

INTRODUCTION

The term *social entrepreneur* and the field of “social entrepreneurship” are not universally agreed-upon constructs. In fact, they are complex, contested, and changing, with definitions, methods, and fields of engagement often as unique and varied as the individuals themselves who are innovating in this field.

My own foray into this work began in 1997, the year of the crash of the bhat in Thailand and the start of the Asian economic crisis. During my doctoral work comparing American and Japanese international development assistance, I had become a believer in the power of business in economic development. I did not go so far as to side with the “trade not aid” mantra,¹ but I do believe that business has to be an integral part of any country’s economic development strategy and tool kit. During the Asian economic crisis, Asian companies were facing new challenges that had not heretofore been part of their world. Many Asian companies, weaned within the cozy confines of their home economy, had become regional and begun to face new and important competitive challenges, including the need to compete without the support of their home governments, the realities of differing cultural expectations, and, in 1997, exposure to volatile capital markets and currency fluctuations caused by the crisis. Massive downsizing coupled with the lack of a social safety net in many Asian economies increased the political and social turbulence in the region. It became clear that companies needed to think through not only the specific challenges of responding to the crisis but also the larger question of what the role of the corporation was in society.

In response to this need, I felt it was my role to help them with this conversation and ideally to help provide the tools for them to be engaged corporate citizens. I decided to create the Asia Business Council, a membership organization of primarily Asia-based CEOs, to help them think through what the role of the corporation is in society and what it means to be an Asian firm today. I raised all the start-up capital, built the organization, recruited the members and the staff, put into place programs that had never been part of the Asian landscape, and pioneered a new type of CEO membership organization in the region. It was innovative and bold, and the Council became an important player in the nascent world of business–civil society intermediary organizations of Asia.

In the meantime, the emerging field of social entrepreneurship was continuing to grow and develop. The attributes of a social entrepreneur that I read about, such as the ability to see and seize an opportunity, unwillingness to cede defeat, tenacity, and the ability to reconfigure a strategy when approaching a dead end, were all characteristics that had allowed me to successfully create and build the Council. My family and I moved to Hong Kong in 2003 so I could continue to build up and run the Asia Business Council. When I came back to the United States, it was not immediately clear whether I could become a “serial social entrepreneur” as well as build on my own experiences and skills.

I was thinking about this issue while driving and listening to a program on social entrepreneurs airing on NPR. It featured what seemed to me to be very effective nonprofit founders and managers. What was it that made them “social entrepreneurs”? I decided that if I had these questions, surely others did as well. I conducted a small experiment and randomly asked ten people on University Avenue in Palo Alto what they thought the definition of *social entrepreneurship* was. Seven of them thought it was some kind of business on Facebook. Surely, there was a need for more information! So I approached my dear friend Gloria Duffy, president of the Commonwealth Club, and asked if I could create a series on social entrepreneurship in America. I proposed that the series include leading lights in the field, social entrepreneurs themselves, as well as funders, investors, and academics who are doing much to shape the field. She was enthusiastic, as were the W. K. Kellogg Foundation, the Skoll Foundation, and the Omidyar Network, who generously agreed to provide funding for the series. Each of the chapters in this book began as a talk presented as part of the series on social entrepreneurship. The goal of the series and of the book is to provide an introductory overview of the field

from a range of perspectives within it. Cumulatively, the voices here present important thinking and views on the field of social entrepreneurship, how it is evolving, and the impact it is having on traditional philanthropy and non-profit management.

This book will allow the reader to answer the following questions:

1. What aspects of social entrepreneurship are particularly compelling and inspirational?
2. How has the field of social entrepreneurship evolved, and what are the implications for traditional philanthropy, nonprofit management, and social change?
3. What barriers are being broken down and through these changes providing social good?

What Is Social Entrepreneurship?

To create the series, I first had to investigate what the evolution of thinking on the field has been and what the key questions are in the current discourse. What makes someone a social entrepreneur? What are some of the basic assumptions and agreed-upon definitions? What are the key components? What are some of the major debates currently framing the field?

The term *social entrepreneur* was originally coined by Bill Drayton of Ashoka in the early 1980s to refer to someone with the passion and focus of an entrepreneur who tackles a social challenge. Drayton recognized that many of the same attributes that drive traditional entrepreneurs to create new ventures also drive social entrepreneurs. Himself a great social entrepreneur, Drayton built Ashoka to find and fund the most extraordinary of these men and women around the world.

All over the world, individuals with and without resources are crafting new opportunities and finding new ways to approach age-old dilemmas. Greg Dees, a Duke University professor who has been one of the most important academic voices in the field, wrote the following definition in 2001:

Social entrepreneurs play the role of change agents in the social sector, by:

- Adopting a mission to create and sustain social value (not just private value),
- Recognizing and relentlessly pursuing new opportunities to serve that mission,
- Engaging in a process of continuous innovation, adaptation, and learning,

- Acting boldly without being limited by resources currently in hand, and
- Exhibiting heightened accountability to their constituencies.²

While Dees's definition still holds, there seem to be new characteristics that are coming into play, characteristics that are breaking from traditional philanthropic and charitable organizational behavior. The goal of these new efforts is the same: making the world a better place. The extraordinary passion that these change-makers are bringing to their life's work has also not changed. What have changed are some of the ways in which this work is getting done. Much of the change in the approach has to do with the application of capitalist tools to bring about social change. In many cases, social entrepreneurship has morphed into much more of a market-based discipline.

How does one apply a business model to social change? While few would argue that one cannot take an entirely capitalist model to carry out social good, many in the field look to facets of profit-seeking behavior and traditional business models to explain and develop the field of social entrepreneurship. Jim Fruchterman, CEO of Benetech, put it this way:

Entrepreneurs must understand their market. Just about every social question and issue you may address can be recast into market questions, such as: Who is the customer? What is the value proposition? And who is the competition? Understanding your customers, their environment, and their needs is crucial to any social venture.³

Elkington and Hartigan write in their book *The Power of Unreasonable People* that "the real measure of social entrepreneurship is a direct action that generates a paradigm shift in the way societal need is met."⁴ Within a business context, this is the goal of *creative destruction*, the term rehabilitated by Joseph Schumpeter to mean system change or transformation as a result of an extraordinary innovation.⁵ In Schumpeter's theory, new innovations destroy the need for old, as cars replace horses, computers replace typewriters, and so on.

This notion of an innovation changing the status quo has been embraced to a breathtaking degree by those within Silicon Valley. While social entrepreneurship has captured the imagination of people around the world, nowhere is this more true than in Silicon Valley, where many of the most successful men and women devote extraordinary resources to the continued stimulus and support of the field. As we will see throughout the book, there are significant parallels between the goals of a high-tech entrepreneur and those of a so-

cial entrepreneur. As Daniel Bornstein wrote in his groundbreaking book on Ashoka and the social entrepreneurial movement, “Everywhere you look, conceptual firewalls that once divided the world into social and economic realms are coming down and people are engaging the world with their whole brains.”⁶

Aside from the overarching goal of widespread social change, the transfer of a business mind-set to civil society has brought about strategic and behavioral changes in how individuals and organizations conduct their work. These changes have primarily manifested in three ways: (1) a blurring of the demarcation between for profit and nonprofit activities; (2) an increased emphasis on results and measuring impact; and (3) a focus on scale—how to find successful innovations and cause them to proliferate widely to create the greatest societal change. Throughout this book, these three themes will provide important frameworks within which to look at the field as a whole and how it is changing nonprofit management and strategy.

The first theme, the “nonprofit” versus “for profit” question, and an increased blurring between these two, continues to be a hot topic of debate, as you will read in the various chapters of this book. Nonprofit organizations are still alive and well in the United States. We have a long history of robust civil society organizations, and this continues to gain strength: From 1995 to 2005, the number of nonprofit organizations registered with the IRS grew by 53 percent. However, the traditional definitions of the nonprofit are being challenged. The term *nonprofit organization* implies that the organization, focused on social change and impact, does not make a profit. In the past, this equating of social service work with nonprofit balance sheets was sacrosanct. To do good, common practice and wisdom told us, we could not also do well financially. Now that notion is being turned on its head. Not only do social investors believe that it is possible to do good and do well, but other aspects of an old mind-set are also falling away. Many of these organizations come with skilled and passionate people, innovative funding streams, and new ideas about solutions to our social problems. And many nonprofit organizations are developing profitable income streams to help both their constituencies and the sustainability of their organizations. For example, Juma Ventures, a pioneer in the field of integrating non- and for-profit activities, works holistically with youth at risk by helping them to build job skills, prepare for college, and develop business acumen. Throughout this book, stories of individuals and organizations who blur the distinction between profit and nonprofit will be presented.

The second important theme is an increased focus on and attention to results. Again, this impulse stems from the business world, where measuring results is fairly straightforward. Are we making money? In the world of social change, other measurements need to be put in place. What is success in the nonprofit world? What is the difference between a dreamer and an effective do-gooder? Social entrepreneurs are keenly interested in understanding impact. There is great effort to measure efficacy and to seek means of improvement. The Acumen Fund has created a management system called Pulse that establishes metrics to determine these very things in delivering social good. Room to Read measures every dollar against the number of schools, libraries, books published and distributed, and the time it takes to accomplish each task.

The third spirited discussion taking place within the field of social entrepreneurship is about scale. While there are numerous examples of extraordinary people overcoming obstacles to create and put in place innovative programs, many of these are rather small and confined in scale. How does one take an individual intervention and scale it up to have an impact on larger sets of communities, nations, and even the world? Social equity investors believe that private enterprise must play a role in such a pursuit. Others believe that, within the nonprofit paradigm, scale is achievable.

Who Are the Players?

There are many who are contributing to the shaping of the field and, by doing so, are breaking new ground in the way philanthropy and social change are taking place in the United States and globally. The term *social entrepreneur* can refer to the person who is working directly with the issue or group he or she is seeking to change. It can also be justifiably used to describe the funders who are providing financial support to those on the “front lines.” Funders, such as those at Acumen, Skoll, and Omidyar Foundations, are themselves creating new and innovative means by which to find, finance, and support social entrepreneurship. Historically, it was relatively easy to separate out those creating and running nonprofit organizations from those providing the philanthropic resources they needed. Now, the lines are much blurred with individuals and organizations in several roles. Bill Drayton, for example, was the social entrepreneur who first helped to define and identify the field; he became a funder through Ashoka and is a major thinker on the evolution and future of the field. Still, to the extent possible and with the purpose of coherent organization,

this book is divided into separate roles and functions with the understanding that it is the community at large that is creating the social entrepreneurship phenomenon.

This book brings together a number of the leading thinkers and doers in the field. Representing different perspectives and roles within the field, their combination of views and experience will offer a wide-ranging picture of the field as it is today and the collective vision of those driving it forward.

At the conclusion of each section, we have included a round robin among those whose talks are part of that section. The round robin format allows the reader to hear, in the speakers' voices, their answers to a number of the most compelling questions and issues in the field.

ENTREPRENEURS

The first group we are going to highlight within the field of social entrepreneurship is those working on the front lines of social change. These are the most important players in this field. Others can analyze them, fund them, advise them, but without the entrepreneurs, there would be no movement.

As Greg Dees has pointed out, "Social entrepreneurs are reformers and revolutionaries . . . but with a social mission . . . Where others see problems, social entrepreneurs see opportunity."⁷ Social entrepreneurs are "can-do" people who are not stymied but are, in fact, invigorated by the knowledge that no one has confronted a particular challenge in exactly the same way that they plan to confront it. For this group, the idea of "starting something" can be exhilarating and motivational.

Social entrepreneurs believe that they have a new idea, product, or process that can benefit a community or a segment of a community in important ways. Social entrepreneurs are often using market tools to make the world a better place. Like for-profit entrepreneurs, they must find a market for their product, new capital to get it going, and ongoing funding or a revenue stream to ensure sustainability.

It was important to identify representative as well as inspirational social entrepreneurs so as to showcase the abundance of issues that are being addressed in innovative ways. The good news is that there are numerous extraordinary people in the United States and around the world doing innovative work. The challenge is that there are so many people to choose from. In the following descriptions, I explain why each of these social entrepreneurs was asked to be part of this effort.

Premal Shah President, Kiva

What bummed me out was that microfinance is such a great tool to alleviate poverty and that there is a shortage of capital—but that there is no way for the average guy in the U.S. to invest in microfinance.⁸

Kiva is the world's first person-to-person microlending website, empowering individuals to lend directly to unique entrepreneurs around the globe. Premal Shah and his colleague Matt Flannery are considered the most successful social entrepreneurs for those in their twenties entering the world of social change. Kiva combines technology with social issues in a way that allows mass participation in facilitating solutions. It allows grassroots support for the financing of social alleviation projects and has generated extraordinary excitement and more than \$100 million in small online loans that are reimbursed if the donor requests such an outcome.

Shah and Kiva are considered poster children for the field of social entrepreneurship. While Shah joined Matt Flannery and Jessica Jackley after they had been working on Kiva for one year, Shah brings a remarkable sincerity and marvel to his work and the process that he and colleagues embarked on to create Kiva. Kiva's combination of technology and social good epitomizes the belief shared by many in Silicon Valley that there are technological solutions to a number of today's challenges.

Conchy Bretos Founder and CEO, Mia Consulting Group

In this nation, we equate success with profit. We wanted to be profitable while also doing something that was right and giving back to the community.⁹

While working as Florida's Secretary for Aging and Adult Services, Conchy Bretos learned of the difficulties that force older people to leave their homes and move into nursing homes for lack of proper care. In response, she started the Mia Consulting Group, a business that advises governments as well as private housing developers on how to bring assisted living services cost effectively to low-income housing communities so that older people can be cared for in their own homes. Bretos presents an excellent example of someone who saw a very present and real social need in her immediate surroundings and innovated in response.

In addition to being named an Ashoka Fellow, Bretos was one of the first recipients of the Purpose Prize, an award for social entrepreneurs who are doing this work as a second career. Bretos's work showcases a number of

important characteristics—it's profitable and works with government while addressing an all-too-often overlooked constituency—lower-income elderly. Bretos's organization has found a profitable means to address a complicated and at times seemingly intractable problem of housing for low-income elderly.

Mary Houghton President, ShoreBank

We had a high-volume deposit business that was hard to manage because it wasn't very profitable—figuring out the right model was one of our very biggest hurdles. At the same time we used an enormous amount of trial and error to find the market niches on the lending side that would help to rebuild the neighborhood.¹⁰

ShoreBank is the first community development bank in the United States. Starting on the south side of Chicago in 1973, ShoreBank has expanded to localities around the United States and in emerging markets. Mary Houghton is included in this volume because she was a leader in using private-sector mechanisms to bring about social change before the term *social entrepreneur* was coined. ShoreBank was founded with the goal of using banking resources to revitalize the South Side of Chicago. Houghton provides a longitudinal view of the field, as well as numerous experiences, in her ongoing effort to change banking paradigms.

Louise Packard Executive Director, Trinity Boston Foundation

I am a very different person because I do this work. The set of relationships that I have built and that my organization is building across color and class and faith lines in this city changes the fabric of the city even as we change the individual trajectories of the lives of our program participants. Getting black churches and white churches and synagogues and mosques to work together for their mutual benefit is an extremely powerful tool.¹¹

The Trinity Boston Foundation is a part of the Trinity Episcopal Church and is the first foundation of its kind within the Episcopalian community. Initially formed as outreach ministries of Trinity Church, it has become the Trinity Boston Foundation, which works with other faith-based organizations in the Boston area to reach out to at-risk youth and struggling populations in low-income areas. Louise Packard's perspective provides an important contribution because she works with a constituency that is traditionally excluded from the conversation—faith-based social delivery programs. Additionally, her work showcases how innovation can take place within faith-based organizations with impressive

results. More Americans participate in church-related philanthropy than any other kind of giving. Including this perspective widens the scope and the reach of the book to important and large parts of American society.

FUNDERS AND INVESTORS

The funders of social entrepreneurs are a unique and pro-active group. To an extraordinary degree, they are driving the field forward. In many cases, the funders are also social entrepreneurs. Many funders have created new types of organizations and mechanisms to get funding to social entrepreneurs operating in the field.

As already discussed, social entrepreneurship often blurs the traditional demarcations between for-profit and nonprofit. Social equity investors are the personification of this gray area. One could argue that they are the most optimistic of all the groups, as they envision and act on two goals rather than one—social change and income generation. Investors differ from funders because they seek a clear return on their investments.

The contributors in this section are committed to wide-scale, transformative change but are not all following the same path to achieve that outcome. This section will provide a view into a debate that will affect the future of the field.

Each of these contributors has been asked to talk about his or her vision and how he or she believes it is reshaping the world of philanthropy. What have been the major roadblocks, and why does each feel that this field is “taking off” as it is now? What would these contributors define as success, and how close do they feel they are to reaching this? What are the criteria they use when identifying and supporting social entrepreneurship?

Investors have been asked to explain how their work complements other funding sources. What are the processes that they employ to find and fund worthy projects, that is, businesses that supply a social good? Do they see increased need in this area and, if so, why? For example, Root Capital often funds businesses that work in partnership with for-profit organizations such as Starbucks and Fair Trade Coffee. What is the learning curve for these types of alliances, and what are their inherent challenges?

Sally Osberg CEO, Skoll Foundation

Social entrepreneurs look for opportunities to create social value, uncover the best approaches for realizing those opportunities, and build social “capital.” That capital we can pass on as an inheritance rather than a debt to the next generation.¹²

Jeff Skoll created the Skoll Foundation in 1999 after leaving eBay, the company that he founded with Pierre Omidyar. The Skoll Foundation's mission is to drive large-scale change by investing in, connecting, and celebrating social entrepreneurs and other innovators dedicated to solving the world's most pressing problems. The Skoll Foundation has also funded the creation of the Skoll Centre for Social Entrepreneurship at Oxford University. The Skoll Centre is providing academic leadership to understanding, documenting, and promoting the field as a whole. Sally Osberg is Jeff's partner in crafting and carrying out their vision of social entrepreneurship and putting into place a global architecture to support and strengthen the movement.

Matt Bannick **Managing Partner, Omidyar Network**

Imagine what's possible if entrepreneurship flourishes worldwide. Omidyar Network (ON) aims to create opportunity for entrepreneurs to succeed. When they do, so do their families and communities. People living in poverty are often ignored by mainstream businesses. ON prioritizes our support for entrepreneurs providing services and products that can improve quality of life for those most in need.¹³

Omidyar Network was started by Pierre Omidyar, founder of eBay, based on the idea that individuals have the power to make an important difference. The Omidyar Network funds both nonprofit and profitable ventures, as well as several hybrids. Matt Bannick is the managing partner at the Omidyar Network. With a background in consulting and as one of the most senior managers at eBay, Bannick is well positioned to use grant, loan, and hybrid mechanisms to bring about widespread social change. Bannick and the Omidyar Network are included in the series as they are on the cutting edge of hybrid tools and strategies.

William Foote **Founder, Root Capital**

We help harness the existing entrepreneurial energy in isolated rural communities, enabling conservation and encouraging socially responsible business practices.¹⁴

Willy Foote is the Founder and CEO of Root Capital since its inception in 1999. Root Capital has provided more than \$120 million in credit to 235 grassroots enterprises in thirty countries in Latin America and Africa, with a 99 percent repayment rate from their borrowers and a 100 percent repayment rate to investors. One of their trademark investment strategies is to finance agricultural cooperatives. They work closely with Starbucks and coffee cooperatives around the world. Foote was an early adapter and promulgator of social investment and remains an excellent example of using markets to bring about social change.

Jacqueline Novogratz Founder and CEO, Acumen Fund

It has been an amazing eight-year journey; and yet, in some ways, we're just getting started. There is a lot of work to do, and we're ready to take on the challenges. We are looking for new and creative ways to raise funds in this difficult economic environment. We are considering questions of talent: more than 600 individuals from top business schools applied for our 10 summer internship spots, and how the world uses this resource is a question we take seriously. We are working on strengthening our performance management as well as bringing our insights from the work in order to influence others more directly.¹⁵

By creating Acumen Fund in 2001, Jacqueline Novogratz became a trailblazer in the notion that business can be an effective means to bring about social good. Acumen is a global philanthropic venture capital fund that seeks to prove that small amounts of philanthropic capital, combined with business skills, can build thriving enterprises that serve vast numbers of poor people in developing economies. It now has twenty-six investments in a number of developing countries in South Asia and Africa. Novogratz's thoughts on sustainable businesses in the developing world have helped to shape the field of social investment.

THINKERS

The next section includes those who are changing traditionally held ideas about social entrepreneurship so as to push the field forward. As this field is new, contributions are constantly being made to define it, expand it, and explain it. The thinkers are promulgating groundbreaking ideas that shatter conventional wisdom.

Speakers in this section have been asked to comment on the genesis of their thinking, their arguments as to why it is critical to explore new paradigms, and the resistance they have encountered as they have explained their ideas.

**Christopher Gergen Founder and CEO, Forward Ventures;
Lecturer, Duke University**

Being an entrepreneur is about proving, again and again, that the impossible is—somehow, someway—possible, plausible, doable. Entrepreneurs find a way to make things work, no matter the obstacles. That's a great lesson for us all, especially now.¹⁶

Christopher Gergen is a visiting professor at Hart Leadership Program at Duke University. He is also the Founding Executive Director of Bull City Forward, which seeks to establish Durham, North Carolina, as a national model of economic development through social innovation and entrepreneurship. The cen-

terpiece of this effort is a downtown social innovation campus enabling local entrepreneurs to create world-changing solutions. Gergen is included here because of his dual roles of working within an academic setting in promoting social entrepreneurship education and as a practitioner endeavoring to take the ideas he is teaching and roll them out in a community-wide strategy.

Jed Emerson Principal, Blended Value

The thing that is striking is what we are really witnessing, I think, is the coming together of different schools. You got folks who are historically in the non-profit sector who are increasingly taking business acumen, skills, and frameworks and applying them toward community ends. You are also seeing a whole set of people who are thinking about value creation in for-profit areas as well.¹⁷

Jed Emerson began his career leading the Roberts Enterprise Development Fund and was one of the pioneers in the social capital world. He coined the term *blended value* and is recognized as an international leader in the fields of strategic philanthropy, social entrepreneurship, and blended value investing. His work on alternative investing, nonprofit capital markets, foundation strategy, social return on investment frameworks, social purpose business development, and other areas of practice has been viewed as significant in terms of its broad contribution to the field and efforts to support others engaged in the community application of business skills.

Kriss Deiglmeier Executive Director, Stanford Center for Social Innovation

When I arrived at the Stanford Center for Social Innovation in late 2004, it was a dynamic but unsettling time. While the Center had a lot of excited support, there was also a good deal of confusion over exactly what it was set up to do. Social innovation at the time wasn't a widely accepted construct. To many, the term meant "nonprofit management," to others it meant "social entrepreneurship," and to still others it had to do with "more effective philanthropy." So we set forth a definition of social innovation and a new mission and strategy—and this is key—all clearly grounded in dissolving boundaries and brokering a dialogue between the public, private, and nonprofit sectors.¹⁸

Kriss Deiglmeier is the Executive Director of the Center for Social Innovation (CSI) at the Stanford Graduate School of Business. She has more than twenty years of management experience spanning the business, social enterprise, nonprofit, and philanthropic sectors. On joining CSI in 2004, Deiglmeier embarked

on a strategic planning process that set forth a new mission and strategy focused on breaking down sector boundaries. CSI focuses on understanding and developing expertise on cross-sector solutions and reaches outside the usual silos of the nonprofit, business, and government worlds to educate and connect the best people, organizations, and ideas. Deiglmeier has been at the forefront of understanding the phenomena of social entrepreneurship and social innovation and the ways in which these ideas can best be strengthened and put into practice.

CHAMPIONS

Our last category of contributors I am calling “champions.” Muhammad Yunus and Bill Drayton started off as social entrepreneurs themselves, one in microfinance and the other in creating an institution that finds and supports other social entrepreneurs, but they have moved far beyond their original focus and have succeeded in that elusive goal—scale, and scale beyond imagination. Yunus and Drayton have changed forever our view of the world and the ability on many levels and in many ways of seizing one’s destiny.

Bill Drayton Founder and Chairman, Ashoka

What is the most powerful force in the world? And I think you would agree that is a big idea if it is in the hands of an entrepreneur who is actually going to make the idea not only happen, but spread all across society. And we understand that in business but we have need for entrepreneurship just as much in education, human rights, health, and the environment as we do in hotels and steel.¹⁹

Bill Drayton is the Founder of Ashoka, the first organization committed to finding and supporting social entrepreneurs. Bill Drayton is often considered the founder of the social entrepreneurship movement. With the creation of Ashoka: Innovators for the Public in 1981, Drayton put forward the notion that the individual person driving the change is worth supporting rather than the organization itself.

Mohammad Yunus Founder, Grameen Bank and Grameen America

Grameen has given me an unshakeable faith in human creativity and the firm belief that human beings are not born to suffer the misery of hunger and poverty. Poverty is an artificial, external imposition on a person. And since it is external, it can be removed.²⁰

Mohammad Yunus is a Bangladeshi banker and economist. He previously was a professor of economics, where he developed the concept of microcredit, through which loans are given to entrepreneurs too poor to qualify for tradi-

tional bank loans. Yunus is also the founder of Grameen Bank. In 2006, Yunus and the bank were jointly awarded the Nobel Peace Prize “for their efforts to create economic and social development from below.” He is the author of several books on social banking and a founding board member of Grameen America and Grameen Foundation.

The Lay of the Land

Through reading through the chapters of these contributors, we will begin to see what makes the field of social entrepreneurship dynamic, vibrant, and incredibly important. Social entrepreneurs are tackling some of the world’s most pressing social problems. They are the real problem solvers!

Notes

1. The term “trade not aid” was originally used by the U.N. Conference on Trade and Development as a slogan for their initiative to promote fair trade with developing nations. Since that time, the term has taken on a larger meaning critiquing international development assistance as a useful tool in economic development in favor of increased trade and private sector growth.
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6. David Bornstein, *How to Change the World: Social Entrepreneurs and the Power of New Ideas* (Oxford, UK: Oxford University Press, 2007), p. x.
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9. Marci Albohar, “A Social Solution, without Going the Nonprofit Route” *New York Times*, March 5, 2009, B5.
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16. HBR Blog Network. "Fending off the Recession with 'Adaptive Persistence'"; retrieved on October 5, 2009, from <http://blogs.hbr.org/gergen-vanourek/2009/04/fending-off-the-recession-with.html>.
17. Jed Emerson in speech at the Commonwealth Club of California, San Francisco, CA, February 23, 2011.
18. "Social Innovation: Off, Running . . . and Still Catching Up"; retrieved on October 10, 2009, from <http://csi.gsb.stanford.edu/social-innovation-off-and-running-and-still-catching-up>.
19. "Stream of Consciousness: A Quote by Bill Drayton on Ideas, Social Entrepreneurship, Entrepreneurship, and Conscious Capitalism"; retrieved on October 15, 2009, from <http://blog.gaiam.com/quotes/authors/bill-drayton>.
20. Muhammad Yunus, *Building Social Business* (New York: Public Affairs Press, 2010), p. xiii.