



Urban Transitions Conference, Shanghai, September 2016

Entrepreneurs and the Social and Economic Dynamics of a Small Brazilian Community

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Abstract

In this paper, we attempt to study the relation between variance among entrepreneurs and the social and economic dynamics of a small Brazilian community that over a comparatively short period emerged from abandonment and obscurity to become one of the premier tourist destinations in the country. Although our study was unabashedly exploratory, inspired on the Grounded Theory method, we encountered several accounts reflecting the literature in our initial interviews. Some viewed the town's recent development as the result of the inspired intervention of a few prominent leaders while some viewed the town's trajectory as a straightforward result of macroeconomic evolution. The importance of variance among entrepreneurs and their relations among themselves and with the broader community became more apparent and we found a modest body of work that helped us to interpret our results and which we in turn will attempt to inform. We will explore our results and their likely relationship to existing theory, but for introductory purposes we preview six major findings: (1) The community has developed a shared vocabulary of oppositional categories which express the major social tensions created by the town's rapid development; (2) different entrepreneurial postures or types are located in different spaces created by the intersection or juxtaposition of these oppositional categories. the different types are aware of their location and the location of others in this positional scheme; (3) different types of entrepreneurs have different goals and preferences for the development of the community, which have radically different implications for the long term nature of the community; (4) the distribution of different types of entrepreneurs has an impact on the economic and social dynamics of the community; (5) the types of entrepreneurs identified by the community's cognitive system overlap but do not duplicate existing typologies in the entrepreneurship literature.

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Peer-review under responsibility of the organizing committee of the Urban Transitions Conference

Keywords: Entrepreneurial; Social Entrepreneurship; Community Dynamics; Community Ecology; Small Cities

1. Introduction

One might caricature if not characterize traditional thinking on the origin of new organizations as tending toward one of two analytical extremes. On one hand there is the view favored in classic studies of entrepreneurship which sees new organizations as arising from quasi mythical individuals unlike others, whose drive and genius seize opportunities and create new wealth where others do not [5, 6]. On the other is the perspective of the classic population ecology studies, which posited that macro technological and economic forces create opportunities for new enterprises that are discovered more or less randomly by people who, through no rational calculation of their own, happen to be at the right place at the right time. The early statements of the population ecology view of organizations, tended to view enterprise creation in terms of the exploitation of “niches” of environmental resources, which are exploited by actors who happen to possess characteristics corresponding to the requirements of a given niche (Aldrich, 1978; 19).

Over time these extremes have been supplemented and moderated by a variety of new perspectives and lines of research. Studies of entrepreneurship increasingly recognize that even the most individualistic entrepreneurs act within sociocultural contexts and that there are different kinds of entrepreneurs with varied motivations, approaches, and capabilities [40]. Similarly studies of organizational populations and their dynamics increasingly recognize that environments contain much more than disembodied technological and monetary resource flows [1]. Indeed, a recent development is the subfield of “community ecology” which recognizes all manner of configurations of social, cultural, and economic forces that combine to create bounded, idiosyncratic environments [15]. The current paper attempts to uncover new insights about the dynamics of entrepreneurship by juxtaposing two subthemes of these broader perspectives - typological studies of entrepreneurs, and community based studies of entrepreneurship - in an inductive study of the development of Tiradentes, Brazil. This research aims not only to contribute to a greater understanding of variance among entrepreneurs; it seeks to do so from the vantage point of a setting in an emerging economy, which is underrepresented in entrepreneurial studies.

2. Typologies of entrepreneurs and community level studies of entrepreneurship

If early views of entrepreneurship distinguished between entrepreneurs as a special category and the rest of the population, it slowly became apparent that even if entrepreneurs as a class are different from the population at large, they also vary one from another, and this variance is conceptually and practically important. Despite the traditional de-emphasis on typologies, (Smith’s classic 1967 [42] book and Miner’s [34, 35] late career interest being notable exceptions) a growing number of authors are turning their attention to variance among entrepreneurs or entrepreneurial behavior. In 2004, Sarasvathy [38] dedicated the better part of an influential theoretical article to the proposition that the assumption of homogeneity among entrepreneurs hampers efforts to more fully understand the phenomenon. In addition to theoretical arguments favoring a more careful look at variation in entrepreneurship, recent papers propose detailed typologies for subfields of entrepreneurship. In 2000, prominent silicon valley entrepreneurs Lee *et al.* [27] proposed a fourfold typology of silicon valley entrepreneurs which they contrast to small business owners and “traditional” ventures. A 2009 paper by Zahara *et al.* [47] advanced a typology of “social entrepreneurs” which also departs significantly from the categories and concerns of earlier typologies. In addition, recent research by Stinchfield [43], and his associates, uses Levi Strauss’ [28] categories of art, craft, bricolage, and engineering to analyze variance among entrepreneurs [43, 44].

At the same time that mainline entrepreneurial studies have become more interested in patterns of variation among entrepreneurs, there has been growing interest from diverse quarters in the context in which entrepreneurship plays out. If early thinking on entrepreneurship emphasized individual attributes and microeconomic individualism [6], it is now much more common to think of entrepreneurship as taking place within a social and cultural context. This recent inclination comes from a number of disciplinary directions. At the epistemological level, the tendency to see phenomenon as socially constructed rather than objective has probably provoked a greater interest in social contexts [3, 46]. At a more practical level, Scholars and practitioners from policy studies and community development have long recognized that local entrepreneurship is a major driver of regional development and are searching for ways to intervene in communities in ways, which will facilitate and stimulate entrepreneurial activity [23]. A similar set of observations has led to similar interest on the part of those who study indigenous and excluded populations and peripheral areas [8]. At the same time, mainline entrepreneurship studies has noticed more and more that certain geographical and cultural regions such as Massachusetts Rte. 128 and Silicon Valley generate

disproportionate numbers of entrepreneurial events, and that the frequency and nature of entrepreneurship varies by nation and ethnic subculture [8]. Building on the classic observation that economic behavior varies substantially by country, a respectable body of work comparing entrepreneurs and entrepreneurial behavior across entire nations has also developed over the last two decades [4, 16, 21, 40, 41, 45]. These studies vary in unit of analysis, methods, and theoretical orientations but nonetheless often make overlapping observations and causal arguments.

Hence, a growing number of authors see entrepreneurship as enabled, constrained, and imprinted by the community. Their perspectives and arguments are diverse, and they define and operationalize the construct of “community” differently. Some define community as an ethnic entity, others as an industrial space, and still others as a geographical entity, the limits of which are defined and measured in different ways. Common to most, however, is the idea that the context within which entrepreneurs act influences their behaviors and outcomes at the same time that entrepreneurs themselves influence the communities in which they are embedded.

Despite such diversity, community oriented considerations of entrepreneurship have yielded important contributions. For instance, much of our understanding of the importance of social networks to entrepreneurship comes via studies of bounded communities [1], as does much of what we know about ethnicity and entrepreneurship [2]. As another example, much of what is understood about the dynamics of entrepreneurship in new industries also has its origin in studies with an explicit community orientation [30]. An exemplary article of this type is Mezas and Kupferman’s study [30] of the early US film industry. This study is rich and significant because it identified the ways in which different actors in the early U.S. film industry influenced the evolution of a new business sector through their various relationships, which included competition, cooperation, and unintended synergy. Unfortunately, there appear to be no studies, which capture of this type of interaction in more bounded geographical spaces like towns and cities.

There is good reason to believe that our understanding of entrepreneurship would be enriched by research considering diversity in entrepreneurial types and community context simultaneously. It is difficult to imagine that a given community would spawn but one type of entrepreneur, while it is equally difficult to imagine that community context does not influence the distribution of entrepreneurial types that emerge within their boundaries. Moreover, the types of entrepreneurs operating in a given community and their distribution would intuitively have implications for the economic development and social climate of the community. For instance, entrepreneurs who are highly risk oriented and focused on rapid growth would likely impact a community differently than those averse to risk and interested in long term survival, and a community in which half of entrepreneurs are of one type would likely experience different outcomes from one in which ten percent were of one type and 90 percent of another. As another example reversing causality, a frontier town in a gold mining region would intuitively attract or generate fewer risk averse entrepreneurs than a farming community in a densely populated region settled centuries ago. Again however, despite the plausibility and conceptual importance of such dynamics, and despite the increasing prominence of recursive thinking and some of the community ecology studies, we are unaware of any research that explicitly tackles these questions. This dearth would be multiplied for emerging economies, where even traditional or mainline research is sparse.

In this paper, we study the relation between variance among entrepreneurs and the social and economic dynamics of a small Brazilian community that over a comparatively short period has emerged from abandonment and obscurity to become one of the premier tourist destinations in the country. Our major motivation in undertaking the research described herein was to understand the origins of the metamorphosis of the town and the social processes and tensions that accompanied the change in hopes that the information generated might be of some utility for stakeholders in Tiradentes and for other Brazilian communities seeking to maximize their potential to attract and satisfy visitors. We thus approached our study inductively, with little a priori emphasis on existing theory, if only because of the dearth of theory envisioning the particular context of interest.

Although our study was unabashedly inductive and exploratory, we encountered several accounts reflecting the traditional extremes described above in our initial interviews. Some viewed the town’s recent development as the result of the inspired intervention of a few prominent leaders while some viewed the town’s trajectory as a straightforward result of macroeconomic evolution. As we dug deeper however, the importance of variance among entrepreneurs and their relations among themselves and with the broader community became more apparent and we found a modest body of work that helped us to interpret our results and which we in turn will attempt to inform. We will explore our results and their likely relationship to existing theory in the discussion section, but for introductory purposes, we preview six major findings here:

Finding 1: The community has developed a shared vocabulary of oppositional categories, shared by local entrepreneurs, which express the major social tensions created by the town's rapid development.

Finding 2: Different entrepreneurial postures or types are located in different spaces created by the intersection or juxtaposition of these oppositional categories. The different types are aware of their location and the location of others in this oppositional scheme.

Finding 3: Different types of entrepreneurs have different goals and preferences for the development of the community, which have radically different implications for the long-term nature of the community.

Finding 4: The proportional distribution of different types of entrepreneurs has an impact on the economic and social dynamics of the community.

Finding 5: Diversity among entrepreneurial types prevents the community's entrepreneurs from pursuing common goals, thus preserving the power of the traditional political oligarchy and impeding the quality of future economic development.

Finding 6: The types of entrepreneurs identified by the community's cognitive system overlap but do not duplicate existing typologies in the entrepreneurship literature.

Finding 7: While some of the entrepreneurs studied appear to share common behaviors with types identified in the mainline entrepreneurship literature, they seem to vary substantially in social origins, motivations, and personal values.

3. Methods

In the absence of a defined research stream relating entrepreneurial types to community dynamics our study was exploratory and inductive. We preferred above all not to impose existing typological thinking on our Brazilian data collection and initial interpretation, choosing to compare induced categories post hoc [29, 12, 13, 18]. We first gathered as much formal historical data about the town and its surroundings as possible. We then sought to interview informants who had been present during different periods of the town's development and/or had some personal involvement or contact with persons who we identified as being personally involved in the economic development of Tiradentes. We then used purposive sampling to interview owners or principals of a wide variety of firms in the town. As our research unfolded we surveyed pertinent literature on entrepreneurship, community development, and relevant sociological works and reoriented our interviews and reinterpreted our results writing, several working papers, discussing our study with interested colleagues and using emerging concepts in subsequent interviews and queries at the research site. In all we made 9 trips to Tiradentes and interviewed 39 people in over 110 hours of interviews complemented by an additional 42 hours of field observation which yielded a total of 351 transcribed pages. Interviews varied in length and structure, and became more selective as the study progressed, but usually include personal background and relation to the community, their account of changes to the community over time, the history and structure of business with which they were involved, and their view of the ideal future of the community and what needed to happen to realize that ideal. Space will not permit inclusion of a list of actors interviewed, their occupations, demographics, length of the interview, and our classification of informants according to different entrepreneurship typologies. The list is available from the authors.

3.1. Data processing

We first used information from all of our sources to develop a detailed composite history of the town and its economic and social trajectory from the 1700s on. We attempted to identify and characterize phases in the community's evolution and the major social economic and political actors and forces at work during each phase. We

also attempted to identify each of our sources in relation to their role in the community and their personal exposure to events in the development of the town. We next tried to identify major cognitive categories that surfaced in the interviews. Aside from a careful reading of the interview transcriptions by both coauthors, we employed an *N-vivo* analysis of the interview transcriptions to identify themes and subthemes in the interviews. We generated first mutually exclusive and exhaustive categories [12, 31] and from these codes proceeded to identify secondary categories. The mechanical analysis varied little from our subjective reading of the transcriptions. Both identified several clear oppositional themes or categories used by community members in describing the community and its members.

Our composite history of the town along with our analysis of cognitive categories in the interviews combined to suggest that different entrepreneurs occupied different positions in the social fabric of Tiradentes. We experimented with different ways of categorizing entrepreneurs based solely on information internal to the community and present in our field data. After we felt, we had exhausted the most obvious ways of characterizing entrepreneurs in the town qua categories implicit in our data we turned to the entrepreneurship literature to enrich our conceptual understanding of the town and to evaluate existing theory against the local categories we developed inductively. We also surveyed the literature on entrepreneurship and regional development as well as the cross-cultural entrepreneurship literature to better understand the interface between community and entrepreneurship and to confront our field data and categories with this literature. Finally, we pondered the implications of the study for lacunae in the existing literature.

4. The historical evolution of Tiradentes

Because our research question stresses community dynamics and because Tiradentes has had a unique historical and economic trajectory, it will be useful to provide a brief description of the community before proceeding to more theoretical concerns. In the early 1700s copious amounts of gold were discovered in the rugged and isolated mountains of central Brazil. The resulting gold rush brought over 600,000 settlers - many of them African slaves - to the region in a comparatively short period. A substantial number of towns and cities followed the gold deposits across a 300 mile swath of territory where gold was found. Some of these towns, like the famous Ouro Preto, grew to rival the large European cities of the time in population if not in wealth. Throughout the region, there was a flurry of construction, including palatial residences, churches and government and commercial buildings in the baroque and rococo styles. The isolation of the region and difficulty of transportation and communication led to the development of a distinct local style, which is still valued nationally and internationally. This was true not only of architecture, but also of art, music, and cuisine.

Since the distribution of gold veins and the volume of deposits was uneven, the communities spawned by the gold rush were widely dispersed and uneven in size. Tiradentes was of modest size - less than twenty thousand in population at its height, and was located about 7 kilometers from another, larger mining town called São João Del-Rei. By the early 1800s, the major deposits had been exhausted and the region's economy collapsed. The remaining population reverted to subsistence farming mixed with a small volume of cash crops and livestock. Tiradentes' neighbor, São João Del-Rei, diminished but maintained some population because of its initially greater size and location on an important trade route. Tiradentes, by contrast, was largely abandoned except for a few extended families who clung to the land and a handful of artisans who precariously carried on the metal working trades that had flourished when gold was abundant. One impact of this abandonment was the nearly complete preservation of the town's architectural and natural setting.

4.1. Rediscovery

After about a century of abandonment Tiradentes was "rediscovered" after a fashion by members of the cultural elite - especially Brazilian artists and writers - during the first part of the 20th century. During this period there was a strong nativistic movement, which attempted to redefine and celebrate Brazilian national identity, and it turned to the country's colonial past as part of this effort. Because the historical mining towns' isolation favored the formation and preservation of a unique cultural identity, they attracted interest as a source and symbol of authentic Brazilian culture. Tiradentes' smaller size and rapid abandonment coupled with relative ease of access via nearby Soao Joao Del-Rei favoured its emergence as an elite tourist enclave. This emergence was further favoured when Maria do Carmo Nabuco, a wealthy woman from a regional dynasty, took an interest in the architecture of the town and

established a foundation to catalogue and preserve local buildings, landmarks, and religious artefacts.

The small size, comparative ease of access, and preservation of the town made it an ideal location for the production of historical films and TV programs, and from the 1960s on the town was frequently used as a set by Brazil's major network, Rede Globo. Film production not only made the town more well known, it provoked frequent visits by Brazilian actors and producers, reinforcing elite exposure and stimulating demand for upscale accommodations and restaurants. Because the town was small and accessible, but not too accessible, and because visitors tended to belong to the national elites, businesses tended to be small and high end. This tendency was a source of and compounded by government decrees prohibiting demolition or substantial alteration of the town's historic buildings.

Before the 1990s, the town had no large hotels, restaurants, convention centers or shopping malls. Lodging and restaurants were concentrated in small, boutique "Pousadas" often sited in historical structures. Over two hundred of these businesses now dot the town. The frequent appearance of the town in media productions popularized it somewhat as a destination, and it began to receive regular tour bus traffic, increasing the number of visitors but reducing purchases per capita and stimulating street commerce, souvenir shops and convenience stores. The town also began to sponsor seasonal festivals of different types, which, in addition to the yearly carnival and other long holidays, also brought publics that are more varied to the town in large numbers during certain periods.

As Brazil's economy matured and diversified, Tiradentes began to attract a wave of educated, middle class "corporate refugees" who founded boutique lodging, bars, shops or restaurants. These migrants were educated, cosmopolitan and sophisticated, but possessed only modest capital. They joined earlier more elite migrants including numerous prominent artists who had formed a small corps of outsiders who had taken an interest in the town in previous decades. At the same time, some natives of the region began to found businesses, often leveraging inherited real estate and family ties as resources. The beginning of the twenty first century found the town prosperous, with full employment, and robust growth, but collectively unsure of how to prosper in the future without diminishing the natural and cultural assets that led to its current prosperity. The city government was in the hands of two rival family dynasties who lived in the town for generations but had minimal involvement in local businesses. They competed for the loyalty of townspeople by offering via city jobs and public works to residents on a patronage basis. A representative of one family typically occupied city hall for one or two terms followed by a representative of the other.

4.2. Oppositional themes from the interviews

The historical trajectory of the town favoured the formation of different groups and community issues, which were expressed in opposing pairs of concepts, which surfaced frequently in the interviews. Despite the very favorable current economic position of Tiradentes and the small size of the community, our interviews indicated that the town is still undergoing a process of economic and social transformation and that this process is marked by strong antitheses and contradictions which, among other things, impeded concerted coordination and collective action by business owners as a class. We identified four major themes, which expressed these tensions: (1) differences between geographic sections in the town; (2) distinction between natives and non-natives; (3) differences in the business models and philosophies of entrepreneurs and (4) differences in business owners' relations with members of the community.

4.2.1 Center versus periphery

Especially because of the notable increase in tourist traffic that occurred during the 1990s, the historic downtown district became distinguished from the rest of the town. The downtown district is dedicated primarily to commercial activity, despite the desires of some that the area entertain a greater proportion of cultural spaces and activity. Business owners covet downtown locations because most tourist traffic is limited to the downtown area. Most decisions, which have implications for the cultural identity and quality of life of the town, appear to focus on the downtown area. Questions of vehicle and animal traffic, the location and routing of public transportation, and the extent and intrusiveness of public works, and the nature and scheduling of seasonal events and festivals, all take on comparatively greater significance when they involve the downtown historical district. Although lip service is paid to ensuring the quality of life for local residents, most would agree that investments in the historical district focus on making it tourist friendly rather than resident friendly. The customs, habits, and daily movement of the local

residents are of secondary concern.

Any space not belonging to the downtown district belongs to the category of “periphery,” (“*periferia*”) which in this setting might be translated as the “neighbourhoods” or the “outlying areas. Before the rebirth of the town as an upscale tourist destination, this area was sparsely settled with small houses and modest homesteads. With the redevelopment of the town, this area has changed so that it now is occupied in three contrasting ways. First, because the historical real estate in the downtown area has increased in value many fold, people who used to live downtown have sold or rented their properties to businesses and have built comfortable residences in the neighborhoods. Second, because the periphery is not subject to the same restrictions as the center in size and style of buildings permitted, businesses which are larger in scale - larger hotels and shops, convention centers and the like - are located there. Finally, residents who occupied modest housing before the tourist boom are still in the periphery, mixed in with the bigger businesses and more sumptuous housing.

4.2.2. *Native versus non-native*

The historical trajectory of the town favoured the formation of different groups, and community issues which were expressed in opposing pairs of concepts which surfaced frequently in the interviews. One of the most frequent and evidently most salient of these antinomies was that of “locals” and “outsiders”. Much of the population growth in the town has come in the form of migrants who were attracted to Tiradentes’ cultural atmosphere and natural setting. Entrepreneurs born in Tiradentes tended to employ different strategies and tactics in their business than from those outside, but the distinction goes beyond business model or style to include word view, human capital and other factors. The distinction between native and newcomer was also the focus of considerable mistrust and tension, particularly on the part of the natives. The oppositional pair used in the town to identify natives and non-natives is “ETs” and natives or “Worms” (“*Minhocas*”). Although the flavor implied by these terms is somewhat difficult to render into English, it is possible to describe the symbolism. The “ET”, or extraterrestrial or the extratiradenter, implies something exotic and strange, with perhaps superior knowledge and capability but limited understanding of the local system and events. The “worm” by contrast comes from the earth (“*Terra*” in Portuguese, which contains the same Latin root as “terrestrial”) and is more limited in its horizons, but also more “down to earth.”

The term expresses well the perceptions and frustrations of the natives vis a vis outsiders whose formal education, cosmopolitan experience, and external contacts make it apparently easier for them to develop businesses that attract a similarly esoteric clientele that pays astronomical prices to sleep in old buildings and eat local specialties. The cultural differences between outsiders and natives create tension between business owners and in the political realm but in the relation between owners and employees, as we will see below. Despite these tensions, the “ETs” that remain in Tiradentes (there is a large contingent of people who make the move to the town, but leave after a few years), appear to identify strongly with the community. They not only see Tiradentes as home, they tend to see themselves as change agents with a mission to improve the community socially, economically and politically. The following passages from different informants are expressive of how this division is seen:

“There is a dichotomy in the local society separating people from outside and those that are already here - the originals, and the ETs. This makes alliances difficult also and is of course another factor causing disharmony. Without fail, outsiders have more capital, more knowhow, and more understanding of business and how to do business. They end up getting established faster. They have outside contacts. The locals don’t develop a network outside of the town. The outsiders come here with their network developed already, which is of course an advantage. This creates a climate of resentment and looks like exploitation, but it is not really the case. On the contrary, the outsiders do not come to exploit, they come to collaborate. But because the locals have a much harder time, it’s difficult to collaborate” (Informant 1).

“We have two opposites here, living side by side, and it causes a lot of division and friction because principally we who moved in from outside-- the ETs-- we brought the technique, the discipline, the good intentions, and the science, one might say, to make something that’s going to be sustainable. That conflicts with the local philosophy, which is to make money before all else, to preserve as long as it brings me some advantage. Its not nice to say, but that’s the way it is” (Informant 2).

“We like to say that we are more “Tiradentinos” than they (the natives) are because they were born here and have never seen anything else. They’ve never been to Rio, never seen the ocean [...] But we’ve been all over the world and we came here at our option. I wonder how many natives look at these mountains and say “Goodness, how beautiful.” Every day I wake up and say, ‘God, thanks for letting me live here’” (Informant 3).

Native and non-native and center versus periphery appear to constitute the most important and general oppositional dynamics in the town, but they are not the only ones. The last three oppositional pairs we discovered in our analyses cover and interrelate with the first two (center-periphery and native *versus* non-native), but they are expressed more within the business models of different entrepreneurs than they are at the general community level.

There is an important distinction between entrepreneurs who see their businesses as a reflection of their personal identity and mission and those for whom their business is seen in more utilitarian terms. The first category is motivated by the opportunity to pursue a small town lifestyle. They do not emphasize growth or profits. Their businesses are seen as extensions of their personal identity and part of their role in a face-to-face, personalized community. The following quote is typical of statements by the first category: “We’re not in this for profit. We make some money, but not big profits. We live modestly in a rural town. We don’t see ourselves as businesspeople at all”. The other category of business owners sees their businesses as responses to perceived opportunities, like the existence of an underserved market that flourished during the 1990s when tourist traffic to the town increased considerably. This second category frequently used financial and investment language in interviews and spoke often of growth and returns. The quote below contains the admiring description of a colleague by one local owner in this second category:

“Now she has a restaurant and she’s building a convention center for two thousand people, and a heliport - it will be the third in town. She already has a hall for big events that will hold 1500 people. She has an excellent industrial kitchen. During the gastronomy festival, some of the world’s best chefs come to her property. She has a furniture store, a bath and bed store, a craft store, anything you could want. She sells everything. She has the best hotel in town and you can buy the sheets right off your bed. Her hotel doubles as a showroom. She grew very quickly and occupied a bunch of different market niches. She even has an evangelical church”.

The local terms used to describe this antinomy were “bijuteria” *versus* “joia” which can be roughly translated as “a trinket,” or “costume jewellery” *versus* “a jewel”, “the original” or “the real thing”. Again here, the symbolism contained in the terms is descriptive of how informants view the categories. A “joia” or “jewel” in Portuguese, as in English, is something valuable and rare, which has aesthetic and status value. “Bijuteria” (trinket, bauble, costume jewelry) also has an aesthetic purpose, but is not expensive or rare. It is rather, a copy of the original, or an item that may hold attraction but not value nor uniqueness.

The “joias” (which are recognized by business owners and townspeople alike) seek to preserve and express the unique culture of the region in their products and services. They also take a long-term orientation to the business, and tend to be compliant with tax and other state regulations, which are frequently ignored in Brazil. The “bijuterias” are often well managed and may have excellent service quality, but without any particular effort to preserve the identity and cultural legacy of the town. They are growth oriented, volume oriented, marketing oriented and engage in aggressive promotion and management of activities which increase tourist traffic to the area. They may or may not comply willingly and rigorously with local laws and regulations.

This distinction in overall mission and ethic extends to the leadership and personal styles found in the businesses. We found that the “joia” category emphasized personal relations and the personal development of employees to a greater degree while the “bijuteria” category emphasized efficiency in the execution of tasks. The “joia” businesses attempted to develop their personnel far beyond what was required by their immediate task environment. Owners in the first category enrolled their employees in literacy programs, made sure that workers stayed in school and even helped pay for their college education for instance. Their businesses experienced lower turnover and managers were frequently promoted from the ranks of experienced and loyal long-term staff. Formalized standards and policies were uncommon except for those required to comply with Brazilian labor laws. Owners in the “bijuteria” category favored a less personal work environment, stressing deadlines, explicit performance standards, evaluation and reward systems based on explicit norms, and the use of formal hierarchy to monitor employee behavior. In this regard, they broke with the tradition of personalistic, long-term relations and reciprocity that are typical of Tiradentes particularly and small communities in Brazil generally. They also preferred

to hire migrants from outside the region because they viewed them as better workers. The following quotes are expressive of differences in the discourses of the two categories. The first quote is from a large, prosperous “bijuteria” establishment, the second from a small and exclusive “joia” pousada:

“For example, we have a particular way of working. We work like a corporation. You do not see employees our shooting the breeze at work. Everyone is working, producing. The employees that are from Tiradentes do not really care [...]. We do not have many local employees, but the ones we have don't want to be subordinates, they want to work on their terms. That is why I say we need to modernize (move ahead), there needs to be a more qualified workforce here. We need to work on service, discipline, and hierarchy. We started an employee campaign called “Giants of the Hotel” with a special shirt. Today it's that girl over there in green shirt” (Informant 4, “Bijuteria” Owner)

“So the hotel was the first in town where everyone is registered officially with a right to holidays and profit sharing, everything. In terms of working climate, we are outstanding, so much so that we have a retired worker who will not stop coming to work. This is like their home. Here they feel valued and respected. When they leave, there is a real void in their lives [...]. I have a major concern and that is first not to be subservient and not to permit subservience to our guests or to ourselves as owners. We seek respect for our employees and we respect their legal rights” (Informant 5, “Joia” Owner).

The “joia” and “bijuteria” categories were closely associated with the last two oppositional pairs we detected, *preservation versus exploitation and collectivism versus individualism*. Some owners, whether born in Tiradentes or not, were concerned with the disorderly growth of the town and the tendency for development in the retail and restaurant sectors to overshadow the historical, artistic and cultural appeal of the community. These stressed the need to conserve local historic and cultural capital. They distinguished between “simple growth” and “true prosperity” and wanted Tiradentes to “truly prosper”. They were more sensitive to and vocal about the community's problems and deficiencies in water supply and quality, sewage treatment, and waste management, among other community issues. They were not only vocal, they were also active in attempting to develop collective initiatives to solve local problems and develop the community in a sustainable manner.

At the other extreme were entrepreneurs who were more individualistic in their activities and more oriented to the maximization of individual financial performance as opposed to collective prosperity. Their business models and tactics were less concerned with possible negative impacts on the historic ambiance of the town, its culture or the day-to-day lives of its residents. They tended to be less optimistic about the potential for collective action as a vehicle for community development and tended to see little benefit in supporting public causes. Some typical contrasting statements follow:

“This is a big issue, and I am more concerned because the hotel needs the town. There is no point in making it (the hotel) nice inside if the minute you cross the threshold, you're in a different world. Just down the street, there is a business that's incompatible with the ambiance of the town, and that's not good for our hotel. Therefore, for us, the big challenge is the town itself. All of the businesspeople and townspeople, they all need to get it through their heads that the heritage of the town isn't for sale at wholesale” (Informant 6).

“It's a pity. Tiradentes is becoming famous as a place to eat. They say it is turning into a big shopping center. That is what they say in Belo Horizonte (the capital city of the state). They come here to eat and shop. They say we have no cultural life. Of course, that is not true. We have cultural activities but they are under publicized and underfunded. We have art but it needs patronage sponsorship. The arts need to be sponsored. Without sponsorship it remains small scale and people from outside don't know about it” (Informant 7).

“The idea is to establish a steering committee and a tourist commission so we'll have some bargaining power and we won't have to beg the mayor for the love of God. We can evolve,

modernize, and bring about a real transformation in the town. I think that this is a great idea where you can apply concepts to improve. I mean really apply them, not just hope that someone else will do it” (Informant 8).

Contrast these quotes with the more “practical” and less “collectivist” orientations below:

“My partner is bringing a big event to town. He is going to transform Tiradentes into a city like you’d find in the (Southern?) US. We are going to bring creole food here. It will be a super big deal with a lot of money” (Informant 9).

“I have a couple of events that I do internally here. The first is on a weekend. It’s great. We brought in three famous chefs. We made it like a class, just for the guests. I do one just for guests and once open to the public. The difficult thing is to get the town to close down the street for something because the mayor is against our vision. Politically, if you do not vote for them all the doors are closed. That is a problem because if it will be good for everybody the city should support it despite any personal misgivings. That’s the way I think at least” (Informant 10).

The clear, polarized cognitive and social distance between these categories is accompanied by a degree of mistrust, animosity, and tension, which prevents effective coordination and collective action among entrepreneurs. This is compounded by the isolation of the entrepreneurs from the traditional family dynasties in the town, which control the political machine, and which with few exceptions, are not involved in local businesses. There have been several attempts to organize a chamber of commerce, bureau of tourism, or similar commercial associations, but none of them yielded a surviving organization. One business owner, who had been prominent in attempts to organize two or three local associations, was quite bitter about his experience:

“I had the formal role of president, which really means court jester (*bobo da corte*) for a bunch of clowns. I spent several thousands of personal funds for start-up expenses. I never got a penny reimbursed. No one was willing to lift a finger for the common good. We wanted to certify local businesses as complying with a code of conduct and principles, but many owners balked at the idea of committing to faithfully pay their taxes. I finally got tired of taking it in the shorts” (Informant, 11)

4.3. Two general types

If we classify each business owner according to their location in each oppositional pair, two distinct, opposing types emerge. The first type, which we will call the “Conserving” category is composed of owners located downtown, who are primarily non-natives in the high end “joia” category, who see their business as central to their personal identity and life style, who value developmental relationships with their employees, and who seek for the long term prosperity of the community and the preservation of its local flavour through collective action. The second category, which we will call “Growth Oriented”, is composed of native owners located in the periphery, in the “bijuteria” category who maintain more instrumental relations with employees, who are more short-term and profit oriented, and who are individualistic in relation to the community and its politics. There are exceptions to this pattern, especially among non-natives who arrived too late and/or too poor to acquire downtown property, but otherwise tend to fit into the first category. However, as ideal types, these two categories probably identify the principal social differences that divide the entrepreneurs of the community.

4. Applying and engaging the relevant literature

While, like all field studies, our data contain many more dimensions, categories and nuances than we can fruitfully describe here, we are confident that the narrative we offer above speaks to the major categories and issues that entrepreneurs in Tiradentes think of when they think about their business and their community. When we confront the themes we derived inductively in the field with the literature cited in our introduction, we find at least three potentially significant connections. First, several themes found in the literature on national culture and

entrepreneurship clearly share a tense coexistence in Tiradentes. As an example, while it was not the major axis of social tension in the community, collectivism versus individualism, much along the lines portrayed in the Hofstede [24] inspired work on entrepreneurship and nation [10, 11], was a clear issue differentiating entrepreneurs in Tiradentes and one that emerged inductively in our analysis of field interviews. Second, the motivations of our entrepreneurs varied deeply in much the same way that some of the comparative entrepreneurship literature has observed. Particularly the study of Scheinberg and MacMillian [39] comes to mind. In an 11 countries study, they identified six motivational dimensions on which entrepreneurs varied cross nationally; approval, instrumentality of wealth, communitarianism, need for personal development, need for independence, and need for escape. It does not seem a stretch for us to classify our “joia” category as higher on communitarianism, need for personal development, and low on instrumentality of wealth, and our “bijuteria” category is low on communitarianism and high on instrumentality of wealth.

These parallels are important in that they indicate that some universal themes appear to be at work among Tiradentes entrepreneurs. (Space does not permit discussion of a number of others we encountered.) For us however, equally important is the fact that several major themes in the inductive study- center-periphery, local *versus* outsider preservation *versus* exploitation for example - were not foreshadowed in the literatures we reviewed. This suggests that settings, which the mainline research has yet not explored, may have unique attributes and suggest new perspectives. More significant still for us was the fact that themes seen as varying by nation in the literature (individualism *versus* collectivism for instance) were clearly present in a relationship of tension within the entrepreneurial class of a small community in the same country. This suggests that empirical evidence of between country or between culture variance does not mean that entrepreneurship within countries is homogenous - a perhaps obvious but nevertheless important point which has been made in the study of organizational culture, but has received less attention in studies of entrepreneurship.

We found a third initial connection to the literature in the relationship between entrepreneurs in the Tiradentes community. As we mentioned in the introduction, whether members of a bounded geographic, economic, industrial or cultural region interact is one of the questions that organizational ecologists use to define community and one upon which little consensus or uniformity exists. The dominant stream of community ecology research that is cited in studies of entrepreneurship focuses on the dynamics of new industries and highlights supplier ties, vertical integration, competitive moves, and personnel, information, and resource flows between actors and being most significant [15, 30, 37]. In the case of Tiradentes, our focus was different. We studied a residential community based on the physical space in which diverse entrepreneurs live and work. We found that in this case, competition, supply relationships, and personnel and resource flows were of little significance in terms of the tensions and issues identified by entrepreneurs in the region. Rather, differences in personal identities and goals and resulting business models led to conflicting positions about economic development policy for the town. Thus instead of the evolution of the community being bound up in the competitive dynamics of an industry, it is bound up in the personal identities and goals of business owners and ultimately in their ability and inclination to mobilize politically much along the lines argued by Saravasthy in her theoretical paper [38].

It is not difficult to envision recursive effects between community factors and entrepreneurial postures in this case. If the community had not harboured an initial stock of historical buildings in a more or less unspoiled location, it is unlikely that the Type I “Conserving” entrepreneur would have been attracted to the community. Subsequent development then, if it occurred, would likely have simply neglected or bulldozed the historical sector of the town, and Tiradentes would never have become an upscale tourist destination. If the second category, the “Growth Oriented” entrepreneur had been absent, it is unlikely that the current volume of tourist traffic would have been attained, both because the Conserving entrepreneurs have little interest in economic growth per se, and because their business models are not well suited to economies of scale. If the Growth oriented category were to grow dominant in Tiradentes, the town would likely lose much of its current appeal, at least for the premium market, and possibly also for the subpremium market due to the degradation of its historical and cultural assets. Our sense is that for the present at least, the current mixture of two types permits the town as a whole to successfully address two market segments, probably doubling its income. The current political establishment, which consists of traditional native families with marginal involvement in the founding and management of local businesses, likely permits the continued founding and prosperity of businesses by the Growth Oriented faction because it is largely unresponsive to the clear and more organized agenda of the Conserving faction. If the current political establishment were less inert it is possible that a policy decision favoring one of the two entrepreneurial orientations might lead to the dominance of one developmental model. Thus, the community ecology of Tiradentes permits the coexistence of two

entrepreneurial types and benefits from both until one faction becomes dominant.

5. The field study in the light of existing entrepreneurial typologies

If our study has some initial implications for intercultural and community studies of entrepreneurship, we discovered post hoc that the most important insights for understanding the dynamics of entrepreneurship in this community unexpectedly came via the study of entrepreneurial types. The categories, which we induced from our analysis of the history of Tiradentes and from the informant interviews, lent insight into important social and economic dynamics of the town, but the two general types of entrepreneurs we derived were yet quite coarse. Within the two general categories of “Conserving” and “Growth Oriented”, we found important nuances and variation which merit attention. For instance, many establishments located in the periphery are not growth oriented and employ personalist (although not “developmental”) rather than impersonal relations with their employees. *Post hoc* analyses of our field data in relation to existing entrepreneurship typologies both suggested fruitful parallels and departures.

5.1. Craftsmen and opportunists

It may be noteworthy, that the oldest and most influential typology we have found - Smith’s 1967 dichotomy [42] - seems quite relevant to Tiradentes. Smith’s field study of North American entrepreneurs identified two contrasting types, which he labelled “craft” and “opportunistic”. The craftsman was typically the son (his sample was all male) of blue-collar parents who had technical training or perhaps some college classes but usually no degree. He was dedicated to his trade and started his own business to avoid the intrusions of managers and unions in his working life. He valued high quality and solid workers, who he knew and treated well, but he was not particularly interested in growth or high profits. Smith’s contrasting type, the opportunist, came from a higher-class family and usually had a college degree in business or humanities, but not in a technical or engineering field. The opportunist usually had gained managerial experience in another firm before founding his own. The opportunist valued business ownership as an end in itself, and often had dreamed of owning a business. He believed in demand management through marketing and promotion and valued the growth of his firm, even if it meant the involvement of bankers and partners (something craftsmen avoided). Subsequent decades brought replications and slight variations on Smith’s pattern which space will not permit us to discuss here [7, 14, 46]

The parallels between Smith’s craftsman and opportunist and the Conserving and Growth oriented categories in Tiradentes are as evident and fascinating as are the differences. The conserving entrepreneurs in Tiradentes are interested in quality, have small enterprises, and are less interested in growth and financial results, much like Smith’s craftsman. They are, however, roundly opposite in terms of class origin, education and presumably cosmopolitanism, being highly educated, upper class in origin, and migrants from outside the area. This contrast is particularly interesting given that craft activity is historically low in *status* in Latin countries. The parallels between Smith’s opportunist and the growth-oriented entrepreneurs are equally noteworthy, as is that fact that in Tiradentes, they are mostly locals with less education, social status, and cultural capital. This unexpected inversion doubtless has implications for our understanding of entrepreneurship in its sociocultural context.

5.2. Artists, bricoleurs, and engineers

More recent typologizing helps to interpret other differences we observed within the two general categories initially identified. Three categories from recent work are illustrative and interesting. Independent of efforts to create typologies of entrepreneurs, toward the end of the 20th century, students of entrepreneurship, like the field of management generally, began to observe deviations from classical linear planning and rationality in a variety of behaviors. Two of these less formally rational behaviours, art and bricolage, were aspects of French anthropologist Levi Strauss’ classic *Savage Mind* [28] which students of entrepreneurship later used to interpret behaviours they observed among entrepreneurs. Levi Strauss posited a third category, engineering, which is the epitome of scientific, positivistic rationality. Bricolage involves the reconfiguration of existing resources which are close at hand to generate novel solutions to problems [3, 17, 20 26]. Among other definitions, which could be advanced, art involves the integration of diverse elements with the intention of causing an aesthetic or emotional reaction in the observer. Neither bricolage nor art are formally rationalistic, although both involve recognizable behaviours [43, 44]. We

found the behaviours, which have been associated with art, bricolage, and engineering to be of significance to entrepreneurship in Tiradentes.

According to Stinchfield [43] artists, like craftsmen, are interested in entrepreneurship more as a vehicle for personal expression than for growth or accumulation of wealth. They are different, however, in that, their personal identity involves a need to be creative and original that goes beyond the craftsman's definition of quality, which is determined by tradition and community context. The artist is more wilful, individualistic, and less invested in a bounded community. Her social networks are broader but contain weaker ties and less personal connection and loyalty. Bricoleurs are different again. They are opportunistic, but unlike Smith's opportunists, bricoleurs are not interested in seizing opportunity on a grand scale, nor necessarily in growth, nor in building business as part of their personal identity. Rather, they are acutely aware of local opportunities, which present themselves very concretely as people, ideas, and things that are close at hand, cheap or free, and can provide economic benefit through minimal, but creative recombination or processing [3]. They are frequently tinkerers who create inventive new solutions to problems but do not perfect or diffuse them. They rely on a small local network of collaborators with whom they may exchange labor, materials, and information. Finally, engineers correspond in most ways to the objectivist, methodical, linear, efficiency oriented, "scientific managers" that western management texts and guidelines for writing business plans the world over assume to be the norm [3].

All three types appear to have definite if not critical roles in Tiradentes. Like the craft persons, the artists tended to be located downtown, produced and sold high products and services, experienced and desired little growth, and were non-natives. They were, however, more individualistic than the craftsmen and were emotionally less attached to the town and its future and less tied to and interested in its traditions and identity. They were natural allies of the craftsmen because they benefited from their efforts to conserve the town's cultural assets and they were by and large not competitors. They were few in number but had a disproportionate impact on the stature and status value of the town because of their national and international reputations and contacts. For the town, they were a source of renown and an attractor of rich visitors. For the artists, Tiradentes was an excellent setting in which to produce and sell art.

The bricoleurs were probably greater in number than any other category but probably less visible and therefore less central to the policy issues and political and cultural tensions of the town. They tended to be natives who happened to own small parcels of real estate in the periphery, which could be exploited commercially. They got into business as a matter of opportunism rather than personal identity. Frequently the initial motivation was to supplement meagre labourer's wages or indeed as an alternative to unemployment. If they owned a house on a busy street, they might add a small structure and sell convenience items. If their residence was not located on a thoroughfare, they might build guest rooms for rent or even stay with relatives in another town and rent their Tiradentes real estate to tourists during the high volume season when any bed in the town demands a premium price. If they had a large lot with grass growing on it they might provide stabling for the carriage horses that circulate in the historic district. If they had a friend or relative in a nearby town who produced handicrafts, they might take a pushcart downtown and sell them.

Bricoleurs were uninterested in the town's long term prosperity, politically apathetic, and less motivated by the aesthetics than the "joia" or even most other "bijuteria" business owners, but they increased the town's ability to absorb increased tourist traffic at prices that permitted access to the town to those who could otherwise not afford it or physically would not fit during high demand periods. Despised as uncultured and Philistine by the "Conserving" faction, their numbers and kinship ties in the town doubtless helped disincline the town's politicians from passing or enforcing ordinances regulating small businesses, promulgating aesthetic standards, or building codes outside of the downtown area.

The engineers tended to be natives who made it big, often after a career in bricolage. These entrepreneurs, without the limitations of the romantic view of their hometown that the foreign craftsmen had, nor the rarefied tastes and unique identity of the artists, recognized the opportunities offered by the growing town by its artistic rediscovery. They "tried out" business ideas using low cost, low risk bricolage techniques such as renting out rooms or selling touristy items informally. Unlike less ambitious or less methodical fellow citizens, when they happened on a product or service that offered growth potential, they acquired formal, rational methods and standard resources that permitted aggressive expansion. They then tended to enthusiastically embrace North American style management models and techniques. The result of this posture for the community was the founding and growth of large establishments that brought large capital and liquidity flows to the town and supported large public events and festivals, which on any given day could triple the population of Tiradentes.

6. Final considerations

The analysis of our data in the light of entrepreneurial types from the international literature both enriches our view of the interaction between entrepreneurs and community development while it suggests enhancements to the existing literature. By subdividing our induced “Growth Oriented” category into bricoleurs and engineers, we recognize that among the growth oriented entrepreneurs are two orientations with radically different implications for the future of the community. The bricoleurs have a rather modest economic and social impact, enhancing the capacity of the town to absorb additional numbers of visitors at modest prices without drastically altering the cultural norms or physical resources of the community. The engineers, by contrast bring outside capital and workers, corporate organizational models, and above all *scale* to the town. These factors have the potential to fundamentally change the nature of the community to something substantially different from what initially attracted visitors.

While not as drastic as the distinction between bricoleurs and engineers, the distinction between artists and craft-persons is also analytically useful. The individualism, radical creativity, and external focus of the artists makes them less of a force for the conservation of the community and makes it yet more difficult for the “Conserving” category of entrepreneurs to mobilize in a way which will safeguard the cultural and artistic heritage of the town. This leads us to the pessimistic prediction that variance among entrepreneurs in Tiradentes is likely to contribute to the eventual loss of its position as sustainable premium tourist destination.

Thus, our fieldwork reinforces the idea that entrepreneurs do not arise from nor act in a social vacuum, nor are they independent of one another, especially in contexts where they share the same cultural, social, and natural resources. Rather, they are part of a complex community ecology rife with competition, interdependence, cooperation, and intentional as well as unintentional interactions and synergies. Communities which wish to maximize their economic prosperity while they protect their quality of life need to understand and actively manage a mix of social forces of which diverse styles of entrepreneurship are not the least important.

At a less general level, we can offer more specific ideas, which engage the literatures we briefly mentioned at the beginning of our paper. When we consider the literature on entrepreneurship and culture in juxtaposition with the literature on entrepreneurial types, a number of interesting propositions occur. The entrepreneurial types present in the recent and classic literature were clearly present in our Brazilian site, and the analytical elements making up the types were quite similar to those found in the international sources we studied. Craft persons, artists, engineers, and bricoleurs appeared to act like the descriptions of their counterparts in the international literature. What appeared to be different for at least two types, were their social origins and context. The craftsperson appeared to come from two sets of backgrounds. Some were of upper class origins with elite educations, broad humanistic experience and without blue-collar origins that would have given them early exposure to concrete practical endeavours - quite the opposite of those discovered in the classic American field studies. The others were “corporate refugees” who left large organizational settings to “escape” to craft like businesses in a small-scale rural setting. These had all of the training and socialization necessary to behave like “engineers” or “opportunists” yet assumed a craft identity. Ironically, the “engineers” we found were generally locals with limited education and experience and without upbringing by business oriented parents, yet they behaved in an enterprising and efficiency oriented manner that was reminiscent of Smith’s “opportunistic” entrepreneurs. This suggests the intriguing possibility that different entrepreneurial identities may depend less on early socialization and experience than one might imagine, making different entrepreneurial models more transportable and diffusible than one might think, or that the Brazilian cultural environment permits easier transitions between types.

Another insight we gain by looking at types in an understudied setting is the possibility that while comparative studies of entrepreneurship may identify central tendencies in terms of individualism, motivation for business creation, or the degree to which businesses are founded by people who were disillusioned with or excluded from the local labour market, all of these factors are likely to be found associated with different entrepreneurial types within a society or community. Hence, while it may be the case that more small business are created in Brazil by the “push” of low salaries, underemployment and unemployment [9], there are still important instances of business creation by people opting out of high paying corporate positions due to the “pull” of autonomy and self actualization [16]. Again, the key to understanding how these forces work “on the ground” lies in understanding the different types of entrepreneurs and their local setting.

Our study may contribute to the study of entrepreneurial types itself in a number of ways. Most important for us is the insight that in addition to generating identifiable business models, entrepreneurial types and their distribution

have implications for industry and/or community dynamics. Although macro economic and historical forces set the stage for the development of Tiradentes as a tourist enclave a variety of individual actors, each with their own identities and agendas, played determining roles and will ultimately set the tone for the future of the town. Initial historical and economic accidents created a configuration of physical resources that was unique and perhaps fortunate in many ways. What happened next, however, was much more dependent on individual identities and motivations. First, prominent artists, judged that decaying and neglected buildings in a near ghost town located in close proximity to a medium sized city on a prominent trade route (São João Del-Rei) were “aesthetic” and worthy of preservation. Next, a prominent Brazilian matriarch, with kinship ties to Tiradentes, mobilized personal and governmental resources to catalogue and preserve the artist’s discovery. At some point thereafter, wealthy gentry moved to the city to pursue a craft person’s lifestyle of small restaurants and bed and breakfasts. Then another set of “artists” in the form of prominent filmmakers began using Tiradentes as a backdrop for their historical productions. The infrastructure provided by the craft persons and the notoriety provided by the artists brought more visitors including less wealthy but more numerous guests. Another wave of craft persons, this time escaping from the maturing Brazilian corporate environment, moved to the town and built more upscale businesses. Opportunistic locals then engaged in bricolage, which increased the capacity of the community to absorb visitors, which then stimulated opportunistic locals to engage in engineering, which vastly increased the capacity of the town to receive visitors while threatening its cultural heritage and charm. Because the origins, personal identities, and entrepreneurial styles of these actors were so diverse, no formal or informal means of coordination or political mobilization united the town’s business owners, preventing either the engineers from destroying the town’s charm, or the craft persons from maintaining its status as an elite enclave.

Note that the size and numerical relation between these categories is significant, yet is not governed by any inherent economic or technological logic, as is the case with most of the community ecology studies. Even a small growth in the engineer category has the potential to overburden and degentrify the historic and finite central district. The small artistic category has had a disproportionate impact on the reputation and attractiveness of the town as a tourist destination both due to their interest in historic preservation and subsequent use of the town as a site for filming famous historical soap-operas (“*novelas*”) yet because of its individualism and political agnosticism, would likely have marginal economic, social or political impact even if it were to grow considerably. The bricoleurs are large in number and are politically influential locally because they are natives with dense, local social networks and similar economic interests. However because - unlike craftsmen and engineers - bricoleurs work with resources that are “close at hand” [3], and therefore require small investments in terms of financial and cultural capital, their economic and cultural impact on the community is likely to be disproportionately less than their numbers unless they can be mobilized to support the agenda of another entrepreneurial type. We suspect that other cultural and technological enclaves harbour similarly complex stories, which need to be taken into account in order to yield useful policy recommendations and insightful theoretical analyses.

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