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Digital Entrepreneurship in Africa
How a Continent Is Escaping Silicon Valley's Long Shadow

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6 Transitioning Identities

For me, Africa is the future. (Entrepreneur in Dakar)

Digital entrepreneurship is still mostly framed as a received and appropriated practice (Afele 2002; Baro and Endouware 2013; Davidson and Vaast 2010; Hildrum, Ernst, and Fagerberg 2010) rather than one that is developed in situ (Mavhunga 2017; Olivier de Sardan 2005). It is thus understood to consist of a decontextualized set of practices, identities, and ideas. Aspirations and identities in particular are shaped by Silicon Valley, as it continues to symbolize a mental model upon which enactments of digital entrepreneurship are judged and around which success is framed (Hill and Mudambi 2010; Katila, Laine, and Parkkari 2019; Wentland 2016). Likewise, in entrepreneurship and management studies, entrepreneurs often are characterized as a unique class made of individuals who share particular attributes such as tolerance to risk, extraversion, and other personality-based and cognitive traits (Spigel and Harrison 2018).

But whatever mindsets and skillsets might be constitutive of digital entrepreneurship, it is never enacted in the same way at two different locations or at two different points in time. This is because entrepreneurs, as its enactors, are embedded in specific social environments that consist of particular configurations of geography, history, and institutions (Autio et al. 2014; Welter 2011).

This chapter discusses what it means to be an African digital entrepreneur in Africa. "Africa" thus plays a twofold role for this analysis: once as a denominator of distinct entrepreneurial identities and once as a set of societal contexts. Identities express subjective collective understandings of

"who we are" and "what we do" (Navis and Glynn 2011), where, in our case, "we" concerns African digital entrepreneurs as a group of people. In line with the two gospels outlined in chapter 1, we divide the nine identities we found into those relating to "digital" aspirations and those concerning what it means to be an "entrepreneur." Identities are by definition subjective, so we draw heavily on entrepreneurs' own reflections in interviews, letting readers vicariously experience their experiences and perspectives (Tracy 2010). We discuss societal contexts insofar as they influenced entrepreneurs' subjective experience of priorities and ambitions. This chapter focuses on identities conveyed to us by citizens of African nations. We leave out immigrants—first, because their individual journeys proved to be rather distinct, and second, because their identities played an important role for the tensions that are the subject of the next chapter.

We find that entrepreneurs are reconciling decontextualized ideals and norms of digital entrepreneurship with their careers and with the social worlds they are embedded in. In doing so, African digital entrepreneurs are breaking new ground, transitioning preexisting professional identities in African cities into a new professional and creative class. They employ the startup as a new organizational form, pursue dreams of technology-driven wealth and transformation, and are sometimes in direct (if reluctant) conflict with government. A worrying finding is that this cultural avant-garde is mostly an urban elite, which means that preexisting socioeconomic positionalities have changed in style but mostly been reproduced. Although digital entrepreneurship represents a departure from old boy networks in business and government, it still appears to be elitist and to exclude people from poor and rural backgrounds. Our contribution to theory is to confirm that a universal model underestimates the complexities that emerge from contextualizing it (Tracey, Dalpiaz, and Phillips 2018; Weiss and Weber 2016) while also pointing toward the possibilities of new cultures developing from the blending of a foreign model and preexisting local identities.

Digital: Technological Aspirations

Being located in Africa induces particular enactments and perceptions of digital entrepreneurship. This section explores how the fact that entrepreneurs seek opportunity specifically through digital technologies affects their trajectories.

Techies

Digital entrepreneurship requires a level of technical knowledge. Not all entrepreneurs who we encountered have a background in the science and technology of ICTs, but many do have the skillsets to create the products that they are introducing to the market. One unique attribute of the digital arena is that it is a form of scientific knowledge that does not usually require certification for the practitioner to convey legitimacy. One can claim to be a self-taught programmer without reputational damage.

A cadre of digital entrepreneurs we found to identify through their digital skills can be described as *techies*—that is, predominantly technically minded entrepreneurs with software developer backgrounds. They are drawn to digital entrepreneurship because it presents them with an opportunity to apply their skills and their passion for technology to create novel digital artifacts. In our research, we came across individuals with varied qualifications, ranging from high school graduates to PhD scientists. A graduate of Uganda's Makerere University described how his company's origins emerged from his undergraduate final year engineering project:

> I got very good marks for the project but to my surprise—Orange, there used to be a telecom called Orange. It was operating here and at the time it ran a competition. It wanted to reward basic innovators. Then I said, "Alright, I can just try my luck and put my project up." Surprisingly, I competed, I was short-listed, and I won. So that was showing me that there could be something in this. (Founder in Kampala)

Many techies were young freelancers. The more experienced entrepreneurs were, the less likely we found it to be that they would extol technology as the core of a viable business model. The more experienced entrepreneurs, even if they were technically minded in the beginning, began to realize that knowing how to code was a necessary but not a sufficient condition for running a viable digital startup. In the example of Li-Fi LED in Côte d'Ivoire (see box 6.1), an entrepreneur is a leader in a cutting-edge area of science but is disheartened that the award-wining product is currently unable to gain market traction or attract investment.

Scalers

Interviewer: Would you call yourself a "technology entrepreneur"? . . .

Respondent: I'm moving with the times, let me put it this way. I'm an entrepreneur. I've done all kinds of businesses . . . so it's not like I'm a technology entrepreneur. I just adopted technology so I can scale my business, really.

Like this participant, an entrepreneur in Kigali, many people we interviewed mentioned that they hope that digital technologies will help their enterprise scale quickly and widely. In chapter 1, we showed that this understanding is also widespread in popular and academic discourses about African digital entrepreneurship. Especially entrepreneurs with a low or medium level of success and experience believe that the digital-technology-specific patterns of scaling (see chapter 1) represent viable pathways to grow their enterprise. These *scalers* feel that their solutions can imitate the trajectories of Silicon Valley role model products, basically expanding to wherever there is internet connectivity:

> [Our founders were] like, "Okay, there's M-Pesa." . . . Just adoption of data usage is growing 6 percent per quarter, which is really significant growth. . . . It's not elusive: Facebook is zero-rated. . . . For me, it's a no-brainer. In Europe everyone is using their phones—I don't see how it would be different here. (Foreign-born entrepreneur in Kenya)

The techies among the scalers understood digital technologies to be structured in "stacks." In their view, a particular technology stack, once it has been developed, can be easily plugged into other stacks elsewhere:

> One of our companies here is . . . an Uber for [farming equipment]. It's a global company because there's no other person in the world who's doing that. . . . Sitting in Africa, they're envisioning a model which is basically as scalable as Uber, whether it is globally or whether it's for Africa, it doesn't really matter.

Box 6.1
Li-Fi LED in Abidjan

There has been no shortage of recognition for Li-Fi LED and its technology, which transmits data through beams of light. Over twenty plaques and awards are displayed on the walls of the founder's office, announcing its legitimacy. Furthermore, four hundred rural customers imply that it can gain traction. Yet Li-Fi LED has not drawn any attention from investors, even though its entrepreneur is one of the few people to deploy Li-Fi in the wild. He has also been drafted to adapt his technology for the French space program. The Li-Fi scientist attributes being off the investment radar to his location in Francophone Africa and his inability to speak fluent English. He asserts that he needs financing to expand operations to the critical mass at which the enterprise could become profitable.

> It's a system and it stacks . . . and whether that tech stack can be duplicated in multiple markets, that's basically the question. (Incubator manager in West Africa)

Novice entrepreneurs with a software developer background feel that the stacking property of digital technologies can provide them with an easy business opportunity:

> Maybe because we're all techies, we know what to do. If you only set up a version of [our product] in, let's say, Nigeria, because it's one of the biggest markets, in an hour you can just set up a whole new thing and it's ready to go, so it's pretty scalable. The cultures are very similar so you don't need to do too much tweaking: you only have to adapt by listening to what people are saying, making quick changes. . . . It's not like what it used to be in the past. . . . It's not so bogged down where you need to set up an office here. . . . We run this software from our bedroom. (Entrepreneur in Ghana)

More business-minded entrepreneurs also believe in the scaling opportunities of digital products, but they contextualized this opportunity differently. Some saw opportunity in replicating a locally developed technological innovation in another geographical context without setting up operations there:

> So we're going to Uganda and Nigeria. . . . I've adopted what we call a master franchise business model. We're physically going to be in only two countries, as a company, and after that, we'll just start getting partners, 100 percent licensing the technology. (Entrepreneur in Kigali)

Those that create a business to have a positive socioeconomic impact often believe that digital technologies will allow them to do so more easily and on a grand scale:

> We wanted to come up with a business idea that scales quickly to millions of people . . . We wanted to build kind of a self-sufficient engine of change. (Employment platform CEO in Nairobi)

> If you look across the whole continent . . . we're looking at 1.1 billion people, thereabouts. All we're saying is that we want to connect at least 10 percent of these people to [sharing economy service providers], in real time. We don't think that is too ambitious . . . If you look at the demographics, it's very achievable. The continent is still growing. (Entrepreneur in Nigeria)

Grand ambitions often relied on the belief that once a digital product worked in a given local context, it would fit into other African and low-income contexts as well:

The whole point is to find like the . . . rightful model for here . . . and just go and implement it somewhere else. Like, I have great ties in Ivory Coast . . . and that's like probably one hundred times the Rwandan market. . . . So now, I see Rwanda more like a giant proof of concept . . . My plan is to actually to start looking at various African capitals. (E-commerce entrepreneur in Kigali)

I'm stereotyping a bit, but . . . it's more exemplary of the typical African business what you find in Kampala and in the surroundings than it would be in [Nairobi or Lagos]. So, I think it's a good starting point and it's also a very nice place to experiment on as you are less exposed to market pressures (Entrepreneur in Uganda)

Similarly, this entrepreneur felt that the underlying technological functionality of an initially localized product could be expanded to become relevant to new locales:

If you look at any startup that's coming out of Silicon Valley, they're solving a local problem, and it's influenced by the problem that they have locally and the culture locally. We would never have come across [our] idea . . . if it weren't for the challenges of Nairobi that forced us to think like that . . . [But] what we realized was that, the same way Amazon started as a bookseller and realized what they had built to sell books made them incredibly efficient to sell anything, we sort of built the same thing. We built this [technology] to serve up recommendations for our [customers], and then at some point realized that in fact trust is the much more important and much, much larger opportunity and problem globally, and that [our technology] can actually be used to recommend and provide trusted advice about any service that somebody might want to hire in any sector. (Entrepreneur in Nairobi)

We found that international scaling ambitions seemed to be induced by risk and impact investors, as they were much more prevalent among entrepreneurs who had already attracted such investments or were seeking to do so:

Our investors very much came on board first to replicate this across sub-Saharan Africa—it's not just a Kenya thing . . . they want us to build something scalable, that we can replicate, and as soon as we can nail [our new feature], we can replicate it in so many locations because that runs by itself. . . . Then the algorithm. . . . We can even have bots. . . . Then we could open in Tanzania, Uganda, Somalia tomorrow, at very low cost. (Entrepreneur in Nairobi)

So now the whole big issue is to democratize healthcare access in emerging markets and we decided to start with a particular [foundation]. [In one year from now], we are hoping to bring . . . content on Facebook [and] through SMS in one environment, a mobile phone application. . . . There are seven countries we prefer, but the key countries are Cameroon, Kenya, Nigeria, and Ghana. (Health information startup in Nigeria)

Infrastructure Builders

A small section of experienced and already successful entrepreneurs in our sample was motivated by building infrastructure for Africa's fledgling digital economy. One example is a Maputo-based entrepreneur who developed an app builder. The tool costs fifteen dollars and allows users to build functionalities using a drag and drop feature, thus reducing the need for personal computing knowledge or to hire developers. He is now able to channel the profits to support his more bleeding-edge technological efforts:

> They asked, "Can you help us to sort this problem." . . . I said, "Now I have to think on a solution to build that." That's when I started research and—I like to do things fast. I said, "If I'm going to do this from scratch, it would take too much time and I would be losing too much time on testing." And clients, at the end of the day, don't like to be the first users, they're the beta testers. I search everywhere; I find it in a piece of code that was already built. I gave a proposal for the owner of the code: "Don't you want to sell me your code?" Then I bought the code and started putting all my modifications; then adding all the needs that all the other companies will need. (Founder in Maputo)

Several entrepreneurs we interviewed in Lagos thought bigger. They wanted their digital products to become digital infrastructure that is used at the Pan-African or global scale (see also figure 6.1). For one interviewee, this was a smart and exciting business proposition that would have positive ripple effects for the rest of the economy:

> Based on the insight I had looking at other companies around the world that were very successful, like Alibaba and Amazon, if you really x-ray these companies, the core competence, the first set of capabilities they built were in fulfillment, not necessarily in building highly optimized websites. . . . If you build a really powerful, highly efficient local delivery network or logistics network, do you really realize that we can literally put anything we want on top of it? Some of the examples and inspiration that we have are people like Vanderbilt who built the rail lines in America and could essentially put anything on those rail cars. . . . Our insight was that once you own the infrastructure that enables everything else, you have a lot of leverage. (Entrepreneur in Lagos)

This Rwandan entrepreneur adds the sentiment that developing African digital infrastructure can be a means to counter the continent's technological dependence on high-income countries:

> If we don't build an African ecosystem, investors and access to capital besides banks, what's going to happen is we're going to still be consumers for foreign
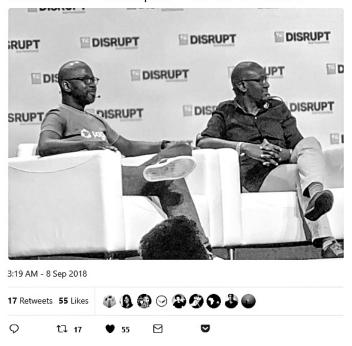
Figure 6.1
Nigerian entrepreneur announces vision to build global digital infrastructure at Silicon Valley event. *Source:* ABAN Angels 2018.

solution . . . where there's only one or two African companies in that space, especially hardware. (Entrepreneur in Kigali)

In sum, in terms of their ambitions and perception of opportunity, African digital entrepreneurs of many stripes buy into the idea that digital technologies help surpass geographical barriers and open up vast markets. Yet barely any of the entrepreneurs we interviewed had actually achieved the type of international expansion they were aspiring to.

Entrepreneurs: Agents of Change

Startuppers

African entrepreneurship has traditionally been associated with *subsistence* and *necessity*. These terms imply that entrepreneurs become entrepreneurs to survive, and they also denote their socioeconomic background (Delacroix, Parguel, and Benoit-Moreau 2018; Kaplinsky et al. 2009; Viswanathan et al. 2014). The fact that entrepreneurship has come to have a similar stature to stable employment is a cultural shift. Entrepreneurship had previously been cast as precarious:

> I did a research study on the impact of African entrepreneurs that migrate or Africans that migrate to the States or the UK, and obviously looking at Kenya and Nigeria and South Africa being the largest groups that migrate to those places. It's funny because a lot of the first generation left their countries and went to the UK and the States at professional jobs, and the second-generation immigrants were kind of conditioned to follow the same footsteps and go study and get a professional job. A lot of them actually opted to take on entrepreneurship. (Hub manager in Johannesburg)

> So the current African entrepreneur: Now there is a need to separate it. There are entrepreneurs and there are entrepreneurs. There are entrepreneurs that are entrepreneurs as a result of life, as a result of the fact that they can't get a job, and there are entrepreneurs that decided to leave even their lucrative job to focus on the business and figure out how to grow it. (Seasoned Nigerian entrepreneur)

Educational attainment in one of the professions was typically cast as the best and fastest way out of precarity and into high income. Digital entrepreneurship, however, evokes a different imaginary from straightforward entrepreneurship. It is viewed as a respectable endeavor and an opportunity for young people to succeed economically, attain high social status, and partake in the mission to build a thriving local economy.

In most cities, but especially in Francophone Africa, these economic actors were seen not as traditional entrepreneurs but as *startuppers*: a new type of entrepreneur that establishes a small, nimble, formalized, and modern organization that is driven by technology and sells technology. The startup was popularized in particular by the lean startup methodology (Ries 2011) and its key tool: the business model canvas (Osterwalder and Pigneur 2013). The startup can certainly be considered an appropriate organizational form for African contexts (Mavhunga 2017). Startups are often small and nimble, and they make decisions as a reaction to scarcities in their environment (Hersman 2012; Mavhunga 2017; Srinivas and Sutz 2008).

Digital entrepreneurs told us about tensions, however, when it came to a startup's implied trajectory of growth. The early-stage startup is meant to be only the first stage of a big idea, transcending a local context incrementally but ultimately growing rapidly (Ries 2011). Tensions are particularly evident in Nairobi and Kigali, where we interviewed Kenyan and Rwandan entrepreneurs, as well as a number of entrepreneurs who had migrated there from high-income countries. Kenyan entrepreneurs often seemed to engage in hustling (Weiss and Weber 2016)—that is, making money in the short term from several parallel jobs and investments. They usually see enterprise survival and revenue generation as key success factors.

Westerners, on the other hand, basically follow the stereotypical vision of Silicon Valley startups more directly, looking for quick scale, attracting risk capital, and pursuing a big and global vision. Yet as previous chapters showed, hockey stick growth is elusive for all but a very small circle of African startups. Reckoning with this reality is a significant part of what it means to be an experienced digital entrepreneur in Africa:

> I do think that it just means that things have to be slower, and that's irritating. I want to make sure this doesn't get codified into my DNA of being CEO. But it just means that, unlike in the US, you couldn't make a FarmVille clone, or it had to be monetized very effectively. (Entrepreneur in Kigali)

The startup has also brought new performative practices, which entrepreneurs are compelled to master to convey legitimacy. For instance, participants valued a confident PowerPoint presentation and practiced their elevator pitches (Davidson and Vaast 2010; Katila, Laine, and Parkkari 2019). The elevator pitch tests the ability to interest a listener in your endeavor within thirty seconds. The notion of digital entrepreneurship that

is performed here is optimism, urgency, and equanimity in the face of trial. In interviews, it often took a while before participants broke out of this mode of selling their ideas, which was indicative of the unique socialization that the startup realm had exerted upon them.

Economic Developers

Africa's digital entrepreneurs are navigating expectations not only about what performing digital entrepreneurship entails, but also what its outcomes should be for Africa. The digital entrepreneur mythos is that of entrepreneurs being transformational agents that "introduce major innovations, create many jobs, and disproportionally contribute to productivity growth" (Decker et al. 2016).

The entrepreneurs that we encountered generally believe in the ability of the digital economy to change the trajectory of society, and they want their startups to have a positive impact. Many reported having an ethos of social responsibility and an interest in community development:

> Only the resilient and the intelligent can see the third option of entrepreneurship as the future . . . I'm [also] getting into the [second option]: public service . . . I'm really pressed to become a judge, from my moral obligations. I will not abandon entrepreneurship, because it is not about the money, about the financial things. It's also about how I can save the community. That's why I'm still in for the third option despite the second option of public service. (Hub founder in Buea, Cameroon)

> Yeah, because I think when I returned, there was that hype and passion. I was twenty-one, and I just wanted to change so I can impact people. I didn't really think about the financial part. (Entrepreneur in Cameroon)

> I also want it to be a case study, an example, to show that companies, world-leading companies can be able to exist here. Especially ones that have a strong social impact. Let's show that you can make money in Africa doing things that maximize profit, but in a way that is because it's delivering a service that people take great value from. (Entrepreneur in Kigali)

A more specific expectation of digital entrepreneurship's role for society is that it could be an engine for employment. Several interviewed entrepreneurs indicated that they are particularly motivated to create jobs for youth in their home nations. One Ugandan entrepreneur describes how his personal goals interact with the experiences of his employees and his ability to retain them:

Towards the end of our final semester, I realized that I'm going to the marketplace that doesn't have jobs for all of us. I challenged myself to start up something that can be able to decently employ me, and even employ others who did not have a job. (Entrepreneur in Kampala)

Yet here as well, it is questionable whether digital entrepreneurship practice meets the demands of local problems, leading to tensions in entrepreneurs' aspirations. A hub manager reflects on the depth of unemployment among African youth, and finds that solutions would also have to consider institutional capacities and policies:

It's actually quite scary sometimes when you go into areas outside of urban areas. Even peri-urban is a sort of okay. But, if you go to a place where, for example, in the Northern Cape, where it's just small towns, not even a city available anywhere nearby. You see most of young people that are doing nothing. That's really scary, and you ask yourself, "Where is the future of this town going?" It's not like there aren't resources or there is no way of actually stimulating this economic development. Then again, you find political structures and you've got people that are in positions politically that aren't necessarily qualified to actually improve the status of those particular areas. You'll find that it's going to take quite a bit of time to fix the problems that we have in South Africa. (Hub manager in Johannesburg)

Providers

Limited access to traditional formal sources of finance (credit cards, loans, etc.) is a major reason that kinship networks play an increased role for African digital entrepreneurs. *Kinship* refers to extended family and community ties that emerge from cultural and ethnic origins (Verver and Koning 2018; Williams and Williams 2011). Scholars have observed that "in most societies kinship is the most important social institution that affects one's identity, livelihood, and career" (Verver and Koning 2018, 632).

Kinship networks are particularly relevant for determining entrepreneurial identities and mindsets in African settings, and our findings confirm several patterns discussed in the literature. One important issue is the low dependability of (formal) agreements with distant connections:

I returned from the US with that [expectation], you know, like if a company pledges, they will [deliver on their pledge], but then they let you down. So, like three days before the competition, you have to call your family, your parents, your uncle, to bail you out. That has happened twice. This guy, who is like family, also bailed me out. Then, I have to make sure that we didn't fall into trap of relying on sponsors, so we decided to organize a fundraising event. That also

came with a share of troubles and disappointments and failures. (Hub manager in Yaoundé)

As alluded to in chapter 5, a second issue is the dearth of formal support structures, such as government-provided small business loan programs and social safety nets. African digital entrepreneurs may be able to operate on relatively low budgets, but they mostly require sustenance for several years before achieving product-market fit (see chapter 3). In these circumstances, the role of kin ties as important sources of entrepreneurial support is amplified, and entrepreneurs from underprivileged families and groups are less able to take risks. This is not only because they have fewer resources, but also because ripple effects on kin in case of failure can be consequential. Whenever a family depends on an individual to be the breadwinner, the pursuit of digital entrepreneurship creates a financial risk and an existential threat, particularly if other options for income generation are unavailable:

> The fact [is] that in Africa, for most people, if you're doing a job [and] you decide to do a startup, the risk of failure is higher. You can actually condemn your family to poverty pretty much if you're not careful. Most people will play it safe: they'll either seek employment whereas they're actually quite capable of doing business, or once they get in those startups, they'll make decisions that will either play it too safe or make it very risky. So, trying to make it big too fast or being very conservative in building businesses. (Entrepreneur in Lagos)

Our data confirms that entrepreneurs from underprivileged backgrounds feel increased pressure to abandon their ventures when they do not immediately produce income. The alumni of the MLL (see box 5.1) provide a useful illustration of how socioeconomic background can override potential in influencing entrepreneurial trajectories. Their recruitment into the MLL incubation program was contingent on their academic performance in computer science and engineering programs at the Universidade Eduardo Mondlane (UEM). UEM is a public university, and though it has a good reputation, well-off individuals attended private universities like ISTEC. After exiting the program, alumni reported that they had strong financial responsibility for others. They often felt duty-bound to contribute to providing for their families and communities that had supported them through their student years. One interviewee spoke of the conundrum faced by many university graduates:

> Imagine this situation. In your house probably between your brothers and everything—it's not my case but it's the case of many students that come from

the provinces—you're the only one that is, was able to enter in the [university]. And the remaining members of your family, they live with basic income, and they're expecting [that] after you finish you give some support. And then you've finished, you entered in the [Maputo Living Lab] and you're explaining them that you will do so in four to five years. But there is someone from the same village that is considered not as knowledgeable as you but has a better lifestyle. (Director of a bank in Maputo)

The interviewee also noted that other members of the MLL cohort who enrolled in the incubation program found it difficult to hold out for the indeterminate future gains of entrepreneurship. Ultimately, they could not reconcile their entrepreneurial ambitions when they saw former classmates who were not as academically adept as they had been surpassing them in terms of standard of living.

In contrast, a successful digital entrepreneur from the same city recalled his career struggles in an interview. Although he experienced changes in fortune, the resultant uncertainty did not affect his extended family:

I was a lousy student in college. I went to study in Cape Town, I did a BBA degree in marketing management. . . . I was hired by a big FMCG [Fast-moving consumer goods], and basically then, I was earning less than $200. I was a marketing coordinator and doing more of delivery boy work. . . . Then I was fortunate to join a joint venture from that group, and another where my career started really progressing and. . . . Well, at some point I was the country manager for LG electronics within maybe eight years of a career. (Entrepreneur in Maputo)

Despite what he regarded as an undistinguished academic career, he experienced an upward professional trajectory. This was rooted in a socioeconomic background that had facilitated his education at a well-regarded institution and family ties. Low socioeconomic status thus clearly not only represents a lack of immediate access to capital, but also means extended financial obligations (Daspit and Long 2014; Grimm et al. 2013; Khayesi, George, and Antonakis 2014). Entrepreneurs with means and/or from individualistic societies (like the US) are only required to be concerned about themselves and the risk to their own careers, while many African entrepreneurs are obliged to care for extended communities as a facet of both cultural and socioeconomic factors.

Kinship responsibility undoubtedly represents a mental strain for entrepreneurs, but does it also thwart enterprise and ecosystem success? Daspit and Long (2014) argue that localizing resources within kinship networks

creates a moral hazard because it makes entrepreneurs beholden to family, community, and social circles rather than to business management principles. Indeed, we find such cases in our data:

> So basically, even if you want to be an impact investor, when you become wealthier, you're often restricted by family circumstances. Even if you want to become a social entrepreneur or just any mainstream entrepreneur, you're often restricted, not only because you don't have access to capital, but because your resources have to go in supporting family. So the risk becomes higher. If you fail, your entire family is affected by the failure of your venture. (Director of an incubator in Johannesburg)

However, "moral hazard" as a negative applies only to the perspective of an individual enterprise. We, like other authors (Grimm et al. 2013; Khayesi, George, and Antonakis 2014), find evidence for positive outcomes of kinship networks at the community level. Notably, kinship obligations are reciprocal. Therefore, they can obligate benefactors of entrepreneurs to channel more resources to them than they would do in the absence of the obligation. This dynamic can have an inclusive effect, particularly where kin extends beyond the nuclear and extended family. In those cases, resources of high-net-worth individuals can be allocated to high-potential but poor entrepreneurs:

> So what I have seen, and I have been in these networks, someone comes from a township, from the community and they become a high-net-worth individual. They came to give back, and they go to trusted individuals and go to trusted spaces—and I'm one of them. They ask me where to find the entrepreneurs or to host pitch nights. They do not make a song and dance about what they're doing. It's not explicit—it's not up for research because they haven't publicized that they're investing. A lot of impact investors in the mainstream, which is mostly white led, do market that they are investors or VCs. So people know how to find them, but it doesn't mean that they're the only ones investing. And in fact, when you work as an investor, an angel investor who's from the community, they understand the socioeconomic issues and they take high risk in making the investment. (Entrepreneurship incubator manager in Johannesburg)

African entrepreneurs' responsibility to community before their own enterprise is thus not necessarily detrimental to productive digital entrepreneurship. In the absence of public sector safety nets, family and communities provide an essential financial cushion (Foster 2000; Heymann and Kidman 2009; Khayesi, George, and Antonakis 2014; Mildred 2014; Rwezaura 1985). Especially with experience from abroad, these entrepreneurs

thus become contributors of resources and knowledge as part of their social responsibility:

> [I] did [my] secondary here and then went back to the UK to do university. I did electrical and electronics engineering. After that I stayed an additional two years, I was working, and I was into the tech space. So, with the electrical and electronics engineering, I tried to combine it with software and interacting hardware or software. This is called IoT, internet of things. I went to a lot of hackathons and was developing many prototypes, different systems. And this is probably the thing that, let's say the passion, I had for developing the solutions. But then at some point I saw that there was a need for me to contribute back to Mozambique and that's the decision I had to come back and try to work here with the market. (Entrepreneur in Maputo)

Dreamers and Grown-Ups

Digital entrepreneurship is for the young—this popular sentiment in policy and tech media (see chapter 1) was also reflected in interviews:

> Last year we had a guy who had a lot of experience, he's thirty-seven, he's the oldest person on the leadership team, and even from that experience I'm not going to hire anybody over that thirty-seven-year age, no. I don't think that is where we want to be. We are looking for people, we try to hire potential and that potential is not just potential in the things that they can do. (Entrepreneur in Lagos, Nigeria)

Indeed, most entrepreneurs we interviewed were under thirty, even most of the experienced ones with three or more years of experience running a startup. Yet, as alluded to in previous sections and chapters, we found that age—or more precisely, experience—may be an important asset. We found young (approximately under twenty-five) and inexperienced entrepreneurs to be overly optimistic and sometimes naïve. In contrast to our findings about local and slow growth, young entrepreneurs often had simplistic ideas about how easy and how necessary it is to scale and to obtain risk investments. They directly subscribed to Silicon Valley ideas, which they absorbed from online courses, tech blogs, or trainings at local innovation hubs. They also believed in the viability of charging users directly or making money through advertisement revenues, and were generally convinced that their startups would grow quickly through the use of digital technology. The following excerpt of an interview with a young Ethiopian technologist illustrates all of these themes:

Respondent: So then I understand how iWeb [an Apple app builder] works, so I made my first sample website that I can show off to my friends. I was thinking, maybe the contents that I've been seeing and the YouTube links that I was seeing, if I can collect them altogether and if I put them on my page, maybe my classmates can share the benefit with me . . . I don't think anything is impossible, if you want to change it, you can change it. That's the kind of gift we have as being a human, choice . . . As long as I'm working on the website, there are some revenue streams . . . Maybe ads, maybe Google ads, views, but that's not the point. I come up with a very unique idea how to make money through my project and how to make it sustainable. How to pay back my investors.

Interviewer: So you have investors?

Respondent: Not right now, but I'm working on the MVP, minimum viable product. So after that, I'll pitch it to the investors.

Interviewer: Who are the investors? Who are you going to pitch it to?

Respondent: Essentially, the investors are going to come through xHub [an innovation hub in Addis Ababa]. The xHub members are going to bring the investors, and they have impact investors interested in the vision of social impact.

Experienced digital entrepreneurs, on the other hand, still believed in the ultimate potential of digital technologies, but they had markedly different notions about how big markets were, how soon enterprises would grow, and how easily success would be achieved. This is typical of startup entrepreneurship environments (Garud, Schildt, and Lant 2014; Roundy 2016). The struggle to arrive at product-market fit became a defining part of one Rwandan's entrepreneurial story:

Respondent: I thought I was going to make a dollar per charge, that's what I thought.

Interviewer: That's a lot.

Respondent: I spent too much time in the States! [*laughter*] So that's what I thought I was going to make. . . . This is the first business I actually did a little bit of research [for], by testing dozens of different models. I started charging a lease fee, a monthly fee—that didn't work out. Then I started asking them to pay me a percentage of their sale, that didn't work out because they were lying a lot. I worked on the prototype myself for three months. I was there every day, [from] 7:00 a.m. to 5:00 p.m. (Entrepreneur in Kigali)

We found that the longer actors were engaged in the practice of digital entrepreneurship, the more likely they were to display pragmatism about their business and distance themselves from a belief in Silicon Valley as an

ideal model for how their business should behave. They shifted their efforts toward acquiring paying customers before looking for investors or stopped relying on investors entirely. A different Rwandan entrepreneur describes his experience that investments have not been necessary to advance his company, though he worries that novices may have different expectations toward him:

> From the ground up, I had to lower my expectations. [*laughter*] If someone comes to me and says, "I'll bring a 10 million investor tomorrow," well, I say, "Yes, please do," but that's not exactly what I'm waiting for in order to keep developing my company. . . . If so many people—especially the young entrepreneurs—know that I'm spearheading this, and they don't see me raising the necessary investments, somehow they're going to keep getting discouraged. (Entrepreneur in Kigali)

Experienced entrepreneurs also sometimes drop any romantic notions of having large-scale social impact when they realize that the segment of the market they are targeting does not have the financial wherewithal to make their businesses sustainable:

> I don't wake up in the morning to make a lot of money, although sometimes it's hard. I used to talk only about my startup in social impact terms, but the more I got into it and the more I got the serious money and the serious team, the more I'm now talking about the mechanics . . . and it becomes this scientific experiment, and you don't at all see how you might be changing lives. You just become absorbed in the machinery of it. I don't know, I'm also growing up. So maybe something is happening in my brain where you forget about idealism somewhere. But also if we don't look seriously at the mechanics and we have nothing, then it's a vanity project. (Entrepreneur in Nairobi)

An Indian-born Kenyan CEO emphasizes that patience and persistence are key:

Interviewer: Why did you make it and maybe others didn't?

Respondent: . . . But for us, I personally think that Kenyans are too impatient, so they try something and if it doesn't succeed in a year or two, then they just switch over to something else. For us, from day one, personally, if you ask me, we never had a plan B, so when you don't have a plan B, you just do whatever needs to be done for plan A.

In sum, we found a very clear pattern: digital entrepreneurs with three or more years of experience are more customer- and business-focused, maintaining a belief in the importance of their work and the transformative potential of digital technologies, while also being realistic about limitations.

Our analysis of these entrepreneurs' stories shows that they learned hard lessons through small and large failures whenever they tried uncritically to apply the Silicon Valley model to local contexts.

Bilateral Actors

African digital entrepreneurs who had been exposed to high-income countries were smaller in number than entrepreneurs who had stayed in their home country, and yet they dominated the ranks of role models and success stories. Returnees are often local elites—and if they were not when they left, they are when they return. Their skills were highly regarded:

> Maybe that is the African industry realization and capital building, let's say that this migration to Europe and then coming back is actually that way for building the competence base. (Immigrant entrepreneur, Nairobi, Kenya)

> The entrepreneurs who have succeeded, who are doing well, are entrepreneurs who are foreign trained. Who are returnees, who schooled in US, who schooled in the UK, who have the experience, who have got an internship in McKinsey. If you put that foreign founder right here and you put a home-grown entrepreneur right here, the skill gap is so high. (Entrepreneur in Lagos)

When asked to articulate how stays abroad facilitated returnees' performance, they typically pointed to the technical knowledge that they had obtained and the professional standards to which they had become accustomed. A Rwandan entrepreneur, who had spent his adult years in the United States and recently relocated to Kigali, went further:

> And another thing: if I didn't go to the States, I don't think I'd be the entrepreneur I am today. The states really taught me how to be an entrepreneur, I mean really. I would have been an entrepreneur, but I would have been a local entrepreneur: store, something small, basic. But the States taught me how to think big.

These entrepreneurs develop an important ability to function as bilateral actors. A good example was that of a CEO of a startup in Dakar that sells software for managing health records. He started a business in California with a local doctor and has since expanded his business to Africa:

> I was in LA [Los Angeles] and then being an IT consultant and . . . with one doctor who has his own practice. Then, he had some issues with the software. I started helping. Then from that came the idea to build a software. Basically, my partner, the doctor, he's the pocket man and I'm the developer. So, the first version we have, the whole programming I did myself. Then we started making sales and then from there we could survive. . . . So, basically what we did is, first, we

develop the software for my partner to use. So, which means that it wasn't like something that was just an idea. It was something that needed to work, so for his own practice, that's the first thing.

A similar case was that of an entrepreneur in Dakar, who spoke about how his postgraduate business education in Italy allowed him ultimately to be a broker between Asian IT companies and local markets:

> [I was] in China for two years. Then from China, I was working there as a finance advisor and after that I came back in Senegal. From here, I went to India where I worked for Airtel. So Airtel is one of the biggest mobile operators in Africa. . . . I came back to Senegal and I was still working for them. Then now, presently I have my company on the telecom field, and I'm doing also several other activities. But mainly what we do is we're a telecom intermediary company and IT business development consultants.

This enterprise essentially replicated his individual role during employment. He spoke about how his ability to code switch was one of his greatest assets. Code switching is switching between language styles and culturally specific performances via a "dual cultural personality" (Mercado 2010, 225). Details such as accents, email styles, and a familiarity with clients that might be deemed overly friendly in other settings were among the skills on which his technology consulting company was based. In fact, an awareness of the importance of sociocultural elements informed his expansion strategy: he expanded to other countries by identifying local partners who could navigate local arenas with ease.

It is important to note the performativity of the greater success that returnee entrepreneurs attain. When national, ethnic, and racial attributes are linked with values of authority, capability, and professionalism, the former can be assumed to convey the latter (Healy 2015; MacKenzie, Muniesa, and Siu 2007; Pollock and Williams 2016). Entrepreneurs that are steeped in Western norms are the most successful at navigating the promissory landscape of digital entrepreneurship and signal legitimacy within it, in large part because the landscape itself is configured according to Western norms. Attributions of status and success become self-fulfilling prophecies, as entrepreneurs are rewarded for displaying Western attributes. Incubators, events, and success stories play their role to create a sociomaterial environment that transmits the valuing of particular skillsets and to teach the "correct" performance of digital entrepreneurship. For example, the ability to speak and think "in MBA" is a vital component of being seen as credible

(Katila, Laine, and Parkkari 2019). The rewards arrive in the form of status but can also be monetary, as this excerpt from an interview with an investor in Nairobi illustrates:[1]

> We don't have any bias but I think we are still in the early stage where from an ecosystem perspective, where it is still the entrepreneurs that are coming from say the West that are saying: "I can do this," and they have the perspective of: "I want to exit"—because that's a big one. "I want to build a very big company and I don't mind having a very small share but of a very big company." That's slowly happening in terms of local entrepreneurs but that hasn't always been there. We're looking for people who are thinking like that and we don't want to have an issue later on. . . . I'm seeing that change, I'm seeing Kenyan entrepreneurs having seen that as well, even if they haven't lived and worked abroad, even if they've only lived in Kenya, seeing that that's a potential route for business rather than just, "I'll build a small business, very gradually," which is what all our parents have done. That's what the business mindset is here.

The more experienced digital entrepreneurs we interviewed in Nairobi, Accra, and Lagos especially were keenly aware of this dynamic, sometimes using it to their strategic advantage. For instance, African-born entrepreneurs used direct or indirect affiliations with elite Western educational institutions to convey legitimacy:

> Harvard Business School, Yale, McKinsey—I mean that's pedigree. So the thing is, we've come to understand how business works, we've come to understand some of the things that we need to do to prove [it]. (Enterprise cofounder in Nairobi)

One already successful Nigerian entrepreneur felt compelled to complete an executive MBA at the University of Oxford, giving him a feeling of status and responsibility that his successful business and many awards had not:

> I thought it was significant. I was surprised. I did an MBA, running a business of, at that time, probably sixty people. . . . I'm doing it in the top ten business school globally, according to the [*Financial Times*]. It's remarkable, but that also puts its own pressure because it's my alma mater now, I'm connected to the school forever and I have to keep up to those high expectations because they're very high expectations. It's not just collecting an award and slumping in your seat. It's about collecting that award, and even moving faster, marching faster, making sure you're delivering and doing the right things.

Activists

Although entrepreneurs are adversarial to policy in a number of locales, progressive activism as such seemed to be entwined with the digital

entrepreneurship sectors in Uganda, Kenya, and Senegal. For instance, in Nairobi, the ecosystem as a whole has been associated with the development of Ushahidi, a tool developed during contentious elections. In Uganda, one interviewee expressed his assessment of an old guard being out of touch with the young population that understands digital technologies, an opinion which he also expressed on social media:[2]

> However, I don't see that turning over to being a lot more conducive for another ten years . . . all the people who are in the powerful positions are the very same ones. They are in the top three demographic percent above 58, which is our life expectancy for the country. And those are the postcolonial guys. They are now fighting for another time, a time they know they can't win. So for us guys down here, we're positive. We're like, "Yeah, ten years you are going to be out. We're not going to fight you, we're not going to go to the streets, we're just going to wait. It's cool we enjoy your postcolonial stories 'When we were in the bush.' Oh, come on guys, I wasn't even born when you were in the bush, I don't know what you mean" . . . We have those kinds of the people in power trying to describe to them what the technical innovation is like. (Founder in Kampala)

In Cameroon, we came across reluctant activists. The government's internet ban was aimed at reducing the spread of dissent and penalizing rebel strongholds in the west of the country. The effect was the disruption of digital companies located in Buea, also known as Silicon Mountain. An entrepreneur in Yaoundé explained that the government had acted in this way because it felt politically threatened:

> We have something very good in Cameroon [which] is, if you don't try to do something that will take the power, they will leave you in peace. (Entrepreneur in Yaoundé)

In the Anglophone areas of Cameroon, internet connectivity has emerged as an arena of contestation because of the political unrest that is emanating from a separatist element (see box 6.2). Intermittent disconnections from the internet have had a significant impact on the entrepreneurs of Buea:

> I'm sure many entrepreneurs have told you before what happened. No internet and a lot of entrepreneurs became what they call "internet refugees." All right, so you know what a coworking space is and internet is like a basic resource in a cowork space and without internet, if we could not provide a basic resource . . . will make entrepreneurs and subscribers look for internet elsewhere. That's how our difficulties in sustaining our business model when internet went off. We lost a lot of subscribers. Subscribers who had already paid, they had to go do Douala,

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Box 6.2

Buea: Silicon Mountain in a Tense Political Climate

The main town in Cameroon's Anglophone region, Buea, has acquired the nickname Silicon Mountain.[3] Yaoundé is the seat of government, and Douala is the economic capital and ostensibly the center of digital entrepreneurship activity. Buea, however, has been anointed with the Silicon Something moniker. This is because the visible digital firms in Cameroon are in Buea. Despite its much smaller size, the hubs that have sprung up in Douala have seen fit to also have a presence in Buea. Within Cameroon, Buea is recognized as having a student population that has the right attitude and skillset to succeed in technological career paths. As the political situation that pits the government against separatists from Western Cameroon becomes deadlier, it is clear that there is a darker subtext to this praise. Being Anglophone represents a difference in a way that is not innocuous.

Yaoundé, Baffousam, the French-speaking zones of Cameroon. When their suspensions ended and there was no internet, business was flat. (Hub founder in Buea)

Advocating on behalf of their businesses has transformed Cameroon's entrepreneurs into political activists even if it was not a particular interest of theirs to agitate against the government. The government does not facilitate a conducive environment for business at the best of times (Ngoasong 2018). However, the fact that their livelihoods are threatened by the limitation of their access to the internet provides these entrepreneurs with the incentive to protest their exclusion:

[When the government] don't do their job we can lose light [electric power], we cannot have water, but we are in a place where sun and water and everything is there. But it's really bad management. Even for the internet, you see we are trying three providers at the same time to decide where we go now, because for [some] illogical reason [even with] the actual provider we have, every day from 11:00 a.m. to 2:00 p.m., we don't have internet. (Entrepreneur in Yaoundé)

The situation in Anglophone Cameroon was the most extreme example of exclusion and negative gatekeeping that we observed. Nevertheless, it provides some perspective on the difference in outcomes between disinterested facilitators and those making an active attempt to limit the activities of entrepreneurs.

Summary: An African Avant-Garde?

The goal of this chapter was to identify the identities that the context "Africa" produces when individuals enact "digital entrepreneurship" as a received practice. We highlighted shared themes and entrepreneur attributes that are broadly observed at all sites. The cross-cutting threads were often the result of the adoption of the same Silicon Valley imaginary. The chapter revealed that exposure to a particular discourse on the commercialization of technologies is common to digital entrepreneurs in Africa.

However, it would be a mistake to see African identities and enactments purely as replication or mimicry. Local entrepreneurs appropriate, repurpose, and contextualize this discourse, to create and maintain new entrepreneurial identities. Our analysis was thus an exercise in finding common threads within a multifaceted mosaic. The only true universals are those that are able to become pluralities (Mbembe 2016; Tsing 2005).

African digital entrepreneurs break new ground compared to established professional identities in their local context. Paradoxically and interestingly, the emerging professional class at the same time mirrors old social inequalities' positionalities and sees itself as an avant-garde that does things differently. Young foreign-educated, affluent urbanites with connections often dominate the ranks of successful entrepreneurs, and yet their social image is one of newness, change, and sometimes rebellion against older foreign-educated, affluent urbanites with connections. Every single identity we found has something to do with driving change and transitions from an old analog world (which is slow, survival-oriented, corrupt, unfair, inefficient, and fragmented) to a brave new digital one (fast, transformation-oriented, fair, efficient, and seamless). Yet entrepreneurs were unable to shed ties to the old world, like careers enabled (or not) by their parents, kinship networks, professional experience, and humbling experiences with local markets, at least in the short term. In a very basic sense, it became clear that the pursuit of digital entrepreneurship can be a resource-intensive aspiration and is often economically not the safest and most rewarding alternative, limiting who can afford to participate. More broadly, we thus see social asymmetries in African nations and cities being reproduced, mirrored, and sometimes reinforced in the digital entrepreneurship arena.