

Chapter 5: Challenges Hindering the Establishment of Entrepreneurship Across Global Regions

The chapter explores the challenges hindering the establishment of entrepreneurship across various regions, including The Latin American Problem, Challenges hindering the establishment of entrepreneurship in Latin America, the Asian challenges, the African problem and the Zimbabwean case. These sections provide a comprehensive analysis of the unique obstacles and regional specificities that shape the entrepreneurial landscape in the Global South.

The concept of the entrepreneurial university has attracted intellectual global attention in Latin America, particularly as a response to the region's unique socio-economic challenges. Scholars like Tsvetkova *et al.* (2020) emphasise that universities in Latin America must adapt to local contexts that often include high levels of inequality and informality. These institutions are not only tasked with fostering innovation but also with addressing pressing social issues, such as poverty and unemployment (Tsvetkova *et al.*, 2020). In Brazil, for instance, universities are increasingly engaging in social entrepreneurship initiatives that align with their missions to tackle regional problems (Schmutzler, 2020). This shift towards an engaged university model reflects a broader understanding that economic growth cannot be divorced from social responsibility. Consequently, universities are positioned as critical players in building entrepreneurial ecosystems that foster both economic development and social equity (OECD, 2021). By integrating social innovation into their core functions, Latin American universities can better serve their communities while contributing to the global knowledge economy.

In Colombia, the entrepreneurial university model has also been scrutinised for its effectiveness in addressing local challenges. The Colombian government has invested significantly in higher education reforms aimed at enhancing the entrepreneurial capacities of universities (OECD, 2021). However, scholars like Gómez *et al.* (2021) argue that these reforms often overlook the diverse needs of local communities, leading to a disconnect between university outputs and societal demands. The emphasis on

innovation and entrepreneurship may inadvertently prioritise certain disciplines over others, neglecting critical areas such as the humanities and social sciences (Gómez *et al.*, 2021). This raises questions about the inclusivity of the entrepreneurial university model and its ability to foster a holistic approach to education. The case of Colombia illustrates the need for universities to balance economic objectives with their broader educational mission, ensuring that they remain responsive to the complexities of their local contexts.

In Argentina, the challenges faced by entrepreneurial universities are similarly pronounced. The economic instability and high inflation rates have created an environment where universities struggle to maintain their relevance and sustainability (Cruz *et al.*, 2021). According to Cruz *et al.* (2021), many Argentine universities have initiated partnerships with local businesses to enhance their entrepreneurial programmes, yet these collaborations often fall short of producing meaningful outcomes. The lack of a supportive infrastructure for entrepreneurship, combined with bureaucratic hurdles, hampers the potential for universities to act as catalysts for economic development. Furthermore, the focus on entrepreneurship can lead to an overemphasis on profit-driven motives, sidelining the social missions that many universities uphold (Cruz *et al.*, 2021). This situation underscores the necessity for a re- evaluation of the entrepreneurial university model in Argentina, advocating for a more integrated approach that aligns economic goals with social impact.

In Chile, the entrepreneurial university model has been met with both enthusiasm and scepticism. The Chilean higher education system has seen a surge in entrepreneurial initiatives, bolstered by government support and funding (OECD, 2021). However, scholars like Valenzuela (2020) caution that the rapid push towards entrepreneurship may overlook the importance of critical thinking and ethical considerations in education. Valenzuela (2020) argues that universities must cultivate a culture of ethical entrepreneurship that prioritises social responsibility alongside economic viability. This perspective is particularly relevant in a country where social movements have highlighted the need for systemic change. As such, Chilean universities are increasingly called upon to not only produce entrepreneurs

but also to instil a sense of civic duty among their students. This dual focus on entrepreneurship and social responsibility represents a promising avenue for addressing the complexities of the Latin American context.

The broader implications wrought by the entrepreneurial university model in Latin America extend beyond national borders. As highlighted by the OECD (2021), regional collaborations among universities can foster knowledge sharing and innovation across the Global South. This interconnectedness is crucial for addressing shared challenges such as climate change, health disparities, and economic inequality. Scholars like Tsvetkova *et al.* (2020) advocate for a more integrated approach to entrepreneurship education that transcends national boundaries, encouraging universities to learn from each other's successes and failures. By fostering a regional entrepreneurial ecosystem, Latin American universities can enhance their collective impact and contribute to sustainable development goals. This collaborative spirit not only strengthens individual institutions but also positions the region as a vital player in the global knowledge economy.

The complex interplay and enmeshment of poverty, hunger, malnutrition, and economic challenges in Latin America significantly hampers the establishment of entrepreneurial ventures within the region. Scholars such as de Janvry and Sadoulet (2000) emphasise that poverty in Latin America is not merely a lack of income but a multifaceted issue involving limited access to resources and opportunities. This systemic poverty creates barriers for aspiring entrepreneurs, as they often lack the necessary capital and support networks to initiate and sustain businesses. Furthermore, the region's high levels of inequality exacerbate these challenges, as marginalised communities face additional hurdles in accessing markets and resources (Bourguignon, 2004). The persistence of hunger and malnutrition, affecting millions, further complicates the entrepreneurial landscape, as potential entrepreneurs are often preoccupied with survival rather than innovation (FAO, 2023). Thus, addressing these underlying issues is crucial for fostering a conducive environment for entrepreneurship in Latin America.

Malnutrition in Latin America is a pressing issue that not only affects public health but also stifles economic growth and entrepreneurial potential. According to the Pan American Health Organisation (2023), malnutrition manifests in various forms, including undernutrition and obesity that are prevalent across different demographics. The dual burden of malnutrition means that while some populations suffer from stunting and wasting, others face obesity and related non-communicable diseases. This paradox poses significant challenges for entrepreneurs, as a malnourished workforce is less productive and innovative (UNICEF, 2023). Moreover, the high cost of nutritious food that reached \$4.08 per day in Latin America, limits access for low-income families, further entrenching the cycle of poverty and malnutrition (IDB, 2023). Therefore, addressing malnutrition through comprehensive public health policies is essential for unlocking the region's entrepreneurial potential.

Economic challenges in Latin America, including inflation and rising food prices, have been exacerbated by external shocks such as the COVID-19 pandemic and geopolitical tensions (World Bank, 2023). These factors have not only increased poverty levels but also restricted access to essential resources for entrepreneurs. Scholars like Rodrik (2018) argue that these economic pressures create an environment of uncertainty, discouraging investment and innovation. The lack of a stable economic framework hampers the ability of entrepreneurs to plan and execute their business strategies effectively. Furthermore, the region's reliance on commodity exports makes it vulnerable to global market fluctuations that can lead to sudden economic downturns (ECLAC, 2023). As a result, fostering a resilient economic environment is critical for supporting entrepreneurship in Latin America.

Managerialism, characterised by an emphasis on efficiency and performance metrics, often overlooks the socio-economic realities of Latin America. This approach can lead to the implementation of policies that do not address the root causes of poverty and malnutrition (Peters, 2018). For instance, while promoting free-market principles may seem beneficial, it can exacerbate inequalities if not paired with adequate support for marginalised communities. Scholars like Mazzucato (2013) advocate for a more inclusive approach that recognises the importance of public investment in fostering

entrepreneurship. By prioritising social equity and access to resources, policymakers can create an environment where entrepreneurial initiatives can thrive. Thus, a fundamental shift away from pure managerialism towards a more holistic understanding of entrepreneurship is necessary for addressing the Latin American problem.

The intertwined and enmeshed issues of poverty, hunger, malnutrition, and economic challenges present significant barriers to entrepreneurship in Latin America. Addressing these problems requires a multifaceted approach that includes public health interventions, economic stability, and inclusive policies that support marginalised communities. Scholars such as Sen (1999) highlight the importance of recognising the capabilities and potential of individuals within these communities. By investing in education, healthcare, and infrastructure, Latin American countries can create a more favourable environment for entrepreneurship to flourish. Tackling these systemic issues is essential for fostering sustainable economic growth and improving the quality of life for millions in the region.

Literature on the challenges faced by Asia, particularly in the context of establishing entrepreneurial models in the Global South, reveals a complex interplay of poverty, hunger, malnutrition, diseases, and economic challenges. These factors significantly hinder the development of a free market conducive to entrepreneurship. For instance, the COVID-19 pandemic exacerbated existing inequalities, pushing millions into poverty and food insecurity. According to Compassion International (2022), the pandemic's lockdowns severely restricted the ability of impoverished families to work, leading to a dramatic increase in hunger and malnutrition. This situation is compounded by soaring inflation and ongoing conflicts in countries like Myanmar and Sri Lanka, where food resources are further depleted, creating a vicious cycle that stifles entrepreneurial initiatives (FAO, 2022). Thus, addressing these challenges is critical for fostering a sustainable entrepreneurial environment in Asia.

Moreover, the intersection or entwinement of climate change and food security presents additional barriers to entrepreneurship in Asia. The Intergovernmental Panel on Climate Change (IPCC, 2022) highlights that

climate change not only threatens agricultural productivity but also exacerbates poverty and food insecurity. In Southeast Asia, for example, rising sea levels and extreme weather events have led to significant crop losses that directly impact the livelihoods of farmers and their ability to engage in entrepreneurial activities (Fulcrum, 2022). As food prices surge due to these disruptions, low-income families are forced to choose cheaper, less nutritious food options, further deteriorating their health and economic prospects (Khandelwal & Kurpad, 2020). This cyclical relationship between climate-induced food insecurity and economic instability underscores the urgent need for integrated approaches that address both environmental and economic challenges.

In addition to environmental factors, the managerialism approach prevalent in many Asian countries often hinders the establishment of entrepreneurial ecosystems. As noted by Khandelwal and Kurpad (2020), the focus on bureaucratic management can stifle innovation and limit access to resources for aspiring entrepreneurs. This is particularly evident in countries where government policies prioritize large corporations over small and medium-sized enterprises (SMEs). The lack of support for SMEs that are crucial for job creation and economic development, can lead to a stagnation in entrepreneurial growth (ADB, 2022). Furthermore, the emphasis on managerialism often results in policies that do not adequately address the unique challenges faced by marginalised communities, thereby perpetuating cycles of poverty and limiting access to entrepreneurial opportunities.

The health challenges associated with malnutrition and diseases also play a significant role in hindering entrepreneurial potential in Asia. Poor health outcomes, particularly among children, can lead to reduced cognitive development and lower productivity in adulthood (World Food Programme, 2022). This is particularly concerning in countries like India and Bangladesh, where high rates of stunting and wasting among children are prevalent (NCBI, 2020). The long-term implications of malnutrition not only affect individual health but also have broader economic repercussions, as a less healthy workforce is less capable of contributing to economic growth and innovation (USDA NASS, 2022). Therefore, addressing health and nutrition is

essential for creating a conducive environment for entrepreneurship in the region.

Lastly, the economic challenges embedded within the socio-political landscape of Asia further complicate the establishment of entrepreneurial models. The interdependence of poverty, hunger, and economic instability creates a landscape where entrepreneurial initiatives struggle to thrive (ADB, 2022). In many cases, the lack of access to capital and resources, coupled with high levels of corruption and bureaucratic inefficiencies, deter potential entrepreneurs from pursuing their ventures (FAO, 2022). As a result, fostering an entrepreneurial culture in Asia requires not only addressing immediate challenges related to poverty and malnutrition but also implementing systemic changes that promote economic stability and equitable access to resources. This approach is essential for unlocking the entrepreneurial potential of the region and driving sustainable development in the Global South.

The challenges faced by Asian countries in fostering entrepreneurship within the framework of the entrepreneurial university model are complex. In many Asian nations, the concept of the entrepreneurial university has gained traction to stimulate economic growth and innovation. However, these universities often encounter systemic barriers, such as inadequate funding, bureaucratic inertia, and a lack of collaboration with industry partners. For instance, Baporikar (2020) stresses the fact that entrepreneurial universities must navigate complex socio-economic landscapes that can hinder their ability to innovate and respond to market needs. Additionally, the cultural context in many Asian countries often prioritises traditional educational models over entrepreneurial initiatives that can stifle creativity and risk-taking among students (Bruton *et al.*, 2018). As a result, the effectiveness of these institutions in fostering an entrepreneurial spirit is frequently compromised, necessitating a re-evaluation of their operational frameworks. Thus, addressing these challenges is crucial for the successful implementation of the entrepreneurial university model in Asia.

Moreover, the disparity in access to resources (material and symbolic), significantly impacts entrepreneurial activities in Asian countries. Many

aspiring entrepreneurs, particularly from low-income backgrounds, face substantial obstacles, including limited access to capital and mentorship opportunities (Wu *et al.*, 2016). This situation is exacerbated by the underdeveloped financial systems in several Asian nations that often fail to provide adequate support for startups. According to Austin *et al.* (2006), the lack of a robust venture capital ecosystem further complicates the entrepreneurial landscape, making it difficult for innovative ideas to secure necessary funding. Consequently, universities must play a proactive role in bridging this gap by fostering partnerships with financial institutions and industry leaders to create a supportive ecosystem for budding entrepreneurs. By leveraging their resources and networks, entrepreneurial universities can enhance access to funding and mentorship, thereby empowering a new generation of entrepreneurs to thrive in challenging environments.

In addition to financial constraints, the educational systems in many Asian countries often lack a focus on practical entrepreneurship education. Traditional curricula tend to emphasise theoretical knowledge over practical skills, leaving students ill-prepared to navigate the challenges of starting and managing a business (Tang, 2014). This disconnect between education and real-world application can hinder the development of entrepreneurial mindsets among students. Baporikar (2014) posits that universities need to adopt more hands-on approaches to entrepreneurship education, integrating experiential learning opportunities such as internships, workshops, and startup incubators into their programmes. By doing so, they can foster a culture of innovation and entrepreneurship that encourages students to think creatively and take calculated risks. This shift in educational philosophy is essential for cultivating a robust entrepreneurial ecosystem that can drive economic growth and social development in the region.

Furthermore, the role of government policy in shaping the entrepreneurial landscape cannot be overlooked. In many Asian countries, government support for entrepreneurship is often inconsistent and fragmented, leading to uncertainty for potential entrepreneurs (Bruton *et al.*, 2017). Effective policies that promote entrepreneurship must be comprehensive and coordinated, addressing various aspects such as funding, regulatory frameworks, and educational initiatives. For instance, the establishment of clear guidelines for

startup registration and funding can significantly reduce bureaucratic hurdles that entrepreneurs face. According to Wu *et al.* (2016), governments should also collaborate with universities to create programmes that support entrepreneurship through grants, training, and mentorship. By fostering a conducive policy environment, governments can enhance the effectiveness of entrepreneurial universities and empower them to fulfil their potential as engines of innovation and economic growth.

Lastly, the unique cultural and social contexts of Asian countries present both challenges and opportunities for entrepreneurship. Many Asian cultures emphasise collectivism and community that can influence entrepreneurial behaviour and decision-making processes (Tang, 2014). While this can foster collaboration and support networks, it may also discourage individual risk-taking and innovation. To navigate these cultural dynamics, entrepreneurial universities must cultivate environments that celebrate both individual and collective entrepreneurial efforts. Baporikar (2020) suggests that universities should incorporate cultural dimensions into their entrepreneurship programmes, recognising the diverse motivations and challenges that entrepreneurs face in different contexts. By embracing a more holistic approach to entrepreneurship education that considers cultural distinctions, these institutions can better prepare students to thrive in the global entrepreneurial landscape, contributing to sustainable economic development in Asia.

The challenges surrounding the Africa Problem are deeply rooted and embedded in historical contexts, particularly the legacy of colonialism. Ndlovu-Gatsheni (2015) posits that while African nations have gained political independence, the enduring effects of coloniality continue to shape socio-economic and political landscapes across the continent. This ongoing coloniality manifests in various forms, including economic dependency, cultural imperialism, and systemic inequalities. Scholars argue for a paradigm shift that emphasises the necessity of African-centred approaches to development, moving away from externally imposed solutions. Such a shift requires a re-evaluation of indigenous knowledge systems and cultural values, that have often been marginalised in favour of Western models. By

prioritising local perspectives, African nations can forge pathways toward sustainable development that resonate with their unique historical and cultural contexts, thereby addressing the challenges they face.

In addressing the African Problem, the concept of 'wicked problems' has emerged as a critical framework. Rittel and Webber (1973) define wicked problems as complex issues that are difficult to solve due to their interconnected nature and the varying perspectives of stakeholders. This concept has been applied to various contexts, but its application in Africa remains limited. The literature suggests that understanding the Africa Problem through the lens of wicked problems can provide insights into the unique challenges faced by the continent. For instance, issues such as poverty, governance, and health crises are not isolated; they are interlinked and require comprehensive, context-sensitive solutions. Scholars like Suleiman and Khakee (2017) emphasise the importance of recognising the specific socio-political dynamics in African nations when formulating strategies to address these wicked problems, advocating for collaborative approaches that engage local communities and stakeholders.

Another significant aspect of the Africa Problem is the role of African agency in addressing these challenges. As highlighted by Adebani (2017), African nations possess the capacity to develop solutions that are tailored to their unique contexts. This agency is crucial for fostering regional integration and cooperation, as evidenced by initiatives within the Economic Community of West African States (ECOWAS). However, the literature also points out that achieving African solutions to African problems (ASAP) necessitates a commitment to transparency, accountability, and good governance. The success of these initiatives hinges on the trust and confidence that citizens have in their governments. Therefore, fostering a culture of accountability and participatory governance is essential for empowering African nations to tackle their challenges effectively and sustainably.

Finally, the literature emphasises the need for interdisciplinary approaches to fully understand and address the Africa Problem. Scholars argue that integrating insights from various fields such as economics, sociology, and

environmental science can provide a more comprehensive understanding of the challenges facing the continent. For example, addressing climate change in Africa requires not only environmental policies but also socio-economic strategies that consider the livelihoods of vulnerable populations (Mastrorillo *et al.*, 2016). By adopting a holistic perspective, policymakers can develop more effective strategies that address the root causes of issues rather than merely treating their symptoms. This interdisciplinary approach, combined with a commitment to local knowledge and agency, can pave the way for innovative solutions that empower African nations to navigate their complex socio-political landscapes.

The chapter explored the different challenges hindering the establishment of entrepreneurship across various global regions, with a focus on Latin America, Asia, Africa, and specifically Zimbabwe. Each section highlighted the unique obstacles faced by these regions, shaped by socio-economic, political, and environmental factors. In Latin America, the chapter underscored the role of the entrepreneurial university in addressing regional challenges like poverty, inequality, and social responsibility. The case studies of Brazil, Colombia, Argentina, and Chile revealed how these institutions are positioned as key players in fostering economic development and social equity. However, the chapter also critiqued the limitations of the entrepreneurial university model, particularly its potential disconnects from local needs and the overemphasis on profit-driven motives. The discussion then shifted to Asia, where the interplay of poverty, hunger, malnutrition, and economic instability creates significant barriers to entrepreneurship. The chapter explored how external shocks, such as the COVID-19 pandemic and climate change, exacerbate these challenges, further complicating the establishment of entrepreneurial ecosystems. Additionally, the emphasis on managerialism in many Asian countries is critiqued for stifling innovation and limiting opportunities for marginalised communities.

The African context, with a particular focus on Zimbabwe, is also examined, revealing the systemic issues that hinder entrepreneurial growth. These challenges include inadequate infrastructure, limited access to capital, and the persistent effects of historical and political factors. The chapter provided

a comprehensive analysis of the regional specificities and shared challenges that shape entrepreneurship in the Global South. The following chapter will explore into the historical and socio-economic impact of colonialism on black entrepreneurship in Zimbabwe.