

PART IV
IMAGINATIVE DISCOURSE



Columbus at Isabella's Court

Henry Wolf, 1897. Open Access image from the Smithsonian online collection.

The Aims of Discourse

Evidence alone does not establish confidence in an enterprise—that an imagined future is attainable or desirable. What and how promoters communicate—their spoken, written, and visual “conversations”—influences perceptions of their evidence, which is inevitably incomplete and subject to positive or negative interpretations. An entrepreneur’s sales pitch affects the expected value of her product beyond just its technical specs. How she responds to tough questions, not just her résumé, affects investors’ assessments of her capacities. Moreover, because others’ confidence and doubts can make or break a venture, discourse can become a real springboard or a barrier.

This may seem trivial—who could question that discourse, not just evidence, influences interpretations and thus the perceived uncertainty? Moreover, broadly defined, discourse about uncertain matters is an integral part of our lives; it is something we all know about and experience. We talk, tell stories, argue, attend meetings, send emails, create, deliver, and endure PowerPoint presentations, and make or receive sales pitches. What could be more ordinary? But despite appearances, the territory is treacherous; therefore, I proceed slowly. In this chapter, I start with a simplifying distinction between narrative and logico-scientific thinking. I then use the distinction to examine the aims and sub-aims of discourse (which can all be subsumed under the “end” of reducing uncertainty). The following three chapters examine the “means” of uncertainty-reducing discourse.

My conjectures* lean heavily on the work of psychologist Jerome Bruner (1915–2016). Although he said little about business, Bruner’s literary and legal applications provide an excellent foundation—and foil—for analyzing entrepreneurial discourse.

Specifically, the main sections of this chapter

- Review Bruner’s distinction between narrative and logico-scientific modes of thought and verification.

* I cover more speculative ground than in previous chapters. I delve more deeply into the mysteries of the mind, and my accounts follow the “narrative” mode (discussed later in this chapter) to an even greater degree than before—hence “conjectures.”

- Use Bruner’s distinction to examine the aims and sub-aims (the “ends”) of entrepreneurial discourse.
- Compare the aims of entrepreneurial, literary, and legal discourse. The similarities—and even more the differences—help crystallize ideas about entrepreneurial ends and set the stage for my later analysis of the means.

I view “discourse” broadly, in the way US courts treat talk, writing, music, and imagery as “speech.” Yet, to simplify, I limit my scope to discourse that (1) Has an honest, constructive intent. To emphasize problems of uncertainty rather than dishonesty, I assume promoters sincerely believe in their ventures and products but don’t have incontrovertible evidence. Likewise, I assume that potential investors, customers, recruits, and suppliers worry about promoters’ misjudgments and exaggerations but not outright lies. (2) Aims to create value by reducing doubts rather than bargaining over shares. Thus, I focus on cooperative, not competitive or adversarial, interactions.¹ (3) Does not rely on intimidation—“tough talk”—to secure compliance. In ad-hoc, bootstrapped ventures, the promoters are supplicants and do not have the power to threaten or bully. In established businesses, bosses can threaten or command, but as mentioned, authoritarian discourse can be ineffectual or counterproductive. Regardless, it is outside the scope of my chapters.

1. Narrative-Mode Thought

Neglect and Confusion Knight’s 1921 book, which did not treat uncertainty as a mental state, did not analyze how discourse affected its extent. His chapter on “meeting uncertainty” discussed how predicting or controlling the future could reduce uncertainty but said nothing about influencing perceptions and interpretations. Subsequent economists, including those who study entrepreneurship and innovation, have also said little about how discourse affects confidence and doubt.

Outside economics, scholars have studied discourse since ancient times. Aristotle’s fourth-century BCE *Poetics* and *Rhetoric* are landmark examples. Today, scholarship in literature, linguistics, psychology, philosophy, anthropology, and history includes “narratology,” “systemic functional linguistics,” “discourse analysis,” and “conversation analysis.” In practical spheres, study and teaching span script writing, journalism, psychotherapy and psychoanalysis, advertising, and public relations. But no unifying paradigm has emerged.

Moreover, much of the discourse of communications experts is incomprehensible to outsiders.

Bruner's Project When I intended to focus on entrepreneurial storytelling and narratives rather than more broadly on discourse, I found no consensus among narratologists (or popular writers) about basic terms. What was a “story”? And how was it different from “narrative”? Luckily, following online breadcrumbs, I discovered Bruner's 1991 article “The Narrative Construction of Reality,”² and then the other products of his multidecade project on narratives.

The discovery was eye-opening. Besides his own insights, Bruner, a “Pied Piper of interdisciplinary wonder” and “acrobatic meta-connector of ideas,”³ provides a clear synthesis of wide-ranging scholarship. The insights and synthesis gave me an invaluable foundation for my conjectures.

I was also embarrassed to discover Bruner's work so late, nearly a decade after his death at age one hundred in 2015. Although not as famous as Freud, Skinner, Kahneman, or Tversky, insiders consider Bruner a leader of the cognitive revolution that K-T's behavioral economics built on (chapter 11). Remarkably, Bruner began working on narratives in the 1980s, after four decades of influential contributions to cognitive psychology and child development.

Influential Contributions

As mentioned in chapter 11, a cognitive revolution overthrew the “deliberate mind-blindness”⁴ of Pavlov's and Skinner's behaviorism. The revolutionaries had different views about its replacement, however. Simon and Newell modeled the mind as a computer. In contrast, other scholars undertook “an all-out effort to establish meaning as the central concept of psychology.” They studied how humans, through their encounters with the world, make sense of the world and of themselves.⁵

Bruner emerged as a preeminent meaning constructionist. After his bachelor's and PhD degrees in psychology (from Duke University in 1937 and Harvard in 1941), Bruner served as an expert in psychological warfare in US Army Intelligence. He returned to Harvard in 1945 and secured a professorship in 1952. In 1960, he and George Miller cofounded Harvard's “interdisciplinary, iconoclastic Center for Cognitive Studies.”⁶ He was the center's codirector for the next twelve years.

Bruner's technical contributions included then-novel ideas that the mind, not just the senses, controlled perception and that structuring information into categories made it more memorable. But he wasn't a conventional,

objective cause-and-measurable-effect psychologist. His conception of cognition incorporated culture and history. As he wrote in his 1962 book *On Knowing*, “Man does not respond to a world that exists for direct touching. Nor is he locked in a prison of his own subjectivity. Rather, he represents the world to himself and acts on behalf of or in reaction to his representations. The representations are products of his own spirit as it has been formed by living in a society with a language, myths, a history, and ways of doing things.”⁷

The cognitive revolution Bruner envisioned “required that psychology join forces with anthropology and linguistics, philosophy and history, even with the discipline of law.”⁸ He lamented the revolution’s shift “from ‘meaning’ to ‘information,’ from the construction of meaning to the processing of information,” with “computation as the ruling metaphor.”⁹ He criticized “scientific psychology” that excluded history, culture, and “beliefs, desires, intentions, [and] commitments.”¹⁰ And Bruner, like Gigerenzer, was skeptical of claims of widespread cognitive biases (chapters 11 and 12). Like Kay and King, Bruner saw evidence of contextual and cultural interpretations by subjects in K-T-style experiments, not reflexively defective reasoning.

Bruner’s work in childhood education complemented his cognitive research. His *Process of Education* (1960), which became a “powerful stimulus” to curricular reform, argued “that any subject can be taught to any child at any stage of development if it is presented in the proper manner.”¹¹ According to the educational luminary Howard Gardner, Bruner led a small group that developed “a brilliant curriculum, which introduced kids ages 9, 10, and 11 to gritty nutritious ideas and practices from the range of social science—from the principles of Chomskian linguistics to the evolutionary similarities between human beings and higher apes.”¹²

Born blind with cataracts—an operation restored his sight at two—Bruner was a “rich kid” who tried to hide it.¹³ He played a “pivotal role” in the Head Start program¹⁴ that serves low-income children and families. His “leftwing political leanings”¹⁵ notwithstanding, Bruner docked an “ocean-going yacht”¹⁶ at “a glorious retreat on the southern coast of Ireland.”¹⁷

In 1972, Bruner sailed that yacht across the Atlantic to accept the Watts Professorship in Psychology at Oxford. Bruner had thought “anything must be an improvement on Harvard,” which had become “increasingly stuffy,” but found that Oxford wasn’t more liberal.¹⁸

In 1980, Bruner returned to the United States, briefly to Harvard, before settling in his New York City birthplace. He undertook his capstone project on narratives there, initially at the New School for Social Research¹⁹ and then at New York University (NYU).

The narrative project enlisted diverse collaborators and used seemingly unscientific methodologies. For example, Bruner assembled a team of literature scholars to examine literary masterpieces. The project ignored the disdain of pedantic economists and sociologists for abductive inference from exceptional successes (chapter 14). It followed, according to Bruner, William James's example (from the *Varieties of Religious Experience*) of studying "the most religious man at his most religious moment." In another sample-of-one project, Bruner collaborated with a postdoc in educational psychology to study the recorded nighttime monologues of a child in her crib.²⁰

Bruner wrote two influential books in the 1980s. *Actual Minds, Possible Worlds* (1986) examined imaginative narrative thought that makes experience meaningful. *Acts of Meaning* (1990) explored culturally shaped narrative thinking; Bruner later called himself a "cultural psychologist."²¹

In 1991, Bruner moved from NYU's psychology department to its law school. He had found "a great many psychologists to be rather dull," wanting to "turn mysteries into the obvious." Psychology also "failed to look at how societies create social norms." The law considered passions, such as vengeance, and codified them into rules about crime and punishment.²²

Bruner teamed up with Anthony Amsterdam, a law professor who had grown interested in storytelling. They taught a seminar, nominally, on "lawyering theory," which included creative writing exercises and discussed material ranging from Greek tragedy to modern murder mysteries. Their seminar, which ran for over twenty years (until Bruner turned ninety-five), also resulted in *Minding the Law: How Courts Rely on Storytelling, and How Their Stories Change the Way We Understand the Law—and Ourselves* (2000). In *Making Stories: Law, Literature, Life* (2002), Bruner published a concise summation of his narrative project.

Bruner's declaration in the title of his 2002 summation that stories influence law and life, not just literature, poses the question: do stories reduce the uncertainty of entrepreneurial initiatives? In a later chapter, I argue that entrepreneurial proposals contain storylike elements but lack the essential attributes of a proper story. But that gets ahead of my own, not quite story. For now, let us see what Bruner's distinction between narrative and logico-scientific thinking tells us about the ends of entrepreneurial discourse.

An Important Distinction Bruner starts *Actual Minds, Possible Worlds* with a William James epigraph: "To say that all human thinking is essentially of two kinds—reasoning on the one hand, and narrative, descriptive, contemplative thinking on the other—is to say only what every reader's experience will corroborate." Bruner's book similarly distinguishes between logico-scientific and narrative modes of thought that provide "distinctive ways of ordering experience, of constructing reality."²³

View from the Far Reaches

Invoking James's advice to study outliers, Bruner bases his characterization of narrative thought from "at its far reach: as an art form." "Great works of fiction," he suggests, "come closest to revealing "purely" the deep structure of the narrative mode." Likewise, mathematics and the physical sciences "reveal most plainly (and purely) the deep structure" of logico-scientific thought.*

The logico-scientific mode, according to Bruner, idealizes a "formal, mathematical system of description and explanation."²⁴ It "deals in general causes," seeking to transcend the particular by "higher and higher reaching for abstraction." In mathematics and formal logic—its ultimate abstractions—it disclaims "any explanatory value at all where the particular is concerned." Requirements of consistency and noncontradiction regulate its language. In contrast, imaginative narrative leads to "good stories, gripping drama, believable (though not necessarily 'true') historical accounts. It deals in human or human-like intention and action," and the "particulars of experience" that it locates in "time and place."²⁵

Both may express or imply causality, but of "palpably different" types: "The term *then* functions differently in the logical proposition 'if x, then y' and in the narrative *recit* 'The king died, and then the queen died.' One leads to a search for universal truth conditions, the other for likely particular connections between two [particular] events— mortal grief, suicide, foul play."²⁶

Most pertinently, for my purposes in this chapter, the two modes have different criteria of "well-formedness" and "differ radically in their procedures for verification." Both good stories and well-formed logical arguments "can be used as means for convincing another. Yet what they convince *of* is fundamentally different: arguments convince one of their truth, stories of their lifelikeness. The one verifies by eventual appeal to procedures for establishing formal and empirical proof. The other establishes not truth but verisimilitude."²⁷ Like storytellers, scientists may invent facts and worlds, but their "world-making" is of "a different order from what story-making does." Physics must "eventuate in predicting something that is testably right, however much it may speculate. Stories have no

* Amsterdam and Bruner's (2000) *Minding the Law* also implicitly follows this approach of examining extreme cases. Their argument that "courts rely on storytelling" relies on landmark US Supreme Court judgments that set or overturned precedents.

such need for testability. Believability in a story is of a different order than the believability of even the speculative parts of physical theory.”²⁸

2. Aims and Sub-aims

Plausibility, Not Proof An entrepreneurial proposal is far removed from a great play or novel. Yet, its underlying thought and persuasiveness conform more to Bruner’s narrative mode than to a paradigmatic, logico-scientific mode. Entrepreneurial proposals project an imagined future. This future pertains to a particular state, not to any conjecture about a general scientific law or abstract mathematical result. The desirability of the particular state is likewise inferred from particular unmet wants or unsolved problems. Human intentions play a critical role in its realization. Like the now-disreputable prescientific theories of bodies “wanting” to fall to the earth’s center, the causality is animistic and willful, not naturalistic or deterministic.

The “well-formedness” of the expression (the investment proposal or sales pitch) of imagined states and paths also conforms to Bruner’s narrative criteria. Reducing uncertainty is an overarching goal. Discourse helps convince others—and oneself—that an imagined future is desirable and feasible, moving mental states away from doubt toward confidence. Yet promoters cannot demonstrate the desirability and feasibility of their imagined futures through logic, statistical analysis, or controlled experiments. Nor is logico-scientific verification necessary. Amsterdam and Bruner argue that good stories are “true enough if they ring true.”²⁹ Likewise, a critical objective of an entrepreneurial proposal or pitch is to establish *plausibility*. A beyond-reasonable-doubt standard for commercial initiatives is impossible to satisfy and, as mentioned in the last chapter, pathological.

Attention, Alignment, and Understanding Regardless of the degree of uncertainty reduction attempted, attention must come first. But attention is never a given. David Hume’s *A Treatise on Human Nature*, published in 1739 when the author was in his twenties, “fell dead-born from the press.”³⁰ Now considered a classic of Western philosophy, it received little attention until about a century later. During Hume’s lifetime, his most popular work was the bestselling six-volume *History of England*. Gregor Mendel’s classic paper on heredity, published in 1865, was cited just about three times before it was rediscovered in the early 1900s, some twenty years after the friar died in 1884. John Kennedy Toole committed suicide at thirty-one after failing to secure the publication of *A Confederacy of Dunces*. The author’s mother and a fellow writer got the Louisiana State University Press to publish *Dunces* eleven years after Toole’s death. The

book became a cult classic, secured a Pulitzer Prize, and is now considered a canonical work of modern American writing.³¹

Examples of entrepreneurs who initially failed to secure the attention of investors include Steve Jobs in 1976. “Apple was an obvious candidate for venture investment,” Sebastian Mallaby writes. “Yet when Apple set out to raise money, the stars in the venture capital firmament failed to recognize the opportunity. . . . Tom Perkins and Eugene Kleiner refused even to meet with Steve Jobs.”³² Attention or neglect sometimes derives from promoters’ personalities and reputations or their products’ attributes. But attention is also often a deliberate objective of discourse, as a prerequisite for its other goals.

Complexity makes two other uncertainty-reducing objectives significant. As mentioned, complex initiatives undertaken by specialized teams face coordination problems: different teams have incomplete information about what each other is doing or planning or how they will respond to unexpected issues. Joint planning and consultative discourse that reduces mutual information gaps can control these “alignment” uncertainties.

Similarly, customers face uncertainties about the functions and use of complex products. Smart modern electronics, from TVs to computers to mobile phones, can make users feel incredibly dumb and frustrated. Conversely, in “made-to-order” systems, developers often misunderstand what users really want. Communicating how complex products should be used to users—and what users want to developers—thus constitutes another uncertainty-reducing objective of discourse.

3. Comparing Aims

Similarities Literary, legal, and entrepreneurial discourse all target states of mind. They seek to shape beliefs and feelings about some imagined future state. “While fiction may begin on familiar ground,” Bruner writes, “it aims to go beyond it into the realm of the possible, the might-be, could have been, perhaps will be.”³³ Moreover, according to Amsterdam and Bruner’s *Minding the Law*, any writing “whether of love or law, in fiction or essay, is never alien to drama, designed to enliven, not simply to inform neutrally.”³⁴ Entrepreneurial discourse must likewise “enliven” to secure and retain attention.

Contrasts The differences in the aims of literary, legal, and entrepreneurial discourse are also, for my purposes, notable.

According to Aristotle’s *Poetics*, tragedies provide catharsis—the “purgation” of the emotions of pity and fear through their experience in attending a play.

Modern horror movies may aim for the same effect. But the aims of literary discourse have also broadened and evolved. Literature often now attempts to instill, not purge, disturbing emotions. Writers give their fictional landscapes a “reality” of their own but do not impose interpretations. Their texts merely try to “initiate and guide a search for meanings among a spectrum of possible meanings.”³⁵ The texts both suggest “perspectives that can be constructed to make experience comprehensible”³⁶ while also making “the familiar and the ordinary strange again . . . by ‘alienating’ the reader from the tyranny of the compellingly familiar.”³⁷

Entrepreneurial discourse, in contrast, does not offer the catharsis of classical tragedy or, like the modern psychological novel, intend to disturb. Far from making the unfamiliar seem strange, it aims to make to-be-created novelties seem familiar. And it does not seek to spur a variety of interpretations. Its intended message is unambiguous: *Invest! Buy!*

The legal discourse of advocates and judges is similarly unambiguous: to persuade audiences to convict or acquit the accused, reaffirm or overturn precedents, and so on. But there is a crucial difference. Legal discourse is “specialized for waging and negotiating controversy,” write Amsterdam and Bruner in *Minding the Law*. “Talk becomes law-talk only when the way to do (or think about) something is contestable, when people want to settle the contest or its boundaries by ruling some of the contenders out of bounds.”³⁸ And, adds Bruner in his 2002 book, public confidence in adversarial legal storytelling is based on the assumption that “confrontation is a good way to get to the bottom of things.”³⁹

An entrepreneur’s discourse with investors and potential buyers has no such adversarial purpose. A dialogue starts when both sides want to get a deal done. As I remind students in sessions on selling, the job titles of commercial buyers indicate that they must buy. Similarly, VCs must invest. Buyers and investors may be skeptical, and they usually have alternatives. But like readers of novels—and unlike impartial jurors and judges—the entrepreneur’s audience starts with what William James called a “will to believe,” not unshakable doubt.