

## THE STRUCTURAL INTERPLAY OF EDUCATION, POLITICS AND ENTREPRENEURSHIP: A CRITICAL ANALYSIS OF POST-SCHOOL PATHWAYS IN SOUTH AFRICA

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### ABSTRACT:

This article critically examines the structural interplay between political dynamics, entrepreneurial engagement, and post-school education in South Africa, a context marked by entrenched youth unemployment and limited formal sector absorption. Amidst policy narratives that increasingly position entrepreneurship as a strategic response to labour market saturation, the study interrogates how institutional architectures and political networks shape the post-educational trajectories of young South Africans. Employing a qualitative content analysis of policy documents, scholarly literature, and media narratives from 2019 to 2025, the research reveals that while vocational and tertiary education remains instrumental in imparting technical and academic knowledge, it is often deficient in fostering entrepreneurial competencies or enabling market access. Furthermore, the study highlights the pervasive influence of political capital and patronage in mediating access to entrepreneurial resources, particularly within state-driven funding and procurement channels. These dynamics perpetuate structural inequalities, undermining the potential for inclusive entrepreneurial ecosystems. The findings underscore the critical need for educational frameworks that integrate political and economic literacy with practical entrepreneurial training, enabling youth to navigate and contest institutional barriers. Highlighting the critical intersections

between education, governance, and entrepreneurship, this article underscores the necessity of a paradigmatic shift in institutional frameworks to foster an entrepreneurial ecosystem that is both genuinely inclusive and structurally emancipatory. Such a reconceptualization is vital for interrupting the cyclical reproduction of inequality and facilitating a more equitable distribution of economic opportunities within South Africa's evolving post-school landscape.

**KEYWORDS:** Entrepreneurship, South Africa, Structural inequality, Post-schooling, Politics.

## INTRODUCTION AND BACKGROUND

One of the most important turning points in South African youths' socioeconomic development is the shift from education to employment. The inability of the labour market to absorb new entrants continues to drive policy interest and academic scrutiny in alternative pathways, particularly entrepreneurship. As of the first quarter of 2025, the official national unemployment rate stands at 32.9%, unchanged from the previous year, while the expanded definition, which includes discouraged work-seekers, has increased to 43.1% (Statistics South Africa, 2025a). Youth unemployment, covering individuals aged 15–34, has risen to 46.1%, up from 44.6% in the last quarter of 2024 (Statistics South Africa, 2025b). The most severe unemployment is observed among youth aged 15–24, with a rate of 62.4%, whereas those aged 25–34 face an unemployment rate of 40.4% (Statistics South Africa, 2025b). However, this transition involves more than personal initiative or educational attainment. It is embedded within deeply stratified institutional, political, and economic frameworks that collectively shape, facilitate, or constrain the opportunities available to young people after leaving formal education.

Education has long been seen as a catalyst for socioeconomic mobility and redress in the post-apartheid era. Education is the "apex priority" for fostering an inclusive economy and increasing employment opportunities, according to the National Development Plan (NDP) 2030 (Republic of South Africa, 2020). Over the past ten years, there has been a notable increase in public investment in the post-school education and training (PSET) sector, specifically in universities and Technical and Vocational Education and Training (TVET) colleges. However, the PSET system's ability to prepare young people for entrepreneurship is still lacking (DHET, 2023). The practical requirements of starting a business are frequently

not met by curricula, and institutional support systems like mentorship, business incubators, and seed funding are not always available.

At the same time, the political economy of South Africa has a big impact on entrepreneurship. A key factor in determining the success of entrepreneurs is political capital, which is here defined as influence over state procurement, networks within political parties, and access to decision-makers (Mahlakoana, 2021). Politically connected beneficiaries are often the target of state-driven enterprise development programs, including those provided by the National Youth Development Agency (NYDA), Small Enterprise Finance Agency (SEFA), and other provincial development corporations (Mkhwanazi & Nxumalo, 2022). This setting encourages what is increasingly called "political entrepreneurship" in the literature, in which the ability of a business to succeed depends more on its proximity to power than on its ability to compete in the market or innovate (Naidoo, 2023).

The structural interactions between politics, entrepreneurship, and post-secondary education in South Africa are critically examined in this article. It aims to respond to three connected research questions:

1. To what extent do post-school institutions provide the competencies, resources, and environments necessary for successful entrepreneurial engagement?
2. How do political affiliations and networks mediate access to entrepreneurial opportunities, including funding and market entry?
3. What structural barriers persist in the development of inclusive, politically neutral entrepreneurial ecosystems?

The understanding that youth entrepreneurship does not happen in a vacuum serves as the foundation for these inquiries. Rather, it is embedded in a political economy that has been moulded by past inequalities, current policy decisions, and institutional flaws. Although many government initiatives, such as the National Youth Policy 2030, the Township and Rural Entrepreneurship Programme (TREP), and the Youth Employment Service (YES), ostensibly encourage entrepreneurship, there is little proof of their transformative effects (DSD, 2022; SEFA, 2023).

There are various reasons why this study is important. By combining three important areas that are usually studied separately, entrepreneurship, politics, and post-schooling, it first closes a significant gap in the literature. Second, it adds to policy discussions about the most

equitable, nonpartisan, and context-sensitive ways to change post-school education and entrepreneurial support systems. Third, the study provides a thorough, evidence-based account without requiring ethical clearance because it is based on interpretive document analysis and does not directly involve human participants. Understanding how politics and education influence entrepreneurial pathways is crucial for both academic research and real-world intervention in a nation that struggles with systemic youth marginalization.

## **LITERATURE REVIEW**

The legacy of economic and spatial inequality from the apartheid era continues to frame entrepreneurship in South Africa, and it interacts dynamically with changing political and educational systems in the democratic era. Decades after apartheid officially ended, the structural effects of economic exclusion and racial segregation still affect entrepreneurial opportunities and outcomes. A growing body of recent research recognizes that understanding entrepreneurship in South Africa requires more than just focusing on individual initiative or innovation. Instead, entrepreneurial success is mediated by multi-layered systems of access, training, socio-political capital, and governance (Musitha & Rugege, 2023; Sinyolo, 2021; Koma, 2024). These findings underline how important it is to fully understand the complex interrelationships that exist between politics, higher education, and entrepreneurship within South Africa's socioeconomic framework. In addition to being lingering effects of apartheid-era policies, economic exclusion and spatial marginalization are also consistently strengthened by modern institutional frameworks and governance. For example, entrepreneurs in historically underserved areas are unable to participate effectively in competitive markets due to the unequal development of infrastructure and services between urban centres and rural or township areas (Mabuza & Sithole, 2024). Thus, political, educational, and spatial inequality combine to create obstacles for many would-be business owners.

### **Post-Schooling and Entrepreneurial Skills**

In South Africa's entrepreneurship ecosystem, post-school education, which includes universities, Technical and Vocational Education and Training (TVET) colleges, community colleges, and non-formal training programs, remains a significant but underperforming sector. The persistent gap between curricula and graduates' real-world entrepreneurial needs persists despite efforts to address skills development gaps through programs like Entrepreneurship Development in Higher Education (EDHE) and strategic frameworks like

the White Paper for Post-School Education and Training (Department of Higher Education and Training [DHET], 2021). Outdated curricula, inadequate funding, and a lack of qualified instructors frequently impede TVET colleges, which are meant to be important platforms for developing skills in business and applied trades (Modise & Molokwane, 2023; Nzimande & Chukwuemeka, 2025). Systemic issues like inadequate facilities and restricted access to contemporary technologies have made this situation worse and have a direct impact on the caliber of training that is provided. In addition, academically strong graduates who lack the practical entrepreneurial skills necessary to launch and maintain a small business are often the result of universities' emphasis on theoretical business education (Ramoroka & Nyamukure, 2022; Tshabalala & Maponya, 2024). The pipeline of post-school graduates ready to thrive as entrepreneurs is further weakened by the inadequate integration of mentorship programs, experiential learning, and digital literacy. These are crucial elements because they help students develop the problem-solving, technology-adjustment, and confidence-boosting skills they need to navigate demanding work environments (Mokoena & Sithole, 2024).

The transition from education to business creation is further hampered by the fact that many post-school graduates lack access to startup capital, infrastructure, and entrepreneurial networks (Ramoroka & Nyamukure, 2022; Mabuza, 2025). Geographical disparities exacerbate these challenges. Students attending rural or historically disadvantaged institutions (HDIs) often have less access to incubators, enterprise support centers, and business development resources than their urban counterparts (Motshekga & Dlamini, 2023). The persistence of entrepreneurial exclusion along class and geographic lines is facilitated by these disparities. Even when incubators are present, their ability to foster significant company expansion is limited by a lack of capital and a lack of strong ties to the private sector. According to recent empirical research, these structural weaknesses are made worse by a lack of coordinated policy implementation and a poor alignment between educational providers and the objectives of economic development (Nkosi & Mabunda, 2024). South Africa runs the risk of continuing a cycle of graduate unemployment and untapped entrepreneurial potential in the absence of significant reforms that address the practical skills gap and establish long-term pathways from post-school education into entrepreneurship.

### **Political Patronage and Entrepreneurial Access**

Politics plays a critical and often controversial role in shaping entrepreneurial opportunities in South Africa. It is widely documented that access to state-backed funding, mentorship, and inclusion in supply chains is frequently mediated through political patronage networks rather than meritocratic processes (Naidoo, 2023; Mahlakoana, 2021; Mkandla & Zulu, 2024). This phenomenon has significant implications for the entrepreneurial landscape, influencing who gains entry to key economic resources. According to South African scholarship, "political entrepreneurship" is the practice of using political ties and party affiliations to obtain business opportunities, particularly when it comes to preferential policies and public procurement (Nkomo & Mkhonza, 2023; Thobejane & Mabunda, 2024). The preferential procurement system was developed using frameworks like Local Economic Development (LED) and Broad-Based Black Economic Empowerment (B-BBEE) to promote equitable economic participation among historically underrepresented groups. At the expense of merit-based access and genuine enterprise development, politically connected actors have, however, occasionally appropriated these policies and used them for their own or their parties' benefit (Sithole & Mthembu, 2025). When contracts and grants are given to businesses or individuals with political ties rather than those exhibiting entrepreneurial ability or innovation, political patronage frequently leads to the misallocation of resources. Because of this dynamic, political connections and sound business acumen are equally crucial to a company's success (Naidoo, 2023; Mahlakoana, 2021). Political meddling can also damage enterprise support systems' legitimacy and efficacy, deterring truly creative businesspeople without political connections from starting or growing their enterprises. Additionally, research indicates that young business owners and those from rural areas, who generally have fewer political connections and less social capital to negotiate these systems, are disproportionately disadvantaged by this political-economic nexus (Langa & Moagi, 2021; Nkomo & Mkhonza, 2023). Potential entrepreneurs from underserved communities become even more estranged from government initiatives when they believe that the system is rigged.

### **Structural Inequalities in Entrepreneurship**

Structural disparities associated with historical access to resources, location, race, and class continue to have a significant impact on entrepreneurship in South Africa. Rural and township business owners frequently experience exclusion from financial services, capacity-building programs, and market opportunities (Ngobeni & Letlape, 2022; Masuku & Radebe, 2024). These systemic obstacles severely limit businesses' ability to expand and perpetuate economic inequality. Young people in particular experience compounded marginalization

because of a lack of social capital, educational constraints, and limited exposure to entrepreneurship during their formative years (Ramoroka & Nyamukure, 2022; Motshekga & Dlamini, 2023). These factors contribute to low rates of early-stage entrepreneurial activity and low perceptions of viable business opportunities, especially outside of urban economic centers. According to the Global Entrepreneurship Monitor (GEM) 2023 report, South Africa lags behind the rest of the world in terms of business sustainability, opportunity recognition, and entrepreneurial intentions (GEM, 2023). The rise of the informal sector, often seen as a remedy for unemployment, has not led to strong, scalable business development due to weak regulatory frameworks, poor infrastructure, and a lack of institutional support (Mabunda & Mathekga, 2023; Nzimande & Chukwuemeka, 2025). This growth is frequently defined by subsistence-level activity rather than innovation or competitive market participation. Critics of current policy frameworks claim that the entrepreneurial discourse overemphasizes the quantity of new enterprises at the expense of their quality, sustainability, and inclusivity. Such a narrow focus risks overlooking the long-term developmental effects of entrepreneurship and perpetuates uneven patterns of economic growth (Mabunda & Mathekga, 2023; Koma, 2024). More inclusive and context-sensitive approaches are needed to address the particular needs of underrepresented groups, especially young people and rural entrepreneurs.

### **Gaps in the Literature**

Regarding the challenges faced by South African entrepreneurs, many questions remain. Politics, business, and post-secondary education are treated as separate domains in most current research, and they are rarely combined to study the consequences of their interactions. Few empirical studies have examined how political corruption, procurement inefficiencies, education-to-employment transitions, and graduate unemployment interact to impact entrepreneurial opportunities (Langa & Moagi, 2021; Nkosi & Mabunda, 2024). This fragmentation makes it difficult to fully understand the structural logic behind opportunity and exclusion in South African entrepreneurship. Finding shortcomings in governance or education alone is insufficient; research must demonstrate how these areas interact in practice to affect outcomes for aspiring entrepreneurs. This article seeks to fill this gap by advancing an integrative analysis of post-school trajectories within a political economy framework. It aims to capture the complex interdependencies between educational deficiencies, political patronage, and structural inequality that produce unique challenges and opportunities for South African entrepreneurs. Such an approach contributes not only to academic theory but



also informs more holistic policy interventions designed to promote inclusive and sustainable entrepreneurship.

## **THEORETICAL FRAMEWORK**

In order to critically examine how individual post-school trajectories are influenced by and embedded within larger political and institutional structures, this study employs a dual theoretical framework based on Political Economy Theory and Structuration Theory. These frameworks' intersection provides a comprehensive lens for examining the structural interactions between politics, education, and entrepreneurship in South Africa's post-school system.

### **Structuration Theory**

According to Anthony Giddens' (1984) structuration theory, social practices are created and perpetuated through a recursive relationship between structure and agency, challenging the dichotomy between the two. According to this perspective, people function within systems that both restrict and facilitate action rather than being completely free agents or completely confined by structures. Institutional norms, political economies, and educational policies are examples of structures that are both the result and the medium of social practices. When applied to South Africa's post-school environment, structuration theory clarifies how recent graduates interact with political, economic, and educational institutions in an effort to achieve entrepreneurial goals. For example, while curricula and funding models may constrain their capacity to act, graduates also exercise agency through innovation, social networking, and informal economic participation, thereby reshaping the very structures they inhabit (Langa & Moagi, 2021). In the context of entrepreneurship, this theory is especially helpful in emphasizing how enterprise is a type of structured social practice rather than just an economic act. It emphasizes how entrepreneurship is ingrained in institutional logics that have been historically constructed and contextualized, particularly in a society characterized by enduring inequality and shifting political allegiances.

### **Political Economy Theory**

A macro-level analytical framework for analysing how power dynamics, governmental frameworks, and resource allocation impact economic systems is offered by political economy theory. Political economy theory, which has its roots in the writings of Marx, Gramsci, and later African academics like Thandika Mkandawire, examines how the state,



ideology, and political networks shape economic results (Mkandawire, 2019; Gumede, 2022). This theory is essential for comprehending how the state either supports or hinders entrepreneurial opportunities in the South African context. Due to the government's broad control over procurement contracts, startup funding distribution, and regulatory requirements, political affiliations rather than just market forces are typically used to mediate entrepreneurship. Thus, political economy theory allows for a more nuanced understanding of how patronage, state power, and policy implementation are intricately linked to access to economic opportunities, especially for post-school youth (Naidoo, 2023; Nkomo & Mkhonza, 2023). Additionally, the structural disparities that restrict entrepreneurial agency are revealed by political economy theory. It exposes the ways in which geography, gender, race, and class function within a political logic that marginalizes some actors while elevating others. Given the growing politicization and selective distribution of state-sponsored entrepreneurship, this viewpoint is crucial (Musitha & Rugege, 2023).

### **Integrating the Frameworks**

Political economy theory and structuration theory work together to offer a multi-layered understanding of the phenomenon being studied. Political economy theory places the micro-level actions of people navigating and reshaping institutional systems in a larger framework of power, policy, and structural inequality, whereas structuration theory concentrates on these actions.

This integrated framework allows the study to explore:

- How post-school graduates attempt to convert educational credentials into economic opportunity.
- How political capital and institutional gatekeeping mediate entrepreneurial access.
- How state-driven initiatives either reinforce or disrupt structural exclusion.

By using this dual-theoretical lens, the study moves beyond individualistic or behavioural accounts of entrepreneurship and instead foregrounds the interdependence of agency, institutional dynamics, and political-economic structures.

### **METHODOLOGY**

In order to investigate the structural interactions among post-schooling, politics, and entrepreneurship in South Africa, this study uses a qualitative content analysis design. The approach works well for challenging institutional narratives and socially constructed phenomena, especially when the goal is to reveal the underlying meanings, contradictions,

and power dynamics in textual data (Schreier, 2021). Qualitative content analysis is a good option for non-invasive, policy-oriented research because it allows for the methodical analysis of both explicit and latent content in written documents and public discourse.

### **Research Design and Data Sources**

The study's foundation is secondary data gathered from a purposefully chosen selection of documentary sources that were released between 2019 and 2025 and reflect the most recent scholarly discussions, political discourses, and policy developments pertinent to the research problem. Among these sources are:

- Government policy documents, such as the National Development Plan 2030 review, White Paper on Post-School Education and Training (DHET, 2021), and sector-specific strategy papers from the Department of Higher Education and Training (DHET), Department of Small Business Development (DSBD), and National Youth Development Agency (NYDA).
- Political speeches and public statements by key national and provincial leaders, focusing on themes of youth employment, entrepreneurship promotion, and skills development.
- Institutional reports from entities such as Statistics South Africa, SEFA, and the Public Service Commission, offering quantitative and interpretive insights into youth unemployment, enterprise development, and funding allocations.
- Peer-reviewed journal articles and grey literature, especially those exploring entrepreneurship, political economy, and educational policy in the South African context.
- Media coverage and investigative journalism related to state procurement practices, entrepreneurship narratives, and allegations of political patronage in funding distribution.
- This dataset enables a robust triangulation of perspectives across official, academic, and media domains, thereby enhancing the credibility and contextual richness of the analysis.

### **Data Analysis Procedure**

The collected texts were thematically coded using a hybrid approach that combined both deductive and inductive logic, in accordance with the principles of qualitative content analysis (Vaismoradi et al., 2023). Three deductive categories, "post-school education," "political influence," and "entrepreneurial access", were taken from the conceptual and theoretical frameworks. Throughout the coding process, inductive themes like "youth agency," "institutional gatekeeping," and "procurement barriers" were permitted to develop naturally.

Analysis occurred in three iterative stages:

1. Familiarisation: All texts were read repeatedly to identify dominant discourses, metaphors, and contradictions.
2. Coding: Key passages were categorised and annotated using a thematic matrix aligned with the study's objectives.
3. Synthesis and interpretation: Themes were analysed for interrelationships, divergences, and embedded assumptions about youth, enterprise, and state accountability.

In order to prevent decontextualization that can happen with purely automated tools and to guarantee close engagement with the content, the process was supported by manual coding.

### **Research Ethics and Justification**

The study does not directly interact with human participants, vulnerable populations, or identifiable personal data because it only uses secondary data that is publicly available. Accordingly, most academic and institutional research ethics committees do not require ethical clearance (Resnik, 2020). However, throughout, the ethical norms of truthful reporting, accurate citation of sources, and critical engagement with potential biases in the data were rigorously adhered to.

### **Trustworthiness and Limitations**

To strengthen trustworthiness, the study applied the following strategies:

- Triangulation: Data from diverse sources were compared and cross-referenced to reduce bias.
- Audit trail: A transparent account of the coding and categorisation process was maintained.
- Reflexivity: Researcher positionality and potential interpretive biases were acknowledged during analysis.
- However, several limitations must be noted:
- Lack of first-hand perspectives: The study does not incorporate direct testimonies from entrepreneurs, which could have provided richer experiential data.
- Media bias: Some media narratives may be shaped by editorial agendas or political leanings, which require critical filtering during interpretation.

- Limited institutional transparency: Access to some internal government records or implementation reports was restricted, which could constrain comprehensive analysis of policy efficacy.

Notwithstanding these drawbacks, the methodological approach is strong enough for an interpretive, exploratory investigation into the structural dynamics influencing entrepreneurship in South Africa.

## **RESULTS**

Through a rigorous examination of documentary sources, public discourse, and institutional reports, three interconnected and empirically grounded themes emerged that capture the structural dynamics at the intersection of education, politics, and entrepreneurship in South Africa's post-school environment. These are: (1) fragmented entrepreneurial education; (2) political capital as economic leverage; and (3) uneven access to entrepreneurial opportunities. Together, these themes illustrate the complex challenges and barriers facing young entrepreneurs as they navigate a post-school landscape shaped by persistent structural inequalities and institutional fragmentation.

### **Fragmented Entrepreneurial Education**

Entrepreneurial education is still scattered, unequal, and underdeveloped in post-school curricula, despite policy frameworks and strategic documents' frequent rhetorical emphasis on entrepreneurship as a national priority. Many educational institutions, such as universities and Technical and Vocational Education and Training (TVET) colleges, which still mainly rely on theoretical business and management models, exhibit this fragmentation. The practical and contextual difficulties that prospective business owners encounter are usually ignored by these models, particularly those who operate in resource-constrained settings like those found in many South African township and rural communities (Modise & Molokwane, 2023; DHET, 2022). Establishing enterprise hubs and entrepreneurship awareness campaigns within higher education institutions has been the goal of initiatives like the Entrepreneurship Development in Higher Education (EDHE). However, these programs often suffer from limited reach and uneven distribution. Students attending historically disadvantaged institutions (HDIs) or rural campuses are disproportionately excluded from accessing such resources and support systems. This exclusion further deepens existing inequalities and limits

the potential for entrepreneurship to serve as a viable alternative pathway to formal employment for many young people (DHET, 2022; Motshekga & Dlamini, 2023).

The dearth of mentorship programs and well-organized incubation services catered to the needs of young entrepreneurs is a persistent theme in institutional reports and media investigations. There are also few opportunities for experiential learning, which is essential for fostering entrepreneurial skills. Furthermore, non-business fields like engineering, science, and the social sciences hardly ever include entrepreneurship education. The potential to promote entrepreneurial thinking across a variety of fields is undermined by this compartmentalized approach, which also limits interdisciplinary learning (Ramoroka & Nyamukure, 2022; Tshabalala & Maponya, 2024). In many cases, entrepreneurship courses remain elective and are treated as supplementary to core academic programs, rather than being recognized as essential skills development modules. This situation significantly limits the transformative capacity of the post-school education system to contribute meaningfully to addressing youth unemployment and socio-economic inequality. It also undermines state efforts aimed at positioning entrepreneurship as a key pathway to economic participation and empowerment among South African youth.

The lack of effective coordination between academic institutions, governmental organizations, and business partners exacerbates the underdevelopment of entrepreneurial education. This disparity leads to fragmented support that does not match the demands of the entrepreneurial ecosystem and the labour market with academic training. As a result, many graduates are ill-prepared to convert their academic knowledge into real-world business endeavours, which limits their ability to thrive in cutthroat markets (Mokoena & Sithole, 2024; Nkosi & Mabunda, 2024).

### **Political Capital as Economic Leverage**

A second significant theme emerging from the data is the central role of political capital in mediating access to entrepreneurial opportunities. Analyses of state-funded procurement data, policy implementation reviews, and investigative media reports reveal that entrepreneurs who maintain networks or affiliations with political parties frequently gain privileged access to critical resources such as enterprise funding, government contracts, and mentorship programs (Nkomo & Mkhonza, 2023; Naidoo, 2023). This trend is especially noticeable in industries like construction, catering, logistics for transportation, and security services that see high

government spending. Informal gatekeeping mechanisms, in which political actors influence formal enterprise development structures to favour affiliated entrepreneurs, are one way that the politicization of opportunity is expressed. This phenomenon, which Naidoo (2023) refers to as the "informal politicization of opportunity," illustrates how political connections and allegiance frequently take precedence over merit-based factors when allocating entrepreneurial resources.

These politicized processes have occasionally entangled organizations created to support the development of young people and small businesses, such as the National Youth Development Agency (NYDA), Small Enterprise Finance Agency (SEFA), and municipal Local Economic Development (LED) offices. Political meddling has resulted in a biased distribution of funds and mentorship opportunities, according to reports and assessments, systematically displacing worthy but politically disconnected young entrepreneurs (Mabunda & Mathekga, 2023; Sithole & Mthembu, 2025). In addition to making socioeconomic inequality worse, this entrenchment of political patronage in entrepreneurship also undermines public trust in government-sponsored initiatives. The idea that political affiliation is more important for success than entrepreneurial ability breeds disillusionment and deters sincere effort and innovation. It also cultivates a culture of dependency where political loyalty is instrumentalized as a strategic asset for economic advancement, especially among youth who may feel compelled to prioritize political allegiance over entrepreneurial merit (Mahlakoana, 2021; Thobejane & Mabunda, 2024). Moreover, the dominance of political capital in economic opportunity allocation creates a feedback loop that sustains informal political-business networks, complicating efforts to establish transparent and equitable entrepreneurship ecosystems. Such dynamics highlight the need for stronger oversight, accountability, and depoliticization of public enterprise support mechanisms to restore credibility and inclusivity.

### **Unequal Access to Entrepreneurial Opportunities**

The third theme identified pertains to the pervasive disparities in institutional, geographic, and infrastructural access that prevent many post-school youths from effectively participating in entrepreneurial activities. While formal educational credentials have become increasingly common among young South Africans, structural barriers continue to marginalize those located in rural, peri-urban, and township settings (Ngobeni & Letlape, 2022; Mabuza & Sithole, 2024). Key challenges include inadequate internet connectivity, which limits digital

access and the ability to engage in e-commerce or access online business resources. Deficiencies in physical infrastructure, such as limited business facilities and poor transportation networks, restrict market access and the logistical viability of ventures. Additionally, fragile financial ecosystems with scarce formal financial services create hurdles for entrepreneurs seeking start-up capital or credit (DSBD, 2023; Nkosi & Mabunda, 2024).

The Youth Challenge Fund and the Township and Rural Entrepreneurship Programme (TREP), two government initiatives intended to address these disparities, have not been implemented consistently. The effectiveness of these programs is often hampered by administrative inefficiencies, unclear beneficiary tracking systems, and a lack of continuous support or mentorship (DSBD, 2023; Mabunda & Mathekga, 2023). Disadvantaged youth are further marginalized by the bureaucratic intricacy of funding application procedures, which are frequently opaque and challenging to navigate without individualized help or connections. Due to this uneven terrain, resources and entrepreneurial opportunities are concentrated in more affluent areas and urban centers, where social networks and institutional ecosystems are more robust. In order to start and expand businesses, young people in these areas can more effectively utilize formal financial institutions, business incubators, and educational institutions. On the other hand, people without geographic advantages or political connections continue to be marginalized in discussions about entrepreneurship and economic growth (Ramoroka & Nyamukure, 2022; Ngobeni & Letlape, 2022).

The cumulative effect of these spatial and institutional inequalities undermines national efforts toward inclusive economic participation and sustainable development. It reinforces existing patterns of marginalization and restricts the transformative potential of entrepreneurship as a vehicle for social mobility and economic diversification. These three themes, fragmented entrepreneurial education, political capital as economic leverage, and unequal access to entrepreneurial opportunities, reflect the complex interplay of systemic barriers that shape the post-school entrepreneurial landscape in South Africa. Addressing these intertwined challenges requires integrated policy responses that transcend sectoral silos and emphasize equity, transparency, and practical skills development.

## DISCUSSION

This study set out to critically examine the intricate connections that exist between post-secondary education, political dynamics, and entrepreneurship in the South African context.



The results highlight the fact that individual initiative and educational attainment alone do not produce entrepreneurial outcomes. Rather, they are firmly rooted in a larger political economy where power dynamics, institutional logics, and structural disparities all work together to determine who can access entrepreneurial opportunities and under what circumstances. This section engages with current research on political economy, education, and entrepreneurship in developing contexts while placing these findings within the theoretical framework of role conflict and social capital theories.

### **Education as a Necessary but Insufficient Condition**

In South Africa's attempts to combat youth unemployment and promote entrepreneurship, education remains a crucial pillar. However, the results of this study show that the current post-school educational system, particularly in universities and TVET colleges, is inadequate in preparing young people for the practical demands of launching and running sustainable businesses, which is in line with previous research (Modise & Molokwane, 2023; Ramoroka & Nyamukure, 2022). The curricula continue to be unduly theoretical and place little focus on opportunities for experiential learning, digital literacy, and mentoring. These gaps are crucial because they impede the growth of entrepreneurial skills that go beyond academic knowledge to include adaptive innovation and real-world problem-solving. The persistent fragmentation and inequities within the post-school education system are particularly troubling. Access to entrepreneurial support systems such as incubators, enterprise hubs, and mentorship programs is markedly skewed toward urban centres and well-resourced institutions, which often serve students from more privileged socioeconomic backgrounds. In contrast, young people from rural areas or historically underfunded institutions face significant exclusion from these critical resources. This dynamic aligns with broader critiques of South African education that highlight how institutional inequalities often reproduce, rather than redress, existing social stratifications (Motshekga & Dlamini, 2023; Nkosi & Mabunda, 2024).

Due to unequal access, national policies that highlight entrepreneurship as a crucial means of bringing about economic transformation, like the White Paper on Post-School Education and Training (DHET, 2021), endanger this goal. Thus, the findings lend credence to proposals for a rethinking of entrepreneurship education. Education must incorporate technical competencies with critical thinking, socio-political literacy, and civic awareness rather than concentrating solely on business start-up skills. According to Mokoena and Sithole (2024)

and Tshabalala and Maponya (2024), entrepreneurship education should enable students to critically interact with institutional frameworks, negotiate intricate regulatory environments, and develop the social capital necessary for the growth of sustainable enterprises. This all-encompassing strategy is in line with social capital theory, which holds that access to networks and resources rooted in social relationships, in addition to knowledge and abilities, are important factors in entrepreneurial success (Bourdieu, 1986; Coleman, 1988). Developing social capital via education can boost entrepreneurial agency, particularly for young people without access to conventional sources of financial advantage, by encouraging teamwork, mentoring, and community involvement. This integrative model supports calls for education to play a transformative role in addressing inequality and challenges prevailing technocratic approaches that view entrepreneurship as merely a technical skill set.

### **Political Capital and Patronage: Contradictions in the Entrepreneurial State**

The importance of political capital as a type of financial leverage in South African entrepreneurship is arguably the study's most startling conclusion. The politicization of opportunity highlights important inconsistencies between the lived realities of business access and the post-apartheid policy ideal of meritocracy, especially in state-led enterprise development mechanisms (Naidoo, 2023; Nkomo & Mkhonza, 2023). Formal support systems like funding programs, mentorship programs, and procurement procedures are significantly impacted by political patronage networks. Socioeconomic inequality is strengthened as a result of this since it erodes fair access to resources for entrepreneurs and concentrates power among politically connected elites. These dynamics resonate with broader political economy critiques that highlight how public institutions in many developing countries are vulnerable to capture by entrenched interests, blurring the lines between state and private gain (Mkandawire, 2019; Gumede, 2022).

The "informal politicization of opportunity," in which unofficial gatekeeping determines who gains access to government-sponsored enterprise programs, is best illustrated by the phenomenon seen here. Alongside official institutional structures, this unofficial layer of power frequently undermines open, rule-based procedures. Young entrepreneurs who lack political connections or the social capital to negotiate these opaque networks are disproportionately harmed by such dual governance systems, which breed uncertainty and inefficiency (Langa & Moagi, 2021; Mabunda & Mathekga, 2023). The public's confidence in the entrepreneurial state is also damaged by this political-economic entanglement. Youth

disengagement and cynicism are encouraged when economic success is linked to political allegiance rather than creativity or skill. It promotes a transactional and dependent culture in which entrepreneurs put political loyalty ahead of business success in order to ensure their survival or expansion (Thobejane & Mabunda, 2024; Sithole & Mthembu, 2025). In addition to distorting market competition, the resulting patronage economy also limits entrepreneurship's transformative potential to promote inclusive economic development. These findings confirm theoretical propositions in political economy that entrepreneurship in developing contexts must be understood not only as an economic activity but as a politically embedded process shaped by power relations, institutional configurations, and historical legacies (North, 1990; Leftwich, 2009). The state, while positioned as a facilitator of development, is simultaneously implicated in reproducing inequalities through design and implementation failures. Effective entrepreneurship policy thus requires transparent governance structures, strong institutional oversight, and mechanisms that insulate developmental programs from partisan capture.

### **Theoretical Implications: Agency Within Constraint**

The findings' display of the interaction between individual agency and structural constraints is consistent with structuration theory, which highlights the duality of structure and agency (Giddens, 1984). Young entrepreneurs actively negotiate, oppose, and occasionally reshape the constraints imposed by institutional and political gatekeeping, rather than being passive victims of systemic barriers. However, institutional rigidities and ingrained power dynamics that frequently impede transformative action limit the scope of their agency. Young people's experiences navigating politicized funding procedures, disjointed educational systems, and uneven infrastructure serve as examples of how agency functions in constrained environments. To take advantage of opportunities, entrepreneurs use social networks, adjust to resource constraints, and use strategic compliance. Yet, these actions do not guarantee success or systemic change, as broader structural forces continue to delimit the scope of possibility (Langa & Moagi, 2021; Ramoroka & Nyamukure, 2022).

Political economy theory complements this perspective by elucidating how power is exercised not only through formal laws and policies but through informal, often opaque mechanisms that determine economic inclusion or exclusion (Weber, 1978; Leftwich, 2009). Access to government assistance is thus mediated by unofficial procedures and discretionary practices that favour certain groups over others. This analytic lens shifts the focus from

individual entrepreneurial characteristics to the political and institutional context, highlighting entrepreneurship as a contested and politicized social process embedded within enduring historical inequalities. When combined, these frameworks help us better understand how the South African entrepreneurial state can both facilitate and impede growth. On the one hand, the state offers vital funding sources, policy frameworks, and infrastructure that could encourage young people to engage in the economy. However, political dynamics and institutional designs frequently perpetuate exclusionary practices, which restricts entrepreneurship's ability to promote inclusive development and social mobility. The intricacy of state-led entrepreneurship initiatives is highlighted by this duality, which necessitates sophisticated strategies that simultaneously strengthen personal agency and remove systemic obstacles.

### **Policy and Practice Implications**

The study's conclusions have significant ramifications for practice and policy. First, systemic change that incorporates hands-on, multidisciplinary, and contextually relevant entrepreneurial training into all post-school institutions is necessary for education reform to go beyond the tokenistic inclusion of entrepreneurship modules. It is essential to include digital skills, experiential learning, and mentoring, with a focus on historically underserved communities. Second, in order to reduce political meddling and guarantee an open, merit-based distribution of resources, government organizations in charge of enterprise support must fortify their governance structures. Digital platforms for funding applications and independent oversight organizations could improve accountability and lessen patronage opportunities. Third, equalizing access requires addressing infrastructure deficiencies, especially in township and rural areas. For young people to interact with entrepreneurial ecosystems outside of urban areas, investments in financial services, transportation, and internet connectivity are essential. Lastly, encouraging collaborations between private sector players, civil society, and education providers can result in more unified support systems that increase social capital and fairly broaden entrepreneurial opportunities. To put matters to rest, this study advances our knowledge of the ways in which politics, education, and entrepreneurship interact in South Africa's post-school setting. Understanding that entrepreneurship is a process that is embedded in politics and institutions encourages the use of more comprehensive and contextually aware approaches that take into account both systemic injustices and individual capabilities. The promise of entrepreneurship as a means

of achieving inclusive economic transformation can only be realized through such coordinated efforts.

## CONCLUSION

The structural interactions between entrepreneurship, political dynamics, and post-school education in South Africa have been critically examined in this article. The study emphasizes how educational attainment alone does not determine entrepreneurial outcomes among post-school youth by using qualitative content analysis of policy documents, institutional reports, public discourse, and media sources. Rather, they are ingrained in political economies that favour particular actors, frequently through unofficial networks of power and patronage. Three main conclusions were drawn. First, graduates' practical readiness to engage in enterprise is limited by the fragmented and frequently theoretical nature of entrepreneurial education in universities and TVET colleges. Second, access to funding, enterprise development support, and procurement contracts is frequently determined by political capital rather than merit or innovation. Third, systemic inequality still determines who is able to engage in entrepreneurship; young people in rural and peri-urban areas are especially at a disadvantage because of inadequate infrastructure and restricted access to institutional networks.

The article theoretically supports the usefulness of structuration theory in explaining how young people exercise agency while navigating institutional constraints. The macrostructural factors that influence entrepreneurial opportunity are further clarified by political economy theory, particularly the roles of institutional capture, resource allocation, and state power. The study provides a more complex understanding of entrepreneurship as a process that is embedded in politics and institutions by combining these viewpoints. It does that by bringing three fields that are usually studied in isolation, education, politics, and entrepreneurship, into discussion, this article advances academic and policy scholarship. By doing this, it exposes the multiple institutional and political filters that distribute opportunity, challenging prevailing policy narratives that presume a linear relationship between economic participation and education.

Particularly at the municipal and provincial levels, future studies should examine the mechanisms of institutional accountability in the allocation of public entrepreneurship resources. Further effort is also required to design post-school education systems that take

into account South Africa's complicated political environment and uneven economic geography. Informed by the lived experiences of youth outside of elite and urban centres, such research would be particularly beneficial if it combined participatory models of policy innovation with structural critique.

South Africa cannot achieve a truly inclusive entrepreneurial ecosystem where success is not dependent on political access but rather on educational relevance, institutional integrity, and equitable resource distribution unless it addresses the systemic and institutional causes of inequality.

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