

Innovation, Entrepreneurship, and the Spirit of Digital Capitalism

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Collin Chua,

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Abstract: In his article "Innovation, Entrepreneurship, and the Spirit of Digital Capitalism," Collin Chua analyzes the myth of innovation and the fantasy of entrepreneurship. The article draws on foundational perspectives regarding the spirit of capitalism established by Max Weber, later extended by Luc Boltanski and Eve Chiapello. The myth of innovation is shown to operate as a rhetorical and managerial strategy that must be pursued in order to be competitive in today's capitalist system. The fantasy of entrepreneurship is shown to serve as a coping mechanism for the fragmentation and erosion of traditional work arrangements and structures. The article examines the anxieties evoked by disruption, in explaining the utility of the fantasy of entrepreneurship and the myth of innovation as significant drivers in our era of digital capitalism. A materialist approach to ideas is therefore taken up, in tracing social, political, economic, cultural realities shaped by powerful ideas.

Collin CHUA

Innovation, Entrepreneurship, and the Spirit of Digital Capitalism

Introduction

This essay addresses the inescapable presence of the language and rhetoric of innovation and entrepreneurship in contemporary society. As a conceptual paper, the essay will pose and develop an array of discussion points, with the intent of opening up theoretical routes for future investigation. The essay does not focus on discussing theories of why businesses succeed, or why they fail; nor does the essay attempt to develop formulae for how to achieve innovation and entrepreneurship. Rather, it argues that the closely related contemporary discourses of innovation and entrepreneurship should be understood as key structural elements in the "spirit" of digital capitalism.

Belief in innovation and entrepreneurship has become a powerful faith in contemporary capitalism. As paired narratives, innovation and entrepreneurship are two sides to the one coin—they act as a powerful and productive contemporary cultural narrative and discourse. Innovation has become a narrative used to manage economic uncertainty and precarity, promising impending success in a rapidly moving marketplace; the associated narrative of entrepreneurship offers a coping mechanism for the fragmentation and erosion of traditional work arrangements and structures.

Innovation and entrepreneurship have become increasingly bureaucratized and regimented. The unspoken imperative is: embrace innovation (or, adopt the rhetoric of innovation)—or be left behind. This essay provides a conceptual exploration of the rationality of this imperative, by developing a Vichian reading of the myth of innovation, coupled with a Žižekian account of the fantasy of entrepreneurship. As the Italian philosopher of history Giambattista Vico argued, myths are not simply false stories—they should be understood as systematic ways of seeing, understanding and reacting to the world that people find themselves within.

Innovation

In an unpublished fragment written in 1921, Walter Benjamin leaves behind an astute observation: "A religion may be discerned in capitalism—that is to say, capitalism serves essentially to allay the same anxieties, torments, and disturbances to which the so-called religions offered answers" (288). We can say that capitalism functions like a religion. We are provided with a system of meaning and values; we understand our world, and our place within it. But we can disagree with Benjamin, however, when he says: "capitalism has no specific body of dogma" (288). It is true that capitalism does not possess a fixed, static and unchanging dogma, but there are certainly dominant faiths in particular times.

Today's dominant religious faith is now innovation, and entrepreneurs are the agents of innovation. This faith has been announced in various quarters, and we can observe it holding sway in numerous spheres of our contemporary socioeconomic life. For instance, in 1999, *The Economist* proclaims: "INNOVATION has become the industrial religion of the late 20th century. Business sees it as the key to increasing profits and market share. Governments automatically reach for it when trying to fix the economy. Around the world, the rhetoric of innovation has replaced the post-war language of welfare economics" (Valéry). This faith is a relatively new one, but yet, we have already come to take it for granted.

It's now surprising to note that to innovate—to make new—once had negative connotations: "Before the twentieth century, innovation was a vice, something explicitly forbidden by law, the term used as a linguistic weapon by opponents of change. Innovation had nothing to do with creativity or technology, not yet... In contrast, today innovation is a word of honor" (Godin and Vinck, 4). Now, innovation is unquestionably celebrated. "Innovation" is nearly ubiquitous today. It is currently our dominant faith. We can discern its imprint in the field of technology, and in the management of organizational processes, but we can also see its presence in the realm of language, discourse, PR, and marketing.

We are aware that innovation is important, as "innovation has become the emblem of the modern society, a panacea for solving many problems, and a phenomenon to be studied" (Godin, "Innovation" 5). Innovation is about embracing technology, newness, change, flexibility, and speed, in a rapidly evolving world. Innovate fast enough, well enough, and you'll be able to keep up—or, better yet, get ahead. Currently, innovation is perceived to be not only a key driver of organizational success—it is now widely viewed as being vital for organizational survival itself. There is a widespread assumption that innovation is good, and should be fervently embraced and valued, whatever its consequences or implications. There is little concern with the potential problems, or possible unintended detrimental

effects, of innovation. Because of this "pro-innovation bias" (Gripenberg, Sveiby, and Segercrantz; Godin and Vinck), the term and the idea of "innovation" has become overloaded and overhyped.

Apart from genuine innovation, there seems to be a growing trend toward the rehearsal and performance of the rhetoric of dynamic innovation. Individuals, companies, and organizations need to market themselves as being innovative, to signal their success and competitiveness in today's crowded marketplace. As Jill Lepore comments: "in its modern usage, innovation is the idea of progress jammed into a criticism-proof jack-in-the-box." Today, innovation is a mandated marker for success. Innovation is the accepted signifier of staying competitive in a turbulent economy swept by waves of disruption. What is beneficial and valuable: the appearance and performance of dynamic innovation.

We are called upon to "innovate or die," a popular business catchphrase sometimes (erroneously) attributed to Bill Gates. Alternatively, there is the exhortation used by Mark Zuckerberg, which he turned into a Facebook company motto: "move fast and break things." But "innovation" has become a fast and loose description, which possesses power even in a rhetorical and performative form. Signaling adherence to innovation can be enough. Its various imprecisions, as well as the hopes and anxieties it carries, are illuminating. It is important to realize that innovation is a myth, but also "a true narration." As Giambattista Vico observes, myths are "a true narration" instead of simply false or imaginary stories (149), in which they articulate a response to real human need to make sense of the world. The myth of innovation can be most straightforwardly discerned via the realization that we cannot possibly all be innovative, but yet many of us are now increasingly asked to be, at all times. We can all be—and we should all strive to be—innovative, and innovation is always desirable, positive, and good. While innovation cannot possibly be an automatic guarantor of success, it has come to uncontestedly signify progress and a path towards accomplishment.

Innovation is still perceived as revolution, as a means for entrepreneurs and bold challengers to fight against and overcome established corporate power—even as innovation has become increasingly institutionalized and industrialized. It is now explicitly feeding directly into established corporate interests and agendas. For instance, acquisition of startups has become a powerful response adopted by incumbents in attempting to solve the threat of disruptive innovation (Luckerson). Innovation is now being forcibly policed within many organizations, as employees are tasked to quantify their "innovativeness." Innovation has become an explicitly commercial, top-down process, where policymakers are intent on deciding upon and implementing the right conditions for technology-driven innovation.

Innovation, ironically, has become a narrative used to manage uncertainty—and to promise the anticipated arrival of success, poised invitingly on the horizon. Why has innovation, and a closely associated idea—entrepreneurship, acquired such a central place in our society? What sociocultural functions do these ideas serve, in helping us cope with the demands and pressures of the capitalist system today? In remembering that capitalism functions like a religion, the act of placing our faith and belief in innovation and entrepreneurship provides us with a persuasive means of orienting ourselves in the material world we find ourselves in. Our faith, our belief, gives us a path to follow, concrete actions to adhere to, and the appropriate language to use to signal our rightful place. It is in this sense that we can turn to an observation made by Émile Durkheim, where he remarks that there are no religions that are false.

Spirit of Capitalism

In his 1912 book *The Elementary Forms of Religious Life*, Durkheim explains: "religion is first and foremost a system of ideas by means of which individuals imagine the society of which they are members and the obscure yet intimate relations they have with it" (227). Durkheim insists that religions are founded upon and express "the real"; religions cannot be considered as false, as they satisfy real human needs for sociability and meaning. Of course, capitalism, akin to religion, depends upon a system of ideas, through which we make sense of the world in which we belong, and which structures "the obscure yet intimate relations we have with it" (171). Capitalism has come to be a system of ideas that defines our world for us. We can say that there is now what we can describe as a capitalist cosmology: "The capitalist economy of the present day is an immense cosmos into which the individual is born, and which presents itself to him, at least as an individual, as an unalterable order of things in which he must live (Weber, *The Protestant* 19)." This cosmos is our world, telling us who we are, how the world makes sense, where we belong, and how we can succeed (if we are good).

In their magisterial book *The New Spirit of Capitalism*, Luc Boltanski and Eve Chiapello remark that: "In many respects, capitalism is an absurd system" (7). Even its admirers would admit that capitalism is an imperfect machine, possessing flaws and foibles—a system that may work well in some ways, but extremely poorly in others. So why do we believe, and in believing, keep the system going? There is an

ongoing vitality that animates capitalism, and keeps it properly alive, despite protestations at times to the contrary. This vitality is derived from the human component of the system; our continuing belief and continued engagement with the continuously evolving capitalist machine. Boltanski and Chiapello explain: "We call *the ideology that justifies engagement in capitalism* 'spirit of capitalism'" (8, original emphasis). They have borrowed this phrase, of course, from Max Weber's classic work, *The Protestant Ethic and the Spirit of Capitalism*, first published in 1905.

For Weber, the spirit of capitalism is a particular kind of normalized rationality. It gives rise to a capitalist cosmology. As Weber indicates, his *Protestant Ethic* essay was intended to "perhaps play a modest part in illustrating the manner in which 'ideas' become effective [forces] in history" (*The Protestant* 35). This is because Weber is interested in examining the "psychological aspect of modern economic development" (*The Protestant* 260). It's instructive to focus on the psychological aspect of capitalism as well as on the fundamental roles of human beliefs, desires, hopes, and anxieties in sustaining the system. Boltanski and Chiapello's work draws upon Weber's seminal theoretical approach in sociology, by emphasizing that "people need powerful moral reasons for rallying to capitalism" (9).

Broadly speaking, Weber's "spirit" refers to an attitude (an ethos) towards labor, towards work, which has come to shape the rational conduct of life in a modern era powerfully shaped by capitalism. In following Weber's account, Boltanski and Chiapello discuss the different historical states of the spirit of capitalism, describing a first, second, and third—or "new"—spirit of capitalism. They map the rise of a new "spirit of capitalism" in the latter half of the 20th century: namely, a new "ideology that justifies engagement in capitalism", calling for "workforce participation" in a new way (8). At any historical moment, then, the capitalist system is built on the pursuit of profit but also on the institutions constructed to facilitate people's participation in it, by answering and overcoming their "anxieties, torments, and disturbances" (Benjamin, 288). We need to update Boltanski and Chiapello's account; the new spirit has been further revolutionized and proselytized.

The ideology of (the belief and faith in) innovation and entrepreneurship is utilized to make sense of our contemporary capitalist world, and our place within it. Through embracing innovation and entrepreneurship, the capitalist system will continue to offer us reward for our endeavors. Innovation functions as a new formula of justification. You can challenge the system; you can bring about change; you can be agile and creative and competitive in a "dynamic environment characterized by significant uncertainty" (Shalley, Hitt, and Zhou, 1). Embrace innovation, and you will succeed.

The ideology of innovation has a material existence; we all believe in innovation, because it—as discourse, as ideology, as directives for action and behavior—has permeated throughout society. Ideology manifests itself through actions, which are "inserted into practices" (Althusser, 168). In order to explain how ideology takes on material existence, Louis Althusser cites Pascal's formula for belief: "Pascal says more or less: 'Kneel down, move your lips in prayer, and you will believe'" (168). Slavoj Žižek expresses this slightly differently: "As Pascal put it, if you do not believe, kneel down, act as if you believe, and belief will come by itself" (*The Plague* 6). We have little choice but to have faith—as "innovation" has impacted and transformed organizational practices and processes, we are required to act as if we believe. We all believe; we have to act as if we do.

Disruption

The current faith in innovation and entrepreneurship has been significantly shaped by a widespread feeling of anxiety, uncertainty, and a sense of precariousness—which can be diagnosed as our general affective responses to our current period of capitalism (see, for instance, Crary, 24/7). We can describe this in terms of a digital capitalism, accelerated and extended by the spread of digital information technologies. The closely related contemporary discourses of innovation and entrepreneurship should be understood as key structural elements in the "spirit" of digital capitalism—for "innovation" offers a narrative to manage economic uncertainty and precarity, promising impending success in a rapidly moving marketplace, and the associated narrative of "entrepreneurship" supplies a sense of agency, to cope with the fragmentation and erosion of traditional work arrangements and structures. To make sense of this, it is important to appreciate that innovation has now come to be predominantly understood in terms of disruption.

In his hugely influential bestselling 1997 book, *The Innovator's Dilemma* (feted by *The Economist* in 2011 as one of the top six business books of all time; see "Aiming High"), it is Clayton Christensen who characterizes innovation in terms of disruption—and he argues that good management can lead to failure if well-run organizations simply aim to continue their established path of success, as upstart outsiders may have quietly redefined the rules with disruptive innovations before explosively transforming the industry landscape. This leads to the dilemma of whether to continue to adhere to proven processes, which are dependent on a now vulnerable and perhaps soon to be irrelevant business model—or to take

a leap and invest capital and resources to emulate the disrupters, while running the risk of cannibalizing your own business or misjudging the occurrence of a true disruptive event.

The "innovator's dilemma," Christensen says, is when doing the right thing is the wrong thing: "good managers consistently made wrong decisions when faced with disruptive technological change"; and "good management itself was the root cause (*The Innovator's* 98)." This has led to the problematic clarion call to disrupt everything; to disrupt or be disrupted. Our current conception of innovation is deeply underscored by anxiety and fear of disruption, of being left behind by the rapid-fire changes and transformative shifts associated with our contemporary world. This anxiety and fear—a paranoia about the threat and danger of disruption—have been a significant factor in shifting general attitudes from resistance (innovation perceived as unnecessary novelty) to a convert's fervent embrace of innovation (an aspirational acceptance of the injunction to innovate or die). This has led to the emphasis on "innovation" we see today, and to the spread of the rhetoric of innovation. Disruptive innovation is a compellingly rational competitive strategy for an age seized by precarity and insecurity.

We need to study innovation and entrepreneurship in terms of their social functions—as ideologies and essential structural narratives in the spirit of digital capitalism. Despite tensions and contradictions, they actively produce sociality, value, and desire in our contemporary world. As Boltanski and Chiapello write: "If, contrary to prognoses regularly heralding its collapse, capitalism has not only survived, but ceaselessly extended its empire, it is because it could rely on a number of shared representations—capable of guiding action—and justifications, which present it as an acceptable and even desirable order of things" (10). To give this extended empire a particular label—we now live in a time of dynamic digital capitalism. As a constantly evolving system, capitalism is intensely resilient and adaptable—and the current assemblage is largely reliant upon the paired narratives of innovation and entrepreneurship, as shared representations and justifications.

The current tsunami of innovation has been propelled by the disruptive effects of digital technologies: "Networks are directly generalizing the social and cultural range of the capitalist economy as never before" (Schiller, xiv). The digital economy is an increasingly pervasive infrastructure for the contemporary economy, and for businesses today. "We are told today that we are living in an age of massive transformation... enticing images of entrepreneurial spirit and flexibility [are] bandied about (Srnicsek, 1)." Don Tapscott and Anthony Williams proclaim: "A new economic democracy is emerging in which we all have a lead role" (15). The Internet and digital communication have purportedly given rise to the New Economy, renewed the dynamism of the market, and unleashed a whirlwind force of business creativity.

The last big wave of innovation has been largely dependent on features of the digital economy. We can quickly sketch these out. First, the importance of the online marketplace for businesses and organizations; second, the defining characteristics of connectivity, immediacy, and searchability; third, the implications of a marketplace of abundance, not scarcity; fourth, the newfound viability and profitability of niche markets; fifth, the engagement of highly engaged, active and participatory digital audiences. The ripples from this wave—comprised of the mainstreaming of the Internet, the impacts of digital technologies, the cutting out of many traditional business middlemen, and shifts in scope and scale for many firms—remain in motion today. Digital capitalism is therefore a useful shorthand description, evoking the tide of creative destruction, facilitated by digital technologies, which has raised the profile of the narratives of innovation and entrepreneurship in our current times.

Creative Destruction

As "prophet of innovation" (McCraw), it has been the economist Joseph Schumpeter who famously describes innovation—in the form of creative destruction—as the driving force not only of capitalism, but of material progress in general (*Capitalism* 73). In the last two decades of the twentieth century, perhaps due to his vision of capitalism as a process of discontinuous change, marked by ups and downs—there was a renaissance of interest in Schumpeter, and his pioneering ideas about innovation and entrepreneurship. Schumpeter left behind an influential account of innovation, as a recurring phenomenon to be understood in terms of cycles of creative destruction. It's plain that innovation is not simply about the power and promise of new technologies—fundamentally, innovation is driven by a profit imperative. Capitalism is not a static, stable system, Schumpeter observes; rather, "the history of capitalism is studded with violent bursts and catastrophes... more like a series of explosions than a gentle, though incessant, transformation" (*Business* 102). The idea of innovation still largely rests upon its conception as revolution, now casting as disruption, as impetus for the inevitable rise and fall of business cycles—as means for upstart challengers to rise up and overthrow established corporate power.

"Innovation" has become a nebulous word. But, Schumpeter supplies what remains still useful working definitions for innovation, as well as entrepreneurship. He defines innovation as a way of

combining already existing "resources," "materials" or "means of production" in some novel way (*The Theory* 65; 68). Simply put, innovation can be characterized and understood in terms of comprising "new combinations." Schumpeter enumerates five of these new combinations. The first is "the introduction of a new good," the second "the introduction of a new method of production," the third "a new market," the fourth "a new source of supply of raw material or half-manufactured goods," and fifth "a new organization of an industry" (Schumpeter, *The Theory* 65). Distilling his insights, we can say that innovation is—in its essence—simply an ongoing search for new exploitable resources.

Schumpeter provides an explanatory model for structural change, economic growth, and the inevitable movement of business cycles. In part, what occurs is as follows: successful innovation results in profit, which then attracts others—who imitate the successful innovation. And as these new actors enter the market, the level of profit falls—speculation and over-investment then invariably take place. An initial innovation by one business makes possible an expanding wave of imitation, bringing the innovation to a new range of applications. Schumpeter explains that an initial innovation calls for distinctive leadership ability, but that the spread and continued application of the innovation throughout an industry would subsequently require less and less capability, because the path had already been paved.

Schumpeter sees that big, monopolistic corporations will come to dominate economic life. But Schumpeter warns that because of their necessarily bureaucratic structure, they will eventually come to constrain innovation. As a champion of the role of innovation and entrepreneurship within a healthy capitalist system, Schumpeter was concerned about this restraint of genuine innovation. Innovation and entrepreneurship, after all, cannot be simply mass produced and formulized. Nevertheless, innovation has become a cottage industry in itself. Also, an increasingly important component of the innovation and entrepreneurial ecosystem is now the mergers and acquisitions market (Weber and Tarba). As Joshua Gans notes: "acquisition is a particularly powerful solution as a reaction to disruption" (76). We are now seeing the pattern of an established firm waiting to see whether a new entrant is a potential threat, before acquiring the competitor; and big companies are scanning the market for promising startups, pursuing a strategy of innovation through acquisition.

Schumpeter provides a cautionary warning: "innovation itself is being reduced to routine. Technological progress is increasingly becoming the business of teams of trained specialists who turn out what is required and make it work in predictable ways" (*Capitalism* 117). As the Mexican proverb perfectly encapsulates: "All revolutions degenerate into governments" (qtd. in Paz, 132). Processes of innovation are being routinized, and turned into regimen, to be adhered to religiously. Innovation is followed by adaptive and imitative behavior. Now, adaptive and imitative behavior is not only applied with products, services, technologies. Now, we are increasingly witnessing the imitation and diffusion of the *rhetoric* of innovation—innovation as virtue signaling, as a kind of ritualistic performance and invocation of success. Innovation has become a nebulous word—because of the belief that only the innovative survive; hence, this means that we now all need to be innovative, and innovation is driven more by imitation and conformity rather than risk-seeking and genuine experimentation.

What is necessarily absent from Schumpeter's account, is what innovation has come to represent, what the notion of innovation now symbolizes, and how innovation now functions as rhetoric and strategic discourse, deployed to underpin and rationalize particular managerial processes. It is now a term that performs the following functions: first, Innovation is a rationale used to underpin managerial decisions for organizational change and the ongoing need to restructure, because complacency (that is, not changing) means being left behind. Second, innovation is the unquestioned embrace of the possibilities enabled by digital technologies, in order to be able to reach audiences, consumers, and markets. Third, innovation is a strategic means to market products, services, and brands, as being competitive in the contemporary economy—the rhetoric of innovation provides a strategic means of positioning an organization for competitive access to funding and capital. Fourth, innovation refers to using new processes and technologies in pursuit of managerial objectives such as "leanness" and "agility," so as to pursue cost-cutting measures while remaining productive. Fifth, innovation offers organizations and managers a new mechanism with which to measure performance and to discipline workers to perform in particular ways.

Entrepreneurship

Resistance and inhibition have transformed into a general fetishization of innovation. There has been a general movement from resistance, to the domestication and channeling of innovation. And in this celebration of the notion of innovation, entrepreneurs and entrepreneurship have been placed in a privileged role. (See Cooper, "Entrepreneurship", for an account of the development of entrepreneurship studies, which have emerged as a topic of growing interest among management scholars and social

scientists since the 1980s.) The well-known management consultant Peter Drucker explains that entrepreneurship doesn't refer to an enterprise's size, or age—but to a certain kind of activity: "At the heart of that activity is innovation: the effort to create purposeful, focused change in an enterprise's economic or social potential" ("The Discipline"). As Drucker had previously espoused, the entrepreneur is someone who "*always searches for change, responds to it, and exploits it as an opportunity*" (*Innovation 28*, original emphasis). Entrepreneurs—whether they operate in big firms or small ones, old companies or startups—are held up as the agents of innovation and creative destruction, praised for their activity and efforts to create and exploit profitable "new combinations."

Concomitant with the faith in innovation, entrepreneurship operates as a means of offering a sense of agency and the possibility of wealth-creation in an age of precarity. It is a discourse which rationalizes modern subjects—you, too, can be an entrepreneur, and thus be creative, liberated, and successful. Mark Casson, Bernard Yeung, Anuradha Basu, and Nigel Wadeson state: "Entrepreneurs specialize in taking difficult and complex decisions for which other people do not want to take responsibility. The implication is that entrepreneurs make a vital contribution to economic growth" (1). The capitalist system now has come to offer us the notion that we can all be entrepreneurs, that we can, in at least some way, be entrepreneurial—we can seize the opportunity of being our own boss, liberated from the nine to five, free to be creative and to take advantage of the connected, networked, collaborative, new economy. The idea of entrepreneurship provides a means to actively embrace and make sense of a time of change and upheaval.

We can call it the fantasy of entrepreneurship: where entrepreneurship operates as an ideological means of demarcating an alluring subject-position, offering a sense of agency and creative activity, and the possibility of wealth-creation, through championing innovation and creativity, in an age of precarity (Standing) and the cellularization of labor (Berardi). Much like myth, fantasy has a constitutive force—and a powerful fantasy has the capacity to give meaning and purpose to our life. Fantasy cannot simply be dismissed as being false, or untrue—fantasy is also "a true narration" that structures meaning and desire in reality. As Žižek remarks: "through fantasy, we 'learn how to desire'" (*The Sublime* 118). Entrepreneurs are extolled as the visionaries, the rebels, the creative souls, who are revolutionizing the system, and overthrowing the establishment. Entrepreneurs are lauded as agents of creativity and daring in a climate of digital technology, with changing work conditions and shifting business models. This has become a convenient and desirable narrative, even if it is not the reality, even as many of those who are held up to be entrepreneurs function and conform as thoroughly institutionalized cogs within the contemporary capitalist system. What is largely hidden is that many entrepreneurs come from positions of privilege, where they are typically supported by preexisting access to capital and/or prestigious networks, which support a passage through recurring failure until the big break happens.

Entrepreneurship used to refer primarily to risk seeking, in the hopes of obtaining future profit. Now, it is also used to deal with the manifestly real risk or difficulty of not being able to obtain a stable, ongoing job with good upward trajectory. Now, it refers to the promise of private enterprise, and the rise of personal brands. It refers to the promise of personal industry and individual agency, where we celebrate creatively working for ourselves. Failing becomes palatable, and is even celebrated as a badge of honor. Without risk, without struggle, and without failure, there is no success. With startups (For example, see Murray Hurps and Monica Wulff, "Annual Report", for a peek into the Australian startup scene), we can witness the recurring story of failure; and for the stories with a happy ending, there is a rich tale of how persistence through failure finally pays off. But there are, of course, numerous unhappy endings. As Nassim Taleb points out, we do not really hear the stories of the finality of failure: they are "silent evidence," as they are largely inaccessible to us (103). Unless, of course, when success stories make prior failure—now left behind, and suitably transformed into a badge of honor—meaningful. What does it mean to be entrepreneurial: what are the demands, pressures, imperatives?

Conclusion

This essay has explored our belief in innovation and entrepreneurship—the myth of innovation and the fantasy of entrepreneurship—as key components of our contemporary capitalist cosmology and as key elements of the spirit of digital capitalism. It is undeniable that innovation is increasingly becoming institutionalized and bureaucratized; it is now explicitly serving corporate interests and agendas. Innovation is no longer the exception. Today's innovation attempts to tap the multitude—the globally connected participants of digital capitalism—as engine of digital capitalism; in essence, to crowdsource creativity. The rhetoric of innovation increasingly operates as a necessary PR exercise; effective communication and branding are essential to establish and maintain access to networks and capital. We are seeing what can be described as an ongoing performativity of innovation; the appearance and performativity of innovation and entrepreneurship are of tremendous importance in driving the current

iteration of capitalism. Management and investors want to see return on investment (ROI)—innovation, almost paradoxically, has been deemed a “safe” path towards profit. We are seeing the imitation and diffusion not simply of particular kinds of technological innovation, but of the language and rhetoric of innovation.

Boltanski and Chiapello point out: “Capitalism attracts actors, who realize they have hitherto been oppressed, by offering them a certain form of liberation that masks new types of oppression. It may then be said that capitalism ‘recuperates’ the autonomy it extends, by implementing new modes of control. However, these new forms of oppression are gradually unmasked and become the target of critique...” (425). In other words, capitalism is an inherently responsive system, which operates according to an ongoing dialectic of liberation and oppression. Capitalism needs to offer forms of liberation and reward, in order for the system to work—when the oppressive elements of the system are critiqued, new energizing possibilities of liberation and reward need to be developed. As the system evolves, capitalism therefore moves to offer freedoms and rewards which obscure new types of oppression; the liberation and autonomy which are extended are then managed through the implementation of new regimes of control.

Having served as a revitalizing force, are innovation and entrepreneurship now hardening into “new modes of control”? In their follow-up to Boltanski and Chiapello’s *New Spirit of Capitalism*, Paul du Gay and Glenn Morgan comment that the energizing capacity of a spirit of capitalism “gradually faces challenges as the initial promises run up against oppositional forces and changes in the broader social and economic context induced by the very success of the ‘new spirit’” (14). Have innovation and entrepreneurship become what Weber famously termed a restrictive “iron cage,” “steel housing,” or “immutable shell”—a new form of oppression? The well-known passage from Weber still resonates: “Today’s capitalist economic order is a monstrous cosmos, into which the individual is born and which is practice for him, at least as an individual, simply a given, an immutable shell (“an immutable shell” in the original German is *Gehäuse*, also translated as “iron cage” or “steel housing”), in which he is obliged to live” (*The Protestant* 13). Yes—there is an evolving set of constraining contemporary demands for “innovativeness” and “entrepreneurship.”

A critique of the fantasy of entrepreneurship is taking place. For instance, Trebor Scholz writes: “Using the language of entrepreneurship, flexibility, autonomy, and choice, the burden of the biggest risks of life—unemployment, illness, and old age—has been lifted onto the shoulders of the workers” (*Überworked* 160). Workers are turned “into ‘micro-entrepreneurs’ who are competing under conditions of infinite labor supply” (Scholz, 13). The contemporary precarity of labor is not simply about the increasing casualization of work and the growing losses of a regular job and a salary, but also about the effect of fragmentation and compartmentalization of work, and the fracture in the relationship between worker and place—the language of entrepreneurship all too often papers over these cracks.

A critique of the myth of innovation is taking place. As Joshua Gans points out, many are seeing disruptive innovation “everywhere and using it to justify managerial decisions that [are] risky and not, ultimately, in their interests. In other words, [has] the pendulum swung too far?” (vii) Justin Fox writes: “Nowadays every corporate executive wants to disrupt; the word has become a mark of forward-thinking decisiveness”—however, as he remarks, innovation is now at times “attached to strategies that are more about cost-cutting than game-changing.” Innovation serves as a managerial language utilized to rationalize decisions that may not serve an organization’s interests at all, or to prioritize the chase for profits over the value of human workers and employees.

The push to disrupt old institutionalized ways of thinking is being formalized into new institutionalized ways of thinking. The question can only be answered with the passage of additional time, and become the subject of future speculation and research. What will be the inevitable response to the critique of the justifications of innovation and entrepreneurship? Or, to put it more simply: what happens when people inevitably come to lose faith in “innovation” and “entrepreneurship,” when they come to realize that their belief does not automatically grant them salvation in a secular world, does not guarantee them success—their faith will need to be superseded with a newer faith, a newer spirit, in order for the capitalist system to be reinvigorated once more. When our current spirit expires, what will it be replaced with? It is still too early to tell.

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