

Indigenous Women Entrepreneurship as Cultural Capability: Local Wisdom, Gender Agency, and Economic Empowerment among Dani Women in Papua Highlands

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Abstract:

Indigenous women's entrepreneurship is increasingly recognized as a pathway toward inclusive and sustainable development; however, existing studies often treat local wisdom merely as cultural background rather than as a constitutive mechanism shaping entrepreneurial agency and economic empowerment. This study examines how Dani women's entrepreneurship in Wamena, Papua Highlands, operates through indigenous knowledge systems and contributes to women's economic empowerment within a socio-cultural context. Using a qualitative approach grounded in in-depth interviews, participant observation, and thematic analysis, the research explores how traditional values, collective practices, and gendered roles influence entrepreneurial activities. The findings reveal that local wisdom functions not only as a cultural identity marker but also as a strategic resource that strengthens resilience, social legitimacy, and economic participation among Dani women. Nevertheless, structural barriers—including limited access to capital, education, and markets—continue to constrain the scaling of indigenous entrepreneurship. The study contributes theoretically by repositioning indigenous entrepreneurship as an alternative development pathway rooted in relational agency and cultural continuity, extending current discussions on gender, entrepreneurship, and sustainable development. Practically, the findings suggest the need for culturally responsive empowerment policies that integrate indigenous governance structures, gender-sensitive economic programs, and locally grounded innovation strategies.

Keywords: Indigenous Women Entrepreneurship, Local Wisdom, Economic Empowerment, Gender and Development, Sustainable Development

1. Introduction

Entrepreneurship research has increasingly acknowledged the importance of context in shaping entrepreneurial behavior, yet much of the dominant literature continues to be grounded in Western, market-oriented assumptions that overlook indigenous and culturally embedded forms of economic activity (Abdelnaeim & El-Bassiouny, 2021; Welter, Baker, Audretsch, & Gartner, 2017). While women's entrepreneurship is frequently framed as a driver of inclusive economic growth, existing studies largely emphasize formal enterprises, innovation ecosystems, and institutional support structures, leaving indigenous women's entrepreneurial practices underexplored within contemporary theory (Brush, De Bruin, & Welter, 2009; Bullough, Guelich, Manolova, & Schjoedt, 2022). This gap is particularly evident in remote regions where entrepreneurship is not merely an economic activity but a socio-cultural practice rooted in local wisdom, collective identity, and ecological relationships.

Recent scholarship has begun to call for a contextualized understanding of entrepreneurship that integrates cultural norms, gender dynamics, and community-based

economic practices (Henry, Foss, & Ahl, 2016; Roomi, Harrison, & Beaumont-Kerridge, 2009). However, empirical research rarely examines how indigenous women navigate entrepreneurship within socio-cultural systems that simultaneously empower and constrain their agency. In many indigenous societies, women are central actors in subsistence economies and informal markets, yet remain marginal within formal development narratives and policy frameworks (Farida, Suman, & Sakti, 2021). This paradox suggests a theoretical blind spot: entrepreneurship theory often recognizes women's participation but insufficiently explains how culturally embedded knowledge systems shape entrepreneurial meaning and economic empowerment.

The case of Dani women in Wamena, Papua Pegunungan Province, provides a unique empirical setting to interrogate this tension. Within Dani society, women traditionally manage agricultural production, food distribution, and local market exchanges, practices grounded in intergenerational knowledge and communal values (Irjayanti & Lord, 2024). These activities reflect a form of entrepreneurship that challenges conventional definitions centered on profit maximization or technological innovation. Instead, indigenous women's entrepreneurship operates at the intersection of cultural preservation, social responsibility, and economic resilience. Yet, despite their pivotal role, structural barriers such as limited access to education, capital, and decision-making power continue to shape the trajectory of women's economic participation (Bullough et al., 2022).

From a sustainable development perspective, indigenous women's entrepreneurship aligns closely with global agendas emphasizing gender equality, community resilience, and inclusive growth. Scholars argue that culturally grounded entrepreneurial practices can strengthen local economies while preserving ecological knowledge systems (Henry et al., 2016; Lagrasta, Scozzi, & Pontrandolfo, 2024). Nevertheless, the mechanisms through which local wisdom translates into economic empowerment remain theoretically underdeveloped. Existing research tends to treat culture as a background variable rather than a central organizing logic of entrepreneurship itself.

Responding to these gaps, this study examines local wisdom-based entrepreneurship among Dani women and its implications for economic empowerment within indigenous communities. Rather than positioning women merely as beneficiaries of development interventions, this research conceptualizes indigenous women entrepreneurs as active agents who negotiate cultural expectations, gender norms, and economic opportunities simultaneously. By integrating insights from gendered entrepreneurship literature and context-embedded theory, this article contributes to ongoing debates by demonstrating how local wisdom functions not only as cultural heritage but also as a strategic resource shaping entrepreneurial identity and empowerment in marginalized settings.

This study begins from a fundamental tension in contemporary development discourse: while indigenous women's entrepreneurship is increasingly recognized as a driver of inclusive growth, existing research often treats local wisdom merely as a cultural context rather than as a constitutive mechanism shaping entrepreneurial agency. Prior studies on women's entrepreneurship tend to emphasize market integration, institutional support, or access to capital, yet provide limited theoretical explanation of how indigenous knowledge systems actively structure entrepreneurial practices and empowerment trajectories. As a result, the lived experiences of indigenous women—particularly in remote regions such as Papua Pegunungan—remain under-theorized within mainstream entrepreneurship and development scholarship.

This article addresses that gap by examining Dani women's entrepreneurship through a socio-cultural and empowerment-oriented lens that positions local wisdom as an organizing logic of economic behavior. Rather than viewing indigenous entrepreneurship as a deviation from modern entrepreneurial models, the study conceptualizes it as an alternative pathway toward sustainable development grounded in collective values,

cultural identity, and relational forms of agency. By integrating gender perspectives with indigenous entrepreneurship and SDGs-oriented development frameworks, this research offers a theoretically informed explanation of how cultural practices shape economic empowerment outcomes.

Accordingly, this study makes three contributions. First, it advances indigenous entrepreneurship theory by demonstrating how local wisdom operates as a strategic resource that shapes opportunity recognition and resilience. Second, it enriches gender and development scholarship by revealing how Dani women negotiate structural constraints while sustaining cultural continuity. Third, it provides a context-sensitive framework linking indigenous entrepreneurship with sustainable development goals, thereby responding to recent calls for more theoretically grounded and culturally embedded analyses of women's economic empowerment in marginalized regions.

2. Method

This study adopts a qualitative research design to examine how indigenous women's entrepreneurship is shaped by local wisdom and socio-cultural structures within the Dani community in Wamena, Papua Pegunungan. A qualitative interpretive approach was chosen because the research seeks to understand lived experiences, culturally embedded practices, and relational meanings of entrepreneurship that cannot be fully captured through quantitative measurement. The research was conducted in Wamena as a socio-economic hub of the Baliem Valley where Dani women actively participate in subsistence agriculture, local markets, and small-scale entrepreneurial activities. Informants were selected purposively based on experiential relevance, including women entrepreneurs involved in traditional farming, food processing, handicrafts, and small trading, as well as community leaders and village officials who possess contextual knowledge of local economic dynamics. Data were collected through semi-structured in-depth interviews, participant observation in community markets and daily economic activities, and documentation through field notes and supporting materials, allowing triangulation between narratives, observed practices, and contextual information. Data analysis followed a thematic analysis strategy in which transcripts and field notes were coded iteratively to identify patterns related to local wisdom, gender relations, entrepreneurial strategies, and empowerment outcomes; the analysis moved from initial descriptive coding to focused conceptual categorization and finally to theoretical interpretation linking empirical insights with broader debates on indigenous entrepreneurship and gendered economic agency. To ensure rigor, the study applied credibility and reflexivity strategies, including prolonged engagement, triangulation of data sources, and continuous reflective interpretation, while ethical considerations were maintained through informed consent, anonymity, and culturally sensitive engagement to respect indigenous values and avoid extractive research practices.

3. Results

The findings reveal that women's entrepreneurship among the Dani community cannot be adequately understood through conventional economic lenses that frame entrepreneurship primarily as opportunity recognition or profit maximization. Instead, entrepreneurial practices emerge as embedded socio-cultural processes shaped by local wisdom, collective norms, and gendered expectations. Dani women's economic activities—ranging from sweet potato cultivation and local food processing to handicraft production and small trading—function simultaneously as livelihood strategies, cultural preservation mechanisms, and forms of relational agency within kinship networks. This suggests that entrepreneurship in indigenous contexts operates less as an individualistic market

endeavor and more as a socially negotiated practice rooted in communal values and ecological stewardship.

A central finding is that local wisdom acts not merely as a cultural background but as an organizing logic that structures how entrepreneurial decisions are made. Informants consistently emphasized principles such as collective labor, reciprocity, and respect for land, which influence production methods, pricing behavior, and distribution practices. These culturally grounded norms shape the meaning of economic success, where social harmony and community recognition often carry equal or greater importance than financial accumulation. Such findings challenge dominant entrepreneurship models that prioritize growth orientation and highlight the need to reconceptualize empowerment within indigenous economies as a balance between economic improvement and cultural continuity.

Another important insight concerns the paradoxical position of Dani women within patriarchal social structures. While formal leadership and decision-making roles remain largely male-dominated, women hold substantial informal economic power through their control over food systems and market exchange. Entrepreneurship becomes a subtle pathway for renegotiating gender roles without directly confronting cultural hierarchies. Many participants described how income-generating activities increased their bargaining power within households, improved access to education for children, and strengthened their social standing in community interactions. This indicates that empowerment unfolds through incremental shifts in everyday practices rather than overt institutional transformation.

The findings also highlight structural constraints that limit the scalability of women's enterprises. Limited access to capital, digital infrastructure, and formal market networks creates dependency on localized trading systems, which simultaneously sustain cultural authenticity but restrict economic expansion. Informants reported challenges related to transportation costs, limited business training, and unequal exposure to modern entrepreneurial ecosystems. However, these constraints are not merely barriers; they also reinforce adaptive strategies such as diversified small-scale ventures and cooperative forms of exchange that prioritize resilience over rapid growth.

Finally, the empirical patterns suggest that indigenous women's entrepreneurship contributes to broader sustainable development goals through pathways that differ from mainstream development narratives. Rather than focusing solely on productivity increases, Dani women's enterprises support food security, intergenerational knowledge transfer, and environmentally respectful resource management. These practices illustrate how local wisdom can operate as a form of endogenous innovation, offering alternative models of economic development grounded in cultural sustainability. Collectively, the findings call for a theoretical reframing of empowerment that integrates indigenous epistemologies, gendered agency, and community-based entrepreneurship, aligning with a Wiklund-style emphasis on sharpening conceptual contributions rather than merely describing empirical phenomena

4. Discussion

The findings of this study extend existing conversations on indigenous women's entrepreneurship by demonstrating that entrepreneurial agency among Dani women is not primarily driven by market rationality but by culturally embedded livelihood systems. Unlike mainstream entrepreneurship models that emphasize innovation and growth orientation, Dani women's economic activities are closely intertwined with subsistence agriculture, kinship obligations, and ecological stewardship. Recent studies on indigenous entrepreneurship emphasize that entrepreneurial practices in Indigenous communities often emerge from collective values rather than individual profit maximization (Dana,

2015; Peredo & McLean, 2013). The present findings reinforce this perspective by showing that local wisdom functions not merely as cultural identity but as an operational logic shaping production, exchange, and social legitimacy.

This study also contributes to gender and development literature by illustrating how entrepreneurship can simultaneously reproduce and challenge patriarchal structures. While Dani women play central roles in food production and informal markets, their limited involvement in formal decision-making reflects structural gender inequalities that persist in many Indigenous societies. Contemporary research suggests that women's entrepreneurship in peripheral regions often exists within a "paradox of empowerment," where economic participation increases agency but does not automatically transform institutional power relations (Brush et al., 2009; Tillmar, Ahl, Berglund, & Pettersson, 2022). The empirical context of Wamena illustrates this paradox clearly: economic contribution strengthens women's bargaining positions within households, yet cultural norms continue to constrain access to leadership spaces. This nuance advances existing debates by highlighting empowerment as a relational and context-dependent process rather than a linear outcome.

Another theoretical implication concerns the role of local wisdom as a form of social capital that enhances resilience in fragile economic environments. Previous research on community-based entrepreneurship argues that embedded cultural knowledge can function as a strategic resource, enabling adaptation to geographical isolation and market uncertainty (Ratten, 2023). The Dani women's reliance on collective farming practices, traditional ecological knowledge, and reciprocal exchange networks demonstrates how entrepreneurship operates as a culturally grounded resilience strategy. Rather than viewing traditional practices as barriers to modernization, this study suggests that they may serve as foundations for sustainable local economies aligned with global sustainability agendas.

From an SDGs perspective, the findings also provide empirical insight into how grassroots entrepreneurship contributes to multiple development goals simultaneously. The integration of local food production, informal trade, and community cooperation aligns with SDG targets related to gender equality, poverty reduction, and sustainable livelihoods. Recent scholarship emphasizes that achieving inclusive development in Indigenous regions requires hybrid approaches that combine cultural preservation with economic innovation (McAdam, Harrison, & Leitch, 2019). The experiences of Dani women indicate that policy interventions should avoid imposing purely market-oriented frameworks and instead support culturally adaptive entrepreneurial ecosystems that recognize Indigenous governance structures.

Importantly, this study challenges dominant assumptions in entrepreneurship research that equate entrepreneurial success with formalization and technological modernization. While digitalization and market expansion are frequently promoted as universal solutions, the empirical evidence suggests that culturally embedded enterprises can generate meaningful economic empowerment even within informal systems. This resonates with emerging critiques of one-size-fits-all development models, which argue that Indigenous entrepreneurship must be understood through relational, place-based, and culturally situated lenses (McAdam et al., 2019). By positioning Dani women's entrepreneurship within this broader theoretical shift, the study contributes to ongoing efforts to decolonize entrepreneurship scholarship and foreground non-Western epistemologies.

Finally, the discussion underscores the policy implications of recognizing Indigenous women not merely as beneficiaries of development programs but as agents of socio-economic transformation. Strengthening access to education, markets, and digital tools should therefore be framed as enabling mechanisms that amplify existing cultural strengths rather than replacing them. This perspective aligns with recent policy-oriented

research advocating culturally responsive entrepreneurship ecosystems in remote and Indigenous regions (OECD & Global Women's Entrepreneurship Policy network, 2025). In doing so, the study advances a policy implementation perspective that bridges local wisdom, gender empowerment, and sustainable development, offering a nuanced framework for understanding entrepreneurship in Papua's highland societies.

5. Conclusions

This study argues that Indigenous women's entrepreneurship in the Dani community should not be interpreted merely as an economic response to structural limitations but as a socio-cultural process that reshapes agency, identity, and collective resilience. The findings demonstrate that local wisdom operates not only as a cultural heritage but also as an informal institutional framework that governs economic behavior, social legitimacy, and community trust. By situating entrepreneurship within Indigenous epistemologies, this research challenges dominant development narratives that often separate cultural tradition from economic modernization. Instead, the analysis reveals that women's entrepreneurial practices become meaningful precisely because they remain embedded in relational values, reciprocity, and collective survival strategies.

Theoretically, this study contributes by extending the conversation on women's empowerment beyond market participation toward a socio-technical understanding of Indigenous agency. Existing empowerment models frequently assume linear progress from marginalization to economic independence; however, the Dani women's experience illustrates a more dynamic pathway where empowerment emerges through negotiation with cultural norms rather than their rejection. This perspective introduces a conceptual shift: local wisdom should be viewed as entrepreneurial infrastructure that shapes opportunity recognition, risk management, and social legitimacy. By integrating Indigenous knowledge with gendered economic agency, the study enriches the broader discourse on sustainable development and offers a culturally grounded lens for understanding entrepreneurship in peripheral regions.

From a policy perspective, the findings suggest that empowerment initiatives must move beyond standardized training models toward culturally responsive governance strategies. Programs that acknowledge traditional leadership structures, communal labor systems, and Indigenous ecological knowledge are more likely to generate sustainable outcomes than externally imposed development interventions. Strengthening access to education, digital literacy, and financial inclusion remains essential, yet these initiatives should be implemented through participatory approaches that reinforce, rather than replace, local socio-cultural systems. In this sense, empowerment is reframed not as the transformation of Indigenous women into conventional entrepreneurs, but as the recognition and strengthening of entrepreneurial practices that already exist within their cultural landscape.

Practically, this research highlights the importance of bridging traditional economic activities with emerging market opportunities while preserving cultural authenticity. Supporting women's cooperatives, facilitating culturally sensitive mentorship programs, and developing community-based value chains may enhance economic resilience without undermining social cohesion. The study also underscores the need for collaborative partnerships between local governments, academic institutions, and community organizations to ensure that empowerment initiatives align with Indigenous priorities and lived realities.

Looking forward, future research should explore comparative analyses across different Indigenous groups to examine how varying cultural systems shape entrepreneurial trajectories and gender dynamics. Longitudinal studies may also provide deeper insights into how women's economic roles evolve alongside social transformation

and technological change. Furthermore, integrating participatory action research approaches could strengthen methodological inclusivity and ensure that Indigenous voices remain central in shaping development narratives.

Ultimately, this study positions Indigenous women not as passive beneficiaries of development but as active agents who reinterpret tradition to build economic futures grounded in cultural continuity. By recognizing the interplay between local wisdom, gendered agency, and structural change, the research advances a more nuanced understanding of empowerment—one that values cultural integrity as much as economic progress and reframes development as a process co-created with, rather than imposed upon, Indigenous communities.

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