

Indigenous entrepreneurship & small firms

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By comparing entrepreneurs from **two indigenous entrepreneurial systems** located in remote regions and **countries with different levels of economic and social development**.

What can Chile learn from the New Zealand experience?

Developing country (CIA, 2018) 44th HDI - Mapuche entrepreneurs, Araucania Region in Chile

Highly developed country (CIA, 2018) 16th HDI- Maori entrepreneurs, New Zealand

Context

Sharing with *Mapuche* and *Maori* people and their families.
Spending days and weeks with them. Building trust and participation.

Qualitative ethnographic study

20 Interviews during 2018.

Convenience sample and observations.

27% of Araucania region in Chile are Mapuche

26% Bay of Plenty in NZ are Maori

New Zealand is a leader in indigenous rights and development.

Māori occupy influential commercial interests in primary industries, food, honey production, tourism and digital technology.

Lleco Mahuida, Comuna de Carahue. Con el objeto de realizar un estudio comparativo entre el emprendedor Mapuche y el Maorí de Nueva Zelanda, hemos realizado un recorrido por diversos emprendimientos de la etnia mapuche junto al investigador neozelandés Christian Felzensztein.



El conflicto mapuche en Chile

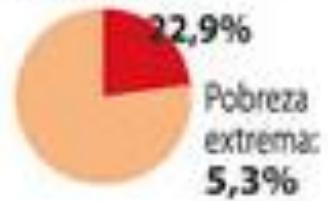


Población mapuche
700.000
Población total:
17 millones

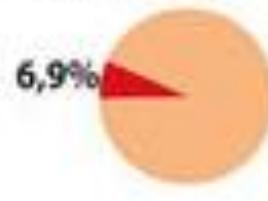
Mapuche:
"gente de
la tierra"

Datos de la Araucanía

Pobreza



Desempleo



Son el **87,2%**
de la población
indígena

En las dos primeras semanas
de 2013 se registraron al
menos ocho ataques
incendiarios en la Araucanía,
con el resultado de dos
víctimas fatales, un agricultor
y su esposa.

Distribución de la población mapuche

Metropolitana

30,3%

Océano Pacífico

8,8%

Araucanía

33,6%

Región de Los Lagos y Ríos

16,7%

Localización de los primeros cinco ataques

Enero 5
C. Pastene

Enero 6
Lautaro

Enero 4
Vilcún
2 muertos

Enero 8
Temuco

Enero 5
Freire

GRÁFICO: AFR/ADAPTACIÓN LA RAZÓN

Mapuche, Chile

- **Themes:** family and community, government support, isolation, women leadership, exodus of youth.
- **Mapuche small businesses are often cooperatives**, and rely on government organisations: INIA, CORFO, INDAP. Business-related knowledge and to get investment for setting up basic utilities.
- Formalised businesses exist along with informal businesses
- Even formalised entrepreneurs may exist on the **boundary between official economy and informal Mapuche economy**.
- **Women are playing an important role in Mapuche entrepreneurship.** The social network relied on for support is may be female-to-female. Further, women may be entrepreneurship leaders, and men – followers.



Maori, New Zealand

- Themes: Family & community, ethnic advantage, gov. funding being secondary, **scope of business (global)**.
- Māori culture was part of their product
- Māori as an asset + government loans and institutions available to Māori only.
- Māori approach to management, highly successful and **fast growing firms of international standing**.
- Institutions established to assist Māori: relying on their own efforts.
- The scope of the entrepreneurs' activities was not limited to the region, **but to global markets**.
- Regional development is key: source of opportunity & wealth



Māori Wine Coalition

Poutama's Beverage Cluster is made up of wine, beer, water and craft non-alcoholic beverage companies.

Poutama's Beverage Cluster is made up of wine, beer, water and craft non-alcoholic beverage companies. A meeting last year identified opportunities for enhancing their **collaboration through economies of scale** in areas such as production, distribution and marketing costs. In addition there were ideas around developing a collective brand that leverages the Māori identify and story

<https://poutama.co.nz/maori-wine-coalition/>



We work with international travel sellers to help them understand Māori culture and the variety of cultural tourism experiences. [New Zealand Māori Tourism Council](#) to discuss opportunities to get involved in tourism marketing.

<http://witsummit.nz/wits18>

Business models; business goals; family & culture

Māori entrepreneurs presented much greater **variety of business models**

e.g. creating and selling a brand (Australia, China, etc) <https://moana.co.nz>

Mapuche aimed to achieve **relatively modest economic gains & subsistence**

Family and culture were important for both Mapuche and Māori entrepreneurs.

Māori entrepreneurs appeared to have a choice in this respect.

Indigenous entrepreneurs develop networks that span regional, international, and cultural boundaries: boundary spanners.

Evolution from the early stage to the a more advanced stage

Mapuche had to manage boundaries that were imposed on them:

Cultural boundary: dealing with government agencies outside the region

Regional boundary: accommodate customers from outside the region using the limited resources

Family boundary: family members that had to be involved in the ventures because of the lack of resources.

Differences in entrepreneurial activities and ecosystems.

economic and political contexts = Gradual evolution.

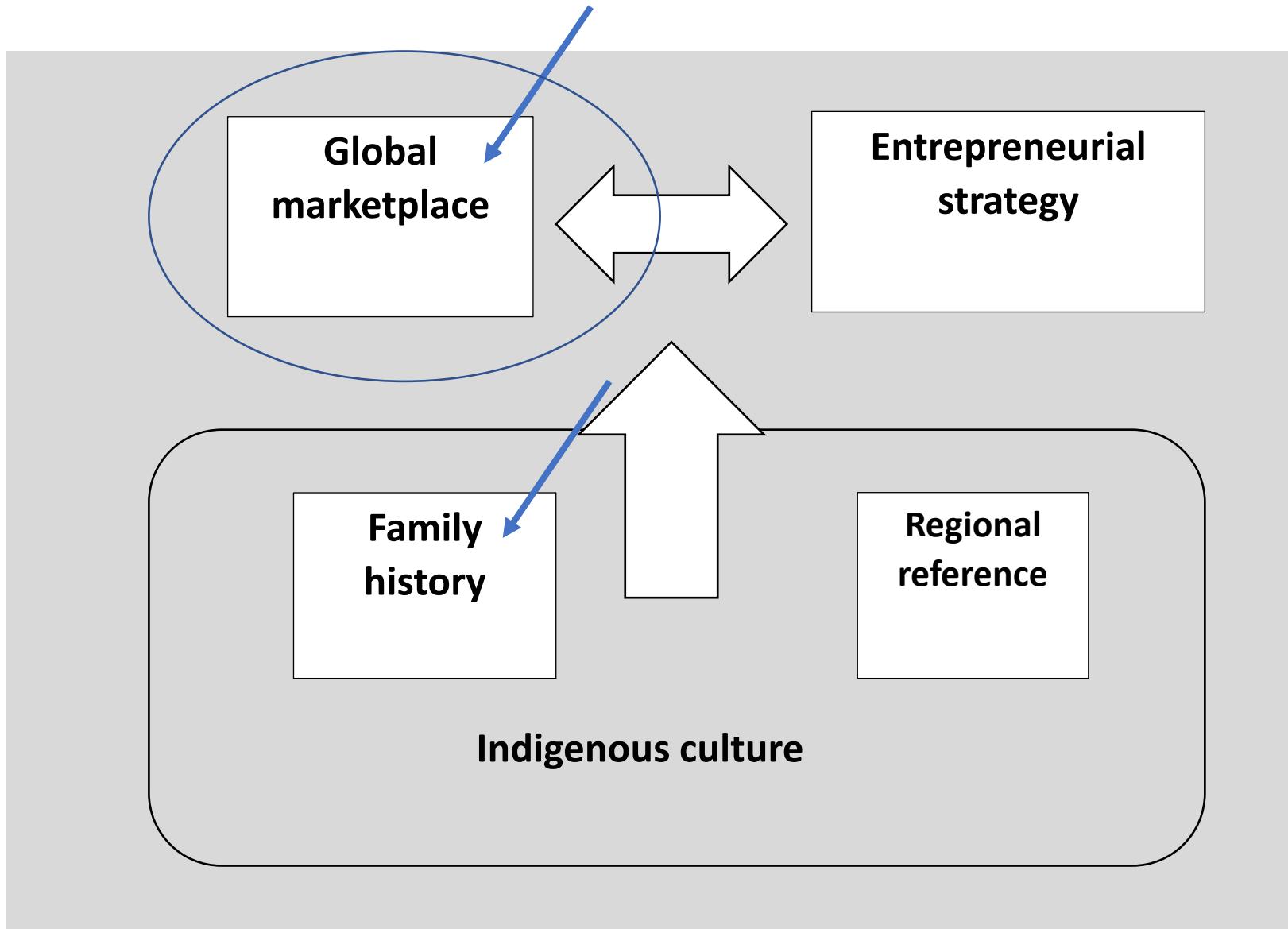
Direct and targeted government support:

financial support to indigenous entrepreneurial ventures that pursue cultural, rather than economic gains
Incentives for both preserving their own culture and managing cultural boundaries.

Further insights relevant to South America

Conceptual framework based on the results:

Transition from an emerging to an advance economy



Challenges:

- Improving rural economies
- Providing for greater participation of indigenous enterprise
- Skills and technological capabilities
- Accelerate business growth and enhance indigenous co-operation, specially important for the new indigenous generation.



THE
LEADERS
IN GLOBAL
BREAKING



Ins of the Entrepreneurship Ec

Leadership

- Unequivocal support
- Social legitimacy
- Open door for advocate
- Entrepreneurship strategy
- Urgency, crisis and challenge

Government

- Institutions e.g. Investment, support
- Financial support e.g. for R&D, jump start funds
- Regulatory framework Incentives e.g. Tax benefits

Policy

Finance

Markets

Entrepreneurship

Human Capital

Culture

Supports

Non-Government Inst

Support professions

- Legal
- Accounting
- Investment bankers
- Technical experts, advisors

clusters

in part because it reflects the world as it impairs it impacts the entrepreneur's decisions and success. It is important to note that there are several elements that are usually omitted such as ease of entry. What might appear to us now, extremely few policies and new customers. Entrepreneurs need early customers of service and serve as references, not to mention the sweetest form of finance for the entrepreneur.



Rod B. McNaughton • 1st
Professor of Entrepreneurship
22m · ②

NZ's Small Business Council released its final report yesterday, making 20 recommendations to help small firms grow and prosper. The recommendations relate to themes such as access to capital, improving cashflow, training, digital transformation, and lowering compliance costs.

The government announced that it is acting immediately on three of the recommendations.

One of them is:

Efforts to build capabilities and skills amongst small business owners, particularly digital skills, will be supported through new resources on [business.govt.nz](#). The resource launched today covers the fundamentals of business strategy, and was developed in partnership with technology leaders from Duke University in the U.S.

Duke University! There are seven business schools at NZ Universities. It is very difficult to believe that one or more of our business schools couldn't have delivered content that is better tailored to the NZ context. The opportunity has been lost to increase the interaction between SMEs and NZ's universities for the benefit of both.



Home



My Network



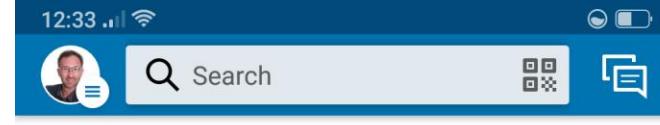
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Justin Trudeau in • Following
Prime Minister of Canada | Premier...
13h · ②

Canadians are counting on us to work together on the issues that matter most to them, and overcome the challenges of today to build a brighter tomorrow. The plan we've put forward in the Speech from the Throne is a path forward for everyone. Together, we'll continue:

- ✓ Fighting climate change
- ✓ Strengthening the middle class
- ✓ Walking the road of reconciliation
- ✓ Keeping Canadians safe and healthy
- ✓ Positioning Canada for success in an uncertain world

[Click here for more details](#)



Speech from the Throne

[canada.ca](#)

1,772

138 comments



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