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Empfohlene Zitierung / Suggested Citation:

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The eye-patch of the beholder: introduction to entrepreneurship and piracy

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Abstract: This introduction to entrepreneurship and piracy presents a collection of articles that responds to an identified need to fight the darker sides of entrepreneurship, which appear clearer in the mirror of piracy. It first makes a claim for a dismoralised view of piracy. It then presents the cases the individual members of our expedition make for an explorative research program in entrepreneurship and piracy, which is finally outlined in the lookout of this article.

Keywords: entrepreneurship; piracy; piratology; dark side; outlaw; outsmart; ethics.


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“Les Français se battent pour le butin tandis que les Allemands ne veulent que la gloire, dit le comte d’Innsbruck au corsaire Duguay-Trouin. Lequel répliqua: Oui, monsieur le Comte, nous nous battons chacun pour ce qui nous manque.”

1 The key challenge of piracy: an introduction

Although piracy is a popular topic anywhere between the horn of Africa and the internet, piratology as a form of science “is exclusively the province of enthusiastic amateurs” [Wilson, (2003), p.17]. The attentive reader will immediately wonder what prevents professional piratology. Indeed, something about the topic makes it hard to keep one’s professional distance. Piracy has always been romanticised by its amateurs, and in residing in a port near Saint Malo, the famous homeport of notorious French corsairs, in a street named after one of them, nothing is more natural than harbouring a blunt sympathy

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for the sea devils. Such a pro-piracy stance is coquettish insofar as it sails with the people on the street, who favour underdogs [Medosch, (2003), p.114], for the peripheries rather than the centres of the mainstream discourses on piracy. This intentional self-marginalisation, however, is also strategic because it allows not exactly for a clearer view, but for a more distanced observation of the topic.

In looking through our telescopes, we still see the reasons why neither maritime nor internet piracy should be thoughtlessly romanticised (Worrall, 2000; Medosch, 2003). We spot that piracy is often mentioned in one breath with terrorism (Chalk, 2008; Halberstam, 1988; Murphy, 2013). We consider most researchers find that the key Challenge of Piracy (Murphy, 2009) to be in finding strategies against it. And we realise that this climate of opinions is why even friendly authors concede that “piracy is unquestionably unethical and illegal” [Choi and Perez, (2007), p.168]. Yet, for all that, we still do not see any need to take this concurrence of the moral and the legal dimension of piracy for a truth. Rather, the truth we observe is that observations of the moral environment of piracy must be first elaborated into definitions of piracy before piracy can be at all observed as inherently unethical, and that there is hence no essentially scientific reason as to why an adult researcher should consider maritime, product or internet piracy a threat (Murphy, 2013; Wilson, 2009; Paradise, 1999; Easley, 2005).

The present piratological venture is therefore not concerned with the elimination, confrontation, or containment, but rather with the expansion and exploration of its research object. In doing so, it makes a case for the fact that, in a climate of constant threat, a certain romanticisation of piracy is quite an effective way to avoid misleading analogies and premature definitions (Spencer, 2013), thus maintaining the flexibility of the piracy lens, which, more than other tools, still allows for discovery and, hence, surprise. The discovery that motivated the present expeditions to the borderlines of entrepreneurship and piracy is simply in the fact that the two concepts can hardly be distinguished as soon as we hustle them from their moral burdens. In turning a blind eye to the moral dimension of piracy, the present collection of texts responds to an identified need to light the darker sides of entrepreneurship (Tedmanson et al., 2012; Rezaei et al., 2014, 2013a, 2013b), which appear clearer in the mirror of piracy. The key challenge of piracy is hence in the dismoralisation of entrepreneurship research.

In the following, we first confirm our claim for a dismoralised view of piracy. We then present the cases the individual members of our expedition make for an explorative research programme in entrepreneurship and piracy, which is finally sketched in the lookout of this article.

2 Pirates or corsairs? On the dismoralisation of entrepreneurship and piracy

On the one hand, things could not appear clearer. For so many, piracy is obviously a problem rather than a key for economic development and growth. Be it in South East Asia (Vagg, 1995), in Western Indian Ocean (Dua, 2013) or in the internet (Yar, 2007), piracy represents a, maybe partially excusable, deviation from the standard case of productivity enhancing entrepreneurial activities (Eckhardt and Shane, 2003). Even if piracy can sometimes be considered an act of emancipation, it remains a form of informal economic activities that calls for a re-embedding into the formal economy (Webb et al., 2009) or simply has to be prevented (Sinha and Mandel, 2008). Walking the lines of
yesterday’s grassroots and today’s grasshopper capitalism, the freebooter is a token for a politico-economic tertium datur and dreaded and condemned by both the conservative and the progressive establishment: product piracy represents an attack to both the wealth of a nation and its social or ecological standards. IPR piracy undermines both the business models of the developed economies and the indigenous rights of its creative classes. Robbery at the international seaways clearly calls for military interventions because the pirates violate the intimate rights not only of the merchants on the high seas, but also of the human nature in their failed states’ home environments. The worst case of piracy eventually is bio-piracy (Odek, 1994), i.e., the act of robbing Gaia’s own genetic resources. In brief, a pirate can be defined as an economic terrorist.

On the other hand, however, the concept of the pirate obviously strikes a chord for quite some time already. Neither paragon nor pariah (Smith, 1980), the pirate emerged as a role model attractive to larger parts of the creative classes, which are actually said to suffer most from piracy. Even more, as a label, piracy is the least common denominator of both the business models and the political lobby of the growing number of digital nomads and natives, while acclaimed information piracy springs wikileaks and streams in the stuff digital heroes are made of. Anti-piracy is therefore increasingly considered an old-school form of pro-capitalist propaganda (Yar, 2008) and power politics directed against the core values, creative potential and (social) entrepreneurial activities of the recent fibre-roots movements. Besides, recent research has found that product piracy can have positive effects even for the victims, which is true for cases whenever the copy of a product multiplies the publicity and the value of the original (De Castro et al., 2008).

Within the tension zone of these two contradicting perspectives, the question of whether particular individuals or groups are pirates or entrepreneurs (Atsushi, 2010) is as hard to answer today as it has always been controversial throughout the entire history of the concept. Piracy therefore calls into reconsideration the question for legitimate business models (Choi and Perez, 2007) as well as the question for frameworks that are sufficiently consistent to define on the legitimacy of entrepreneurial activities. In looking at the history of piracy we find this question located at the very heart of the wealth of the then emerging nations, because the answer to the question of whether a privateer was considered a legitimate politico-economic entrepreneur or warranted the death penalty depended very much on whose of the competing nation’s Letter of Marque the freebooter held. The dispute about whether someone is considered a pirate or a promoter of the common good is therefore a matter of definition power (Vahabi, 2009; Durand and Vergne, 2013). There might still be good reasons why so many scientists make strong moral claims for productive entrepreneurship and against unproductive piracy; however, these reasons are certainly not scientific ones. This point becomes even clearer if we recall that the notion of piracy emerged as a foreign appellation rather than a self-designation. Foreign appellations, however, tend to unveil more about the nature of the observer than about the nature of the observed. In this sense, the analysis of ‘Age-related differences in piracy behaviour of four species of gulls’ (Burger and Gochfeld, 1981) has certainly been a promising research venture back in 1981. Still, the anthropomorphism involved in this observation makes it easier to understand that these gulls are not natural pirates just because a team of researchers has observed them through the piracy lens. Today, we can confidently consider the definition of gulls as pirates as contingent decision. In the same way, the major piratological challenge of piracy is not in the condemnation or containment of what we ourselves defined as piracy, but rather in the observation of contexts in which certain forms of behaviour appear as acts of piracy.
Such a more distanced view of piracy suits a generation of digital nomads, even the aunts and uncles of which have already experienced much more game-based approaches to the so-called reality than former generations had before. One of the canonical computer games of this proto-generation of digital nomads has effectively been *Sid Meier’s Pirates!*. Released in 1987 and recently relaunched for the iPad, the game enables us to pursue a career as a pirate of the Caribbean. The major challenge involved in this career path is fencing. As pirates, we have to be skilled swordsmen; and we have to keep track of the Letters of Marque we hold so that the social fences created by ever-changing configurations of wars and alliances do not turn into social traps. The most demanding game-start we can choose is that of 1560, a year in which the Caribbean is almost completely devoid of influence but that of Spain. In this over-fenced environment, our choice is to remain an underused Spanish pirate hunter or to pursue a career as a pirate without almost any homeport. Both options obviously do not hold much opportunity to wealth and fame. Beginners are therefore recommended to start in an era where England, France, and the Dutch Federation have entered the scene. Now the fences are lower and the player is free to choose which Letters of Marque to hold or to exchange one for another, thus not being subject to the grace of only one power anymore.

This said, we still concede the multitude of reasons for uninstalling *Pirates!*, and yet we repeat that these reasons are not scientific ones, just because there is effectively no science-based way of arguing that it is morally better to hold a Spanish Letter of Marque instead of a Dutch or a Chinese one. In the same way, we cannot reasonably argue that the inherent disloyalty guaranteed by the holding of more than one Letter of Marque is inherently immoral unless we are partisan to this Kingdom or that Republic. The question, however, remains as to why researchers should deliberately choose a partisan, i.e., inherently biased approach to even the most controversial fields of research (Roth and Aderhold, 2008).

From the above, we follow that “the term ‘piracy’ can polarize any discussion into which it is introduced” [Dent, (2012), p.659] only if it is moralised, with this moralisation being an inherently immoral act if committed by researchers who are concerned about morality. In this sense, we are all right with scientists who feel the need to act as, or morally support, policy-makers rather than as pirates, as long as these scientists do not suggest that we consider these activities scientific actions. We for our part prefer to support pirates in order to contribute to the maintenance of our research field, the exploration of which has been the purpose of the subsequently introduced research ventures.

3 Guilty as charged! Eight cases for elective affinities between piracy and entrepreneurship

In their contribution ‘The liability of politicalness: legitimacy and legality in piracy-proximate entrepreneurship’, Palmås et al. (2014) start from the observation that start-ups are pirate organisations anyway. In focusing the distinction of morality and legality, they then trace the corporate history of three internet start-ups – namely Spotify, Skype, and The Pirate Bay – and discuss the different strategies these (former) pirate organisations have pursued in their attempts to legitimise their ventures. In doing so, the authors suggest that the label piracy is most often applied to organisations that promote
innovations that are considered too disruptive or that fail to link disruptive innovations to an accepted business model, respectively.

In pursuing a piracy strategy himself, Bureau (2014) also defines ‘Piracy as avant-gardist deviance’ and then asks ‘how do entrepreneurial pirates contribute to the wealth or misery of nations?’ He refers to hackers, pirate radio stations, and erotic magazines in order to establish a counter-intuitive (thus even more instructive) distinction of conformist versus subversive pirates. The first group strives – once a pirate, always a pirate – at remaining pioneers even at the cost of an everlasting assimilation to criminals. In doing so, they cultivate a counter-culture that paradoxically reinforces the status quo. The second group consists of pirates who manage to establish their formerly deviant behaviour as new norm, thus subverting and finally changing existing structures. From this we can follow that the first group depends on translators who transform their activities into what is commonly considered productive activity, while the second group transforms our understanding of what a productive activity is.

While the first two contributions consider piracy a veritable source of entrepreneurial inspiration, the quest in ‘Booties, bounties, business models: a map to the next red oceans’ (Roth, 2014) is for sources of inspiration for future pirate activities. This expedition for the next blue oceans starts from the assumption that the observation of piracy has always operated on the edge of – new – forms of social differentiation. The article illustrates how a form theoretical observation of social differentiation in general and of functional differentiation in particular discloses not only new market niches, but also an entire new market quadrant for pirate activities.

Kaivo-oja (2014) discusses ‘Three theoretical approaches to pirate entrepreneurship’ on his way ‘towards future studies of pirate entrepreneurship’. Once a pirate, always a pirate, he virtuously combines three theoretical traditions of economics and futurology, namely the Schumpeterian theory of creative destruction, the life cycle analysis of organisations, and the business war gaming approach, in order to demonstrate how a pirate entrepreneurship lens allows for an outlook on new solutions to the triple challenge problem of innovation management.

In ‘Entrepreneurial piracy through strategic deception: the ‘make, buy, or steal’ decision’, Pittz and Adler (2014) start from the assumption that entrepreneurial piracy is a common yet under-researched tactic in business. In analysing the capture of a Seattle basketball team by a buyer group from Oklahoma City, they make a case for the need to complement the canonical ‘make or buy’-decision by a steal-option, whose theoretical antecedents they develop. They conclude that further research in entrepreneurial piracy is essential because increasing international cooperation puts in perspective former assuredness on what can be defined as entrepreneurship or piracy, respectively, thus potentially allowing for a higher acceptability of a steal-decision.

The reason why Schulz (2014) asks, ‘Piracy in innovation processes: violation or collaboration?’, is that he is concerned about the impact the fear of knowledge piracy all to often has on organisational open innovation readiness. His case study of a SME-type corporation in the mechanical engineering supply industry illustrates that current assessments of intellectual property violation are not in line with scientific knowledge on the community-based emergence of knowledge and knowing. Against this background he finds that it is rather the allocation of intellectual property rights to individual members or member organisations of a community of practice that is to be considered an act of piracy or that what is commonly considered knowledge piracy today could be tomorrow’s standard case of organisational learning, respectively. Consequently, he suggests using
the piracy, lens for the design of organisational learning environments that invite for knowledge sharing and hence boost (open) innovation.

The surprising lesson we learn from Scaringella’s (2014) article, ‘Smart-stolen tacit knowledge: institutional arrangements for invited piracy’, is that some organisations do not only not try to avoid the above over-fencing, but even make any possible effort to become preferred targets of piracy. In analysing the case of CEA-LEFI, he shows how a French research centre on micro- and nanotechnology actively engages in the creation of an institutional environment of spin-offs in which it can easily be targeted by pirates in search of tacit knowledge. His observation makes a strong case for the idea that being robbed can be so positive that it is better to always have a pirate within walking distance.

In his article ‘Pirates never sail alone: exploring the mechanics of social entrepreneurship involved in software piracy’, Chaboud (2014) demonstrates that a dismoralised concept of piracy allows for the observation of elective affinities not only between piracy and entrepreneurship, but even between piracy and social entrepreneurship. His netnographic analysis of self-disclosures of software pirates even looks into the .nfo-files that accompany cracked software uploaded to file-sharing platforms and displays a multiverse of individual and small-group entrepreneurial activities engaged with the money free exchange of software. The informal respect-credits that do not replace but represent the currency of these social capital networks remind us of the fact that money is only one among many symbolically generated communication media. In doing so, his article makes an excellent case for that fact that not all pirates are greedy for economic booty.

All eight contributions show that a less moralistic approach to piracy allows for the observation of new and rediscovered fields of research on entrepreneurship and innovation management.

4 New land ho! On the lookout for an explorative research program in entrepreneurship and piracy

The above contributions make clear cases for the fact that the dismoralisation of the concept piracy effectively increases our degrees of freedom in the observation our field. So far, researchers have allowed only for indirect benefits from piracy. ‘Real’ entrepreneurs therefore had to content themselves with unintended positive side-effects of the supposedly inherently negative piracy (De Castro et al., 2008). As a historically and culturally contingent foreign appellation, however, the concept piracy tends to unveil more about those who use it than those to which it is applied. Our contributions suggest that entrepreneurs can safely enjoy more direct encounters with pirates.

Entrepreneurs are therefore kindly invited to consider themselves pirates and to use this lens as a highly instructive source of inspiration. In fact, it can be shown that the observation of piracy regularly appears in the context of disruptive innovations, an effective indicator of which the term can therefore be considered. It also appears that change makers can learn more from pirates than conservatives can imagine. More over, a pirate attitude seems to provide persons or organisations with keys to key challenges in innovation management, including particularly those related to the emerging knowledge revolution and trend to open collaboration (Jemielniak, 2014). In fact, in the context of innovation management, piracy appears to be attractive to such extend that, of all people, the smartest of its supposed sufferers make any possible effort to fall victim to it.
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The most important function of a dismoralised approach to piracy, however, is that the utopian or heterotopian connotations of piracy defend the concept of entrepreneurship from being totally captured by either the strategists of politico-economic war games or by all the well-meaning ready-made expectations on what social entrepreneurship should be about, respectively. In fact, pirates often surprise us by creating social structures that clearly transcend the horizons of even the most well-meaning policy or change makers. In this sense, the different forms of piracy reappear as less gentle reminders of the fact that it is also possible to observe entrepreneurship in its pure form rather than in the medium of the moral, or that the only medium scientists are supposed to observe entrepreneurship in is truth, respectively. And the truth is still needed in so many regards. Still we lack systematic research on who has labelled which forms of entrepreneurial activities as either piracy or entrepreneurship; on how piracy contributed to regional economic development (of emerging economies); on how pirates share booties. What are the links between piracy, creativity, and creative destruction? And again: What maps do pirates have of the blue ocean?

If we engage in the at first counter-intuitive activity of a dismoralised piratology, then piracy will not only appear as a guide to the next blue ocean of innovative business models, but we may also find that pirates are in possession of maps to future societies. And alternatives to a society that takes those for honourable entrepreneurs who charge several thousand Dollars for open access to the present paper, while those who gratuitously multiply it are considered dirty pirates, are something not only researchers might be interested in.

References


Notes

1 This telling battle of words between the German Count of Innsbruck and the French corsair René Duguay-Trouin [Ressi, (2011), p.135] is frequently attributed to Robert Surcouf, another infamous corsair from Saint Malo, who purportedly parried a nameless British officer’s attempted insult, “You French fight for money, while we British fight for honor”, with: “Sir, a man fights for what he lacks the most”.