

How Entrepreneurial Ecosystems Develop As Individual And Collective Emancipation in Structurally Constrained Environments

Approximately one billion people live in fragile or violent conflict areas worldwide ([WB, 2022](#); [IMF, 2022](#)). These territories face severe structural constraints such as significant political instability, corruption, and security threats owing to "*deep institutional crises, ... very poor transparency and government accountability, or ... weak institutional capacity*" ([WB Fragility and Conflict Classification, p.2](#)). About 70% of those territories comprise the world's lowest-income nations ([UN, 2022](#); [IMF, 2022](#)). Thriving entrepreneurial ecosystems (EEs) have led the world to believe they are crucial for regional economic development (e.g., Kon et al., 2014; Stam & Spigel, 2016). Thus, we witness growing investment in developing EEs worldwide (Cao & Shi, 2021), including in fragile and violent conflict areas ([UN, 2022](#)). The trend presses scholars to understand how EEs can develop despite such constraints.

EEs are defined as a set of interdependent actors coordinated in such a way that they promote and sustain entrepreneurial activity within a territory (Roundy et al., 2018; Stam, 2016). Research on EEs suggests that political instability, corruption, and conflict impair the development of EEs. Governments are unstable and absorbed by the severe constraints affecting their territories (e.g., Allawi, 2008) and, therefore, cannot help coordinate the efforts of the many actors involved in EEs (Isenberg, 2010; Spigel, 2016). Moreover, the uncertainty accompanying such contexts makes them unattractive for entrepreneurs—thus, they are unmotivated to venture, let alone to self-organize to develop EEs (Cao & Shi, 2021; Feld, 2012).

However, scholars investigating entrepreneurship as a means of emancipation found that because "*entrepreneurship is an agentic act of creation*" (Ruebottom & Toubiana, 2021, p.1051), entrepreneurs may willingly overcome—remove or sometimes alter—the constraints they perceive in their environments (Rindova et al., 2009). Thus, in contradiction to what we know of EEs, this body of knowledge suggests that entrepreneurs can be motivated to help develop EEs in fragile and violent conflict areas; however, we do not know how they might coordinate to do so.

So, I asked: *How can EEs develop despite severe structural constraints challenging their expansion?* I conducted an inductive qualitative study of Iraq's emerging EE (Glaser & Strauss, 1967). Spurts of interest in entrepreneurship in Iraq can be traced back to 2013. However, Iraq's EE truly started emerging in 2018 and growing more steadily in 2021, after 2019's height of youth protests and 2020's COVID-19 pandemic, with no support from the government or sizable local or foreign investment. It did so despite facing severe structural constraints. The World Bank still categorizes Iraq as a conflict area ([WB](#)): the country faces high levels of corruption (see [GCI](#) or [CPI](#)), persistent political instability, and the presence of influential militias, which fuel civil unrest (e.g., [Aljazeera, 2022](#)) and outbreaks of violence (e.g., [Aljazeera, 2022](#)). Hence, Iraq's EE is a particularly revelatory case for my purposes (Siggelkow, 2007).

My data collection involved three stages (Claus et al., 2020). First, from June to November 2022, I mapped the history of Iraq's EE, visited Erbil in Iraq, attended a networking event, and met key actors involved in the EE. I conducted 27 remote semi-structured interviews with these actors: 4 early-stage local startups, 4 international technology start-ups, Iraq's prominent entrepreneurial support organizations (ESOs)—8 incubators and accelerators, 4 co-working spaces, 1 angel investment network, 1 early-stage investment fund—, and other minor organizations (startups at infancy, NGOs, community builders). I also collected secondary data equivalent to 27 hours of documentaries, 11 hours of audio, and ca. 4,000 pages of text (news articles, publications, books, and social media posts). Second, I spent three weeks in Baghdad in December 2022, conducting 53 additional interviews, translating 13 more from a podcast owned

by one of my informants (which partly interviewed the same individuals I did), and engaging in over 62 hours of informal conversations. I targeted over 30 individuals only recently involved in the EE (nascent entrepreneurs with startups at infancy, participants of programs and workshops offered by ESOs, interns at start-ups or ESOs); these were young Iraqis attending high school or college, or recent graduates, between 17 and 28 years old, new to entrepreneurship. In Baghdad, I also collected data from 11 early-stage start-ups, actors interviewed in stage 1, and other peripheral organizations. Third, from January to June 2023, I followed up with informants (7 more recorded interviews) to clarify and validate specific aspects that emerged from my analysis. For example, I conducted 5 interviews to confirm why young Iraqis abandoned the EE.

My preliminary analysis of the data—using techniques consistent with inductive and process-oriented research (Gioia et al., 2013; Langley, 1999) reveals that the development of Iraq's EE embodied a process of *collective emancipation through entrepreneurship—hereafter, collective entrepreneurial emancipation*—from the country's deep and enduring structural constraints. As a result of this process, the EE was able to expand and develop. I define the process of collective entrepreneurial emancipation (CEE) as *the loosening, removal, or altering of constraints affecting individuals and a collectivity through the distributed, coordinated engagement of multiple individuals in entrepreneurship*. Through such a process, Iraq's EE built a stable environment free from conflict and corruption, which motivated young Iraqis to join it and engage in entrepreneurial activity despite the constraints they also faced individually to do so.

The country's challenging context affected young Iraqis greatly. Persisting conflict did not allow Iraq to effectively shift from a socialist-based society, inherited from Saddam Hussein's rule, to a market-based one. So, pressured by their close relations, young Iraqis felt they had no choice but to aspire to a stable, governmental job for life, which some found dispiriting. Jobs in the medical field were considered the best ("*You have this cultural thing. It's like the elite students has to go become doctors*", it "*grows on you, you know, like, Okay, this is the only thing that I should do*"). In reaction to this, some young Iraqis developed a latent desire to emancipate from their predictable career path ("*I remember just crying day and night... And I, I did not do well at all at med school... So, like, I knew for sure, like once I graduated, I was like, ..., the hell having my entire future determined.*"). This desire was crucial for setting in motion Iraq's EE.

My analysis reveals that by leveraging their latent will to emancipate, Iraq's EE was able to develop through a combination of 3 mechanisms: (1) outlining to young Iraqis the opportunity to emancipate through entrepreneurship, (2) enabling their entrepreneurial emancipation, and (3) modeling their emancipatory experience to fit the collective ambition by (a) edifying and protecting a context free from conflict and corruption, and (b) rooting the individual emancipation of young Iraqis into this unique context.

This study adds to the literature in multiple ways. By explaining how EEs can develop in severely constrained contexts, I respond to Cao & Shi's recent call to consider "new context-specific variables" and "salient features of emerging economies" (2021, p. 90) in the study of EEs. Also, I add to a multi-level understanding of EEs (Roundy et al., 2018; Wurth et al., 2022) by specifying how collective and individual levels interact to develop EEs. I also add to a network-based understanding of EEs by showcasing the importance of studying the meaning of interactions in the EEs to understand how EEs develop through them (Spigel & Harrison, 2018). Moreover, I uncover a process of collective entrepreneurial emancipation, in which entrepreneurship helps "break free" and "break up" from individual *and* higher-order constraints (Rindova et al., 2022), thus extending research on entrepreneurship-as-emancipation. Lastly, I add to the same body of knowledge by evidencing the crucial emotional work entrepreneurship-as-emancipation involves.