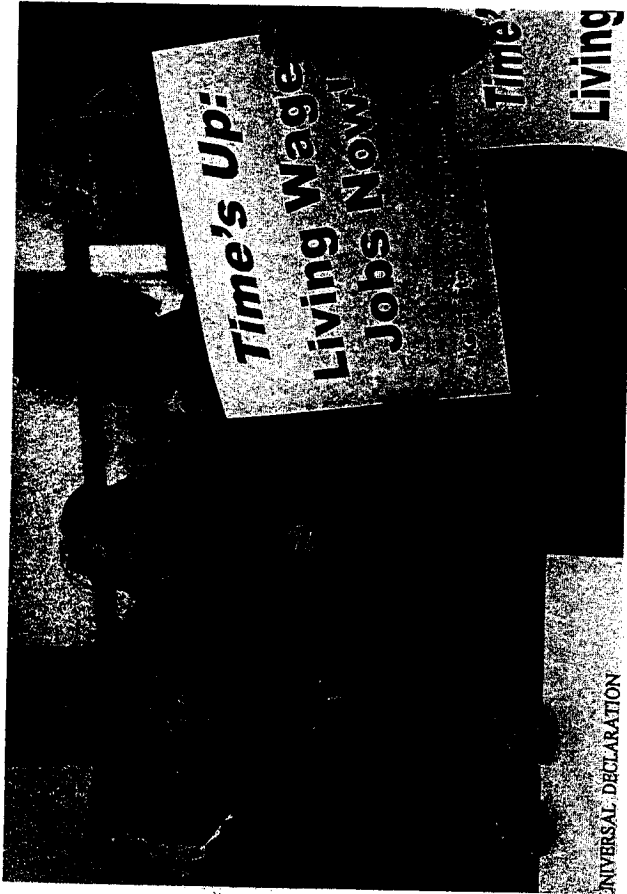


THE NEW POVERTY STUDIES

The Ethnography of Power,
Politics, and Impoverished People
in the United States

EDITED BY JUDITH GOODE
AND JEFF MASKOVSKY



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2001



New York University Press
NEW YORK AND LONDON

Chapter 9

Microenterprise Training Programs, Neoliberal Common Sense, and the Discourses of Self-Esteem

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Introduction

Microenterprise training programs have received a good deal of both rhetorical and financial support during the Clinton era, the same administration that can be credited with permanently altering the structure of welfare. From this context, the enthusiastic supporters of microenterprise training appear to be members of a developing ideological chorus that want to credit individuals with personal economic success or failure and are eager to provide "the helping hand" to do so. Never mind that economic restructuring has left entire regions abandoned and the gap between the richest and the poorest segments of the population greater than ever. Microenterprise training programs embody both the contradictions of neoliberal economics and an evolving neoliberal discursive style: on the one hand, they are often undercapitalized (as my case studies illustrate) and they are aimed at a narrow segment of the poor. On the other hand, through the dispersion of these programs, the individual is encouraged and incited to believe in his or her own powers to succeed and then blamed in the event of failure. The participants in these training programs speak of the effects of the programs in a language reflecting a pride in a newly empowered self, one that has gained self-esteem and confidence in his or her own capabilities.

Nancy Fraser (1993) refers to this developing welfare policy and its accompanying ethos as a kind of "neoliberal common sense." According to Fraser, the neoconservatism of the Reagan and Bush administrations and the neoliberalism of the Clinton administration have converged.

This is evidenced by the latter's call for "targeting" specific populations for child care, child-support collection, and job training rather than fostering programs that would guarantee jobs, growth in annual income, a single-payer health care system, universal public day care, and a national child-support insurance system for all (Fraser 1993:16). Nikolas Rose (1993) coins the term *advanced liberalism* in his description of a welfare state that seeks to foster self-government by the poor. Following Rose's work, Susan Hyatt (1997:219) argues:

In the current climate of advanced liberalism, poverty is represented not as a social problem but as a new possibility for poor individuals to experience "empowerment" through the actualization of self-management.

There is an interesting collusion, therefore, that we can now witness in the work of anthropologists called in by policy experts to "give voice to" participants and to "do ethnography" that engages our field in a new configuration of power. In privileging the voices of the poor, it is possible to see the ways in which individuals themselves contribute to an advanced liberal ideology that focuses on the self as the locus of economic success or failure. And while the rewards of success are often highlighted within this discourse, especially by politicians and policymakers on both the left and the right, underlying this is an ideology of blame, in which failure is identified as a personal fault rather than a fault of the government or of structural changes in the economy.

Such an emphasis on the individual is nothing new in the American ideological spectrum. With the convergence, however, that Fraser discusses of the political left and right over the issues of welfare reform and economic (self-) responsibility, this emergent discourse has embedded itself at the level of popular culture. It represents a particularly powerful expression of American individualism in which economic success or failure becomes wholly equated with an individual's possession or lack of self-esteem. Implicit in this is an essential faith in the market as the proper and level playing field for economic success.

This chapter broadly explores the discourses of self-esteem that have emerged in both popular and policy discussions of welfare reform. It examines the specific case of one federally supported microenterprise training program administered in the state of Colorado. The program, which took place between 1995 and 1997 and originated out of the Department of Labor's Job Training Partnership Act (JTPA), targeted low-income individuals with the purpose of training them to become self-employed

microenterprise entrepreneurs. It is analytically evident that there are many downsides to these programs, including their inability to address the wider economic structure of the region, their lack of marketing and credit strategies, and their focus on the mid-level poor rather than the poorest. But while these criticisms are accurate, my focus here is on the limiting nature of the self-esteem discourse within which such programs are conceptualized and promoted among certain populations. The discourse of self-esteem limits the discursive possibilities of new policy and posits responsibility for economic success or failure within the individual character rather than in the program itself or in the structural realities of the economy. I focus on the ways in which both the participants and the administrators of the program readily offer the concept of self-esteem as explanatory of what makes for successful microenterprise entrepreneurs. More important, the concept of self-esteem also figures highly in their understanding of what is needed to alleviate poverty. These discourses assume that the potential for economic success lies in the individual self rather than in more material and economic conditions affecting the availability of decent jobs with decent wages. The proliferation and naturalization of this assumption serves to reinvent, in a new, "neoliberal" light, the dated portrait of the poor as psychologically debilitated and behaviorally problematic.

My argument is not that these programs are "the best that we can do" but rather that we cannot hope to do better until we begin to deconstruct this highly effective neoliberal discourse. It appears to be all but impossible at the moment to call for large-scale "safety-net" social programs, because the discursive space for such a discussion has largely closed. The reason, at least partially, may exactly be the convergence of the discourse of self-esteem from both the left and the right. This essay argues that we need to examine this discourse critically in order to know what alternatives are possible to utter.

The Discourses of Self-Esteem and Welfare Reform

A recent flurry of empirical studies in the social and political sciences use Michel Foucault's concept of "governmentality"¹ to analyze "the government of human conduct in all contexts, by various authorities and agencies, invoking particular forms of truth, and using definite resources, means and techniques" (Dean 1999:3). One particular branch of the governmentality literature proposed by Barbara Cruikshank (1993) focuses on the ways in

which the self-esteem and empowerment movement shifts the terrain of responsibility away from outside sources and toward the self. She examines a few of the diverse sources of the movement, such as Gloria Steinem's (1992) best-selling book *Revolution From Within: A Book of Self-Esteem* and the organization and goals of the California Task Force on Self-Esteem and Personal and Social Responsibility (1990a; 1990b). Cruikshank views the self-esteem discourse as one that offers a reorientation to problem solving, offering a science of the self as liberatory of the psychological state of particular peoples, "especially poor urban people of color to whom most of the 'social problems' are attributed." She perceives the discourse of "self-esteem [as] but one in a long line of technologies of citizenship," or rather, "a technology of citizenship and self-government for evaluating and acting upon our selves so that the police, the guards and the doctors do not have to" (Cruikshank 1993:330). A crucial point of her argument is that what is being heralded by social scientists as important to understanding a particular problem—such as poverty—is the "lack" of self-esteem, and in this process, there is a shift in the types of political action that can be called for:

The call for self-government and democracy is extended away from political institutions and economic relations by the self-esteem movement; the political goals of participation, empowerment and collective action are extended to the terrain of the self. (Cruikshank 1993:331)

Evidence of this phenomenon is readily available in popular press depictions of how workers see themselves in the midst of economic restructuring—rather than calling for union organizing or for the replacement of lost economic opportunities, workers frame the problem of economic restructuring as a problem of the individual and speak in a language that focuses on the self.

For example, a *New York Times* front-page article headlined "Downsizing Comes Back, but the Outcry Is Muted" (December 7, 1998), written by Louis Uchitelle, is subtitled "Rather Than Protests, Unions Are Offering Transition Advice" and leads into a bleak description of the effects of the closing down of a television assembly plant (Thomson Consumer Electronics of Bloomington) in Indiana. The argument of the article is that "the outcries and conflict that characterized the waves of downsizing in the 1980s and early 1990s are largely gone now." The article provides close-up interviews with former employees of Thomson who are forced to cope with a plant closing. (The company gave fourteen months' notice and then relocated to Mexico.) In the text of the article, a former employee is quoted at

length. She was retrained as a truck driver and suffered a loss in her wages, but she assimilated her experience, at least partially, in terms of her own self-esteem:

I don't mind driving a truck. A lot of people would not do it, but I am trying to get back to where I was at Thomson. It takes away from your self-esteem until you find something as good, or better. You know there has to be something better.

The worker quoted above seems to be saying that until she gets back to where she was (i.e., her original wages), her self-esteem will "naturally" be lacking. It is interesting that she focuses on the impact on her self-esteem while ignoring the actual economic hardship of earning less. The article describes a process whereby workers and unions are discouraged from protest because of the new forms by which protest is absorbed, namely, through retraining programs financed by the federal government that seem to normalize downsizing, the movement of capital, and the restructuring of entire regions.²

Microenterprise Training Programs and the Belief in the Self

As mentioned above, microenterprise training programs have received a good deal of support during the Clinton era. Hillary Clinton, especially, has been a powerful advocate of microenterprise training programs in the United States. Tracy Ehlers and Karen Main (1998), in a critical appraisal of microenterprise training programs for women, quote Hillary Clinton's message to the preparatory meeting of the Microcredit Summit:

Microenterprise is the heart of development because microenterprise programs work—they lift women and families out of poverty. It's called "micro," but its impact on people is macro. We have seen that it takes just a few dollars, often as little as \$10, to help a woman gain self employment, to lift her and her family out of poverty. It's not a handout; it's a helping hand. Through my travels in my own country and around the world, I have seen the profound impact that microenterprise initiatives are having on families. . . . I have met women whose lives are being transformed because, for the first time, they have access to credit. (Quoted in Ehlers and Main 1998:425)

Despite a few critical voices such as Ehlers and Main, who see such programs as ultimately defeating and detrimental for poor women because they promise more than they can deliver and then blame the victim for fail-

ure, these programs have, in the mainstream, come to be seen in an extremely positive light. Indeed, highly visible advocates such as Hillary Clinton hold out such programs as the Grameen Bank in rural Bangladesh as ideal models for economic development and have done much to fashion these types of programs as the "new economic hope" within the popular imagination.

Microenterprise training programs are an interesting programmatic breed within a broad range of federal poverty alleviation programs. Historically, the idea of microenterprise training as a poverty alleviation initiative began as one among many "development" strategies (i.e., the Grameen Bank) in developing countries where access to credit was perceived to be the major problem of the informal sector. The enthusiastic policy literature that praises these programs envisions microenterprise training as a way of bringing marginal businesses and low-income people into the mainstream by giving them access to business skills, information, and, most important, credit; yet such an idea is not limited to standard "third world development" strategies. New York City mayor Rudy Giuliani, interviewed in a (December 20, 1998) Sunday *New York Times Magazine* article, exemplifies the current mainstream belief in entrepreneurship as a solution to the inability to find or get a job and to the problem of poverty more generally:

If you can't get a job, start a small business. Start a little candy store. Start a little newspaper stand. Start a lemonade stand. (Mayor Giuliani, in DeParle 1998:89)

The idea behind microenterprise programs partially rests on the idea that in situations where actual jobs are scarce, individuals with an entrepreneurial talent will be able to start up their own business and generate their own income. The author of the *New York Times Magazine* article, Jason DeParle, a well-known journalist devoted to writing about poverty and welfare issues and seemingly critical of the mayor's conservative position on welfare reform, exhibits the journalistic discourse that attempts to get close to characters by seeming to know something about their psychological characteristics. In the text of the article, he describes what he understands to be the overwhelming psychological characteristics of individuals living in poverty, stating boldly that "the majority rank as troubled souls: depressed, illiterate, infirm, addicted." DeParle's framing of the issue in terms of psychological factors illustrates how the underlying self-esteem discourse refocuses economic success and failure in terms of individual "character" (and thereby shifts the causality of economic matters away from the market and onto the

individual self). More important, it shows how mainstream such a notion has become: that a similar position can be shared by these two oppositional figures, the liberal journalist and the conservative politician. Such descriptions are reminiscent of the behavioral descriptions of the poor made by anthropologist Oscar Lewis and other "culture of poverty" theorists in the 1960s and 1970s, which were then criticized by anthropologists for the next three decades.³ DeParlé's depiction is a perfect example of this kind of psychological caricature. William Julius Wilson (1997) argues that such explanations, whether offered in the texts of liberal journalists or in the words of conservative policy analysts, have come to share a common language because liberal intellectuals, in failing to advance significant poverty alleviation programs after 1965,⁴ allowed popular media and conservative versions of the culture-of-poverty thesis to dominate the discourse up through the Reagan years.⁵

A Social Science Example

Janet Fitchen, an anthropologist who thanks Oscar Lewis in the acknowledgments section of her 1981 book *Poverty in Rural America: A Case Study*, identifies self-esteem as a factor embedded in hierarchical levels of causality within a more generalized "Failure Syndrome."

Fitchen finds that low self-esteem is apparent among the rural poor, especially among men, and cites it as

an ongoing cause of intergenerational rural poverty. . . . Repeated experiences of failure, almost unavoidable for many people, lead to low self-esteem and lack of confidence. This, in turn, leads to limited expectations for oneself that are apt to cause further failures and reinforce the low self-image. The cycle continues, in all spheres of life: on the job, in school, in dealings with community agencies and institutions, in social relationships, and in marriage and family relationships. (Fitchen 1981:196)

Low self-esteem is understood to be a limiting psychological factor, although it is embedded in the hierarchy of primary causes and viewed as derivative. Nevertheless, these psychological causes take on a life of their own and, over time, have become part of the standard discourse used to describe the causes of poverty in America—not only among journalists and conservative analysts, as Wilson suggests, but also within the social sciences and within the general population. In the process of recognizing that psycho-

logical factors play a role in the production and reproduction of poverty, these same factors have begun to circulate and constitute their own universe and have become the primary explanation for poverty and economic failure. One of the results of this discursive explosion constituting the lack of self-esteem as a major cause of poverty is that the ability to call for collective action—against a corporation or the government, for example—is absorbed in a discourse that posits the self as the only location of power to manifest change, placing the locus of responsibility for economic failure on the individual rather than on the government or on historical or structural factors. Poverty is thus continually constructed as a personal problem—a product or outcome of a lack of self-esteem—therefore making the need for government intervention unnecessary or even negative.

The Context of Microenterprise Training in Colorado

The microenterprise training program carried out in 1995–1997 in the state of Colorado calls into question the "effectiveness" of what Fraser identifies as neoliberal common sense. This program also provides us with a case study of a poverty alleviation program for low-income populations that immediately preceded welfare reform. Rather than lobbying for structural reforms, administrators, policymakers, and participants internalize the message of self-empowerment espoused by such programs. This message of self-empowerment downplays the often ambiguous economic outcomes of such programs. Participants often find themselves no better off in terms of economic vulnerability (or often worse off in terms of debt burden), yet the participants nevertheless value the "entrepreneurial skills" they learn in these programs, buying wholeheartedly into the discourse of self-interest, self-esteem, and self-blame. And the anthropologist as ethnographer reports these findings as part of the "extra-economic" benefits of the program.

During 1995–1997, the Targeted Ownership Project (TOP) carried out a microenterprise training program at various urban and rural sites in the state of Colorado. This training program originated as a federal grant from the United States Department of Labor's (DOL's) Job Training Partnership Act (JTPA) to the Colorado State Department of Human Services and Colorado Capital Initiatives (CCI).⁶ The training grants were offered by the Department of Labor on a competitive basis, and each state interested in experimenting with microenterprise training authored (or co-authored) its

own grant proposal. Colorado was one of the states awarded the grant money to test this pilot program.⁷ As a result, the state was awarded \$300,000 per year during two years to carry out a training program in some of the most impoverished rural areas in Colorado.

When the Department of Labor's JTPA offered similar grants in 1997, the mission of the grants was geared toward dislocated workers and the long-term unemployed. During the years discussed here, 1996 and 1997, the overall mission of the grants was to provide benefits for economically disadvantaged persons and to do this through training and technical assistance (Meyerhoff 1997:105-6).

The idea behind the Colorado microenterprise training project was "to provide small businesses with access to credit and business assistance, based on an assessment of business needs by community representatives" (CBDI Proposal 1995:3).⁸ The Colorado Department of Human Services had conducted microenterprise training with JTPA-eligible participants in the city and county of Denver for three years prior to the initiation of this more comprehensive project. According to the original proposal, the project would enable the collaborators to "begin another microenterprise start-up program in the Denver area, expand the program to three outstate areas, provide equity money to start-up businesses, significantly expand services to young, emerging business and bring higher levels of loan dollars to JTPA eligible self-employed participants" (CBDI Proposal 1995:4). The programs were meant to be "training driven" (CBDI Proposal 1995:6) and in the first phase would provide the JTPA-eligible participants with the "knowledge, financial means, and local support to start a small cottage enterprise" (CBDI Proposal 1995:7).

The four sites⁹ initially chosen for "targeting" by the project showed median household incomes lower than the state median of \$30,140 (U.S. Census Bureau 1990). One of the stated major goals of the project, according to the original proposal, was to foster long-term community development by aiding successful microenterprise development; thus an implicit assumption of those interested in promoting microenterprise development is that community development can be built upon self-employment. Access to training and credit (in loan and grant form) were defined as key elements to the success of the project. The program was meant to provide short-term credit to the self-employed, since self-employment already figured significantly in the overall economic activity of the poorest regions in the state. It was also meant to help those capable of thinking through a plan of self-em-

ployment realize those plans and then to provide the technical support necessary for ensuring success.

The intended participants in the TOP training program were those who would qualify as JTPA-eligible, that is, those who fell within JTPA guidelines. According to these guidelines, the following levels of family gross income must pertain for six consecutive months in order for the participant to fall within the low-income category: a family of one person must have a gross income below \$3,870 (\$645/month); of two people, \$5,190 (\$865/month); of three people, \$7,130 (\$1,188/month). This act targeted "economically disadvantaged" individuals and defined low income according to a time frame of the preceding six months. JTPA eligibility is granted if the participant either falls within the above prescribed guidelines or provides proof that an agency such as Aid to Families with Dependent Children (AFDC) has certified the individual as "economically disadvantaged."

As a criterion, JTPA eligibility is nuanced across urban and rural sites, and, from the perspective of poverty policy analysts, attempts to address a different population from that which is strictly "welfare"; it is set up to be inclusive of a broadly defined low-income population but also aims to capture those affected by short-term economic hardship. It therefore encompasses a population that is more diverse than that addressed by other programs working toward poverty alleviation.¹⁰ JTPA eligibility thus does not necessarily address the concerns of the most impoverished populations, such as long-term welfare recipients, although this population certainly qualifies as JTPA-eligible. Thus, in 1995-1997, JTPA eligibility included the AFDC and Food Stamp recipient population, but it also captured slightly higher income groups that might be considered middle-income but could (and often do) become economically vulnerable. In theory, JTPA eligibility is supposed to capture a population that is both much broader than and yet inclusive of the welfare population.

Colorado Capital Initiatives

From the perspective of Colorado Capital Initiatives (CCI), which co-authored the state-level grant with the Department of Human Services in Colorado, the hope was to capture a group who would have some of the resources to succeed at both getting loans and establishing or continuing a small business enterprise. CCI was attempting to harness these federal

resources in a manner that would contribute to community development, and part of their philosophy depended on setting up guarantor programs in the communities where the training programs were to take place. These guarantor programs sought the expertise and investment of business leaders in these communities so that loans could be administered to small, developing businesses or new, promising small businesses. The not-for-profit corporation found the JTPA guidelines for low income to be limiting. CCI would have liked to have enabled more economically secure people, those whom they viewed to be above the "economically disadvantaged" category outlined in the federal guidelines, to participate in the training because they believed that this "cream of the crop" of the rural population was more likely to succeed in business than those struggling at more basic levels. Also, they wanted the population seeking loans from the guarantor program to be credible as entrepreneurs among a conservative business community.

At some sites, many of the participants in the training sessions were so low-income that they fell far from the range hoped for by the CCI partners. But many of these participants dropped out of the classes without finishing. The federal grant, however, had guaranteed these people admission to the program despite the objections raised by CCI. The different perspectives concerning who should be eligible for the program wound up causing conflict between CCI and the federal manager. CCI felt the federal program was somewhat insensitive to the local, community-based needs of their guarantors, who controlled the revolving loan funds and who wanted to support only businesses that would actually turn a profit. The following is a quote from a CCI official in 1996:

The objective that we set is, you know, low-income community revitalization, economic growth within low-income areas and communities. And how over the long term can something like this add to that. Something like this consists of three major elements: training, capital, and markets—access to markets. You gotta know what you're doing, you gotta have the money to do it, and you gotta have somewhere to sell it. All right. JTPA concentrated on training. We did the capital and left the markets pretty much up to the business. (CCI official, taped interview, 1996)

There was thus some developing tension between the CCI partners and the federal JTPA administrator in charge of the grant, who was bound by the federal guidelines to address a specific low-income population. This tension is telling because it acts as a reality check on policy. It draws into question the potential effectiveness of the program for the majority of those it was in-

tended to help. It also foreshadows the problems with securing credit and grant money faced by many of the participants. (Indeed, many relied on personal forms of financing—credit cards, family loans—rather than on moneys from the program.) This haphazardness in terms of funding was at least partially due to these disagreements between the federal regulators and the local CCI guarantors over who was an appropriate "risk" for credit (which was implicitly a disagreement over whom the program was actually for). And yet, despite this, the majority of the participants perceived even the haphazard economic benefits of the program (small grants and potential loans, subsidized professional advice, etc.) in an overwhelmingly positive light. Although CCI and the federal government differed in their vision of who would best be suited to these programs, both subscribed to the idea that self-employment initiatives could lead to community development and could address some aspects of rural poverty. What the tension between CCI and the federal government suggests, ultimately, is that these programs would be somewhat problematic if offered to only the poorest segment of the long-term welfare population. Besides lacking specific training and education, microenterprise entrepreneurs drawn from the poorest segments of the population would suffer from the lack of concrete capital investment from the local business community, who would be called upon—through the granting of a loan—to support their fledgling businesses.

Methods and Data Collection

During two years, I designed a research program and coordinated an ethnographic research team of graduate students from the University of Colorado-Boulder¹¹ whose main purpose, as requested by JTPA and the Department of Human Services, was to examine the effects of the training programs on participants and in their communities.

The first- and second-year sites encompassed parts of rural and semi-rural Colorado and parts of the suburban and metropolitan Denver area.¹² The Denver sites were distinct from the other sites¹³ in that the Denver classes attracted a much lower income population than the population participating in classes at other sites.

Researchers traveled around the state attending the TOP training classes and interviewing participants in the classroom and in their homes (using a tape recorder). Follow-up interviews were conducted with participants six months after the training classes ended. Questionnaires were administered,

and in-depth community and individual cases for close study were chosen.¹⁴ I designed the research with two distinct goals in mind: first, to find out "what worked and what didn't work" in the training programs, thereby fulfilling the request of the JTPA officials and Department of Human Services administrators who employed the team to carry out the research; and second, to carry out a broader ethnographic investigation into the lives of the participants in the program, paying particular attention to their courses and perceptions regarding the effects the program had on their own lives. I personally interviewed the administrators and trainers involved in the project and wrote the final evaluation reports based on the taped and transcribed interviews, fieldnotes, and summaries of the field researchers.¹⁵

The Participants and the Training Regime

More than 140 participants went through the microenterprise training program—approximately 70 each year of the two-year training program. Forty participants were interviewed during the first year, and eight individual case studies from the original forty interviewed were followed up. During the second year, fifty-one individuals were interviewed and sixteen case studies were followed up. Interviews for the case studies ranged in length from approximately forty-five minutes to two hours; multiple visits and observations were made in many cases.

Participants in the first year were chosen from all four 1995 TOP sites and during the second year from the additional three new sites. The sites encompassed parts of rural and semi-rural Colorado and parts of the suburban and metropolitan Denver area. The counties included Alamosa, Montezuma, Conejos, Morgan, Denver, Fremont, and Mesa.

Our research found that 75 percent of the first year's participants and 59 percent of the second year's participants carried no health insurance policy at all. It is a defining feature of the population. In terms of caretaking responsibilities, 23 percent of the participants in the first year and 33 percent of the participants in the second year were single mothers with children.

The cases discussed in the following sections are representative of the diversity of the total participant pool and were drawn from the total pool (140 participants) with the aim of analyzing both the "successes" and the "failures." I have chosen to present these cases because of their diversity and because of what they reveal in terms of personal circumstance, the characteristics of the training program, and, most important, the participants' gen-

erally favorable impression of the self-motivational aspects of microenterprise training.

It is important to keep in mind that the program offered to participants step-by-step training on how to put together a business plan, as well as tips on how to market their products. In some cases, small grants were made to participants in order to help them get their businesses off the ground. While the program had hoped to offer credit and loans through a regulated local guarantor program, there was less success in this area than had been hoped for. The participants were extremely laudatory about the motivational and therapeutic aspects of the program, characteristics that are "extra-economic." These widely divergent participants share with one another and with some of the administrators of the program an appreciation for the kind of individual growth, especially in the area of self-esteem, that they experienced as a result of the program.

What the program did for the participants in concrete terms was serve as a mobilizing space for them to consider their own self-esteem in the context of work. The training programs acculturated the participants into a "can do" attitude of confidence that enabled them to consider how they themselves may have, in the past, contributed to their inability to be perfectly successful in the world of work. Over the course of the two years during which we tracked the training program, a number of teacher-trainers participated as classroom teachers. Each of the teacher-trainers had his or her own pedagogical style, and there was some variation with regard to which entrepreneurial curriculum packet these instructors used during any one course.¹⁶

Given the variability among the participants, it is not surprising that there was some diversity among reactions to the curriculum. Despite this, almost all participants expressed satisfaction with their experience in the classroom. Suggestions by participants as to how the curriculum might be improved varied sometimes to the extent of contradiction, but these were for the most part relatively minor, fine-tuning issues when compared to the general experience of the curriculum's efficacy. The classes often started with general, personal topics, such as a self-assessment of the participants' entrepreneurial characteristics. The curriculum then led to more specific areas such as concept development, business structure, market analysis and marketing, finance, budget, pricing, and cash flow. During this time, participants were to be working gradually on their feasibility studies.

After these were handed in, read by the instructor, and returned, money sources and management were covered. The actual business plan was due in

the seventh class meeting, after which time participants who were moving ahead with their businesses had access to their trainer-teachers. In some cases, this relationship continued for months after the course's end, to the credit of the teacher-trainers involved, for whom this kind of dedication was not part of the original job description.

The curriculum also included four individual coaching sessions in which participants could be helped with areas they had been finding difficult in class, issues with feasibility and business plans were discussed, and their progress was assessed. For the most part, the teacher-trainers were considered decent teachers, and the trainees found the curriculum somewhat appropriate to their needs.

Some participants actually commented that they could have done without some of the "inspirational stuff" at the course's beginning and said they did not need to hear stories about businesspeople who had "made it." But the majority of the trainees brought up the changes in self-esteem that the course had offered them and felt thankful that, at the end, they had found the self-confidence to apply for and succeed at securing a full-time job, or to actually start a business, or to begin thinking about the prospect. One trainee expressed this sentiment most directly:

We've gotten more confidence since the course because the course showed us a lot of different avenues. . . . One thing they taught us in the course was that if you try to grow too fast, you'll drown. And I think that's one of the most common ways businesses die. They try to grow too fast and they succumb to the financial burden.

In some cases, it was mentioned that the textbook was too advanced for the participants, that it was very dry and seemed geared toward college-level students and thus was not really an introductory course. Another criticism was that the curriculum was not designed for participants' particular needs; in other words, for small, home-based businesses, starting with little in the way of resources, such as the vending business or independent medical transcription services, the curriculum seemed to be poorly matched. Instead, it focused on manufacturing and larger-scale businesses that had no relation to those in the course. This caused some feelings of discouragement, though these were outweighed by participants' sentiments about the "personal growth" aspects of the course. They were also happy to interact with businesspeople from the community, which enabled them to feel more comfortable with "professionals." Participants said things like "I came to

class with a dream, and now that dream has become a reality" and "I had an idea, but the class gave me the confidence to go on."

In one class where the teacher-trainer was noted by the students to be particularly effective, a participant in the program equated the training course to dieting: "You have to structure your life differently, change your lifestyle and [learn] how to structure your day." Students mentioned that the teacher-trainer for this particular class had helped them learn self-discipline: how to show up on time, behave professionally, and complete projects.

Two generalized outcomes can be suggested from the statements made by the trainees who were interviewed after the course:

1. The allure of self-employment promoted in the context of the training course contributed to a general sense of increased self-esteem on the part of the participants.
2. The course provided a space for the self to be regulated and judged in terms of personal productivity, one that served to institute among the participants a particular form of self-governance in neoliberal times. This self-governance structured around issues of personal productivity also helped build self-esteem on the part of the participants.

The Allure of Self-Employment: Four Cases

Pete

Pete, now just forty, was born in the same agricultural community in rural Colorado in which he attended the Targeted Ownership Project's microenterprise training program. Neither of his parents completed high school. He says he was born on the "wrong side of the tracks," and, as his father was an alcoholic and his mother "was gone long ago," he and his brother were brought up by their grandmother. He says that, as children, he and his brother "pretty much ran wild," and though he always found school easy, he never did well because he wasn't interested, and he quit after tenth grade. During high school, Pete worked at the sugar-beet factory and the meat plant. Afterward, he started working in the oil fields and soon had his own business maintaining oil rigs. He liked knowing he was making more than the high school principal and thought that "making \$600 a week was better than a high school education. . . . I couldn't see

past that." He has never relied on any form of public support other than unemployment insurance.

At the age of twenty he considered joining the U.S. Air Force but was told he would be too old to learn to fly jets by the time he had finished high school and college. In the mid-1980s, after oil prices collapsed, he and his third wife moved to the Midwest. They had two children, of whom he says, "There hasn't been anything topped that." He worked as a contractor and later as a long-haul semi driver, which was both his best-paid and least-favorite job: he "had to break every law that was written to do it," and the alcohol problem he inherited became compounded by drug abuse. He was on the road six days a week trying to pay for a farm the family had purchased, and when his marriage deteriorated as well as his finances, divorce and bankruptcy followed. He returned to Colorado, and for three years or so after that, "there wasn't a day I wasn't drunk or on something." When he woke up in jail one morning, not knowing how he got there, he decided he had to change and committed himself to a drug and alcohol rehabilitation program in Denver. He worked as a welder for a company until it went bankrupt and was collecting unemployment when he saw the TOP microenterprise training program advertised. He had started building a custom motorcycle to sell and signed up, thinking "this is going to be a way that I can borrow some money . . . and I'll be able to start my own business."

He completed a business plan, which was reviewed by the local mentors, made the suggested revisions, and was told it was a good plan, before approaching "every bank in town" for a \$5,000 loan. Because of his bankruptcy, and probably also because of his being in arrears on child-support payments, no bank was willing to make the loan. While living in a \$400-a-month trailer, against the side of which he built an open-air workshop, he did small welding jobs and finished his first motorcycle. He sold this unique, beautifully crafted machine through a \$5 advertisement in a motorcycle club magazine. This enabled him to relieve some of the pressure of his child-support debts, which amounted to more than \$30,000. Soon after his first sale, he received a \$5,000 down payment for his next order and paid down his suppliers' accounts. Less than six months after the end of the course, he had sold two bikes and received orders for two more. He has made more than \$5,000 in profit on each sale.

When Pete was interviewed, he mentioned how it may have been a good thing that he didn't get a loan, because it made him more attentive to his cash flow. While he agreed that a loan or an investor would help grow his business more quickly, he was extremely proud to assert that he would do it

himself, incrementally, if necessary. While he had the incentive to start his business before the TOP microenterprise training program came along, he credits the program with giving him the self-esteem needed to come as far as he did:

I wanted to learn if I was able to do this, am I smart enough. Can I keep it together good enough, you know. What does it take? I didn't know what it took . . . The program helped my self-esteem. It didn't provide me with the big inspiration. . . . But the program showed me how to do it, you know.

He hopes to develop his business to the point of building ten to twelve bikes a year, and his greatest motivation, beyond getting out of debt, is to be able to give his children some of the things he never had and also to be able to send them to college. For Pete, the allure of self-employment—the ability to make it on his own—had the effect of boosting his self-esteem:

If I don't do it making motorcycles, I'll do it some other way. I already know: It ain't going to be working for somebody else. I'm never going to make enough money to do what I've got to do working for somebody else. . . . [I want to] help [my kids] in their life.

Karen

Although Karen grew up in Colorado, she spent most of her adult life out of state. She returned to Colorado in 1990 so that she could be close to her mother, after the death of her mother's husband. When she first returned, Karen was working as a Certified Nursing Assistant. Despite the fact that she had received training to be a medical assistant in another state, she had to accept this lower-paying occupation because, at the time she returned, her educational certification was not accepted in Colorado. Although she could have become certified in Colorado, Karen was reluctant to undertake the studying required for the examination. Then, in 1993 she was injured at her job. Her injury has become chronic, preventing her from returning to work in the medical field. Currently, Karen is living with her life partner in a small mobile home in a rural town.

Karen's reasons for wanting to have her own business stem in part from her disability. Being out of work created a financial and personal crisis, requiring her to seek out a new means of making a living. Because she is unable to sit for long periods of time, she cannot work in a typical job. She needs to take frequent breaks, which would be disruptive if she were on a regimented time schedule. Through the Resource Jobs Center, a

local nonprofit organization, Karen learned of opportunities to work in the medical transcription field, which fits with her previous medical training and would allow her to work independently, on her own schedule and in her home.

At the time of the interview, she was still in the process of completing the required medical transcription training, which was being paid for by the Resource Jobs Center. The center was also instrumental in getting her connected to the TOP program.

Karen was also motivated to have her own business because she sees the local economy as detrimental to most people who are trying to get ahead. There are very few jobs that pay above minimum wage, and the jobs that used to exist when she was growing up, such as agricultural labor and trucking, are no longer available. This makes it difficult for anyone without an education to earn a reasonable living. According to Karen, "the only way to make a decent living is to have your own business."

Karen attributed to the TOP course the understanding that she now has the commitment required to run her own business. The course "opened doors for her" in giving her access to those people who could answer her questions and assist her in running her business. Through the TOP program, Karen received a \$500 Supportive Services Grant, which allowed her to buy a transcribing machine and a printer, both of which are essential for her business. She will have to raise a bit more money so that she can remodel a part of the interior of her residential trailer and buy a computer, but she believes this will be possible through a family loan. Karen, like Pete, values the course for providing her with the information she needed to run her own business and, because of her particular skills and the region she lives in, is attracted to the possibility of self-employment.

Maria

Maria is a young woman with three children all under the age of six. She was, at the time of her interview, in the process of getting a divorce. Maria's financial problems began when she was married and her husband had trouble finding a job. During her marriage there were financial ups and downs, and the family received assistance in the form of subsidized housing. Their financial problems meant credit problems, including problems maintaining public service accounts. Since separating from her husband, Maria and the children have been receiving \$400 a month in AFDC. According to Maria, her husband tended to be financially irresponsible and would not allow her

to participate in managing money. While she now has less money than before her separation, she feels she is "making it" for the first time.

When Maria began to think of starting her own business, she had in mind learning a clerical trade, such as medical transcribing. Her trainer, however, saw that the clerical fields in the city where Maria lives were becoming saturated. This, plus the fact that Maria would have had to invest in other training, led the trainer to encourage Maria to do something she would enjoy more. Maria actually did have another idea, but she didn't realize at that time that she could turn it into a business.

Maria has a young daughter with long hair, whom she enjoys dressing so that her hair accessories match her clothes. Hair accessories such as barrettes and bows are expensive, however, and also quite difficult to match. So Maria began making her own and came up with a unique way to make them so that various barrettes could snap onto others, creating numerous possibilities of color and design. Maria enjoyed this kind of experimentation and soon was making barrettes out of cloth and other sewing ornaments for her friends' children, as well as making custom boxes (with designs and the children's names) to store them in.

When she told the trainer about this idea, the trainer suggested that she follow it up, and this is the idea for which she wrote her business plan and that she is actively pursuing. In the long run, Maria would like to expand her business to adult hair accessories, and she has already begun to design some of them.

The difficulty Maria has with her products is learning how to price them, taking into account her time and materials. This is something she believes will come with experience. At the time of the interview, Maria had received a few custom orders, primarily from other TOP students who planned to give them as Christmas gifts, but as yet she had not developed any significant marketing strategies.

Through the Technical Assistance program, Maria had made plans to speak with the manager of a local department store and an attorney. Maria was particularly excited about having a contact with "a large retail store" and hoped that the manager would be able to give her advice on marketing. Some time after the interview, in a follow-up discussion with the trainer, the researcher learned that not only had Maria met with the manager but that the manager was apparently very impressed with Maria and her products and has placed a large order with her. In addition, he has arranged for her to meet with his marketing department to see if possibilities exist for selling the accessories outside her hometown. The connection to the department

store is an important one for Maria, one she likely would have had trouble making on her own.

In response to questions about the feasibility of Maria's products, the trainer remarked that although this is a business that will take some time to become lucrative, such a longer time frame is ideal for a person like Maria. Because Maria has never lived on her own or supported herself, the time she spends building this business will give her the confidence and business savvy she needs to move on to the next level. In the meantime, she can continue to receive AFDC and in that way ensure that her children will be provided for through this business-development period. Maria may also try to get another type of business loan, although she is concerned that this might be difficult because she has never had credit and therefore has no credit history on which to build.

The trainer emphasized to Maria that whether or not this business proved to be successful was not the only issue. That Maria will have learned to interact with businesspeople and that she can use her ingenuity to go forward in her life is also important. Maria feels the course has changed her life because "it has made me believe in myself, made me more determined, and helped me make a solid decision" so that she can support herself.

Robert

Robert is in his early forties, married, and a high school graduate. His grandmother's family once owned "half the San Luis Valley," but from his perspective, this is no reason to be "stuck in the past," the way some people in the valley seem to be. He has heard stories of hundreds of acres of land being sold "for a pair of boots," and while some view that as evidence of exploitation, he simply sees it as "dumb business." The fact that his family no longer owns the land is irrelevant. "That kind of thinking is a big turnoff for me. . . . I could be pitying myself for being a poor Hispanic or bite the bullet and work."

His parents, neither of whom finished high school, "never saw things in black and white, never saw race," and he is barely concerned by the possibility that there may be discrimination in the community that might affect his business, saying that "prejudice is going to be with us until God cleans up the face of this earth." Because his wife is "Anglo," he says, he has "seen both sides"—not just prejudice directed at him but also the prejudice directed at her, and at himself for marrying her, by members of the Hispanic community.

While he does not share this viewpoint, he says there is much thinking in the Hispanic community along the lines of "the white man took away our land using legal tricks, so we're not going to respect it . . . so pay up, 'cause we're poor abused Hispanics." He sees this kind of thinking as one reason this area is "stuck in the statistics [as] one of the poorest counties in the country."

He worked two jobs for years to achieve his dream of having his own business. One salary went into living expenses, the other into a savings account for his business. Without ever having taken a business course, Robert opened a business seven years ago and has succeeded. He says he found the TOP course to be "even better than I had hoped." Until the course, he had never even heard of a business plan. The plan he completed during the course has been especially useful in helping him better identify his expenses and in organizing and managing his cash flow. The class also taught him to be more consistent in his billing and collection practices, and as a result of better planning and billing, he has seen his income grow in the eight months since he completed the course.

One of the conclusions Robert draws from his experience in the training course is that the Anglo community is trained from the beginning to excel and to save money. "Hispanics don't get that kind of training—at least didn't two or three decades ago. They are not told, this is how to get a good job." He perceives a kind of conservatism in his community that he believes limits the potential for change. The Hispanic community punishes those who break the mold by calling them a "self-out to the race." For Robert, the training course served to raise his awareness about the "cultural" impediments to entrepreneurship. In this process, his self-esteem was built through the allure of self-employment and in contrast to his ethnic identity.

The Regulation of the Self through Personal Productivity

Ann

Ann was born and raised in Colorado's San Luis Valley. After military service, her father worked at the post office in town, and her mother worked as a registered nurse at the hospital. After graduating from high school, Ann studied nursing until her funding ran out; she then decided to join the air force in order to finish her education without going into debt. She was stationed in California, and her husband worked in a boat shop there. After the

service, they stayed in California for a time, but they had spent "seven years wanting to come back" to the Valley.

That seems to be the general consensus, people who're born here we can't wait to leave but when we're gone, we spend the rest of our lives trying to get back. And there's just something that pulls us, I don't know what it is, but it's almost, it's just kind of a magical place, I mean you can look around, it's not the most beautiful, it's certainly not the most economically sound place to live, but this is just where I need to be, so . . .

The couple had another important element in their lives, the Latter-day Saints' community in their hometown, to return to. Although they had been making a good living in California, they weren't happy there. When they returned, they rented a house for a year before buying one. At the time, they both worked for a mobile-home manufacturer. Ann had been there about eight months when her employers, after finding out that she was pregnant with another child, told her they didn't want her back after the birth:

They told me that they didn't think I could raise six children and hold down a job at the same time so they didn't want me to come back after my baby was born. And that's when I realized that I was going to get that anywhere I went.

After much thought, Ann came up with a business idea she felt would be viable and good for the region at the same time: developing a catalog of local artists' wares. She worked on the idea for a year and a half before learning of the microenterprise training program from a woman she had approached for advice at the Small Business Development Center. By this time, Ann had already identified potential artists and worked out contractual agreements with them. Because she had no funds to actually produce a catalog, however, she found herself stalled and considered dropping the idea.

She found the training course to be just what she needed. It forced her to refine her idea and to define more specifically what her market was. Ann felt that the training, whether by design or not, naturally weeds out people who are not really ready to be in business. Yet Ann perceives the microenterprise training program, which is supposed to offer skills and assistance to individuals, in an extremely positive manner:

I still think it's a great program. I know that it's still in its early days and there might be minor things that need to be changed but this is so important. We've really got to have—I'm a firm believer in trickle-up economics. And this is the only way this is going to happen. I hate depending on the government for

anything. I hate that we depend on them even for the grant money to do this. I wish we could get seed money from the communities. But it's got to be done. We can't wait around for people to solve our problems. And I think they've [the government's] got enough of their own problems.

Ann's case is particularly interesting in that she addresses the connections between an anti-government (anti-welfare), anti-corporate discourse and an emphasis on individual effort and self-esteem. When asked about the kind of industry the valley needed, she was very clear about the options she was not enthusiastic about:

Ann: Maybe I should tell you what I wouldn't do. I wouldn't come in and put in a GM car factory, I wouldn't put in a nuclear power plant. That's not what we need.

Interviewer: You wouldn't bring industry in?

Ann: No, we need to maintain our lifestyle and this is what, why we're here anyhow, because we don't want stuff like that, so we need cottage industry, we need you know, telecommuting, things like that, um, the jobs that are here, should pay a little bit better because people are making money, but I don't see that the traditional "go to work for somebody else" kind of thing is ever going to work very well here in the valley. We need to create our own solutions.

Her privileging of internal, community-based solutions readily collapses into a reinforcement of the American ideology in which economic success or failure becomes wholly equated with an individual's possession or lack of self-esteem:

Ann: If you can't commit to that course and if you're not serious enough to put in the hours that it takes to do that how can you hope to run your business? I put in fourteen-hour days now as it is. And anybody who puts in anything less isn't going to succeed.

For Ann, the course enabled her to depend on only herself—and not the government—to increase her productivity. In this case, the ethos of self-reliance found in much of the social science literature on rural populations is mobilized in the service of the productive self, one that would rather self-exploit than rely on the government.

John and Kay

John and Kay met in Texas in 1979. She was living with her parents, who had moved there from New York for her father's health, and John had just

returned from a tour in Korea with the army. Kay's grandparents had been immigrants from Eastern Europe and Russia, and one of her great-grandfathers had been a rabbi. Growing up, Kay had relatives "with numbers on their arms" who had survived the Holocaust. John's father had left his family in southern Kentucky, "where they lived pretty backward," for Detroit at the age of fourteen, where he got a job driving a bread truck (without a license) and then in the steel mills, where he worked all his life. After John quit high school, which he says was violent and uncomfortable with the pressure of the racial politics of the early 1970s, he worked briefly in the mills but considered it a dead-end job. At the age of nineteen he joined the army, which he left three years later, after meeting Kay. They moved back to Detroit, where he worked in the automobile industry until he was laid off; then, only because he felt he had no other options for employment and because by now he had a child to support, he re-enlisted. In 1988 he was stationed in Denver, where they were able to purchase their first house.

In the meantime they had three children, and Kay, who had worked in the restaurant business since before finishing high school, had taken up locksmithing on a dare from her older brother, a successful locksmith in Salt Lake City. She had completed the correspondence course, acquired a few tools, and still considered it a hobby when friends and neighbors started calling on her for help. Eventually she began to advertise, and when she went out on night calls, John accompanied her and started learning the business himself. They incorporated the business, Freedom Lock and Key, with Kay as president and John an officer in the company. In late spring of 1992, John, who suspected he was about to "receive orders" to be stationed, accepted an early retirement package, knowing that if he waited the remaining three and a half years, he would be separated from his family for much of that time. Also, they were happy in Denver and were excited by the promise of their new business.

As the business could not yet support them, Kay worked at a part-time restaurant job while John staffed the new store they had opened, and both went off on call at different times. If John had a call while Kay was working, one of their daughters would staff the shop, so it was always open during the day.

A little more than six months after John left the army, while she was lifting fifty-pound flour sacks, Kay's left clavicle broke, an injury from which she still suffered three years later and which left her with substantial movement limitations that have been diagnosed as permanent. The couple closed the shop while they waited for her workers' compensation payments, which

took two and a half months to start arriving. For a few months, Kay was so limited in her abilities that John had to attend to her. He still took calls but was not yet versed in all aspects of the business, and some of Kay's customers wanted her specifically. The business suffered and their savings dwindled. Less than a year after John left the army, they applied for Food Stamps for the first time since their days as young parents in Detroit.

As Food Stamp recipients, they had a choice between attending a job program or the TOP microenterprise training program. As they had never studied business, they chose to attend the TOP course together. Their first class was "a little Mickey Mouse" and left them with doubts, but they continued and soon found it extremely valuable. A year after completing it, they credit the course with their still being in business and have seen business receipts increase from \$400 to \$500 a month to over \$2,000 for the same month the year after they took the course. John draws \$400 a month in salary and lends it back to the business in months when it is in the red.

Kay: I don't say that none of it is because of us. I mean we got the information from the course and we ran with it, but we had the opportunity to get this information and, yes, I attribute that to the course. One hundred percent.

Interviewer: Where do you think you'd be if you hadn't taken this class?

John: Closed.

Interviewer: Sorry?

John: I'm sure the business would have been closed.

The course taught the couple "how to utilize our energies in a productive manner versus just scatterbrained here and there." It also taught them "not to spread themselves too thin financially, as well as how to collect money from customers." They have now also chosen to focus on developing repeat customers rather than relying so much on advertising. At the time of our interview with Kay, a year after the course ended and while Kay was still struggling with the insurance company, which doubts her disability, John was about to hire the business's first employee.

Martha

As a child Martha spoke Navajo, as her parents worked on the reservation near Cortez, where she now lives. Her father worked as a maintenance man at the reservation school and later as a plumber, and her mother as a cook. Martha had twelve siblings, and as the reservation was close enough

to town, they attended high school in Cortez. In 1973, Martha married her high school sweetheart on the day after graduation, and they bought a house on the outskirts of town shortly afterward. Her husband had been earning \$27,000 a year at the dairy, where he had worked for fifteen years until he had recently developed a back problem. Martha worked, as she puts it, "off and on . . . I've had eight children, so it would've had to have been off and on," for various companies, usually carrying out bookkeeping services and managing offices. Two local companies she worked for, a construction company and a clothing manufacturer, went bankrupt.

In 1993, she decided to try turning her sewing, which she had done all her life, into a home-based business. She spent \$8,000 on two sewing machines and leather, using her credit card, and started designing and manufacturing leather jackets, skirts, and coats. She sold some through her sister, who has a store in Arizona, and a few things through outlets in tourist towns in southwestern Colorado. She attended a crafts fair and advertised in a catalog but only managed to cover her costs. Then, when her husband was hurt and their income was cut in half, she took a job at a leather-clothing manufacturer for \$9 an hour, a wage considered good pay in the area. She worked for nine months before having to return home to care for her husband, whose condition kept deteriorating.

She saw the TOP training program advertised in the local paper and signed up. She says it did just what she needed, and she appreciated the technical assistance part of the project, which provided subsidized professional help to small existing businesses, thereby enabling her to afford the services of a professional bookkeeper for only 25 percent of the full cost:

I was thinking about going ahead and setting up my books and becoming a business and getting my tax number but I didn't have enough business to really warrant worrying about taxes. I was barely paying for costs. One time they asked when you stop becoming a hobby and become a business and that's when you have to become more full time and it just hadn't happened. So I didn't go ahead and pursue.

She says she learned how to do a business plan but never actually did one, since she dropped out of the course just before the end because she had a big order to fill:

I didn't have time for both. And I thought, "Well, I'm not getting a loan." I wanted to know how to get a loan. And they taught me that up to that point. They went through how to build the feasibility plan and I felt like I had

learned how but I didn't have time to do it. I wasn't looking for a loan and I had this deadline. I had several orders I had to get out on time.

Since then, neither the business nor her family's situation has improved. Her husband has been diagnosed with spinal stenosis, a deteriorative disease, and because of their religious beliefs, which view God as a healer and doctors and medicine as unnecessary, the insurance company doesn't believe he is really disabled:

Interviewer: Well is your husband in pain now?

Martha: Yeah. And that's part of our problem see? It's because the doctors say if you're in pain, you can't take it without the medicine or else you're not in pain. Well that's not true. If you have a will, you can survive. And your pain tolerance goes up.

The business has not developed because Martha has not had the wherewithal to market her product outside her region, and her clothing is too expensive to have a large market nearby. Her sales, perhaps \$200 every couple of months, have not changed much in the past year. She has made a few efforts to find outlets for her products and now has three in the area. She has also had some flyers printed up and has sent those out to shops and taxidermists. If she had less on her mind and fewer demands on her time, she might have been able to deal with this; but she is running the household, which now consists of ten people, including her husband, six of their children, a son-in-law, and her daughter's new child. Because two of her children are just starting high school and she fears the negative developments there, she has in the past year chosen to home-school them. She is also involved with their church. She says it is all a matter of priorities. In the meantime, the family is on Food Stamps for the first time ever, and they are preparing to declare bankruptcy in order to deal with the pressure of their credit card debt. While the past two years have been extremely difficult, she says she views this as a new beginning, and that the family has grown closer as a result.

The cases of John and Kay and of Martha illustrate the kinds of regulation of the self that the course aptly trains. In these two cases, despite the medical problems and the hardships, the trainees are conditioned into valuing themselves as "more productive" and, in this embraced regulation of the self, to feel a greater sense of self-esteem. Although the training course is only one element among many that would encourage this kind of self-discipline, in these two cases, the absurdity of the regime is clear in the context

these people find themselves struggling in. What is clear is that the course succeeds in conditioning its participants for self-esteem in two distinct ways: through the allure of self-employment and through the regulation of the productive self.

Microenterprise Training, Economic Vulnerability, and Discourses of the Self

One of the biggest disappointments for the participants was the program's inability to provide them with access to credit for use as start-up (or continuing) capital in their self-employment projects. Even though Pete, for example, had started a viable business and completed the program, no bank in town was willing to make him a loan. John and Kay purchased equipment for their business with money from John's retirement package, and Martha bought the sewing machines for her home business on her credit cards. Some participants felt the program misled them into believing that they would be eligible for a loan by the end of the class, but when it came down to actually applying, they were unable to pass the most basic tests of financial creditworthiness.

In some classes, a limited number of grants were awarded to businesses that looked promising to the trainers. Participants who received the grants were pleased with this form of aid, and many more would have liked to receive one. Grants were seen by some of the policymakers, however, as more controversial than loans obtained by the participants themselves. This is partially explained by the fact that the training programs were conceived by the policymakers as a "helping hand" rather than a "handout." Many of the participants expressed their appreciation that the program fostered relationships and connections to others in their community, including the trainer, mentors, and other professionals. In some cases, as with Karen, it was a nonprofit organization in the community that suggested she take the TOP program. Maria made her connection with a local department store through her participation in the program.

It is perhaps obvious to say that economically disadvantaged or low-income populations seem to suffer more personal trauma than other populations. Many of the participants narrate stories of trauma that are obviously related to their economic problems, such as a traumatic health problem that either causes or intensifies financial distress. The case of John and Kay illus-

trates this point: they are on their way to getting their small locksmithing business up and running when Kay suffers an accident that leaves her partially disabled and forces them to spend their savings. Although none of the participants directly suggested that the program address health-related issues, we found embedded in their narratives an exceedingly strong relationship between the likelihood of health problems and financial disaster. Indeed, it is often health problems that inspire people to think about self-employment in the first place.

Tracy Ehlers and Karen Main (1998) recently published an article in the journal *Gender and Society* that describes microenterprise training programs for women as programs "built on false promises." Their article strongly condemns microenterprise training programs for encouraging women to turn unprofitable pink-collar enterprises into employment options and, in doing so, causing them to forfeit the benefits of other (supposedly available and more lucrative) forms of work:

Microenterprise development programs can be more detrimental and problematic than they are purported to be. In contrast to the optimism exuded by these programs, their supporters in Washington, and the popular media, we have found that they encourage women to partake in undercapitalized, small-scale businesses that maintain economic vulnerability and social peripheralization in a gender-biased world. (Ehlers and Main 1998:436)

Circumstances such as the economic precariousness experienced by participants due to the lack of health insurance and unavailability of credit, as well as, in many cases, the additional pressures of running a single-parent household, make the attraction of self-employment offered by microenterprise training programs comprehensible as opposed to "far-fetched."¹⁷ What I want to make clear is the following. It is not only that microenterprise training "produces a host of latent consequences that are ultimately more damaging than productive for women," as Ehlers and Main (1998) suggest. Microenterprise training programs also both reinscribe and are a symptom of the discursive limits through which we are allowed to think through social welfare programs. The participants in these programs for the most part blame themselves for failure, rather than any limitations of the program—for instance, undercapitalization, structural constraints of the economy—and in that process reinforce the implicit assumption that the market is the proper and level playing field in this individual quest for self-sufficiency.

Given the limited circumstances—the inability for individuals to demand economic restructuring—the choice they make to attempt self-employment is sensible. People often remain in economically unstable regions because they have a deeply felt connection to place that attaches them for reasons beyond economic viability. Without the state providing other structured alternatives, self-employment as opposed to nonemployment in these economically anemic regions looks appealing, especially to the limited few who not only participate in the training program but who also manage to set up somewhat successful small businesses. What Ehlers and Main (1998) refer to as “pink-collar employment” may be self-exploiting in comparison to some ideally structured work situation in a new society, but it is anything but far-fetched in the current context. Microenterprise training programs are, more precisely, an imperfect solution offered within the confines of late capitalist neoliberalism. More to the point, in building self-esteem through the allure of self-employment and the encouragement of an increased regulation of the self through personal productivity, microenterprise training programs contribute to a mode of self-governance in the confines of late capitalism that is generic and likely to be found within other, similarly conceived projects of social welfare.

Conclusions

These circumstances highlight the attraction of self-employment offered by microenterprise training programs, rendering them comprehensible. Yet, despite the attraction and “sense” of such programs to participants, it is clear that economic vulnerability remains constant or even increases for most. While our research recognized the small economic returns or high levels of self-exploitation that may be involved in encouraging self-employment among a low-income population, it also tried to make sense of TOP participants’ decisions in the context of the prevailing self-esteem discourse.

What the case studies illustrate is that such persistent economic vulnerability is overshadowed by the self-esteem discourse itself. Indeed, the prevalence of this notion of self-responsibility and self-esteem is clearly emphasized as an important feature of the training program. As the trainer-coordinator herself stated:

I think even though it's an entrepreneurial thing, it's also a self-esteem-enhancing thing and I think that if we can get people employed then they may move into self-employment. But if they don't, they're still becoming self-sufficient.

When we consider the last decade of the twentieth century and how it was that, during a “liberal” regime, one of the most sweeping welfare reforms in history was instituted with barely a protest, it may be worthwhile to consider the discursive arenas that have been adopted from popular culture (and pop psychology) and reproduced as themes that locate the self as the center of all political action. This ideology of the self seems to have been firmly institutionalized in poverty-policy programmatic terms. Low-income populations under advanced liberal regimes are encouraged to become entrepreneurs and, in the end, to accept responsibility for their own economic successes and failures.

By focusing on this particular aspect of the microenterprise training programs, I do not mean to suggest that there were no good outcomes from the programs as they were instituted in the state of Colorado. Embedded in the texts and embedded in the stories of individuals are moments of success and, for some, an opportunity for a more stable economic future. On the whole, however, such programs do little in terms of decreasing the economic precariousness and the vulnerability of the poor. Because of the ambiguous returns of such programs, it is important to ask why they continue to garner such broad and uncritical support. I argue that part of the answer is that the attraction of such programs lies not in their real economic benefits to the poor but rather in their ideological underpinnings, which reinforce the thesis that economic responsibility falls squarely on the individual self rather than on government or on the nature of the economic structure.

Despite the questionable nature of the economic benefits, participants nevertheless continue to value the “entrepreneurial skills” they learn in these programs, buying wholeheartedly into the discourse of self-interest, self-esteem, and self-blame implicit in such entrepreneurial solutions to poverty, whereby even the blame for the “failure” of such programs falls upon the individual. Such a discourse masks the real success or failure of such programs, and the desire to make an entrepreneurial self replaces any focused discussion on economic restructuring, thus reinforcing the neoliberal/neoconservative convergence discussed by Nancy Fraser (1993) and already apparent in the current policy of poverty alleviation programs.

NOTES

The author thanks Judith Goode and Jeff Maskovsky for their encouragement to write this chapter and their insightful comments on earlier drafts. The following people have also provided invaluable editorial feedback in their unique fashion: Richard Camp, Guita Grin Debert, Deborah Houy, Joanna Mishtal, Michael Newburg, and Jim Schechter.

1. According to Mitchell Dean (1999:1), Foucault first talked about governmentality in a 1978 Collège de France lecture that is now available in English translation in Burchell, Gordon, and Miller's (1991) edited volume titled *The Foucault Effect*. Foucault defines governmentality as the following:

The ensemble formed by the institutions, procedures, analyses and reflections, the calculations and tactics that allow the exercise of this very specific albeit complete form of power, which has as its target population, as its principal form of knowledge political economy, and as its essential technical means apparatuses of security. (Foucault 1991:102)

2. William Julius Wilson, who writes about joblessness and urban poverty among inner-city African Americans, traces the problem of poverty alleviation in the United States to the lack of interest in social citizenship and to an American ideology that frames economic and social outcomes in individual terms:

The basic belief system concerning the nature and causes of poverty and welfare frames economic and social outcomes mainly in individual terms. This allows conservative intellectuals and policymakers to overemphasize the negative aspects of persistent joblessness and the receipt of welfare by playing on the key individualistic and moralistic themes of this dominant American belief system. Accordingly the tragic nature and social causes of such problems are lost on a public that holds truly disadvantaged groups, such as inner-city blacks, largely responsible for their plight. (Wilson 1997:158-59)

To illustrate this American ethos, Wilson notes that even those who belong to disadvantaged populations wind up endorsing a perspective that places responsibility on the individual:

A 33-year-old welfare mother of five who lives in a public housing project located in a census tract in which 61 percent of the population is destitute introduced a little pop psychology into her endorsement of these views: "I think that everybody has a chance to get ahead but it's all where your mind's at: where you were raised, your self-esteem—a lot of that has to do with getting ahead. If nobody's taught you that there's opportunities out there—I think everybody's got a fair chance to get ahead if they want to." (Wilson 1997:180)

3. Although Lewis's (1966) thesis that what distinguished a culture of poverty from plain old poverty was that it was "a way of life handed down from generation to generation along family lines" and could be characterized by a series of behav-

ioral and psychological aspects was summarily criticized by the next generation of anthropologists, the consideration of chronic psychological and behavioral components within the conceptualization of poverty alleviation has become mainstreamed in the popular press—even in the liberal press.

4. Wilson (1997) locates the failure of liberal intellectuals to advance any significant poverty alleviation programs after the release of the Moyinhan report in 1965 as related to their fear of racial politics. "[L]iberal social scientists tended to avoid describing any behavior that could be construed as unflattering or stigmatizing to racial minorities" and instead allowed the popular media and conservative analysts to dominate the discourse during the Reagan years:

Building implicitly on the basic premises of the culture-of-poverty thesis, these analysts, thrust to the fore of the policy debate by the political ascendancy of Reaganism, argued that the growth of liberal social policies since the mid-1960s had exacerbated, rather than alleviated, ghetto related cultural tendencies. . . . Liberal intellectuals had retreated from the discussion of social dislocations in inner-city ghettos and therefore had no alternative explanations to advance. This allowed conservative analysts to dominate the public discourse on the subject throughout the first half of the 1980s. (Wilson 1997:174-76)

5. In contrast to Wilson, Cruikshank doesn't see the retreat of liberal social scientists from policy discourse as much as she sees a proliferation of social science discovery of "lacks," in this case, a "lack of self-esteem":

From the "discovery" of an absence of the thing, social scientists have created a tangible vision of a "state of esteem." Here the social sciences can be seen as productive sciences; the knowledges, measurements, and data they produce are constitutive of relations of governance as well as of the subjectivity of citizens. In devising the methods for measuring, evaluating, and esteeming the self, social science actually devises the self and links it up to a vision of the social good and a program of reform. In short, social scientists have helped to produce a set of social relationships and causal relations where there were none before. (Cruikshank 1993:332)

6. CCI is a Colorado not-for-profit corporation devoted to small business development in the state and particularly to providing access to credit. In the early proposal of TOP, the Colorado Department of Human Services was known as the Colorado Department of Social Services (CDSS) and TOP was known as the Colorado Business Development Initiative (CBDI).

7. In the first year, the states that received support were Colorado, Montana, Maine, Vermont, and Massachusetts, with each state receiving approximately \$300,000 for the year. During the second year, Colorado, Connecticut, Michigan, Vermont, and Maine participated, again each receiving approximately \$300,000.

8. CBDI is the Colorado Business Development Initiative, which included CDSS and CCI. See note 6, above.

9. The four sites initially chosen include parts of the following counties: Morgan, Denver, Conejos, and Montezuma.
10. The original JTPA eligibility application for entrée to the program asked the potential participant for his or her current employment status and earnings but did not ask for the employment status or earnings of a live-in partner or about other assets, such as real estate income, that a potential participant might have. Nor did it ask detailed information about the participant's longer-term economic history. These guidelines left ample room for people who are more appropriately considered middle-income to legitimately participate, especially if their income in the preceding six months was low.
11. Michael Newburg, Carol Kelley, and Julie Hart.
12. The counties in the study included Alamosa, Montezuma, Conejos, Morgan, Denver, Fremont, and Mesa. During the first year, ten participants were interviewed in Montezuma County, eleven in Conejos County, six in Morgan County, and thirteen in Denver. One of the field sites studied during 1995 (in the area between Alamosa and Conejos counties) was followed up in 1996, and three new sites were added, including Canon City (Fremont County), Grand Junction (Mesa County), and two new sites (Sunnyside and Aurora) in Denver. Fifty-one participants were interviewed during the second year.
13. In Denver, it was considerably more difficult to schedule interviews. On a couple of occasions, people hung up when the researcher called. Many could not be reached at all. While in the rural areas all interviews were done within a few days, in Denver it took several weeks, persistent phone calls, and numerous trips to complete the required number. Compared to the participants in the rural sites, the Denver participants were not as appreciative of the opportunity to discuss the program.
14. Michael Newburg carried out interviews during 1995, and Michael Newburg, Julie Hart, and Carol Kelley carried out interviews in 1996. The team benefited from its collaboration with professor of economics Jeffrey Zax (University of Colorado-Boulder), who carried out a series of macroeconomic studies comparing the population in the training program with the population of self-employed persons in the areas where TOP has been active. I take full responsibility for the interpretations offered here.
15. See Goldstein, with Zax and Newburg, 1996; and Goldstein, with Zax, Newburg, Hart, and Kelley, 1997.
16. During the first year of the project, a few curricula were used: *The Business of Small Business* (Women Venture, 1994) and *Fastrac* and the *Entrepreneur's Planning Handbook*. During the second year, a curriculum titled *Nx-level* was adopted.
17. While I am sympathetic to Ehlers and Main's perspective, which suggests that microenterprise training is a sorry substitute for the real structural change that a socialist-feminist perspective could imagine, and while I recognize the very real problems these authors point out with regard to these programs, the point I make

here is that even the haphazard financial help people receive from these programs is viewed in overwhelmingly positive terms by the participants themselves.

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(KWRU), Kent City, Philadelphia, PA.

NEW YORK UNIVERSITY PRESS
Washington Square
New York, NY 10003
www.nyupress.nyu.edu

ISBN 0-8147-3116-3



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