

DRAFT:

Visions of Aboriginal entrepreneurship financing in Canada's CAPE Fund: Walking the fine line between self-determination and colonization

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Abstract

This paper explores Canadian in/exclusion of Aboriginal groups to/from access to mainstream business resources and opportunities. The focus is one prominent non-governmental program, CAPE Fund (an acronym for Canadian Aboriginal Prosperity and Entrepreneurship), designed to provide equity to Aboriginal businesses. We critically analyze the “promises” of entrepreneurship through CAPE Fund using TribalCrit, a framework rooted in critical race theory and post-colonialism. Do programs like CAPE Fund promote Aboriginal entrepreneurship that liberates “Others” on their own terms? Or are they “civilizing missions” that attempt to impose Eurocentric practices and values? We explore these issues in the paper and conclude with recommendations for enhancing the possibility of self-determination of Aboriginal peoples within the postcolonial ideal.

Introduction

Interest in promoting entrepreneurship among Indigenous peoples has been driven by the profound failures of “passive welfare” systems, and under the assumption that entrepreneurship will lead to autonomous participation in mainstream economic systems (Côté, 2012; Hindle & Moroz, 2010; Paredo & McLean, 2010; Pinto & Blue, 2015). Indigenous entrepreneurship is “activity focused on new venture creation or the pursuit of economic opportunity, or both, for the purpose of diminishing Indigenous disadvantage through culturally viable and community acceptable wealth creation” (Hindle & Moroz, 2010, p. 372).

This research is concerned with Indigenous entrepreneurship in the Canadian context. Canada's Constitution recognizes three distinctive heritage groups of Aboriginal people: First Nations, Inuit and Métis (here after Aboriginal), making up 4.3% of the nation's population, and

is the fastest-growing segment of the population (Sengupta, Vieta & McMurty, 2015). Each group has its own unique history, languages, cultural practices and spiritual beliefs, and unique economic situations and needs (National Aboriginal Economic Development Board (NAEDB), 2015). Canada's 1996 Royal Commission on Aboriginal Peoples entitled Aboriginal peoples to self-determination in negotiating their status and form of representation (Napoleon, 2005).

Yet, inequities persist, and several Canadian organizations are attempting to remedy the situation. The NAEDB (2015) has the goal of achieving economic parity between Canadian Aboriginal and the non-Aboriginal populations by 2022. Their most recent report (NAEDB, 2015) emphasized that much of the economic potential of Aboriginal people remains unrealized, particularly (but not exclusively) among those living on-reserve.

As mentioned earlier, Aboriginal entrepreneurship is often cited as a path to overcome social, cultural and economic marginalization. Most recognize that Aboriginal business is a distinct type of social enterprise, led and managed by Indigenous communities (Sengupta, Vieta, & McMurty, 2015). In Canada, exclusion of Aboriginal groups from access to mainstream business resources and opportunities has been well-documented (Côté, 2012), though the number of Aboriginal enterprises grew from 6,000 in the early 1990s to 30,000 in 2007, with the vast majority being small businesses (Weir, 2007). The purpose of this paper is to explore one prominent non-governmental program, the Canadian Aboriginal Prosperity and Entrepreneurship (CAPE) Fund, a nonprofit organization designed to provide equity and quasi-equity investment from private and philanthropic sources to Aboriginal businesses.

This establishment of CAPE Fund is an important development in the Canadian Aboriginal entrepreneurship landscape because funding has traditionally been a major barrier to business development, especially on-reserve. Traditional bank financing for those living on-reserve is rarely possible because land titles are communal (that is, collectively owned by Band members) and cannot be mortgaged or pledged (Northern Development Ministers Forum, 2010). This means that individuals cannot secure land as collateral and thus investment from off-reserve capital sources are often uninterested in funding First Nation initiatives. As well, government initiatives available to Aboriginal entrepreneurs usually require support from the community in a Band Council Resolution, which often do not have fixed terms since Band Councils change on a regular basis (Northern Development Ministers Forum, 2010). Under the Indian Act, the Chief

and Council term of office is 2 years (<https://www.aadnc-aandc.gc.ca>); this can cause challenges to enterprises operating on-reserve when new members are elected into office.

In this paper we critically analyze the “promises” of entrepreneurship specifically relating to recent CAPE Fund program work. Does CAPE Fund promote forms of Aboriginal entrepreneurship that helps to liberate these “Others” on their own terms? Or are programs like CAPE Fund “civilizing missions” that attempt to impose Eurocentric practices and values in the form of resources and opportunities for “them”? Brayboy’s (2015) TribalCrit as a postcolonial (Battiste, 2013) analytic tool is used as a framework for analysis. This lens was chosen because of its ability to critique hegemonic systems and structures in an attempt to overcome intellectual and material violence (Hickling-Hudson, 2011) by destabilizing taken-for-granted categories, representations and truths with the goal of more equitable representation. This is the first paper to explore funding models and their outcomes for Aboriginal entrepreneurs in the Canadian context. While largely exploratory in nature (and focusing on 2 organizational narratives), this paper lays a foundation for a TribalCrit framework that builds on Brayboy’s (2015) initial work and can be used to analyze Aboriginal entrepreneurship and its funding in other contexts.

Analytic Framework: Entrepreneurial TribalCrit as postcolonial ideal

The lack of an appropriate “fit” of conventional entrepreneurship methods and practices and its subsequent failures in Aboriginal contexts has been documented in theoretical and empirical literature (e.g., Kuokkanen, 2011; Peredo & McLean, 2010; Pinto & Blue, 2015; Sengupta, Vieta, & McMurtry, 2015). Those considering entrepreneurship to be “a potential instrument of relief from endemic poverty and disadvantage have all too often been captive to a concept of entrepreneurship that is built out of narrow economic and cultural assumptions” (Peredo & McLean, 2010, p. 593) have failed to explore alternative models with considerable promise. Here, we lay out a framework for critiquing those conventional models just problematized, and offer alternate criteria for consideration.

In our earlier work (Pinto & Blue, 2015), we laid out a framework for Aboriginal self-determination as it relates to entrepreneurial activity. Postcolonial scholarship attempts to overcome violence and supremacy by destabilizing taken-for-granted categories, representations and truths with the goal of more equitable education via critiques of hegemonic systems and

structures. This necessarily involves identifying and dismantling colonial forms of education through concerted decolonization practices.

Critical race theory (CRT) and Tribal critical race theory (TribalCrit) attempt to unmask, expose, and confront colonization in societal structures, with the goal transformation for Indigenous Peoples (Brayboy, 2005; Writer, 2008). With its roots in late 20th century legal scholarship, CRT positions race at the centre of analysis, recognizing that racism is a societal reality that “appears both normal and natural to people in this culture” (Ladson-Billings, 2009, p. 113; Pinto, 2013). An important CRT contribution to any textual analysis is exposure of “illusions of inclusion” (Vasquez Heilig, Brown & Brown, 2012). Brayboy (2005) developed TribalCrit as a result of his search of an acceptable theoretical frame to analyze the problems encountered by Indigenous peoples, and complicated relationship between governments and Aboriginals that are characterized by racial and legal/political liminality.

Brayboy’s (2015) original notion of TribalCrit framework rests on 9 central tenants. First, Brayboy (2015) posits that colonization is endemic to contemporary society. Colonial practices that aim to assimilate jeopardize authentic delivery of Aboriginal epistemology (AE) and indigenous knowledge (IK) (Battiste, 2013; Brayboy, 2005; Cherubini, 2010), and tarnish the possibility of self-determination. Within entrepreneurship, that colonization takes the position that, (a) motivation to better one’s own condition constitutes economic improvement (Peredo & McLean, 2010), and (b) Aboriginal entrepreneurs must change to be more like those who hold power in the dominant society (Brayboy, 2015). This ranges from changing appearances and style of communication in order to persuade lenders and partners to invest (Pinto & Blue, 2015), or change values and priorities in order to conform to conventional bottom line objectives (Overall, Tapsell & Wood, 2010; Peredo & McLean, 2010), which amount to assimilationism.

Second, Brayboy (2015) posits that government policy is rooted in imperialism, and a desire for material gain. In commerce, this typically takes the form of a single bottom line – where fiscal measures are privileged. However, increasing numbers of scholars are advocating for multiple measures such as the triple-bottom line (Elkington, 1997) and quadruple-bottom line approach to business (Scrimgeour & Iremonger, 2004). A “multiple bottom line” recognizing multiple measures of success: economic, social and environmental (Pinto & Blue, 2015; Sengupta, Vieta, & McMurtry, 2015), culture (Scrimgeour & Iremonger, 2004). In particular, cultural capital as a component of bottom lines is essential for maintaining ethnic identity and

cultural knowledge systems, as well the delivery of cultural products and services (Elkington, 1997).

A multiple bottom line is aligned to IK and AE since it moves beyond financial measures to privilege alternative values, and can contribute to Aboriginal cultural sustainability. For instance, conventional valuation schemes neglect to account for Aboriginal associations with land, which are marked by environmental sensitivity and traditional knowledge and fostered by a sense of spiritual connection to natural resources (Peredo & Anderson, 2006), as well as the absence of individual land or capital ownership discussed earlier.

Third, Aboriginal peoples occupy a liminal space that accounts for both the political and racialized natures of their identities (Brayboy, 2015). On the one hand, Canadian Aboriginal peoples are a recognized groups, but controversies exist over status and status claims. In addition, Aboriginal peoples are highly under-represented in positions of political and social power in mainstream Canada (Battiste, 2013; Cherubini, 2010). Li (2008, p. 23) argues that “[e]ven today, the marginal social and economic position of Aboriginal peoples in Canadian society makes them dependent on the state for survival (Frideres, 1993; Satzewich and Wotherspoon, 1993). The absence of Aboriginal peoples in positions of power mean that the types of challenges to conventional modes of entrepreneurship and funding structures remain in the margins.

Fourth, Aboriginal peoples desire tribal sovereignty, autonomy, self-determination, and self-identification (Brayboy, 2015). Sovereignty and self-determination are a set of human rights precepts grounded in the idea that all are equally entitled to control their own destinies, achieved by dismantling legacies of empire, discrimination, suppression of democratic participation, and cultural suffocation (Napoleon, 2005). Through sovereignty, Aboriginal peoples want to regain control of facets of life that were severed from them upon first contact (Battiste, 2013). Conversely, colonization jeopardizes AE and IK (Battiste, 2013; Cherubini, 2010; Pinto & Blue, 2015), and tarnishes the possibility for self-determination. Self-determination has to do with not only incorporation of IK into all facets of life – including business operations – but a transformation that would disrupt colonial structures of inequality that would ultimately lead to tribal sovereignty (Battiste, 2013; Brayboy, 2005).

Fifth, culture, knowledge, and power take on new meaning when examined through an Aboriginal lens (Brayboy, 2015). For instance, much entrepreneurial discourse has the implicit

assumption that humans are self-motivated and seeking to acquire capital or other resources. Money and capital are often equated with power. Yet, Peredo and McLean's (2010) tracings of market economies reveal that the existence of *homo economicus* is a relatively modern concept. Rather, they explain using Heilbroner's (1969) and Polanyi's (1944/2001) work, is that for much of human history, economic life has been governed social, religious, and political elements. A TribalCrit approach to entrepreneurship calls that motivation into question, and offers historical and political grounding for multiple (or non-financial) bottom lines.

Sixth, governmental policies are intimately linked around the problematic goal of assimilation (Brayboy, 2015). Cultural dispossession and assimilation are central to colonization. In maintaining the Eurocentric position as the only natural position through colonialism, fear of the "other" as deficient emerges (Pinto & Blue, 2015). In entrepreneurship, the assumption that Aboriginal peoples will assimilate by adopting the conventional entrepreneurship cannon devalues alternative goals, ways of managing, and decision-making (Pinto & Blue, 2015; Peredo & McLean, 2010).). Rather than accepting the "world as it is" (Kingwell, 2010) under neoliberalism and assimilate, transformative postcolonial entrepreneurship grounded in TribalCrit aims for a more inclusive model of self-determination for Aboriginal entrepreneurs (Pinto & Blue, 2015). Yet, lenders and markets determine what counts as worthwhile knowledge and characteristics based on what is useful to industry rather than serving the needs of individuals, families or communities (Pinto & Blue, 2015).

Seventh, tribal philosophies, beliefs, customs, traditions, and visions for the future are central to understanding the lived realities of Aboriginal peoples, but also illustrate the differences and adaptability among individuals and groups (Brayboy, 2015). While we hesitate to generalize, we acknowledge that social customs and collective values over individualism are central Aboriginal communities in ways very different from European and Western cultures (Peredo & McLean, 2015). As such, a postcolonial concept of entrepreneurship ought to be "recast in a way that is not confined to the individualistic requirements sometimes placed on entrepreneurial potential" (Peredo & McLean, 2015, p. 609). Peredo and McLean (2015) go so far as to argue that a broader conception of Aboriginal entrepreneurship must not expect communities to conform to the cultural assumptions of standard economic theory.

Eighth, stories are not separate from theory; they make up theory and are, therefore, real and legitimate sources of data and ways of being (Brayboy, 2015). This tenant emphasizes the

need for narrative over quantitative measures in order to express the realities of aboriginal entrepreneurs. Reporting only success/failure-by-numbers is not only damaging to communities, but fails to reveal systemic strengths and weaknesses that can help individuals and Indigenous communities make gains towards self-determination and sovereignty. It is our hope that research taking forms similar to this work will pave the way for more inclusive approaches to data collection, analysis, and mobilization.

Finally, theory and practice are connected in deep and explicit ways that necessitate social change (Brayboy, 2015). That social change necessarily rests on the need for decolonization – in the realm of entrepreneurship and in other facets of society – has a goal of sovereignty and self-determination. Our paper will shed light on ways in which CAPE fund, in its structure, parameters, and distribution of capital, attempts to negotiate the fine line between self-determination and (de)colonization. The paper concludes with recommendations for financial programs that might improve the possibility of self-determination of Aboriginal peoples within the postcolonial ideal.

Together, the 9 tenants of TribalCrit reveal that the enactment of traditional, market-based entrepreneurship for Aboriginal communities is highly problematic because it perpetuates an economic system that served as the driving force behind colonialism (Kuokkanen, 2011; Sengupta, Vieta, & McMurtry, 2015). Rather, entrepreneurial development ought to be based on social and cultural values in order to yield positive, lasting results (Sengupta, Vieta, & McMurtry, 2015). Aboriginal entrepreneurship rooted in AE and IK leads to alternative organizational forms and futures that are not only relevant and beneficial to Aboriginal communities, but to all (Sengupta, Vieta, & McMurtry, 2015). Commerce grounded in IK means individuals and communities covert forms of capital—including land, human, social, environmental, cultural, and financial—to meet holistic requirements of diverse Aboriginal communities (Sengupta, Vieta, & McMurtry, 2015).

Methods: Two Entrepreneurial Investment Stories

CRT as a methodology typically emphasizes centering the stories and counter-stories of marginalized individuals and groups (Duncan, 2005; Lason-Billings, 2009; Pinto, 2013), because subtleties and experiences are revealed through narrative. For this article, the organizational story

(rather than individual narrative) is best suited for the situation, since the object of study is at the organizational level. Examining organizational stories applying CRT allows researchers to rethink and reconstruct systems and practices based on the experiences and outcomes of those who experience injustice (Pinto, 2013).

This is the first study to examine Canadian Aboriginal funding for entrepreneurial ventures. While we acknowledge that this research is limited to two organizational stories who received investment from one organization (CAPE Fund), the findings are nonetheless important and worthy of analysis as a contribution to the understanding of how inequity operates in traditional financial arrangements.

At the time of writing, CAPE Fund's total investment portfolio consisted of 8 ventures: One Earth Farms Corp., Manitobah, Coastal Shellfish Corp., Indigena Solutions LP, Canadian Prairie Garden Puree Products Inc., MLTC Industrial Investments LP, and Universal Helicopters Newfoundland and Labrador LP (www.capefund.ca). While each one represented a unique business sector, and the nature of CAPE Fund's investment varied, we chose to closely analyze 2 of the 7 ventures. We purposively selected One Earth Farms Corp. and Coastal Shellfish Corp. (previously Coastal Shellfish Limited Partnership in 2014) because they represent divergent forms of ownership (Aboriginal partnership versus majority Aboriginal ownership), varied industry (land agriculture, versus fishery), varied investment type (common equity versus debenture), and (as we will reveal in the narratives) diverse outcomes. The differences allow for fruitful comparison of how investment from a single organization (CAPE Fund) can yield very different structures and results. Through the two organizational stories, this article details the effects of systems and processes on Aboriginal sovereignty and the path to self-determination through entrepreneurial activity. The analysis and discussion apply Brayboy's (2005) tenants of TribalCrit, elaborating on the degree to which postcolonial ideals as described by Battiste (2013) are addressed.

In keeping with CRT and TribalCrit, our analysis was interpretive (Cherubini, 2010), and utilized cognitive perception (Mello, 2002). Cognitive perception as an interpretive approach places value on the researcher's intuitive/cognitive perception applied to serious attempts to explore and organize story elements as data. As such, meaning-creation was both creative and analytical (Mello 2002). This allowed us to engage simultaneously in theory-building (to

advance Brayboy's 2015 TribalCrit framework) as well as to ground our analysis in existing modes of theory.

Two Stories

In this section, we first offer details about CAPE Fund, its criteria and investments. We then present the details of the two investments selected for analysis (One Earth Farms Corp. and Coastal Shellfish Corp.) in the form of narrative stories. For each, we describe the process and structure of CAPE Fund's involvement, and outcomes to date. Discussion occurs in the following section.

Preamble to Stories: CAPE Fund

CAPE Fund was established in 2009 by former Canadian Prime Minister Paul Martin with the mission: "to further a culture of economic independence, ownership, entrepreneurship, and enterprise management among Aboriginal peoples, on or off reserve through the creation and growth of successful businesses" (www.capecfund.ca). CAPE Fund articulates its organizational objective as "to help individuals and groups overcome barriers typically faced by Aboriginal entrepreneurs" (www.capecfund.ca) through partnership.

This program is of particular interest to Aboriginal entrepreneurship scholars not only because of its social prominence, but its size and scope as \$50 million fund focused on mid-market opportunities with a strong degree of Aboriginal involvement and connection to Aboriginal communities in Canada. The \$50 million available for investment came from 21 of Canada's leading private-sector companies, individuals, and various foundations in the United States¹, expected to be distributed among 7 to 10 companies over the fund's life. The Fund intended to focus on projects which were linked, either through ownership, employment or geographic proximity, to an Aboriginal group or community (www.capecfund.ca).

CAPE Fund's investment in any one business ranged between \$1 million and \$7.5 million in form of equity and quasi-equity instruments (common shares, retractable preferred shares, and/or debentures). However, the Fund was prohibited from investing in start-ups unless they involve experienced partners or management bringing proven domain expertise to the table, which could take the form of a joint venture. The Fund also would not invest in gaming, tobacco, alcohol or munitions businesses. Criteria for investments included: supporting the social objectives of the Fund (fostering Aboriginal entrepreneurship and ownership/control,

encouraging Aboriginal involvement in the management to build capacity, proper governance/management structure with participation by CAPE Fund managers on Boards of Directors). The Fund stated that investments had to possess the following features: long term economic sustainability (or the reasonable promise thereof), clearly defined market opportunity, articulate, realistic and complete business plan, potential to sell ownership and transfer management to Aboriginal entrepreneurs/communities, and the ability to provide the Fund with “an appropriate return on its investment” (www.capecfund.ca)

Organizational Story 1: One Earth Farms

CAPE Fund’s first investment in 2009/2010 was \$3 million common equity in One Earth Farms Corp. (OEF), a subsidiary of Sprott Resource Corp. (TSX: SCP) (www.capecfund.ca, *Canadian News Wire*, 2013). Both OEF and Sprott are Canadian, non-Aboriginal, private corporations. OEF operates organic farms in Manitoba, Saskatchewan and Ontario. The company leases some First Nations land for farming, under the agreement that those First Nations receive equity participation and economic benefits, as well as job training and employment at all levels of the corporation (www.capecfund.ca). In 2009, Sprott stated that their intention by way of OEF was:

to build a long-term profitable agricultural business in partnership with the First Nations, which will improve the management and environmental sustainability of First Nations' farmland as well as benefit their peoples through increased revenue and job opportunities.

By 2014, OEF sold its machinery and terminated arrangements on hundreds of thousands of acres of cropland affecting “hundreds of leases” with First Nations communities and individuals (Cross, 2014). At the height of its operations, OEF worked approximately 200,000 acres of farmland, most of it rented from First Nations in Saskatchewan and Alberta (Cross, 2014). By the end of 2014, leased land was reduced to 5,000 acres (Cross, 2014), as the corporation shifted its focus to beef production. And so, the promises of long-term partnership with First Nations Communities made in 2009 ended abruptly.

Organizational Story 2: Coastal Shellfish Corporation

In 2008, the provincial government of British Columbia significantly increased First Nation participation in the shellfish industry by consulting the Aboriginal communities located in the area and expanding the industry (Tollefson & Roberts, 2006). However despite significant government-sponsored initiatives, some Aboriginal communities who had both the infrastructure and the capacity to develop shellfish leases resisted participating in development (Joyce & Satterfield, 2010, p.108). Reasons for a cautious approach included: marginal or negative returns on tenure²; loss of access to wild harvest of sea life; change of access to wild beaches from common access to private property; First Nations Bands acquiring leases to ensure that they would have access to their traditional territories but not using this tenure resulting in leasing fees paid to the government; and the concern that development was a direct threat to unresolved land claims that might lead to non-First Nations exclusive access to resources (Joyce & Satterfield, 2010).

The Metlakatla Nation, whose traditional territory is the site of operations, was one of the communities who made the controversial decision to participate in the shellfish aquaculture industry through the formation of Coastal Shellfish Corp., a shellfish production operation that includes a hatchery in Prince Rupert, British Columbia (BC) and shellfish farms on the north coast of BC. As the majority owner, the Metlakatla Nation operates within a coast-wide alliance among members of the Coastal First Nations³ (www.coastalshellfish.com). The alliance allows communities to work together on various socio-economic issues affecting them under a conservation-based economy model of success.

The shellfish aquaculture industry “enjoys significant ‘social license’ advantages, both in terms of its relatively ‘green’ reputation and the level of support it enjoys within coastal Aboriginal communities” (Tollefson & Roberts, 2006, p. 1). Yet, despite this positive reputation, Coastal Shellfish Corp.’s website states that the Coastal First Nations over the last 100 years have witnessed their natural resources on their traditional territory exploited for maximum profit to devastating economic, social and cultural effects.

In 2011, CAPE Fund invested \$1 million as a participating debenture in Coastal Shellfish Corp., and augmented that initial investment with an additional \$4 million in 2013 for expansion (www.coastalshellfish.com). Coastal Shellfish Corp. maintained majority Aboriginal ownership at least until the time of writing, and was successful in its expansion efforts. While the CAPE

Fund debenture would be ultimately paid back to the investors, the corporation – and the Coastal First Nations and its peoples – would benefit from a sustainable corporation and its growth.

Analysis and Discussion

The organizational overview of CAPE Fund and the stories just presented offered very unique organizational features and experiences. The first story, One Earth Farms, offered a problematic tale, where non-Aboriginal corporate ownership meant that promises to Aboriginal partners were not kept as the company grew and shifted its focus from agriculture to meat production. The second story presented, Coastal Shellfish Corp., illustrated a majority Band-owned corporation that grew while maintaining its Aboriginal roots and expanded while maintaining its core line of business.

CAPE Fund elaborates highly prescriptive and narrow eligibility criteria for funding (www.capefund.ca). Clearly, CAPE Fund does not exist to assist small or first-time ventures, despite the fact that small businesses account for the majority of Aboriginal Entrepreneurs (Weir, 2007). Yet, a Fund that offered capital to assist small or first-time Aboriginal entrepreneurs would likely provide benefits to local Communities placing Aboriginal needs ahead of shareholders' interests. Indeed, with such narrow eligibility criteria for funding raises questions about whose interests are served in investment arrangements. The organizational story of Earth Farm Corp. illustrated how shareholders' interests were placed ahead of the Aboriginal communities involved in making long-term decisions about operations. Conversely, Coastal Shellfish Corp. illustrated a scenario in which Aboriginal communities collaborated in operations and decision-making, suggesting a higher degree of self-determination for Aboriginal entrepreneurs.

Applications to CAPE Fund require that entrepreneurs provide a conventional business plan, which, in effect, define the eligibility criteria. While CAPE Fund describes their mission as more than merely financial, in practice it appears that the financial bottom line is privileged above others, given that investors expect financial benefit “after taking into the cost associated with the social return” (www.capefund.ca).

In the case of One Earth Farms, the social was limited to the transfer to skills and ownership/control to the Aboriginal entrepreneurs or the Community for the investments. Yet, as a social criterion, “skills transfer” suggests an assimilationist mission in which the Aboriginal

communities come into the arrangement lacking funds of knowledge, and must be “taught” by non-Aboriginal partners to conform to existing ways of knowing, being and doing – in other words, assimilationist practice. This is a blatant affront to TribalCrit tenants, which demand systemic transformation in which AE and IK are valued and privileged. Rather, “culture must be seen as an asset, not an inconvenience to be dispensed with” (Overall, Tapsell & Woods, 2010, p.150), necessitating a structure that is flexible enough to incorporate Aboriginal cultural elements. Conversely, Coastal Shellfish Corp. appears to have leveraged considerable flexibility in spite of narrow criteria given its unique and collaborative governance structure among Coastal First Nations in BC.

CAPE Fund’s One Earth Farms arrangement articulated “an opportunity for the Aboriginal communities involved to repurchase its interest in each investee company” (www.capefund.ca). This arrangement did not appear to have benefited those it was intended to serve, unless the entrepreneurship skills transferred to the people in the communities One Earth Farms Corp. operated leases with continues to make a long-term social and economic difference. This is where the importance of social/cultural self-determination and the culture of these Communities must also be governing these partnerships otherwise “...indigenous cultures have been subsumed by the more powerful colonizers’ culture” (Overall, Tapsell & Wood, 2010, p.150).

A postcolonial model of entrepreneurial funding necessarily adopts multiple bottom line practices for investment, with particular attention to building cultural capital grounded in AE and IK. While current social and political structures seem to accept emphasis on financial gain as the principal goal of entrepreneurial activity, the fact remains that this type of economic system has been the driving force behind colonialism (Kuokkanen, 2011; Sengupta, Vieta, & McMurtry, 2015).

CAPE Fund’s commendable goal is to create “win-win-win” outcomes for investors, corporations and individuals. Each investor expects “an appropriate return on its investment” in exchange for funding a venture (www.capefund.ca). Those corporations who are granted an investment hope to either become more profitable or provide a social return on investment such as establishing a sustainable path to long-term employment opportunities in Aboriginal Communities. However, Silver (2010, p. 226) argues that Aboriginal participation in resource development does not necessarily ensure the equitable distribution of benefit, nor equal

consideration of divergent resource use and their relationship to self-determination and sovereignty.

Based on the investment agreement, the CAPE Fund investors providing the capital are repaid their contribution minus the cost for the social return benefit (www.capefund.ca). The form of social return articulated by CAPE Fund is measured by the transfer of skills through the promotion of entrepreneurship and the adoption of “individualistic, merit-based, and profit-oriented market” ways of being that are associated with conventional modes entrepreneurship (Peredo & McLean, 2010, p. 608). By contrast, the focus on social and community-based development tends to be the focus of Aboriginal entrepreneurship (Peredo & McLean, 2010). This is where the tensions between an investment-for-profit and a benevolent investment emerged as CAPE Fund could be described as a typical investment structure with a component of consideration for the cost of the return for social good – thus, Aboriginal communities under CAPE Fund were not necessarily being placed at core of the investment, thus compromising sustainable development practice. The absence of IK and AE suggest an ‘illusion of inclusion’ (Vasquez Heilig, Brown & Brown, 2012) considering the investee must be an experienced, large operation despite being on a mission to help marginalized Communities.

Conclusion and Recommendations

Through sovereignty, Aboriginal peoples want to regain control of facets of life that were severed from them upon first contact (Battiste, 2013). Conversely, colonization jeopardizes Aboriginal epistemology and indigenous knowledge (IK) (Battiste, 2013; Cherubini, 2010), and tarnishes the possibility for self-determination. Our paper will shed light on ways in which CAPE fund, in its structure, parameters, and distribution of capital, attempts to negotiate the fine line between self-determination and (de)colonization.

In this paper, we extended Brayboy’s (2015) seminal TribalCrit framework for use to analyze Aboriginal entrepreneurship. Our work attempts to tease out postcolonial ideals to bridge “the world we have” towards “the world we want” (Kingwell, 2000). A postcolonial conception of entrepreneurship would surely need “to be freed from its cultural captivity” (Peredo & McLean, 2015, p. 615) in order to address the realities and needs of Aboriginal communities. Financial programs that might improve the possibility of self-determination of Aboriginal

peoples within the postcolonial ideal must “hold both economic and non-economic objectives in tension” (Overall, Tapsell & Woods, 2010, p. 157) in ways that typically disadvantage Aboriginal entrepreneurs.

While CAPE Fund’s objectives of assisting traditionally marginalized Aboriginal business is commendable, this research revealed potential shortcomings in the application of traditional venture capital funding for Aboriginal entrepreneurs. Troubling practices revealed that CAPE Fund attempted to erase inequity in ways that led to neocolonial subjugation – especially in the case of One Earth Farms Corp., in which the non-Aboriginal “partners” benefitted from investment, while Aboriginal participants were effectively eliminated from the venture within several years of CAPE Fund’s investment. Conversely, Coastal Shellfish Corp. offered a story of promise, in which multiple First Nations collaborated in the management and expansion of a venture.

The 9 tenants of Brayboy’s (2005) TribalCrit we further developed for entrepreneurship offer a promising framework to inform future entrepreneurial policy and funding criteria. Specifically, based on Brayboy’s (2005) approach and the experiences of CAPE Fund described in this paper, careful attention to criteria and practices that honour AE and IK are essential for sustainable Indigenous and Aboriginal entrepreneurship. With regard to funding and valuation, the evidence presented in this paper point to the importance of multiple bottom line accounting practices, where economic outcomes (at the expense of environmental, social and cultural outcomes) need not be the primary driver of program eligibility and success metrics.

This article suggests a number of directions for future research. First, additional research about funding arrangements for other Aboriginal-run or partnered ventures would shed light on the realities faced by Aboriginal entrepreneurs. Such research might include investigation into other CAPE Fund ventures, as well as organizations funded via other means. Second, documenting individual Canadian Aboriginal entrepreneurs’ funding stories would enhance CRT and TribalCrit research methods and offer unique perspectives not possible through strictly organizational narratives.

Systemic transformation of entrepreneurial funding sources cannot be achieved if only the marginalized are exposed to stories of oppression and injustice (Brayboy, 2005; Pinto & Blue, 2015). A critical interrogation of the “promises” of entrepreneurship and its funding must take proponents to task about what it can realistically achieve and the effects on those who

undertake entrepreneurship. Governments and individuals must also question whose interests are served when entrepreneurial funding relies exclusively Eurocentric epistemologies to inform eligibility and criteria.

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¹ The organization's website (www.capefund.ca) lists the following companies: Canada Steamship Lines, Barrick (a mineral company), GoldCorp, Bank of Montreal, Sun Life Financial, Glencore, SNC-Lavalin, Johnson Scholarship Group, Scotiabank Group, Skoll Foundation, Teck, Nexen, EDCO Financial Corporation, Li Ka Shing Foundation, Royal Bank Corporation, TD Bank Financial Group, Canadian Imperial Bank of Commerce, Standard Life, and Manulife.

² The tenure system in BC grants access to sea space or beach habitat which can be bought or sold

³ Member nations are: Metlakatla, Gitga'at, Kitasoo/Xaixais, Heiltsuk, Nuxalk Nation, Wuikinuxv Nation, Old Massett, Skidegate and Council of Haida Nation