and connections posited by Hindle (2009). Culture, intentions, motivations, ‘collective’ cultural orientations are all concepts that the authors identify as having some form of impact on entrepreneurship by Indigenous people and communities. The first question goes directly to core of the development of a theory of Indigenous entrepreneurship; is Indigenous entrepreneurship unique? If so, what are its characteristics? More importantly for the purposes of the current study, how do the history, culture and traditional lifestyles impact entrepreneurial choices and thus the entrepreneurial process? Camp, Anderson and Giberson (2005) raise another important issue concerning culture and Indigenous peoples – one that is specifically linked to the development of Indigenous communities.

Camp, et al., (2005) suggest that the ‘failure of many aboriginal development efforts may be attributed to a clash in dominant vs. aboriginal cultures where organizational structures do not accommodate aboriginal knowledge and production systems’ (138). There is considerable evidence of the success of government programs focused on the development of entrepreneurship in the
dominant culture of a society (Chamard and Christie, 1993, 27). However, these same programs are not as successful in reaching minority groups that do not have an entrepreneurial tradition (Chamard et al., 27). Moreover, because mainstream programs often pressure minorities to conform to development models that ignore cultural variables (Dana, et al., 2005) many development programs in Indigenous communities have failed because they do not recognize the validity and effectiveness of existing social and organizational structures within the Indigenous community they are developed for (Camp, Anderson, Giberson, 2005, 138).

There is a link between worldview, social networks and the entrepreneurial process. Therefore, the need to make that connection is vitally important for policy development and research of the entrepreneurial process in Indigenous communities. Another important factor involves governance and the institutional framework within the ‘community’ – that topic follows.

4.4.4 Governance and institutions

…the processes whereby decisions important to the future of an organization are taken, communicated, monitored and assessed (Bartos, 2007)… Fundamental principles involved in the concept of governance are: the rule of law; accountability; ethics and probity; performance measurement and managing risk. Cornell and Kalt (2004) define the essence of governance in a community perspective…‘establishing rules we can depend on to coordinate our actions and achieve our goals…It also involves making decisions and establishing policies and getting things done. But the basic rules are the critical piece of the puzzle. (Hindle, 2010).

Treatment in the entrepreneurship literature
Governments all over the world have developed a wide variety of policies to support or directly assist small and medium enterprises. They attempt to influence the start-up of new enterprises through the provision of grants, tax relief and education programs (van Stel, Storey, Thurik, 2006, 3). It is generally
accepted that policy measures can influence the level of entrepreneurship in a number of ways, both directly through specific measures and indirectly through generic measures (Verheul, Wennekers, Audretsch, Thurik, 2001, 6). Studies have shown that governments that offer tax and other incentives, provide training and counselling services, and keep rules and regulations to a minimum can increase the likelihood of new venture creation (Dana, 1990, 91). Government and governance are thus important factors to consider in the context of this thesis – and is third order in the Hindle diagnostic regime (Hindle, 2010). The following narrative follows the same structure as the preceding section with a brief synthesis of relevant issues and concluding comments that link ‘governance and institutions’ to the population of interest in the current study.

In order for entrepreneurs to take advantage of market opportunities there must a risk/reward equation that offers an attractive potential return. In the absence of attractive returns on investment, within an environment that protects the potential to realize economic gains, many entrepreneurs will engage in rent seeking activity and/or join the underground economy (Easterly, 2002). For this reason governments have the responsibility to create the legal and institutional infrastructures that protect property rights, enforce private contracts, and allow entrepreneurs to freely take advantage of market opportunities (Tabellini, 2005, 283). Researchers have identified a variety of aspects of governance and institutional structures that are relevant to the entrepreneurship phenomenon. For example, economists examining growth often point to the incentive structure within a country or region as playing an important role in the economy (Easterly, 217). If governments create incentives to lower present consumption in return for higher future income the result will be growth. However, if governments implicitly or explicitly tax future income they will lower the incentive to ‘invest in the future’ thus inhibiting growth and consequently entrepreneurial behaviour (Easterly, 217). Thus, the potential impact of governance on the entrepreneurial process is significant.
Both the concept of governance and government, as one would logically assume, coalesce very well the conceptualization of ‘institutions’ as posited by North (1991). North defined institutions as:

…the humanly devised constraints that structure political, economic and social interaction. They consist of both the informal constraints (sanctions, taboos, customs, traditions, and codes of conduct), and the formal rules (constitutions, laws, property rights) (North, 1991, 97).

Thus, institutions, or the ‘rules of the game’, provide a framework that guides activity, removes uncertainty and makes the actions of others predictable (Banerjee, Oetzel, and Ranganathan, 2006, 176; Boettke and Coyne, 2003, 68). Furthermore, it is the responsibility of ‘government’ to create the rules, and the institutions to implement and enforce them.

Relevance to the Indigenous community
Boettke and Coyne (2003) offer a view from an economics perspective on the institutional and development discourse. In their discussion of the impacts of entrepreneurship on economic development the authors suggest that consideration of economic progress and the institutions that facilitate entrepreneurship occurs at two levels. The first says that because competition and entrepreneurship are inseparable that institutional frameworks must be evaluated to gauge whether or not they provide support for entrepreneurship. Secondly, consideration must be paid to the incentive structure of the institutional framework. Does the incentive structure allow the entrepreneur to exercise his subconscious alertness? Additionally, does it allow him or her to exploit arbitrage opportunities (2003, 72-73)? The literature on the economic development of Canadian Indigenous communities consistently avers the detrimental effects of federal legislation and policy and the departments responsible for their implementation (Anderson, 2000; Helin, 2006; Newhouse, 2002; RCAP, 1996). These communities have been adversely affected through the creation and maintenance of inefficient institutions like the Indian Act, and the imposed governance and institutional structures it authorizes, and the
Chapter Four – Developing a More Focused Pre-theoretical Understanding: A Candidate Analytical Framework

Department of Indian and Northern Affairs. An interesting question is raised by this issue, how has these inefficient institutions affected the ‘subconscious alertness’ of Indigenous people? Harper (2003) delved into that topic in an essay on that specific subject.

Harper (2003) stresses the importance of institutions ‘that engender the processes of entrepreneurial discovery’ (2). He elaborates on this by stating that research examining the conditions ‘conducive to entrepreneurship’ must look at the requisite changes to the institutional structures necessary to move to ‘more market oriented’ economies (Harper, 2). This is an important issue given the current situation of many Indigenous communities being shut out of market processes because of legislative, and social reasons (see Chapter 2). Harper’s research diverged from other ‘economics contributions’ by focusing on the antecedents of entrepreneurship rather than its consequences. The approach taken by Harper is of particular interest because of its examination of the causal path from culture, institutions, and individual psychology to ‘entrepreneurial alertness’ (Harper, 3). This ‘path’ Harper argues, exhibits a strong casual link between personal agency and the propensity of entrepreneurs to first recognize opportunities then exploit them (Harper, 14). The personal agency aspect of this argument relates to two cognitive issues, locus of control (contingency expectations) and self-efficacy (competence expectations). These are important factors when investigating Indigenous people. The passive welfare system has created a level of dependence, both at the individual level and at the governmental level, that has effectively emasculated both Indigenous governments and the people they serve (Trudgeon, 2000, 59, Helin, 2006, 104). Can it thus be possible for the Indigenous entrepreneur to act as a catalyst for increased economic activity and because of ‘his’ behaviour produce the conditions conducive to entrepreneurship (Gartner, 2000, 25)? Especially in situations where the creation of entrepreneurial environments, often characterised as being the responsibility of prevailing governments (Acs, 2007) is exacerbated by the existence of band governments focused more on transfer payments, in an environment of inefficient institutions, rather than on the creation of entrepreneurial environments?
From a sociology perspective, Stephen Cornell and colleagues have made extensive contributions to understanding economic development of American Indian Tribes. Cornell and Kalt (1992) offer three key ingredients to sustainable, self-determined development (6). The first is an exogenous factor the authors refer to as ‘external opportunity.’ It relates to the broader political, economic, and geographic ‘settings’ that American Indian Tribes exist in. The second and third ingredients are endogenous factors. Internal assets, relates to the characteristics of the tribes and the resources they control. The ‘critical factors’ of a tribe’s internal assets are, natural resources, human capital, institutions of governance, and culture (Cornell and Kalt, 1992, 9). The third ingredient is the development strategy itself, which consists of the overall economic system and the choice of development activity (Cornell and Kalt, 1992, 10). Cornell and Kalt argue that institutions is the second most important ‘piece of the development puzzle’ – the first being sovereignty and the third is related to the development strategy chosen by the Indian Tribe (Cornell and Kalt, 1992, 53). The authors submit these three ‘critical ingredients of development’ as being the determinants of a ‘successful’ or an ‘unsuccessful’ tribe.

In another economic growth study that focused on the convergence or divergence of poor and rich countries Keefer and Knack examined the ‘potential obstacles to convergence’ (1997). Speaking in broad terms these barriers are related to the legal, political and regulatory frameworks entrepreneurs exist in – in any given context. More specifically the authors use indices of the prevalence of the rule of law, the pervasiveness of corruption, and the risk of expropriation and contract repudiation as a basis of their analysis. In respect to Indigenous owned lands designated as ‘reserve’ home owners and entrepreneurs exist in an environment where political authorities can confer various types of ‘quasi-ownership’ without clear delineation of owner rights. Furthermore, these political authorities have the power – and often exercise it – to withdraw the right to ownership without compensation (Flanagan and Alcantara, 2006, 134). For this reason the quality of governance and institutions in Indigenous communities is also an important contextual/environmental factor, more so because Indigenous governments have often been described as operating like ‘banana republics’ (Helin, 2006, 25). Contract repudiation and the risk of expropriation are other
factors that Indigenous entrepreneurs must consider. The threat of the band government ‘stepping in and taking over’ previously tenured land is real (Flanagan and Alcantara, 2006, 153).

4.4.5 Property rights and capital management

When property rights are not well defined, enforced or enforceable, participation in the market economy and entrepreneurial activity is discouraged because of the likelihood that participants will not receive the full or even sufficiently adequate benefits for their efforts… there is a demonstrated need to address the ways in which property rights operate and how they can be used to develop the various kinds of capital needed to underpin various economic and entrepreneurial initiatives in a community context. Unless this task is performed, a community remains undefined in terms of its ability to affect entrepreneurial process (Hindle 2010).

Treatment in the entrepreneurship and associated literatures

Modern property rights theory is ubiquitous (Henry, 1999, 151). Property rights lie at the intersection of law, the economy, the state and culture (Carruthers and Ariovich, 2004, 23). The literature is ‘vast and varied’ (Henry, 151). For example, Claessens and Laeven (2003) conducted an empirical study on the effect of property rights and financial management (institutional characteristics and legal frameworks) on the ‘allocation of investable resources’ (2410). The authors found that the development of strong property rights regimes is as important as a sound financial management system because weak property rights leads to sub-optimal asset allocations, and thus less growth of the firm (Claessens and Laeven, 2432). Dabla-Norris and Freeman (2004), both economists, suggest that when property rights are not enforced participation in the market economy is discouraged because of the likelihood that participants will not receive its full benefits (2004, 391). The expropriation of proceeds from market exchanges by ‘dishonest parties to a contract, bandits, or corrupt government officials’ is likely to reduce the incentive and opportunity for entrepreneurial activity (391). Finally, two sociologists, Carruthers and Ariovich,
The authors describe the many dimensions of property. For example, what ‘objects’ can be owned, who can own, and the contingencies of ownership are all part of the analysis. One example the authors provide in terms of ‘what’ can be owned is the different conceptions of land between ‘Native Americans’ and European settlers. European settlers viewed land as private property. However, to Native Americans the cultural meaning of land ‘precludes its treatment as a mere commodity’ (Carruthers and Ariovich, 2004, 26). These examples provide a very brief summation of the complexity of property rights and the variety of perspectives scholars examined them from. The following will now offer a synopsis of property rights as related to entrepreneurship.

Hernando de Soto captures the essence of the property rights and capital management issue by pointing out that the ‘single most important source of funds for new businesses in the United States is a mortgage on the entrepreneur’s house’ (de Soto, 2000, 6). He further elaborates,

*In the West, by contrast, every parcel of land, every building, every piece of equipment, or store of inventories is represented in a property document that is the visible sign of a vast hidden process that connects all these assets to the rest of the economy. Thanks to this representational process, assets can lead an invisible, parallel life alongside their material existence. They can be used as collateral for credit … Third World and former communist nations do not have this representational process … Without representations, their assets are dead capital.* (de Soto, 2000, 6)

The ‘representations’ of property are taken for granted by many people in the ‘West’. Hernando de Soto provides a graphic depiction of the process by stating that ‘at this very moment you are surrounded by waves of Ukrainian, Chinese, and Brazilian television that you cannot see’. However, ‘you’ could view those television waves if you had a television set to decode them, in the same manner so can capital be extracted and processed from assets, but that conversion process is only found in the ‘West’ (de Soto, 7). That conversion process creates an incentive to engage in entrepreneurship. Without the formal
mechanisms to convert ownership into assets that can be mortgaged and the property rights regimes to protect those assets entrepreneurs will not perceive the ‘subjective relative returns’ required for them to engage in the entrepreneurial process. Minniti and Bygrave (1999) acknowledge the importance of property rights in their theoretical elucidation of the ‘micro-foundations of entrepreneurship’. Subjective relative returns to entrepreneurship explains the decision to become an entrepreneur as a function of three ‘simultaneous elements’,

1. The subjective initial endowment (personal),
2. The institutional and economic circumstances of the economy (objective and community specific),
3. The existing level of entrepreneurial activity in that community as perceived and evaluated by that individual (Minniti and Bygrave, 1999, 42).

One element of the institutional framework is made up of property rights (Minniti and Bygrave, 42). The above three points summarize the model developed by Minniti and Bygrave. Fligstein and Dauter (2007) express the rationale that supports the inclusion of property rights in that model by stating that ‘underlying all exchange is that both buyers and sellers have faith that they will not be cheated. Such faith often implies informal (i.e., personal knowledge of the buyer or seller) and formal mechanisms (i.e., law) that govern exchange’ (Fligstein, Dauter, 2007, 113). Without the presence of property rights regimes the incentive for entrepreneurship will be discouraged (Dabla-Norris and Freeman, 2004, 391). Another important aspect of property rights refers to the legitimacy of those rights as viewed by the people they are subject to. Keefer and Knack (1997) present an interesting argument regarding the credibility of property rights and the policy regime of a nation or region, they argue,

_When property rights or the policy environment are not credible, firms are likely to make less efficient adjustments to changes in technology or to government policies. More secure property rights and credible policy regimes increase the incentives of entrepreneurs to adopt those_
techniques that maximize long-run profits. Firms make less efficient adjustments and continue to use obsolescent technology if those policies are not credible or if the optimal firm adjustments leave them more vulnerable to expropriation (Keefer and Knack, 1997, 591).

A recent empirical study published in ET&P concurs with the above. McMullen, Bagby, and Palich (2008) examined the effect of ten indicators of economic freedom on ‘opportunity-motivated entrepreneurial activity’ (OME) and ‘necessity-motivated entrepreneurial activity’ (NME) (875). It is interesting to note that one of their findings supports the preceding discussion regarding how property rights can create an incentive to engage in entrepreneurial activity. The authors found that OME was ‘associated significantly’ with property rights while NME was not. NME’s often chose the entrepreneurship because of circumstance – it is the most attractive opportunity at the time of the decision (McMullen et al., 2008, 890). However, because OME’s are often more ‘innovative’ the choice to engage in entrepreneurial behaviour is based to some degree on the incentive structure within their sphere of operations. McMullen et al., found that as the protection property rights increased so did OME (890).

Relevance to the Indigenous community

In a ‘high level overview of economic development’ in Indigenous bands Shanks (2005) presented findings from an empirical study that involved the collection of data from 20 interviews of Indigenous political leaders, entrepreneurs, economic development officers and representatives of lending institutions that lend to Indigenous entrepreneurs (2005, 8). In respect to the land tenure, Shanks reported,

Closely related to land management is the issue of land tenure. In most business arrangements, land is central to creating certainty and is very often an important component of equity. The ability to describe the land being used and to verify with a high degree of certainty the precise legal nature of the land holding is an important concept. This is often lacking in First Nations. It is suggested that creating a modern tenure and land description system, coupled with an efficient land registry, would be an
area for immediate investigation as an improvement supportive of economic development (Shanks, 2005, 14).

Shanks’ findings describe an environment that fits well with Hernando de Soto’s Third World. In fact, Flanagan (2002) quotes several reviewers of de Soto’s (2000) book that expressly linked de Soto’s arguments to the land tenure systems found in Canadian Indigenous bands. He quotes, Timmermans as stating that Canadian ‘aboriginals’ are ‘denied access to our formal Canadian property rights system within their settlement lands’. Then Koopman, ‘Aboriginal…reserves lack a formal real property system…resulting in Third World conditions on reserves…poor aboriginals live in houses constructed on lands they do not own and cannot sell or encumber outside their community’, then, Holle ‘argued that this lack of aboriginal property rights creates ‘a real reluctance to put a business on a reserve’ (Flanagan, 2002, 3). Alcantara concurred by stating that the situation described by de Soto is ‘eerily similar’ to that of Indigenous people living on Canadian ‘reserves’ (2007, 423). The living conditions in those communities often mimic and sometime surpass those of ‘Third World conditions’ with individuals only able to access ‘a set of individual property rights that are weak, inefficient, and in some cases unenforceable’ (Alcantara, 424).

4.4.6 Boundary spanning

The general concept of boundary spanning has emerged as a tool by which to establish the identity of an organization, determine its interaction with the environment, and understand the way in which knowledge is acquired, transferred and utilized…A boundary is defined as: ‘the demarcation line or region between one system and another, that protects the members of the system from extra-systemic influences and that regulates the flow of information, material and people into or out of the system’…Boundary spanning thus becomes any set of processes or activities pursued by individuals or groups that bridges, links, or potentially even blurs the nature of two or more separate boundaries (Hindle, 2009b).
At its simplest, boundary spanning has ‘emerged as a tool by which to establish the identity of an organization, determine its interaction with the environment, and understand the way in which knowledge is acquired, transferred and utilized’ (Hindle, 2010). Aldrich and Herker (1977) defined two primary roles of boundary spanners, information processing and external representation (218). Information enters the organization from the external environment through boundary roles and the boundary roles than link the organization to ‘environmental elements’ (Aldrich and Herker, 218). Leifer and Delbeqc (1978) define a boundary as, ‘demarcation line or region between one system and another, that protects the members of the system from extra-systemic influences and that regulates the flow of information, material and people into or out of the system.’ The concept of boundary spanning is an important one given the nature of relationships to ‘outsiders’ within Canadian Indigenous bands. However, it is a concept that has not been examined in the Indigenous context as yet.

_Treatment in the entrepreneurship literature_

As Hindle (2009a) noted and as I verified through an exhaustive search – there is little explicit reference to boundary spanning in the extant entrepreneurship literature. The scholarly treatment of the concept in entrepreneurship related articles often assume that entrepreneur automatically engages in boundary spanning activities thus the term gets confused with ‘closely related but distinguishable concepts’ (Granovetter, 1979; Aldrich and Zimmer, 1986 – both in Hindle, 2010). While the extant entrepreneurship does not make explicit references to boundary spanning several authors have describe processes that are closely linked (for example, Gartner, 1985; Steyaert, 2007). There is ‘growing tentacles’ from organizational research into the entrepreneurship discipline with direct reference to boundary spanning as a recognized and useful concept (Hindle, 2010).

_Relevance to the Indigenous community_

One manner organizations maintain legitimacy in the external environment is through the information provided by boundary spanners to important ‘client
groups’ (Aldrich and Herker, 1977, 220). That concept in isolation of other boundary role functions is a valuable asset given the often-conflicting nature of the relationship between Indigenous bands and Canadian government and society. A boundary spanner that can achieve fruitful relationships with external stakeholders may lead to opportunities that otherwise may not exist.

Hindle refers to the boundary spanning function – within the context of a ‘community’ – as fundamentally someone who can ‘find a way to overcome the obstacles within the community itself’. (Hindle, 2010). A boundary spanner can identify what the barriers are within a community, then systematically develop processes, plans, ‘ways’ of overcoming those obstacles. That function is an important one given the nature of the Indigenous band communities as discussed in Chapter 2.

4.4.7 The remaining ‘action-oriented’ components of the model

The six areas expanded above create the pillars that underpin Hindle’s Bridge. The outcome of the analysis that Hindle (2010) prescribes to occur through the scrutiny of each of the six factors, in any given community context, is to develop an understanding of the potential of that community for any ‘entrepreneurial process under contemplation’. Hindle (2010) only very briefly discusses stages seven through eleven. Those stages are referred to below as ‘action-oriented’ not to imply the previous stages were not. However, each of the previous six steps were more focused on analysis rather than the development of specific actions I have therefore chosen to clearly separate them from the next several steps.

Stage seven directs the analyst to ‘define community context through synthesis of the six components’. The outcome of step seven is thus a ‘succinct’ summary of the community in the context of the six factors previously analysed.

Stage 8 directs the analyst to design and implement required facilitation initiatives and programs. The facilitation initiative Hindle (2010) directs is of the kind developed by Sirolli (1999). Whereas Hernando de Soto (2000) posited the
‘releasing of dead capital’ (32) to encourage entrepreneurship, Sirolli suggested the releasing of the potential of people. Enterprise facilitation of thus concerned with helping people transform their dreams into meaningful work (1). The enterprise facilitator assists people with creativity and motivation to start entrepreneurial ventures that they have a ‘passion’ for (25). Stage eight of the Hindle Bridge is concerned with, after developing an understanding of the community the analyst then could understand how to best address areas of need or exploit areas of advantage.

Stage 9 directs the analyst to design and teach the use of task specific tools. Task specific tools is related to the infrastructure ‘pillar’ as opposed to the people side that is addressed by the facilitation and programs component identified in the previous stage. After a thorough analysis of the community it may be discovered that the community has to address the manner which property is tenured for entrepreneurial pursuits. Therefore, a land management process could identify the issues and processes required to effectively create land use regime that can provide entrepreneurs with the needed stability.

Stage 10 directs the analyst to specify and encourage the types of entrepreneurial activities needed by and feasible in this community. Stage ten is thus a formal articulation of what is feasible given the context of the community. For example, some communities may not have large land holdings and are located far from markets. The entrepreneurial processes engaged within that community would be different from a community with a large reserve located near an urban centre.

Stage 11 is concerned with ensuring the recognition of ‘plurality’ – that there may exist more than one way to achieve community goals, more than one entrepreneurial process is possible, and that the ‘multiple pathways’ could offer a route (s) for ‘multiple travellers’ (Hindle, 2010).

A brief synthesis of the factors relevance to the Indigenous ‘band’ is next.
4.5 Synthesis: a good candidate

The model developed by Hindle (2010) captures many relevant facets pertinent to the entrepreneurship phenomenon in the context of the Indigenous ‘band.’ Its diagnostic regime rests on the foundation of facilitating both research and practice – a key objective of my research. Context, especially community context has been a minority area of entrepreneurship research and an area often disregarded by policy makers and ‘do-gooders’ of all kinds intent on addressing economic ‘disparities’ in a manner they see fit without an understanding of the contextual environment within which those inequities exist. For instance, Hindle offers the following evidence of the ignorance of the ‘baseline physical resources’ by officials. The quotation illustrates the prevalence of ignorance among many mainstream officials and operatives in regard to the contextual viability of program implementation:

…In July of 1989, the Canadian government announced the launch of the Canadian Aboriginal Economic Development Strategy (CAEDS) (Elias 1991: 32). The CAEDS was created ‘to address the economic disparities between Aboriginal peoples and other Canadians’ and to assist Indigenous ‘peoples’ to achieve ‘economic self-reliance’. Approximately one billion dollars was allocated for the first five years’ operation of the strategy. Eventually, the Auditor General of Canada found the program to be a total failure and attributed this, in large measure, to an approach which threw all communities under the one conceptual blanket instead of paying detailed attention to the very real physical differences which distinguished one community from another. (Hindle, 2010).

Then, the manner in which ‘community’ can impact the entrepreneurial process is a fundamental issue within the specific context of the Indigenous ‘band’.

So, there is support for the proposition that the categories and procedures outlined in Hindle’s diagnostic model are highly appropriate as both explainers of the current situation, investigative guidelines for further study and guidelines for future action in the context of Canadian Indigenous bands.
As indicated previously and subsequently, I am going to perform a grounded theory investigation. I now set aside my own theoretical learning’s to date in order, in as unbiased a way as I possibly can, to observe conditions with an unfiltered eye, listen to the voices of band members with an untrained ear. This will be my grounded theory investigation.

I will then compare the emergent-grounded theory with the precepts of Hindle’s Bridge. From this grounded theory investigation I will produce my own model. Which will also produce guidelines for my second round of case studies. It will meet the second objectives of my study. It is in this pattern of endeavour that Hindle’s Bridge can and should be seen as, a ‘candidate’ for adoption as an acceptable theoretical/analytical framework.

The next stage of the research design now involves the ‘suspension’ of all possible theoretical biases and to then engage into the first ‘empirical analysis’ – a grounded theory study. The full detail of my research design is provided in the next chapter.
5. Research design and methodology

Chapter Abstract

This chapter is concerned with articulating the methodological issues of the overall research design. The chapter begins with the development of an argument for choosing a qualitative research design.

Then, the rationale for and the process used for the two part empirical study is described within the context of the overall research design. Arguments for the appropriateness of the grounded theory and case study research methods begin each of those two sections. A descriptive section outlining how each method was operationlized follows.
5.1 Research motivation and objectives

[Note: this section is, to a large extent, a replication of Section 1.1 of this thesis. I reproduce it here for the reader’s convenience and to provide a complete rather than a partial methodological chapter.]

Appropriately reviewed literature (chapters 2, 3 and 4, above) has shown that it is uncontroversial that successful entrepreneurial processes can help members of Canadian Indigenous communities – individuals, groups and the entire community as an entity - redress many of the disadvantages that are their current lot primarily as a result of colonialism. My motivation for conducting the research embodied in this thesis is that I am an Indigenous Canadian Band member, passionately interested in the redress of relative disadvantage through means of fostering entrepreneurship. So, I want to understand how entrepreneurship can be successfully conducted in the context of the Canadian Indian Band.

Accordingly, the research problem reported in this thesis is fundamentally concerned with the big issue of how a wide range of entrepreneurial processes can be successfully conducted in the context of Canadian Indigenous band communities. It is a thesis about the role of community context on entrepreneurial process in a particular setting. Put at its simplest, my core question, stated at its broadest level of generality is: what makes for successful as distinct from unsuccessful entrepreneurship in the Canadian band community context? To do this, I need to understand how Indigenous context at the community level influences entrepreneurial process. That understanding is the output I seek from the research process.

The broad issue of interest requires considerable refinement to turn it into a research problem with objectives succinct and focused enough to be meaningfully investigated within the confines of a doctoral candidacy. To obtain this focus I begin with my desired end point: I want the ultimate yield of any empirical investigation I conduct to be a ‘map’. I seek to discover, articulate and
develop an evidence-based conceptual map that that can be used as a tool of theoretical understanding, practical guidance and research direction. The ‘map’ I seek should show both the factors that matter (the theoretical aspect of my quest) and serve as a navigation aid to those who want to pursue and/or research entrepreneurship in the Indigenous community context (the practical component of my quest).

Moving from the loose analogy of a ‘map’ to the precision of a formally described investigative agenda, I seek to discover and arrange the key issues that matter for the conduct of successful entrepreneurship in the Canadian Indigenous band context. The endpoint of my research will be a framework that must be useful for both explaining and facilitating entrepreneurial action within the unique and specific circumstances of the Canadian Indigenous on-reserve community.

My thesis thus involves the quest to achieve two actionable objectives.

**Objective 1: perform a structured investigation.** This research seeks to understand the entrepreneurship phenomenon and associated entrepreneurial processes as they occur in Indigenous communities (as represented by Canadian bands) by detailed, structured examination and comparison of communities that are performing entrepreneurship (both successfully and unsuccessfully) and communities that are not even attempting entrepreneurial performance.

**Objective 2: develop a theoretical/analytical framework directly germane to understanding the relationship between Indigenous context and successful entrepreneurial process.** The study seeks to develop, as its principal finding and output, a theoretical/analytical framework that can:

- describe and explain the importance of and the relationships between key contextual factors that affect successful or unsuccessful entrepreneurship within the context of the Indigenous Canadian Band community;
• indicate to prospective Indigenous entrepreneurial actors how to negotiate the positive and negative influences of these factors in order to prosecute entrepreneurial initiatives that are likely to succeed for the benefit of both the entrepreneurial protagonists and the community at large;
• facilitate insightful and constructive research of a wide range of entrepreneurial processes in the specific context of the Canadian Indigenous ‘band’ community.

5.2 Using a qualitative research design

The purpose of this qualitative study is to discover a method of researching Canadian Indigenous communities’ efforts to achieve a social and economic status that is equal to the standard of living of the mainstream majority. A fundamental feature of the research framework is that it is useful for both explaining and facilitating entrepreneurial action in Indigenous communities. This quest must then involve methods that are appropriate for the questions seeking answers and the population under examination. With that in mind an articulation of the application and/or formal ‘standpoint’ statement is now warranted – simply as a means of answering why the methods chosen for this study were chosen.

To pursue my research objectives I have developed a qualitative research design which will be described in following sections. In this section, I provide rationale for the decision to adopt a qualitative approach.

Steyaert has described entrepreneurship as follows.

[Entrepreneurship is] a process] written on a daily basis, with many actors on multiple scenes simultaneously searching to move existing realities through creative actions into new worlds…enacted through everyday practices: It is never done, and always going on, a journey with more surprises than with predictable patterns’ (Steyaert 1998, 15).
Indigenous Canada can be summarised as follows.

The national land area is almost ten million square kilometres. It stretches from the 49th parallel in the south to the northernmost tip of Ellesmere Island, just 834 kilometres south of the North Pole. There are 615 Indigenous bands that are situated in almost every region of Canada. Although the population of these bands are for the most part ‘Indians’ as defined by the Indian Act there is still a great deal of variation in respect to language, culture and geography. Additionally, there is a great deal of variation with such things as provincial, territorial, governmental and non-governmental organizations and the access to resources, human resource capacity, and financial capacity of each of these over 600 communities.

Given the nature of entrepreneurial process, the circumstances of Indigenous Canada and the resources available to a solo researcher within the bounds of a dissertation exercise, the empirical investigation of this study will be best served by the use of qualitative methods.

The methodology articulated below is presented as ‘a matter of strategy’ (Miles & Huberman, 1994 in Hindle, 2004, 576). The decision to chose a particular method over others is primarily based on the context of the study, its sample population and in particular the phenomenon of entrepreneurship itself. Accordingly, the omission of a protracted debate concerning the relevant claims of different methodologies to do what I wish to do - especially at the broad level of ‘quantitative versus qualitative methods’ - is intentional. The virtues of rigorous qualitative methodology are adequately known to a wide range of researchers in the social sciences generally and to a growing audience within the entrepreneurship discipline more specifically (see Neergaard and Ulhoi 2007).

There has been an explosion of the use of qualitative methods in every domain except entrepreneurship (Hindle, 2004, 578).
However, there are an increasing number of entrepreneurship scholars who view qualitative studies as offering unique advantages to gaining a deeper understanding of a wide range of entrepreneurial phenomena. For example, Eisenhardt and Greabner suggest that qualitative research methods offer an opportunity to reveal complex social processes that cannot be easily revealed by quantitative data (Eisenhardt and Greabner, 2007, 26). Even those based in the positivist paradigm do not disagree with the richness of data qualitative methods offer. Davidsson (2007) discussed the issue of heterogeneity of entrepreneurship research in a recent paper. He raised an important issue concerning the need to possibly use a qualitative methodology when examining a multivariate phenomenon with causal relationships. He stated that, ‘the fact that as many $n$ factors may influence $y$ makes the research problem complex’ (Davidsson, 2007, 59 [emphasis in original]). He further argued that since, ‘we may not know a priori what those $n$ factors are’ that you may need to take both a broad and deep look at the phenomenon (2007, 59). While he goes on to argue against qualitative methods in favour of quantitative methods, he does conclude that qualitative methods are good for ‘finding out’ what explanatory variables are ‘worthy of consideration at all’ and to ‘suggest by what mechanisms they may influence the outcome’ (Davidsson, 2007, 60). These are important considerations given the nature of the phenomenon – the entrepreneurial process – that is examined as it applies to the Canadian Indigenous band.

As discussed at the outset of this thesis (see Chapter 1) qualitative researchers are ‘more likely to confront and come up against the constraints of the everyday social world. They see this world in action and embed their findings in it’ (Denzin and Lincoln, 2000, 10). Hindle (2004) describes the choice-of-methods problem as an approach to matching the research technique to the research question (Hindle, 578). The process will allow for the specification of which techniques are appropriate given a set of ‘key questions’ (578).

An exploratory theory building approach is well suited to the phenomenon under investigation in this thesis. A particularly important reason for this is because I accept the notion that the concepts, terms, and critical issues should be defined
and identified by the research subjects (Ticehurst and Veal, 1999, 47) and not by the researcher and other external players, be they other scholars, policy makers, and/or governments. This is a crucial issue in the context of researching Indigenous individuals and communities.

Research of Indigenous peoples now largely takes place within the qualitative genre because ‘qualitative research frameworks provide congruence and cultural safety for the tenets of Indigenous worldview’ (Denzin and Lincoln, 2000, in Ermin et al., 2004, 14). Moreover, because the people who are subjected to the research process can invalidate the study by passively offering mistruths and fictitious information if they are not comfortable with the research process, I found it important to ensure that the development of a theory and its subsequent ‘resting’ was accomplished with the highest degree of congruence between the methods of research and the respondents researched (Ermine et al., 14; Hindle, 2004, 578). Another important issue is that the presentation of chosen methods to Indigenous participants, must be done so as to inform them how the methods would allow for the construction of a theory of entrepreneurship within Indigenous ‘reserves’ based on how they articulate their own views about their world and, not one that is based on a priori assumptions that are irrelevant to their reality.

To conclude, the decision to choose a qualitative methodology is thus based in two factors, the nature of both the phenomenon (Indigenous entrepreneurship) and the population of interest.

I refer back to the earlier chapters where I have conducted a thorough review of the extant literature on entrepreneurship, entrepreneurship research and the entrepreneurial process as a means of developing an understanding of the approaches used and methodologies taken by relevant scholars in the field. Scholars agree there is a ‘holistic, dynamic, unique, and potentially discontinuous nature of entrepreneurial activities and processes’ (Hofer and Bygrave, 1992, 97). Deficiencies may exist in entrepreneurship research studies that only focus on the characteristics or behaviours of an individual entrepreneur and treat the ‘social, economic, and political infrastructure for
entrepreneurship as externalities’ (Van de Ven, 1993, 211). Issues concerning the context and spatial concerns also contribute to the discontinuous, dynamic, and holistic nature of the entrepreneurship phenomenon.

Moreover, literature that describes the current circumstances of Indigenous communities often point out the limited number of entrepreneurs (Breher, 1990; Cachon, 2000; Caldwell and Hunt, 1998; Statistics Canada, 2001) and low rates of human capital (Boldt, 1993; Helin, 2006; RCAP, 1996). Both of these factors, limited amount of entrepreneurs and low rates of human capital, may contribute to communities without people who have the skills aptitudes, and insights to identify commercial opportunities. Moreover, the human, social, physical, financial, and organizational capital required to effectively move from conception of a commercial idea to the development of a business strategy may also be in low supply.

Yet, Indigenous communities, for the purposes of this thesis those communities are narrowed to only include ‘bands’, are in fact engaging in the entrepreneurial process at ever increasing rates (see chapter 2). Even, within the clearly demarcated boundaries that is the Canadian Indigenous reserve (refer to chapter 2).

For all of the reasons noted above ‘it is far wiser to gather accurate, precise, qualitative data that is rich in its descriptive characterizations of the situation/phenomenon involved’ (Hofer and Bygrave, 1992, 97). Kodithuwakku and Rosa (2002) quoting Bonoma (1985) said that ‘Qualitative research is the major or perhaps the only valid knowledge accrual device for studying human behaviour’ in their study of the entrepreneurial process in a constrained environment (Kodithuwakku & Rosa, 2002, 436). Jack and Anderson (2002) studied the effects of embeddedness on the entrepreneurial process also used a qualitative research design because they were dealing with ‘soft issues’ that are not amendable to quantification when ‘searching for the meanings behind the actions’ (Jack & Anderson, 2002, 473).
All my investigations of prior enquiries and prevalent empirical factors led to the following conclusion; there are substantial and uncontroversial grounds for choosing the methods I have selected for use in my empirical study, as articulated in following sections of the chapter, given the population of interest (Indigenous communities in Canada), the set of research questions, the complexity of the phenomenon and the resources available to the researcher.

The remainder of this chapter gets down to specifics. To explore and explain the issues involved in successful versus unsuccessful entrepreneurial process in Canadian band communities, my research utilized five steps featuring two phases of case research. For the phase one case analysis I set aside all a priori knowledge I had acquired through study of the literature and used a grounded theory approach to let observations and respondents in actual communities bring out the issues in three detailed case studies. The emergent theory was then compared with the theory I had acquired from the literature (especially ‘Hindle’s Bridge’). The combined knowledge then provided guidelines for a second series of three case studies focused on key issues now substantiated by both literature-based theory and grounded theory. The two phased case approach forms a comprehensive, cohesive platform from which to build and test a theory based on empirical data.

The following sections of the chapter elaborate upon the research design describing the two complementary methods and the technical aspects of operationalizing both techniques.

5.3 A sequential research design, featuring two related empirical studies

5.3.1 Data selection and data collection

A technical description of the operationalization of the two qualitative methods utilised in this thesis begins in Section 5.3.2. While two separate methods were incorporated to form the overall methods approach – both methodologies, grounded theory (Glaser and Strauss, 1967; Strauss and Corbin, 1998) and
case study research (as described by Yin, 1994 & 2009) incorporate similar data selection and collection techniques – and are therefore simultaneously outlined below.

A purposive sampling method was employed to identify the six case studies that formed the empirical component of the research articulated in this thesis. Hofer and Bygrave (1992) suggest that ‘purposive sampling, stratified sampling or variable probability sampling should be among the more frequently used sampling techniques whereas simple random sampling should among the least used techniques’ (95). What is purposive sampling? Trochim (2005) discusses both purposive (or non-probability) sampling and probability sampling in his research methods book. He describes the former as sampling done with a ‘purpose in mind’ and the latter as any form of sampling that utilizes ‘random selection’ (Trochim, 2005). Kemper, Stringfield, and Teddie (2002) provide a detailed analysis of sampling issues in the context of ‘mixed methods’ research studies but apply their discussion to both single and mixed methods. The ‘extreme/deviant’ case sampling techniques (form of purposive sampling) provide researchers with an opportunity to examine cases that best illuminate the issues concerning the phenomenon under examination (Kemper, et al., 2002, 280). These techniques involve seeking out the ‘most outstanding cases, the most extreme successes and/or failures, so as to learn as much as possible about the outliers’ (Kemper, et al., 280). In the context of the research that is the topic of this thesis, the ‘extreme/deviant’ cases are the Indigenous bands that have achieved a level of entrepreneurial activity that has led to recognition from Canadian media and society. Eisenhardt, (1989) refers to extreme/deviant case as polar types in her theoretical essay on case study research. Purposive sampling in conjunction with the utilization of ‘theoretical’ and ‘replication’ logic for further defining the sample frame of case studies is supported in the literature (Eisenhardt, 1989, Yin, 1994, 2009). The sample of cases is further described next.

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6 The term deviant is used in the context of the ‘uncommon’ and ‘exceptional’ (Merriam-Webster, 2008).
Six case studies were chosen with the first three selected for their literal replication possibilities and the others for theoretical replication possibilities (Yin, 1994, 109). These are elaborated on below. The case studies were Canadian Indigenous bands chosen out of a possible N of 614.

Three of the six Indigenous Bands were each awarded the National Aboriginal Economic Developer Award from the Council for the Advancement of Native Development Officers. The awards go to ‘outstanding examples of Aboriginal economic development’ (CANDO, 2009). Each of the communities has exhibited a level of development of entrepreneurial ventures that places them in what I conjecture to be an ‘outlier’ category simply because the success they have achieved is uncommon and exceptional in relation to the overall population of 615 Indigenous bands.

These first three cases were chosen for their literal replication possibilities (Yin, 1994, 109). Yin offers replication logic as analogous to that used in multiple experiments, ‘upon uncovering a significant finding from a single experiment [each case is a single experiment] an ensuing and pressing priority would be to replicate this finding by conducting a second, third and even more experiments’ (Yin, 2009, 54). The literal replication method posits that researchers should choose cases that will predict similar results – thus providing the opportunity to develop support for any initial propositions (Yin, 2009, 54). I conjectured that these three Indigenous communities were the extreme/deviant cases because of their recognition as ‘outstanding examples’ of economic development. Thus, they would exhibit facilitating ‘factors’ that have a positive impact on the entrepreneurial process, more so than other Indigenous bands. Moreover, protagonists within each community would also be in a position to identify the negative factors that hampered the entrepreneurial process within their community.

The first three cases are the; Osoyoos Indian Band in British Columbia, Membertou First Nation in Nova Scotia and the Lac La Ronge Indian Band located in northern Saskatchewan. These three communities formed the sample
frame for the development of a grounded theory of successful Indigenous entrepreneurship in the context of the Canadian Indigenous band.

The grounded theory identified what ‘factors’ within the community facilitate entrepreneurship.

Success will not be measured in the case studies – it is just assumed to exist given the recognition each of the communities, Osoyoos Indian Band, Membertou First Nation and the Lac La Ronge Indian Band, have gained as ‘outstanding examples of Aboriginal economic development’ (CANDO, 2009).

The three remaining cases were chosen for their theoretical replication possibilities (Yin, 1994, 109). I conjectured that these communities would present contrasting results for anticipatable reasons from the first three case studies and that each would provide an opportunity to discover factors within Canadian Indigenous bands that act to constrain entrepreneurship. The communities, Neskonlith First Nation in British Columbia, Onion Lake First Nation in Saskatchewan, and Shubenacadie, Nova Scotia are geographically close to one within the first set of communities. Therefore, each operates within the same provincial, governmental and non-governmental organizations and civil sectors as the community that it is near. The selection criteria for choosing the second set of communities was each had to, (1) be geographically near one of the communities in the first set, and (2) score lower on the Human Development Index (HDI) as adapted by Cooke, Beavan and McHardy (2004) for the Indian and Northern Affairs Research and Analysis Directorate. The modified Cooke et al. HDI is used educational attainment, average annual income, and life expectancy of ‘Registered Indians’ to conceptualize on reserve well-being in relation to mainstream Canadians using 1981–2001 Census data (Cooke et al., 2004) and (3) agree to participate.

There are a number of possible limitations that could potentially impact the my ability to generalize any conclusions ultimately made from each of the six cases. For example, one of the focal questions that all qualitative researchers working on a multi-site (multi-case study) investigation must contend is the choice of
which sites to study. There is a danger that the locations chosen have little in common (Miles & Huberman, 1984, 37) which would impact the external validity of findings.

Another similar concern regarding the choice of communities is related to the factors that contributed to the success of sample communities. Can the success of the communities chosen for this study be attributed to their location, or access to natural resources, or access to financial rewards from the settlement of land claims? Or could it be attributed to the skills and experience embodied in a person or group of people within the community? All of these issues may be present at some level in the sample communities (the first three). But, is the success merely a synchronistic confluence of one or more of the above issues that thus render the application of any conclusions derived from each community to the overall general population of 615 Indigenous Canadian bands unrealistic?

Yin (2009), Eisenhardt (1989), Miles and Huberman (1984) argue that the use of multiple case studies in conjunction with literal replication and/or theoretical replication logic addresses concerns of generalization of study conclusions. The manner in which the limitations of the study were addressed is articulated throughout this section.

I visited the six communities between the fall of 2005 and the summer of 2006. I spent an average of six days in each community and interviewed an average of seven people in each band (minimum of five and a maximum of ten). I conducted 41 interviews (the structure and process of the interview was different between the first set of three and the second set – see below). The distribution between male and female was fairly even with 56 percent male (23) and 54 percent female (18). Purposive sampling was also used to identify the first set of interviewees within each community. Convenience sampling was used to identify secondary participants. The purposive sampling method was utilized because of the recognition that much of the experience with any entrepreneurial process would be held in a small group of people within each community – identified in the groups identified next. Miles and Huberman agree
with the use of purposive sampling in this context because social processes
tend to have a logic and coherence that random sampling would not be able to
overcome – important data would be missed (1989, 36).

The purposive sampling method involved gaining the participation of (1) an
Elder, (2) the chief, (3) a member of council, (4) persons responsible for
economic development within the band government, (5) managers/owners of
businesses.

The decision to interview an Elder as the first point of contact within each
community was made because I strived to be responsive to the cultures and
traditions of the Indigenous communities I visited. Thus, I chose to offer
tobacco\(^7\) to a respected Elder in each community as the first step to gaining the
full participation of band members. The offering of tobacco to a community
Elder as a means of gaining entry is an acceptable custom in every community
that was part of this study. This cultural sensitivity was articulated in the case
study protocol that was utilized to gain ethics approval from two universities,
one in Canada and the other in Australia.

Then, as stated above, interviews with the chief, a member of council, the
individual or individuals responsible for economic development, and
entrepreneurs and/or managers of for-profit businesses were selected as a
priority. The individual (s), responsible for economic development varied from
community to community. For instance, at the Osoyoos Indian Band Chief
Clarence Louie is the political head of the band and the Chief Executive Officer
of the band’s development corporation. In contrast, the Neskonlith First Nation
just three hours north of Osoyoos does not have an economic development

\(^7\) The use of ‘traditional’ tobacco has been a main part of culture and tradition of Indigenous
people for many years. Traditional tobacco is considered to be a sacred gift given by the
Creator. Tobacco was accorded a very respected place in Indigenous culture. Before the arrival
of Europeans, says Jeff Reading, ‘tobacco was by far the most important plant in the religious
lives of indigenous North Americans.’ As well as being used for a wide variety of medicinal
purposes, it was used in many ceremonies and rituals. The ceremonial use of tobacco had deep
spiritual meaning because it established a direct communication link between the person giving
and the spiritual world receiving’ (Balaban and Gilner, 2002, 5).
officer, there is no development corporation, and no one, specific person is responsible for economic development.

The second group of participants, accessed using the convenience sampling method, were discovered after arriving in the community. A poster seeking participants was placed in the main administration center of each community one week before my visit (see Appendix 2) and others were suggested by earlier interviewees. This is the least preferred sampling method because it often leads to ‘spurious conclusions’ (Kemper, Stringfield, and Teddlie, 2002, 280). However, I felt that a second sampling method had to be incorporated into the research design in order to be responsive to the recommendations of initial informants who could lead me to potentially very useful informants that did not belong in the initial purposive sampling frame.

Data collection methods included semi-structured interviews – with the second stage interviews guided by a new theoretical understanding. As well, both empirical stages of the research also involved direct observation and a search of documentary evidence. The documentary information was obtained independently and by asking participants if they had relevant information available or knew of where to obtain it. During each field trip I asked participants to allow me to visit businesses and their governance and administration centres. I also independently toured the communities and its surrounding areas.

The interviews relied heavily on the ability of the interviewer to pursue areas opened up by the interviewee when there was an indication, either verbal, tone of voice or body language, that he or she had more knowledge than indicated or when the verbal response was contradictory to the physical response – within the constraints of cultural acceptability of the subject matter (Foley, 2000, 34).

The use of in-depth, semi-structured interviews allowed for the achievement of the research aims described above. For instance, the best way to develop an understanding of the processes, institutions, policies that were utilized to create an entrepreneurial environment would be to ask the people involved (Ticehurst and Veal, 1999, 47). Then, in order to strengthen construct validity, other
evidence and more interviews was used to verify, triangulate and categorize the data. The following quotation from Hofer and Bygrave guided the data collection process;

...*multiple data gathering methods should be employed whenever possible to provide “triangulation” on the entrepreneurial processes and phenomenon involved in order to generate more accurate and complete descriptions of what has occurred. One type of triangulation is to gather the same type of data about a phenomenon from several different sources. Another approach is to gather different types of data, and then to see if the descriptions generated by these data are internally consistent with each other (Hofer & Bygrave, 1992, 96).*

This briefly describes the data selection and data collection procedures. The next section now more offers a descriptive account of the two qualitative procedures chosen for this study.

**5.3.2 Rønning & Ljunggren’s research design: a well illustrated design**

Rønning and Ljunggren’s (2007) empirical study of entrepreneurship facilitating social capital in the context of ‘community entrepreneurship’ has several similarities to the research articulated in this thesis. Their research is focused on two questions, ‘what are the barriers to identification, evaluation and exploitation of entrepreneurial opportunities that restrain new business formation in rural areas?...next, how can these barriers be overcome?’ (Rønning and Ljunggren, 2007, 1).

They suggest that the process of ‘community entrepreneurship’ is the key to increased business activity and wealth creation in the community (Rønning and Ljunggren, 2007, 2). ‘Community entrepreneurship’ is about changing the stock of social capital within the community through the iterative process of production and reproduction of norms, values and capabilities through ‘human interaction’ (Rønning and Ljunggren, 2007, 2). The definition the authors present of community entrepreneurship is an extension of the Johannisson and Nillson
The Rønning and Ljunggren study is useful for a number of reasons. First, the authors are exploring entrepreneurship in a depressed rural economy, with a declining agriculture sector, which the community traditionally relied on, and a location far from large employment markets (Rønning and Ljunggren, 13). Therefore, the context of their study and its unit of analysis, the ‘community’ suffering from a depressed economy with the view to engage in entrepreneurship as a means of addressing their relative disadvantage, is parallel to the research context of my own study. Additionally, Rønning and Ljunggren targeted their efforts at understanding the ‘community entrepreneurship’ phenomenon by examining the entrepreneurial processes that were utilized in the two case studies that formed their empirical analysis. Again, a focus that is parallel to my study (Rønning and Ljunggren, 11). Finally, the most important aspect of the Rønning and Ljunggren study is the research design the authors used.

Figure 8 on the following page is useful for understanding how Rønning and Ljunggren operationalized an ‘iterative’ research design methodology that moved to and from the theoretical domain to the ‘data’ in a recursive process. The first element of the research design involved gaining a ‘theoretical pre-understanding’ of ‘the concepts of community entrepreneurship and social capital, linked to the opportunity based conceptualization of entrepreneurship’ (Rønning and Ljunggren, 2007, 11). Then, a two ‘level’ exploratory case study methodology was employed with unstructured interviews of key informants as the primary data collection technique. The first case study allowed for a set of categorizations to be made at the ‘first level empirical analysis’ stage, which was then compared to the initial theoretical pre-understanding (Rønning and Ljunggren, 12).
The ‘second level empirical analysis’ then allowed the authors to revise their theoretical stance by going back to the data (Rønning and Ljunggren, 12). The final stage provided an opportunity for further revision and a final theoretical understanding (Rønning and Ljunggren, 12).

The iterative process developed by Rønning and Ljunggren is a practical approach to reaching their research objectives. The research design employed by Rønning and Ljunggren was adapted for my study. However, two important caveats regarding that study must be noted:

1. The Rønning and Ljunggren is a conference paper that as of this writing has not been published in a peer-reviewed journal.
2. Rønning and Ljunggren developed the research design based on the arguments of two authors, Robert Yin (1994, 2009) and Kathleen Eisenhardt (1989). The research design Rønning and Ljunggren employ is not an untested, unproven methodology, rather it is one based on the writings of two prominent scholars.

The use of the Rønning and Ljunggren research design in this study is based primarily on how they have adapted and articulated a research design that is based on the theoretical works of two prominent scholars – both of whom...
already form a prominent role in this thesis (see preceding paragraphs and
below sections in this chapter). Therefore, the most useful aspect of the
Rønning and Ljunggren paper is the manner in which they articulated their
study – in particular the visual they employed – which was adapted for my own
research. A more thorough description of my research design follows.

5.3.3 Overview of the research design
The iterative research design formulated for this research project was
conceived after careful examination of a large collection of literature – the
design is based on previously stated concerns, 1) the complexity of the
phenomenon, and 2) issues concerning the population of interest. The research
design involved five steps with each step moving from theoretical to empirical
and back again. While Rønning and Ljunggren’s study only involved two
projects within the same community with the use of one methodology – case
study research and their analysis was rather narrow within each ‘level’ because
it only involved one project within on community. Therefore, the complexity,
both in breadth and depth, of their study in relation to my own research is quite
dissimilar. However, the manner in which they articulated their research design
is extremely useful for application here.

**Figure 5.3.3 - Structure of the research design**

How Indigenous Community Context Affects Indigenous Entrepreneurial Process
Very briefly, with elaboration on each found in following paragraphs, the five steps were as follows.

**Step 1, theoretical pre-understanding** – the development of a conceptual and theoretical foundation of entrepreneurship research as a basis of carrying out the first stage of empirical study.

**Step 2, first phase empirical analysis** – the development of a grounded theory from a sample population of three ‘exemplar’ Indigenous communities.

**Step 3, first phase theoretical insight** – the evaluation of the pre-theoretical understanding and an existing theoretical framework (Hindle’s Bridge) against the derived grounded theory.

**Step 4, second phase empirical analysis** – the ‘testing’ of the revised model using the case methodology as prescribed by Yin.

**Step 5, second round of theoretical insight development** – involving the synthesis of the overall program of research into an analytical framework specific to the unique population of Indigenous bands in Canada. The following sections expand on the detailed conduct of each of the five steps in the research design.

The following sections now offer a technical description of how the two related empirical studies were constructed to form my overall research design.

5.3.4 **Step 1 - theoretical pre-understanding**

It was argued in Section 4.1 that the development of a theoretical pre-understanding is an appropriate predicate to the conduct of a grounded theory

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8 ‘The choice of communities is outlined below – it followed the principle of ‘replication logic’ as posited by Yin (1994). That is also elaborated on below.”

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study. Therefore, there is no need to reiterate that now. This was performed in the three literature reviews of chapters two, three and four.

The development of a conceptual and theoretical foundation of the contemporary circumstance of the Indigenous band, theoretical propositions of development of Indigenous peoples, entrepreneurship research and Indigenous entrepreneurship provided the basis for carrying out the first stage of empirical study. A sound understanding of the methodological considerations of researching the entrepreneurial process is also a prerequisite for the study of such a complex phenomenon. The entrepreneurial process is a holistic, dynamic, and discontinuous phenomenon with many antecedent variables – its characteristics 'strongly argue for multistage designs in which initial stages are used to explicitly identify the factors to be studied at later stages', along with the best possible ways to study them (Hofer and Bygrave, 1992, 94). However, the development of a foundation of knowledge of entrepreneurship is not sufficient. As Ermine et al. have stated, it is also incumbent of researchers examining Indigenous communities and peoples to develop an understanding of the colonial history and its impacts today (Ermine, et al., 2004, 16; Smith, L., 1999, 3). Therefore, the following examination of the extant literature was completed:

- Historical circumstances that lead to the current situation of Indigenous bands;
- The treatment by scholars of the development of Indigenous communities and peoples;
- Entrepreneurship research in concert with research focused on the entrepreneurial process;
- The emergent field of Indigenous entrepreneurship.

Then, I held ‘in abeyance the existing ways of thinking’ in order to allow the data to inform the development of the grounded theory (Locke, 2001, 46).

In my three literature evaluations I discovered and developed understanding of:

- the situation prevailing in reserve-based (band-based) Indigenous Canada;
CHAPTER FIVE – RESEARCH DESIGN AND METHODOLOGY

- the phenomenon of Indigenous entrepreneurship from multiple perspectives;
- issues concerning the systematic investigation of the affect of community factors upon entrepreneurial process with a detailed analysis of one theoretical postulation concerning this process – referred to as Hindle’s Bridge.

All this was set aside as I proceeded to the next step, the grounded theory study of communities, which included several examples of successful entrepreneurial processes.

5.3.5 Step 2 - first phase empirical analysis: the grounded study of ‘successful communities’

The identification of the unit of analysis answers where the data is located, but that is only one small component of the research process. The selection of the appropriate data is a critical component of any study. Data selection is concerned with developing a framework for answering two fundamental questions, (1) given a set of objectives for a research study – what data are needed to effectively respond to the goals of the study? (2) What are the characteristics of that data? Or more precisely, is it statistical, documentary, interview data? (Leedy and Ormrod, 2001, 111). Arguments in previous sections have raised the complexity of the entrepreneurship phenomenon as requiring rich, in depth data-gathering methods such as qualitative interviews, direct observation, and search of archives (Hofer and Bygrave, 1992, 96). All of these were considerations that formed the basis for the operationalization of the grounded theory method study described below.

Glaser and Strauss (1967) detailed a formal approach to handling and interpreting qualitative data as a means of inductively generating theory from data. The original method developed by Glaser and Strauss has reached canonical status (Locke, 2001, 3) and may be the most widely used interpretive strategy in the social sciences (Denzin and Lincoln, 2000, 374).
The process of data interpretation and emergence of theory was led by the grounded theory approaches described by Glaser and Strauss (1967) and Strauss and Corbin (1998). Denzin and Lincoln have stated, ‘Research with Indigenous peoples is predominantly within the qualitative genre because qualitative research frameworks provide congruence and cultural safety for the tenets of Indigenous worldview’ (Ermine, Sinclair, Jeffery, 2004, 14). Moreover, the application of grounded theory methodologies has been reported to be consistent with research methods by and for Indigenous people. For instance, Roffey (2002) in a paper that was aimed at building a case for the inclusion of grounded theory and Indigenous research principles in international management research found that research methods developed by Indigenous Filipino’s was consistent with grounded theory in three ways:

- It assumes no a priori hypotheses or ‘preconceived theories’;
- The researcher intently focuses on what the researched say and do. The researcher does not focus on preconceptions but ‘attends to the phenomenon as they appear;
- Moves from the data to the ‘conceptualization and derivation of categories,’ – not the other way around (Roffey, 2002, 352, 354).

Thus, during the ‘first phase empirical analysis’, with the theoretical and conceptual understanding derived from the preliminary literature review (see Chapter 2 and 3) – and following a thorough self-analysis and suspension of any ‘biases and pre-existing theoretical commitment’ (Locke, 26) three Indigenous communities were visited. Then through a data collection process that incorporated semi-structured interviews, archival evidence, and direct observation, a grounded theory was developed using the constant comparative method as articulated by Glaser and Strauss (1967) and later further supported by Strauss and Corbin (1998) in a publication dealing with specific techniques and procedures.

A minimum of five and a maximum of ten semi-structured structured interviews were conducted within each community. The data analysis began immediately after the first interview. As the research proceeded from one interview to the
next, from one observation to the next archival document and so on, the research was ‘narrowed’ as concepts and their relationships were discovered (Strauss and Corbin, 1998, 41).

Other sources of evidence included observation, informal data gathered by visits to businesses, governance and administration centres and by touring the communities, documentation, newspaper stories, proposals, policy and procedure manuals, reports and/or studies conducted by the Band or other researchers, statistical data gathered by relevant organizations like Statistics Canada, Indian and Northern Affairs Canada, Human Resources and Skills Development, and Health Canada.

The following steps were taken throughout the interview process to discover and interpret emerging themes,

1) Listening objectively;
2) Note taking;
3) Analysis;
4) Constant comparison of data (Strauss and Corbin, 1998)

The formulation of theory went through the following coding processes outlined by Stauss and Corbin (1998);

1) Open coding - The analytic process through which concepts were identified and their properties and dimensions discovered in the data.
2) Axial coding - The process of relating categories to their sub-categories, termed ‘axial’ because coding occurs around the axis of a category, linking categories at the level of properties and dimensions.
3) Selective coding - The process of integrating and refining the theory (Strauss & Corbin, 1998, 101, 123, 143)

The findings of the grounded theory are reported in the next chapter. The write-up of each of the three case studies is structured with first a description of the band and its approach to entrepreneurship, then a section that describes the
core categories that emerged from case analysis as well as their associated properties and dimensions.

5.3.6 Step 3 - first phase combined insight

Rønning and Ljunggren included in their research design a process that involved the examination of insights gained from a case study on a mini-hydroelectric power plant. Their quest for knowledge development was formulated from a conceptual starting point of community entrepreneurship and social capital literature within an opportunity-based perspective of entrepreneurship (2007, 11). Then, with ‘categorizations’ made in the case study the authors made comparisons with the theoretical pre-understanding literature. Armed with a ‘new theoretical insight’ the authors proceeded to case two. The Rønning and Ljunggren study is reintroduced again for two reasons, (1) to reiterate the usefulness of gaining a theoretical pre-understanding in the context of my study – without the review of the literature Rønning and Ljunggren’s research design would have remained ‘undiscovered’, and (2) the process the authors envisaged is ideal for this study - its application follows.

The first phase-combined insight is referenced in that manner because of the nature of the data being examined. The culmination of the three case studies was the formulation of a grounded theory of ‘successful’ entrepreneurship in the Canadian Indigenous band. The resultant ‘conceptual framework’ was then compared and contrasted to the Hindle Bridge – an artefact of the theoretical pre-understanding phase. A synthesis of the conceptual frameworks resulted in a new, slightly revised theoretical conceptualization of how entrepreneurial success can be achieved in the specific context of the band. This method can be viewed as a form of triangulation. Triangulation refers to the use of multiple sources of data with the intention of supporting a hypothesis or theory (Leedy and Ormrod, 2001, 105). The manner in which the two sets of data, the Hindle Bridge analytical framework and the grounded theory is in principle similar to the concept of triangulation.
The knowledge gained from processes one and two produce focused guidelines for more research. This new theoretical orientation provides a framework to formulate a set of propositions that guided the case study research phase of the overall research design. Those propositions then shaped the data collection plan by informing the interview process with a theoretically guided structure.

The next section provides more detail on step four of the research design – the theoretically guided case studies.

### 5.3.7 Step 4 second phase empirical analysis: the guided study of entrepreneurially unsuccessful communities

Case studies are being used more often as a research methodology in business research. For instance, Ellram (1996) provides a convincing argument for its use in the study of logistics; Perry (1998) describes an approach developed in Australia to use the case study methodology in postgraduate research in marketing; Westgren and Zering (1998) published a ‘prescription’ for case study research design and execution in the study of firms and markets; and, more recently, Jensen and Rodgers (2001) have written about the appropriateness of the case study method in the study of public administration. One of the most cited reasons for the growing acceptance of the case study methodology in scientific research is because it allows for a richness and profundity of information that is not possible with other methodologies (Jensen and Rodgers, 2001, 237). The following will provide an overview of case study research and the case study methodology developed by Yin. Then, we present an overview of how this methodology was operationalized for this study.

Case study research as a method of scientific study is defined by Yin as an empirical inquiry that:

...investigates a contemporary phenomenon within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident (Yin, 1994, 13).
Yin further elaborates on the above definition by adding the following to his technical definition of the case study inquiry:

\[\text{It} \text{ copes with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as another result benefits from the prior development of theoretical propositions that guide data collection and analysis.} \quad (1994, \text{13})\]

This definition then presents the rationale for the acceptance of the case study as a one component of a two-part qualitative research strategy and not merely a data collection method or research design component (Yin, 13).

As discussed in previous sections of this chapter, Yin recommends the use of replication logic in a multiple case study design to address external validity (33). This method is what Yin characterises as being a ‘type 4’ research design – an embedded, multiple case design (Yin, 1994, 33). The type four design addresses the issues critics of case study research raise concerning the generalizability of case studies to a wider population. Many of these critics are implicitly comparing case study research to survey research. Investigators using survey research rely on statistical generalization – where a ‘sample’ is generalized to a larger population. Whereas, in case study research investigators must rely on analytical generalization – where the generalization occurs as a result of generalizing a particular set of results to some broader theory (Yin, 1994, 36). Then, the ‘underlying logic’ of multiple case study design is succinctly described by Yin as follows:

\text{Each case must be carefully selected so that it either (a) predicts similar results (a literal replication) or (b) produces contrasting results but for predictable reasons (a theoretical replication). The ability to conduct six or ten case studies, arranged effectively within a multiple-case design, is analogous to the ability to conduct six or ten experiments on}
related topics; a few cases (two or three) would be literal replications, whereas a few other cases (four to six) might be designed to pursue two different patterns of theoretical replications (Yin, 1994, 46).

Additionally, choosing and defining the right unit of analysis is critical to the explanatory power of case research (Westgren & Zering 1998, 419). While the ‘band’ will be the main unit of analysis it will not be the sole element under study. Rowley describes two issues regarding the unit of analysis that are particularly relevant to this study;

Case studies can also be divided into holistic or embedded studies. Holistic case studies examine the case as one unit. They might, for example, focus on broad issues of organisational culture or strategy. This approach ensures a helicopter view of the case, but can be superficial, and may miss changes in the unit of analysis that could impact the appropriateness of the original research design. Embedded designs identify a number of sub units (such as meetings, roles or locations) each of which is explored individually; results from these units are drawn together to yield an overall picture (Rowley, 2002, 22)

Additionally, while Westgren and Zering describe the embedded, single case study as being expensive they also believe that, ‘studying the richness of the interaction between the focal unit of analysis and other adjacent (lateral or hierarchical) units may be necessary to do a complete job of relating the phenomenon to the complex context in which it is observed’, (421).

The above provide the guidelines for the operationalization of the case study method for the purposes of this research. A ‘Second level empirical analysis’ allowed for an empirical ‘testing’ of the outcome of the grounded theory phase of the research in a field experiment that involved three ‘theoretically guided’ case studies. A set of propositions provided the structure for each of the cases – see the introductory section of chapter seven.
In order to operationalize the embedded, multiple case design – three cases were chosen, and the community, government, business, individual were all scrutinized. The outcome of the three case studies was a new understanding of the applicability and/or relevance of the model formulated in the first empirical analysis (grounded) and the ‘first level combined insight’.

5.3.8 Step 5, second level theoretical insight development: meeting the major objective of the thesis

Meeting my major objective of the thesis (objective 2 as stated in section 5.1, above) was accomplished at this stage of the research project. The ‘second level theoretical insight’ development process involved the examination and synthesis of the findings from the three theoretically guided case studies in order to re-evaluate the model for possible modification. A formal statement of the ‘meeting of the objectives concludes the section.'
6. First empirical investigation and insight development

Chapter Abstract

The first empirical component of the research design is reported in this chapter. A grounded theory was developed from study of three exemplar Indigenous communities featuring interviews of key informants. The emergent theory was then examined in relation to an existing analytical framework. That comparison revealed strong thematic and conceptual comportment with the factors identified as critical community influences on entrepreneurial process in the diagnostic regime posited by Hindle (2009) – ‘Hindle’s Bridge’.

The first section of each of the following case studies begins with an introductory segment that places the community geographically and offers other basic demographic and economic information. The second section is concerned with the entrepreneurial evolution of each community and summarizes each community’s entry into and development of the range of business ownership initiatives that now exist within the community. It also includes a list of the band’s businesses and some of the outcomes derived from their efforts. The third section, ‘business philosophy’, outlines the underlying principles that are prevalent and guide entrepreneurial thinking and management. A synthesis of the findings of each case concludes that relevant section. Penultimately, the chapter provides a cross case analysis producing a combinatory grounded theory. This is then compared to extant theory to produce a conceptual/analytical framework which will be used to guide the theoretically guided case investigation of the next chapter.
6.1 Case reporting and analysis procedure

As discussed in the methodology chapter three ‘exemplar’ Indigenous communities form the foundation for creating a grounded theory of the factors that affect the entrepreneurial process in Canadian Indigenous bands. A purposive sampling technique allowed for the discovery of three communities that have achieved recognition across Canada for their entrepreneurial development efforts. In particular each was awarded with the distinction of ‘Economic Developer of the Year Award’ from the Council for the Advancement of Native Development Officers. For the purposes of this thesis that award is the measure of success.

This chapter reports the findings this first component of the empirical research articulated in this thesis. The three communities that formed the sample population were the Osoyoos Indian Band, located in Canada's westernmost province, British Columbia, Lac La Ronge Indian Band, located in the prairie province of Saskatchewan and Membertou First Nation on Cape Breton Island in the province of Nova Scotia. In order to acquaint readers with salient features of the cases a descriptive narrative forms the first section of each case followed by an analysis of the findings using the constant comparative process of building grounded theory.

6.2 Band case 1: investigation of the Osoyoos Indian Band

The Osoyoos Indian Band (OIB) is one of the 198 bands in British Columbia. It is located in the southern tip of the Okanagan Valley in the south central area of this, westernmost, Canadian province. In fact the southern extremity of the 32,253-acre reserve is approximately six kilometres from the border between Canada and the United States. The OIB is located within Canada’s only desert. The desert is the northern tip of the huge Sonora desert that ranges from Mexico up through the United States mid-western Great Basin, reaching just over the border (Shangaan Webservices, 2009). The OIB administration centre, the head office of the band government, is on the north-western tip of the reserve land, adjacent to the community of Oliver. The town of Oliver has a
population of 4,335 with an economy based on agriculture, fruit trees and vineyards (Shangaan Webservices, 2009). The Nk’Mip Project, the flagship economic development venture of the OIB, is situated on the southwest tip of reserve, adjacent to the town of Osoyoos (OIB, 2005). Osoyoos is 26 kilometres south of Oliver and approximately six kilometres north of the United States border. It has a population of 4,599 with an economy based on tourism, fruit trees, and vineyards (Shangaan Webservices, 2009).

The OIB was formed in 1877.

Table 6.2. - Osoyoos Indian Band - basic community data

<table>
<thead>
<tr>
<th>Location</th>
<th>British Columbia - Southern Okanagan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone 1⁹</td>
<td>Located within 50 KM of the nearest service centre to which it has year-round road access</td>
</tr>
<tr>
<td>Language</td>
<td>Okanagan</td>
</tr>
<tr>
<td>Population</td>
<td>315 - Registered members living on reserve (DIAND, 2009)</td>
</tr>
<tr>
<td></td>
<td>115 - Registered members living off reserve</td>
</tr>
<tr>
<td>Land base:</td>
<td>13,052.3 hectares (130.52 km²)</td>
</tr>
</tbody>
</table>

There are a total of 435 registered members with 289 living on reserve, 44 band members living on other reserves and the remaining 94 members live off reserve (INAC, 2009).

6.2.1 Creation and development of an entrepreneurial environment

Chief Clarence Louie has been the leader of his community for almost 25 years. During this time he has only been defeated by election once. This is quite an accomplishment when you consider that elections occur every two years. In 1997 Chief Louie hired Chris Scott as an economic development officer. It was during those early years that Chief Louie had formulated a plan for the OIB to develop a gaming establishment;

⁹ The Department of Indian and Northern Affairs has a classification system for the geographic location of Canadian ‘bands’. The ‘Band Classification Manual’ categorizes bands by their proximity to ‘service centres’ – locations that have suppliers, material and equipment (for construction, office operation, etc.) a pool of skilled labour, a bank, health services, and a post office.
The band made application for a casino. As you know the history of casinos on First Nations is one which there is a massive amount of wealth created. We prepared our RFP’s with a company from the United States and we made the application. It was a very good application but we got politically intercepted. We did not make the grade. The RFP was not accepted. We reached a crossroads then (Scott, C., 2005a).

It was after the casino plans defeat that Chief Louie suggested the creation of a ‘destination resort’ suggesting that the ‘casino could come after’ (Scott, C., 2005a). Chris Scott advised the Chief that a development the scale envisioned by Chief Louie would be more efficiently managed under the auspices of a separate corporate entity. Chris Scott elaborated;

...in the year and a half that I had been in the community by then that the political interference was horrendous, horrendous! Every single problem, every employment issue, every request there was a line up of people going in to see Clarence. There was no business decision being made… there was no such thing as a business decision, it was all politically driven (Scott, C., 2005a).

Therefore in 1998 the Osoyoos Indian Band Development Corporation was created and ‘six or seven’ businesses that existed then were provincially incorporated and placed under the new organizational structure (Scott, C., 2005). The new development corporation’s structure included a group of five advisors that included ‘a mix of entrepreneurs, accountants, and bankers.’ People who Chris Scott and Chief Louie felt could ‘help guide this operation’ (Scott, 2005a). Those advisors were non-voting members of the OIBDC with all voting rights going to the Chief and Council in their capacity as directors.

Chris Scott’s position has evolved during his tenure at the OIB. Today, he is Chief Operating Officer of the Osoyoos Indian Band Development Corporation.
Today, unemployment is almost nonexistent on the OIB. In fact as of November 2005 – the last time the OIB reported these figures (Scott, C., 2005b) there was 153 Osoyoos band members employed in eight wholly owned businesses. There was also 57 other First Nations individuals from other communities working for the band, along with 291 people that are not First Nations for a total of 501 positions. What is even more interesting is that of the 501 jobs in the OIB workforce only 70 are government related (band administration, school and day-care) with the remainder of the employment being in band owned for-profit businesses (Scott, 2005b). Moreover, this means that the Osoyoos Indian Band employs more people than they have total membership!

The above employment data is dated. However, the source of the employment reported in 2005 by the OIB stemmed from the community’s entrepreneurial pursuits – pursuits that are still in operation today along with several more new ventures (OIBDC, 2009). Through the Osoyoos Indian Band Development Corporation (OIBDC), the band owns and operates nine profitable enterprises, Nk’Mip Construction, Oliver Readi-Mix, Nk’Mip Canyon Desert Golf Course, Nk’Mip Vineyards, Nk’Mip Campground and RV Park, Nk’Mip Cellars (a winery), OIB Holdings (land leasing – commercial and residential) Nk’Mip Gas and Convenience, Nk’Mip Desert Cultural Centre, and is a partner in the Mount Baldy Ski Corporation, Sonora Dunes Golf Course, and the Spirit Ridge Vineyard Resort and Spa.

The community has accomplished a great deal since the creation of the OIBDC. A good example of the strides the band has made, in economic terms, can be seen by the amount of self-generated income the OIB now earns through the OIBDC. In 1994, the OIB had revenues from commercial activities of $1.3 million. However, by 2002 revenues increased to $14.3 million, a more than ten-fold increase. In 1994 the value of payments received from the federal government exceeded these self-generated commercial revenues. By 2002 self-generated revenues were seven times the amount of federal government transfer payments (Kayseas, Hindle, Anderson, Camp, 2005). Source of income data from the 1986 and 2001 census confirms the increasing importance of employment income as a percent of total household income. In 1986,
employment income accounted for only 28.1 percent of total household income among members of the OIB. By 2001, it had increased to 44.5 percent, an absolute increase of 16 percentage points and a percent increase of 58 percent. Not yet self-sufficient, but clear progress towards the goal and a considerable accomplishment (Kayseas, et al., 2005).

The motto of the development corporation is ‘working with business to preserve our past by strengthening our future’ (OIBDC, 2009). That sentiment can be found in the manner in which the band has a focus on what the Chief refers to as ‘heritage and culture’. A brief discussion of the underlying values that exist in the OIB and the OIBDC follows.

6.2.2 Entrepreneurship philosophy

The band has done many things in the last 20 years that has positioned their community for growth and prosperity. The Osoyoos Indian Band provides an excellent example of an Indigenous community that has created a mode of development that has been shaped by many external forces and yet still has a look and feel that is purely Indigenous. Evidence of this could be found in several areas like for example, in management of human resources (see below) and in the design of the Nk’Mip Canyon Desert Golf Course.

Dave George is the Manager of the Nk’Mip Canyon Desert Golf Course. The course sits on the boundary line between the town of Oliver and the northeast side of OIB boundary. The company was started by two non-Indigenous entrepreneurs from the town of Oliver. The two developers leased enough property to construct a nine hole golf course as well as a mobile home park. Dave George felt the OIB was not honestly dealt with in that arrangement. The terms of the agreement provided for the OIB to receive a portion of the annual profits of the golf course. George stated, ‘their main focus was the mobile home park…it (the golf course) was used a tax write-off…they showed heavy losses each year’ (George, 2005). The OIB purchased the property back in 1994, ‘lock stock and barrel’ from the developers and proceeded to re-design the course. Several band members that were avid golfers, one of which was also a member
of the band council, designed another nine holes and the OIB received bank financing to upgrade the course. In 2000 the OIB opened a championship 18 hole golf course that ‘is doing well’ because it provides both an employment opportunity for band members as well as another source of revenues for the band administration (George, 2005). However, the golf course is very different from most others. At the entrance to the golf course is a large iron statue depicting an Indigenous man with a head dress on, he is pointing a bow and arrow at the sky. That artwork is found throughout the whole course. Dave George offered, ‘it (the artwork) is another way for us to showcase our golf course and provide education to the public…it’s going to be an art gallery more than a golf course in the end’ (George, 2005). The artwork is not only a source of cultural pride for band members it is also a means of marketing and branding the community, through its use of images and the name ‘Nk’Mip’. Brenda Baptiste elaborated on this by stating that, ‘we have created an OIB brand, we are stable, we are dependable, we are successful, we are business people, that is our community’ (Baptiste, B., 2005).

Chief Louie and members of his management team strongly believe in the maintenance of heritage and culture. One of the main themes that emerged from the interviews and search of documentary evidence is the importance of heritage and tradition to the people of Osoyoos (Baptiste, B., 2005; Betterton, 2005; George, 2005; Louie, 2005; Scott, 2005). There is a real threat of a total loss of the Okanagan language in the Osoyoos community. In fact, ‘nobody under 55 speaks the language’ within the OIB (Louie, 2005). Moreover, as the band gets increasingly involved with the mainstream Canadian economy there is increased threats to the loss of the ‘Indigenous’ way of living. However, Chief Louie strongly believes that heritage and culture can be maintained while engaging in business ventures whose primary markets are non-Indigenous consumers. These values extend further than the creation of language programs for young students, there is such a program offered to youth of the band and to non-Indigenous students that attend the band schools. The importance of heritage and culture even extends to the operations of the band’s businesses. For example, the following quote provides an indication of Chief Louie’s strong beliefs in this respect;
...when people come here (Nk’Mip Canyon Desert Golf Course) they are going to know that they are on a First Nations golf course. And yeah we may lose some customers over it but I would rather have a company that breaks even and showcases First Nation heritage... you know you are in a First Nations business, than have a business that says you have a lot of money but you have sold out and you have nothing there to identify that you are in a First Nations business (Louie, 2005).

This statement provides a good example of what constitutes a successful venture to the Chief of the Osoyoos Indian Band. It also provides evidence of how an Indigenous community is willing to maintain a ‘collectivist’ orientation even while in competition with mainstream Canadian businesses. Another example of how Indigenous culture interacts with business operations is found in the manner in which the ‘family’ is defined.

Most mainstream organizations define the immediate family rather narrowly, with the nuclear family being the most used definition (Beauregard, Ozbilgin, & Bell, 2009, 48). This is a concern in First Nations communities because it is contrary to the kinship systems many people of Indigenous cultures embrace. The Osoyoos Indian Band exhibits the collectivist value where the community interests and extended family are ‘supposed to’ take precedence over individual needs (Betterton, 2005). This is why a policy regarding the employees right to time off for family obligations extends further than the immediate family. This cultural orientation will not only impact the employees right to time off but also other areas like guidelines regarding conflict of interest. Chief Louie discussed how the Osoyoos Indian Band Immediate Family Guidelines governs OIB members that sit on all boards and committees, for example, the education, health, and loans committee (Louie, 2005). Those guidelines specify the requirement of all managers and staff that are in a decision making capacity to declare a conflict for a very broad definition of family that includes nephews, nieces, grandparents and immediate family. This broader definition of family will make governance difficult, at times, given the rather small population of the
OIB. However, band leadership are cognizant of the issues that have arisen because of the discord between this cultural value and the new, imposed values of mainstream governance and business. This recognition is ‘lighting the way’ to a new form of governance at the Osoyoos Indian Band. One that encompasses the fundamental principles of business but also embraces aspects of the Okanagan culture that makes the people of the OIB truly Indigenous (Louie, 2005).

It remains to be seen if these actions, beliefs and values can be strongly held by band leadership and community members while concurrently enjoying long term financial success in competition with non-Indigenous business. An important factor that may contribute to the longevity of the financial success the OIB enjoys are adherence to fundamental business practices that define their own and most of those successful mainstream businesses they are in competition with.

In order to be a success in business you must compete at a provincial, national, and international level (Baptiste, S., 2005). The manner in which the OIBDC competes at that level is by ensuring all aspects of their businesses are well researched and planned (Baptiste, B., 2005; Scott, 2005), well marketed, (Baptiste, B.; Baptiste, S.; George, 2005) and well managed by qualified people (Bryson, 2005; Louie, 2005; Scott, 2005). In fact, much of the success of the entrepreneurial pursuits of the OIBDC has been attributed to the corporation's Chief Operating Officer, Chris Scott. Sam Baptiste said, ‘Actually our COO, Chris Scott, is probably the most valuable person on this reserve. He’s the person that should get all the credit for what’s happened’ (Baptiste, S., 2005). Modesta Betterton, a well-respected Elder in the OIB concurred, ‘If it wasn’t for Chris we would still be far back’ (Betterton, 2005).

The OIB has had to rely in the help of people from outside the community because of the lack of entrepreneurial experience within (Louie, 2005). In regards to the OIB’s entry in the business world at their current level – that help has come from people like Chris Scott. Mr. Scott was awarded the British Columbia Exporter of the Year Award and the Entrepreneur of the Year Award.
before assuming his current position in the OIBDC. Scott was the founder and President of Okanagan Dried Fruits – a company with 120 employees that he eventually sold to a large multi-national firm (OIBDC, 2009b). Chief Louie expressed his sentiments regarding the OIB’s association with men like Chris Scott, ‘we are learning how to walk the walk, and talk the talk with some of the most successful businessmen in Canada!’ (Louie, 2005).

6.2.3 Findings

Analysis of interview data began immediately after the first interview as well, direct observations were made by touring the community at the outset of the visit. I was provided documentary evidence by a number of respondents, such things as marketing materials, brochures and a marketing video and other corporate information. One factor that was almost immediately apparent – both from the tour and after each interview – was the importance and adherence to sound principles of management – both within the band government and also in the business ventures.

<table>
<thead>
<tr>
<th>Category</th>
<th>Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>Financial and human resource management, planning, marketing, branding, developing and maintaining relationships</td>
</tr>
<tr>
<td>Governance</td>
<td>Political stability, leadership, elections, policies, institutions development, decision-making, referenda</td>
</tr>
<tr>
<td>Culture and tradition</td>
<td>Language, Elders, community</td>
</tr>
<tr>
<td>Land as capital</td>
<td>Leasing revenues, equity, trapped capital</td>
</tr>
</tbody>
</table>

6.2.3.1 Management

The Osoyoos Indian Band has been successful over the last ten years in the economic development of their community (Kayseas, Hindle, Anderson, Camp, 2005). The number of businesses the community has been able to sustain since their inception is evidence of this (OIBDC, 2009a). The experience that has been gained from their economic development activities has permeated into the social, education and health areas of governance. For instance, many
Indigenous organizations across Canada provide a two-week paid holiday for all employees during Christmas. However, the OIB began to realize that there was an imbalance between the expectations of the staff in their for-profit businesses and the governance staff – staff that are paid primarily through transfer payments from the federal government. While all the governance staff received the two-week paid holiday this was not possible for staff in the businesses. The staff at Nk’Mip Construction couldn’t shut down operations because of Christmas holidays due to contract obligations. This was also the case in other OIB businesses. There was also a recognition that because many of the social, education and health programs were reaping benefits from economic development activities that the staff in those program areas should also be evaluated in the same manner as the ‘economic development staff’ (Louie, 2005). Checks and balances had to be created to gauge the effectiveness of governance staff in much the same manner that staff in the businesses are measured – by the progress they make in a project or the amount of revenue they earn. Without these types of balancing structures there would be discord between the two areas – and this is not acceptable to the leadership of the OIB.

There is no longer a mandatory two-week Christmas holiday at the Osoyoos Indian Band. To explain Chief Louie stated that,

You either depend on the under funded federal transfer dollars or you start making your own money, which we do here. We subsidize and top up every one of our social programs. But, like I’ve told Chris and Brian, our economic developments staff, I said, “I want you guys to really analyse our social spending”. Yeah, we could be making all this money on the economic development (but) we can be wasting a heck of a lot of it on the governance side… in essence we have to run our governance like a business (Louie, 2005).

That kind of thinking was not limited to the Chief. Brenda Baptiste affirmed her own views concerning effective management that the lessons they have learned from ‘outside experts’ telling them ‘not what to do’ but telling them what worked
for them. Those lessons are being applied to social development projects (Baptiste, B., 2005).

We are using those same models that allowed us to be successful at economic development and now we are going to use those in a social application and let’s see how successful we are at, at it (Baptiste, B., 2005).

The creation of a human resource department and a human resource development plan, budgeting and five year business plans (Scott, 2005), as well as a focus on ‘branding’ (Baptise, B., 2005; George, D., 2005), and hiring based on merit instead of nepotism (Bryson, 2005) are all indications of the incorporation of management practices leading to a ‘disciplined, not perfectly disciplined, but a more disciplined business environment’ (Scott, C., 2005).

6.2.3.2 Governance

The issue of governance, and the institutions created to put governance into practice, was found to be a key factor with a variety of ‘properties’ and ‘dimensions’ in the Osoyoos Indian Band. Sub-categories and/or properties of governance and institutions that emerged from the data included ‘elections’, ‘leadership’, ‘development corporations’, ‘policies’, ‘decision-making’, ‘business environment’, and ‘political stability.’ Several of the issues that had multiple responses are discussed in the following paragraphs.

The Osoyoos Indian Band has had very stable leadership over the last 20 years as Chief Louie has been the leader of his community for every two-year term except one since 1985 (Fries, 2009). The community has an election system that has been in effect since the last hereditary chief passed on in 1939. Elections are governed by Section 74 of the Indian Act. However, the band only recently began the process of developing governance structures, like policies and procedures manuals. Chief Louie pointed out that the band only took control of their administrative affairs in the 1970s. He provided the following sentiment in regards to their governance systems:
I look at most First Nations communities, even ours, we are still in the learning mode of how to properly run a governance system and how to be business people. We have a lot of catching up to do, a lot of learning to do (Louie, 2005).

The creation of formal institutions by band governments is another way they facilitate the development of the rules to coordinate action and create consistency in decision-making processes. For example, the Chief Operating Officer, Chris Scott briefly reviewed the situation when he started working for the Osoyoos Indian Band;

Let me take you back just a bit. First of all in 1997, Osoyoos Indian Band, I had just joined the community… they had not used conventional financing…they had not expanded out of their existing business or made more sophisticated existing businesses in terms of making them competitive with other businesses in the same fields…In 1998, I remember talking to Clarence and he says well the casino was just one of the anchoring components why don’t we build the destination resort and maybe the casino will come afterwards and I said good. So I also suggested to Clarence at that time I thought we should change the corporate structure and create a corporation which would manage all the businesses. It has always been my observation in the year and a half that I had been in the community by then that the political interference was horrendous, horrendous! Every single problem, every employment issue, every request there was a line up of people going in to see Clarence (Scott, 2005).

Other references made by band members included issues pertaining to the stability created by having a chief and council in office for multiple terms. Evidence of that stability can be found in the large number of leases, both residential and commercial, that the OIB has with non-Indigenous families and corporations. The lease revenues from the Tuc el Nuit Estates and Cherry Grove Estates (residential) and commercial leases to Vincor Canada amongst
How Indigenous Community Context Affects Indigenous Entrepreneurial Process

others grew from $82,698 in 1985 to $1,923,159 in 2005, and tax revenues from those leases also grew from $189,283 to $663,471 during that same period (Scott, 2005b). The creation of a Lands and Taxation department assists in the negotiation of lease properties and management of existing leases (Bryson, 2005).

6.2.3.3 Culture

Clarence is a great leader. He recognizes he has to bring that about but he is striving to have language programs and striving to get people to be involved with their culture. We have signs, we went up to the gym it’s called, “Okanagan Pride” I think that’s the challenge that Clarence has to tackle head on, “Is how do you create a sense of pride in the Okaganans.” I’m hoping at this route that we are taking is one of it were you can walk down as an Okanagan through the streets of Oyosoos, or Oliver or read the paper and it is always your community that’s being talked about as the one that is driving the south Okanagan economy it’s always your community that the chief is being given another award it’s always your community that is being talked about, about its excellence in architecture and buildings. So after awhile you remove that veil of humility, if you like, which is the burden of the dependency that they have been trapped in and they start to say, “Hey it’s a can do attitude!” It’s a can do attitude, we can do it! We can have PhD’s in our midst, we can have lawyers in our midst, we can have all of that. And in that hopefully they can go back to the culture and one day as a 35 or a 40 year old and they’ll say you know I need to make sure that my children can pick up the language that my parents spoke because I can’t speak it but maybe my children can and hopefully find a linguist out there that will be able to teach them the language. That would be, I think, a wonderful journey, so they can actually go back to their past and remember some of the traditions and some of the issues of language and other components of that culture which existed. I think it would be much better achieved if your doing it because you have become proudly independent (Scott, 2005).
The quote from Chris Scott provides an example of the rich data that can be found in interview transcriptions. The coding of this quote provided a range of concepts that after cross comparison of interviews and other data led to the categorization of a set of concepts into ‘culture and tradition.’

The pride Chris Scott views as being attainable ‘someday’ describes an issue that others referred to and was also ‘discovered’ by direct observation. The signs Chris Scott mentions are evident on all Osoyoos Indian Band public buildings. Signs that say such things as, ‘Join the real world…go to school or get a job,’ and ‘Real warriors work.’ Also, the mission statement of the Osoyoos Indian Band also indicates a strong attachment to culture even in the context of development, one part reads, ‘providing our people with training and education which ensures that Pride of Heritage will guide us in developing our socio-economic resources…’ (Scott, 2005b).

The following quote encapsulates Chief Louie’s beliefs regarding the integration of Indigenous beliefs and values into mainstream business development and operation;

*I would rather have business that have most or all First Nations employment and even lose a little money…But, I would rather have a company that loses money but still has the ability to stay open but has the majority or all First Nations employment, than have a company that makes a lot of money yet has very little or no First Nation employment. I always make that point here to our economic development people. As long as the company is able to sustain the losses with First Nations employment that’s fine with me…To me I would put a company at the bottom of the list that doesn’t have the majority or all First Nation employment as opposed to one that is making money with no native employment (Louie, 2005).*
While that statement seems contradictory to the adherence to sound principles of management described above but it comes from a place of deep pride to the people of Osoyoos. Therefore, the blending of the world of business with the Okanagan culture will occur – even if it is, at times, in opposition to the most effective way to manage a business.

6.2.3.4 Land – as capital
Land is an important resource to the Osoyoos people. The band has approximately 132 square kilometres of reserve land. Some of the land is prime grape growing land, some is excellent recreational land that is lakeshore property, and some of it as arid desert land. The OIB have taken advantage of its land holdings and the location of their community. Chief Louie pointed out an important issue in regards to the Osoyoos Indian Band’s land holdings. Much of the bands in British Columbia have provided band members with Certificates of Possession – these are the closest an ‘Indian’ can come to owning reserve land. However that is not the case in Osoyoos,

_We have land allotments here but they all occurred in the centre of the reserve away from the major highways and lakes. That is one of the reasons we have been able to do it! Because every project that we ever done is on band land where all the members shared the results of that lease or that project (Louie, 2005)._

The leasing issue is of particular importance in the context of the Osoyoos Indian Band because they have utilized leases, a rather unorthodox practice for Canadian bands, to create a revenue stream that has provided many benefits to the band. The Chief Operating Officer described the rationale for using leasing as a revenue generator,

_So it is really more a matter of making sure that you release the capital that has been for so long, what is the terminology? Trapped capital. You know the fact that it is capital for First Nations (the land) is basically burdened with DIA [Department of Indian Affairs]…Nobody goes by_
without talking about the escalating real estate values in this country and how land prices have been going up 20, 25, 35% or more annually. And here (on-reserve) real estate gets locked and its not allowed to have the same leveraging effect or the same opportunities for being able to enjoy that elevation in value (Scott, 2005).

The Osoyoos Indian Band have released their ‘dead capital’ by leasing it to outside interests. The Osoyoos Indian Band’s Chief Operating Officer, and one of the keys to success according to Chief Louie, understands very well the concept of trapped capital. In fact, he and the Osoyoos Indian Band have mobilized their real estate assets from potential capital into annual revenues – even while it is still under the authority of the Department of Indian Affairs and ownership of the ‘Crown’.

In summary, the Osoyoos Indian Band is still in the early stages of the development of policies, structures, and institutions of governance. There is no Osoyoos Indian Band constitution, therefore leaders must govern using the Indian Act. Also, there is some discord within the community – discord that is acknowledged by the leaders of the OIB (Louie, 2005). For example, in February of 2009 Ethan Baptiste was the only other name on the ballot for chief, along with incumbent Clarence Louie. His platform was based on a re-shifting of the focus to the ‘health and welfare’ of the members of the OIB as well as the creation of more transparency of OIBDC affairs. He also advocates for the separation of politics and business by creating a community-based board instead of the current structure with Chief and Council as directors (Fries, 2009). Baptiste, with 31 percent of the votes, stated, ‘there remain issues on the reserve that need to be addressed, including substance-abuse problems, housing and unemployment (Fries, 2009). Another band member raised concerns about the amount of land the OIB has leased to non-Indigenous people as well as the amount of debt the band has incurred to capitalise its businesses (Baptiste, S., 2005). He argues that the OIB could develop their land themselves instead of leasing it to non-Indigenous developers – and he is concerned about the security used to get financing for some of the OIBDC’s
projects (Baptiste, S., 2005). Other concerns involved the continuing problem with drug and alcohol use (Bryson, 2005; Baptiste, S.; George, 2005). Lastly, another OIB member expressed concerns over the possibility of lessees wanting a voice in what goes in the OIB – he stated that there may be issues in the future concerning ‘taxation without representation’ (Bryson, 2005). However, there is no one that contests the fact that the OIB is still very successful relative to other Canadian Indigenous communities and to other Canadian communities in general.

6.3 Band case 2: investigation of the Lac La Ronge Indian Band

The Lac La Ronge Indian Band (LRIB) is a Woodland Cree band that is located approximately 235 kilometres north of the city of Prince Albert, Saskatchewan. The LRIB is adjacent to the town La Ronge, population 3,500. La Ronge is the service and transportation centre of northern Saskatchewan. The economy of the town of La Ronge is based on tourism, forestry, mining, commercial fishing, trapping, fur trading, dried meat products, wild mushroom and berry picking, and the wild rice industry (McLennan, 2007). Northern Saskatchewan has a significant Indigenous population. In the late 1990s of the 40,000 people that formed the overall northern Saskatchewan population 87 percent were Indigenous, with almost 60 percent of those being ‘Registered Indian’ (Parsons and Barsi, 2001, 263).

The main administration offices of the LRIB are located on Lac La Ronge # 156, which is one of the 18 reserve land holdings of the LRIB. The other 17 reserves that together form the total land base of 43,302 hectares (approximately 433 km²) are located in six different communities spread out over a very large area in northern Saskatchewan with Grandmother’s Bay 100 kilometres to the northeast of La Ronge and Little Red River almost 200 kilometres to the south. The other three communities are, Hall Lake, Nemeiben River (also known as Sucker River) and Stanley Mission.

Members of the Lac La Ronge band signed Treaty 6 on February 11, 1889 and the first reserve was surveyed in 1897 (Indian Claims Commission, 1996, 5).
Table 6.3 Lac La Ronge basic community data

<table>
<thead>
<tr>
<th>Location</th>
<th>Saskatchewan – Northern boreal forest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone 2</td>
<td>First Nation is located between 50 and 350 Km from the nearest service centre to which it has year-round road access</td>
</tr>
<tr>
<td>Language</td>
<td>Woodland Cree</td>
</tr>
<tr>
<td>Population</td>
<td>5,261 - Registered OIB members living on reserve</td>
</tr>
<tr>
<td></td>
<td>3,171 - Registered OIB members living off reserve (DIAND, 2009)</td>
</tr>
<tr>
<td>Land base</td>
<td>43,302.3 hectares (433.023 km²)</td>
</tr>
</tbody>
</table>

6.3.1 Creation and development of an entrepreneurial environment

In an attempt to improve socioeconomic circumstances through economic development, the LRIB formed the Kitsaki Development Corporation (KDC) in 1981. For years the LRIB political leadership recognized there was a lack of employment opportunities for band members. As well, leaders seen opportunities in the natural resource sector that, at that time, were being primarily exploited only by large non-Indigenous owned corporations (Cook, 2005). Former Chief Cook expressed his concerns by stating, ‘why couldn’t we, as Woodland Cree people, develop a strategy whereby over a period of time we could get involved in mainstream activities such as owning hotels, owning transportation systems, having contracts with major mining companies and being part of the forestry like Weyerhauser and other big companies that dominate the North?’ (Cook, 2005). Therefore, with those views driving the political leadership the LRIB initiated a long-term strategic planning process. The LRIB initially hired William Hatton as a consultant – then later appointed him general manager to the newly formed Kitsaki Development Corporation. Hatton, an American with extensive experience in community-based development projects stated about his entry into the LRIB development process, ‘I went up to go moose hunting – I ended up writing business plans’ (Hatton, in Dectar and Kowall, 1993, 39). Hatton is attributed with setting ‘capacity-building’ as the foundation that KDC would build on. The objective of capacity building is;

…is akin to the oft-referred to aim of human resource development. But, while human resource development programs tend to focus on improving
employment and education levels, capacity building is aimed at developing a conducive business environment, controlled by knowledgeable individuals, with job creation as a secondary goal (Decter and Kowall, 1993, 39).

The community was actively involved in those early years. Former Chief Cook and his council took questions to the members of the LRIB, questions like who are we? Where do we want to go? How do we get there? Then later, ‘would you agree with this direction?’ (Cook, 2005). With the Chief and Council as directors on the board the Kitsaki Development Corporation the Lac la Ronge Indian Band then actively pursued opportunities. After several years and three of four early business ventures failing for ‘various reasons’ the development corporation’s name was changed to the Kitsaki Management Limited Partnership (Solheim, 2005). However, the political leadership and its economic development arm, the Kitsaki Management Limited Partnership (KMLP), evolved. A learning process took place whereby political leaders learned to ‘not physically interfere’ in the KMLP business activities (Cook, 2005). Qualified managers were appointed in all businesses – managers were appointed based on expertise and knowledge and not affiliation. Al Solheim, Director of Finance, articulated the his views of politicians as board members by stating,

I think where la Ronge has some advantages has been that we have always had chiefs who did a very good job of separating politics from business. That is what everybody says you have to do. That is true. But that takes special people. We have just been fortunate (Solheim, 2005).

Since the inception of the ‘economic development arm’ of the LRIB there has been four different chiefs. However, Chief Harry Cook was the political leader of the community throughout most of the development of the corporation – having been in office of the chief for 18 years.

Today the Kitsaki Management Limited Partnership acts as the ‘economic development arm’ of the Lac La Ronge Indian Band (Roberts, 2006). The KMLP
currently wholly owns or has shares in the following companies; Athabasca Catering Limited Partnership (food and janitorial services to mining operations), Asiniy Gravel Crushing LP, Northern Lights Foods LP (exporter of wild rice and wild organic mushrooms), Dakota Dunes Golf Links LP, Canada North Environmental Services LP (environmental monitoring, impact assessments, baseline data acquisition, water quality and other biological services), First Nations Insurance, Keewatin/Procon Joint Venture (underground and surface mining services), Kitsakie/Procon Joint Venture (mining construction services), La Ronge Hotel and Suites LP, La Ronge Wild Rice Corporation, Northern Resource Trucking Limited Partnership, PANS\(^{10}\) Joint Venture and Wapawekka Lumber. All of these businesses are under the management of the KMLP. There are several more businesses and/or revenue generators that are managed by the Executive Director of the LRIB Administration Centre. The Keethanow Group of Companies includes Keethanow Lumber and Furniture, Keethanow Bingo Hall, and the Keethanow Gas Bar and Grocery Store. These businesses, both the KMLP and Keethanow companies, collectively employ 647 employees (591 at KMLP), of whom 165 are LRIB members, 226 are ‘other’ Indigenous and 256 are non-Indigenous. The KMLP group of holdings posted gross earnings of approximately $90 million in 2006 (Cook-Searson, 2006). There was no revenue data available concerning the Keethanow Group of Companies.

While the above are considerable assets on their own, the LRIB also owns shares in the Dakota Dunes Golf Course on the Whitecap Dakota First Nation near Saskatoon, and it owns a one-twelth share of the assets that are managed by the Prince Albert Development Corporation (PADC). The LRIB is one of 12 bands that belong to the Prince Albert Grand Council, which is the political body that formed the PADC. The Prince Albert Grand Council owns a number of hotels in two cities, Prince Albert and Saskatoon, as well as a hotel in Meadow Lake, and a share of West Wing Aviation, a northern air charter company.

\(^{10}\) PANS is an acronym for Pihkanaaskiy Nih Soreldhen based on the Cree / Denesuline language meaning ‘clean earth’ (Parsons and Barsi, 2001, 263).
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The Council for the Advancement of Native Development Officers awarded the LRIB with the distinction of Aboriginal Economic Developer of the Year in 1997 (Hindle, Kayseas, Anderson, Giberson, 2005). Then in 2001, one of the LRIB companies, Kitsaki Meats, was the recipient of a Canada Export Award. The previous Chief, Harry Cook, had the following to say about the export award;

*Because unemployment is so high in our community, it is a necessity that we continue to create jobs and training opportunities here at Kitsaki. One great way to do that is by selling our goods and services to people outside our community (Harry Cook in Hindle, et al., 2005).*

The LRIB has been a model of governance for more than 30 years. The community began to assume more and more control of delivery of programs and services since 1974 when it took over the Department of Indian and Northern Affairs’ education program (Dectar and Kowall, 1993, 31). The devolution of responsibility for delivery of programs and services continued throughout the 1970s and 1980s to today. The band government is now responsible for a budget of over $50 million in transfers from various departments of the federal government (INAC, 2009).

6.3.2 Entrepreneurship philosophy

The move to create the Kitsaki Management Limited Partnership development corporation was, as stated above, to facilitate greater economic development in the community. There are four key principles that can be characterized as ‘business philosophy’ that form the foundation of the operation of KMLP. Those key principles were derived from the data obtained through interviews with LRIB community members as well as the documentary data obtained in the research process. The principles are; capacity building, employment creation through sound investments, creating the economic environment conducive to entrepreneurship, and doing all this within a framework of respect for the culture and tradition of the LRIB members, its resources and the environment. Capacity building was briefly discussed above, it is briefly expanded on along with each of the other three in the following paragraphs.
Two of the five ‘key commitments’ of the KMLP state;

- **We shall encourage and support education and training for people to prepare themselves for employment and economic opportunities.**
- **We shall maximize Aboriginal employment in Kitsaki and Band enterprise through a ‘training oriented’ work environment (Kitsaki, 2008).**

The principles of capacity building and employment through sound investments are found in the KMLP marketing information as well as the manner in which the company pursues investment opportunities. The above ‘key principles’ indicate a focus on education and training and on the maximizing employment through a ‘training oriented’ environment. The current CEO of KMLP pointed out several programs the company has created for creating greater human capital within their workforce. For example, the KMLP has both entry level training and management-training programs. The management-training program is compulsory for the executive level staff at the Lac La Ronge Hotel and Suites LP. There is education and training for chefs at Athabasca Catering that leads to ‘red seal’ certification, Northern Resource Trucking has a driving program that leads to Class 1 A licences for new drivers (Roberts, 2006). The driving program has lead to over 100 LRIB members receiving the highest level of driving certification in Saskatchewan (Roberts, 2006). The former chief also expressed his views on this aspect of the LRIB development strategy. Former Chief Cook stated, ‘we wish to better the standard of living of our members by creating opportunities…opportunity to have an education…so that people can have tremendous choices…young people can say, ‘yeah, someday I want to manage NRT or become an insurance agent’ (Cook, 2006).

In general, the business opportunities the LRIB has focussed on have been ‘labour intensive’ rather than ‘capital intensive’ (Solheim, 2005). That has allowed the LRIB, through its development corporation, to pursue opportunities, like the catering company, wild rice and wild mushroom harvesting, hotels, and...
trucking where band members, without the requisite education and experience, can be actively employed and still allow for investments that would provide solid returns (Solheim, 2005). Moreover, the LRIB is also facilitating greater capacity in its band members by exposing them to both the learning and training they engage in and to the existence of viable opportunities – exhibited throughout the portfolio of businesses owned by KMLP. The provision of employment opportunities is made possible through sound investments and both are facilitating the creation of an environment conducive to entrepreneurship. Both the comments by former Chief Cook in the preceding paragraph and Al Solheim in this paragraph provide support for the assertion that the principles underpinning the actions of the people that created the KMLP were meant to achieve a broader agenda that just revenue generation. In fact, the training, education, professional development, exploitation of entrepreneurial opportunities in key sectors – sectors that take advantage of the labour pool – creation of economic institutions, partnerships with large and small private and public corporations, and the creation of the infrastructure required to support the businesses KMLP and the LRIB now own and manage are in fact creating a facilitating environment for new entrepreneurial activity. In fact, former Chief Cook spoke specifically about the creation of a nurturing environment for individuals to engage in their new venture pursuits, ‘we encouraged individuals to go into small entrepreneur activity of their own. The economic activity that the band, through Kitsaki, would participate in would be in bigger things…something with assets over one million dollars’ (Cook, 2006).

The fourth key principle noted above is related to the ensuring that all development occurs within a framework of respect for the culture and tradition of the LRIB members, its resources and the environment. Accordingly, the ‘Development Philosophy’ of the Lac La Ronge Indian Band’s states:

*The Lac La Ronge Indian Band views its Traditional Lands as a heritage resource for future generations of its people. Our forest lands are for hunting, trapping, traveling, gathering of special forest products and medicinal plants, and for spiritual and cultural purposes. But we also*
view them as a renewable resource for sustainable long-term economic development and employment for our people (LRIB, 2005).

Former Chief Harry Cook further illustrated the above sentiments noted in the LRIB Traditional Land Use Policy (2005) in a letter he wrote to the Canadian Environmental Agency in 2000, ‘you take care of the land, and the land will take care of you’ (Canadian Environmental Assessment Agency, 2000). The land and the Woodland Cree culture is an important part of the LRIB community. Many people still live ‘off the land’ in the community and that is one of the reasons why the KMLP choose to pursue opportunities in exporting both wild rice and wild mushrooms. The primary harvesters of both products are members of the LRIB (Roberts, 2006). The ties to the land extend to the current chief as well the former leader. Former Chief Harry Cook lived on a trap line for most of his childhood life – and in fact he stated that, ‘I still go out to the trap line’ (Cook, 2005). As well the current political head, Chief Tammy Cook-Searson was raised on the family trap line and she continues to practice her skills as a competitor on the Northern Queen Trapper Circuit (KMLP, 2009).

Language retention in the LRIB is an indication of the maintenance to the traditional life style within the community. Statistics Canada reported that in 2001 more than 53 percent of the people in the LRIB an Indigenous language at home (INAC, 2009).

6.3.3 Findings

As noted in previous paragraphs several ‘key’ principles were identified. Those principles – in the context of a grounded theory study – are more appropriately referred to as ‘key concepts’ and/or categories. The Lac la Ronge Indian Band is facilitating the building of its human capacity in many ways, investments in key sectors provides much needed employment. There were multiple references to the creation of the right climate for businesses to operate in and to attract investment, and the ensuring that all economic activity occurred within a framework of respect for the culture and tradition of the LRIB members.
As in the Osoyoos case, the analysis of the data began immediately after the first interview. However, because Lac la Ronge was the second community and a number of interviews were already completed, emerging themes and conceptual categories were already beginning to form. For example, two key themes that were immediately evident in the Lac la Ronge Indian Band also ‘discovered’ to be of significant importance in Osoyoos was ‘governance and institutions’ and ‘culture’.

<table>
<thead>
<tr>
<th>Category</th>
<th>Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance and institutions</td>
<td>Political stability, leadership, community planning, rules and regulations, policies, Elections Act</td>
</tr>
<tr>
<td>Networks</td>
<td>Partnerships, alliances</td>
</tr>
<tr>
<td>Culture</td>
<td>Language, Elders, traditional lifestyle, hunting, trapping, community</td>
</tr>
</tbody>
</table>

6.3.3.1 Governance

Today, Chief Tammy Cook-Searson, the community’s first female chief, holds the highest political office in the band and is also the president of all wholly owned companies. Chief Cook-Searson was previously a member of council for eight years and for the past 15 years she has been the owner of two businesses, Sundance Marina and Sundance Music (Kitsakie, 2009). In 2008 Chief Cook-Searson was re-elected for her second three-year term of office. The LRIB political leadership is continuing the process started by previous leaders. In 2009 a two-year strategic planning process will begin – the planning will involve all aspects of the community, including its business operation (Cook-Searson, 2009, 8). The new plan will build on the work completed in 2006 by KMLP officials, chief and council, program directors and management staff from all six communities. In 2006 a ‘vision’ for the community was created. There are several important points that can be derived from the 2006 vision statement. It stated;

*The Lac La Ronge Indian Band will protect, preserve, and enhance our treaty and inherent rights spiritual, cultural, language and*
traditional values while supporting our members to achieve a better quality of life.

We will focus on building a positive future for our members by taking a leadership role in providing quality education; promoting health, safety and well-being; and focusing on training and economic development opportunities.

We will promote the interests of our band members by strengthening existing and building new alliances with our clients and partners.

We will act in honour and integrity to cherish the knowledge of our elders, respect the importance of family, support our children and work collectively for the betterment of all our people (Cree Communicator, 2006, 9).

The above vision statement provides several clues concerning the complexity of the environment and the broad range of responsibility the chief and council of the LRIB exists within. Political leadership is responsible for ensuring the effective operation of a broad range of areas within the community, from education, health, social assistance, housing, preservation of heritage and culture, forming new alliances, to ensuring the community’s treaty and inherent rights are protected. The functions of ‘government’ that the LRIB political body, with its administrative unit, has to perform are accomplished with much more specialization in mainstream Canada. The functions LRIB’s government are responsible for have been delegated to a broad range of departments and agencies in the federal, provincial, and municipal governments as well as to non-governmental agencies. Moreover, LRIB’s ‘governance’ is all accomplished in an environment still under the legislative restraints of the Indian Act, the vagaries of the mainstream market system, and within an Indigenous traditional and cultural system. This is a significant challenge that has not yet been effectively managed by many Indigenous communities in Canada. However, with a more than $50 million dollar budget and more 1,000 people employed in both the administration of government and in the band’s businesses the community of Lac La Ronge has proven it can do it well (Cook-Searson, 2006).
The inclusion of the community in decision-making involving large projects, ratification of legislative instruments, i.e. an Elections Act (passed), and a Governance Act (awaiting ratification) are ways the band government contributes to the legitimacy of their ‘government’ (Cook, H., 2005). Other participants referred to a ‘strong vision’ by both the present and past political leaders (Roberts, R., 2006). Band member inclusion in planning and development of administrative and governance tools, i.e. policies, budgets, department business plans provide another opportunity to engage the community and gain support (Cook-Searson, 2009).

Al Solheim (2005) described the structure of the board of directors comprising 15 members with the chief and council holding 13 positions and CEO of KMLP and the president of Northern Resource Trucking (a KMLP company) holding the other two. Leaders have been very good at separating business and politics, ‘it takes special people to do that...We have just been fortunate’ (Solheim, A., 2005). The ability to put political pressure aside when dealing with KMLP business is apparent in the manner in which the businesses and the resultant revenues are managed. The chief and council are ‘patient’ with their investments. Some ‘projects take two, three, four or five years’ and the chief and council have pressures to ‘please the people that elect them’ but current and past leaders have proven they could be patient and do what’s best for KMLP’s holdings (Solheim, A., 2005).

6.3.3.2 Networks
Partnerships are an important element of the Lac La Ronge Indian Band’s development.

The lack of financial capital when the band decided to engage in large-scale business operations was a barrier. However, the band did have two assets to leverage, labour and its political power – useful for lobbying governments and corporations in the north. Al Solheim (2005) and Former Chief Harry Cook (2005) both described the manner in which the LRIB approached the lack of financial capital. The community knew they could secure contracts with
companies like Weyerhauser (in forestry) and Cameco (mining). The band was able to cheaply secure the assets of a failed trucking firm. However, that company eventually failed also. In response to that failure the LRIB approached a large multi-national trucking firm with the intention of forming a partnership. The strategic alliance formed with TriMac Transportation, based in Calgary, provided the right mixture of expertise, start-up equity, and strategy. In 1986 the LRIB and TriMac Transportation created Northern Resource Trucking. The trucking company evolved to include ownership by eight other Indigenous bands and three Métis settlements all located in northern Saskatchewan.

Other partnerships include; First Nations Insurance – a partnership with the Peter Ballantyne Cree Nation that has over $117 million in assets; Athabasca Catering is a partnership between KMLP and four bands with 350 employees; Asiniy Gravel Crushing Limited is a partnership between KMLP and a southern Saskatchewan band (Kitsakie, 2007a). KMLP is in partnership with the Whitecap Dakota First Nation and the Muskeg Lake Cree Nation in the Dakota Dunes Golf Links LP – a ‘world class’ 18-hole golf course (2007b).

Partnerships developed through networks are the key to the success of Kitsaki Management Limited Partnership and the Lac la Ronge Indian Band.

6.3.3.3 Culture

The amount of people in the Lac la Ronge Indian Band that can still speak their Cree language is high in relation to other Indigenous communities. For example, Indian and Northern Affairs Canada, using census data, reported that in 1996 over 70 percent of LRIB’s population spoke Cree at home. That figure dropped to 53 percent in the 2001 census. Those figures are high compared to other communities. For example, the Fishing Lake First Nation, in central Saskatchewan – also approximately 200 kilometres from a major city – reported 21 percent of the population spoke their Indigenous language at home, and the Osoyoos Indian Band reported eight percent in that same category (INAC, 2009). Chief Tammy Cook-Searson expressed the connection between language and culture by stating that;
…our language is still strong, our culture is still strong, our traditions are still strong…our knowledge is there. We don’t have to study our history in history books or anything. It’s there and we just have to embrace and enhance it’ (Cook-Searson, T., 2006).

However, today many young people are ‘getting caught in the middle.’ They have to go to school, ‘they cannot learn the skills of the land if they are not living off the land’ (Cook-Searson, T., 2006).

However, for the LRIB the Woodland Cree culture is what defines them as a community and allows them to continue to live and work together for a common purpose. The community expresses the importance of their culture, cooperation and relationships in the Cree language as, ‘Askeew Pim Atchi howin’ (living off the land, ‘Wah kooch toowin’ (family relationships), ‘Weecheh towin’ (helping and sharing with each other), and ‘Wi taski win’ (living together in harmony) (Lac La Ronge, 2005).

The role the political leaders play in the management of the community’s business operations and the concord exhibited between that function and the governance of the community could be attributed to the existence of a strong culture. The community works together.

6.4 Band case 3: investigation of the Membertou First Nation

Membertou is one of the 13 Indigenous bands in Nova Scotia. It is located on the east coast of Canada on Cape Breton Island. The Indigenous population in the Maritimes only makes up four percent of the national ‘Registered Indian’ population. The majority of Indigenous people in these eastern Canadian provinces continue to live in rural areas – with a total of 66 percent of the overall population residing in the 31 reserves in the five Maritime Provinces.

Membertou is one of five Mi’kmaq communities on Cape Breton Island. It is an urban reserve located within the city boundaries of Sydney – a city with a
population of approximately 105,000 people. Sydney’s economy was largely based on the steel and coal industries. However, the decline of both industries, and the shutting down of Sydney Steel Corporation and the Cape Breton Development Corporation in 2000 and 2001 led to the need to diversify the economy. Today Sydney’s economy is largely based on the tourism industry (Moran Dan Productions, 2009).

Membertou’s main land holding is made up of 344.2 acres situated slightly more than one point five kilometres from downtown Sydney. All of its on-reserve membership, approximately 80 percent of the 1067 overall membership, resides in this area – one of three ‘reserve’ land holdings. Caribou Marsh is a 540 acre reserve – the band’s largest land holding – is four kilometres southwest of Membertou. Lingan is a 12-acre land holding situated four kilometres northeast of Membertou.

**Table 6.4 - Membertou First Nation basic community data**

<table>
<thead>
<tr>
<th>Location</th>
<th>Nova Scotia – urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone 2</td>
<td>Located within 50 KM of the nearest service centre to which it has year-round road access</td>
</tr>
<tr>
<td>Language</td>
<td>Mi’kmaq</td>
</tr>
<tr>
<td>Population</td>
<td>738 - Registered OIB members living on reserve</td>
</tr>
<tr>
<td></td>
<td>455 - Registered OIB members living off reserve (DIAND, 2009)</td>
</tr>
<tr>
<td>Land base</td>
<td>319.5 hectares ( (3.19 \text{ km}^2) )</td>
</tr>
</tbody>
</table>

**6.4.1 Creation and development of an entrepreneurial environment**

Membertou is a community that has experienced many firsts in its history. For instance, the community is named after Grand Chief Membertou (1510 –1611). Grand Chief Membertou is said to be the first Indigenous Canadian to be baptized by the Catholic Church on June 24, 1610 (Mi’kmaq Resource Centre, 2005). Additionally, it was the first Indigenous government in Canada, and possibly the world, to achieve the ISO 9001-2000 rating for its management system (Francis, G., 2005). ISO 9000 certification is a set of quality management standards that are recognized in 159 countries (Membertou, 2009a). Today the community is well on its way to achieving another milestone – self-determination through active and meaningful participation in the economy. In the last 15 years the Membertou First Nation has moved from
massive operating debt and high welfare rolls to labour shortages, budget surpluses, capital reserves, and annual dividend payouts (Membertou, 2009a).

Until recently, the Membertou community was an average Canadian Indigenous community. It suffered from high unemployment, funding deficits, and social pathologies that offered little hope for a prosperous future for its residents. In 2005 Dan Christmas, Senior Advisor at Membertou, remembered the situation in his community during the early 1990s:

“Well 10, 15 years ago, about 1990, Membertou was in desperate situation. I was away at the time. But, our band was in deficit and I think by 1994 our deficit hit rock bottom and it came to the point where a four million dollar operation and we were running a million dollar operational deficit. Today our budget is something like $65 million. But 15 years ago we were $4 million and 99 percent of that was INAC or government dollars. HRDC, Health Canada. and INAC those were the three main funding partners. 99 percent of our revenue was government and when you are that far in deficit there is very little room to move, you can’t invest, you can’t really train, your training dollars are limited, you have a limited amount of staff, there is only so much housing you can do. I think the biggest thing was the spirit of the people. People had their head down. Today you see people walking on the road with their heads are up, their proud of their community, they are proud of who they are! But back then people looked for every two weeks for social to get their dollars, today it is payday, every two weeks everyone is buzzing because it is payday! But back then it was social (Christmas, D., 2005).

Deficits had been accumulating since at least the fiscal year 1984/85, when Terrance Paul took over as chief. By the 1993 – 1994 budget year the community was almost $1,000,000 dollars in deficit. Chief Paul says erasing deficits was a necessary step toward self-determination for the band. ‘If you are in debt, you have a noose around your neck, and the federal government controls all your decision-making power’ (Chief Paul in Membertou, 2009a).
Figure 6.4.1 shows how the band’s budget situation worsened each year – until the turning point in 1995. Chief Paul realized that something had to be done – he sought band members that had moved away; people that he felt could form a new team to take an ‘unprecedented approach’ in Membertou’s development (Membertou, 2009a). When Membertou reached that critical point in the mid 1990s the community received approximately $4 million in funding from the federal government to finance all of its programs and services. At that time Membertou had almost no other funding dollars from other sources (Christmas, D., 2005). However, the Membertou First Nation’s budget of $65 million (Membertou, 2009a) is a vast difference realized in a relatively short period of time.

In the fall of 2000 the Membertou Corporate Division opened for business on the seventeenth floor of the Purdy’s Wharf Tower on Halifax’s waterfront – a four drive from the Membertou First Nation. Membertou’s leadership desired to position the new Corporate Division ‘aggressively’ in order to pursue business opportunities with government and the private sector. Therefore, they decided that they needed to be situated in the business core of Nova Scotia in downtown Halifax (Membertou, 2009b). The Membertou Corporate Division developed four strategic objectives to guide its operations;
• Increase Membertou’s business profile with other major companies by launching its first corporate office.
• Establish new economic development while keeping in mind Indigenous knowledge based on principles of: conservation, sustainability of resources and respect for land, air and water.
• Create business partnerships.
• Initiate proactive education and career-related training programs for Membertou’s citizens in order to capitalize on employment opportunities resulting from newly established business partnerships and initiatives (Membertou, 2009b).

Today, the Membertou Corporate Division has developed and now manages a number of businesses across a diverse range of industries. The Membertou Trade & Convention Centre, Membertou Entertainment Centre, Membertou Market, Membertou Gaming Commission, Membertou Data Centre, Membertou Geomatics, Membertou Radio, Petroglyphs Gift Shop and Mescalero’s Open Grill Steak House are all part of the Membertou Corporate Division portfolio of companies (Membertou, 2009a).

The Membertou Trade and Convention Centre (MTCC) officially opened in October 2004. The MTCC is 47,000 square feet, $7.2 million dollar meeting and convention facility equipped with state of the art technology, video conferencing services, a state of the art sound and lighting system, and smart board technology (Membertou, 2009c). The MTCC provides conference and meetings services that range from a 900-seat concert hall in the 10,000 square foot Great Hall to board meetings in the Executive Boardroom (Membertou, 2009c). Mescalero's Open Grill and Steak House is 140-seat restaurant that offers a variety of dishes like traditional Mi'kmaq foods and Atlantic seafood. The restaurant opened in November 2004 and it served over 80,000 plates of food in its first six months of operation (Membertou, 2009c).

Membertou Market is best described as a hybrid, ‘it’s bigger than a convenience store and smaller than a market’ (Cann, C., 2005). The business has been growing ever since it opened in December of 2001 and today it serves an
average of two thousand customers a day. There is 43 staff with approximately 23 Membertou band members employed at the market (Cann, C., 2005).

The Membertou Gaming Commission operates five video lottery terminal (VLT) establishments. The Membertou First Nation has an agreement with the province that provides them with the ability to have 120 VLTs for its use to support community and economic development. The Province of Nova Scotia reported that from 1995 to 2006 these agreements with bands have generated over $250,000,000 in revenues for the Indigenous communities that participate (Office of Aboriginal Affairs, 2009). The Membertou Gaming Commission establishments have taken a different approach in gaming than that of other Nova Scotia bands. The province first offered bands the opportunity to conduct gaming operations in 1994. At that time Membertou held a referendum on whether or not the band should be involved in gaming – the community voted no. The reason for the negative vote involved band members fearing that only a small majority would benefit from gaming. Other Nova Scotia bands have allowed gaming in their communities but individuals reap the profits and pay the band fees. Membertou then held a second referendum on gaming with a re-worked proposal outlining its intention to operate the Gaming Commission and keep all the profits for the band as a whole – this referendum passed with an 87 percent ‘yes’ vote (Thayer-Scott, 2004, 8). The Membertou Gaming Commission operates 24 hours a day, 7 days a week, and employs approximately 50 people. Membertou reported over $7.7 million in revenues from the Gaming Commission in its last publicly available audited financial statements – available on the community website (Membertou, 2009a).

Membertou Data Centre is a state of the art, 9,000 square foot facility that provides hosting and management services along with ‘business continuity and disaster recovery’, website and email hosting, and data, file and print services (Membertou, 2009b).

Today, the band reports it workforce as numbering 531 – up from 37 in the mid-1990s! (Membertou, 2009a).
Additionally, in order to foster entrepreneurship at the individual level the band also established an Economic Development Fund to assist members who are interested in establishing or expanding a business enterprise (Paul, T., 2005). In October of 2005 Membertou signed an agreement with the Sydney YMCA Entrepreneur Centre. The deal will allow Membertou's entrepreneurs to receive free training to turn their ideas into successful businesses (MacDonald, 2005). Even before signing the agreement with the YMCA the band had significantly increased the number of small businesses on the reserve, for instance the following list are businesses that are owned by individual entrepreneurs in the community: Anthony’s Convenience; Mi’kmaq Gas and Convenience; Membertou Radio Station, 99.9 FM (now owned by the Membertou First Nation); Herney’s Convenience; H.K. Ranch; Satchel’s Skate Sharpening; Kabaty 180/Hairstyling; Moore’s Flooring; Sound Factory DJ Service; Edna’s Antiques and Collectibles; Kukwes Consulting; Dozay’s Art Gallery; Shaylene’s; JR and Buck’s Convenience; Jacob Marshall’s Delivery; Kitpu Welding; Mi’kmaq Gifts and Collectibles and two that are located in Caribou Marsh; Simon’s Autobody and Marshall’s Paintball (Membertou, 2005).

6.4.2 Entrepreneurship philosophy

It’s important to note that everything the community has achieved in respect to its governance and development has been accomplished within the context of a strong recognition and respect for their heritage and culture. Membertou provides a unique opportunity to examine the dynamics of culture, tradition with innovation and mainstream business. The community has proven, at least in the short term, that an Indigenous band can continue to exist as a collective, with collectively owned assets, maintain a strong tie to its culture and heritage and still engage in mainstream business, and succeed! Bernd Christmas, former CEO of the Membertou Corporate Division, provides his insights on this topic in a 2004 study done by the Atlantic Institute for Market Studies:

Conservation and sustainability, including stewardship of the land, are traditional native values that have been important to Mi’kmaq people over hundreds and thousands of years...There is only one economy – the mainstream economy – but we have to bring our concepts into the
monetary system built on innovation and success. There’s no dishonour in measuring success through profit and return on investment. But it has to occur within native cultural values framework (Bernd Christmas in Thayer-Scott, 2004, 14).

Conservation and sustainability are two of the four ‘core business value pillars’ that form the foundation for the Membertou First Nation’s economic development strategy (the other two values are innovation and success (Christmas, B., in McBride, et al., 2002, 94). The manner in which these are operationalized in the day-to-day business is by following a conservation ethic, insisting on sustainable business practices, by striving to be innovative and measuring their ‘business approach’ against ‘success’ (Christmas, B., in McBride et al., 93). Former CEO Christmas elaborated by stating that,

We believe that you can govern and do business by maintaining traditional ways inherent to who we are as a people, whether you’re Mi’kmaq…Coast Salish…Haida (Christmas, B., in McBride, et al., 2002, 94).

Chief Paul provided his thoughts on how the community maintains a conservation ethic,

…If we cut a tree than we replace it with ten trees! We will not cut down a tree if we don’t have to (Paul, T., 2005).

The creation of an accountable, transparent and well-managed governance system that would attract investment and opportunity formed the motivation for seeking ISO certification. Bernd Christmas, the former CEO of Membertou Corporate Division, wondered why the private and public sector were not responding to the ‘active marketing’ campaign the CEO was involved in – marketing the community as a debt-free First Nation with opportunity (Christmas, D., 2006). Bernd Christmas was surprised by the lack of interest from the corporate and banking world (Christmas, D., 2006). Therefore, the achievement of ISO Certification was investigated.

ISO 9001: 2000 certification was achieved in January of 2002. The achievement of ISO certification, the first ‘Aboriginal’ government in Canada and the world to
do so, was the thing that was needed to ‘make the wave break’ and open the ‘floodgates’ for the business world to enter (McBride, 2002, 99).

The community did not just readily accept some of the changes. Elder Pauline Bernard’s first reaction to the ISO certification and the new organizational structure of Membertou’s governance was,

*I was scared at first! I was thinking, ‘Oh my God, this is like a business, a business firm, not like a reserve. What is going to happen to us?’ Some of the Elders were scared. But once the Chief supported it we all did* (Bernard, P., 2006).

The new organizational structure does not include a board of directors as in most corporate bodies. The CEO reports to the Chief and Council and each department has a Director that reports to the CEO. The Membertou Corporate Division is also managed by the CEO – with final say in all ‘situations that impact the community, both resource wise and financially’ (Paul, T., 2006).

### 6.4.3 Findings

The Membertou First Nation provides an opportunity for researchers interested in entrepreneurship in the Indigenous context. The community is proud of their accomplishments and are very open to outsiders interested in their community. The research completed for this thesis in Membertou was made easier because of the openness of community members and their willingness to share information.

The Membertou First Nation has a very small land base with a population of slightly more than 1,000 people, situated on ‘very terrible land – swamp and rocks’ (McBride, 2002, 93). Within these conditions the community went from a gas station and convenience store, almost one million dollars in deficit on a four million dollar budget to a ‘thriving economic hub’ in six years (McBride, 2002, 93). And, today the band government now has an annual budget of over $60 million. How did they do it? Did they receive a large land claim settlement? Did
they rely on outside, non-Indigenous help? No. The band utilized what they term as the First Nations Progression Model or the Membertou Model.

<table>
<thead>
<tr>
<th>Category</th>
<th>Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>ISO certification, political stability, multiple term political leaders, quality management principles, policies, rules and regulations, community planning, sustainability</td>
</tr>
<tr>
<td>Human capital</td>
<td>Education attainment, training, capacity building</td>
</tr>
</tbody>
</table>

6.4.3.1 Governance

According to the former CEO, Bernd Christmas, communication was the key to achieving proactive and accountable governance. The manner in which the band government communicates to the band membership is accomplished in a number of ways.

Communication occurs within the administration through weekly meetings between the directors and senior managers. The managers and directors then hold intra-departmental meetings so that all staff knows what the administration and the businesses are doing (Cann, C., 2005).

Communication also occurs to the community through the staff of the businesses and administration taking the information they are provided to their relatives and friends. The CEO describes what ‘probably’ occurs after a staff meeting, ‘a phone call is made and you hear: ‘did you know that these guys are going to do this?’ Then two family members tell three or four more family members…then a thousand people know all of a sudden what’s going on…’ (McBride et al., 2002, 96). Two other methods of communication are used, the first assures transparency in the administration of the band’s affairs, and the second provides an effective two-way communication tool for all of the community. Every year financial statements are delivered to every home in Membertou – and they are also available for download on the Membertou First Nations web page. Chief Paul describes his experience with his decision to provide audited financial statements to all band members,
In fact, I remember when I first did it an Elder wrote back to me saying, “What[s] the good of this? I don’t even understand it.” I replied in a letter explaining the purpose of the audit; that it was be open about what was happening in the community. I encouraged him to read the newsletter and attached letter. I also encouraged him to ask questions of anyone—the auditors, council, or myself—about any part of the audit (Paul, T., 2005).

The second method of communication involves the use of a community newsletter. The weekly on-line newsletter contains notices from all administrative divisions, reports on corporate activities, notices from chief and council, notices and requests from band members amongst other postings. For example, in a recent newsletter there are requests for egg cartons from a band member, a thank you to search participants from a parent that had a lost child, church and birthday notices, events at the Membertou Trade and Convention Centre, best attendance awards for children in grades one through six, job notices and citizenship awards for Membertou adults (Membertou, 2009a).

The communication process described above forms the foundation for the shifting of the accountability structure in the community from an external focus, i.e. the band being accountable to the Department of Indian and Northern Affairs, to an internal focus where the band is accountable to its members. This form of communications is part of Membertou’s revised Indian Act model. It ensures accountability to the membership by introducing a communication system that allows for everyone to be aware of what the band is doing, in all areas, Dan Christmas provided his views by stating,

…I think the major thing, you know, is that… because of Indian Affairs bureaucracies, in the past, we always felt that we are only accountable to Indian Affairs! But, this ISO changed that now all of us are thinking that we have to be accountable to our community, to our customers, to our clients, to our band members. Before it was only our chief and council but not all of our staff are oriented that way! Now Indian Affairs is sort of an after thought! (Christmas, D., 2005).
6.4.3.2 Human capital

Bernd Christmas, former CEO of the Membertou Corporate Division, described the process his band used to facilitate the entrepreneurship that has occurred in his community as the ‘First Nations Progression Model’ (in McBride et al., 2002). The model consists of three stages; capacity building; preparation, and economic development and it rests on four value pillars, conservation, sustainability, innovation and success. The capacity building aspect of the ‘First Nations Progression Model’ involved inviting band members that had obtained an education and now lived elsewhere to come back and help their community. Two people recruited early on played a significant role in Membertou’s development. Sometime in 1994-95 Chief Paul recruited Bernd Christmas as Chief Executive Officer and General Counsel and Dan Christmas as Senior Advisor to the Chief and Council (2009a).

Christmas earned his law degree at York University’s Osgoode Hall Law School. At the time he was recruited he was practising law with the Bay Street law firm Lang Michener (Thayer-Scott, 2004, 5). Dan Christmas was working for the Union of Nova Scotia Indians, a provincial Aboriginal political organization, when he was invited back to Membertou (Christmas, D., 2005). Since then there have been many more well educated Membertou band members that have joined the team. For instance, Mike McIntyre, the current Chief Financial Officer is a Chartered Accountant; Trevor Bernard, Executive Director of the band’s administration centre, is a lawyer; other staff also have degrees in education, commerce or business (Christmas, D., 2005; Bernard, J., 2005).

Capacity building at Membertou at first involved the recruitment of people like the above mentioned. It also involved the creation of employment training programs. For example, a program called, STAIRS was instrumental in getting band members trained and ready for employment (Christmas, D., 2005). Also a recent program involved the need to develop band members for positions in the newly created Membertou Data Centre (2009b). Twenty-five band members were invited to participate in a 32-week information technology (IT) training
program. It was hoped that 15 candidates would complete the program and move into positions in Membertou First Nation’s new IT business.

The human capital aspect of Membertou First Nations development was key to its success. Most research participants, as well other sources of evidence, mentioned the importance of the people who contributed to the success of the community. Chief Terrance Paul has been attributed with being the impetus for Membertou’s evolution.

How have the changes affected the economic opportunities available to the band? It’s difficult to state exactly what led to the drastic change in this Canadian Indigenous community – the answer to that question requires more in-depth research and analysis. One thing is certain – the opportunities and choices the band and its members currently can choose from are not available in many other Indigenous communities. Moreover, the changes that the leadership have made within their community have transformed the business climate immensely. Huge multinational corporations are seeking to partner with Membertou on multi-billion dollar projects. The reason for this is because Membertou has created an environment that is attractive to business, one that fosters entrepreneurship and innovation.
6.5 Cross case analysis: grounded theory process and findings

The first site visit occurred in the fall of 2005 to the Osoyoos Indian Band, two site visits to the Lac La Ronge Indian Band occurred in late 2005 and early 2006 – the third site visit, to Membertou First Nation, occurred in the summer of 2006. There were a total of 17 interviews over that period (see Appendix 2 for a list of respondents).

The analysis of the data started after the first interview. Field notes were taken during each site visit as well as during each interview and the interviews were recorded. The field notes and recorded data were analysed immediately after each interview – if time permitted – because several interviews were scheduled one following the other. The open-coding process involved analysis of documents made available by community members and any documents that were publicly available. Cross-comparison of interviews, field notes, and documentary evidence led to the development of several major themes. From those major themes ‘constant comparative analysis’ assisted in the development of several categories. Then, as more interviews were completed, more data analysed and compared, a refinement process took place that led to the development of sub-categories and properties and dimensions of the concepts that ‘emerged’ (Glaser and Strauss, 1967). A third and fourth review of the data led to further refinement and saturation of the data had been achieved – meaning no more new data was found. Multiple responses indicated the significance of the properties of categories, sub-categories and concepts. Finally, axial coding\(^\text{11}\), occurred through multiple reviews and a reassembling and restructuring the data in different ways. The coding and recoding allowed for the construction and re-construction of the important categories relevant to the phenomenon under examination. Memo writing throughout the axial coding process not only allowed for focusing the analysis but also linked the analytical interpretation to actual entrepreneurial activities occurring throughout the research period (Denzin & Lincoln, 2000, p. 517).

\(^{11}\) The process of relating categories to their sub-categories, termed ‘axial’ because coding occurs around the axis of a category, linking categories at the level of properties and dimensions (Strauss and Corbin, 1998, 123).
**Table 6.5 – Cross-site analysis: factors that affect the entrepreneurial process**

<table>
<thead>
<tr>
<th>Site</th>
<th>Context</th>
<th>Individual*, group*</th>
<th>Micro-environmental</th>
<th>Macro-environmental</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site 1 Osoyoos</td>
<td>-</td>
<td>-M, -IFR, Col,</td>
<td>+GFR, Inst Dev</td>
<td>+Corplnt, -Leg,</td>
</tr>
<tr>
<td>Site 2 Lac La Ronge</td>
<td>-</td>
<td>-M, -IFR, +L, Col</td>
<td>Org Dev</td>
<td>+Corplnt, -Leg</td>
</tr>
<tr>
<td>Site 3 Membertou</td>
<td>-</td>
<td>+M, +IFR, +L, Col</td>
<td>++Org Dev, -GFR</td>
<td>+Corplnt, -Leg</td>
</tr>
</tbody>
</table>

* Entrepreneurial protagonists.

Col=Collectivist orientation, M=managerial skills, Leadership=leadership, GR = Group resources, IFR=Individual financial resources, Corplnt=interest of corporate Canada, Leg=legislation, Org Dev=organization development, L=legislative

The data reduction process described above also included the development of cross-site analysis matrices, like the site-ordered matrix in Table 6.5. These data reduction procedures follow the methods Miles and Huberman (1984) offered to qualitative researchers to ‘draw valid meaning from qualitative data’ (15). The development of matrices such as the one displayed in Table 6.5 provided the opportunity to further reduce the data into ordered sets of sub-categories. Positive and negative effects identified by research participants were coded as such.

Coding of individual community data tables was reanalyzed using a cross-site analysis techniques developed by Miles and Huberman (1984). One important benefit of using the multiple case study research design is that it allowed me to ‘establish the range of generality of a finding or an explanation, and at the same time, pin down under which conditions that finding’ occurred (Miles and Huberman, 1984, 151). Cross case analysis facilitated triangulation and further verification of findings through the development of cross-site matrices described above.

The process concluded after the data was thoroughly saturated, and a theory had emerged from the data.
6.5.1 Emergent theoretical framework

The analytical process described above resulted in the identification of five ‘factors’ assumed to have the most significant impact on the entrepreneurial process within Indigenous Canadian ‘bands’. The manner in which the themes are identified next begins with a basic categorization followed by a brief elaboration of the meaning behind each theme. The five themes that together form the emergent theoretical framework are:

(1) Governance and institutions: related to the manner in which the band governments had developed systems and processes of decision-making, rules to…coordinate actions and achieve…goals’, and.

(2) Culture and tradition: refers to the beliefs, values, and behavioural norms which were strongly held in the community. Tradition refers to manner in which the community ‘viewed the world’ as seen through the way they held on to traditional values like collectivity, kinship, sharing, and reciprocity.

(3) Land: refers to property rights regimes, or more specifically the ability to safely utilize land as capital. While property rights were not specifically referenced there was a significant amount of ‘concepts’ that together formed a conceptual category that was concerned with the ability of the band to effectively utilize ‘land’ for entrepreneurial pursuits – within a legislative regime that does not provide for secure land tenures.

(4) Human capital: refers to the stock of available human capital in which to effectively engage in entrepreneurship. A critical component of this category involved the availability of entrepreneurship specific human capital – which did not always involve band members in possession of the required knowledge and education. Another property of human capital involved leadership – in respect to the overall ‘governance’ of the community.

(5) Networks: relates to the manner in which the community can access internal and external networks. This category was plainly evident in all three case
studies – the use of partnerships was key to the initiation of larger scale business operations in all three communities.

It is important to note that the below discussion, while structured with the above categories as headings, cannot be accomplished with a sharp distinction between the factors – there is important relationships between most of the factors – as is evidenced in the various tables and figures found in this concluding section of Chapter Six. Therefore, some of the ‘factors’ are discussed in other sections. The data is referenced as quotations from key informants in order to corroborate and substantiate the findings. The sub-headings are organized into concepts that had multiple responses.

6.5.2 Governance

As stated previously, there are 615 Canadian Indigenous communities that are legally recognized by the federal government as being a ‘band’ with all of the requisite entitlements that goes with that distinction. A chief and council, whose authority flows from either the Indian Act or a self-government agreement, govern each of these communities. Bands that have successfully negotiated and implemented a self-government agreement ‘control their own affairs and communities, and deliver programs and services better tailored to their own values and cultures’ (INAC, 2005). However, of the overall population of bands there are only 15 that have reached the third and final stage of negotiations with the federal government and now govern under a self-government agreement (INAC, 2005). All other bands operate under the authority of the 1876 Indian Act. Again, as discussed in Chapter 2, the Indian Act has left a lasting legacy of problems for contemporary Indigenous governments. The issue of governance, and the institutions created to put governance into practice, was found to be a key factor with a variety of ‘properties’ and ‘dimensions’ in the three Indigenous communities that were visited in this first phase of the research. Sub-categories and/or properties of governance and institutions that emerged from the data included ‘elections’, ‘leadership’, ‘development corporations’, ‘policies’, ‘decision-making’, ‘business environment’, ‘political stability’, the ‘financial management’, and ‘financial capacity’ of the band government. Table 6.5.2
provides a visual of the progression from the early open coding process to the final development of a category. It also offers a visual depiction of how the data was ordered in order break down pages and pages of interview data, field notes, and documentary evidence into more discrete units that would allow for closer examination regarding relationships between the key variables (Miles and Huberman, 1984, 152).

<table>
<thead>
<tr>
<th>Table 6.5.2 – Evolution of the category ‘governance and institutions’: matrix of an emerging category</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Open coding</strong></td>
</tr>
<tr>
<td>‘Business friendly environment’</td>
</tr>
<tr>
<td>Nurturing environment for entrepreneurs</td>
</tr>
<tr>
<td>Health, education, welfare, water, sewer, roads, etc.</td>
</tr>
<tr>
<td>Band owned businesses</td>
</tr>
<tr>
<td>Creating ‘opportunities’</td>
</tr>
<tr>
<td>Knowledge, Experience, Skill sets</td>
</tr>
<tr>
<td>Strategic plans, Vision, Business plans Community plans</td>
</tr>
<tr>
<td>Long-term elected officials</td>
</tr>
<tr>
<td>Electoral reform</td>
</tr>
<tr>
<td>Honouring contracts and agreements</td>
</tr>
<tr>
<td>Rules and regulations, Consistent decision-making, Budgets, ISO Certification Dispute resolution</td>
</tr>
<tr>
<td>Political interference, ‘no such thing as a business decision’, Indian Act</td>
</tr>
<tr>
<td>Funding, Financing for new ventures, Control over finances Run ‘governance’ like a business</td>
</tr>
<tr>
<td>Referenda, community ratification, consensus building Community newsletter Community access to budgets, spending and revenue</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
One important reason governance is so critical is because that it is in fact the band government that either acts as the entrepreneur or facilitates its occurrence by providing equity and/or land to entrepreneurs. Moreover, the band government must ensure needed infrastructure systems are developed and maintained. Additionally, the band must also create the legislative and policy environment that can facilitate or impede entrepreneurship within the community.

For example, Chief Terrance Paul stressed the need for band to earn, ‘much needed outside revenues’. Therefore the Membertou First Nation political leadership decided to engage in the development of ‘community ventures/community businesses’ that were owned by the band as a collective (Paul, Terrance [Chief], 2005). In much the same manner, both the Osoyoos and Lac La Ronge Indian Bands’ also decided to facilitate greater wealth and self-sufficiency (Louie, Clarence [Chief], 2005), and create more employment and less dependency (Cook, Harry [Ex-Chief], 2006).

The band governments also engage in other facilitating activities, like developing community infrastructure. For example, Chief Tammy Cook-Searson spoke of the construction of a ‘fire hall’, a tri-community hockey rink, and water systems (Cook-Searson, Tammy [Chief], 2006). Chief Terrance Paul of Membertou also spoke of land use planning in terms of ‘ensuring that if a tree is cut down, ten more are planted’ (Paul, Terrance, 2006). Additionally, much of the literature on contemporary Indigenous bands consistently aver the significant responsibility of band governments in respect to not only large and small capital projects but almost all aspects of community life within their jurisdiction (Allard, 2002; Bherer, H., Gagnon, S., Roberge, J., 1990; Boldt, 1993; Helin, 2006; RCAP, 1996).

Institutional development was another key factor. Each of the three Indigenous communities are actively engaged in entrepreneurial activities – as the above brief case studies have shown. All three have a number of businesses with a band owned and led development corporation with political boards managing each. While several authors have stressed the importance of the separation of
business and politics (see for example Cornell and Kalt, 1992, 2000; Loizides and Wuttunee, 2005) that is not the case in each of these three ‘exemplar’ communities. The Osoyoos Indian Band Development Corporation has a five member advisory board made up of non-Indigenous professionals. The board of directors of the OIBDC consists of the Chief Operating Officer and the Chief and Council. The Chief is also president of all wholly owned companies. That structure is identical in every respect except the use of an advisory board to the one chosen by the Lac La Ronge Indian Band for its own development corporation. The Membertou Corporate Division is a department within the overall band administration structure. In this case the organizational structure involves the chief and council acting in a similar role as a board of directors. The Chief Operating Officer reports to the Chief and Council and every department reports to the CEO.

The organizational structures created by these three communities are in opposition to what several researchers (Graham, 2005; Cornell and Kalt, 2004; Fiscal Realities, 2000; Loizides and Anderson, 2005) have found regarding the separation of business and politics. However, in each of the cases the respondents continually praised the political leaders as being key to the success of their entrepreneurial pursuits. Therefore the relationship between business and politics, in these three cases, is not as strong as the relationship between people, with certain skill sets, and effective management of economic activity.

Jean Allard’s ‘Big Bear’s Treaty: the road to freedom’ contains a well documented account of the effects of federal government policy on Canadian Indigenous governments and the communities they were intended to serve. The chief and council of Canadian Indigenous bands control every aspect of reserve life, from who gets homes and house repairs to who gets a job and social assistance. He describes Canadian reserves as ‘lawless societies’ because in the current system there are no real measures in place that ordinary ‘band’ members can utilize ‘to protect themselves from the arbitrary acts of the chief and council’ (Allard, 2002, 148). When asked why the Department of Indian and Northern Affairs doesn’t do anything the response is, ‘we’re allowing these
people to grow into the responsibility, and to develop the skills to manage their affairs, and it may take awhile’ (Allard, 149). The rules regarding band finances are so lax that it is almost impossible to prosecute anyone for irregularities in spending (Allard, 149). The situation in regards to financial management and accountability are quite different on the Membertou First Nation, Lac La Ronge Indian Band and Osoyoos Indian Band. All three Indigenous bands are viewed as models of good governance and management.

Membertou First Nation, Lac La Ronge Indian Band and the Osoyoos Indian Band have had very stable governments – in respect to political leaders serving multiple terms. For example, Chief Clarence Louie first took office in 1985 and has won an election every two years except for one term during 1989 to 1991. Ex-Chief Harry Cook was the political leader of the Lac La Ronge Indian Band for 18 years – nine consecutive terms. His successor, Chief Tammy Cook-Searson, is now in her second, three-year term. In Membertou Terrance Paul became Chief in 1984 and has been the political head of the community for the past 21 years. Bernd Christmas, the ex-Chief Executive Officer of Membertou Corporate Division expressed his views on Membertou’s political situation as follows;

*Our chief has been elected twenty straight years… He and the Council work extremely well together. It’s a democracy. Just because he is the chief he can’t do everything on his own. He has to listen to what the Council says too. I think that this just shows the maturity of where they are and most of those men and women on our Council have themselves been re-elected ten years on average straight as Councillors so you have this corporate memory of what it was like way back (Journal of Aboriginal Economic Development, 2005, 12).*

Chief Terrance Paul and is still the political head of Membertou (INAC community profiles, 2009).
6.5.3 Culture and tradition

Research participants in each of the three communities expressed the significance of their Indigenous languages, culture and tradition. These were expressed in a variety of ways – examples of which are included in Table 6.5.3.

<table>
<thead>
<tr>
<th>Open coding</th>
<th>Axial coding</th>
<th>Selective coding</th>
<th>Main category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Language retention, ‘Preserve and protect rights to language and traditional values’</td>
<td>Cultural retention</td>
<td></td>
<td>Cultural integrity</td>
</tr>
<tr>
<td>Position of Elders within the community</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community events and gatherings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of medicinal plants</td>
<td>Traditional lifestyles</td>
<td></td>
<td></td>
</tr>
<tr>
<td>‘Live on the land, the land takes care of you’</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collectivist values</td>
<td>Behavioural norms</td>
<td></td>
<td>Values</td>
</tr>
<tr>
<td>Community and family supersed Individual needs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work collectively</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land is a resource for future generations</td>
<td>Worldview</td>
<td></td>
<td>Values</td>
</tr>
<tr>
<td>Conservation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>‘If we chop down a tree we replace it with ten more’</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Giving back to the band</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Artwork to express cultural pride</td>
<td>Expressions of culture (beliefs and values) and Indigenous heritage</td>
<td></td>
<td>Cultural continuity</td>
</tr>
<tr>
<td>Showcase heritage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Branding using Indigenous names, symbols and ideas</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>People, community supersed profits (expressed in the management of ventures)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honour</td>
<td>Day to day life within organizations, community and home.</td>
<td></td>
<td>Beliefs and values</td>
</tr>
<tr>
<td>Integrity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Respect for family</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Respect for air, land, water, all living creatures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work ethic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Definition of family includes extended family</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintaining collective ownership of assets and profits (land, new ventures, investments),</td>
<td>Economic imperatives</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The following discussion outlines a number of key issues that ‘emerged’ from the data during the analysis of interview transcripts, observations noted in field notes and other documentary evidence.

The Osoyoos Indian Band was once a community where everyone worked. Elder Betterton spoke at length of how families in the past all raised horses, tended to orchards and ‘lived well’, primarily as a result of hard work (Betterton, 2005). Chief Clarence Louie repeated the sentiments of Elder Betterton by describing the Osoyoos people as a working culture (Louie, Clarence, 2005).

The working culture of the Osoyoos Indian Band has been ravaged by the effects of colonialism. Elder Betterton described the work ethic of many of today’s band members as ‘lacking’ (2005).

Research participants from the Lac la Ronge Indian Band and Membertou First Nation also spoke of the effects colonial policies – especially the effects of residential schools. The below discussion concerning ‘culture and tradition’ provides a brief cross-case analysis of how this factor impacts the entrepreneurial process.

Chief Clarence Louie spoke about the effects of colonial policies at a conference hosted by the British Columbia Economic Development Working Group:

*For thousands of years Native people were a part of the local and regional economy. Yet over the last 100 years Natives have been marginalized and denied their right to provide for themselves and their families. If you go back 100 years in our territory you find a sustainable economy, a trading people who did business with people to the north and to the south. But the conditions after contact and the takeover of our affairs by the Indian Agent soon led to complete dependence on the Indian Agent office in nearby Vernon…Our major weakness…is all the leftover dysfunction from our colonial past – the control exerted over us*
by the Indian Act, the administration of our affairs by the D.I.A., family breakdown, the cycle of welfare, the victimization syndrome, the dependency syndrome are still with us today. We are like a Third World country trying to emerge from a colonial past (Louie in McBride, 2001).

The effects of colonialism that Chief Louie spoke of was reiterated by a number of research participants. For example, Pauline Bernard also spoke of how Membertou band members were forced to attend residential schools. ‘We were only taught to grade six, but we still had to go until we were 16 years old!’ (Bernard, P., 2005). Membertou was also the only Canadian band to be forced to relocate – the band was actually near the waterfront until it was relocated to its present location in 1926 (Membertou, 2009a). Another, federal government ‘intervention’ with lasting affects on the community of Membertou was the ‘Centralization Program’ (Bernard, P., 2005). Sometime in the 1930s the federal government moved to place all of the 13 bands in Nova Scotia onto two ‘centralized’ locations. The two communities, Eskasoni First Nation on Cape Breton Island and Shubenacadie First Nation on mainland Nova Scotia are still the biggest bands in terms of population. ‘During that time there was no chief’ (Bernard, P., 2006).

The manner in which the federal government ‘intervened’ in the lives of Indigenous band members has had a lasting legacy of cultural loss and social pathologies. Participants in both the Osoyoos Indian Band and Membertou First Nation spoke of alcoholism, drug addiction and the inability of band members to retain employment (Baptiste, B., 2005; Baptiste, S., 2005; Bernard, P., 2005; Betterton, M., 2005; George, D., 2005; Louie, C., 2005).

The manner in which culture can impact the entrepreneurial process has been debated by a number scholars (Anderson, Hindle, Dana, Kayseas, 2004; Anderson, MacCaulay, Kayseas, Hindle, 2006; Dana, 1990; George and Zahra, 2002; Thomas and Mueller, 2000). A finding of the research undertaken for the purposes of this thesis is that the negative impacts of colonialism have disrupted and changed the way Indigenous people view the world. They have
been acculturated in a manner that has left lasting legacies in their communities. But, the ‘culture’ of Indigenous communities should not be understood by only what can be seen and noted by observers. I am guilty of this simply because of the way this section is reported. However, the real culture of Indigenous people in Canada is much more than what I’ve reported. There is a great deal of pride in the voices of Lac La Ronge band members that speak of living ‘on the land’ (Cook, Harry, 2005; Cook-Searson, 2006). There is pride in the voice of the Elder who spoke of her people as a ‘working culture’ (Betterton, 2005). The manner in which Dave George speaks of the art of his people – as portrayed throughout the band owned golf course he manages – is evidence of the existence of positive aspects of culture still in existence. Elder Pauline Bernard of Membertou spoke of how the she still often missed the ‘old days’ when everyone was much closer. She also spoke of feasts (a ceremony), ‘native spirituality’ and ‘ceremonies’ (Bernard, P., 2005).

The culture of Indigenous Canadians is strong in some communities, as in Lac La Ronge and weaker in others. One important aspect of ‘culture’ in all three communities I visited across Canada is that there is nothing in the Okanagan, Cree or Mi’kmaq cultures that are expressly against entrepreneurship.

6.5.4 Land

Much of the discussion in the first paragraph below is found in Section 2.2 and 2.2.1 – it is repeated here in order to preface this section on ‘land’.

The majority of Indigenous lands are known as ‘reserves’. Title to reserve land is held by the federal government for the ‘use and benefit’ of the particular First Nations’ community or ‘band. For all practical purposes, the band and the federal Crown will not convey a freehold interest in a portion of reserve to a private entity. Accordingly, only leasehold interests are available. In addition, by virtue of the Indian Act, secured project financing can only be created for leasehold interests in ‘designated’ lands. The process of designation requires a vote of the membership of the band which, if successful, permits the designated portion to be leased for commercial development for the benefit of the band. For these reasons, most commercial projects involve a lease of a portion of a
reserve land which has been ‘designated’. Canadian bands cannot ‘opt out’ of the land provisions of the Indian Act without successfully negotiating a self-government agreement or being signatories to new legislation, the First Nations Land Management Act (FNLMGA). Of the 615 bands there are only a small number of communities that have either a self-government agreement or are signatories to the FNLMGA.

Table 6.5.4.1 – Cross-site comparative to mainstream conceptions and issues concerning ‘land’

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Values</th>
<th>Land tenure</th>
<th>Policy environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site 1 - Osoyoos</td>
<td>Communal</td>
<td>Stewardship</td>
<td>Indian Act</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Externally guided and not well known within community</td>
</tr>
<tr>
<td>Site 2 – Lac La Ronge</td>
<td>Communal</td>
<td>Stewardship</td>
<td>Indian Act</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Land is living*</td>
<td>Externally guided and not well known within community</td>
</tr>
<tr>
<td>Site 3 – Membertou</td>
<td>Communal</td>
<td>Stewardship</td>
<td>Indian Act</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Externally guided and not well known within community</td>
</tr>
<tr>
<td>Mainstream Canada</td>
<td>Individual</td>
<td>Land is a commodity Land is perceived in terms of its use and value</td>
<td>Land use regulated by provincial and municipal governments.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Well structured and information is accessible</td>
</tr>
</tbody>
</table>

*Animism – attribution of conscious life to objects in nature or to inanimate objects (Merriam-Webster, 2008).

Table 6.5.4 provides a summation of the cross site comparative of issues concerning ‘land’ as viewed by research participant communities and mainstream Canadians. The issues identified in the above table all have considerable impact on how entrepreneurs engage in the entrepreneurial process. Issues concerning ownership of the land affect how land can be converted to capital through debt. Viewing land as ‘living’ was expressed by members of the Lac La Ronge Indian Band. That is a deeply held value that certainly has an affect on the kinds of ventures pursued by entrepreneurs with those values. The land tenure system (see section 2.2.3) that is defined in the Indian Act is an outdated ‘invasive’ piece of legislation that places the control
over land use outside of the community into the realm of the federal government (Abele, 2007, 13, Shanks, 2005, 9). Indigenous bands do have the authority to regulate certain aspects of land development – primarily through the development of by-laws within the authority of the Indian Act (Department of Justice, 2009). However, although each of the three participant communities are viewed as being ‘outstanding examples of economic development’ there is little understanding within the general population of the processes involved to engage in land and new venture development in each community. However, as was found in the communities I visited, the opportunity to effectively engage in the entrepreneurial process is feasible – even within the constraints of the Indian Act. Evidence of that assertion was found to be very strong in the Osoyoos Indian Band.

The Osoyoos people are still governed in many respects by the Indian Act. The band negotiates all lease agreements under the rules and regulations of this legislation. There are only two ways that a non-‘Indian’ can be legally in possession of reserve land. Section 58 (3) allows the Minister to lease land in possession of any Indian for the benefit of the Indian (Imai 1998, 60). And, Section 28 (2) provides the authority to the Minister to issue a permit authorizing any person to occupy or use reserve land (Imai 1998, 35). In order for developers to gain access to reserve lands a head lease must be negotiated between representatives of the band, the Department of Indian and Northern Affairs, Lands and Trusts Services and the developer. Payments on the lease will go to INAC then be transferred to the band. Both Dave George, Manager of the Nk’Mip Canyon Desert Golf Course and Chief Clarence Louie spoke of how long it could still take for the whole process of leasing land. In fact, Mr. George said it could take up to two years (George, D., 2005).

However, the leasing of Osoyoos land has provided the opportunity for the band to release ‘dead capital’ (Scott, C., 2005). The band has realized significant profits from the leasing of their properties – revenues that have been used to get involved in other entrepreneurial ventures.
Access to land and its resources was a significant concern for the Lac La Ronge Indian Band. That community has developed a suite of entrepreneurial ventures that are all in some manner linked to the extraction of natural resources from the land. The community has a very high reliance on the resource industry. However, the extraction of natural resources the Lac La Ronge Indian Band is involved primarily occurs as service provider to large mining and forestry ventures that do not occur in their own lands, for example trucking, construction and catering.

The Membertou First Nation’s main concern regarding ‘land’ is the lack of ownership of more land holdings. The community has utilized almost all of its approximately 1,000 acre main reserve for both residential and commercial development. An important consideration regarding Membertou’s use of its land is to consider the ventures they have developed. The community has developed a large conference facility, an entertainment centre with a primary focus on bingo, it has five video lottery terminal locations, and a data protection service. The band has clearly utilized their land in a strategic manner – given their low stock of reserve land.

Overall, the ownership of land and the ability to utilise it as a means of engaging in entrepreneurship is an important issue for each of these three bands. Two of the communities have benefited from their location – both are near sizable markets, and each has access to good quality communications and transportation systems. Additionally, the Lac La Ronge community has benefited from its location in a resource rich province.

6.5.5 Human capital
The success of the Membertou First Nation rests on the abilities of its band members. The availability of a high stock of human capital is the highest in Membertou. The Osoyoos Indian Band and the Lac La Ronge Indian Band both rely more on the expertise of non-Indigenous people to assist them through the technical aspects of business development and management. That is not the case in Membertou. The community employs band members with degrees in business (Francis, G., 2005), law, and computer science (Bernard, J., 2005).
Chief Terrance Paul described the manner in which he attracted band members who had ‘educated’ themselves back to the community to help in its development. He realized that the people who would be the most committed to the success of Membertou would be people with a personal stake in its development. He therefore started the recruitment process at the management level by seeking and gaining agreement from two key players, Bernd Christmas, lawyer who was working in a Bay Street law firm in Toronto and Dan Christmas, who then the head of the Union of Nova Scotia Indians (Thayer-Scott, 2004).

While it was stated at the beginning of this section that Membertou relies more on its band members for its technical and skilled human capital requirements that is not to say that human capital is not important in the Osoyoos and Lac La Ronge bands. The Osoyoos Indian Band has a number of highly skilled and well-educated band members that provide expertise in very important parts of the bands entrepreneurial pursuits. They act as managers of a golf course, the grape growing operation, others are found in the heritage centre and in the band administration centre. The skilled people at Osoyoos contribute to its well-managed operational environment.

It is difficult to foresee how each of the communities that were part of this first stage empirical analysis would progress without the people within all aspects of the operations – from the governance to the management and operation of businesses.

6.5.6 Networks

Nowhere is the value of networks more evident than in the Lac La Ronge Indian Band. Each research participant spoke of the manner in which the Lac La Ronge has benefitted from partnerships and joint ventures. The Kitsaki Management Limited Partnership has only three wholly owned ventures with the remaining ten being a partnership or a joint venture. Russell Roberts, current CEO of KMLP, spoke of how the networks developed by his predecessor, Ray McKay, facilitated many relationships. Mr. McKay’s previous role in the Saskatchewan government and his business contacts provided him with a large
network of contacts that allowed him access to information, opportunities, and possible investments (Roberts, R., 2006).

Former Chief Harry Cook also spoke of the advantage people can gain from knowing people. The manner in which the plan to develop Lac La Ronge was initiated with the knowledge that the only way they could get contracts from big corporations and the support of governments was to know people in key places and exploit relationships whenever possible (Cook, Harry, 2005).

That philosophy is also evident in the other communities that participated in this study. Access to large networks provides access to ideas, opportunities and needed resources. Without the ability to gain access to key knowledge areas, key resource areas and important areas of possible opportunity these communities could not develop the level of entrepreneurial opportunities they did.
6.6 Comparison of my grounded theory with extant theory, represented by the ‘Hindle’s Bridge’ diagnostic framework

6.6.1 Broad level comparison

The previous section provided a brief analysis of how each factor identified in the model was ‘discovered’ and, more specifically, how it manifested in each community. In order to effectively prepare a ‘conceptual map’ for Indigenous communities – the second and principal objective of this research project as indicated in chapters 1 and 5 – a formal expression of the manner in which the framework should be envisaged and operationalized is required. Without that formal expression the conceptual categories are only that – categories, points on a map, with no pathways or roadways to guide the traveller from point A to point B. For this reason an examination of an extant framework – with a clear articulation of its application – could prove to be very useful. So, the following analysis very briefly examines the level of congruence between the findings of the grounded theory categories, developed from the three cases presented in this chapter and now formally referred to as the ‘Indigenous Community Venturing Model’ (ICVM) and the conceptual categories contained in Hindle’s Bridge.

Table 6.6.1 - Degree of congruence between an extant framework and the ICVM

<table>
<thead>
<tr>
<th>Indigenous Community Venturing Model</th>
<th>Hindle’s Bridge</th>
<th>Degree of Congruence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance and institutions</td>
<td>Governance and institutions</td>
<td>High</td>
</tr>
<tr>
<td>Culture and tradition</td>
<td>Worldviews and social networks</td>
<td>High*</td>
</tr>
<tr>
<td>Land</td>
<td>Baseline physical resources</td>
<td>High</td>
</tr>
<tr>
<td>Human capital</td>
<td>Baseline human resources</td>
<td>High</td>
</tr>
<tr>
<td>Networks</td>
<td>Worldviews and social networks</td>
<td>Low</td>
</tr>
</tbody>
</table>

*The degree of congruence between these two factors is high primarily because of the constituent elements of each factor as is expressed by Hindle on page 162 (worldview and networks) and by me in Section 6.5.1 on page 251 (on culture and tradition).
The grounded theory stage of the research articulated in this thesis resulted in the identification of five factors that have significant influence on the entrepreneurial process in Indigenous communities. A sixth factor did not emerge from the data in the same manner as the five reported above. Rather, the sixth factor, boundary spanning, was a result of the cross-site analysis exercises – it was identified during a stage of the research where I sought to answer, from the data, how can the conceptual map I was attempting to make be crystallized into a coherent action-oriented model? The answer to that question is Hindle’s boundary spanner.

The presence of someone who could successfully engage the community into mainstream entrepreneurial activity and also maintain strong support and connection to the factors that make the community a ‘community’ (as discussed in Section 4.4.6) is of critical importance.

6.6.2 A Congruence of two models but the need for contextual representation

Hindle’s Bridge (Hindle, 2010) was summarised and discussed in detail in chapter four. It represents, in my previously stated view, the state-of-the-art in the area of understanding and assessing the influence of community factors upon entrepreneurial process, prior to my grounded theory investigation presented in this chapter. My research and analysis of the entrepreneurial activities of the three successful bands demonstrate that there is significant uniformity between the categories comprising Hindle’s diagnostic regime and the categories that emerged in the grounded theory developed in previous sections of this chapter.

The conceptual categories that form the pillars of Hindle’s Bridge (Hindle, 2010) comport very well with the critical success factors identified in the grounded theory study. Additionally, the manner in which Hindle systematically outlined the ‘diagnostic process’ that in effect ‘operationalized’ the model for immediate application by a range of actors (individuals, groups, the community as a whole) who are interested in engaging in the entrepreneurial process within
CHAPTER SIX - FIRST EMPIRICAL INVESTIGATION

communities in itself meets of the first objective of this thesis: the desire to find a highly structured approach to conceptualising, researching, analysing and assisting the creation and development of entrepreneurial processes in the Indigenous Band community context. Because the extant diagnostic regime has already been so comprehensively formulated and since it has now been supported by the conceptual framework created in the grounded theory process articulated above, it seems logical to stop further ‘theory development’ – with the objective of framing the grounded theory model into a useable set of concepts and processes for practitioners – simply because a model that accomplishes that goal is already in existence. However, an important issue concerning Hindle’s Bridge must be addressed. It will necessitate a re-presentation and different communication of the structured approach as it currently stands. Once this re-formalization of the model is performed, it will serve as the revised theoretical/analytical framework that will guide my second round of case investigations.

The essence of the matter is cultural. While nothing in the substance of Hindle’s formulation is problematic, some metaphorical issues concerning the notion of ‘bridge’ may be subtly important to Indigenous worldviews.

The linear manner in which someone would ‘cross a bridge’ generally tends to imply a singular ‘traveller’ moving from ‘point A’ (a community in context) to ‘point B’ (a contextualized entrepreneurial process). Hindle was at pains to point out that his ‘entrepreneurial protagonist’ (‘traveller’ in his metaphor) may be an individual, team or firm, and that travel could occur in both directions: from community to entrepreneurial process and vice versa – the successful process could enrich and develop the community. Despite this, to Indigenous sensibilities, the notion of crossing a bridge strongly implies a lone traveller – on a singular pathway, in a one-way direction. So, metaphorically, the notion of plural possibilities can and must be strengthened if the model is to resonate with Indigenous audiences. Second, the very notion of a modern bridge is metaphorically problematic. Many Indigenous entrepreneurs, community leaders and regular band members may not readily accept the depiction of a man-made structure, often constructed out such colonially introduced materials.
as bricks, mortar and steel, as representing a research outcome that is knowledgeable and respectful of their colonial history and their cultural sensitivities. Thus, my grounded investigation has indicated that, while the substantive contents and relationships and operationality of Hindle’s general approach are directly applicable to the particular context - the Indigenous community - his metaphorical representation of the model itself must be re-formulated to appeal to Indigenous heritage and sensibilities.

Some may argue that this exercise involves mere semantics – that the visual representation of the model is not significant. Rather, they might argue, it is the potential utility latent in the model that must be focused upon. However, such an argument fails to recognize the crucial significance of Indigenous epistemologies (issues dealt with in detail in my three literature reviews, chapters two, three and four, above).

The manner in which many Indigenous communities initiate projects, programs, meetings and a vast variety of the activities of daily life, is often done by offering a prayer. The Elders in the successful entrepreneurial Indigenous communities studied in this chapter each constantly referred to always being asked to offer prayers to open newly constructed buildings (Betterton, 2005) and to open meetings (Bernard, 2005). The manner in which prayers are held is always in a circle – in the same manner that many Indigenous camps were arranged. The circle holds cultural significance that pre-dates contact between Indigenous ‘natives’ and Europeans. The circle represents the manner in which life occurs. Regnier explained the importance of the circle by stating that:

*The symbolism represents unity, interdependence and harmony among all beings in the universe, and time as the continual reoccurrence of natural patterns. These cyclical patterns and recurrences constitute the reality in which humans can understand purpose and meaning…wholeness in human growth requires the development of all aspects of humanity [emotional, mental, physical, spiritual] (1995, 317).*
Therefore, to make it culturally as well as analytically appropriate to the study of the role of Indigenous community upon Indigenous entrepreneurship there is a need to reshape the metaphor: to ‘contextualize’\(^{12}\) Hindle’s Bridge by reformulating its visual representation into a shape, a presentational format, that holds cultural significance in the Indigenous context. This is appropriate and necessary from the viewpoint of the researcher as well as the researched, given the two personas I have assumed in this doctoral candidacy process.

First, as an Indigenous person, the knowledge I possess from my own acculturation pushes me to argue for a revised presentation of the model that is more culturally appropriate and avoids metaphorical depiction of the right message in the wrong way. Depiction must not risk occurring in a manner that may itself be perceived by some Indigenous people as an artefact of colonial development. (The arrival of things like railroads, roads and bridges is still strongly associated in North American Indigenous cultural memory with the destruction of heritage and the onset of oppression).

Second, as an early-stage entrepreneurship researcher I have maintained a strongly principled approach to research, especially in respect to populations that have suffered abuses from past over-zealous scholars (Ermine, et al. 2001)

To reformulate the model comprising the investigative guidelines needed for my second round of case studies two things are required:

1. The comparison of the Indigenous community venturing model – derived from a grounded theory – to the ‘Hindle’s Bridge’ diagnostic framework (which has already been performed in this section) and

2. Representation of the theoretical/analytical/diagnostic components shared by both models into a new presentation format more suited to Indigenous sensibilities (which will be performed, below, as the concluding section of this chapter).

\(^{12}\) It is somewhat ironic to talk about ‘contextualizing’ a model which itself is about contextualisation. However there is a difference between irony and tautology and I trust the reader to appreciate it.
6.6.3 A reformulation: Illustrating the Indigenous Community Venturing Model

The substance of all preceding arguments is captured in the revised ‘Indigenous Community Venturing Model’ (ICVM) depicted in Figure 6.6.3. The essential features of Hindle’s Bridge diagnostic regime articulated in chapter four – remain intact in the Indigenous Community Venturing Model. However, because the ICVM does not conform precisely to the Hindle’s Bridge a formal expression of how it is operationalized is warranted. Before I proceed to that formal explanation of the ICVM one issue should be clarified. All titles have virtues and drawbacks. The negative risk here is that the title ‘Indigenous Community Venturing Model’ may imply a focus only on the community as a unit of analysis. Readers of this thesis will know that is not and was never the case.

Figure 6.6.3 – The Indigenous Community Venturing Model

Sources: Hindle’s Bridge (2010), Kayseas grounded theory study (2009).
The thesis has always envisaged entrepreneurship within the community as being conducted by various protagonists: individuals, groups, bands, and institutions. The name of the model, ICVM, does not literally mean ‘community venturing’ (although that may be the case). In this title, the word community is a generic, locational adjective not a specific, nominative noun. The adjective should be understood with an understanding of the ‘heart’ of the model. A description of the central premise of the model follows.

At its core, from a practical perspective, the ICVM is concerned with developing the means for communities to effectively engage in entrepreneurial process(es), that are simultaneously desirable and feasible given the community’s nature, perspectives and constraints. The twin importance of desirability and feasibility is a well-established duality in the entrepreneurial literature and need not be elaborated here except to stress that many entrepreneurial failures in Indigenous contexts are the direct result of pursuing infeasible desires. For instance though it might be desirable in a general sense for nearly every Indigenous community to include some forms of highly technical entrepreneurship among the mixture of ventures comprising its entrepreneurial initiatives, (such as the Membertou First Nation’s data centre – a highly secure facility that stores electronic data for large private and public corporations) this laudable desire simply may not be feasible for a wide range of communities because of infrastructure deficits and the lack of skilled human capital. So, the ICVM involves four concentric circles radiating outwards from the hub – the quest to develop various entrepreneurial processes that are both desirable and feasible.

The second circle, labelled ‘existing community context’, is simply the recognition that there is a status quo: a current ‘starting’ situation facing any actors within the community who may choose to engage in any entrepreneurial process. It defines the specific blend of community contextual factors at the starting point. The contextual factors must subsequently be scrutinised in detail

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13 For a more detailed discussion of the entrepreneurial context, as it used in this thesis, see Section 3.3.2
under the six headings depicted as the third circle in Figure 6.6.3. The arrows radiating out from the ‘existing community context’ represents the action-oriented approach of the model. Diagnostic analysis occurs as researchers and practitioners desire to break away from the ‘existing community context’.

The manner in which the model is operationalized for its diagnostic application is somewhat modified from Hindle’s Bridge (2010). That procedure (Hindle’s Bridge) explicitly described a sequential progression of analysis through each ‘generic component’ of the model as follows:

• baseline physical resources,
• baseline human resources,
• worldviews and social networks,
• governance and institutions,
• property rights and capital management,
• and boundary spanning.

However, the procedure of analysis in the ICMV is more flexibly conceived. My grounded theory evidence does agree with the starting points being ‘baseline physical resources’ and ‘baseline human resources’ examined in close proximity. However, from that point the process could be interwoven and fluid between and amongst the remaining factors – save and except for the final ‘boundary spanning’ step – that also remains as the final, or capstone stage of both theoretical conception and analytical procedure. My agreement is based on the clearly visible realities pertaining in the vast majority of Canadian band Indigenous communities (see chapter 2 above) as well as in the specifically examined trinity of the grounded theory chapter. For example, Al Solheim of the Lac La Ronge Band stated that when the band first decided to engage in entrepreneurial processes they first looked at their fundamental physical and human resource situation. They realized they did not have a great deal of financial capital but they did have an abundant supply of unskilled labour. In the same manner anyone interested in facilitating the engagement of an Indigenous community’s desire to create wealth through entrepreneurship must first examine their baseline physical and human assets. Every successful
development of an entrepreneurial culture within an Indigenous community that I have observed or encountered through study has started with a dispassionate, critical appraisal of the current status of the physical and human capital of the band. The fluidity of the analysis is further represented by the circular shape of the ICVM. After the first order analysis occurs the remaining factors can be examined in a manner conducive to the researcher/analysts resources and accessibility of information – save and except the final order analysis – boundary spanning, which remains the last factor to be examined.

The progression through subsequent components of the model involves the analysis of data, which will be just as specific and unique to each community as their physical and human resources profile are. Hindle depicts this as the creation of salient ‘lists’ – culminating, in aggregate in a specific ‘factor blend’ of composed of the combined elements of the model. The sixth factor, boundary spanning, is the culmination of all previous analysis. Analysts and/or researchers must now re-examine the data to identify the key obstacles (boundaries) that exist and then find ways of overcoming those barriers:

... first in a statement of what must be done (mandates), and then by articulating how it might be done (possibilities) (Hindle, 2010).

Once again, the arrows radiating from the factor analysis to the ‘enhanced community context’ depict the action-oriented approach of the ICVM – see Figure 6.6.3. In some communities the outcome of this process will go directly to a ‘contextually sensitive entrepreneurial process’ (Hindle, 2010). However, in others there may be areas within certain elements of the model that create ‘insurmountable barriers’ that must be addressed or the desired entrepreneurial process will not be feasible. The manner in which boundaries are spanned (or obstacles are overcome to put it another way) is captured in the outer circle of the ICVM. The process may involve the need for task-specific tools to strengthen the physical resources of the community and/or project specific facilitation exercises and training programs to strengthen the human resources needed to progress from entrepreneurial desire to entrepreneurial feasibility.
By ‘enhanced community context’ I mean, of course, a community that has spanned the boundaries separating desirable entrepreneurship from feasible entrepreneurship. It will be a community ready to engage and capable of engaging in the desired entrepreneurial process because of two things:

- the new understanding gained from the analytical activities of circle three in my model (the two pillars in Hindle’s model);
- the provision and application of appropriate tools and facilitations and programs.

Of course analysis may reveal that for a particular process in a particular community, the status quo is adequate: no tools, facilitations or programs are required; the proposed entrepreneurial process is feasible given current physical and human resources. Other communities may require more tools and facilitations and programs to strengthen them. For instance, opportunities may exist in the community, people may have ideas, but they do not have either the technical knowledge to move their opportunity to the next stage and/or they do not have the requisite confidence. In either case a facilitation or program that ‘unleashes the potential’ of entrepreneurs may succeed (see section 4.4.7 for elaboration on the facilitation process as posited by Sirolli). Other proposed entrepreneurial initiatives in other communities may require ‘tools’ to bolster the infrastructure of their community. One example of a non-mechanical ‘tool’ may be a community enjoying plenty of entrepreneurial opportunities but experiencing a high degree of political instability. In this case the creation of an a-political development corporation (perhaps by legally enforceable charter) may serve as a highly useful tool for shielding the economic activities of an entrepreneurial protagonist (say, a dynamic individual whose clan is a minority) from abuse and misappropriation by corrupt or simply jealous officials in a band whose elected officials all come from members of a majority clan.

In conclusion, it can be said that my first empirical investigation, the grounded theory study, did not lead to a dazzling new original insight in content, but I have discovered something new about form.
With regard to substance, my grounded research generated support for something that was there already – the Hindle’s Bridge regime for diagnosing the affect of community factors on the feasibility of entrepreneurial processes. It is highly applicable in the specific community contexts that matter to me and to this study.

However though the substance of the existing model is totally relevant, presentation of it requires reformulation and I have done this. Hindle’s Bridge has been transformed into the Indigenous Community Venturing Model (ICVM), structured around four concentric circles. This model both embraces all of the features of Hindle’s Bridge and describes the outcome of the grounded theory study that comprises the first empirical component of this thesis. Using the components of the ICVM as analytical guidelines, I am now ready to proceed to the next phase of empirical analysis.
7. Second empirical investigation: theoretically guided casework

Chapter abstract

This chapter reports the findings of three ‘theoretically guided’ case studies and culminates in the final version of the Indigenous Community Venture Model (ICVM) theoretical/analytical framework. The ICVM is culturally adapted variant of the Hindle’s Bridge (Hindle 2010) diagnostic framework for assessing the influence of community factors upon entrepreneurial process. Production of the refined version of the ICVM meets the second major objective of this research project.

After first providing a description of the case reporting structure and analysis procedure the chapter moves to each of the three purposively selected case studies:

- Neskonlith First Nation, British Columbia;
- Onion Lake Cree Nation, Saskatchewan, and
- Shubenacadie (Indian Brook) First Nation, Nova Scotia.

The chapter concludes with two final sections that offer analysis of the reciprocal nature of the case studies – the utility of the ICVM is detailed as well as the manner in which the case studies offered an opportunity to re-examine the ICVM.
7.1. Case reporting and analysis procedure

7.1.1 Overview

Descriptions of the methodology and methods employed in this research are detailed in chapter five. That chapter provides a description of the rationale for choosing the case study research method as well a brief overview of how the method was operationalized. The following expands on the latter topic to provide greater detail on how the Indigenous Community Venturing Model (ICVM), developed in the previous chapter, was utilized as a guide for the three case studies reported in this chapter.

The three cases presented below are located in vastly different regions of Canada. The Neskonlith First Nation is located within the Rocky Mountains, north of Kelowna, in the interior of British Columbia. The Onion Lake Cree Nation is in the prairie province of Saskatchewan, in a region with significant oil and gas deposits, and the Shubenacadie Band is in the Maritimes, on mainland Nova Scotia, 60 kilometres north of Halifax. Each of the communities has similarities to the three cases that formed the sample population for the grounded theory phase of this research. However, the communities each ranked significantly lower on Indian and Northern Affairs Canada ‘Community Well-Being Index’, which uses income, education attainment, labour force activity and housing as indicators of well-being.

The communities were chosen because of the possibility that each would present contrasting results – in each of the relevant ‘factors’ – thereby, providing the potential to either validate or invalidate the veracity and utility of the Indigenous Community Venturing Model in its application to this specific and unique population. The three ‘theoretically guided’ case studies also offer an opportunity for possible identification of other factors – thus compelling me to revise the Indigenous Community Venturing Model. In this fashion, the work of this chapter is reciprocal in nature. The ICVM is a tool for investigating the cases and the cases are tools for investigating and improving the ICVM.
CHAPTER SEVEN–SECOND EMPIRICAL INVESTIGATION: THEORETICALLY GUIDED CASEWORK

The procedure engaged in for the three case studies described below followed the ‘literal replication’ methodology as posited by Yin (1994 – refer to section 5.3.7 for elaboration on literal replication). The logic behind Yin’s prescribed method offers an opportunity to methodically explore each factor over a multiple number of cases and is analogous to conducting a number of ‘experiments’ as a means of examining the veracity of the Indigenous Community Venturing Model (Yin, 1994, 46). Therefore, in order to effectively structure this phase of the research a set of ‘theoretical propositions’ were developed to guide both the data collection process and to structure the final case study report (Yin, 1994, 103). The three case studies, Onion Lake Cree Nation, Neskonlith Indian Band, and Shubenacadie First Nation, share one thing: they are do not exhibit the successful implementation of entrepreneurial processes to the degree as the first three cases described above. In fact, each of these three cases has a history of failed enterprises. However, they offer useful contrasts with respect to the range of factors identified in the Indigenous Community Venturing Model. They differ on these factors both with respect to one another and in comparison with ‘entrepreneurially successful’ communities of Osoyoos Indian Band, Lac La Ronge Indian Band and the Membertou First Nation.

The grounded theory case studies – that form the body of the previous chapter – are referred to as ‘GT cases’ in this section of the thesis and the three theoretically guided case studies (guided by the application of the ICVM) are collectively referred to as ‘TG cases’.

7.1.2 Theoretical propositions:

The three theoretically guided case studies were investigated using the following propositions as guides for the data collection process.

1) The TG cases will have infrastructure deficits that create real and perceived barriers to engaging in the entrepreneurial process.
2) The TG cases will have lower stock of productive skills and technical knowledge embodied in a community’s labour force as evidenced by education attainment and employment characteristics.
(3) The TG cases will have a higher reliance on ‘imposed’\textsuperscript{14} governance structures and institutions.

(4) The TG cases will exhibit higher degrees of conflicting principle ideas or ‘world views’ and lower levels of social networks as evidenced in the level of social disruption.

(5) The TG cases will not have developed capable land management regimes evidenced by their ability to leverage their land for entrepreneurial pursuits.

(6) There will be no indication of the existence of ‘boundary spanning’ individuals in the TG cases.

The theoretically guided case studies are structured for presentation in this thesis in a manner consistent with the ‘factors’ that comprise the Indigenous Community Venturing Model. After a brief ‘community overview’ each case is presented factor by factor. In some areas of analysis I was unable to obtain the data I sought (as posited by the ICVM) from the applicable community. In those instances I have inserted a notice in the relevant section. Finally, the data collection procedure followed the guidelines provided by the ICVM.

\textsuperscript{14} Imposed governance structures refers to the structures and processes as defined by the \textit{Indian Act}. Therefore the TG cases will not have developed community based structures and institutions but rather they rely on
7.2 Theoretically guided band case 1: Neskonlith First Nation

The Neskonlith First Nation is 50 kilometres north of the city of Kamloops, British Columbia. Two reserve land holdings are located on either side of Highway 1, the Trans-Canada Highway, which at that point runs alongside the South Thomson River.

The community is one of three bands that surround the small town of Chase, population 3,000. The other bands, Adams Lake First Nation (on-reserve population of 372), and the Little Shuswap Lake First Nation (on-reserve population of 186) and Neskonlith are part of the 17 bands that make up the Shuswap Nation Tribal Council.

Table 7.2- Neskonlith - basic community data

<table>
<thead>
<tr>
<th>Location</th>
<th>British Columbia – South central interior – Rocky Mountains</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone 2</td>
<td>Located within 50 KM of the nearest service centre to which it has year-round road access</td>
</tr>
<tr>
<td>Language</td>
<td>Secwepemctsín (Shuswap)</td>
</tr>
<tr>
<td>Population</td>
<td>262 - Registered members living on reserve</td>
</tr>
<tr>
<td></td>
<td>341 - Registered members living off reserve (INAC, 2009)</td>
</tr>
<tr>
<td>Land base</td>
<td>2,786.7 hectares (27.87 km²)</td>
</tr>
</tbody>
</table>

7.2.1 Baseline physical resources: land and infrastructure

Neskonlith First Nation was provided with three land holdings in the fall of 1862. Neskonlith IR No. 1 is 3,162.9 acres located on the right bank of the South Thompson River, 4 miles below Little Shuswap Lake, Neskonlith IR No. 2 is 2,444.6 acres is located on the left bank of the South Thompson and is situated directly across the river from IR No. 1. These two land holdings are situated in a beautiful mountain valley with the South Thompson River winding through it. However, Neskonlith’s reserve lands are located on the higher sides of the valley, non-Indigenous ranchers and farmers own the agricultural land in the floor of the valley. Both of these reserves have beautiful mountain lakes situated within or on its boundaries. Neskonlith IR No. 3, 1,277.5 acres, is located adjacent to Salmon Arm, a small city that is located on the shores of the
Shuswap Lake. The lake has over 400 kilometres of shoreline and is the home to 120 provincial parks.

As stated previously, Neskonlith IR No. 1 is located next to the busy Trans Canada Highway. This national highway is the main thoroughfare from Vancouver to eastern Canada. Kamloops, located 50 kilometres south on the Trans Canada is described as the hub of the leisure and commercial travel for the interior of British Columbia with an annual traffic volume of 10,000,000 cars and trucks (Venture Kamloops, 2009).

Physically the Neskonlith First Nation seems to be ideally located for both commercial and tourism activities. It is located next to a major highway. At Salmon Arm the Neskonlith land holdings are situated right next to the Shuswap Lake and boasts, ‘a million dollar view’ (Anthony, Arthur, [Chief], 2006). There are no on-reserve businesses located at the Salmon Arm reserve but some band members have dwellings there.

**Table 7.2.1.1- Neskonlith - basic community data**

<table>
<thead>
<tr>
<th>Location</th>
<th>British Columbia – South central interior – Rocky Mountains</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone 2</td>
<td>Located within 50 KM of the nearest service centre to which it has year-round road access</td>
</tr>
<tr>
<td>Language</td>
<td>Secwepemctsin (Shuswap)</td>
</tr>
</tbody>
</table>
| Population         | 262 - Registered members living on reserve  
                     | 341 - Registered members living off reserve (INAC, 2009) |
| Land base          | 2,786.7 hectares (27.87 km²) |

Neskonlith No. 1 and 2, located approximately 40 kilometres away, does have an on-reserve Esso gas station. The business, situated adjacent to the Trans Canada Highway approximately 3 kilometres from Chase, is owned by one branch of the Manuel family. Richard Manuel, an employee of the band administration said that this business is the only ‘economic development initiative’ within the band (2006). However, the profits for the venture accrue to the owners and not the band as a whole (Manuel, Richard, 2006).
Neskonlith uses the Certificate of Possession (CP) system of land tenure under the authority of the *Indian Act*. The CP allows for the band to give ‘possession’ of the land to a band member – to use for residential and commercial purposes. Almost all of the reserve land on the Neskonlith First Nation is ‘CP’ed’ (Anthony, Arthur, [Chief], 2006).

There band members that earn revenues from the lands they hold a CP for. They allow farmers to harvest hay or for grazing of cattle and horses. Other band members earn small revenues from non-Indigenous businesses that want to advertise on signs alongside the highway – there are a number of these advertisements all along the highway right through the reserve.

There is a great deal of optimism within the band. Plans are underway to create a cabinet manufacturing facility in partnership with the Cowichan First Nation. Additionally, education and training initiatives are currently underway. Council member Leona Lampreau characterised the future of Neskonlith very eloquently by saying, ‘We need the infrastructure to support development…you don’t build a house in a day…you have to take baby steps’ (Lampreau, Leona, 2006). Chief Arthur Anthony also felt there was significant opportunity because of the location of the community, on the South Thomson, next a major highway, ‘at the foot of the mountain’ (Anthony, Arthur, 2006).

However, in respect of sheer amount of land the band has, it is very little – especially in relation to a band a small band like the Osoyoos Indian Band. Neskonlith has a land base of almost 28 square kilometres. Osoyoos owns approximately 129 square kilometres of reserve land.

### 7.2.2 Baseline human resources: demographics and human capital

According to the Department of Indian and Northern Affairs there is an on-reserve population of 265 in 70 housing units, with a total Registered Indian population of 603 (INAC, 2009).
The main employer at Neskonlith is the band government. The band administers programs and services that are funded by Indian and Northern Affairs Canada (education, social assistance, housing, economic development, post-secondary education, and several others), Health Canada (addictions, environmental health, community health services and non-insured health benefits), and Canada Mortgage and Housing Corporation (non-profit on-reserve housing) and another program funded by the Human Resources Development of Canada. However, while the band received approximately $3.5 million for the fiscal year 2004-2005 from these various federal departments the actual expenditures for the year was $4.26 million, which amounted to an estimated deficit of $750,000 (INAC, 2009). The band also incurred an estimated $1 million deficit in the previous fiscal year (INAC, 2009).

As stated above there is only one business in the community, an Esso service station along the highway. Cora Anthony pointed out that a number of community members did work in businesses in Chase. However, she did state that employment for Indigenous people in Chase was a rather recent occurrence. Her own job in Chase in 2000 made her only the second band member to be hired in town (Anthony, Cora, 2006).

Education attainment figures for 2001 compare relatively well with the Osoyoos Indian Band’s education statistical profile. According to the 2001 census there was nobody above the age of 15 that reported completing high school in Neskonlith. The Education Coordinator for the band, Martha Manuel, spoke of band members that had completed grade 12 and were now enrolled in off-campus programs from the Nicola Valley Institute of Technology on the weekends. She also spoke of the adult education program she coordinated. The program was for people who had challenges and could not attend the regular school system.

The number of people that reported they worked in the week prior to the census date (expressed as the participation rate) in Neskonlith First Nation is higher than the Osoyoos First Nation and almost identical to the overall population of British Columbia. However, one band member, George Manuel, indicated that
he and several other men he knew picked wild mushrooms, and he also fished for salmon and sold his catch to ‘non-natives’ – but he quit that practice (of selling fish) because the community did not accept it anymore (Manuel, George, 2006). With such a high participation and employment rate (see Table 7.2.2.1) – and a high very high reliance on welfare it would seem that some of the reported employment would be outside of the mainstream economy.

Table 7.2.2.2 – Neskonlith - baseline human resources: employment data

<table>
<thead>
<tr>
<th>(data from the 2001 census)</th>
<th>Neskonlith</th>
<th>Osoyoos</th>
<th>B.C.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation rate&lt;sup&gt;15&lt;/sup&gt; (%)</td>
<td>65.5</td>
<td>46.7</td>
<td>65.2</td>
</tr>
<tr>
<td>Employment rate (%)</td>
<td>48.3</td>
<td>42.4</td>
<td>42.4</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>26.0</td>
<td>7.0</td>
<td>7.0</td>
</tr>
<tr>
<td>Median household income ($)</td>
<td>20,768</td>
<td>32,547</td>
<td>46,802</td>
</tr>
</tbody>
</table>

The Neskonlith First Nation band membership experiences a high reliance on social assistance payments. Seventy percent of the band membership is ‘on social assistance’ (Lampreau, 2009). When asked why there was such a high dependency on social assistance payments Councillor Lampreau stated, ‘lack of jobs, lack of skills, lack of commitment sometimes’ (Lampreau, 2006) Martha Manuel attributes the reliance on social assistance as being related to, ‘anything from fear of success to or just a bad habit’ (Manuel, Martha, 2006). A good indication of the struggles the Neskonlith First Nation has with the development of its human capital is related to past colonial policies, Chief Anthony stated his position;

…I guess for me its more to see our people independent where they work for what they have, that they are proud of that, get that pride back in working for the things that they have. I see what destroyed our people a long time ago. The IA (Indian Affairs) system and making us dependent on them all these years. Everything was handed to us. Like we didn’t have to work for it, it seemed. We were low on groceries you’d go to the band office and ask for welfare to get some groceries rather than go out and hunt and get it. People want vehicles but they want the band office to

<sup>15</sup> Refers to the people that worked the work prior to the census date (Statistics Canada, 2002).
give them a job so they can get that. I’d like to see our people more independent again and building their own businesses and working hard at it and being proud. Achieving their goals, I guess that’s another thing is to get their goals back because they have goals but they don’t work at it. Oh well that’s what I want in the future but you never see them (band members) trying to work to get to that goal (Anthony, Arthur, 2006).

7.2.3 Worldviews and social networks

There was a common theme throughout the interviews with Neskonlith First Nation community members. That theme was referred to as ‘title and rights.’ People either spoke against a mentality that has been for so long part of the community (Anthony, Cora, 2006) or spoke very strongly for it. The issue with title and rights is concerned with the notion of ‘Aboriginal title’. Because British Columbia Indigenous groups never signed treaties with the government of Canada – as other Indigenous bands did across Canada – that their ‘Aboriginal’ rights to their traditional territories was never extinguished. Chief Anthony spoke of the issue as being detrimental to the community,

...But we haven’t really pursued economic development the way it should have been and I guess right now the Neskonlith band is really looking at that because we see all the potential but its how we are going to approach it. How do we structure ourselves in the right way so that it’s going to benefit all our membership and the people around us...But I think its up to our people, I guess right now we are working on changing the mindset of our community because we so long we’ve been down that title and right fight. It’s hard to change that type of thinking (Anthony, Arthur, 2006).

I witnessed firsthand how this mindset manifests itself in the community. During my visit to the Neskonlith First Nation several band members informed me of the controversy that was growing over a ‘Japanese backed ski resort just over the mountain’ (Manuel, George, 2006). The Sun Peaks Ski Resort is on land that some band members feel very strongly about – both for its cultural and
traditional significance, as a place for hunting and for gathering medicines (Anthony, Cora, 2006). An article in the Vancouver Sun described how 18 protesters, dressed in camouflage and wearing masks ‘cornered children and screamed at them’ during a protest over the development of the facility. The author of the article pointed out that ‘Sun Peaks has a history of opposition from a small group of First Nations protesters, most of whom are from the Neskonlith Indian Band’ (Fortems, 2005). The ‘title and rights’ fight has been handed down from past chiefs and some community members have a preoccupation with protest as opposed to development (Anthony, Arthur, 2006).

<table>
<thead>
<tr>
<th>Interviewee key words</th>
<th>Emerging themes</th>
<th>Secondary categories</th>
<th>Main category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hunting and gathering</td>
<td>Values</td>
<td>The way people view their world</td>
<td>Worldviews and social networks</td>
</tr>
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<tr>
<td>Traditional ceremonies</td>
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<td>Cultural gatherings</td>
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<td>Language programs</td>
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<td>Language retention</td>
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<td>Extended family - kinship</td>
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<tr>
<td>Community as a collective</td>
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<tr>
<td>Apathy</td>
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<tr>
<td>Inaction</td>
<td></td>
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<td>Negative attitude ‘can’t win’</td>
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<tr>
<td>Dependence</td>
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<tr>
<td>Jealousy</td>
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<tr>
<td>Lack of support of band owned businesses</td>
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<tr>
<td>Protest</td>
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<tr>
<td>Conflict with non-Indigenous society</td>
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<tr>
<td>Blockades</td>
<td>Views about government and society</td>
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<tr>
<td>Title and rights</td>
<td>Views about nationhood</td>
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<tr>
<td>Ownership of land</td>
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<tr>
<td>Sovereignty</td>
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Table 7.2.3.1 provides a visual example of how the data was transformed from interview transcripts into groups of analytical categories.

Another important aspect of the manner in which Neskonlith First Nation band members approached conflict situations and problems in the community is to ignore the problem. Inaction was an issue that was raised by four respondents. Cora Anthony and Martha Manuel spoke of the manner in which people ‘let
things go’ (Manuel, Martha, 2006). Instead of facing issues, conflicts and projects people ‘would not hit the nail right on the head, if a problem arose (when she worked in Vancouver) it would be resolved right then and there’ (Manuel, Martha, 2006). Cora Anthony described the same issue by stating,

...nothing ever got done with it…I’ve had highways (B.C. Department of Highways) come to me, and different gravel people that wanted to make use of this big gravel pit that they have here. I mean that’s the best site in all the interior for gravel and everybody’s looking at that site. You know and they come to me and I go to chief and council and it really frustrates me that we could probably make a few million dollars here. We could landscape that whole area, after the gravel is taken out of there...So it frustrates me that its not being done (Anthony, Cora., 2006).

The problem of inaction could be related to the lack of cohesion in the internal operations of the band government as well as in the community. Councillor Lampreau described how she felt that there was not enough strength ‘internally’, which resulted in the community not being able to effectively engage external parties. She stated,

...for me that is the issue. Because if we’re not strong internally we are never going to make it out there. We have to start here, if we can’t manage our own affairs, there is no way we are going to be able to manage outside of here. We are struggling here (Lampreau, Leona, 2006).

Also, Martha Manuel expressed her misgivings of the lack of values exhibited by some members of her band,

It’s all about money. I see sisters and brothers hiding things from one another. Like you go visit a family dwelling with two sisters living in the same house, they’re both single parents and one’s hiding food in her closet because she’s only got enough for her and her children. What kind
of values is that right there or with the youth stealing? There is no boundaries for them they have no values about respect for people’s boundaries (Manuel, Martha, 2006).

She points to the negative effects of residential schools. How people were taken away from their homes and went through a process of ‘learned behaviour’ which resulted in values the community held dear in the past, values based on respect, that are now very damaged (Manuel, Martha, 2006).

7.2.4 Governance and institutions
Chief Anthony has been in office for ten years, with only one term as chief. When asked to describe the band’s governance systems he said,

I guess the way I look at it, this band didn’t have no governance system at all except the DIA system and when I first got in as councillor ten years ago the first thing I asked was I want to look at all your guys’ policies, how do you run your office here. And they just looked at me and said what policies? we don’t have no policies here… Oh well how do you guys operate then? Well just by the seat of our pants they said (Anthony, A., 2006).

Chief Anthony has seen many changes in the ‘band office’ in his ten years in council. He spoke of the policies they created over the years, a financial management policy, employment and housing policy. Sharon Jules, the Natural Resource Support Worker spoke of the policy environment at the band administration centre,

With policies I know that we have just the lands and resources, we have our own policies, within it we have also our cultural heritage policy, plus our consultations and accommodations policy as well in place. Outside the lands and resources there is also chief and council policies that they have to follow, administration policies, education policies. I think just
about every department has their own policies all set up into play. It basically all falls to a t, which has basically been working out quite well I believe (Jules, Sharon, 2006).

The band also created a development corporation to manage business opportunities some years before (Anthony, Arthur, 2006). Unfortunately, the development corporation failed, as did the businesses it was responsible for starting and managing (Lampreau, Leona, 2006). When asked why the development corporation failed Councillor Lampreau pointed to her previous points, lack of education and training, ‘lack of a supportive board that would speak to communication’ (to band members) and an internal focus with no plan to form external partnerships (Lampreau, Leona, 2006). The lack of a clear vision was another reason for the failure of previous businesses and the development corporation.

7.2.5 Property rights and capital management

The Neskonlith First Nation has ‘CP’ed’ the majority of its allocation of reserve lands. As previously stated, CP’s are Certificates of Possession, a type of land tenure outlined in the Indian Act that is the closest to fee simple ownership an ‘Indian’ can have on reserve lands. There was some concern expressed by a number of band members over Certificates of Possession. The trepidation with CP’s is that ‘title’ to the land is held individually or by ‘families’ instead of collectively as it is in many Indigenous band communities. The manner in which that impacts entrepreneurship is evident by looking at the highway that goes right by Neskonlith IR #1. The manner in which holders of CP’s are exploiting their title to the land is not very productive. While one family has developed a profitable Esso gas station that is now creating wealth and employment, others are leasing the land to non-Indigenous farmers and ranchers, and others are leasing it for the placement of signs marketing businesses in Chase or further down the highway.

There is a lack of capital that can be used to create businesses, both at the individual entrepreneur level and or community developed and owned ventures.
With 70 percent of the population relying on social assistance for subsistence it seems logical to assume they do not have any start-up equity. The lack of equity may also be a problem for the band itself. Without the ability to leverage existing land holdings and with little or no financial capacity (the band is in deficit with its transfer payments from the federal government) Moreover, the lack of capital may have contributed to past business failures – one-way the businesses could have failed is because they were under-capitalized at start-up.

There exists an absence of the ability to effectively utilize the land as capital to engage in the entrepreneurial process.

7.2.6 Mandates and possibilities of boundary spanning

The manner in which boundary spanning is articulated is best expressed by restating it, verbatim, as Hindle describes it,

*the ability to analyse all of the key obstacles (boundaries) that create ‘problem territory’ and to find ways of surmounting the problems first in a statement of what must be done (mandates) and then by articulating how it might be done (possibilities) (Hindle, 2010).*

When asked what she felt was a critical factor to developing an economically successful community Sharon Jules responded by stating that,

*I think what we need is a go-getter. Somebody that gets an idea and just runs with it and develops it. And then when they are developing it find out, oh gee we need this and then get them working on something else and then pulling band members in or even outside communities. I feel that if we are going to make anything succeed we have to build that bridge between native and non-native. In order for anything to succeed that’s the only way that I can see anything going ahead if we can work with both sides.*
Sharon Jules very simply conceptualizes many aspects that every Indigenous boundary spanner must confront. She expresses her knowledge of that ‘somebody’ in way that recognizes the role of the ‘go-getter.’ Her statement captures every aspect of the concept. For example, the ‘oh gee we need this’ statement very simply points to the need for someone to ‘analyse key obstacles and find ways of surmounting them’ (Hindle, 2010). The ‘building the bridge’ between native and non-native is another aspect of the boundary spanning function that is so critical – especially in relation to a community like Neskonlith, one that has had to face so many challenges and now without the financial wherewithal to effectively engage in the ‘possibilities’ component of the concept of boundary spanning.

7.2.7 Articulating the community’s entrepreneurial status and potential through synthesis of the six components

The community of Neskonlith has had many challenges to face in the past. Those challenges, like the Indian Act, and the department responsible for implementing it – the Department of Indian Affairs, the title and rights issues, and residential schools have all contributed to its current state. While there are tools of governance in existence, like a policy environment to facilitate consistency in decision-making, there is still a lacking of vision, progress, development and action in the community.

The community is struggling financially. During my visit to Neskonlith First Nation the community was several years in deficit. The relatively small size of their land base is another issue the community spoke about – but at the same time almost all community participants spoke of the potential of their reserve, its location, beauty, and access to one of the busiest highways in Canada.
7.3. Theoretically guided band case 2: Onion Lake Cree Nation

Onion Lake First Nation is the only Canadian band that straddles two provincial borders – with a section of the reserve officially part of two different provinces (Onion Lake, 2009). The community is located 50 kilometres north of Lloydminster, a city that also straddles the Saskatchewan and Alberta provincial borders. The City of Lloydminster reported a 2005 population of 23,643. The economy of the region is based on the oil and gas industry and agriculture.

As of February 2009 the ‘registered’ population of Onion Lake Cree Nation is listed by INAC as 4,727 with 1,874 living on reserve and the remainder living off reserve (INAC, 2009). However, the community reports its population as approximately 4,000 people (Onion Lake, 2009). The difference in population figures comes from the fact that Indian and Northern Affairs of Canada’s figures only take into account the portion of the population that is registered as being a member of Onion Lake Cree Nation. Therefore any people not registered are not counted, for example spouses from other communities would not be counted.

Table 7.3 – Onion Lake - basic community data

<table>
<thead>
<tr>
<th>Location</th>
<th>Saskatchewan – West central parkland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone 2</td>
<td>Located within 50 KM of the nearest service centre to which it has year-round road access</td>
</tr>
<tr>
<td>Language</td>
<td>Cree</td>
</tr>
<tr>
<td>Population</td>
<td>2853 - Registered members living on reserve</td>
</tr>
<tr>
<td></td>
<td>1874 - Registered members living off reserve (INAC, 2009)</td>
</tr>
<tr>
<td>Land base</td>
<td>15,492.20 hectares (154.92 km$^2$)</td>
</tr>
</tbody>
</table>

The Makaoo Mall is the centre of activity in the Onion Lake First Nation community. It was constructed in 1990 and currently houses the band’s administration centre, a grocery store/gas station, café, and a laundromat. There is a mixture of band owned and individual owned and operated ventures in the community. Individual owned enterprises include an automobile repair shop, two taxi services and a café on the east side of the reserve. Band owned enterprises include the Triple O Ranch, a 200-head cattle ranch, Onion Lake Enterprises (provides janitorial and maintenance services to the bi-provincial
up-grader in Lloydminster), Onion Lake Gas Coop Ltd (provides natural gas to approximately 590 homes and 30 community buildings). Other investments include part ownership in Beretta Pipeline Construction Ltd (a $4,000,000 investment that will eventually see the business 100 percent band owned). Beretta Pipeline Construction employs approximately 75 people on an annual operating budget of an estimated $14,000,000 (G., Dillon, 2006).

7.3.1 Baseline physical resources: land and infrastructure

This Cree First Nation is divided into two sections, Makawoo and Seekaskootch. The two names are historical remnants of two separate communities that amalgamated on January 16, 1914 to form the Onion Lake Band. The community has a land base of 154.92 square kilometres with a mixture of agricultural and forested land.

‘Over the last 10 to 20 years we have built an infrastructure, basically brought all the services you would find in a rural town’ (Fox, Wallace, 2006). The band has developed a social infrastructure that is quite amazing. Along with the three schools mentioned below there is also the Health Centre. This health services agency houses a doctor, health nurses, a dentist, a child welfare office and a pharmacy with a full time pharmacist. The Health Centre is very near the 21 unit Elder’s Lodge – an old age retirement home. There is the Onion Lake Community Healing and Wellness agency that provides support services to community members that require ‘healing and wellness’ (Onion Lake, 2005). Additionally the community has the Memorial Communiplex – a large multi-use facility that is the home to the Onion Lake Winterhawks, a Junior B hockey team.

The community has had some unique challenges because of their location straddling two provincial borders. The community has some members that live on the Alberta side of the border that have to call long distance to relatives that live across the road while the people on the Saskatchewan side of the border can make local calls to the same location. In 1994 the band was successful in negotiating daily mail service to the community – before that time there was a
once a week mail delivery. Also, Highway 17 connects the community to Lloydminster, 50 kilometres to the south, was paved in 2000 – previous to that it was a gravel road.

The community set a goal sometime in the 1970s, when they first took over the administration of a welfare program from Indian and Northern Affairs to develop a ‘social infrastructure’ that would allow the community to assist people to get better. George Dillon described the rationale behind that goal as, ‘its just like an individual, if you aren’t healed inside, you cannot contribute to the outside…The next thing is to set up a business infrastructure’ (Dillon, George, 206).

7.3.2 Baseline human resources: demographics and human capital
The community has three schools with very high populations of youth. For instance, in the Pewasenakwan Primary School, nursery to grade two, there is 325 students, in the Chief Taylor Elementary School, grades three to seven, there are 344 students enrolled, and in the Eagleview Comprehensive High School, grades eight to twelve, there are 310 students for a total student enrolment of 979 students (Onion Lake, 2005).

<table>
<thead>
<tr>
<th>Education attainment for population 15 years and older (2001)</th>
<th>Onion Lake</th>
<th>Lac La Ronge</th>
</tr>
</thead>
<tbody>
<tr>
<td>No high school (%)</td>
<td>61.4</td>
<td>61.6</td>
</tr>
<tr>
<td>With high school graduation certificate (%)</td>
<td>5.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Some post secondary education (%)</td>
<td>13.7</td>
<td>14.0</td>
</tr>
<tr>
<td>Trades, university certificate or diploma (%)</td>
<td>17.0</td>
<td>17.6</td>
</tr>
<tr>
<td>University degree (%)</td>
<td>3.0</td>
<td>2.0</td>
</tr>
</tbody>
</table>

The education attainment statistics for Onion Lake are very similar to those of Lac La Ronge. Both communities have more than 60 percent of their population without a grade 12 diplomas. That figure is quite high for Onion Lake Cree Nation considering it’s a community with three schools – one of which is a high school.
Wallace Fox discussed his motivation for working for the band, as chief for many years, and now as the Interim Chief Executive Officer of the Onion Lake Development Corporation:

...this has always been my dream and my vision and I put this on my resume...Is to assist First Nations to reach economic independence and become self-sustaining nations through partnership with the private and corporate sector and establishing joint ventures. When First Nations achieve this goal they will then instil the pride and independence through education, through training and employment...That’s what drives me. Every time I see somebody here that’s on S.A. [social assistance payments] lining up that’s what I’m here for! Not for my paycheque (Fox, Wallace, 2006).

The community does have a considerable amount of employment. One company, Onion Lake Enterprises has a janitorial services contract with the Husky Oil up-grader in Lloydminster. A bus transports employees twice a day to and from the operation. Another bus takes band members to jobs at Wal-Mart and other

Table 7.3.2.2 – Onion Lake - baseline human resources: employment data

<table>
<thead>
<tr>
<th>(data from the 2001 census)</th>
<th>Onion Lake</th>
<th>Lac La Ronge</th>
<th>Sk.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation rate (%)</td>
<td>38.4</td>
<td>45.0</td>
<td>53.8</td>
</tr>
<tr>
<td>Employment rate (%)</td>
<td>27.7</td>
<td>30.3</td>
<td>50.0</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>27.9</td>
<td>32.6</td>
<td>6.2</td>
</tr>
<tr>
<td>Median household income ($)</td>
<td>21,856</td>
<td>24,752</td>
<td>31,246</td>
</tr>
</tbody>
</table>

The community has a lower median household income than Lac La Ronge but almost all other indicators are similar – see Table 7.3.2.2.

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16 Refers to the people that worked the work prior to the census date (Statistics Canada, 2002).
Onion Lake Cree Nation relies heavily on external consultants – against the wishes of many community members. Band members have expressed dissatisfaction with the hiring ‘non-Aboriginal’ technical assistance. However, the band still does, ‘because we know we need the expertise’ (Dillon, George, 2006). However, there are plans to develop band members so that they could assist in the management of business operations in the future.

7.3.3 World views and social networks

One of the biggest challenges that the community contends with is trust. There is a lack of trust amongst people within and outside the community. Several community members spoke of this being a remnant of colonial policies, for example, CEO Wallace Fox stated;

…because we had pride years ago before the European came and through industrialization, colonization all that stuff, all that was taken away now we got to rebuild it. We were born with it, the warrior approach (Fox, Wallace, 2006).

Other band members also recognize the detrimental effects of such policies as ‘Indian residential schools.’ He said, ‘we were not educated to be personally responsible of the way we live, the way we handle our own money…those things we need to instil in our youth. It’s a long and painful process but it must be done’ (Dillon, George, 2006).

In respect to culture and its importance to the community a manager of a community store stated that many community have always been ‘too laid back and dependent on welfare’ (Jimmy, Candace, 2006). The community has been healing from residential schools for the past 20 years, ‘and with that healing gets passed on to your kids family and friends…with that rippling effect you have got rid of the bad stuff’ (Lewis, Eugene, 2006).

It is important to note that the community feels strongly about the loss of values, loss of culture, and language. Their culture and worldview is based on a Cree
system of respect – the negative aspects of community social interaction is as a result of imposition of ‘white society’ – and in fact, as Wallace Fox stated, ‘they were a warrior community’ (Fox, Wallace, 2006). The community is rebuilding their culture, sense of community and pride. Candace Chief eloquently stated the evolvement of a community with a lack of trust and a range of social pathologies to one where, ‘a lot of people have forgiven other people and there is more respect for each other’ (Jimmy, Candace, 2006).

There is a Cree language immersion program for young children. These children are viewed as being part of a new generation of Cree people that will ‘learn’ to think positively by being raised in a Cree cultural way.

7.3.4 Governance and institutions

The primary concern in Onion Lake First Nation respecting ‘factors' that may affect the entrepreneurial process is politics. Throughout the interview process I noticed a theme emerging. While the community is very proud of its accomplishments in the social development of their community there are still struggles with the successful engagement of the entrepreneurial process as well as managing ventures.

<table>
<thead>
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<tr>
<td>Title and rights Ownership of land Sovereignty</td>
<td>Views about nationhood</td>
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</table>
The manager of a convenience store operation in a nearby band provided his thoughts on the issue of political interference. Eugene Lewis, a band member of Onion Lake, is the manager of a convenience store in the Frog Lake First Nation. Mr. Lewis described how political interference led to the Macaoo Mall Convenience Store going into deficit. Members of council would overwrite charge accounts of supporters (Lewis, E., 2006). There are other examples of the manner in which people in political office interfere with the management of ventures.

The chief and council operated almost all business affairs. The Macaoo Mall had a debt load of approximately three quarters of a million dollars. Triple O Ranch was on the verge of shutting down (Dillon, George, 2006). A restructuring process was initiated – a ‘community led initiative’ – that seen the creation of the business development corporation (Dillon, George, 2006). The band is now in the process of delegating the authority for all of its business operations to the newly created Onion Lake Cree Nation Development Corporation.

The community also proposed the creation of ‘band custom election’ act in accordance to the process specified by Section 10 of the Indian Act. Elder Peter Chief related two concerns he had with current system; the first is related to the length of term current political leaders hold office and the second issue is concerning the lack of recognition of their own laws. The Indian Act specifies a two-year term of office for elected officials. Elder Chief views that term as being too short. Additionally, he viewed the absence of a process whereby political leaders who violate certain laws could be ‘reprimanded or just let go’ (Chief, P., 2006). He remembered how in the past leaders who violated their laws, like for example, ‘this councillor stole something, or drank something, or did something’ than that person would be accountable to the people. He said, ‘this is what the people want, and we don’t want you anymore’ (Chief, P., 2006). However, the current system under the Indian Act and the direction of the Department of Indian Affairs is not adequate. Leaders that do something, ‘got a little smarter by saying, ‘well I have to go to court first and if they charge me with something then I’ll just quit’ (Chief, P., 2006). He elaborated by stating;
...like right now the way it is and even as a counsellor, well especially the chief – 2 years is not long enough...you know and Indian Affairs knows that. Once you start a project, some kind of project that’s a major project and two years come up, it stops and you have to restart again. So sometimes its frustrating if you want to do something (Chief, P., 2006).

The accountability to the department of Indian Affairs instead of to the people has been detrimental to the community for the ‘last 20 years’ (Chief, P., 2006). The Onion Lake community has yet to formally pass an elections act and are therefore still under the rules and procedures outlined in the Indian Act (INAC, 2009).

7.3.5 Property rights system and capital management

The band exists entirely under the Indian Act in regards to land management. Onion Lake Cree Nation is a producer of significant amounts of natural gas. The natural gas enterprise, Onion Lake Gas Coop Ltd. connects natural gas to almost 600 homes and a large number of community buildings. The source of that natural gas comes from wells on the main reserve. However, as legislated in the Indian Act the revenue generated from natural gas must go to the bands Capital Account in Ottawa under the management of INAC. The band then must seek release of funds for a range of allowable expenditures specified under Section 64 of the Indian Act. The release of funds may take months and may get turned down by the Minister of Indian Affairs (Dillon, George, 2006).

The current system of land management is inefficient.

7.3.6 Mandates and possibilities of boundary spanning

The community is developing its natural resources, both oil and natural gas. A presentation made by the CEO of Pearl Oil Ltd. On February 19, 2009 indicated the community was in receipt of more than $2.5 million a month from its oil production agreement (Hill, Keith, 2009). There is significant potential held in...
the bands landholdings as well as the financial rewards it is reaping from those lands. However, the existence of someone or some agency or some team who could facilitate the data analysis, identify what could be done, and formulate the process to do it is not readily apparent.

1. Boundary: The Chief and Council of the Onion Lake Cree Nation are still the primary decision-makers in the Onion Lake Cree Nation Development Corporation (Dillon, George, 2006). The boundary that is impeding more cohesiveness in the community is the fact the chief and council are still the primary decision makers in the Onion Lake Cree Nation Business Development Corporation.
   a. Mandate: Create a new and revised governance structure and seek band members who have experience in the entrepreneurial process and qualified non-band members to sit on a fully-functional empowered board of directors.
   b. Possibility: chief and council should develop a strategic plan that clearly sets guidelines for the board of directors including venture selection criteria, and upper limits of investment before the decision has to go back to the community.

7.3.7 Articulating the community’s entrepreneurial status and potential through synthesis of the six components

At first glance the Onion Lake First Nation seems to be an exemplar community. In the context of the ability to meet the education and health needs of a community the Onion Lake band has accomplished a great deal. However, why does a community with natural gas, oil, and fairly significant forestry opportunities have a median household income of $21,856 in contrast to all of Saskatchewan’s median income in the same category of $31,246? Why are income and employment rates still well below average levels? Moreover, there

17 If you recall the three exemplar communities that formed the sample for the first empirical analysis in the previous chapter did each have a political board of directors. The main difference between those communities and the Onion Lake Cree Nation is the existence of someone in the community that ‘spanned the boundaries’. More on that in the practical implications section in the next chapter.
exists a significant level of conflict in the community. While several respondents indicated that the climate was getting better and people were beginning to heal – there still many references to the manner in which conflict creates problems, socially and politically.
7.4 Theoretically guided band case 3: Shubenacadie (Indian Brook)

The Shubenacadie First Nation (Indian Brook) is a Mi’kmaq community situated approximately 67 kilometres northeast of Halifax, Nova Scotia. While the community is officially referred to as Shubenacadie by the INAC – community members prefer ‘Indian Brook.’ The band was formally established on May 8, 1820. The main reserve is 3,049.7 acres and is located approximately two kilometres off of Highway 102, the main highway connecting Halifax to the province’s northern regions – including Cape Breton Island. However, the only access to the highway is through the town of Shubenacadie. There are also three other properties that are a part of Indian Brook’s reserve land; Grand Lake is 1,118 acres located 32 kilometres north of Halifax; Pennal is a 107.5 acre reserve located 67.2 kilometres northwest of Halifax; and New Ross, a 10,646 acre property, is located 64 kilometres northwest of Halifax.

There is no development or homes on any of the lands except for the main reserve near Shubenacadie. There are 285 homes in the community with 1,155 living on-reserve.

<table>
<thead>
<tr>
<th>Table 7.4 – Shubenacadie - basic community data</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Location</strong></td>
</tr>
<tr>
<td>Zone 2</td>
</tr>
<tr>
<td>Language</td>
</tr>
<tr>
<td>Population</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Land base</td>
</tr>
</tbody>
</table>

Indian Brook has a number of band owned and individual owned enterprises. Three band owned gaming establishments offer video lottery terminal entertainment. However, because there is no thoroughfare – the only road into the community ends there - the gaming establishments primarily serve only band members (Paul, Annie, 2006). The band also has a gas station/confectionary store with a little room at the back filled with video lottery
terminals. During my visit to the community the band-owned gas station was not selling gas because of their supplier was owed over $180,000 (McDonald, Alex, [Chief], 2006). Chief Alex McDonald explained how, ‘we have councillors going for gas and driving away. I mean if the band’s own leaders don’t live up to their policies than why should the people?’ (McDonald, Alex, 2006). A controversial topic that each interview participant provided an opinion on was a company called,

The band also sells tobacco products from a room in the band office. And, each week it provides a number of individual owned stores with an allotment based on a quota system. The allotment of tobacco products is tax-free. The storeowners then sell their products out of little stores that are often part of their homes. There are four such stores along the main roadway into the community.

The gas bar is accumulating a deficit of approximately $200,000 a year. Additionally, because of a failed farm operation Indian Brook ‘lost $1 million’ (McDonald, Alex, 2006). Too, during my stay a building supply company was having a going out of business sale. That venture was also contributing the band’s deficit by approximately $200,000 to $250,000 a year. The band also lost approximately $280,000 in an attempt to break into the golf industry. Additionally, there is a large vacant building that still stands near the band’s administration centre. The building once housed a grocery store. The band-owned business was losing an estimated $12,000 a month when it closed for good (McDonald, Alex, 2006).

7.4.1 Baseline physical resources: land and infrastructure
The community is within two kilometres of one of Nova Scotia’s busiest highways. However, it does not have direct access to the highway. Anyone getting off the highway to go to Indian Brook must do so several kilometres from Shubenacadie (the village) then travel along a secondary highway. The community is accessed through the village of Shubenacadie. Chie Alex McDonald spoke of his desire to have an off ramp to the main reserve from Highway 102. In fact there was already some discussion with provincial officials
concerning an off ramp. However, he did not feel that an off ramp would be a reality in the near term (McDonald, Alex, 2006).

One band employee described the land of the main reserve as consisting primarily of clay (Knockwood, Doreen, 2006). The other three land holdings also do not have good transportation access – each parcel of land has 'accessibility issues' (McDonald, Alex, 2006).

### 7.4.2 Baseline human resources: demographics and human capital

The Registered Indian population is 2,197 with approximately 50 percent living on-reserve (INAC, 2009). This figure is very close to the Band’s reported on-reserve population of 1,103. The community is experiencing human capacity deficits that may impede entrepreneurial processes and/or once under operation it may lead to the failure of the venture.

The band administration employs approximately 128 people. Those people are employed in the band administration itself, as well in the health centre, school, and maintenance (Knockwood, Doreen, 2006). However that leaves another one thousand people without a job (with the understanding that some may be children). There is an 80 to 90 percent reliance on social assistance in the community (Paul, Annie, 2006).

During several interviews a common theme emerged – one related to the human capacity issue concerning both band-owned businesses and in the operation of the band government itself. Respondents spoke of the inability of government officials to effectively manage its operation. In the past the band government had hired unqualified people to help manage both the administration of government and the management of for-profit businesses. Kelli or Kerri Oliver\(^\text{18}\) felt the band had ‘poor management.’ It was really a lack

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\(^{18}\) The young women are identical twins and were interviewed together. The sisters do everything together. As they spoke they often completed the other’s thoughts. The circumstances of the interview environment made it difficult to discern one from the other.
of knowledge – people that are hired often do not have the requisite education or experience (Oliver, Kelli and Kerri, 2006).

The opportunity to go to university does exist. Two participants were twin sisters that had just obtained Bachelor of Computer Science degrees. Kelli or Kerri Oliver stated,

*I think some people are brought up that school is not important…It’s a thing within certain families. I always thought it was a result of residential schools because it created such a bad point of view of getting an education. And they taught that to their children* (Oliver, Kelli or Kerri, 2006).

The band provides tuition for band members that want to go to university and a living allowance of $750 is also available. The percentage of band members that have completed a university degree is quite low.

The education attainment figures shown below show a small difference in comparison to Membertou. Membertou has a slightly higher percentage of university graduates but not as high a percentage of people with grade 12 diplomas.

<table>
<thead>
<tr>
<th>Table 7.4.2.1 – Shubenacadie - baseline human resources: education attainment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education attainment for population 15 years and older (2001)</td>
</tr>
<tr>
<td>No high school (%)</td>
</tr>
<tr>
<td>With high school graduation certificate (%)</td>
</tr>
<tr>
<td>Some post secondary education (%)</td>
</tr>
<tr>
<td>Trades, university certificate or diploma (%)</td>
</tr>
<tr>
<td>University degree (%)</td>
</tr>
</tbody>
</table>
Another indication of human capital deficits is found in the fact that businesses continue to fail (for whatever reason, which may not be only related to managing) and the band government continues to operate in a deficit.

Table 7.4.2.2 – Shubenacadie - baseline human resources: employment data

<table>
<thead>
<tr>
<th></th>
<th>Shubenacadie</th>
<th>Membertou</th>
<th>Nova Scotia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation rate (%)</td>
<td>54.7</td>
<td>62.8</td>
<td>67.8</td>
</tr>
<tr>
<td>Employment rate (%)</td>
<td>38.3</td>
<td>44.9</td>
<td>63.0</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>31.4</td>
<td>30.6</td>
<td>7.2</td>
</tr>
<tr>
<td>Median household income ($)</td>
<td>21,344</td>
<td>18,240</td>
<td>46,946</td>
</tr>
</tbody>
</table>

Employment data does not show as much discrepancy as I thought it would. The participation and employment rate are quite similar to Membertou’s and the median household income is actually higher (see Figure 7.4.2.2). The median household income level is high given that the community experiences a social assistance reliance rate that is 80 to 90 percent of the population (Paul, Annie, 2006).

7.4.3 World views and social networks

Shubenacadie has made several attempts at creating viable sources of business income over the years – as described above. When asked to explain why the band has experienced so much difficulty in new venture development Chief McDonald replied:

*Our whole structure, whole metabolism, culture and everything is out of whack. The residential school factors, jealousy, non-support. This band and any band could flourish if there was less interference. We could get along and work together. And maybe our political terms need to change to four-year terms because two years is not enough time to do anything* (McDonald, Alex, 2006).

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19 Refers to the people that worked the work prior to the census date (Statistics Canada, 2002).
Several participants described the level of conflict in the community. When asked about the current demographic situation of the band, Elder Annie Paul stated that the situation is ‘disastrous. There is so much conflict’ (Paul, Annie, 2006).

Ron Knockwood, a retired officer of the Royal Canadian Mounted Police, is a band member and an entrepreneur. He owns a small convenience store with ten video lottery terminals in the back and an apartment that he rents out on the second floor.

Ron described his sense of culture as being quite strong. While he did agree that media reports of the Shubenacadie First Nations’ struggles did paint a very negative picture – at the same time he stated that there are Elders in the community that can speak very well of ‘our traditional way, our value system’ (Knockwood, Ron, 2006). He related how he was brought up with his parents and grandparents – in a strong extended family structure. Mr. Knockwood provided an example of his values by relating how he recently purchased a cell phone for his sister because ‘she needed one.’ He did agree that selling cigarettes and providing access to gambling led to addictions. However, he pointed out that he gives back to the community through donations, and by helping community members when they require emergency assistance (Knockwood, Ron, 2006).

The Mi’kmaq culture was once strong. It was based on the concept of respect and sharing (Knockwood, Ron, 2006). According to Elder Paul the youth of the community have not been taught how to do chores, go to church, and they are allowed to ‘run loose.’ What’s more the situation is actually deteriorating because of the level of conflict between adults in the community (Paul, Annie, 2006).

7.4.4 Governance and institutions

The Chief and Council of the Indian Brook First Nation are elected pursuant to the provisions outlined in Section 74 of the Indian Act. Chief and Council are
elected every two years. Since 1980 there has been four different chiefs with a new chief being elected every two years except for the period between 1990 and 2004. In the seven elections held during that period a R. Maloney was elected chief each time. However, during the same period there were three instances of members of council being removed from office by the minister of Indian and Northern Affairs and one instance of the whole chief and council being removed for a violation of the election procedures outlined in the *Indian Act* (INAC, 2006).

The governance system of the community has broken down. Chief and council do not meet as a quorum any longer. In fact, a controversy that was in reported in the newspaper while I visited Indian Brook related a story of how eight councillors secretly formed a company called, ‘Indian Brook Fisheries Inc.’ The councillors negotiated a fishing agreement with a federal government agency, the Department of Fisheries and Oceans (DFO). The agreement provided for the Indian Brook community to receive $5 million for ‘a fish quota.’ The negotiations were a result of the federal government’s obligations to provide access to the fishery because of a court case referred to as the *Marshall Decision* (McIntyre, 2006). The DFO reportedly transferred $1 million to the company. However, the eight councillors were being accused of appropriating the funding for their own use (McIntyre, 2006).

Another significant issue is related to two factors, elections and the poverty experienced by many band members. Band councillors receive a salary of approximately $36,000 a year. That figure is enormous considering the high reliance on welfare – with welfare recipients living off $140 every two weeks (McDonald, Alex, 2006). Keith Julien, the Housing Coordinator, compared someone winning an election to ‘inning a lottery’ (Julien, Keith, 2006).

A community planning process was engaged with planners from Dalhousie University. Several ‘root causes’ of the situation Indian Brook currently must contend with are identified in the planning posters as:
• Economics:

• Root Causes
  o The reserve is hard to find
  o No jobs for students
  o Politics have no vision
  o No policy
  o Lack of economic planning
  o Nepotism
  o Competition
  o Inconsistent in applying policies to individuals

• Future Implications
  o No money
  o There won’t be any change (Indian Brook, 2005).

The importance of the governance function in the community can be found in six of the eight ‘root causes’ of economic challenges.

A question posed to a band member asked to identify the positive aspects of the community that would facilitate the entrepreneurial process, she responded that ‘a chief and council that could work together and the community work together, support one another’ (Knockwood, Doreen, 2006).

7.4.5 Property rights and capital management

The community exists under the authority of the land regimes as identified in the Indian Act. There was no evidence of the band utilizing ‘land’ as an asset except for its utility as a location for new ventures. While Chief McDonald and Keith Julien both spoke of the potential of their land holdings there was no indication that those assets had beenleveraged in any systematic way – except as stated above, as a location for a new venture.
7.4.6 Mandates and possibilities of boundary spanning

This was a problematic ‘factor’ simply because of the tumultuous state of the community during the time I visited. Turmoil that was rampant in the community because of the manner in which it appeared that large sums of money had been transferred to the current group of councillors without any accountability for its spending. There was a protest planned in a nearby community the day after I arrived – in fact Chief McDonald invited me along to attend the rally to raise awareness of the ‘injustice’ of the DFO deal with a group of councillors. I did not attend.

So, at the time of writing it was not possible to penetrate the acrimony prevailing in this community with sufficient research dispassion to gather data and calmly list the nuances of ‘mandates and possibilities’ in any structured detail. Chaos prevails. Thus only highly general statements are possible. The over-riding mandate is that this fraught community must overcome its major problems of nepotism, unaccountable financial management, and the attendant breakdown of trust and good will that pervades nearly every aspect of community life. Without this there is virtually no possibility for any viable entrepreneurial initiative whatsoever to be undertaken in this community.

In short, the community has so many boundaries to span in every aspect of community structure and relationships that the only thing that can be said about boundary spanning is that that a professional ‘boundary spanning’ analysis – well beyond the scope of this researcher and this research – is the prime and most urgent need in a community that is massively dysfunctional. No entrepreneurial process whatsoever has any chance of success in the current state of crisis.

7.4.7 Articulating the community’s entrepreneurial status and potential through synthesis of the six components

The above case requires little further analysis. The entrepreneurial status of the Indian Brook First Nation can be described in any other way but abysmal. New venture after new venture – created with band assets – failed. The community
exists in the direst of circumstances with the position of chief or as a councillor often viewed as the best job in the community – it is like winning a lottery (Julien, Keith, 2006).

This set of circumstances prescribes Indian Brook First Nation’s entrepreneurial potential. In its current state, the community has zero opportunity for successful conduct of any entrepreneurial process.
7.5 Reciprocal cross case analysis

7.5.1 Generic summary: ranking the influence of Indigenous community factors upon entrepreneurial process

At the most general of levels, what matters most to determining whether various actors within an Indigenous Canadian ‘band’ create wealth from entrepreneurship? Several empirical studies exist attempting to address that specific question (Bherer, Gagnon, Roberge, 1990; Cachon, 2000). Cachon (2000) conducted an empirical study examining the implication of a recent court case on entrepreneurship on reserves. The study was focussed on individual entrepreneurs – 89 percent of whom were structured as sole proprietorships (Cachon, 6). Bherer et al., (2000) examined entrepreneurship on four reserves in Quebec. Both studies fail to delve very deeply into the environmental context that the entrepreneur exists in. It is fair to say that if an Indigenous band were to attempt to use either as a ‘roadmap’ that they would not find much help in travelling in the needed direction.

The research articulated in this thesis diverges from earlier studies and adds new knowledge by recognizing the contextual nature of the entrepreneurship phenomenon (Hindle, 2010, Steyaert, 2007). Contextual community factors influence entrepreneurial process in a number of significant ways. Table 7.5.1.1 is a cross-site matrix that displays the primary and secondary factors within the communities that participated in the study. The ICVM factors were analysed across all its elements with the view to search for key themes that were supported by multiple data points across different data sets, i.e. interview transcripts, field notes, and documentary data. After conducting the analysis on each individual community a cross-site matrix was developed to identify the primary and secondary facilitating and/or inhibiting factors. The following will briefly discuss some of what I believe can be argued to be the key generic

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20 There are many other studies of ‘aboriginal’ economic development and ‘aboriginal’ entrepreneurs. However, the use of ‘aboriginal’ as a unit of analysis merges a population with a number of distinct groups, Métis, Inuit, urban ‘aboriginal’, without recognizing the unique and specific circumstances of each, which is in fact a principal argument of this research, context matters.
issues – with the most important factor identified first, the second next and so on.

Of crucial importance is the ability of a person to effectively gauge a situation, identify areas of potential utility and potential problem areas: then to effectively manage those issues, create a set of ‘mandates’ to address the areas that require attention, and define the ‘possibilities.’ This is all potentially achievable within a band environment. It is also accomplishable in a manner that ‘bridges’ the Indigenous band to the outside world. It spans the enormous boundaries that exist between Canadian Indigenous bands and people with the rest of Canadian society through constructive, contextually sensitive entrepreneurial processes of many kinds involving a wide range of entrepreneurial protagonists.

Table 7.5.1.1 - Cross-site analysis – primary and secondary facilitating or inhibiting factors respecting the engagement of the entrepreneurial process

<table>
<thead>
<tr>
<th></th>
<th>Boundary spanning</th>
<th>Gov and institutions</th>
<th>Worldview and Social networks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Osoyoos</td>
<td>✓✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Lac la Ronge</td>
<td>✓✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Membertou</td>
<td>✓✓</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Onion Lake</td>
<td>XX*</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Shubenacadie</td>
<td>XX*</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Neskonlith</td>
<td>XX*</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

✓✓ = primary facilitating factor, ✓ secondary facilitating factor
XX = primary inhibiting factor, X secondary inhibiting factor
* this refers to the lack of boundary spanning individuals in the community
Only the primary and secondary factors are listed in the table.

Table 7.5.1.2 is comprised of boundary spanning individuals that were identified in the three GT cases. Lac La Ronge Indian Band has had a number of individuals that acted as boundary spanners. Each of the three GT communities has had someone within the band that could effectively navigate through the community’s social, political and economic systems, develop understanding of areas of potential and possible struggle, then develop plans to engage in the entrepreneurial process. Those people have also contributed to the ‘bridging’ of their respective community or place of employment (the band) to the outside.
world – both in terms of corporate partners and in reaching external markets. There were no boundary spanning individuals identified in the three TG cases.

Boundary spanning is the absolute key to success.

**Table 7.5.1.2 - Cross-site analysis – key boundary spanning activities**

<table>
<thead>
<tr>
<th>Boundary spanners by community</th>
<th>Professional background</th>
<th>Key internal ‘boundary spanning’ asset</th>
<th>Key external ‘boundary spanning’ asset</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chris Scott, Osoyoos</td>
<td>Entrepreneur</td>
<td>Respect of community members</td>
<td>Knowledge of the entrepreneurial process outside of community</td>
</tr>
<tr>
<td>Ray McKay, Lac la Ronge</td>
<td>Entrepreneur / non-Indigenous government</td>
<td>Respect of community members</td>
<td>Knowledge of government operations</td>
</tr>
<tr>
<td>Dave McLlymoyl, Lac la Ronge</td>
<td>Management</td>
<td>Knowledge of Lac La Ronge internal operations and the north</td>
<td>'Bridging the north to the south'*</td>
</tr>
<tr>
<td>Bernd Christmas, Membertou</td>
<td>Corporate lawyer</td>
<td>Governance and institutional development</td>
<td>Networks with industry</td>
</tr>
<tr>
<td>Onion Lake, Shubenacadie, and Neskonlith</td>
<td>No boundary spanning individuals were identified in each.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A good example of a boundary spanner is Bernd Christmas of Membertou First Nation. He assumed the position as CEO of Membertou Corporate Division, which not only gave him control of all entrepreneurial pursuits but also over each department and program within the band government. It was his idea to pursue the radical and brilliant idea of obtaining ISO 9001 2000 certification for an entire nation (Christmas, 2005). It was Bernd who negotiated with huge firms like Sodex’ho Canada, Lockheed Martin, SNC Lavelin, and Boeing (Christmas, Bernd, 2004). The community of Membertou went from almost one million dollars in deficit and almost 99 percent of all band operational funds coming from government to what it is today: a demonstrably successful entrepreneurial environment. It takes an innate ability for someone to be able to effectively traverse the boundaries that exist between bands and the larger, mainstream Canadian society. Another good example of the need and existence of a
boundary spanner is evidenced in Chris Scott, COO of the Osoyoos Indian band Development Corporation. Mr Scott is a non-Indigenous person with considerable entrepreneurial success in his personal background. His boundary spanning did not occur in the same manner as in Membertou. What Chris Scott accomplished – with the leadership and support of Chief Clarence Louie – was a way to effectively leverage a set of band owned assets and to invest those assets in a manner that created a great deal of employment and wealth for the Osoyoos Indian band. Chris Scott identified areas of concern; he formulated ways of addressing problem areas and exploiting assets. He provided the means through which Clarence Louie could lead his band in their entrepreneurial pursuits.

Boundary spanners and boundary spanning matters first.

Another important factor that can be ranked second in importance is ‘worldviews and social networks’. There was considerable evidence throughout all of the case studies of cultural loss. Several Elders pointed to a past culture that was based on respect and sharing (Betterton, Modesta, 2006; Chief, Peter, 2006; Paul, Annie, 2006). Cultural loss now contributes to a level of conflict and mistrust that is truly detrimental to entrepreneurial ventures. For example, Elder Paul (2006) spoke of how jealousy contributes to the shunning of on-reserve entrepreneurs – people would just not purchase goods and services from on reserve shop start-ups because of jealousy. A loss of culture contributes to the undermining of self-confidence of people in the community. The result of that loss of confidence is inaction (Lampreau, Leona, 2006). Entrepreneurial opportunities could be ‘in your backyard’ without anyone engaging in the entrepreneurial process because they either fail to recognize opportunities or don’t think they can effectively manage all the functions required to start a new venture. A good example of this is in Neskonlith First Nations’ Salmon Arm land holdings, with a ‘million dollar view’ (Anthony, Arthur, [Chief], 2006) and its land holding with a large-scale gravel pit (Lampreau, 2006). Were it not for an overwhelming attitude of ‘can’t do’ negativity pervading the self worth of the community and all its inhabitants, both of these assets could be leveraged in a
way that provides much needed capital for further development – for a community in a dire economic situation.

Worldview and social networks matter second.

The third ranked factor in my estimation of the contextual environment of Indigenous entrepreneurship on reserve, is governance and institutions. There is only one place in Canada where an entrepreneur cannot quickly discover the manner in which he or she would obtain a business license, identify the rate of business tax, secure a legally enforceable land tenure on property they seek to develop. There is only one place in Canada that a Band Council Resolution can be rescinded and an entrepreneur lose the property they have developed because of the caprice of elected politicians. That place is the Canadian band. Band governments have considerable authority – they are responsible for almost all aspects of life of band citizens. The creation of an environment conducive to entrepreneurship can be accomplished – my empirical study has provided evidence of that – but only in an atmosphere of good governance.

The empirical study I conducted on six Indigenous band communities provided a rich dataset of a range of factors but one universal and highly dominant theme involves the environment that band governments create. There exists the ability for band governments to better structure the environment for entrepreneurs – even given the overarching archaic legislative regime that is the Indian Act. Section 83.1.b gives the chief and council the authority to license businesses (Department of Justice, 2009). Section 81.i gives the chief and council authority to provide Certificates of Possession to band members (Department of Justice, 2009) – a legally enforceable form of on-reserve land tenure (Alcantara and Flanagan, 2006). The three successful exemplar communities provide evidence of the manner in which a stable political environment that is viewed as being legitimate in the eyes of band members can contribute to successful entrepreneurship.

Good governance and functional, flexible institutions matters third.
The next two ‘factors’ that can affect the entrepreneurial process in Indigenous band communities in a significant manner are, in reality ‘twinned’. They are: ‘baseline physical assets’ and ‘baseline human capital.’ Simply, if you don’t have the land you cannot start a manufacturing facility or other entrepreneurial ventures that require a large ‘footprint.’ In the same manner, if you do not have the existing skilled human capital – within the band membership - to operate the equipment and machinery in the manufacturing plant you cannot start any such proposed new venture. The physical resources issue is often a crucial initiative blocker. It is a fact that most band members consider all of the band’s assets as collectively owned. It is more likely to result vehement recrimination rather than constructive debate to break out when any proposal for those assets to be utilised for projects are put. This is especially so if the project involves any jobs or benefits flowing to outsiders (even if the net benefits within community are tangible and considerable). ‘Beggar my neighbour’ often triumphs over ‘improve our lot’. A good example of this was found in the Osoyoos Indian Band’s leasing of land to non-Indigenous entrepreneurs. Two research participants spoke of how the leasing of band owned land to off-reserve non-Indigenous entrepreneurs was taking wealth away from their own people – that ‘we can do it ourselves!’ (Baptiste, Sam, 2005). In fact, analysis reveals that at that stage of their entrepreneurial evolution the Band could not successfully do without a productive strategic alliance. Another telling example of the importance of human capital was found in the number of businesses that failed in Indian Brook First Nation.

Baseline physical assets and baseline human capital matter fourth.

This brief discussion provides an overview of how the factors identified in the ICVM impact the entrepreneurial process. One factor was not explicitly discussed: property rights and capital management. Its omission was done purposefully. The reason is indicated in the discussion of governance and institutions – it is the band government that is responsible for the creation of an effective institutional arrangement that creates a property rights regime that facilitates sound capital management possibilities. In Indigenous situations, governance and property rights are often virtually synonymous.
7.5.2 What the ICVM did for the second set of cases

Throughout the data collection phase of this, the second empirical analysis, close attention was paid to two factors: first, the existence and influence of pertinent factors identified in the ICVM; second possible existence and influence of factors not identified in the model.

The cases provided no indication of the latter and significant comportment with the former.

The research I conducted in these three communities allowed me to approach the examination of factors that can impact the entrepreneurial process in a logical, structured manner with a clear set of guidelines. I was much more confident and immensely better prepared to conduct these three cases that I was when I conducted the first set of three communities (in the grounded theory study). So, the first and perhaps principal virtue of the ICVM is empowerment and the second is efficiency. It is very empowering and efficient, as a researcher, to have an analytical regime that you can trust to get to the heart of the community-entrepreneurship nexus in a prompt focused manner. (This point will be expanded as one of the major implications of my research in the following chapter).

The ICVM allowed me to approach a research problem armed with a trusted, useful investigative toolkit and a means of communicating with respondents in a systematic but culturally sensitive manner. I was no longer ‘fishing’ as it were – each case was approached systematically and with purpose. The research question is restated now as a means of clearly expressing how the above research process – as outlined in the two previous chapters – allowed me to feel confident that it was achieved;

The research problem reported in this thesis is fundamentally concerned with the broad issue of how a wide range of entrepreneurial processes can be successfully conducted in the context of Canadian
Indigenous band communities. It is a thesis about the role of context on entrepreneurial process in a particular setting. Put at its simplest, my core question, stated at its broadest level of generality is: what makes for successful as distinct from unsuccessful entrepreneurship in the Canadian band community context? To do this, I need to understand how Indigenous context at the community level influences entrepreneurial process (my research problem as identified in Chapter 1 of this thesis).

7.5.3 What the cases did for the ICVM: meeting objective two through refinement of the model

The potential and actual richness of the data obtainable and obtained in the three case studies reported in this section was diminished by the existence of dire circumstances in two of three case studies. During my visit I was often saddened by the nature and detail of disadvantage which research participants gave me. For example, in Neskonlith First Nation, two female respondents clearly had deep conviction for the jobs they were doing, one in the governance function and the other in the education field. However, they both were at a loss given their current circumstances and the ‘apparent apathy’ of other levels of government (Lampreau, Leona, 2006). Additionally, in Indian Brook, two young university graduates and their father (who was my host for two days) also expressed a passionate desire to see improvements in the community – but could not express much optimism for the immediate future.

The reason I raise this issue is because I was offered unsolicited advice in both communities concerning what was construed as an approach based on liabilities rather than on the assets of the community. I do not agree with that sentiment. The ICVM is a practical tool for examining how factors in Indigenous communities can impact the entrepreneurial process. I was able to gather evidence of the assets that existed in each of the communities and those assets would certainly provide a positive impact on the entrepreneurial process. However, if a focus on assets were strictly maintained there would be omissions
in the analysis and any ‘mandates’ and ‘possibilities’ that were identified would not address the overall issue – it would be a model without the whole picture.

I strongly believe that analysts (for practical application) and researchers (for theoretical gain) must assume a requisite amount of empathy for the communities they work in – a rather simplistic statement that is more than likely a requisite for any researcher.

The conclusion to this discussion reveals my only suggested ‘revision’ to the model. When the ICVM is being utilised in communities there will come a time when the researcher has to shed the persona of a neutral observer and engage in what might be called ‘participatory action research’ (if you agree with the proposition) or ‘unprofessional, distorting influence’ (if you do not agree). However, given the nature and purpose of research in the field of Indigenous entrepreneurship is the redress of disadvantage I believe the following. I believe, that at a certain judiciously appropriate stage of any investigation, it is incumbent on the analyst/researcher/helper to point out assets the community can exploit. This insight is not really a revision of the ICVM and does not call for any modification to the model itself. It is an insight, a belief, about the manner in which the ICVM should be applied.

7.5.4 Synthesis of previously reviewed literature and the ICV
Chapter’s two, three and four reviewed copious amounts of literature that ranged across a broad expanse of the extant knowledge of Indigenous circumstance, theoretical perspectives of development and underdevelopment, entrepreneurship, the entrepreneurial process, Indigenous entrepreneurship, community and context as a variable in the research of the entrepreneurial process. The review of literature concluded with an examination of the relevance of an extant diagnostic regime for investigating the viability of engaging in any entrepreneurial process given a set of contextual ‘factors’ – the model is referred to as Hindle’s Bride in this thesis. This chapter and the one preceding it articulate the results of two separate but related empirical investigations. One important outcome of all previous research activities
reported in the relevant chapters above is that there is a high degree of synthesis possible between previously reviewed literature and the Indigenous Community Venturing Model. Several key concepts from the literature review are examined against the theoretical and analytical tool now referred to as the ICVM.

Chapter Two has established that Indigenous Canadian’s experience relative disadvantage in relation to mainstream Canada (Ketilson and MacPherson, 2001, 2, Vodden et al., 2001, 2). Moreover, there is considerable difference between life experiences within band communities than that experienced by people living ‘off-reserve’ (Anderson, Hindle, Dana, Kayseas, 2004; Boldt, 1993; Frideres & Gadacz, 2005; Helin, 2006; Newhouse, 2000; RCAP, 1996). However, Indigenous communities, collectively and individually, are not passively accepting their often-dire circumstances. Many are actively engaging in entrepreneurship at increasing rates while maintaining strong ties to cultural and traditional beliefs (Anderson, Hindle, Kayseas, Giberson, 2005).

The empirical investigation I conducted in the six communities described above provided evidence of the both the actual engagement and the desire of Indigenous people to seek wealth through in entrepreneurship. The Osoyoos Indian Band, Lac La Ronge Indian Band and the Membertou First Nation have each developed a suite of enterprises that led to their recognition as ‘outstanding examples of economic development’. Each of these communities has successfully engaged in the entrepreneurial process (es) within the archaic Indian Act legislative regime. All six of the communities described above operates entirely within a system that asserts authority over all aspects of land development in the hands of government officials that are located in Ottawa, hundreds and in some cases thousands of miles away (Abele, 2007, 13). However, three of the communities have not been successful at navigating through the Indian Act system, nor through the other myriad of social, economic and political issues that exist with the Canadian Indigenous band. In fact one of the primary goals of the research in this thesis was a quest to develop a theory about how one might successfully navigate through the existing range of contextual factors within a given ‘community’ to engage in any entrepreneurial
process. The six communities that I investigated provide evidence that supports one of the principle theoretical assumptions that resulted from the research articulated in this thesis: ‘community context’ does matter. Many scholars agree.

For example, Pierre André Julien asked the question, ‘why do some small regions grow while others – even those located close by – either fall into decline or find it difficult to keep up to the general economic trend?’ (Julien, 2007, 1). Julien’s theoretical response to that question is that the context the entrepreneurial protagonist operates in impacts the outcomes sought by entrepreneurs. His theory of ‘local entrepreneurship’ takes into account the entrepreneurs origins, culture, life experiences, education, training, and stakeholders like family members, associates, employees, business partners, ‘or anyone else in the entrepreneur’s milieu, who serve as a model or are able to provide useful information’ (9). He goes further by stating that the geographical space the entrepreneur exists in also impacts the entrepreneurial process engaged, concerns like resources like social, financial, and human capital, infrastructure, consumers, and institutions all matter (10).

Schoonhoven and Romanelli (2001) agree;

‘...New organizations do not emerge de novo from the idiosyncratic and isolated invention of individual entrepreneurs. Their ideas for new organizations, their ability to acquire capital and other important material and human resources, and their new organization’s likelihood of surviving derive from the contexts in which individuals live and work. Context, even assuming a special and broad influence of distinctive and uncommon individual inclinations, must exert a constraining influence on rates and kinds of organization creation at the same time that it motivates organization creation’ (2).

Similarly, in their review of the treatment of contextual and process issues in extant entrepreneurship research, Ucbasaran, Westhead and Wright (2001) pointed to three key areas related to the entrepreneurial process, two of which were (as stated in Section 3.2.2):
• The ability to make a connection between specific knowledge and a commercial opportunity requires a set of skills, aptitudes, insights, and circumstances that are neither uniformly nor widely distributed (61).

• The extent to which individuals recognize opportunities and search for relevant information can depend on the make-up of the various dimensions of an individual’s human capital (Ucbasaran, et al., 2001, 61).

Previously reviewed literature – found in chapters three and four – related how scholars have made assumptions of the causal factors that explain the variations of the number of entrepreneurs, income levels, and economic growth (see for example, Bull and Willard, 1993; Bygrave, Minniti, 2000; Carree, Thurik, 2005; Easterly, 2002; Fogel, G., 2001; Gwartney, Holcombe, Lawson. 2004; Helpman, 2004; High, 2006; Mueller, 2007). Other scholars have focused their research on the ‘environmental’ conditions that can impact the entrepreneurial process (El-Namaki, 1988; Gnyawwali, Fogel, D. 1994; Harper, 2003). One common theme that is found in much of the literature cited above is that context matters.

Throughout the research process I examined several factors within the communities. Statistical data in the form of education attainment, employment characteristics like average incomes, sources of income, and types of jobs were attained from Canada’s statistical agency. I also searched for listings of current businesses in each community – both through observation and in the interview process. I interviewed political leaders, respected Elders, managers of band owned enterprises, and entrepreneurs that owned their own business. In all of the six case studies I found evidence that supports the propositions made by several authors whose literature I reviewed. There are a very limited number of on-reserve entrepreneurs. In fact the population of on-reserve entrepreneurs only amounted to 1.3 percent of the overall on reserve population of 286,159 in 2001 (Statistics Canada, 2001, 12). Moreover, they were more likely ‘be home-based, seasonal or part-time, unincorporated, located in rural settings, more reliant on local community markets, and much more likely to exclusively have Aboriginal clients’ (Statistics Canada, 2001, 47). Therefore it is logical to
assume that the limited amount of entrepreneurs and low rates of human capital result in communities with low stocks of people with the skills, aptitudes, and insights to identify commercial opportunities (Julien, 2007; Shane, 2003; Schoonhoven and Romanelli, 2001; Ucbasaran et al., 2001).

To assume that there is a connection between the scant supply of the specific knowledge, skills, aptitudes, insights and human capital within Shubenacadie, Neskonlith, and the Onion Lake First Nation and the failure to effectively engage in the entrepreneurial process is a proposition that is supported by the literature (Hindle, 2010, Julien, 2007; Shane, 2003; Ucbasaran, Westhead, Wright, 2001). Additionally, I also found that the social, physical, financial, and organizational capital required to effectively progress from conception of a commercial idea to the development of a business strategy is in low supply in each of these three communities.

A good example that illustrates how the social environment does not support entrepreneurial pursuits within these communities is found in the manner community members view enterprise within the band. Chief Alex MacDonald of the Shubenacadie First Nation spoke of how even members of the elected council would ‘pull up to the gas station, fill up and leave’ (2006). This same issue was identified as occurring in the Onion Lake First Nation (Lewis, Eugene, 2006). Additionally, governance systems within the three theoretically guided case studies did not effectively map out how entrepreneurs could attain such practical concerns as some form of secure land tenure, business licensing, and building codes.

The primary issue that was identified as a result of the review of the extant literature on entrepreneurship and development theories posited to apply to Indigenous people (see Chapter 3) is that there is no theoretical/analytical frameworks in existence that identifies a broad of range of issues and is action oriented – one that specifically operationalizes both research and practical application of the entrepreneurial process. That is until I formally reviewed the analytical framework I refer to as Hindle’s Bridge – the utility and veracity of which I have outlined at length above.
With the above three arguments concluded (Section 7.5.2, 7.5.3, and 7.5.4) it is possible to assert that the development of the ICVM (the work reported in the previous chapter) and its testing (the work reported in this chapter) have enabled me to meet the second and principal objective of the entire research project. That objective is restated now for purpose of clarity and reader convenience:

**Objective 2:** develop a theoretical/analytical framework directly germane to understanding the relationship between Indigenous community context and successful entrepreneurial process (Objective 2 as identified in Chapter 1 of this thesis).

The final chapter of the thesis details the implications of the research findings.
8. Theoretical and practical implications

Chapter Abstract

The research reported in this thesis began with a broad research problem and two focussed objectives. Because I am an Indigenous Canadian who has experienced firsthand both the realities of relative disadvantage and the reality of the possibility of overcoming it, formulation of a useable research outcome was a principal driver of this research. Developing findings that had genuine utility, whatever they might be, was crucially important to me both as an Indigenous person with roots in a band and as a novice researcher. In this chapter I argue strongly that, despite the limitations affecting the project, I have met both major objectives set for the research (see chapter one and chapter five above) and that my findings are demonstrably useful. This is done in three sections that discuss the implications of this study for: theory and research; practitioners; and policymaking. I conclude with a putative case illustration of how my principal finding, the Indigenous Community Venture Model (ICVM), may be put to work.
8.1 Meeting my research objectives

8.1.1 Meeting objective one

A formal statement can now be made concerning the meeting of objective one, restated here for the sake of expedient reading:

**Objective 1: perform a structured investigation.** This research seeks to understand the entrepreneurship phenomenon and associated entrepreneurial processes as they occur in Indigenous communities (as represented by Canadian bands) by detailed, structured examination and comparison of communities that are performing entrepreneurship (both successfully and unsuccessfully) and communities that are not even attempting entrepreneurial performance.

The research I undertook was a systematic process informed by deep immersion in relevant literature and guided by (but not hostage to) established research findings and artefacts in the field – especially the ‘Hindle’s Bridge’ diagnostic framework (Hindle 2010).

The research was formulated with an understanding of the complexity of the phenomenon and structured in such a way as to address that complexity. I started the research process by forming a theoretical pre-understanding of the phenomenon in question – again guided by the research question and two associated objectives. Then, after a suspension of any theoretical biases I may hold, I undertook three grounded theory case studies, the ‘first empirical analysis’ in my research design. The grounded theory study was guided by the approach developed by Glaser and Strauss (1967) and Strauss and Corbin (1998).

Next, I moved on to formulate a ‘combined theoretical insight’ by examining the research output from the grounded theory cases against an extant analytical framework, discussed in the literature review and which I have referred to throughout, for brevity’s sake, as ‘Hindle’s Bridge’ (Hindle 2010).
The constant comparative method at the heart of grounded theory development was a very useful methodology encompassing a data collection and analysis technique that allowed the grounded theory to ‘emerge’ from the views, perceptions, and thoughts of the people that experience the phenomenon. I went on to compare and contrast the extant theory/practice model with my grounded theory in order to formulate guidelines for a theoretically driven second-round case investigation, perform that investigation and make evidence-based conclusions. Therefore, I can credibly claim that the manner in which the research was conducted was a well ‘structured investigation’. Research objective one was met.

8.1.2 Meeting objective two

A formal statement can now be made concerning the meeting of objective two, restated here for the sake of expedient reading:

**Objective 2: develop a theoretical/analytical framework directly germane to understanding the relationship between Indigenous context and successful entrepreneurial process.** The study seeks to develop, as its principal finding and output, a theoretical/analytical framework that can:

• describe and explain the importance of and the relationships between key contextual factors that affect successful or unsuccessful entrepreneurship within the context of the Indigenous Canadian Band community;

• indicate to prospective Indigenous entrepreneurial actors how to negotiate the positive and negative influences of these factors in order to prosecute entrepreneurial initiatives that are likely to succeed for the benefit of both the entrepreneurial protagonists and the community at large;

• facilitate insightful and constructive research of a wide range of entrepreneurial processes in the specific context of the Canadian Indigenous ‘band’ community.
The outcome of the ‘combined theoretical insight’ stage of the research implementation was to accept the propositions and the factors that Hindle (2010) identified in his diagnostic framework. So, it turned out that the ‘candidate’ generic theoretical/analytical framework (see chapter five, above) that emerged as the state of the art from my literature review did, in fact capture and identify the range of factors specifically germane to understanding entrepreneurial process in the Indigenous context – see the synthesis of the literature in the previous chapter. I set out in quest of an original discovery and in fact ‘re-discovered’ the value of something already known. This is just as valuable a research achievement. I have no interest in novelty for its own sake. I am interested only in what works for all of Canada’s Indigenous bands pursuing entrepreneurship as a means of addressing relative disadvantage.

However, the evidence of my several empirical investigations provided me with some scope for original contribution.

The ‘combined theoretical insight’ procedure (see chapter five, above) led me to reformulate the manner in which the ‘Hindle’s Bridge’ theoretical and analytical system is visually represented for communication purposes to an Indigenous audience. The reformulation was based on the deeply rooted tradition of viewing life as a ‘continual reoccurrence of natural patterns’ (Regnier, 1995) best represented by a ‘circle’ – a pervasive motif in Indigenous cultures. The reformulated framework, I labelled the ‘Indigenous Community Venture Model’ (ICVM) and used it to guide my second empirical investigation.

Space constraints force me to summarise the absolute essence of the ICVM. Nothing is lost from the detailed procedure articulated in Hindle’s Bridge (Hindle 2010). The components and procedures are the same. The presentation is different. In the circle approach, the desirability and feasibility of a contemplated entrepreneurial process (say, a new venture) is placed at the centre a circle where the six key action mandates are subsequently carried out. Boundary spanning is viewed as the key linking activity where all the harmonious and discordant community factors find resolution. Through the agency of appropriate
tools and contextually sensitive programs, the circle of community activity can now be expanded to embrace a community sensitive, culturally appropriate entrepreneurial initiative – see Figure 8.1.2.1 for a description of the manner in which the ICVM is used for both the research of the Indigenous entrepreneurship phenomenon in the specific context of the Canadian Indigenous band – and how it can concurrently be used for the practice of entrepreneurship in that specific context.

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**Figure 8.1.2.1 Indigenous Community Venturing Model – operationalized**

The model developed by Hindle (2010) captures many relevant facets pertinent to the entrepreneurship phenomenon in the context of the Indigenous ‘band.’ This is not surprising given Hindle’s long standing interest in Indigenous entrepreneurship (Hindle 2005; Hindle and Lansdowne 2005 and 2007; Hindle and Moroz 2009) and the fact that the general model originated in a specific interest in Indigenous entrepreneurship. The Hindle’s Bridge diagnostic regime rests on the foundation of facilitating both research and practice. Context, especially community context has been a minority area of entrepreneurship
research (Hindle, 2010; Julien, 2007; Schoonhoven and Romanelli, 2001; Steyaert and Katz, 2004; Steyaert, 2007) and it is an area often disregarded by policy makers and ‘do-gooders’ of all kinds intent on addressing economic ‘disparities’ in a manner they see fit without an understanding of the contextual environment within which those inequities exist. The ICVM is identical to Hindle’s Bridge in that the analytical framework provides, ‘for any community to which it is applied’:

(1) a general assessment of the entrepreneurial potential of the whole community in its current state;

(2) a specific assessment of the technical and contextual viability of any proposed entrepreneurial initiative by any set of community actors given the current status of community development;

(3) the ability to articulate the foundations for design and execution of entrepreneurial projects (physical, institutional and educational) that are both feasible and desirable for a range of entities who are community members (this importantly implies the opposite: the ability to recognize and reject inappropriate entrepreneurial initiatives before resources are wasted in pursuing them);

(4) the ability to identify the focal areas where facilitations and programs of varying kinds might be created to enhance the existing resources and skills of various community members and institutions so that desired initiatives, which are not feasible at present, may become feasible in future (Hindle, 2010, 4).

The process to achieve the ‘enhanced community context’ in the ICVM is identical to Hindle’s Bridge (see page155 to 156) except that it is more flexibly conceived. The fluidity of the analysis is further represented by the circular shape of the ICVM. After the first order analysis occurs the remaining factors
can be examined in a manner conducive to the researcher/analysts resources and accessibility of information – save and except the final order analysis – boundary spanning, which remains the last factor to be examined.

Then, in the ‘second empirical analysis’ phase of the research program I undertook three more case studies, guided by a set of theoretical propositions based on the elements comprising the ICVM. The case study method formulated for this second round of empirical investigation employed a research design posited by Yin, (1994) to be ideal for examining a phenomena involving high complexity - as my area certainly did. It was posited that the three case studies would present a ‘literal replication’ outcome – they would present contrasting results on the range of factors identified by the ICVM. In fact, the second round of cases substantially verified the value and utility of the ICVM as an investigative framework. Its use generated deep insight into the factors required to turn unsuccessful entrepreneurial communities into environments capable of sustaining a range of beneficial entrepreneurial initiatives.

With the development and application of the ICVM from a combination of extant research and grounded theory and its testing and verification in a subsequent sequence of theoretically guided cases I argue that I met all three aspects of the second focussed objective which I set for this research project: the descriptive, indicative and facilitation sub-objectives were achieved.

So, after considering the limitations of this research, the only question remaining is the great ‘so what?’ Accordingly, the thesis concludes with a brief discussion of the implications of my findings with regard to theory/research, policy and practice.

8.2 Limitations of the research
The scope of the research I embraced for the purposes of completing the requirements for a doctoral candidacy was daunting. My status as a novice researcher, the scope of the project, the number of variables I had to manage, the fact that I had to travel to vastly different regions of Canada, as well as
travelling to Australia where the program I enrolled in is located, all converged to create a host of challenges.

I believe that I managed the research program competently. I also believe that my visits to the six communities were executed in a manner that was respectful to the people and communities I visited. In fact, I am still in communication with several research participants who continue to follow the progress of the project and look forward to reading the final outcome.

However, many limitations exist because of factors including: the limited breadth of my own knowledge of the research process, methodological considerations, data gathering and data analysis complexities.

Researching Indigenous populations involves many challenges. There were times during the data gathering visits to the six Indigenous communities that participated in this study when I felt quite disconcerted. Interviews I had arranged painstakingly were ruined and had to be constantly rearranged because interviewees, members of the community I was visiting, did not show up. On two occasions – even with the knowledge that the interview was entirely on a volunteer basis – interviewees seemed hostile and non-cooperative.

There are many limitations of the data I collected from some of these communities simply because of the human nature of research. I had to rely on the truthfulness and trust of research participants. That also placed some limitations on the veracity and reliability of some of the data – albeit with only a very small number of respondents.

Most importantly, the overwhelmingly major difficulty for data collection in Indigenous communities is a combination of trust and fear. There is a deeply entrenched reluctance on the part of many Indigenous community members to reveal anything to external investigators of any kind. Since the coming of the White invasion, there has been so much colonially redolent abuse of community members by holders of official and information-based power that the
overwhelming tendency is to ‘shut up’: to say nothing because the information you give will be somehow used against you.

Building trust between genuinely sensitive Indigenous researchers and genuinely open respondents is only in its infancy. Despite this, I believe that my status as a fellow Indigenous person and my careful use of sensitive protocols allowed me to gain sufficient trust to generate meaningful, reliable data and insights.

8.3 Implications for theory and research

At one time in the recent past the Indigenous economic development agenda was fairly consistent across Canada because it was formulated by the federal government through policy and practice and imposed uniformly across the country (Elias, 1991, xi). However, over the course of the last two decades there have been significant changes in the relationship between Indigenous and non-Indigenous Canadians (Notzke, 2006, 25). Today Indigenous people have the opportunity to create development strategies that suit their local needs and take into account their own unique situations. However, anyone with an interest in Indigenous entrepreneurship in Canada soon discovers that these development strategies involve several hundred different cultures located within over 600 Indigenous ‘reserves’ across Canada, a nation with a federal, ten provincial, and three territorial governments, many entrenched Canadian institutions and a very large private sector. There is no all-encompassing Indigenous culture, no single type of Indigenous economy or type of community – as the six case studies comprising the two empirical investigations of this study have shown.

This makes the application and usefulness of uniform generalizations and best practices difficult for Indigenous communities and it also creates a host of difficulties for researchers. However, Indigenous people, wherever they live across the country, do exhibit a set of beliefs, values and principles that form the core of their particular community’s culture (Alfred, 1999, xviii). Moreover, there are thematic characteristics of Indigenous communities that are consistent
across the country and there are principles that can be applied regardless of geographical location or environment (Notzke, 36). It is therefore possible to create a research agenda like the one articulated in this thesis which has demonstrated that it is possible to develop an understanding of a set of factors within Canadian Indigenous communities that can be applied to a very wide set of the Indigenous population interesting their communities. My research findings are testament to this positive possibility.

Indigenous entrepreneurship researchers interested in detailed case investigation can now safely begin their research based on a reliable, tested, systematic, investigative regime: the ICVM. Moreover, the greater the number of researchers who apply the system, the greater is the possibility of achieving something hitherto completely absent from Indigenous entrepreneurship research: cumulative effects. The rigour of the diagnostic regime serves both flexibility (it is useful in a vast variety of Indigenous communities) and comparability (cumulative comparisons can accrue). Studies undertaken using the ICVM as a theoretical/analytical framework can combine to make the sum of our knowledge greater than its parts.

8.3.1 Implications for actual and potential practitioners: Indigenous communities and Indigenous entrepreneurs

In the Royal Commission of Aboriginal Peoples, one contributor posed the following question: ‘What measures need to be taken to rebuild Aboriginal economies that have been severely disrupted over time, marginalized, and largely stripped of their land and natural resource base?’ (RCAP, 1996, v2, 5). The question is posed relative to two points, (1) self-government of Aboriginal people is a desired state, and (2) the principal means of effectively achieving it is through the marshalling of financial resources by engaging in entrepreneurship.

The rebuilding of Indigenous economies need not be specifically related only to community owned and developed enterprise. Many Indigenous leaders also recognise that individual, for-profit business ownership creates the foundation
for broader economic prosperity for the whole community (Anderson, 2002, 10). However, as discovered in my two empirical studies and their resultant research outcomes, it is the responsibility of the band government to create an entrepreneurial environment so that both band-owned and individually owned enterprises can succeed.

Because of changes made by the federal government, through the creation of new legislation, and the manner in which policy is developed and implemented, it is now possible in Canada to create a governance system with a much reduced or eliminated role of the federal government in Indigenous communities (Imai, 2008, 1). One way in which some Indigenous communities have assumed more control over the governance of their communities is to negotiate comprehensive land claim settlements that include provisions specifically on the removal of authorities outlined in the Indian Act over areas involving land and governance (Coates, 2008, 16).

Other Indigenous communities have successfully negotiated self-government agreements (Coates, 2008, 16). Still other have taken advantage of new legislation like the First Nations Oil and Gas and Money Management Act (enacted in 2006 with five signatories but no agreements yet implemented), First Nations Land Management Act (enacted 1999 with a total of 14 participating bands), First Nations Sales Tax (enacted in 2007 with 11 bands participating), First Nations Goods and Services Tax (enacted in 2007 with 11 bands participating) (INAC, 2008). These rather recently enacted pieces of legislation offer an opportunity for Indigenous bands to take back control in several important areas dealing with land, taxation, and revenues. For example, the First Nations Oil and Gas and Moneys Management Act (FNOGMMA) came into force on April 1, 2006. The legislation has two parts to it. The first part allows bands ‘to manage and regulate on-reserve oil and gas activities’. The second part enables Indigenous bands to assume control of their capital and revenue trust moneys held by Canada’ (INAC, 2008). In the same manner the First Nations Land Management Act allows bands to opt out of the land provisions in the Indian Act by creating a land code. Therefore, bands can
CHAPTER EIGHT—THEORETICAL AND PRACTICAL IMPLICATIONS

create greater certainty by formulating a land code that is enabling and facilitating for entrepreneurial processes that are both desirable and feasible.

This research, resulting in the development and demonstrated utility of the ICVM, makes a significant contribution. The ICVM can be put to work as a powerful tool of community development. In many circumstances it can be used as an evidence-based account of how governance and institutions can impact the entrepreneurial process and how to improve them. Indigenous leaders need to be educated about the possibilities of the FNOGMMA and FNLMA: and the ICVM. One important aspect of that education can be developed from the research articulated in this thesis. Indigenous leaders, band administration staff, band membership need to be educated on how factors within their community – many of which are in the control of the community – can affect the entrepreneurial process.

The Royal Commission stated that ‘Aboriginal’ communities were intent on rebuilding their economies by engaging in entrepreneurship. The manner in which Indigenous bands pursue that mandate varies significantly across the country. One thing is certain. Entrepreneurial processes, both desirable and feasible, cannot be attained without a sound analysis of the existing community context. The IVVM provides a tool for facilitating this empowerment.

8.3.2 Policy implications

New initiatives like the FNLMA and FNOGMMA and others are creating the opportunity for more bands to regain control of critical areas of governance. These new legislative initiatives offer the opportunity for bands to opt out of specific sections of the Indian Act and create their own legislative regimes. This provides an exiting context of possibility: a policy environment where the ICVM can be put to work productively. However, among band leadership and among provincial and federal governments in Canada there is still no adequate recognition of the vital importance of contextual analysis when developing policy targeted at the economic development or the promotion of entrepreneurship in
Indigenous communities. Now there can be. The ICVM is potentially a powerful tool for improved policy-making.

In the very recent past, the creation of policy for Indigenous entrepreneurship and economic development was conducted with the assumption that all that was needed was a ‘kick-start’ and that these communities would then progress in the same manner as in the mainstream (RCAP, 1996, 791). For example, in the late 1970s and throughout the 1980s the development of ‘Aboriginal’ communities was approached through the promotion of entrepreneurship and individual initiative (Elias, 1999, 29). That policy was created for communities that have often been characterized as being of collective cultural orientation (Redpath and Nielsen, 1997) and have no individual property rights to their land – in fact the land is owned by the Crown and not Indigenous on-reserve band members (Flanagan & Alcantra, 2006).

When policy is being developed, programs envisioned, and expected outcomes articulated it seems reasonable to assume that the community context which will determine the feasibility of those policies, programs and outcomes are expected to operate within should be of enough concern to warrant detailed, analytical scrutiny. As illustrated in the opening chapter of this thesis, the contrary is the case. Analysis of community context as a predicate to policy making has been virtually non-existant. The situation must change. Now the ICVM has been developed and tested, the situation can change.

No matter how desirable a policy objective may be, it can never be achieved in the harsh realm of reality if community context makes the policy not feasible. The research outcome developed through the conceptual discovery and empirical analyses component of this research has demonstrated that there is range of factors that are consistent and are evidenced across Canada as highly influential on the feasibility of desirable entrepreneurial and economic development objectives. Therefore, policy makers should be informed of research such as this as a means of informing their work. All Canadian policy makers involved in indigenous entrepreneurship policy should know about the ICVM and utilize it to help develop an evidence base for their work. The ICVM is
simultaneously a conceptual framework and an analytical framework that
captures the broad range of factors within Indigenous communities that can
impact the manner in which the entrepreneurial process can be managed. In
short, the ICVM can help make better policy in an area where policy has failed
dismally for over a century.

8.4 Rounding the circle: a desirable and feasible scenario

This thesis started with a narrative of Indigenous disadvantage. It will finish with
a narrative of Indigenous possibility. The conclusion involves a real community
but a – so far – fictional process. It illustrates the potential utility of the ICVM to
hundreds of Indigenous band communities.

8.4.1 A nice little story

A central Saskatchewan band desired to create wealth for the community by
engaging in entrepreneurship. The Fishing Lake First Nation was a community
with 500 on-reserve band members – 40 percent of whom were under the age
of 18 years. Another 600 band members lived in various cities. The community
had a band owned gas/convenience store that was established 10 years
previously. It was managed by a band member who had obtained a diploma in
accounting from a technical school in Yorkton. The band had no previous
experience in entrepreneurship. Fishing Lake First Nation received
approximately $7 million from various federal government departments for the
provision of programs and services in health, education, social assistance,
housing, capital projects (community infrastructure), and band administration. It
had been in deficit for a number of years but with the help of a non-Indigenous
co-manager the community had reached a balanced budget for the first time in
10 years. The band recently received a land claim settlement that contained
provisions regarding the use of funds for economic development purposes. The
chief and council commissioned an Indigenous consultant from a university in
Regina to assist the band in identifying ventures they may pursue and to
evaluate a number of opportunities by conducting feasibility studies.
CHAPTER EIGHT—THEORETICAL AND PRACTICAL IMPLICATIONS

The chief and council had decided to appoint the council member responsible for economic development and his economic development committee as the mechanism they would use to pursue entrepreneurial endeavours. The economic development committee would act as an advisory board with the ultimate control over final decisions left to the chief and council. The councillor operated a newly created economic development department within the band administration centre. He had one staff member working as an administrative assistant. He would be the contact person and initiator of all projects but all decisions of importance had to be taken back to chief and council.

The Indigenous Consultant was asked to present a proposal to the chief and council before he was contracted. The chief and council wanted to gauge his level of knowledge and skill by examining his suggested approach. After several meetings with Band Councillor and several informal meetings with band members over coffee in the nearby town, the Indigenous Consultant decided to tell the chief and council they were not ready to seek entrepreneurial opportunities or exploit any because none of the suggestions was currently feasible. So, the Indigenous Consultant prepared a presentation for chief and council that outlined how analysis could be done of the band’s ‘existing community context’ that would result in a vision – and ultimately in the realization of an ‘enhanced community context.’ His rationale was that because he was asked to suggest to the community a ‘best path’ the ICVM’s diagnostic regime could give sound analysis and form a strong basis for realistic rather than ‘pipe dream’ projects. In his view the application of the Indigenous Community Venturing Model could point the way forward given the band’s limited experience in business.

The chief and four of the seven councillors agreed with Indigenous Consultant. Because the approach had been presented in a community circle and was highly understandable and sensitive to Indigenous sensibilities, they saw the logic of the approach and understood the importance of several of the factors identified in the ICVM. However three councillors, including a key Band Councillor, the holder of the Economic Development Portfolio, were initially against ‘wasting time.’ They felt the band should pursue an aggressive business
development strategy as soon as possible given the ‘urgent need’ of the community. Others thought this would be rushing to judgement and pursuit of unrealistic objectives. One of the ‘do it now’ councillors asked how long the process would take – he mentioned that the community had an 80 percent reliance on social assistance and that jobs were needed today. After the Indigenous Consultant explained the process, a vote was called and a majority voted in favour of the proposal to use the ICVM analytical approach.

The Indigenous Consultant's approach would involve enlisting a band member to be his co-manager of the project. The Indigenous Consultant wanted to leave the community with somebody who was trained in the application of the ICVM for evaluating and monitoring the community’s progress and development. However, because Band Councillor was now hostile to the Indigenous Consultant he decided to seek out the assistance of the Band Store Manager. The Band Store Manager had managed the store for two years. It had not turned a profit yet – but it had never gone into to deficit despite having to endure obstacles including the fact that the charge accounts of political and senior management had often gone into arrears and had to be written off on many occasions. The Band Store Manager was a capable, energetic manager who was excited by the prospect of helping her community in a significant way.

Their first task was to be to develop an understanding of entrepreneurial processes envisaged by the decision makers of the band. A meeting was called with the chief and council and the senior management of the band administration. The Indigenous Consultant and Band Store Manager together presented the ICVM and how it would be used. They then asked the convened group to assist in the generation of a list of opportunities that they felt, based on their knowledge of the region and their own education and experience would be beneficial for the band to pursue. After much discussion the following list was generated:

1. Grocery store.
2. Ready to move housing manufacturing.
3. Golf course near the lake.
4. A fishing camp near the lake (it was stocked with pickerel every year).
5. Seek the acquisition of existing businesses in the nearby town and/or in Regina, a city of 200,000 that was one hour way.
6. Automobile service repair shop.
7. Market garden.
8. Cultural crafts cooperative.

After the list was compiled, the Indigenous Consultant went through a process of engaging the people at the meeting to identify what ventures would be feasible today – given their set of human and financial resources, and other relevant contextual factors identified in the ICVM (displayed on a poster at the front of the room). Two projects were viewed as being immediately feasible: the market garden and cultural crafts cooperative. The others were identified as ‘desirable’ because much more analysis and people training was required to convert them into ‘doable’ propositions. After the meeting, the previously hostile key Band Councillor expressed his support for the project because of his new understanding of the complexities involved.

Over the next several months more community meetings were held. Questions were posed to the community regarding culture, social situation, areas of strength and weakness regarding the community’s social networks. A survey instrument was administered to develop data needed for a human capital profile of the band. Profiles of the infrastructure, land holdings, band assets and liabilities were developed. A land management review was undertaken to identify reserve land holdings with high potential for appropriate development. None of this had ever been done before and no community development initiatives had ever involved such high involvement of and high understanding among so many members of the community.

The culmination of the process – an in-depth boundary spanning exercise – was a diagnostic analysis that resulted in a clear breakdown of areas of potential and areas of possible constraint (boundaries). Clear direction was formulated to address areas that required more work (mandates) – for example a financial management policy and management regime that would provide the
band administration with effective tools for accountable and transparent administration of funds. The need for a strategic plan was identified. A plan that could guide the band government as well as the new independent board of directors of the Fishing Lake Development Corporation.

A visioning exercise was held including the chief, councillors and every interested member of the band. There was high turnout and high harmony. A clear picture was formulated to identify a future ‘enhanced community context.’ There was a real ‘buzz’ in the community. Fishing Lake had hope and direction.

8.4.2 If only it were true

Unfortunately, this ‘nice little story’ has not happened. The reality is not as the story portrays. Fishing Lake community is mired in a mesh comprised of all the strands of postcolonial disadvantage that have been illustrated so often in this thesis that they do not need repeating here. It is a realm of despair, not of hope. The community’s physical and human resources have never been properly appraised; nor have the many conflicting worldviews and social networks of often-hostile community cliques; nor the governance and institutional structures; nor the possibilities for constructive property and capital management arrangements. Instead of boundary spanning there is continuous creation of new obstacles. Most proposed ‘entrepreneurial initiatives’ are little more than vacuous wishful thinking that are neither desirable nor feasible.

How do I know? Why do I care?

Fishing Lake is my community.

I was born there; my parents live there. It shaped me: now I want to reshape it. This requires no great feat by any ‘great’ man or woman. It requires merely that the ICVM be put to work by ordinary band members inspired by hope, goodwill, community sensitivity and a genuine work ethic. Can this ever happen in the band context of Indigenous Canada? Now that my research has shown what needs to happen, I, for one, will work hard to see that it does happen.
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Appendix 1 – The complexity of Indigenous owned businesses

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## Appendix 2 – Demographics of case study participants

<table>
<thead>
<tr>
<th>Participant</th>
<th>Sex</th>
<th>Community</th>
<th>Profession</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modesta Betterton</td>
<td>Female</td>
<td>Osoyoos, B.C.</td>
<td>Elder</td>
</tr>
<tr>
<td>Clarence Louie</td>
<td>Male</td>
<td>Osoyoos B.C.</td>
<td>Chief</td>
</tr>
<tr>
<td>Chris Scott</td>
<td>Male</td>
<td>Osoyoos B.C.</td>
<td>Chief Operating Officer</td>
</tr>
<tr>
<td>Sam Baptiste</td>
<td>Male</td>
<td>Osoyoos B.C.</td>
<td>Manager – Nk’Mip Vineyards</td>
</tr>
<tr>
<td>Dave George</td>
<td>Male</td>
<td>Osoyoos B.C.</td>
<td>Manager, Nk’Mip</td>
</tr>
<tr>
<td>Brenda Baptiste</td>
<td>Female</td>
<td>Osoyoos B.C.</td>
<td>Manager, Nk’Mip Heritage and Cultural Centre</td>
</tr>
<tr>
<td>Steve Bryson</td>
<td>Male</td>
<td>Osoyoos B.C.</td>
<td>Manager, Lands and Taxation</td>
</tr>
<tr>
<td>Senator M. Venne</td>
<td>Male</td>
<td>Lac la Ronge SK.</td>
<td>Elder</td>
</tr>
<tr>
<td>Harry Cook</td>
<td>Male</td>
<td>Lac la Ronge SK.</td>
<td>Ex-Chief</td>
</tr>
<tr>
<td>Al Solheim</td>
<td>Male</td>
<td>Lac la Ronge SK.</td>
<td>Director of Finance, Kitsaki Management LP</td>
</tr>
<tr>
<td>Ashley Charles</td>
<td>Female</td>
<td>Lac la Ronge SK.</td>
<td>Student</td>
</tr>
<tr>
<td>Tammy Cook-Searson</td>
<td>Female</td>
<td>Lac la Ronge SK.</td>
<td>Chief</td>
</tr>
<tr>
<td>Russell Roberts</td>
<td>Male</td>
<td>Lac la Ronge SK.</td>
<td>CEO, Kitsaki Management LP</td>
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<tr>
<td>Pauline Bernhard</td>
<td>Female</td>
<td>Membertou N.S.</td>
<td>Elder</td>
</tr>
<tr>
<td>Terrance Paul</td>
<td>Male</td>
<td>Membertou N.S.</td>
<td>Chief</td>
</tr>
<tr>
<td>Dan Christmas</td>
<td>Male</td>
<td>Membertou N.S.</td>
<td>Senior Advisor to Chief and Council</td>
</tr>
<tr>
<td>Chris Cann</td>
<td>Male</td>
<td>Membertou N.S.</td>
<td>Manager, Membertou Market</td>
</tr>
<tr>
<td>Giancarla Francis</td>
<td>Female</td>
<td>Membertou N.S.</td>
<td>Business Development, Membertou Corporate Division</td>
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<tr>
<td>Trevor Bernhard</td>
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<tr>
<td>Jane Bernhard</td>
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<td>Director of Human Resources</td>
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<td>Minnie Canoras</td>
<td>Female</td>
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<td>Elder</td>
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<tr>
<td>Arthur Anthony</td>
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<td>Chief</td>
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<tr>
<td>Cora Anthony</td>
<td>Female</td>
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<td>Band member</td>
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<tr>
<td>George Manuel</td>
<td>Male</td>
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<td>Community activist</td>
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<tr>
<td>Leona Lampreau</td>
<td>Female</td>
<td>Neskonlith B.C.</td>
<td>Band Councillor</td>
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## APPENDICES

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<th>Name</th>
<th>Gender</th>
<th>Location</th>
<th>Position</th>
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<tr>
<td>Martha Manuel</td>
<td>Female</td>
<td>Neskonlith B.C.</td>
<td>Band administration employee</td>
</tr>
<tr>
<td>Sharon Jules</td>
<td>Female</td>
<td>Neskonlith B.C.</td>
<td>Lands and Natural Resources Worker</td>
</tr>
<tr>
<td>Peter Chief</td>
<td>Male</td>
<td>Onion Lake SK.</td>
<td>Elder</td>
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<tr>
<td>Henry Louis</td>
<td>Male</td>
<td>Onion Lake SK.</td>
<td>Chief</td>
</tr>
<tr>
<td>George Dillon</td>
<td>Male</td>
<td>Onion Lake SK.</td>
<td>Economic Development Officer</td>
</tr>
<tr>
<td>Wallace Fox</td>
<td></td>
<td>Onion Lake SK.</td>
<td></td>
</tr>
<tr>
<td>Candace</td>
<td>Female</td>
<td>Onion Lake SK.</td>
<td>Retail outlet manager</td>
</tr>
<tr>
<td>Eugene Lewis</td>
<td>Male</td>
<td>Onion Lake SK.</td>
<td>Retail outlet manager</td>
</tr>
<tr>
<td>Annie Paul</td>
<td>Female</td>
<td>Shubenacadie N.S</td>
<td>Elder</td>
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<tr>
<td>Alex Macdonald</td>
<td>Male</td>
<td>Shubenacadie N.S</td>
<td>Chief</td>
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<tr>
<td>Keith Julian</td>
<td>Male</td>
<td>Shubenacadie N.S</td>
<td>Housing Manager</td>
</tr>
<tr>
<td>Doreen Knockwood</td>
<td>Female</td>
<td>Shubenacadie N.S</td>
<td>Director of Operations</td>
</tr>
<tr>
<td>Ron Knockwood</td>
<td>Male</td>
<td>Shubenacadie N.S</td>
<td>Entrepreneur</td>
</tr>
<tr>
<td>Kerri Oliver</td>
<td>Female</td>
<td>Shubenacadie N.S</td>
<td>Band employee</td>
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<tr>
<td>Kelli Oliver</td>
<td>Female</td>
<td>Shubenacadie N.S</td>
<td>Band employee</td>
</tr>
<tr>
<td>Eleanor Summerfield</td>
<td>Female</td>
<td>Shubenacadie N.S</td>
<td>Entrepreneurship Advisor</td>
</tr>
</tbody>
</table>
Appendix 3 – Letter of Introduction

Letter of introduction

PROJECT TITLE: Successful Indigenous Entrepreneurship in Canada: a descriptive framework and causal explanation

Principal Investigator: Bob L. Kayseas, First Nations University of Canada
Supervisor: Kevin Hindle, Swinburne University of Technology, Melbourne, Australia
Associate Supervisor: Robert B. Anderson, University of Regina

Subject: Request for Participation

Dear Sir or Ma’am;

My name is Bob Kayseas. I am an Assistant Professor at the First Nations University of Canada, School of Business and Public Administration. I am currently enrolled in PhD program at the Swinburne University of Technology, Australian Graduate School of Entrepreneurship (AGSE) in Melbourne, Australia. I am involved in a research program that will culminate in the development of a descriptive framework of Indigenous entrepreneurship in Canada and the formulation of a causal explanation for the creation of successful versus unsuccessful Indigenous ventures. The research will focus on three questions:

1. How do Canadian Indigenous communities succeed in developing an environment conducive to entrepreneurial success?
2. Why do these communities succeed?
3. How does the Indigenous community/entrepreneur define success?

A case study report will be created by means of interviews and the search of documentary evidence.

The research will have many practical and theoretical benefits. Today, there are researchers studying entrepreneurship, but few focussed on Indigenous issues. Interested parties can find a variety of studies about Indigenous business development and entrepreneurship issues but the majority of these are written for government. Therefore the studies are mainly descriptive with little or no theory development or theory testing. This leaves a gap in the information available for new research (ers), policy makers and Indigenous governments. Moreover, statistical analysis of the kind that I will conduct is not readily available.

The proposed research will not only provide a starting point for other researchers in terms of identifying what Indigenous entrepreneurship really is but it will also aid Indigenous governments in deciding what kinds of structures, policies and actions are needed to build environments conducive to entrepreneurial activity, INDIGENOUS ENTREPRENEURIAL ACTIVITY. And, not just another attempt by an outsider to tell the First Nations people what they are or what they should do. It will be research done by an Indigenous person, one that grew up in Indigenous communities, and from an Indigenous point of view! I am an Indigenous person from the Saulteaux Nation of Saskatchewan.
I will conduct the research described here in accordance to all Swinburne University of Technology's rules, procedures and guiding principles. Ethical conduct requires integrity, honesty, confidentiality, and a respect for privacy. These values are consistent with my personal and professional behaviour on a day-to-day basis. I am currently employed at the First Nations University of Canada as an Assistant Professor of Business Administration. As such, I have always conducted myself in accordance to the professional and ethical standards of this educational facility and to the Indigenous values and beliefs of my forefathers.

As manager of this research project I would greatly appreciate if you were willing to support my research efforts by allowing me to interview yourself, and other key informants in your community. Also, the research I am conducting would be much more complete if I were given access to any documentary evidence you may feel is relevant to the questions posed above.

The interview will take approximately one and one half hours. You will have the opportunity to review and authorize the case study and its conclusions. It should also be noted that because of the nature of the research, i.e. examining First Nation communities, that no names will be disguised and that there will be no assurances of anonymity or confidentiality. This research will attempt to provide a voice for First Nation community’s struggles and achievements, a voice that can be heard by Indigenous people all over the world, therefore it is important for the communities to be named and celebrated.

Please understand that you may chose to stop the interview and/or any further participation at any time. All participants with a complaint are encouraged to call or write to:

The Chair
Human Research Ethics Committee
Swinburne University of Technology
P O Box 218
HAWTTHORN. VIC. 3122
Australia
Phone: +61 3 9214 5223

The results of the interviews, and documentary evidence will be used in a postgraduate dissertation. I will contact you soon regarding this request.

This research is supported by all three institutions noted above in the following ways; Swinburne University of Technology – has provided ethical clearance and has deemed the research to be acceptable and that its completion will fulfill the requirements for a Doctor of Philosophy; University of Regina – has provided ethical clearance; First Nations University of Canada – time away from my employment and course relief while I’m studying.

For further information please contact me personally (see contact information below). You may also contact Professor Kevin Hindle at khindle@swin.edu.au or by phone: 61 3 9214 8732 or Professor Robert Anderson at robert.anderson@uregina.ca or by phone: 306-585-4728.

I hope that you are able to participate and I am looking forward to your response.

Best regards,

Bob L. Kayseas
PhD Student, Swinburne University of Technology, Australian Graduate School of Entrepreneurship, Melbourne, Australia Office phone: 306-790-5950 ext 3355 (Regina, Sask.) or bkayseas@firstnationsuniversity.ca
Appendix 4 – Letter of Consent

PROJECT TITLE:
Successful Indigenous Entrepreneurship in Canada: a descriptive framework and causal explanation

I, ___________________________________________ of ____________________________________________, have read the Letter of Introduction provided to me by the principal investigator, Bob Kayseas. I understood all of the information contained in that document. All questions I have asked have been answered to my satisfaction.

I agree to participate in this activity, realising that I may withdraw at any time.

I agree that the interview / activity may be recorded on audiotape.

I agree that my name will not be disguised and that the researcher has not provided any assurances of anonymity or confidentiality.

I agree that research data collected for the study may be published or provided to other researchers.

I understand that this project was approved by the Research Ethics Board, University of Regina and the Human Research Ethics Committee, Swinburne University of Technology. If I have any questions or concerns about my rights or treatment as a research participant, I may contact the Chair of the Research Ethics Board at 306-585-4775 or by e-mail: research.ethics@uregina.ca or the Chair, Human Research Ethics Committee, Swinburne University of Technology, P O Box 218, HAWTHORN. VIC. 3122, phone: + 61-3-9214 5223.

Any questions regarding the research project entitled Successful Indigenous Entrepreneurship in Canada: a descriptive framework and causal explanation can be directed to the Research Supervisor, Kevin Hindle, Professor of Entrepreneurship Research, Australian Graduate School of Entrepreneurship, Swinburne University of Technology at phone +61 3 9214 8732 fax +61 3 9214 8381, or by e-mail khhindle@swin.edu.au or to the Associate Supervisor, Robert Anderson, Professor of Entrepreneurship, University of Regina at phone 306-585-4728 or by e-mail Robert.Anderson@uregina.ca or the Principle Investigator, Bob Kayseas, Assistant Professor, First Nations University of Canada, School of Business and Public Administration, Phone 306-790-5950 ext. 3355, b.kayseas@firstnationsuniversity.ca.

NAME OF PARTICIPANT ........................................................................................................

SIGNATURE ........................................................................................................................ DATE ..................................

NAME OF PRINCIPAL INVESTIGATOR/S ........................................................................

SIGNATURE ........................................................................................................................ DATE ..................................
Appendix 5 – Volunteer Solicitation Poster

Successful Indigenous Entrepreneurship in Canada: a descriptive framework and causal explanation

My name is Bob Kayseas. I am of Saulteaux heritage originally from the Fishing Lake First Nation in east central Saskatchewan. I am currently enrolled in a PhD program at the Australian Graduate School of Entrepreneurship, Swinburne University of Technology in Melbourne, Australia.

We, myself, the Research Supervisor Kevin Hindle, and the Associate Supervisor, Bob Anderson, are currently involved in a research program that will culminate in the development of a descriptive framework of Indigenous entrepreneurship in Canada and the formulation of a causal explanation for the creation of successful versus unsuccessful Indigenous ventures. The research will focus on three questions:

- How do Canadian Indigenous communities succeed in developing an environment conducive to entrepreneurial success?
- Why do these communities succeed?
- How does the Indigenous community/entrepreneur define success?

The proposed research will not only provide a starting point for other researchers in terms of identifying what Indigenous entrepreneurship really is but it will also aid Indigenous governments in deciding what kinds of structures, policies and actions are needed to build environments conducive to entrepreneurial activity, INDIGENOUS ENTREPRENEURIAL ACTIVITY. And, not just another attempt by an outsider to tell the First Nations people what they are or what they should do. It will be research done by an Indigenous person, one that grew up in Indigenous communities, and from an Indigenous point of view!

If you are interested in participating in an interview (approximately 1.5 hours long) please contact Bob Kayseas, 306-790-5950 ext. 3355 or by e-mail – bkayseas@firstnationsuniversity.ca or by fax 306-790-5992.

Thank you for your interest.

______________________________
Bob Kayseas, Assistant Professor, First Nations University of Canada
Appendix 6 – Declaration of Ethics Clearance

The following is an email sent to me providing me with an updated Ethics Approval for 2006.

Hello Bob

The email I sent in July communicating Swinburne’s ethics clearance.

Regards Keith

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Keith Wilkins  Research Ethics Officer  Office of Research and Graduate Studies (Mail H68) Swinburne University of Technology P O Box 218 HAWTHORN VIC 3122 Tel: 9214 5218  >>> Karen Wheatley  8/07/2005 3:11 pm >>>
To: Mr Bob Kayseas c Prof Kevin Hindle, AGSE, Faculty of Business and Enterprise
Dear Bob  HREC No 05/13 Successful Indigenous Entrepreneurship in Canada: A Descriptive Framework and Causal Explanation Investigators: Prof Kevin Hindle (Principal Swinburne Supervisor), Mr Bob Kayseas (Doctoral Candidate) Proposed Duration of Project: 1/7/05 to 1/5/08 Following revision to your informed consent instruments as emailed with the Case Study Protocol on 7 July 2005, I am pleased to inform you that the Chair of Swinburne’s Human Research Ethics Committee has accepted the revision and standard ethics clearance has therefore been given. A signed certificate to this effect has been sent to your Swinburne supervisor, Prof Kevin Hindle. The certificate outlines the standard conditions of approval: - Researchers are required to immediately report anything which might warrant review of ethical approval of the protocol, including: (a) serious or unexpected adverse effects on participants; (b) proposed changes in the protocol; and (c) unforeseen events that might affect continued ethical acceptability of the project. If the research project is discontinued before the expected date of completion researchers must inform the HREC immediately. - An annual progress report is due and a final report on the completion (or cessation) of the project. The above standard conditions accord with paragraph 2.35 of the Australian National Statement on Ethical Conduct in Research Involving Humans (1999): (http://www.nhmrc.gov.au/publications/_files/e35.pdf): 2.35
As a minimum an HREC must require at regular periods, at least annually, reports from principal researchers on matters including: (a) progress to date or outcome in the case of completed research; (b) maintenance and security of records; (c) compliance with the approved protocol; and (d) compliance with any conditions of approval. If the Canadian human research ethics guidelines or the University of Regina has a similar requirement for annual and final reporting, Swinburne may accept copies of what you submit in Canada for the same project. Please contact me if you have any queries about ongoing ethics clearance from Swinburne. Best wishes for your research and Swinburne doctoral program.
Yours sincerely
Keith Wilkins  Secretary, HREC
Appendix 7 – Proof of ethics clearance

To:
Mr Bob Kayseas
c Prof Kevin Hindle, AGSE, Faculty of Business and Enterprise

Dear Bob

HREC No 05/13 Successful Indigenous Entrepreneurship in Canada: A Descriptive Framework and Causal Explanation
Investigators: Prof Kevin Hindle (Principal Swinburne Supervisor), Mr Bob Kayseas (Doctoral Candidate)
Proposed Duration of Project: 1/7/05 to 1/5/08

Following revision to your informed consent instruments as emailed with the Case Study Protocol on 7 July 2005, I am pleased to inform you that the Chair of Swinburne's Human Research Ethics Committee has accepted the revision and standard ethics clearance has therefore been given. A signed certificate to this effect has been sent to your Swinburne supervisor, Prof Kevin Hindle.

The certificate outlines the standard conditions of approval:
- Researchers are required to immediately report anything which might warrant review of ethical approval of the protocol, including: (a) serious or unexpected adverse effects on participants; (b) proposed changes in the protocol; and (c) unforeseen events that might affect continued ethical acceptability of the project. If the research project is discontinued before the expected date of completion researchers must inform the HREC immediately.
- An annual progress report is due and a final report on the completion (or cessation) of the project.

2.35 As a minimum an HREC must require at regular periods, at least annually, reports from principal researchers on matters including:
(a) progress to date or outcome in the case of completed research;
(b) maintenance and security of records;
(c) compliance with the approved protocol; and
(d) compliance with any conditions of approval.

If the Canadian human research ethics guidelines or the University of Regina has a similar requirement for annual and final reporting, Swinburne may accept copies of what you submit in Canada for the same project.

Please contact me if you have any queries about ongoing ethics clearance from Swinburne.
Best wishes for your research and Swinburne doctoral program.

Yours sincerely

Keith Wilkins
Secretary, HREC

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