The Social Ontology of Collective Entrepreneurship
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Abstract

A small but growing literature exists on collective entrepreneurship. There are definitional issues inherent in this work, including what constitutes collectivity, what constitutes entrepreneurial action, and whether there exists an upper bound on the size/scope of an entrepreneurial group. Overlaid on these issues is a common bugaboo in economics and other social sciences: is there such a thing as group agency, or must it be reduced to the sum of individual actions? The frequency of appeals to so-called methodological individualism is strongest among adherents to Austrian economics, rational actor theory, and microfoundations of social action. The latter are flexing their muscles in organization theory, in strategic management, and (unsurprisingly) in entrepreneurship.

This paper has three sections. In the first, the literature on collective entrepreneurship is reviewed briefly and with explicit comparison to collective action research, including the familiar territory of Elinor Ostrom’s work on governing collective resources. One work, Martin Ruef’s 2010 book, The Entrepreneurial Group, will be taken as a point of departure, as it describes four mechanisms for holding the group together: strong network ties and trust; a structure of roles or contracts (i.e. the stuff of New Institutional Economics); shared identity among the group members that implies identification with the group/enterprise; and homophily. Each of these mechanisms is discussed within the context of extant collective activities in agri-food.

The second part of the paper examines recent publications in social ontology, the field of philosophy concerned with group intentionality and social acceptance/recognition of institutions. I discuss some competing models of group intentionality and group agency/action and relate them to behaviors in groups we deal with in applied social sciences, including voluntary collective action initiatives, corporations, work teams (including entrepreneurial startups), and institutions like marketing boards. Along the way, I identify the fundamental problems with common accounts of methodological individualism.

The third part of the paper takes a particular account of how to examine the foundations of social science models of group agency, cooperation, and social recognition of institutions. The model is taken from Brian Epstein’s The Ant Trap, which permits us to clearly frame social action according to the social facts that ground behavior and anchoring rules that are not individualistic. I build a series of models* that frame “classic” entrepreneurial group (autonomous) formation, directed activity (e.g. an incipient spin-off that is formed within an existing hierarchy/firm, and to note the differences between the incipient firm (pre-startup) and the rent-earning entrepreneurial firm.

* In the seminar, I would be pleased to talk about a frame for Ostrom’s eight principles.