

CHAPTER 9

ENTREPRENEURSHIP OF THE MULTITUDE

We live, we are told, in an entrepreneurial society in which everyone is called on to be an entrepreneur. The important thing is to incarnate the energy, responsibility, and virtue of the entrepreneurial spirit. You can go into business, launch your own start-up, or organize a project for the homeless. “Even fields commonly thought to exist outside of the sphere of business and labor,” writes Imre Szeman, “such as artistic and cultural production, have been colonized by discourses of entrepreneurship. Entrepreneurship exists in the twenty-first century as a commonsense way of navigating the inevitable, irreproachable, and apparently unchangeable reality of global capitalism.”¹ We will return in chapter 12 to analyze the entrepreneurial ideology of neo-liberalism, but here we want to insist that first and foremost entrepreneurship belongs to the multitude, and names the multitude’s capacities for cooperative social production and reproduction. Like many other terms in our political vocabulary, entrepreneurship has been diverted and distorted. We need to take it back and claim it as our own.

We will try to uncover the entrepreneurship of the multitude through an indirect route and a direct one, that is, through a symptomatic reading and an ontological reading. For the former we will engage Joseph Schumpeter’s theory of the entrepreneur against the grain to unmask, underneath the ideology of the capitalist entrepreneur, the continuous expropriation of the cooperative power of the multitude. The capitalist entrepreneur, from this perspective, is unjustly given credit for an entrepreneurial function accomplished elsewhere, but rather than such a moral claim we are much more interested in how capitalist entrepreneurship reveals the potential of the multitude. The latter route instead investigates directly the productive social power of the multitude, exploring how much its leadership can be developed and questioning what leadership means in this context.

How to become an entrepreneur

Joseph Schumpeter's classic theory goes against today's standard image of the entrepreneur in many respects. Entrepreneurial activity in his view, for instance, is not defined by risk taking. Neither does it involve scientific discoveries or inventing new technologies. Whereas "the inventor produces ideas," Schumpeter asserts, "the entrepreneur 'gets things done,' which may but need not embody anything that is scientifically new."² Entrepreneurs, he continues, are not managers and most often not owners of the means of production, only ones who have them at their disposal. The essence of entrepreneurship, instead, according to Schumpeter, is to create *new combinations* among already existing workers, ideas, technologies, resources, and machines. Entrepreneurs, in other words, create new machinic assemblages. Moreover, these assemblages must be dynamic over time. Whereas most capitalists merely pursue "adaptive responses to change," adjusting their existing arrangements, entrepreneurs carry out "creative responses" that grasp and set in motion what is new in their world.³

In order to enact these combinations, of course, the entrepreneur must not only bring together workers with resources and machines but must also impose on them a mode of cooperation and discipline by which they are to work together. *The essence of combination is cooperation.* It requires, in other words, the establishment and repetition of new social and productive relationships. Schumpeter is very close to Marx in his recognition that the key to increased productivity (and hence greater profits) is the cooperation of workers in coordination with systems of machines. Marx explains, in fact, that cooperation, while increasing productivity, also has a transformative effect on labor, creating a new social productive force: "the special productive power of the combined working day is, under all circumstances, the social productive power of labour, or the productive power of social labour. This power arises from co-operation itself. When the worker co-operates in a planned way with others, he strips off the fetters of his individuality, and develops the capabilities of his species."⁴ The powers of humanity are realized in cooperation or, really, a new social being is forged in this process, a new machinic assemblage, a new composition of humans, machines, ideas, resources, and other beings.

Schumpeter is well aware, moreover, that in addition to the paid cooperation of the workers they employ, entrepreneurs also need the *unpaid* cooperation of a vast social field: "Just as a sovereign cannot place a policeman behind

every citizen, the entrepreneur cannot pay everyone in social and political life whose cooperation he requires.”⁵ The analogy with the sovereign and its police emphasizes the threat of force or violence required by the entrepreneur. Marx similarly compares the capitalist overseeing cooperation as a general on the battlefield, dictating strategy for the troops under his command.⁶ Cooperation in capitalist society is always accomplished under the threat of force. Schumpeter’s analogy goes further, however, by recognizing that the cooperation imposed or required by entrepreneurs takes effect not only in their factories but across society, over populations paid and unpaid. Social labor, in addition to being unpaid, must also be functionally subordinated and ordered toward a specific productive goal. This is precisely the hypothesis that, during the years of the crisis of the Fordist industrial model, led to practices of externalization, along with the diffuse factories and construction of complex industrial zones that supported a new social organization of production. From Silicon Valley to software technology parks in India, from the innovative production centers in northern Italy and Bavaria to the free trade zones and export processing zones in Mexico and China, these entrepreneurial “combinations,” administering the productive power of a vast social field, a wide variety of paid and unpaid social actors, have had great success.

Who, then, are these entrepreneurs? Schumpeter, in the original 1911 edition of *Theory of Economic Development*, in passages eliminated from later editions, provides an illuminating social vision—with weak echoes of Nietzsche or, really, foreshadowing Ayn Rand—that divides society into three groups on the basis of new combinations and entrepreneurship. The masses, he begins, who go about their lives in a habitual way and are in this sense “hedonistic,” do not see the potential of new combinations. A minority of people, he continues, “with a sharper intelligence and a more agile imagination,” can see the potential of new combinations but do not have the power or character to put them into action. “Then, there is an even smaller minority—and this one *acts*....It is this type that scorns the hedonistic equilibrium and faces risk without timidity....What matters is the disposition to act. It is the ability to subjugate others and to utilize them for his purposes, to order and to prevail that leads to ‘successful deeds’—even without particularly brilliant intelligence.”⁷ It is interesting, but not really important, that he seems to contradict here his insinuations elsewhere that entrepreneurship does not require risk. More important is his conception of the “Man of Action,” the weight of whose personality demands obedience. If there is to be economic development,

he maintains, there have to be such leaders.⁸ And, correspondingly, Schumpeter presents “the masses” of workers, peasants, artisans, and others as hedonistic, passive, and resistant to the new.

Schumpeter’s anthropology of the “Man of Action” is certainly crude, but it clearly resonates in the contemporary media-driven cult of the entrepreneur, especially in the digital world of dotcoms and start-ups. The bright white faces of men of action, distinguished by their energy and daring, confidently stare at us from the magazine racks of newsstands.

When he revises the *Theory of Economic Development* for the 1934 edition, however, Schumpeter abandons the heroic figure of the entrepreneur. He recognizes now that the entrepreneur creates new combinations “not by convincing people of the desirability of carrying out his plan or by creating confidence in his leading in the manner of a political leader—the only man he has to convince or impress is the banker who is to finance him—but by buying them or their services, and then using them as he sees fit.”⁹ The increasingly powerful rule of finance, Schumpeter realizes, reduces the entrepreneur from a leader whose force of personality or ideas gains the consent of the masses to a supplicant of the banker. The power of money, finance, and property, and the economic coercion they deploy, which we will study in more detail in part III, replaces the traditional modes of authority and consent required for leadership.

Finally, a decade later, in the 1940s, Schumpeter becomes convinced that even property and ownership, organized now in huge corporations, are no longer able to gain the consent of all those engaged in social production. This returns us to the passage we cited earlier. “The capitalist process,” he laments, “takes the life out of the idea of property....Dematerialized, defunctionalized and absentee ownership does not impress and call forth moral allegiance as the vital form of property did. Eventually there will be nobody left who really cares to stand for it—nobody within and nobody without the precincts of the big concerns.”¹⁰ Schumpeter reluctantly admits, at this point, that the only path forward for capitalist production is centralized planning.

Schumpeter, however, is blind to the other side of the equation. Whereas he rightly cuts down to size the figure of the entrepreneur and recognizes the social limits posed by the power of money and property, he maintains a view of the “masses” as fundamentally passive. Instead, in the course of capitalist development, as productive cooperation extends ever more widely across the social field in diffuse, polycentric circuits, new combinations are increasingly

organized and maintained by the producers themselves. With the potential to reappropriate fixed capital, as we indicated earlier, the multitude becomes increasingly autonomous in the generation and implementation of productive cooperation. No longer are generals needed to deploy them on the battlefield of social production; the troops, so to speak, can organize themselves and chart their own direction.

Faced with potentially autonomous cooperating forces of social production and reproduction, capitalist owners would seem to have two options. Either they can imprison them, reducing them to the dimensions of industrial discipline and forcing them to obey the supposedly scientific organization of labor, diminishing people's intelligence, creativity, and social capacities, for example, with "clickwork" and regimes of digital Taylorism. For this option capital must intervene at the level of subjectivity and produce workers who are happy (or at least willing) to put their lives in the service of the company. But then capital ends up reducing productive powers and thwarting its own thirst for profit. The other option (really capital's only feasible path) is to embrace the autonomous and cooperative potential of workers, recognizing that this is the key to valorization and increased productivity, and at the same time try to contain it. Capital does not pose the problem of disciplining labor and controlling it from the inside but instead seeks to rule it from the outside, from above. In line with this option, capital retreats from the traditional modes of imposing productive cooperation and instead tends, from outside the productive process and its circuits of cooperation, to *extract* value socially produced in relative autonomy.

Fifth call: Entrepreneurship of the multitude

We can begin to recognize emerging within the circuits of cooperation of social production and reproduction an altogether different notion of entrepreneurship, which was perhaps latent in Schumpeter's notion from the beginning: the entrepreneurship of the multitude, that is, the autonomous organization of social cooperation.

The emerging entrepreneurship of the multitude is closely related with the establishment of a new mode of production, a phase of capitalist development in which social cooperation, affective and cognitive labor, and digital and communicative technologies have become dominant. When we say a

new mode of production we are not conceiving a historical passage through homogeneous stages, a conception that has had pernicious effects both in the workers' movement and in colonialist ideology. Conceiving the slave organization of labor, for example, as a distinct mode of production separate from capitalism led to both conceptual confusion and insidious political effects. We conceive the new mode of production instead as a heterogeneous formation in which labor processes remaining from the past mix with new ones, all of which nonetheless are (not so much ordered by but) cast in a new light by a dominant set of elements.¹¹ (We will return to this discussion in more detail in chapter 10 in relation to concepts of the real and formal subsumption.) Mode of production in this sense, then, is another way of saying form of life or rather the production of forms of life, and this is increasingly so since in social production, more than commodities, society and social relations are the direct objects of productive processes. Producing, in other words, means organizing social cooperation and reproducing forms of life. The mode of production of social labor, then, of general intellect and the common, is a field in which the entrepreneurship of the multitude appears.

Before we can see the entrepreneurship of the multitude growing, however, we have to clear away some of the weeds that block our view. After all, doesn't neoliberal ideology exhort us each to become entrepreneurs of ourselves, to wean ourselves of state assistance and construct an entrepreneurial society? Being entrepreneurs in this way means that each of us individually must be responsible for our own lives, our own welfare, our own reproduction, and so forth. What is missing and mystified by this neoliberal entrepreneurship, however, are the mechanisms and relations of cooperation that animate social production and reproduction. In fact, as we will argue in chapter 12, neoliberal practices and governance, including the neoliberal notion of entrepreneurship, attempt to interpret, contain, and respond to the movement toward autonomy that the multitude has already set in course. The neoliberal mandate to become the individual entrepreneur of your own life, in other words, is an attempt to recuperate and domesticate a threatening form of multitudinous entrepreneurship that is already emerging from below.

Another mystification to clear away is the notion of "social entrepreneurship" sometimes espoused by social democrats and center-left politicians. The rise of social entrepreneurship, in fact, coincides with the neoliberal destruction of the welfare state, as its flip side, its compensatory mechanism,

its caring face, forming together a “social neoliberalism.”¹² Charles Leadbeater, a former advisor to Tony Blair, who is credited as originator of the term, argues for social entrepreneurship to fill the gap left when state benefits and assistance disappear. (As we claimed earlier, the destruction of welfare policies, although initiated under Reagan and Thatcher, were predominantly carried out by their center-left successors, Clinton and Blair.) Social entrepreneurship, Leadbeater explains, involves a combination of volunteerism, charity, and philanthropy, which create nonstate, community-based systems of services “in which users and clients are encouraged to take more responsibility for their own lives.”¹³ Leadbeater points to examples such as a brave and tenacious woman who, instead of allowing a public hospital to close, transforms it into a Christian community hospital, and a dedicated black Briton who solicits corporate sponsors and celebrity athletes to create a sports center for poor youth. Social entrepreneurship, despite its rhetoric of empowerment, is really the translation into the field of charity of the traditional ideology of the heroic business entrepreneur, adopting something like the anthropology of Schumpeter’s early writings (with its rare men of action and hedonistic masses). Furthermore, social entrepreneurship, true to its social democratic roots, does not question the rule of property and the sources of social inequality but instead seeks to alleviate the worst suffering and make capitalist society more humane. This is certainly a noble task in itself, but it makes social entrepreneurs blind to the potentially autonomous circuits of cooperation that emerge in the relationships of social production and reproduction.

The illusory claims of social entrepreneurship are even more damaging, as many scholars have shown, in the circuits of international aid, philanthropy, and NGO activity in the most subordinated countries. In the name of empowerment, recipients of aid are often required to orient social life toward commodity production and internalize neoliberal development culture and its market rationalities, thus abandoning local and indigenous community structures and values or mobilizing them as entrepreneurial assets. For example, although systems of microcredit—that is, the extension of very small loans to those, especially women, who lack the collateral to access standard lending structures—have been celebrated for opening access to the means of entrepreneurship for the world’s poorest populations, results show that such loans have done little to alleviate poverty and have instead saddled populations with lasting debt burdens. Women who receive microloans generally

have to “entrepreneurialize” existing networks of social solidarity and cooperation in the service of a neoliberalism from below.¹⁴ In similar ways, a variety of projects of social entrepreneurship through international aid that pronounce goals to eliminate the worst poverty and eradicate disease—from the widely promoted “Millennial Villages” in Kenya to irrigation aid for indigenous communities in Ecuador—require the adoption of neoliberal rationalities. The nexus of social neoliberalism and social entrepreneurship destroy community networks and autonomous modes of cooperation that support social life.¹⁵

Once these neoliberal notions of entrepreneurship are cleared away, we can begin to glimpse some characteristics of a potential (or even already existing) entrepreneurial multitude, that is, a multitude that is author of “new combinations” that foster autonomous social production and reproduction. First, this entrepreneurship follows directly from the forms of cooperation that emerge from inside and outside capitalist production. Whereas previously the capitalist was required to generate productive cooperation through disciplinary routines, today increasingly cooperation is generated socially, that is, autonomously from capitalist command. Second, the multitude can become entrepreneurial when it has access to the means of production, when it is able to take back fixed capital and create its own machinic assemblages. The machines, knowledges, resources, and labor combined by the multitude, third, must be pulled out of the realm of private property and made common. Only when social wealth is shared and managed together can the productivity of social cooperation realize its potential.

In our first call in chapter 2 we proposed that strategy and tactics should be inverted such that leadership becomes merely tactical and strategy is entrusted to the multitude. At that point in our argument, however, that proposal could only appear as a wish because we were not in the position to confirm the capacities of the multitude to accomplish the tasks of strategy, that is, to understand the contours of the social field, to organize complex social projects, to orchestrate and sustain long-term plans. The results of this chapter allow us in part to fill in that gap and recognize that potential. The networks of productive cooperation, the social nature of production and reproduction, and, moreover, the capacities of entrepreneurship of the multitude are the solid foundations of strategic powers. Ultimately, this entrepreneurship points toward the self-organization and self-governance of the multitude, and in order to realize this potential there must be struggles.