Foreword

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Since I was a child I have been fascinated by microenterprise and it was with delight that I accepted the invitation to write the Foreword to this book.

In Alaska, somebody pans for gold (Dana, 1995 [2002]). Meanwhile, in Cuba, an old man walks around with one tube of toothpaste. What do these two individuals have in common? In Cuba, elderly individuals with few teeth nevertheless receive a ration booklet, with which it is possible to purchase toothpaste; this toothpaste can be sold at a profit, on the black market, to others who can afford such a luxury (Dana, 1996d). In fact, the fellow in Alaska and the other in Cuba are both operating microenterprises.

Although the small business owner tends to be viewed by Western researchers as the owner of a formal firm (Dana, 1996b), many are microenterprises operating quite informally. While each one may have little turnover, the combined volume of business conducted by microenterprises is important. And examples are many.

In Albania, a vendor’s inventory totals eight bananas (Dana, 1996a). In Bolivia, as I wrote in Dana and Anderson (2007):

centrally located, at Plaza San Francisco, is a centre for informal enterprise. Women squeeze fresh oranges, selling juice. Elderly men sell telephone tokens. Others have scales on which people can weigh themselves for a nominal fee. Numerous children push their way through the crowd looking for prospective clients with shoes to shine; a shoeshine costs little for natives and considerably more for white people. At impromptu stalls, deceitful vendors display imitation sunglasses to which the name Ray Ban [sic] has been added.

In Moldova, I recap from Dana (2005):

while some vendors stand still on busy sidewalks, others are ambulant, peddling their goods on buses. Others set up tables. It is common to come across a sidewalk on which there are several tables, each attended by a self-employed vendor selling nothing but sunflower seeds, packaged in recycled sheets of paper. Usually, none has an inventory exceeding a few pounds; turnover is limited. Other vendors set up a table and pace around it. Along highways are peasants selling, or attempting to sell, apples and potatoes.
In Morocco: “On a random day in the big square, there may be 50 orange juice sellers side-by-side. Water vendors wearing similar brass aprons carry water in identical goatskin bags” (Dana and Dana, 2008). In Mozambique, a dealer is selling cooking oil in bottles used for Canada Dry beverages (Dana, 1996c).

In Vietnam: “along the road to Hanoi, stalls display one-liter Coca-Cola bottles filled with kerosene” (Dana, 1994). Also in Vietnam, as I have witnessed: “fish are being laid out in tidy rows; some of the fish are still flopping on the merciless, hot pavement . . . Self-employed vendors sell food to passengers on state-run trains, while some children run along the aisles fanning passengers” (Dana, 2007). Many micro-enterprises are bustling and much is to be learned from researching them.

Cantillon (1755 [1955]) focused on the entrepreneur as a person, and for the next 200 years, considerable research investigated the entrepreneurial personality. However, a focus on individual personality characteristics failed to explain the different rates of self-employment (Dana, 1997). In April 1987, world leaders in entrepreneurship research were invited to London, Ontario to discuss the future of the discipline. They concluded that: “studying entrepreneurs as individuals is a dead end” (Leighton, 1988, 76). As noted by Bygrave and Hofer (1991) and Dana (1990), there has been a shift away from the traditional focus on the self. Drakopoulou Dodd and Anderson (2007) suggested that the dynamics of embeddedness and social conditioning should be given the same weight as the entrepreneur’s individual agency.

I subscribe to the school that gives importance to the impact of embeddedness, social conditioning, and the environment. Therefore, I believe that studies that investigate entrepreneurship as if it were an isolated phenomenon – derived from the self and based on the psychological traits of the entrepreneur – risk ignoring important causal variables arising from the environment (Dana, 2009, 2010).

This book brings together authors who use qualitative as well as quantitative methods to learn and to teach us about microenterprises that operate in various environments of our globalized world, and for this I congratulate them.

REFERENCES


