Foresight And Entrepreneurship

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ABSTRACT
This is a speculative piece that will explore how understandings of foresight could enrich understandings of entrepreneurship. It will examine two theories of developmental psychology to determine if they can offer insight into entrepreneurship. It will employ Ken Wilber’s four quadrant model to frame entrepreneurship from an Integral perspective.

INTRODUCTION
The 2002 Global Entrepreneurship Monitor (GEM) reported that there had been a substantial and significant decline in entrepreneurial activity in Australia and the majority of the other countries that participated in the study (Hindle and Rushworth, 2002, p.22). The report concluded that ‘Australia does not have a robust entrepreneurial culture’, in addition to lacking entrepreneurial skill and a growth orientation. Importantly the researchers highlighted that Australian ventures are characterised more by speculation than calculation.

“Keynes used the term ‘enterprise’ to mean ‘the activity of forecasting the prospective yield of assets over their whole life’. He contrasted the entrepreneurial capacity inherent in this concept of ‘enterprise’ with the mere ‘speculation’, which was the activity of forecasting the psychology of the market’. Speculative ventures inherently involve a short-term rather than long-term outlook…Many GEM respondents have ventured the opinion that too much Australian new venturing is characterised by a preference for high-risk but low-cost speculation rather than an investment driven by informed risk assessment and longer-term goals… When it comes to aggregate entrepreneurial capacity, Australia’s predominant motivational factors are speculation and lifestyle rather than calculation and growth” (Hindle and Rushworth, 2002, p.24).

The GEM researchers highlighted the characteristic of a short-term outlook taking preeminence over a longer-term viewpoint. The Australian Foresight Institute (AFI), which has been researching and teaching strategic foresight for the past several years, would echo that sentiment. It would be the AFI’s assessment that ‘short-term thinking is endemic’ (Slaughter, 1996, p.83). This paper will explore how understandings of foresight could enrich understandings of entrepreneurship.

What is foresight?
According to Slaughter (1995, p.48), ‘foresight is an attribute, or a competence; it is a process that attempts to broaden the boundaries of perception in four ways:
• By assessing the implications of present actions, decisions, etc (consequence assessment);
• By detecting and avoiding problems before they occur (early warning and guidance);
• By considering the present implications of possible future events (pro-active strategy formulation); and
• By envisioning aspects of desired futures (normative scenarios).

This act of consciously looking forward permits a broader perception to be gained and from this broadened perception can come a range of possible foresight actions:
• To make preparation for a likely event (provisioning);
• To discern and then adopt the most suitable course of action (practical wisdom); and
• To act with discrimination, profundity, compassionate understanding and anticipation (sagacious wisdom).

What is entrepreneurship?
“The entrepreneur shifts economic resources out of an area of lower and into an area of higher productivity and greater yield” (J.B. Say, cited in Dees, 1998, p.1). Thus, it is said that entrepreneurs create value. They do this:

“…by exploiting an invention or, more generally, an untried technological possibility for producing a new commodity or producing an old one in a new way, by opening up a new source of supply of materials or a new outlet for products, by reorganising an industry and so on “(J. Schumpeter, cited in Dees, 1998, p.1).

In addition,

“…social entrepreneurs have a desire to build social capital and equity by mobilising the talents of people rather than waiting for governments to be accountable … Social entrepreneurs are people who use the techniques of business to achieve positive social change “ (Tregilgas, 2003, p.3).

The interests served by entrepreneurship do differ but what is common is the sense of creating value through taking calculated action. Those actions, to be entrepreneurial, can often be against what is considered conventional or usual.

FORESIGHT AND CONSCIOUSNESS
Primary level consciousness is instinctually, emotionally and experientially driven. It is the creature present, the realm of sensory stimuli and individual responses. The individual operates from a representation of the external world thought to be ‘out there’ while the same individual is not usually conscious that the representation is constructed ‘in here’. If what is sensed does not accord with the representation of the world then cognitive dissonance arises in the individual. The emotional or instinctual response to such dissonance is caution, concern, anxiety or fear as things are not ‘as they should be’. As an evolutionary ‘early warning’ system this is an exemplary way of ensuring that caution is taken when something unusual is sensed in the environment.

Higher-level consciousness enables conceptual stimuli to be introduced to this representational process. What the imagination adds to the representational stimuli does not exist ‘out there’ instead it originates only ‘in here’. This evolutionary adaptation enabled the development of
conceptual capacities like language, social memory and cultural expression. *Homo sapiens* could, therefore, react to conceptual stimuli the way that mammals without such a highly developed cortex area could only respond to sensory stimuli.

‘Many human groups have perished through improvidence; the men who have peopled the earth are the prudent ones’ (de Jouvenal, 1967, p.6). Experience operates best in the realm of precedented situations. When an individual or group encounters situations that share similarities with earlier times then previous experience is likely to be the pathway to prudence while improvidence will likely follow from ignoring the experiences of the past. Flip the circumstances from precedented to unprecedented and the pathways to prudence should be inverted as well.

“Human experience has developed generation after generation but it cannot tell us about the consequences of unprecedented situations, thus we are moving into a most dangerous and unstable period in history without the adequate means to look ahead and steer carefully” (Slaughter and Garrett, 1995, p.95).

It is the engagement of foresight that acts to clarify the dynamics of emerging and unprecedented situations (Slaughter, 1990, p.801). It is prudent in conditions of novelty and change to use all human cognitive capacities, the memories of actual experience and also imaginative speculation, to take a forward view and to navigate accordingly. To be foresightful is to ‘be a citizen of two worlds, the present and imagined, and out of this antithesis the future is born’ (Polak, 1973, p.1).

Entrepreneurship, too, is a capacity arising from higher-level consciousness. While there is an instinctual and emotional aspect to entrepreneurship which can be related to primary level consciousness, what Schumpeter and the GEM researchers are concerned with is deliberate and causative. Perceiving an opportunity that others cannot or do not see, is a capability arising from the representational capacity. Entrepreneurship is a high-quality response to the perception that an unmet need exists.

### Overcoming the failure of rational certainty

*Rational certainty* is the premise that what is represented ‘in here’ is the actual reality of what is ‘out there’. It is not the felt or instinctual realisation of environment, but the cognitive construction of reality. Cognitive dissonance occurs when the individual becomes aware of a discrepancy between what was thought as real and the dawning awareness of reality. The individual perception of the failure of rational certainty can

“…activate psychodynamic responses that are not socially constructive. One such response is to … reduce anxiety by gratuitously avoiding or deprecating the ambiguity and uncertainty—what is called denial” (Michael, 1985, p.98).

These low-quality responses eventuate when the individual acts solely on the basis of the emotional and instinctual response occurring. A range of attitudes can act to mitigate this emotional response and thereby allow high-quality responses to be taken. If an individual is able to tolerate ambiguity, adopt an experimental outlook, take a cybernetic view of error and work within an atmosphere of trust (Markley, 1983, p.60), or if an individual can develop creative thinking, adopt a future-orientated approach and has the ability to tolerate strain (Novaky et al., 1995, p.759), then they can remain in an open condition. Openness to cognitive dissonance allows what could be easily interpreted as inaccuracy, failure or shortcoming and felt as discomfort, anxiety or repulsion to be noted but not immediately acted on. From this point other responses can be chosen.
Another form of high quality response is to create knowledge surrogates. The idea of a *presumptive truth* can maintain the sense of plausibility and therefore allow decision-making and social processes to continue rather than be frozen while waiting for certainty to return (Bell, 1989, p.131). The other property of a presumptive truth is that it can lead to actions that negate the truth of the presumption itself (Bell, 1997, p.234), effectively operating to empower people to take preventative action. Human actions are based upon anticipations that are felt to have a real possibility of eventuating, notwithstanding the recognition that what is anticipated is likely inaccurate and uncertain (Fuller, 2000, p.151). Entrepreneurial action is based upon such a strong anticipation. A non-entrepreneurial response will deny that such action could succeed; that there is no presumptive basis on which action can be taken. The entrepreneur, however, is not frozen by the lack of certainty, instead remaining open to what is possible.

Dialogue is another high-quality response to the failure of rational certainty. By moving towards the knowledge deficiency and exploring it, uncertainty can be accommodated (Healy, 1999, p.657). Dialogue can illuminate contradiction, and seemingly antagonistic forces can be seen from different perspectives. If these contradictions and antagonisms can be maintained in coexistence, rather than banished, then oversimplification will be prevented (Futowicz and Ravetz, 1994, p.570). ‘Fear may be understood as a consequence of the illusion of separateness’ (Slaughter, 1987, p.59).

An optimist believes that the future will unfold in a positive way so nothing *need* be done, and a pessimist believes that the worst will occur and so nothing *can* be done to change it. ‘Hope’, instead, is neither optimistic nor pessimistic; it is causative (Sardar, 2003). To approach the future with hope is to overcome fear, for ‘only hope through unfolding the living of a meaningful life in this superior context can renew hope and give balance to the lives of humans and human systems’ (Jantsch, 1975, p.466). Likewise entrepreneurship is causative and hence hopeful. It might be that it is hope that sustains the entrepreneurial spirit and creates an entrepreneurial culture. What the GEM researchers described as a preference for ‘speculation’ over ‘enterprise’ could be describing a low-quality expression of entrepreneurship. A higher-quality expression of entrepreneurship may only be possible where hope exists.

**The central role of the imagination**

Imagination enables our higher-level consciousness to create ideas with which individual and social actions can be enabled. We can create and test our actions in worlds that do not yet exist. An image, if compelling, creates movement towards it. It gives a general orientation, a sense of direction but not the final destination; ‘a sense of direction on the assumption that as you start heading towards your preferred future you will experience new things and develop new ideas’ (Inayatullah, 1993, p.236). Entrepreneurship is an expression of the speculative imagination. An image of something that does not exist, but could, arises in the speculative imagination. If the image is enduring then it becomes causative and motivates movement towards itself. The speculative imagination, however, is compromised by a culture that is predominantly outward and materially focussed. Such a culture gives undue preeminence to primary level consciousness. Entrepreneurial action that is likewise reliant on material and extrinsic motivations will tend towards the suppression of the imagination. Speculation can be rediscovered if the provisionality of what is uncritically assumed to be real is uncovered and challenged. By admitting the interior dimension of individual and collective life to play a role as well, inspiration and hope can emerge (Slaughter, 1998, p.999).

Humans share worldviews in order to create a ‘meaningful social world’ and to find their place in it (Clark, 1994, p.183). The acceptance of a society’s norms is the individual’s pathway of
socialisation. Society encourages children to progress through their egocentric stages of psychological development and to internalise the values and behaviours that the particular society regards as valuable. Sharing imaginatively rich worldviews with other humans enables ‘extensive amounts of non-genetic information’ to be communicated across generations via this shared worldview (Pirages, 1994, p.199). The benefits of elaborated learning opportunities can then be transmitted to future generations via this social process. The idea of an entrepreneurial culture that promotes and sustains entrepreneurial action is one such socialised worldview.

Research has shown that at a point in time children have a clear image of themselves in the future as well as that of their environment, especially the natural environment, and that over time they seem to lose this ability to retain this clear image plus they become more influenced by the images that they see around themselves (Masini, 2002, p.643). This ability to hold an image of the self in a future state would seem to be a prerequisite of an entrepreneur also. Do children lose their entrepreneurial flair as they lose this ability to hold a clear future image of themselves? Does the acceptance of received images of ‘conventional’ society act to suppress entrepreneurial capacities? This would be an interesting area for further research.

The young, and older, could learn something from the very young. In the study of four and five year olds it has been observed that the conventional imagery of the mass media remains wholly subordinate to the child’s own perspective. The conventional and the negative are cancelled out by the energy and positivity of the young child’s imagination (Page, 1998, p.919). Older children, and many adults, remain locked into received frameworks of conventional media images. It is a natural developmental step for individual psychological development to move from an egocentric/preconventional to a sociocentric/conventional viewpoint. This is part of a child’s learning to become a functioning member of a society; however, it does appear to come at some cost if children are encouraged to remain in this sociocentric mode for a significant time. The stage beyond the sociocentric/conventional viewpoint is the worldcentric/postconventional viewpoint. Not the rediscovery of the dominant ego of the four year old, but the realisation of themselves as autonomous individuals within a larger universal schema. When children in the midst of the sociocentric/conventional viewpoint are provided with artistic, imaginative, values-based, meaningful educational experiences and processes, these seem to counterbalance the fragmented, violent, meaningless and pessimistic images provided by contemporary culture (Gidley, 1998, p.406). This research corroborates the idea of stages of psychological development and it also highlights that expressions of higher-order consciousness, like foresight and entrepreneurship, may be developmental capabilities.

THE PSYCHOLOGY OF FORESIGHT (AND ENTREPRENEURSHIP?)

Research into psychological development by a great number of researchers has found that individual psychology tends to evolve in a sequential, hierarchical fashion. Higher stages tend to build upon or incorporate the earlier ones and no stage can be skipped over (Wilber, 2000b, p.28). The nature of this development has become increasing differentiated over time and many ‘different’ developmental ‘lines’ have been researched (Wilber, 2000a, pp.28-32). The work of two researchers will be examined in detail: Jean Piaget’s identification of the stages of intellectual development, and Lawrence Kohlberg’s moralisation of judgement. The theories of these researchers support the notion that expressions of higher-order consciousness, like foresight and entrepreneurship, will only be possible when individual psychology develops to a relevant, and requisite, level.
Cognition and foresight
Cognition is the process whereby knowledge is acquired through experience, perception and memory. Cognition is what consciousness ‘does’. The Western preference for rational level expressions of consciousness also applies to the idea of cognition as well. The contemporary view of cognition is that is usually distinguished from emotion (affect) and volition (conation). Descartes’ famous dictum, ‘Cogito ergo sum’, supports the premise that thinking is an isolated process undertaken by every individual. Researchers have elaborated Descartes’ premise by demonstrating that individual cognition is a developmental process.

Jean Piaget studied the language and thoughts of pre-school and early school age children. He did not study whether children’s structure of thought conformed to adult thinking. Instead, he studied how thinking developed in the child, unhindered by adult judgement. An explanation of the nature of development uncovered by Piaget is the evolution of ‘subject-object’ balance (Kegan, 1982, p.39). At any given stage there is a balance between the subject and the object it is cognisant of. As the person ‘develops’, what actually occurs is that they become more aware of their own subject nature. They begin to see this subject nature as a potential object of their attention, and they notice this subjectivity in other objects. In order to regain balance the person has to adopt a new subject stance to the new object.

Table 1: Piaget - Stages of Development (from Kegan, 1982)

<table>
<thead>
<tr>
<th>Stage</th>
<th>Subject</th>
<th>Object</th>
</tr>
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<tbody>
<tr>
<td>Sensorimotor</td>
<td>Actions and Sensation</td>
<td>(None)</td>
</tr>
<tr>
<td>Preoperational</td>
<td>Perceptions</td>
<td>Actions and Sensations</td>
</tr>
<tr>
<td>Concrete Operational</td>
<td>Actualities</td>
<td>Perceptions</td>
</tr>
<tr>
<td>Formal Operational</td>
<td>Possibilities</td>
<td>Actualities</td>
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At the Sensorimotor stage (see Table 1) the subject is operating with an undifferentiated structure of thought. What passes for thought is actions and sensation. The ‘self’ of the subject is not different to the objects of the self’s environment. Without any delineation of self there is no object. There is a subject-object balance, of a kind, because the two are fused together.

The movement toward Preoperational (2nd Stage) begins when the subject perceives that ‘it’ does these actions and has these sensations. An awareness of others acting is perceived also. An object now exists. The form of subjective thought is ‘perception’ and the objects of those thoughts are ‘actions and sensation’. A new subject-object balance is reached. The preoperational mind is egocentric and fastens onto a single, concrete, external feature of an object or situation as an explanation of whatever is questioned. The imagination of a future state or the motivation towards an unrealised future event is not possible at this stage.

The next movement begins when the subject becomes aware of its perceptions (Concrete Operational Stage). Not, ‘I am my perceptions’, but, ‘I have these perceptions.’ Perceptions become the object, and the subject stance adopted is a focus on the actual. This is the stage of quantification and measurement. Conservation (volume, weight and mass) is understood and the external world can be manipulated, but true cause-and-effect thinking has not yet emerged. Importance is a function of what actually happened, a judgement of objective responsibility. The mind here is focussed on the actual outcomes, not the intentions, which don’t exist as objects yet. With this emphasis on actualities, the imagination of future states that could occur is severely attenuated. Likewise the entrepreneur here is all about the importance of what actually occurs. This could be likened to a state of naïve entrepreneurship where only what
happens is important. Simple notions of causality would be employed before actions and outcomes alone would be the major criteria of success.

Finally the subject becomes aware of the actualities, and these now become the object (Formal Operational Stage). The subjective stance adopted is the possibility of the actuality—in effect, hypothetical thought. The actual is no longer the only instance; the possible becomes another instance. Piaget referred to this as 'operations on operations'. Importance is now a function of intention not actuality, a judgement of subjective responsibility. Thinking now becomes very elaborated, with hypothetical possibilities being equated with actualities. Foresight expressed here can encompass the full range of hypothetical, scientific, systemic and complex thinking. Entrepreneurship here would, likewise, be comfortable with notions of risk and probability. At the cognitive level alone, this is the stage that 'robust' entrepreneurial activity would be expressed.

Piaget’s research was a study of mind considering the material world, the world of objects. At each stage of development the conception of ‘self’ grew as did the control that the ‘self’ could exert over its environment. The ‘logical’ power of the formal operational or ‘formop’ mind to manipulate possibilities and not mere actualities was where Piaget’s research ceased. To the formop mind, reasoning which is not consistent with deductive hypothesis-testing will be interpreted as pre-operational (‘preop’) or concrete operational (‘conop’) thought: ‘If the thinking behind this research is not consistent with my stage of thought, and my stage is the top, then that thinking must come from an earlier stage’. Research inconsistent with formop thinking could be described as ‘immature’, ‘naive’, ‘fantasy’ or a ‘fairy story’. Foresight or entrepreneurship research encountering the formop mind must satisfy the ‘logicality’ standards of the formop mind, before it will be accepted as valid. While formop is the necessary cognitive stage for robust entrepreneurship and foresight, its tendency to dismiss all non-formop viewpoints as ‘invalid’ is a ‘blindspot’ in thinking. This is especially so if psychological development could be shown to develop beyond formop thinking.

Moral thought and foresight
Kohlberg studied children also and his study included adolescents. What he was examining was not how they saw themselves in relation to the physical environment, but instead how they saw themselves in relation to society. ‘Moral thought’ governs what is considered to be right and wrong or fair and unfair. This individual to society relationship is a different ‘line’ of development to cognition and yet it is still influenced by cognitive development. It is an important line because while the individual is the agent of action, society establishes the boundaries within which the individual’s agency can permissibly occur. Both foresight and entrepreneurship are capacities enacted in the social realm and so the moral line of development is highly relevant.

Kohlberg discovered three main levels of moral development: the preconventional, characterised by a concrete individual perspective; the conventional, characterised by a member-of-society perspective; and the postconventional or principled, characterised by prior-to-society perspective. Each of these levels comprises of two stages. Each stage demonstrates a changed perspective on what determines ‘rightness’ and also a changed social perspective of the individual in relation to society.

| Table 2: Kohlberg - Stages of Intellectual Development (from Kegan, 1982) |
|----------------|------------------|
| Stage       | Subject          | Object                  |
| Heteronomous Morality | Social Perceptions | Reflexes, sensations |
At the **Heteronomous** stage (see Table 2), the subject perceives that ‘it’ does these actions and has these sensations. There is an awareness of an ‘other’ as an authority source of punishment for disobedience, or reward for obedience. The subject perceives a social system, of a kind, where it itself is at the centre, and all others act in accordance to the actualities of its own actions. The individual/society perspective is basically egocentric: ‘it is my interests that matter as do the actions involving me’. The actions that matter are physical rather than intentional. This stage correlates to conop cognition and the expression of naïve entrepreneurship.

The next stage, **Instrumental Individuality**, begins when the subject becomes aware of these social perceptions. Not, ‘I am my perceptions’, but, ‘I and others have these perceptions’. Social perceptions become the object, and the subject stance adopted is simple role taking. Rules are adhered to, or broken, in order serve short-term needs and desires. The actions of others are understood in the same way. Still regarded in Piagetian terms as conop thinking, there remains a focus on actualities and equal exchange. The individual/society perspective now grants others with having their own interest but under conop thought those interests and actions mirror those of the individual. This could be described as **concrete relativism**: ‘I should do it because if I don’t someone else will’. In many ways this stage resonates with elements of ‘speculative entrepreneurship’ rather than ‘enterprise entrepreneurship’, especially with its short-term focus and exploitive potential.

Next the subject becomes aware of simple role-taking behaviour within a societal system (**Mutual Expectations**). The subjective stance adopted is the wish for reciprocal role taking; to adopt the role and follow the dictates of the social group in order to retain societal acceptance. The individual as subject concedes agency to the social system in order to achieve communion. The society, of which the individual is a member, is now the object. Subjective criteria, such as guilt or shame, are more influential than the actuality of pain or punishment. The Piagetian formop stage is now being employed in a preliminary form. Intentionality and subjectivity arise in the thought process; however a generalised system perspective is not present. This could be a stage in development where agency and imagination are ‘switched off’ in order to achieve social acceptance. This is certainly a stage in which received models of ‘reality’ would be easily acceded to. Both foresight and entrepreneurship here would be severely attenuated in order to maintain group harmony.

At the **Social System** stage, institutional society becomes the subjective stance and reciprocal role-taking the object. The institutions prescribe what form of role taking is acceptable. The individual concedes even greater agency in order to achieve more extensive communion. The individual is not just accepted by society but also is given function and purpose by that society. The individual is institutionalised and the institution is the subject. Formop thought can now see a ‘bigger picture’. Individuality is seen as a possible threat to the system: ‘if everyone did it, then what’? The individual/society perspective has now adopted the point of view of the system. Identity and role are prescribed by the system. This is an interesting stage for both foresight and entrepreneurship as societal cultural values are a greater influence on individual agency. It is here that the idea of an ‘entrepreneurship culture’ would be effective in creating the societal expectation of entrepreneur as an identity and role. Similarly, another
culture could instead be hostile or ambivalent to entrepreneurship thus promoting identities and roles than are unpropitious.

With the move to postconventional thought, the individual begins to regain agency from society but not in a way that threatens communion. At the Individual Rights stage, individual beliefs are considered possible but are subject to the social circumstances. The subject is now the socialised individual, distinguished from the collective but still bound by a collective sense of good. Its object is institutional society, which has to reflect these newfound individual rights. The belief in simultaneous agency and communion can tend towards paradox but this is tempered by the confidence of discovering the ‘greatest good for the greatest number’. This stage is correlated with late formal thought—still based in logical thought, but it is now true formal thought with the construction of all possible combination of relations. Piaget went no further than this. Kohlberg described the individual/society perspective as ‘prior-to-society’. This is the rational individual who tries to integrate rights and values through impartial mechanisms of agreement, contract and due process. When moral and legal points are in conflict, integration becomes difficult. This may be the most propitious stage for the idea of ‘enterprise entrepreneurship’, whereby individuals can create societal value through economic growth. What will not be questioned at this stage is the idea that economic growth could be counterproductive to societal value. This may also be a point of bifurcation with ‘social entrepreneurship’ that could operate effectively at this stage or it could fundamentally be opposed to creating value within the existing social order. Likewise foresight at this stage can seek ‘pragmatic’ or ‘progressive’ outcomes, or it can be opposed to operating within what is currently existing, preferring a ‘civilisational’ outcome (Slaughter, 2002, p.232).

Upon reaching Kohlberg’s final stage, Universal Ethics, the potential paradox at the previous level is solved by transcending to a superordinate subjective stance of the community of the whole. Not individual and communal but inter-individuality. The socialised individual as object retains its agency but now within the boundaries of a true ‘greater good’. The rights are extended to all ‘others’ even if they are unknown to the individual. The principles of thought concern justice: the equality of human rights and the dignity of the individual. The individual/society perspective here appears to transcend the society lived in to a point where an individual is associating with a larger community than merely the society. Both this stage, and a seventh one that Kohlberg suggested, appear to be operating from a cognitive perspective that is post-formal. The research difficulty encountered by these ‘later’ stages is that their very assessment presupposes that the researcher can accurately interpret what could be a mode of thought that its significantly different to, and possibly even higher than, their own. Nevertheless, this stage has been assessed in individuals. Certainly foresight and entrepreneurship operating from this stage are categorically different to what would be expressed at the conventional stage. The social entrepreneur and the critical foresight practitioner could arise from this stage. Those who see beneath the prevailing constructions of reality, who question the assumptions and perceive the inherent injustices or illogic in the present, would share much with this stage.

An interrelationship between Piaget and Kohlberg’s theories and work, as explained above, can be observed. It has been shown that the structure of thought employed by the individual impacts upon the judgement of morality conceived. Second, the stage sequence of Kohlberg demonstrated a clear development of the ego state of the individual. The preconventional levels were egocentric; the conventional levels were socio- or ethno-centric; and the postconventional levels were tending towards worldcentric. The four stages of Piaget’s structure retained a largely egocentric perspective. A purely cognitive consideration of entrepreneurship will tend towards egocentric immoderation whereas the interaction of the
individual with society gives impetus to development of ‘other’ lines of psychological development (and maybe further cognitive development as well).

Wilber’s research has shown that there are some two-dozen relatively independent lines of development (including cognition and moral) and that they develop ‘relatively independently’, notwithstanding that each tends to unfold in a sequential and nested and hierarchical structure (Wilber, 2000a, p.28). Further there can be unequal development in the lines so that it is possible for an individual to have high cognitive development but relatively low moral development. What all these lines represent is a nuanced expression of consciousness unfolding within a given context. Each represents an internal capacity that is elaborated and which simultaneously expands perceptions of the external world. Each elaboration allows for a more nuanced understanding of expressions of consciousness, such as, in this case, entrepreneurship and foresight. Each context is inextricably bound up in the social and cultural realm within which consciousness is expressed.

This interaction between an individual and the society they exist in—and its resultant impact on consciousness and, hence, the expression of either entrepreneurship or foresight—describes a complex and multifaceted process. Clarity and insight has recently been brought to the foresight field by use of a ‘meta’ framework, which can encompass and do honour to each of these different perspectives. The remainder of this paper shall examine whether this meta-framework can give equivalent clarity and insight to an understanding of entrepreneurship.

AN INTEGRAL PERSPECTIVE

Foresight and entrepreneurship are capabilities arising from the interaction of biology, psychology, social institutions and culture. They have both individual and social dimensions. To analyse the dimensions and relationships that underpin both, it is useful to employ an orientating framework, which can cope with such a range of contributing factors. To that end, Ken Wilber’s four-quadrant model can be used as such an orientating methodology or framework.

The philosopher and knowledge synthesist Ken Wilber has spent the past three decades creating an ‘integral’ model of the development of human consciousness, by studying the work of hundreds of researchers, Eastern and Western, ancient and modern (see, for example, Wilber, 1997, and numerous references therein). One of the key aspects of Wilber’s integral framework stems from its syncretic nature—it represents an accessible integration and summary of the work of countless other people, so it is as much the creative, synthetic work of one man as it is a distillation of the wisdom of the ages. An exposition of the complete integral model was published recently as Integral Psychology (Wilber, 2000a) while the overall ‘integral vision’ appeared as A Theory of Everything (Wilber 2000b). These two books give the primary overview of the underlying framework and its application to numerous areas of human interests. It is important to realise however that what is attempted here is only the barest sketch of decades of work (by Wilber himself, and thousands of years’ work by others synthesised by Wilber), so the reader is asked not to form any too-firm opinions about the model solely on the basis of what is written here.

Summary of the integral framework

In the integral model, entities such as human beings exist in a dual context — both as individuals in their own right and as part of collectives. Added to this dual context are the distinctions of an interior and exterior. Anything exterior is something, which has simple location (that is, it can be pointed at) and can be objectively measured using empirical-
reductionist techniques, such as my height, weight and brainwave patterns. In contrast, the interior is not objectively measurable but, rather, something experienced subjectively, like my sense of right and wrong, meaning, purpose and whether or not I’m happy with my height and weight. Thus, there emerges a four quadrant framework, summarised in Figure 1, which shows the relationships of the interior (left-hand side, LH) and exterior (right-hand side, RH) of the individual (upper half) and the collective (lower half). The four quadrants may be conceived of as four aspects of any entity, the upper half corresponding to its individuality (‘agency’), the lower half to its ‘communion’ with the collective. In this system, every entity exists as ‘agency-in-communion’ — an individual embedded in a collective. The four quadrants are thus: interior-individual (UL, upper-left, intentional; the subjective realm of ‘I’), exterior-individual (UR, upper-right, behavioural; the objective realm of ‘it’), interior-collective (LL, lower-left, cultural; the inter-subjective realm of ‘we’), and exterior-collective (LR, lower-right, social; the inter-objective realm of ‘its’). The major levels within the quadrant framework are conceived of as ‘matter to body to mind to soul to spirit.’

The upper right quadrant deals with the objectively measurable aspects or behaviours of single individuals, and is thereby termed behavioural. The lower right deals with communities or societies of these individuals and their external interactions, and so is termed social. Technological, economic, political and social systems are found here, so this is where much of STEEP analysis takes place.

While the right hand side is the arena of objective measurement, the left-hand side is the realm of subjective awareness. The upper-left quadrant deals with the interior of the individual; that is, with individual subjective awareness. This is where we experience our hopes, joys, dreams, cognitive capacities and intentions. It is thus termed intentional. When individuals exchange their beliefs and experiences with others, a shared awareness, worldview or culture is established, so the lower left quadrant is termed the cultural.

**Entrepreneurship through the integral framework**

The UL of the framework is the realm of entrepreneurial motivation (Hindle and Rushworth, 2002, p.5). The psychological development of the individual concerned will significantly shape the thinking style and entrepreneurial interest encompassed by the entrepreneurial motivation. An individual operating from conop cognition will think mainly in actualities and not hypothetical and abstract considerations. They will also be strongly present-focussed or at least see the future as being much like the present, because the idea of multiple distinct and different future states which have yet to eventuate and which could be dramatically different from the present is an aspect of later, formop, thought. If the individual is operating from a preconventional moral position then entrepreneurship will be about what they can ‘get away with’, only subscribing to those rules of society where the risk of punishment is severe. If the individual is operating from an early conventional moral position then entrepreneurial motivation may be circumscribed in order to maintain social acceptance, unless social acceptance is all about being entrepreneurial.

If an individual is operating from formop thinking then elaborated and highly abstract thinking is available. Now, the idea of entertaining multiple and possible futures as ‘hypothetical’ arenas for examination becomes possible. The fruits of all human knowledge quests can be drawn into consideration provided that all knowledge interests are honoured and not merely those that appear ‘objective’. The nature of the individual’s moral stance is still important even if formop thinking is being employed. A preconventional moral stance would still see an approach of ‘trying to get away with things’, however, that person could now utilise extensive and complex thought to do so in a manner that would enlarge their scope of influence. The
conventional stance would see elaborated entrepreneurial thinking applied to the service of group and state norms and values, perhaps pushing the boundaries of what is thought conventional but certainly not stepping outside of them. It is at the post-conventional stage that this elaborated entrepreneurial thinking could be turned towards extended ‘community’ benefit, where the concept of ‘community’ could encompass different races, beings and temporal entities.

The UR of the Wilber framework corresponds to entrepreneurial skills, competencies and behaviours (Hindle and Rushworth, 2002, p.5). Many of these are moderated by the stage of development of entrepreneurial motivation (UL).

The LL is the realm of entrepreneurial culture. The development of an individual does not occur in isolation. Entrepreneurial motivation (UL) is both shaped by, and shapes, the prevailing entrepreneurial culture (LL). What is key here is that the LL contains the systems of understanding that are shared by the members that make up the collective. So there is not a single entrepreneurial culture but, rather, a series of cultures. Individuals can only share meaning if they have equivalent psychological development—bring an entrepreneur operating from a conop/preconventional perspective into the same space as another entrepreneur operating from formop/post-conventional perspective and see how much shared meaning they could have! Chances are they would see entrepreneurship very differently. Bring entrepreneurs together with equivalent stages of UL development and they will quickly find shared meaning. They will create a culture that represents what they can share with equivalents. What is shared is not the totality of their entrepreneurial motivation (in their own individual ULs), just those understandings that are necessary to allow communication and cooperation to occur.

The LR is the realm of the entrepreneurial framework conditions (Hindle and Rushworth, 2002, p.5). These are the external structures and processes that support and enable entrepreneurship to occur. The difficulty here, however, is that structures and processes are external or exterior manifestations of a particular level of internal or interior cultural development (LL). As was noted above, there will not be a single entrepreneurial culture but a series of cultures. If there is a predominant manifestation of entrepreneurial framework conditions, that manifestation will match up with one type of entrepreneurial culture but it will mismatch with other cultures. This mismatch will be felt by those individuals, as ‘things are not organised the way that I think they should be’. Conventional society will tend to produce conventional entrepreneurial framework conditions but what if most entrepreneurial motivation arises from preconventional and post-conventional development? Could what the GEMS report identified as ‘the lack of a robust entrepreneurial culture’ (Hindle and Rushworth, 2002, p.24) be in part the identification of a mismatch between framework and culture?

The quadrants in the integral framework do not develop separately, rather they ‘tetra-evolve’ outwards from the centre simultaneously in all four quadrants, from the level of matter to body to mind, and thence to higher levels of consciousness (soul and spirit), which enfold, transcend and include the lower levels (Figure 1). The development of entrepreneurship is not a matter of working in a single quadrant but simultaneously in all. What the GEM report identified as the lack of a robust culture or the difference between enterprise and speculation can all be portrayed in the integral framework as either developmental issues or mismatch issues across one or more of the quadrants.
CONCLUSION

Entrepreneurship, like foresight, is an expression of both individual consciousness and the culture within which that consciousness exists. Foresight, when it operates from higher-level consciousness, can transcend fear, prevent denial and instil hope. Within the appropriate culture foresight can also assist in the envisaging of progressive and humane futures for present and future generations. Entrepreneurship, likewise, can operate from higher-level consciousness and it can be expressed from within a supportive culture. Such a form of entrepreneurship will be necessary if progressive and humane futures are to be achieved. The careful and explicit use of the Wilber framework has not only illuminated but as also elucidated the central concepts of foresight. It is our contention that the similarly careful use of the Wilber framework will also provide equivalent illumination to the field of entrepreneurship. Integral Business is already being explored under the auspices of the ‘Integral University’ (see www.integralinstitute.org) and it offers a future domain within which ideas about Integral Entrepreneurship could be further elaborated.
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Figure 1: The Great Nest of Being in the Four Quadrants. After Wilber, K.