### THE GLOBALIZATION OF SOCIAL ENTREPRENEURSHIP

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#### **ABSTRACT**

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This thesis will be an investigation of the socio-cultural factors impacting social entrepreneurship, specifically in Central America and Africa. It will examine how national cultures shape beliefs about social issues, and how beliefs about the scale of these issues drive social entrepreneurial activities. My thesis seeks to address the main question of how the cultural and structural systems instituted with a place (city, state, country) contribute to the emergence of social entrepreneurship and how social entrepreneurship is used for innovation and development work. My supplemental research questions will ask what ways social enterprises promote issues, navigate barriers, and facilitate norms and policies within a given region. As a subset of this question I will ask "what are some intersectional critiques of global social enterprise work?"

I will primarily examine secondary texts from scholars and social entrepreneurs that have asked similar questions and documented the landscape and global spread of social entrepreneurship. I will take an intersectional approach to selecting articles in order to accurately depict the benefits and critiques of the Globalization of Social Entrepreneurship. The identities I will focus on are gender, class, and ethnicity. I will also interpret existing research in light of my specific question and analyze what that might mean for existing conclusions as well as how it might lead to new conclusions on the potential risks and benefits associated with the increasing pervasiveness of social enterprise globally, particularly as it pertains to development work. To supplement my research findings on the social entrepreneurship landscape, I will also present and analyze interviews conducted with female social entrepreneurs from the U.S., Africa, and Central America. This will contribute first person perspectives to the literature. The interviewees are with two women from Ipoti, Nigeria and Panamá City, Panama. Highlighting these stories will help us better understand the phenomenon of the globalization of social entrepreneurship, dismantle the single story of women in social entrepreneurship, and examine how the phenomenon impacts real people in the world around us today.

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## Chapter 1: Introduction

The story of how social enterprise transformed my family begins with my grandmother, Felicia Awe, the strongest woman I know and my biggest inspiration in life. Growing up she had no formal education and nothing to her name. However, through sheer willpower and ingenuity, she began her own business in Nigeria selling the crops that were produced in her small agricultural village to people coming to visit from large cities. She acted as a sort of "middle-woman" as she facilitated one of the first systems of organized commerce in that region at the time. The education of her children was her primary motivation to become the self-made woman she is today. She was willing to do whatever it took to pay for her children's school and her insistence on education changed the -trajectory of our whole family. It is because of my grandmother's sacrifice that I understand enterprise as much more than a tool of capitalism that may be used to make the rich richer. I understand it as a disrupting force that the most underserved communities can use to create a brighter future for themselves and their families.

My thesis is an investigation of social entrepreneurship. I explore how sociocultural factors impact the emergence and success of social enterprises globally. In my research, I specifically focus on Central America, West Africa. Through interviews with local social enterprises in Ipoti, Nigeria and Panama City Panama, I examine how national cultures shape beliefs about social issues and how beliefs about the scale of these issues drive social entrepreneurial activities. My thesis seeks to address the main question of how the cultural and structural systems instituted with a place (city, state, country) contribute to the emergence of social entrepreneurship? This study uncovers the ways in which social enterprises promote awareness of issues, navigate barriers, and facilitate norms and policies within a given region. It also highlights the sociocultural factors that predict success in social enterprises.

I focused on one social enterprise from each region and framed them within the context of the country, and city as a whole. In addition to the case based, city-specific comparative analysis, I utilized secondary texts from scholars and social entrepreneurs that have asked similar questions and documented the landscape and global spread of social entrepreneurship. I interpret this existing research in light of my specific question and analyze what the findings from the interviews might mean for existing conclusions as well as how it might lead to new conclusions on the potential risks and benefits associated with the increasing pervasiveness of social enterprise globally.

Through the findings in the personal interviews and analysis of existing literature, we come to understand that social entrepreneurship is a powerful tool that is evolving to meet the needs of a global population. However, even more than a tool, social entrepreneurship has become a movement. Although the phenomenon has often been misused by well-intentioned development organizations, in its most ideal conception, social entrepreneurship is the idea that if we are really going to make any headway towards eradicating the vicious cycle of poverty and injustice, we must implement sustainable processes that equip those in need with the tools to generate a stable source of income and build wealth that will help them, their families, and their communities in the long term.

Social entrepreneurship resonates with me so deeply because it is the only reason that I, an immigrant just one generation removed from illiterate grandparents who had no formal education whatsoever, can produce scholarly-relevant work at my academic institution. Through this thesis we find that social entrepreneurship can empower even the most disadvantaged members of society to have autonomy over their own welfare. It is a way to facilitate the

exchange of ideas and resources in a manner that puts one of the solutions to the world's greatest problems in the hands of the people who are most in need of it

Although most people can agree that the sustainability and stability provided by social entrepreneurship are valuable in practice, it is also important to note that social entrepreneurship is only one part of a complex network of social impact practices that will be necessary to solve the most pressing problems the world faces today. It is a significant piece of the toolkit we can use to create the world we want to live in.

#### Why should you care?

The Globalization of social entrepreneurship is an important topic because in order to address existing social problems in an increasingly interdependent world, it is necessary to utilize sustainable methods of development rather than simply passing out aid and charity. Shifts in demographics, rapid liberalization of international economies, and corporate, government, and institutional failures, have created the most fertile environment for social change in history.\(^1\)

Social entrepreneurship has emerged in the last twenty-five years as an innovative means of taking the tools of capitalism, which created many of the social and environmental challenges that we're seeing today, and turning them on their head. It is a framework for using entrepreneurial strategies to empower the most underserved and poverty-stricken populations to implement sustainable, mission driven interventions that get to the root of these social issues rather than simply alleviating the symptoms. At the same time, social issues which have plagued the world for centuries are persisting and, in some cases, worsening, social consciousness is at

 $<sup>^1</sup>$ Gonzalez, Marvin. "Global Trends." *Trends Transforming the Global Landscape*, www.dni.gov/index.php/global-trends/trends-transforming-the-global-landscape.

an all-time high. Advances in technology have enabled individuals to not only increase their awareness of these issues but, it has also empowered them to utilize resources and rally concerned people from all over the world towards solution-oriented action.

At this moment in history incentives for positive social change and economic benefit are extremely well aligned. Due to the advent of the technological era, generations are more socially aware than ever before.<sup>2</sup> As millennials and generation Z form the new consumer base, there is mounting social pressure for companies to care about much more than profits and actively give back to important causes. From educating girls to stopping climate change, huge numbers of corporations, governments, and individuals are moving in the direction of social impact.

However, massive economic disparities still persist both across nations and within individual nations. The global diffusion of knowledge and resources will be increasingly necessary to tackle the largest social issues facing our society including poverty, health disparities, educational inequity, and climate change. Social entrepreneurship is growing as a practical, sustainable tool for social change.

Although social entrepreneurship scholarship is primarily coming out of western countries, a lot of the implementation of these social enterprises happens in the developing world as individuals create local social enterprises in their communities and international players establish social enterprises in developing nations.

<sup>2</sup>"True Gen': Generation Z and Its Implications for Companies." *McKinsey & Company*, www.mckinsey.com/industries/consumer-packaged-goods/our-insights/true-gen-generation-z-and-its-

implications-for-companies.

I believe it is important to examine the differences between social enterprises in the global North and the global South as well as the sociocultural factors that predict success in these organizations. There's no way to stop the globalization of social entrepreneurship, however, if care is not taken, many of these enterprises may fail before they really get off the ground or they may succeed only to bring about more of the economic disparities that they were trying to solve. A solid understanding of the factors that help social enterprises develop and succeed globally will provide insight into the existence of these sociocultural barriers to impact. It will equip future social entrepreneurs to anticipate and understand these issues in order to better navigate the social entrepreneurship world and mitigate unintended harm.

#### **Contextual Framework**

It is no secret that poverty is a persistent and pervasive issue all over the world; the statistics are clear. Currently, 10 percent of the world's population, 736 million people, live in extreme poverty, surviving on less than \$1.90 a day.<sup>3</sup> This extreme poverty rate has fallen dramatically in the last 25 years from 36% in 1990. Despite the work that is being done to remedy this issue, global wealth disparity persists because although birthrates are falling, the developing world will likely be home to most of the world's population in the next 30 years. For decades, centuries even, the story of people in poverty had been based on the idea that they are inherently incapable of pulling themselves out of their economic situation and that they'd be bound by the despair of their financial status in life unless an outside charitable organization could come in and provide them with the aid, education, and resources to overcome the crushing cycle of poverty. Although, this is a noble and necessary cause, often times, well intentioned

<sup>&</sup>lt;sup>3</sup> "Piecing Together the Poverty Puzzle." 2018, doi:10.1596/978-1-4648-1330-6.

assistance doesn't address the root cause of the problem, rather it places a band-aid of optimism over the gaping wound that is the chronic, systematic, disenfranchisement of millions of people in both the developed and developing world who are trapped in a cycle of hopelessness and poverty. There have been several improvements and discoveries in the field of social impact and international aid over the last hundred or so years. A field which has emerged and really revolutionized the way we think about people in poverty and the ways individuals and organizations can help them is that of social entrepreneurship.

#### **Definitions**

Before it was formalized as a field of study, Social Entrepreneurship had been practiced, in various forms, for hundreds of years. However, it is only in the past 20 years, 2000 to 2020 that it has emerged and a stand-alone field of scholarship<sup>4</sup>. Because the field of research is in its relative infancy, a clear consensus on definitions and constructs does not exist yet. This lack of cohesion does not signal lesser significance for the term or the field. Instead it reveals the complex, multifaceted nature of its impact on society.<sup>5</sup> For example, scholar Filipe M. Santos notes that "Social entrepreneurship has profound implications in the economic system: creating new industries, validating new business models, and allocating resources to neglected societal problems" other researchers have emphasized the variety of contributions SE has made by

<sup>&</sup>lt;sup>4</sup>Carter, Edited By Sara, and Dylan Jones-Evans. "Enterprise and Small Business: Principles, Practice and Policy (2nd Ed.)." *Strategic Direction*, vol. 25, no. 5, 2009, doi:10.1108/sd.2009.05625eae.001.

<sup>&</sup>lt;sup>5</sup>Carter, Edited By Sara, and Dylan Jones-Evans. "Enterprise and Small Business: Principles, Practice and Policy (2nd Ed.)." *Strategic Direction*, vol. 25, no. 5, 2009, doi:10.1108/sd.2009.05625eae.001.

<sup>&</sup>lt;sup>6</sup> Santos, Filipe M. "A Positive Theory of Social Entrepreneurship." *SSRN Electronic Journal*, 2010, doi:10.2139/ssrn.1553072.

adapting business models to advance social wealth. Still others note its ability to serve as a vehicle for innovation and job creation.

Gregory Dees, a pioneer in developing social entrepreneurship as an academic field of study describes social entrepreneurship as a process that "combines the passion of a social mission with an image of business-like discipline, innovation, and determination." Simply put, social entrepreneurs are entrepreneurs with a social mission. That mission is central and well defined, so it impacts how social entrepreneurs perceive and assess opportunities. The addition of social entrepreneurship causes the individual or institution to look at opportunities through an impact driven lens. Therefore, wealth is simply a means to a social end. However, this view is often incongruous with the way economic markets work. Markets measure value based on wealth creation because the success of a traditional enterprise is dependent on its ability to convince enough customers to pay a high enough price that the business can generate more money than it spent to produce the product. Clearly, markets do not work as well for social entrepreneurs because they aren't able to reliably value social improvement, public goods and harms, and the benefits of the people who can't afford to pay. These things are essential to social enterprises and they are what make social entrepreneurship distinct from traditional entrepreneurship. However, it is inherently difficult to measure social impact, and when they can be measured, it is difficult

<sup>&</sup>lt;sup>7</sup> Zahra, Shaker A., et al. "A Typology of Social Entrepreneurs: Motives, Search Processes and Ethical Challenges." *Journal of Business Venturing*, vol. 24, no. 5, 2009, pp. 519–532., doi:10.1016/j.jbusvent.2008.04.007.

<sup>&</sup>lt;sup>8</sup> Wolk, A. M. (2007). Social Entrepreneurship & Government. *A New Breed of Entrepreneurs Developing Solutions to Social Problems. Cambridge, MA: Root Cause.* 

 $<sup>^9</sup>$  Dees, J. G. (2018). The Meaning of Social Entrepreneurship 1 , 2. Case Studies in Social Entrepreneurship and Sustainability, 22-30. doi:10.4324/9781351278560-5

to attribute it to a specific intervention. <sup>10</sup> The definition of social entrepreneurship accounts for these challenges. On a theoretical level, Schumpeter posits that social entrepreneurship includes three factors:

- (1) Identifying a stable but inherently unjust equilibrium that causes the exclusion marginalization or suffering of a segment of humanity that lacks the financial means or political clout to achieve any transformative benefit on its own
- (2) Identifying an opportunity in this unjust equilibrium, developing a social value proposition and bringing to bear inspiration, creativity, direct action, courage, and fortitude in order to challenge the stable states hegemony
- (3) Forging a new stable equilibrium that releases trapped potential or alleviates the suffering of the targeted group, and through imitation and the creation of stable ecosystem around the new ecosystem ensuring a better future for the targeted group or society at large<sup>11</sup>

A more idealized definition of social entrepreneurship is given by Dr. Dees. According to him, social entrepreneurs act as change agents in the world by:

- adopting a mission to create and sustain social value,
- recognizing and relentlessly pursuing new opportunities to serve that mission,

 $<sup>^{10}</sup>$  Dees, J. G. (2018). The Meaning of Social Entrepreneurship 1 , 2. Case Studies in Social Entrepreneurship and Sustainability, 22-30. doi:10.4324/9781351278560-5

<sup>&</sup>lt;sup>11</sup> Martin, R. L., Osberg, S., Martin, R. L., Martin, Joseph L. Rotman School of Management, University of Toronto, . . . Skoll Foundation. (n.d.). Social Entrepreneurship: The Case for Definition (SSIR).

- engaging in a process of continuous innovation, adaptation, and learning,
- acting boldly without being limited by resources currently at hand
- exhibiting a heightened sense of accountability to the constituencies and for the outcomes created.<sup>12</sup>

Although this definition is aspirational, different leaders in the social sector will exemplify these characteristics to different degrees. The closer an individual or institution comes to satisfying these characteristics, the more they will fit into the model of a social entrepreneur. The definition of social entrepreneurship that my thesis will rely on is a combination of the very Schumpterian, industry disrupting theory and Dees' broader, more idealized conception of it. Even though this definition of Social Entrepreneurship might not always lead to organizations that revolutionize entire industries. It allows for those organizations that are sustainable, mission driven and innovative.

### Methodology

For my research, I will conduct document analysis. I will look at secondary texts from scholars and social entrepreneurs that have asked similar questions and documented the landscape and global spread of social entrepreneurship. As I am collecting information from scholarly articles and large credible surveys, it is also very important for me to collect current information about the cultural landscapes and issues in Panama, Nigeria, and the US from sources that speak to local issues and individual experiences. Therefore, I will utilize relevant

 $<sup>^{12}</sup>$  Dees, J. G. (2018). The Meaning of Social Entrepreneurship 1 , 2. Case Studies in Social Entrepreneurship and Sustainability, 22-30. doi:10.4324/9781351278560-5

documents such as newspaper articles, webpages, and policy reports. These sources will more directly speak to the social, economic, political and cultural influences at play in the cities and larger nations that my case study will focus on. My goal is that these documents will expand on the findings across all sources of data that I use in order to guard against bias.

When sampling documents, I will be systematic about keeping records of the decisions made regarding the databases and journals I searched, methods and keywords I used and the results that were returned. Because the term "social entrepreneurship" has such varying definitions, both in the US and globally it is important to vary search terms in order to capture those organizations that technically meet the definition of social entrepreneurship but do not refer to themselves as such. I will also aim to use a broad and diverse set of documents to ensure representativeness and authenticity.

I will also do a case based, city-specific comparative analysis in which I will highlight personal stories of social entrepreneurs from two regions of the world. One social enterprise will be examined from each region and framed within the context of the country as a whole. The study will examine Panama City, Panama and Ipoti, Nigeria. I will conduct both primary and secondary analysis of the cultural frameworks of the cities before I talk to social enterprises within them so that I can put the information I gather into context. The interviews will take place with relevant stakeholders from these organizations such as the founders, directors, or staff members. Each interview will be recorded and transcribed with the interviewees consent so that the information collected can remain as accurate as possible. The social enterprises that I will be interviewing in Panama City, YMCA, Haven Connect, and the Ipoti Beanselleres Association.

These are organizations that broadly align with the definition of social enterpreneurship as laid

out in previously. Other researchers including my thesis advisor will review my findings to ensure the consistency and reliability of my interviews.

I would also like to interpret existing research in light of my specific question and analyze how my data might lead to new conclusions on the potential risks and benefits associated with the increasing pervasiveness of social enterprise globally.

## Chapter 2: Background on Social Entrepreneurship and Globalization

#### **Social Entrepreneurship: A Quick View of the Basics**

Traditionally, democratic societies operate within a three-sector split of government, non-profit organizations, and for-profit businesses. Culturally, this worked out because businesses kept the economy running, the government established welfare, law, and order, and the nonprofits worked to help all the individuals who found themselves disadvantaged by the systematic flaws in the system. However, within the context of the economic crisis and unemployment in the 1980s, there were growing concerns about the ability of welfare states to meet new societal needs as the world's population skyrocketed and wealth disparities grew more than ever. Most countries are confined by economic constraints that force leaders to find new ways for the public and private sectors to collaborate.

It is important to note that organizations that combine business strategies with a social mission have existed for centuries. For example, Florence Nightingale, the founder of the first nursing school in 1860 and developed the field of modern nursing. The term social entrepreneur and social entrepreneurship were first found in management literature in the 1960's and 1970's. The terms received widespread acknowledgement in the 1980's when Bill Dreyton identified this process as a version of entrepreneurship with the goal of finding innovative solutions to social issues. He founded the Ashoka Foundation and coined the term social entrepreneurship.

In the past 20 years, our society has faced global challenges which we are more intimately aware of than ever before. These problems include extreme inequality, social exclusion ,organized crime and climate change. Although the life expectancy and quality of life all over the world has been increased by policies that provide technology, education, and policy

reduction, there is still a significant amount of the global population where these traditional actions are failing to resolve ever complex modern issues. Despite the massive amounts of money and human labor that has been invested in both altruistic philanthropy and economic development, these traditional efforts have been proven to be largely unsuccessful. If philanthropy, public policy, and corporate social responsibility were enough to actually make a dent in these issues, then we would have seen global transformations long ago.

While regulation and public policy are still necessary to address some of the most pressing issues of our day, they do not have the flexibility to tackle the challenges that spring up as the negative externalities of economic activity come to bear. This is especially true considering the fact that public policy always seems to be a few steps behind the realities of the developing world. In coming to terms with this complex reality, new strategies have emerged to supplement traditional solutions to these social issues. Very plainly, "Social Entrepreneurship (SE) seeks to combine the passion of a social mission with the discipline, mindset, tools, processes, techniques, focus on growth, and determination of the business world.

One thing that truly characterizes social entrepreneurship is the idea of "engaged scholarship"<sup>13</sup>. Social entrepreneurship, at its core, lies at the intersection of outreach, service, and research. These areas are focused in the direction of social impact. Although this has given to a much more inclusive literature than is found around other business fields, many would argue that it has prevented social entrepreneurship from gaining the sort of educational legitimacy that it needs to move forward. The remarkable inclusivity shown in the field likely contributes to the

<sup>&</sup>lt;sup>13</sup> Welsh, D. H., & Krueger, N. (2012). The evolution of social entrepreneurship: What have we learned? *Journal of Technology Management in China, 7*(3), 270-290. doi:10.1108/17468771311325176

lack of consensus around how social entrepreneurship is taught and disseminated both in scholarly circles and in practical implementation.

# The Developmental Trajectory of Entrepreneurship to Social Entrepreneurship

The words we use to discuss societally relevant concepts are significant. Before we can really understand social entrepreneurship as it exists today, we must look back at the development of traditional entrepreneurship. It has taken hundreds of years for the term "entrepreneurship" to permeate the global culture and become as relevant to the social zeitgeist of our times as it is today. It's largely positive connotations have been carefully crafted over centuries. However, the term "social entrepreneurship" was only coined recently in the 1980's. By the 1990's the acceptance of the term outside of academic circles began to accelerate however, it is important to analyze whether the field of social entrepreneurship is growing or just getting bigger? In other words, is there forward movement in towards the advancement of the field or are there simply more and more tangentially related ideas being co-opted under the umbrella of "social entrepreneurship?

One of the most influential essays that emerged in the early studies of Entrepreneurship is the 1971 article by Peter Kirby titled, *Hunting the Heffalump*. In it, Kirby draws on a particularly insightful episode of Winnie the Pooh when Pooh and his friends embark on a search for the legendary Heffalump. As they trekked through the woods, they began to notice suspicious footprints that grew larger and larger. They took this as clear evidence that they were hot on the heels of a Heffalump but in reality, they were studying their own tracks. Peter Kilby used this metaphor to explain how, in the study of entrepreneurship, people often define entrepreneurship as whatever they are studying at the time. We see this play out today as scholars are still unable

to come to a consensus on critical terms in the field such as "entrepreneur" and "entrepreneurship" and most of the time they do not carefully explicate their definitions. All too often samples are convenient rather than random making many studies virtually unreplicable.

Often time scholars miss the point of Kirby's critique by simply hypothesizing that a different set of tracks must just be a different breed of Heffalumps.

In the present day, the leading entrepreneurship and management journals expend significant effort to understand who an entrepreneur is and what they do. In an effort to move the field forward, it has become convenient and productive to define entrepreneurship as an intersection of complex and dynamic processes that "result in the emergence of new supra economic activities. This is often referred to as the "process approach" However, this approach is distinctly different from one focused on the "who" and "what of social entrepreneurship. From economics to sociology, we find a wide variety of theories through which we can explore these processes. Some scholars even argue that opportunities occur outside of our control altogether and entrepreneurs are merely people who differ in their ability to be alert to opportunities. They therefore posit that the important processes to study are centered around how opportunities manifest themselves over time in entrepreneurial activity.

Many of the same issues and opportunities that were found in the emergence of the entrepreneurial field exist for social entrepreneurship. In order to avoid chasing the social entrepreneurship Heffalump, some scholars claim that there should be concerted efforts to use case studies for building and testing theory. Back in 1980, Bill Drayton, the founder of Ashoka advocated for the use of the term "social entrepreneurship". However, his definition had a lot to do with outcomes and the vehicles that were used to develop those outcomes rather than the founders. Looking forward, scholars and practitioners realized that social entrepreneurship

encompassed a more diverse array of behaviors. According to Boschee<sup>14</sup>, when it comes to social entrepreneurship, practitioners prefer a more inclusive approach. He notes that for-profit and not-for-profit designation have more to do with taxes than any mission-based criteria.

In the present day we can orally ascribe to a rigorous definition of social entrepreneurship like the one Dees presents, but even scholarly studies use the term with less discrimination than some may prefer. If studies suggest that there must be something unique and heroic about the entrepreneur, then researchers are even more likely to characterize the social entrepreneurs as superhuman subjects. Social Entrepreneurship, however, has been shown to have the same opportunities as entrepreneurship to study cognition and passion. When it comes to opportunity recognition, people rarely perceive opportunities that are purely one thing. Solely economic opportunities are incredibly rare. Furthermore, most rational decisions include an element of emotional reasoning. When we compare the intentions of social ventures vs. more traditional ventures, we find that significant differences emerge. For example, the fear of failure is much lower for those who intend to start a social venture. In the social venture.

### **Current Perspectives on Social Entrepreneurship**

<sup>14</sup> Martin, R. L., Osberg, S., Martin, R. L., Martin, Joseph L. Rotman School of Management, University of Toronto, . . . Skoll Foundation. (n.d.). Social Entrepreneurship: The Case for Definition (SSIR).

<sup>&</sup>lt;sup>15</sup> Krueger, N. F. (2003). The Cognitive Psychology of Entrepreneurship. *Handbook of Entrepreneurship Research*, 105-140. doi:10.1007/0-387-24519-7\_6

<sup>&</sup>lt;sup>16</sup>Krueger, N. F., & Welpe, I. M. (2008). Experimental Entrepreneurship: A Research Prospectus. *SSRN Electronic Journal*. doi:10.2139/ssrn.1146745

The understanding of what exactly social entrepreneurship is and where it is heading varies significantly about academics and practitioners in the US. Some people see it as a saving tool through which future generations will make a difference in the world. They understand it to be the solution to the economists' notion of the trickle-down economy that never worked. In 2007, former president Barack Obama made a call to action. He spoke of a focus on social entrepreneurs as change agents and called for an increased investment in the social sector. This publicity is good for social entrepreneurship, but a universally accepted understanding of the term does not exist as of today. There are many people who still link social entrepreneurship only to non-profits, not realizing the huge role that for-profits play in the field as well. Over the past decade or so we have seen a vast growth of social entrepreneurship in the for-profit sector. This comes as future generations, including generation Z, do not perceive society's struggles as independent of business. For many of them, the social mission is the center of the business and is tied to their personal identity. Therefore in examining social enterprises, the focus should not be on the business structure or tax status, but rather the mission. While the more nitty gritty business aspect of a social enterprise can be strategically useful, it can still fluctuate as needed. The organizational mission is not quite so flexible.

The new generation is revolutionizing the approach to social problems. In them, we find the first generation who grew up with the term entrepreneurship incorporated into their everyday lives and popularized by the media. From social media influencers to high schoolers capitalizing off of skills they learned on YouTube, this generation of children are the first to have a vast array of diverse role models who have their own businesses, Millennials and more poignantly, Generation Z want to make a difference that does not discriminate between work, social impact, and social responsibility. In this generation we find viral young kids earning even more than their

parents and starting businesses at any age. Former UK Prime Minister Gordon Brown described social entrepreneurs as "the changers of minds and breakers of rules" Bornstein, Author of How to change the world: Social Entrepreneurship and the Power of New Ideas says

"what business entrepreneurs are to the economy; social entrepreneurs are to social change. They are the driven, creative individuals who question the status quo, exploit new opportunities, refuse to give up, and remake the world for the better" <sup>17</sup>

Some have argued that these traits including creating social value and jobs are not unique to social entrepreneurs. According to scholars Mair and Marti<sup>18</sup> social entrepreneurship should be viewed as a catalyst for social change to address important social issues that aren't overshadowed by financial benefits. They view social entrepreneurship as distinct from other kinds of entrepreneurship because it gives higher value to social value and development that results in economic values. While contemporary definitions of entrepreneurship can be applied to social entrepreneurs, the reverse is not true, because social entrepreneurship is "one species of a genus of entrepreneur". They are distinguished by the missions that lead them to assess opportunities differently and the fact that impact is tied to meeting that mission rather than just wealth creation.<sup>19</sup>

 $<sup>^{17}</sup>$  Bornstein, D. (2007). How to change the world: Social entrepreneurs and the power of new ideas. Oxford University Press.

 $<sup>^{18}</sup>$  Mair, J., & Lanuza, I. M. (2005). Social Entrepreneurship Reserach: A Source of Explanation, Prediction and Delight. SSRN Electronic Journal. doi:10.2139/ssrn.673446

 $<sup>^{19}</sup>$  Dees, J. G. (2018). The Meaning of Social Entrepreneurship 1 , 2. Case Studies in Social Entrepreneurship and Sustainability, 22-30. doi:10.4324/9781351278560-5

Dees acknowledges that while markets work pretty well for entrepreneurs, they do not typically work for social entrepreneurs because they typically don't measure social improvements very well. One reason that traditional markets may not encompass social enterprises is that social impact organizations focus heavily on human capital, but the markets have never measured the value of this sort of capital well.

In the domains of sociology, economics, and organization theory, researchers have identified the concept of social capital as it relates to human capital. Adler and Kwon's (1999) definition of social capital is "the sum of resources accruing to an individual or group by virtue of their location in the network of their more or less durable social relations". Along with physical capital, human capital, and financial capital, social capital is something that plays a major role in the success of a social entrepreneur.

# **Defining Social Entrepreneurship**

Social Entrepreneurship is relatively simple but complex at the same time because it means different things to different people. There is a group of researchers who refer to SE as non-profit ventures which are in search of alternative funding strategies or management opportunities in order to create social value (Austin, Stevenson, & Wei-Skiller, 2012; Boschee, 1998). Another group of researchers consider it to be a means to alleviate social issues and catalyze social transformation (Alvord, Brown, & Letts, 2004). A different group of researchers consider it to be the socially responsible practice of commercial businesses engaged in cross-sector partnerships (Sagawa & Segal, 200; Waddock, 1988). A fourth group of practice-based

<sup>&</sup>lt;sup>20</sup> Adler, P. S., & Kwon, S. (2002). Social Capital: Prospects for a New Concept. *The Academy of Management Review, 27*(1), 17. doi:10.2307/4134367

researchers from the Global Entrepreneurship Monitor (GEM) consider SE through two different lenses. One lens is broad and consists of "any kind of activity, organization, or initiative that has a particular social, environmental, or community objective." Another lens is more narrow and consists of "any activity, organization, or initiative that prioritizes social and environmental value over financial value and operates in the market by producing goods and services." (Bosma, Schott, Terjesen, & Kew 2016 p.5) These disparate understandings of SE have vastly complicated the way SE is understood since it makes rigorous and uniform data hard to come by (Short, Moss, & Lumpkin). <sup>21</sup>

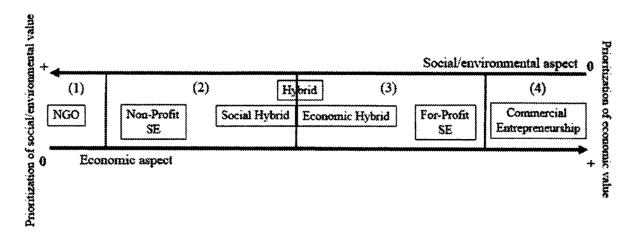
Although there are disagreements on what should be considered a social enterprise, Lepoutre, Justo, Terjesen and Bosma (2013) argue that there are 3 criteria that encompass most SE definitions that we find in the literature.

- 1. The predominance of social mission
- 2. The importance of innovation
- 3. Using market forces to generate income

While the first 2 criteria are in direct alignment with traditional definitions of entrepreneurship, the first, "social mission" is the real distinguishing factor that separates an

<sup>&</sup>lt;sup>21</sup> Innovation and Entrepreneurship: A New Mindset for Emerging Markets

entrepreneur from a social entrepreneur. Below is a visual graphic that illustrates the limits of a social enterprise.<sup>22</sup>



The Entrepreneurship Spectrum Illustrating the Boundaries of Social Entrepreneurship Source: Adapted from Lepoutre et al.  $(2013)^{23}$ 

Since its emergence in scholarly discourse definitions of social entrepreneurship have differed. Since the field necessarily came about as a merger between two distinct areas of social impact and entrepreneurship, in defining social entrepreneurship, scholars have debated about how much of the field is from the social impact space, how much is from the entrepreneurship space, and how much is based on novel ideas that have come about as a result of merging the two worlds. Zahra et al. reviewed over 20 definitions of social entrepreneurship and integrated them into one cohesive definition: "Social entrepreneurship encompasses the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by

<sup>&</sup>lt;sup>22</sup> Innovation and Entrepreneurship: A New Mindset for Emerging Markets

<sup>&</sup>lt;sup>23</sup> Abu-Saifan, S. (1970, January 01). Social Entrepreneurship: Definition and Boundaries. Retrieved from https://timreview.ca/article/523

creating new ventures or managing existing organizations in a new manner." Social wealth is then defined as including economic, societal, health, and environmental aspects of human welfare.

Based on my research and understanding of the topic, I've found that although a standard definition of social entrepreneurship is necessary for scholarly dialogue and cross-cultural understanding, the strict definition of social enterprise is less important than its impact, influence, and its ability to help people all over the world. Therefore, the individual interpretations of social entrepreneurship are in many ways just as important as the academic definitions. Social entrepreneurship is a phenomenon that emerged organically as both individuals and organizations saw the opportunity to use innovative, entrepreneurial solutions to create more sustainable solutions to poverty and the issues that resulted from it which were so pervasive all over the world. Eventually, the field of social entrepreneurship emerged and entered scholarly discourse. Attempts were made by both practitioners and academicians to develop a formal discourse and theoretical framework. However, if we dismiss the personal understanding of social entrepreneurship for those that can be encapsulated in academia, then we lose the origins of the concept which are rooted in practical community impact rather than just theoretical ponderings. Therefore, I think it is important that before I go any further, I describe what social entrepreneurship means to me because although the scholarly context of this thesis is important the personal relevance of it is just as necessary to my analysis.

In my experience social entrepreneurship is a field that effectively shatters the single story of those living in poverty. The concept of social entrepreneurship is based on the idea that poverty describes a person's situation, but it doesn't define their humanity. It emphasizes that no one is inherently less capable or holds less potential just because they are in poverty due to the

society, they find themselves in, the circumstances that have impacted them, or even the choices they've made. Granted, there are individuals who suffer from physical or mental ailments[JT6], war-torn cities, or environmental catastrophes that make them physically unable to help themselves, but the majority of people do not need someone to simply give them a handout that renders them unable to sustain themselves long term. It is important to understand that poverty is not created or perpetuated by the poor, it did not come about because of any deficiencies on their part, it was created by the systems, institutions, and concepts that we have created which are often fundamentally flawed and skewed to bolster a select few at the expense of others with less power

#### **Defining Globalization**

In the current academic literature, globalization is defined in many different ways. The term globalization has been used to refer to the global interdependence of nations, the growth of interconnected world, and the idea that the accumulation of capital, trade, and investment now operates on a playing field that goes far beyond the boundaries of the nation-state. If you examine it in light of the modern-day problems that Unites States, European countries, and Chinese countries have faced in light of events like the global recession, one could say that regardless of governmental differences among nations, at a global level, there is interconnectedness in the financial institutions of most countries. Therefore, when one country has a financial downturn, other countries are likely to face severe financial downturn as well. In a broad sense many scholars describe globalization as much more than the interconnectedness of worldwide financial institutions and the impacts that changes in global markets can have on social stability.

One view of globalization shared by many is that it is a positive tool that has been used to level the economic playing field due to the more free international flow of money, goods, technology, and services around the world. According to Thomas Friedman, globalization has led to positive impacts in the technological and internet spaces.<sup>24</sup> An example of this is the ability for a US based company to sell Kenyan made products online and give the money back to the local Kenyan community. This sort of model has been replicated all over the world. This level of interconnectedness has brought economic growth and enabled once nationalist populations to develop international orientations. Although there are several problems that persist in our society, the overall quality of life has improved in developing countries as they are able to share technology and participate in bilateral trade and partnerships.<sup>25</sup> The theory is that as the flow of goods and money and goods increases, the increase will trickle down to poorer countries and provide opportunities for prosperity that would be unprecedented in the previously closed off global economy.

Several countries have created governmental policies to help open up their economies internationally and domestically in order to boost the development of emerging economies in poor countries. Of course it didn't hurt that these governmental policies also gave corporations a competitive advantage. Many policies of globalization help companies lower their cost of operating and allow them to enter new markets as well as buy and sell goods all over the world. Globalization has also increased consumer awareness. Consumers are now cognizant of how

 $<sup>^{24}\</sup>mbox{Admin, A.}$  (2019, August 29). 'True Gen': Generation Z and its implications for companies. Retrieved from https://icubem.com/daily-digest/true-gen-generation-z-and-its-implications-for-companies-2/

<sup>&</sup>lt;sup>25</sup>Critical Policy Analysis: A Foucauldian Approach. (n.d.). *Education Policy: Globalization, Citizenship and Democracy Education Policy: Globalization, Citizenship and Democracy,* 39-58. doi:10.4135/9781446221501.n3

people live all over the world and the international reach of the companies they buy from.

Globalization has also promoted an increase in the exchange of cultural values and ideas because populates are able to be more interconnected than ever before. With this comes an increase in political action of citizens and coordination of intergovernmental organizations.

However, globalization also has significant risks. Scholars like Amy Chua have argued that the rapid introduction of capitalist, market based economic systems only provide a hypothetical equilibrium.<sup>26</sup> Chua argues that the tools of the globalization machine from rapid industrialization or forcing smaller countries to adapt to laissez-faire market economies too quickly, create a high risk of wealth disparities that result in unintended consequences including often violent ethnic and racial conflict. Academics who are critical of the free market economy, including Joseph stiglitz of Columbia University believe that globalization has actually driven inequality to unimaginable levels. So even though the rich are getting richer, the poor are getting poorer. In 2007, the International Monetary Fund that this increase in inequality may have been brought on by foreign capital investment in other countries and the introduction of new technology.

Today we see a system where capitalism, culture, and catastrophes are distributed on a global scale. We have also seen cases of globalization promoting western values and ideals while undermining indigenous cultural heritage.<sup>27</sup> It has also increased the wealth gap between the poor and rich within countries and between countries. It has resulted in rapid environmental

<sup>26</sup>Chua, A. (2010, February 23). World On Fire. Retrieved from https://books.google.com/books/about/World\_On\_Fire.html?id=CNo9Owu6-C8C

<sup>&</sup>lt;sup>27</sup> Snively, G., & Corsiglia, J. (2000). Discovering indigenous science: Implications for science education. *Science Education*, 85(1), 6-34. doi:10.1002/1098-237x(200101)85:13.0.co;2-r

destruction and it leads the creation of the neoliberal state. Globalization has created a situation where a few individuals, companies, and nation-states control the wealth of the world. Since money drives the globalization machine, profits are sought at the expense of the environment, the autonomy of less powerful countries, and the rights of people all over the world. The reality is that the playing field isn't equal. It isn't even close because the players are the same people who set the rules and referee the game so of course it is rigged in their favor.

#### The Globalization of Social Entrepreneurship

Even as the harmful effects of social entrepreneurship have spread, the innovative solutions to these issues have spread as well. Although social entrepreneurship hasn't emerged as a result of social entrepreneurship, it is evolving alongside global economic trends and helping to facilitate cooperation among individuals all over the world who are motivated by positive societal transformation. Globalization has made way for individuals in developed nations to establish social enterprises in the disadvantaged areas of their own countries as well as with underserved populations in developing countries. Perhaps more importantly, globalization has given increased access and attention to individuals all over the world who are creating sustainable, impact driven, community-oriented businesses that address societal issues in equitable ways.

The globalization of the world's economies has increased the need for entrepreneurial action to be used for both wealth building and addressing stubborn social issues. Researchers have identified that demographic shifts, liberalization of national economies, both institution and state failures, and technological advances have combined to increase awareness of the need for more social consciousness within businesses. This has led to the development and recognition of more

social ventures. According to Shaker A. Zahra, a researcher at Minnesota University school of management, there are 4 factors that are fueling the globalization of social entrepreneurship.<sup>28</sup>

The first is global wealth disparity. Most of the world's poor, illiterate, and sick people live in the global south. The global south is a critical concept that is used to refer to economically disadvantaged nation-states. It addresses areas and people who have been negatively impacted by modern day capitalist globalization such as those living in the global south. While some definitions confine the global south to specific world regions, others expand it to include a deterritorialized geographic area that accounts for subjugated people living in wealthier countries. These are known as economic souths within geographic norths.<sup>29</sup> These disparities continue to grow in our world today. Under 1000 families are worth \$3.4 trillion<sup>30</sup> while 2.7 people, about 40 percent of the world's population live on \$2 a day or less<sup>31</sup>. This disparity will likely persist, and worldwide birthrates fall. Globalization has increased the visibility of this disparity and awareness of opportunities for social change as it is now more evident than ever that resources are highly concentrated in the global north.

The second factor is the corporate social responsibility movement. For years, inquiries about these economic disparities have led back to the role of large multinational corporations. It is evident that they have played a large role in the uneven distribution of the world's wealth and

<sup>&</sup>lt;sup>28</sup> Zahra, S. A., Rawhouser, H. N., Bhawe, N., Neubaum, D. O., & Hayton, J. C. (2008). Globalization of social entrepreneurship opportunities. *Strategic Entrepreneurship Journal*, *2*(2), 117-131. doi:10.1002/sej.43

<sup>&</sup>lt;sup>29</sup>What/Where is the Global South? (n.d.). Retrieved from https://globalsouthstudies.as.virginia.edu/what-is-global-south

<sup>&</sup>lt;sup>30</sup>The World's Billionaires. (2012, July 16). Retrieved from https://www.forbes.com

<sup>&</sup>lt;sup>31</sup> Poverty. (n.d.). Retrieved from https://www.worldbank.org

resources. As their stakeholder and consumers grow more informed, global corporations have been pushed to be more considerate of their social responsibility. There has therefore been an increase in research on corporate social responsibility. This research has shown that CRS has evolved to focus more on including ethical and philosophical considerations rather than just focusing on maximizing shareholder profits. Because there are greater expectations for global corporations with deep pockets to act on social issues, some of them have begun working with local governments, NGOS, and local companies to address social issues. While these large corporations are significantly motivated by how perception impacts their bottom line, there is a gap where opportunity lies for social entrepreneurs to focus on specific issues in partnership with impacted communities.

The third factor is market, state, and institutional failures. Large corporations really only address a small fraction of social issues in the world and more likely than not, they are still contributing to a lot of the problems that develop CSR around. Traditional market solutions to deeply entrenched social issues are often impractical, costly, and complicated. This gap is even more detrimental when you consider the fact that governmental actors like policy makers do not have the desire or capability to enforce market-based solutions to the social issues that are often the result of market-based problems. Furthermore, in many parts of the world, market institutional failures are exacerbated by the state failure of weak governments. Due to the spread of neoliberalism, many citizens of the global south are unable to pay market rates for services like healthcare which used to be provided by the state for free. Privatization in places like South Africa and Bolivia have left many in poverty and at the bottom of the economic pyramid as they are unable to pay for, now scarce, necessities.

The final factor is technological advances and shared responsibility. Most of the world now has access to technology at their fingertips. Therefore, more people that ever have the knowledge and opportunity to provide solutions to social problems, particularly in the developing world. Additionally, increased interactions between the developed and the developing world have prompted the founding of many social ventures such as Ubuntu Life, an organization founded by a man from Austin and a pastor from Kenya to provide healthcare and education for special needs children. Globalization has also made poor communities more sensitive to the need to be socially active and participate in their own liberation. This has been supported by organizations like the World Business Council for Sustainable Development and the World Economic Forum. Additionally, technology entrepreneurs, who are pioneering social global ventures after launching very profitable businesses, have inspired other social entrepreneurs to develop scalable social change that rely on the mass adoption of those in the global south. However, many of these tech entrepreneurs also understand that failing to solve issues like poverty and lack access to energy ultimately undermines the permeability of their own technologies in emerging markets. Other than making social opportunities more salient, communication advances has also provided new opportunities for social entrepreneurs to organize around global social issues like women's education. Because the wealth and resources are so heavily concentrated in the global north while the needs and social issues are so heavily concentrated in the global south, globalization and as a result improved telecommunication infrastructures like the internet are facilitating the connection of funds to challenges in a way that leverages the innovative spirit of enterprising individuals with the financial backing of those who hope to make a difference.

These four globalization forces have increased the international awareness of social problems that exist in the world as well as the resources to address these problems. While much of the

research on social entrepreneurship focuses on individuals in the global south who recognize the opportunities and create social ventures that address them in partnership with local communities, it is important to recognize that social impact doesn't always have to come from outside the community. Individuals within the global south who want better for their people and are intimately connected to the pervasive issues around them also develop social enterprises without any outside influences. While these often aren't as visible or scalable due to limited resources, they are still an integral part of the growing pervasiveness of social entrepreneurship.

# Chapter 3: Social Entrepreneurship and the Development Agenda

When talking about the globalization of social entrepreneurship, it is important to recognize that its spread across the world is directly correlated with the advancement of development work in the global south. The ideas of social entrepreneurship have grown in prominence in the international development agenda over the last 20 years. Utilizing social entrepreneurs as development agents and social entrepreneurship as a process of social innovation has become increasingly important in the discourse and strategy examined by scholars, social agents, and institutions that do international development work.

There are 3 contemporary perspectives on the role of private enterprise in development processes that come to play here largely around the attainment of the millennium development goals. The first is the perspective from corporate social responsibility (CSR) that has been set in motion fundamentally by multinationals in the past few decades. The second is the logic of public-private partnerships (PPP) for development that is often supported by governments and multilateral organizations. The third is the Base of the Pyramid (BOP) approach which has become known as inclusive business in the development agenda and is often facilitated by social enterprises.<sup>32</sup>

Although each of these perspectives has specific nuances that require individualized analysis, if one acknowledges the risk of overgeneralization, the logic behind the perspectives can be summarized in 3 assumptions. The first one is that attaining the Millennium Development Goals will involve the mobilization of private resources and a local business level. The hope is

<sup>&</sup>lt;sup>32</sup> Juan Carlos Perez De Mendiguren Castresa. (2013). Social enterprise in the development agenda. Opening a new road map or just a new vehicle to travel the same route? *Social Enterprise Journal*, 9(3), 247-268. doi:10.1108/sej-07-2012-0021

that these resources can leverage development funding in a way that multiplies the utilization and availability of current strategies. The second assumption is that the struggle against poverty should be the primary focus because although other goals are valid, the reduction of the number of poor people is a central priority. The third is that even though one must recognize the role of state and public policies, greater emphasis is placed on the generation of "inclusive business" opportunities. This includes opportunities for employment or commercialization of goods and services tailored to their needs that could be utilized by the poor with the support of private enterprises.<sup>33</sup>

There is also the assumption that these interventions can and should be mutually beneficial and financially profitable for all parties, resulting in a "win-win" situation for both corporations and local communities. In this way, continuity and long-term impact are guaranteed. Therefore as these strategies are implemented, they are followed by several protocols, best practices, networks of support, and complementary funding mechanisms that support the implementation. According to a report published by Accenture<sup>34</sup>, the future of development cooperation will revolve around a convergent, outcome-oriented approach. Additionally, future approaches will be sustainable and relatable on a large scale by standardizing the things that work.

<sup>&</sup>lt;sup>33</sup> Juan Carlos Perez De Mendiguren Castresa. (2013). Social enterprise in the development agenda. Opening a new road map or just a new vehicle to travel the same route?

<sup>&</sup>lt;sup>34</sup> Bulloch, Gib, and Louise James. "The Convergence Continuum Towards a '4th Sector' in Global Development? ." *Accenture.com*, 2014, pdf.

## **Inclusive Business or Business at the base of the pyramid (BoP)**

In recent years, it seems as though inclusive business or business at the base of the pyramid (BOP) is becoming the coalition of the three aforementioned development strategies-private CSR, traditional NGOs and social enterprise. The idea that the fight against poverty can boost company profits has been amplified in both the academic and political realms. The ideas behind this approach are: clear objectives such as the millennium development goals, the capacity of poor people to seek solutions for themselves through the free market, the need to establish partnerships with private companies that will use their resources in support of the poor, and the conviction that there is a way to do this which benefits everyone otherwise known as the mutual benefit thesis.

BoP businesses have evolved in two waves brought about the criticism that it received. The first type of BoP businesses began from the idea that poor people could actually make up a vast, untapped potential market of unsatisfied customers who would require goods that had been adapted to their needs given their poverty and lack of access. Multinational organizations would be able to produce and distribute these goods at low cost given the economies of scale that would come from the huge target market.

Obviously, several criticisms arose about the method of BoP business. These critiques included questioning the real size of the potential market, doubts about whether multinational corporations could really raise living standards by selling to the poor, concerns that business would end up generating dependency, manipulation, and exploitation of the poor and drive them

to overconsumption, and the impossibility of demonstrating that access to consumption would be the only way to attain the structural transformations necessary to end poverty.<sup>35</sup>

The second version was more related to inclusive business, social entrepreneurship, and focused its attention on various distinct elements of the BoP protocol. In comparison to the previous version, this one implemented a bottom of the pyramid strategy based on the premise that it is necessary to partner with poor people and consider them as producers, co-creators, and co-inventors of innovative business models rather than just consumers.

By inserting themselves in the culture and social dynamic of the community where the business model is developed, one can generate business intimacy through a process of constructing relations of mutual trust that redefine the identity of the community itself. A fundamental principle of this approach is that an external agent, whether it is a multinational corporation, an NGO, or a social enterprise, must intentionally get involved in a co-creation process that incorporates all stakeholders and beneficiaries. The participation of those whose voices are usually suppressed rather than amplified within the community must be included in order for real transformative change to occur.(Hart and Sharma 2004, cited in [3] Arora and Romijn, 2009).

It should be noted that many of even the most progressive BOP policies utilizes the underlying assumption that there must be an outside (usually western) development agency that facilitates the BOP process. While this is often how things play out, it is important to recognize

<sup>&</sup>lt;sup>35</sup> Juan Carlos Perez De Mendiguren Castresa. (2013). Social enterprise in the development agenda. Opening a new road map or just a new vehicle to travel the same route? *Social Enterprise Journal*, 9(3), 247-268. doi:10.1108/sej-07-2012-0021

that there are often individuals within a community that are perfectly capable of developing sustainable, community-based business once they receive some training and initial capital.

Depending on the nature of the business, outside organizations should therefore do all they can to ensure that they "work themselves out of a job". In other words, they should work with these underserved communities in such a way that they will eventually become self-sustaining and no longer need outside intervention.

This evolution toward the current version of BoP can be summarized by the following quote: "the next generation of BoP business strategies won't be about 'finding a fortune at the base of the pyramid,' but rather, about 'creating a fortune with the base of the pyramid"<sup>36</sup>. In this way we can see BoP as the basis on which the inclusive business model that is advocated for by development agencies and multilateral organizations is being built. There are a broad array of situations and approaches that fit under this concept.

For example, in Latin America, the Social Enterprise Knowledge Network led by Harvard University consisting of ten universities and institutes across Latin America has compiled a book that presents detailed case studies of 33 experiences including 13 social enterprises. The UN development program's databanks of 164 case studies includes 76 small and medium enterprises, 24 multinational corporations, and 19 NGOs, Since the activities of such different organizations are included under the same umbrella, it creates the perception that the options at the base of the pyramid are only limited by the capacity for innovation of those at that level. The goal is for this concept to provide an opportunity to overcome the traditional barriers

<sup>&</sup>lt;sup>36</sup> London, T., & Hart, S. L. (2011). *Next generation business strategies for the base of the pyramid: New approaches for building mutual value.* FT Press.

that exist between social organizations like NGOs and for-profit enterprises so that we can recognize the value each one has to contribute to the development agenda. The literature on inclusive business-like social enterprises echoes this constant appeal to collaborate with different types of organizations to advance development efforts<sup>37</sup>.

Although the second version of BoP was a bit more inclusive that the first, it still generated its own very valid criticism. Some of this criticism came from the literature on Development Studies. Scholars Arora and Romijn<sup>38</sup> indicated that the current discourse plays into the ideological function of global capital as a universal positive. It allows the world to depoliticize multinational intervention in poverty and specifically the unequal power dynamics between companies, NGO's, and erroneously homogenized poor communities.

The evolving narrative associated with the BoP approach is rooted in positive discourse around the importance of participation and the process of "community-based development". This is a good idea, but it ignores how concepts like community, capacity of agency, or participation in decision-making can be problematized when significant differences in power, gender, ethnicity, and conflict between them are not factored in. The social and political context of a community cannot be overlooked when implementing BoP practices.

Although the empirical evidence around BoP intervention is scarce, studies indicate that we tend to highlight "successful" examples that do not include criteria or mechanisms for

<sup>&</sup>lt;sup>37</sup> Juan Carlos Perez De Mendiguren Castresa. (2013). Social enterprise in the development agenda. Opening a new road map or just a new vehicle to travel the same route? *Social Enterprise Journal*, 9(3), 247-268. doi:10.1108/sej-07-2012-0021

<sup>&</sup>lt;sup>38</sup> Innovation at the base of the pyramid. (n.d.). *Putting the Poor First: How Base-of-the-Pyramid Ventures Can Learn from Develop*, 38-72. doi:10.9774/gleaf.978-1-907643-55-2\_5

analyzing how inclusive or empowering these interventions are particularly for the poorest people. The majority of BoP experiences that have been documented say little beyond classifying participants as "poor people with entrepreneurial potential. They do not provide greater insight into these people's economic lives and the various limitations and challenges they face.

Therefore, interventions are based on partial information making it practically impossible to accurately quantify the impact.<sup>39</sup>

Although there have been some positive contributions brought about through BoP, the intervention offered a reductionist view of the inputs and outputs of development. The non-inclusive nature of BoP compounded by the stubborn pragmatism of the idea that the "mercantilization" of poverty could seamlessly insert business into development work was bound to be riddled with issues. The idea that the "magic" of the markets can work to help the poor if they are given the right conditions and access to resources are improved and if institutions, education, and informational barriers are eliminated is deeply flawed. While it is true that poverty can be addressed through the dimensions process and individual/collective dimensions of development, BoP isn't dynamic enough to be the primary vehicle for that sort of change.<sup>40</sup>

From the flawed logic that inclusive markets can arrive in poverty-stricken communities without conflicting dynamics or adverse results for the people's welfare and sustainability comes

<sup>&</sup>lt;sup>39</sup> Munir, K., Ansari, S., & Gregg, T. (2010). Beyond the hype: Taking business strategy to the "bottom of the pyramid". *Advances in Strategic Management The Globalization of Strategy Research*, 247-276. doi:10.1108/s0742-3322(2010)0000027012

<sup>&</sup>lt;sup>40</sup> Juan Carlos Perez De Mendiguren Castresa. (2013). Social enterprise in the development agenda. Opening a new road map or just a new vehicle to travel the same route? *Social Enterprise Journal*, 9(3), 247-268. doi:10.1108/sej-07-2012-0021

the assertion that social enterprises will somehow unlock the door to economic growth with the immediate effect of poverty reduction.

## Social Enterprise as separate from BOP

When it comes to mainstream debates on development and cooperation, there seems to be an uncritical acceptance of the role of social enterprises due to the narrative of "inclusive business". It is important to note that although the idea of a social enterprise is widely accepted, the actual term 'social entrepreneurship' or 'social enterprise' generates conceptual confusion due to the various discourses around the phenomenon. The label of social enterprise describes such a wide variety of organizational forms and its meaning also varies based on geographic location and the different levels at which it has studied and utilized in a place.

Scholars have described the field as being "pre-paradigmatic" in that we are able to observe the emergence and consolidation of the discourse around social entrepreneurship as hegemonic or superior to other interventions. This position of dominance threatens to marginalize other discourses that are less focused on one individual hero and more centered on community action for social justice and empowerment. This process of consolidating a dominant narrative is referred to by scholars as the "Grand Narrative of Social Change" They analyze how the widespread acceptance of entrepreneurship has contributed to the depoliticization of development discourse. In this way, the solution has taken on an infallible quality that makes the attainment of social or entrepreneurial objectives appear to happen

<sup>&</sup>lt;sup>41</sup> Nicholls, A. (2010). The Legitimacy of Social Entrepreneurship: Reflexive Isomorphism in a Pre-Paradigmatic Field. *Entrepreneurship Theory and Practice, 34*(4), 611-633. doi:10.1111/j.1540-6520.2010.00397.x

<sup>&</sup>lt;sup>42</sup> Dey, P., & Steyaert, C. (2010). The politics of narrating social entrepreneurship. *Journal of Enterprising Communities: People and Places in the Global Economy, 4*(1), 85-108. doi:10.1108/17506201011029528

miraculously through ideas like "hybridization" or "triple bottom line". Therefore attempts to repoliticize the space are considered uninnovative or "anti-business".

Therefore it may be possible to advance in a direction that depoliticizes the development debate and that analyzes Social Enterprises as independent of the multinational enterprises or private enterprises seen in BoP. As long as social entrepreneurship finds a different way to participate in the economic process, it may bring a different perspective to development debates that goes beyond the idea of "inclusive business" which it currently gets categorized under due to it being the dominant discourse

### **A Critical Perspective**

It is important to note that the ideas of social entrepreneurship do not exist as a monolith. The understanding and uses of it vary based on definition, models of governance, funding / growth strategies, and the countries where it is implemented. Therefore there are versions of social entrepreneurship that basically follow the dominant narrative and others that truly challenge the status quo.

The counter narrative of the social enterprise can be found by examining the meaning of the word "social" in social enterprise. Although there is no consensus on the definition of social enterprise, there is a general understanding that the social dimension is fundamental to understanding the concept. The practical experiences of social entrepreneurs show the challenges of considering both business and social goals. Therefore a social enterprise is much more than just adding a social aspect to a business which can be managed as a project.

The complexity of social enterprises allows us to understand them as fundamentally and institutionally different from traditional enterprises. This, therefore, enables social

entrepreneurship to be redefined in a way that places the social component as superior to the economic dimensions. Rather than placing equal importance on economic and social profits, there is the possibility for the redefinition of the economic dimension as subordinate to social dimension including the welfare of the people. This is the foundation for an idea called the "Solidarity Economy" which would make it possible to think of the social enterprise as a catalyst for radical social change based on a reinterpretation of economic processes in development. The solidarity economy comes out of a fundamental critique of the capitalist methods of production and the understandings of the economy that come out of that.<sup>43</sup> The movement suggests that economies can be reconceptualized with a humanist perspective that re-embeds social processes and politics within the economy by placing people at the center of economic processes. These processes are concerned with ensuring sustainable life and the elements, mechanisms and processes that sustain it.

Therefore, the discussions on human development, human security, and wellbeing as relational and dynamic categories contribute to a useful framework for studying social entrepreneurship in development. This approach would widen the space from individual to a more collective capacity. Social enterprises are designed to attain several social and environmental objectives while bringing in the necessary funds to operate sustainably. In many cases these objectives are not compatible with each other and therefore raise complex challenges that threaten the legitimacy of the organization. This means that in order for social enterprises to be successful they may need to use non-traditional methods. Social enterprises will

<sup>&</sup>lt;sup>43</sup> Saiz-Álvarez, J. M., & Palma-Ruiz, J. M. (2019). Entrepreneurship in the Solidarity Economy: A Valuation of Models Based on the Quadruple Helix and Civil Society. *Contributions to Management Science Subsistence Entrepreneurship*, 33-50. doi:10.1007/978-3-030-11542-5\_4

transformatively contribute to the development process to the extent that their organizational logic and decision-making processes are subordinated to the collective welfare of people. Social enterprises will only be able to go down this path based on a conscious realignment to mission, impact analysis of enterprise activity and taking responsibility for unintended consequences and victims of each process.

# Chapter 4: Gendered Perspectives on Social Entrepreneurship

There is an ever-growing conversation in both the media and academic circles on the role of business in alleviating social issues such as poverty, illiteracy, and health inequities. Social entrepreneurship brings business into this conversation as social actors by categorizing those businesses which build social good into their mission and framework. There are ongoing debates among scholars around the definitions, conceptualizations, and boundaries of social entrepreneurship. There are also scholars who stress the importance of context and place in identifying entrepreneurship that is specifically social.<sup>44</sup> For example they examine how social entrepreneurship manifests itself in various regions including Europe, China, and Sub-Saharan Africa. A critical scholarship that necessarily questions the underlying assumptions of social entrepreneurship has also emerged.

## **Gender and Social Entrepreneurship**

Muntean and Banu argue that gender is central to a thorough understanding of social entrepreneurship since men and women often occupy different roles in society. Therefore scholars have suggested that if care is not taken, the current inequitable gender structures may be replicated as social entrepreneurship is applied to various economic, social, and political contexts. Muntean and Benu follow this critical vein to apply feminist perspectives that problematize the gender neutral and gender-blind assumptions that underly many theories in the field of social entrepreneurship.

<sup>&</sup>lt;sup>44</sup> Dacin, P. A., Dacin, M. T., & Matear, M. (2010). Social Entrepreneurship: Why We Don't Need a New Theory and How We Move Forward From Here. *Academy of Management Perspectives*, *24*(3), 37-57. doi:10.5465/amp.2010.52842950

<sup>&</sup>lt;sup>45</sup> Gawell, M., & Sundin, E. (2013). Social Entrepreneurship, Gendered Entrepreneurship? *International Studies in Entrepreneurship Social Entrepreneurship*, 273-291. doi:10.1007/978-3-319-01396-1\_13

The duality of the term "social entrepreneurship" leads us to understand that contrary to popular belief, the words in and of themselves are not gender neutral. If the "entrepreneurship" part is stressed, the social entrepreneur comes across as ambitious, courageous, and strong society has deemed as a distinctly masculine description. On the other hand, if the social part is stressed then concerns with exclusion, marginalization, and suffering are highlighted and produce creative solutions that flow from the empathy they generate. This result is more societally associated with women. The term "social entrepreneur" holds complex gender connotations. Therefore, both the identity of the social entrepreneur and the context in which they operate deserve a gendered analysis. (Muntean and Banu)<sup>46</sup>

In this section I will highlight the different ways in which gender is relevant to a well-rounded understanding of social entrepreneurship. By utilizing perspectives from liberal feminism, socialist feminism and transnational/postcolonial feminist traditions. There is a seemingly positive trend in which advances in leadership by some individual women along with the international emphasis on empowering women globally seem to be challenging the male dominated field of entrepreneurship. From the outside looking in, it appears as though the feminized field of social entrepreneurship has created a crack in the proverbial glass ceiling as it leads to promises of reduction in gender disparities and legitimacy for female social entrepreneurs. However, the success of women in social entrepreneurship compared to their position in traditional entrepreneurship simply magnifies just how gendered the field of social entrepreneurship is. Additionally, the ways in which social entrepreneurship is used around the world in development practices is filled with problematic assumptions about how women in the

<sup>&</sup>lt;sup>46</sup> Muntean, S. C., & Ozkazanc-Pan, B. (2015). A Gender integrative conceptualization of entrepreneurship. *New England Journal of Entrepreneurship, 18*(1), 27-40. doi:10.1108/neje-18-01-2015-b002

global south play into the global economy. By carving out the space in which women are legitimate entrepreneurial actors to the areas of microenterprise and social ventures, the field doubles down on its divisions along gender lines, splintering often unintentionally. Such assumptions can actually exacerbate the economic marginalization of women because they reproduce the ways that women are only seen as legitimate in less lucrative social businesses. These gendered characterizations may impede on women's' ability to navigate existing systemic patriarchal societal obstacles including implicit bias.<sup>47</sup>

Although social entrepreneurship is a field that is growing in importance and popularity in mainstream culture as both an everyday practice and a field of inquiry, most articles on the topic do not adopt a gender-conscious framework<sup>48</sup>. Although there are significant issues that could be drawn out and addressed if one approached the field of social entrepreneurship through a feminist lens, the field currently only addresses the topic of gender in 2 ways. First, scholars examine how female entrepreneurs impact societal issues. Second, scholars present social entrepreneurship as a platform to empower women to achieve social benefits such as gender equality. This is primarily applied in the context of underdeveloped societies<sup>49</sup>. Research has disproportionately targeted women as the beneficiaries of a variety of social enterprise activities such as microloans and micro enterprises. These have been found under the broad umbrella of development programs that are overwhelmingly located in transitioning economies and

<sup>&</sup>lt;sup>47</sup> Marlow, S., & Patton, D. (2005). All Credit to Men? Entrepreneurship, Finance, and Gender. *Entrepreneurship Theory and Practice, 29*(6), 717-735. doi:10.1111/j.1540-6520.2005.00105.x

<sup>&</sup>lt;sup>48</sup> Brush, C. G. (2019). A gender-aware framework for women's entrepreneurship. *Entrepreneurship and Context*, 92-108. doi:10.4337/9781788119474.00012

<sup>&</sup>lt;sup>49</sup> Entrepreneurship and Empowerment. (Al-Dajani and Marlow, 2013). *Intellectual Property, Entrepreneurship and Social Justice*, 31-32. doi:10.4337/9781783470259.00008

underdeveloped nations. There is also a growing trend of Non-Governmental Organizations (NGO's), micro-lenders (Grameen Bank), and global aid organizations (IMF, United Nations) claiming that entrepreneurial activity is vital to economic and social development and as a proxy for women's economic inclusion.<sup>50</sup>

These various research streams share the assumption that social entrepreneurship is a tool that women can leverage to make significant strides towards gender equality and every level of the economic pyramid. This stands in stark contrast to the marginalization that women have faced in the most idealized forms of commercial entrepreneurship including high tech entrepreneurship. In order to better understand the ways in which gender and social entrepreneurship broadly intersect, we must take a deep critical look at the assumptions that underlie the field. The social entrepreneurial landscape is complex; however, a feminist perspective may illuminate the underlying assumptions and expectations, including those intersectionally rooted in gender, race and class, impact how social entrepreneurship is conceptualized and practiced. When applying this feminist critique it is important still, to pay attention to those voices which are being marginalized in order to ensure that in an overwhelmingly white, western space, women of color and other intersectional identities are not being left out of a conversation that primarily impacts them.

<sup>&</sup>lt;sup>50</sup> Efforts to Empower Women, Initiatives to Promote Sustainable Economic Growth Mutually Reinforcing, Say Third Committee Speakers | Meetings Coverage and Press Releases. (n.d.). Retrieved from https://www.un.org/press/en/2009/gashc3950.doc.htm

<sup>&</sup>lt;sup>51</sup> Muntean, S. C., & Ozkazanc-Pan, B. (2016). Feminist perspectives on social entrepreneurship: Critique and new directions. *International Journal of Gender and Entrepreneurship, 8*(3), 221-241. doi:10.1108/ijge-10-2014-0034

## Feminist perspectives and social entrepreneurship

Several feminist scholars have examined how gender is weaponized or silenced by examining the underlying assumptions that guide most of the research in social entrepreneurship.<sup>52</sup>Feminist perspectives in this field have informed the way that that gender is understood and addressed within entrepreneurship spaces. Scholars who have applied critical perspectives to entrepreneurship note that "entrepreneurship is embedded within prevailing institutional biases, which produce and reproduce bounded constraints regarding who can claim entrepreneurial legitimacy. These kinds of critical feminist perspectives are notably lacking in the scholarship around social entrepreneurship. Therefore scholars have begun to extrapolate the claims of feminist scholars in order to apply them to social entrepreneurship aa well. In doing this, they find that embedded biases and institutional constraints have sorted women and men into different entrepreneurial categories based on sex. More specifically because of the stereotype that women are nurturing and empathic, they are considered the best "fit" for microenterprise and other limited scale, slow growth, and socially oriented ventures. However, rapid growth-oriented, scalable, high-resource firms are seen as masculine and in the male domain<sup>53</sup>. To understand how various feminist critiques have expanded on this scholarly critique we can look at them through liberal/neoliberal, socialist, and transnational/post-colonial lenses.

<sup>&</sup>lt;sup>52</sup> Henry, C., Foss, L., Fayolle, A., Walker, E., & Duffy, S. (2015). Entrepreneurial Leadership and Gender: Exploring Theory and Practice in Global Contexts. *Journal of Small Business Management*, *53*(3), 581-586. doi:10.1111/jsbm.12174

<sup>&</sup>lt;sup>53</sup> Muntean, S. C., & Ozkazanc-Pan, B. (2016). Feminist perspectives on social entrepreneurship: Critique and new directions. *International Journal of Gender and Entrepreneurship, 8*(3), 221-241. doi:10.1108/ijge-10-2014-0034

#### **Liberal Feminist Intervention**

Liberal feminist critique usually focuses on the barriers that women face in the workplace. It is guided by an assumption that biology determines sex and gender is a social construct made up of placing various norms onto biologically different bodies. It says gender roles therefore become the dominant way that men and women individually experience the social world. Liberal feminism also therefore suggests solutions on an individual basis as normative suggestions on what women should do to gain equality in society. Recently the movement has been criticized and renamed neoliberal feminism because of its overwhelming focus on the individual which does not address the underlying structural and cultural systems behind gender inequality.<sup>54</sup>

When applied to the field of social entrepreneurship, the liberal feminist lens highlights how gendered expectations influence the perceptions and access given to founders and managers of enterprises. Although research shows that women owned enterprises are more likely to pursue non-monetary goals rather than purely economic outcomes, this categorization of women into specific spheres of entrepreneurship may unfortunately perpetuate harmful gender norms and stereotypes. According to the liberal feminist perspective, since women are assumed to have more feminine competencies like emotional awareness and inclusiveness, they are assumed to have a more feminine management style and therefore be better suited to lead a social enterprise relative to men. This gender disparity has implications for why women often struggle to access the resources and players that are critical to venture success including venture capitalists and bankers. The prevalent use of the easily accessible cognitive gender stereotypes in order to predict risk under high levels of uncertainty plays a big role in the persistent gender gap in

<sup>&</sup>lt;sup>54</sup> Muntean, S. C., & Ozkazanc-Pan, B. (2016). Feminist perspectives on social entrepreneurship: Critique and new directions. *International Journal of Gender and Entrepreneurship, 8*(3), 221-241. doi:10.1108/ijge-10-2014-0034

venture finance. Although some believe that this gender dichotomy provides women with a greater chance of success in the social entrepreneurship field, there are no studies that actually confirm this.

Historically, and still today, most of the literature in social entrepreneurship as well as commercial entrepreneurship falls into the liberal or neoliberal domain and unintentionally categorizes women as somehow less that or limited, needing male intervention in order to succeed<sup>55</sup>. Liberal feminist perspectives can draw attention to the ways that gender stereotypes prevent women from accessing entrepreneurial resources that are much more easily accessible to men. They can inform society about what can be done as individuals to remedy the disparities such as women being overrepresented in social entrepreneurship while men are overrepresented in tech and virtually every other sort of entrepreneurship. Liberal feminism can question these structures as a means to uncover the mechanisms through which gender disparities unfold however, in order to be effective, these investigations must move away from (neo)liberal feminism and engage a more inclusive and intersectional feminist lens. To really understand how and why barriers exist, we must consider the oppressive structures that are in place and the ways in which they perpetuate harmful gender norms.

### **Socialist Feminist Intervention**

Socialist feminist critique generally points at the ways in which gender acts as part of a process that is constructed relationally through the intersections of race, class, ability, etc. It highlights how gender is constituted as both ideologies and relations of difference in the context

<sup>&</sup>lt;sup>55</sup> Muntean, S. C., & Ozkazanc-Pan, B. (2016). Feminist perspectives on social entrepreneurship: Critique and new directions.

of patriarchy and capitalism.<sup>56</sup> Socialist feminist theory argues that since power relations among race, class, and gender are produced and reproduced through work places, in order to challenge this process, one must have a simultaneous awareness of capitalism as a set of structural arrangement guiding gender dichotomy.

Taking a socialist feminist lens presents a shift from the liberal feminist approach that consists of "fixing the individual woman" and moves to change underlying structures in order to bring about real societal change. It emphasizes the need to actually change the feminist society. For example, it would take society's inordinate categorization of domestic and caregiving responsibilities as the domain of women as a structural concern rather than a personal problem. That would therefore lead us to question self-employment as a solution that "allows" women to continue to carry the unequal societal burden because it perpetuates the idea of women belonging to a lower status, having less economic power, and less entrepreneurial legitimacy.

Societal acceptance of this sort of "women's entrepreneurship" which involves starting a modest business in low profit, slow growth, "feminized" industries, further highlights structural divides based on gender. Geographers who study women's entrepreneurship note that "women are socially located within places differently from men".<sup>57</sup> This includes the ways in which women are positioned in relation to business ownership which varies based on place. The socialist feminist perspective calls attention to the "bifurcation of women and men in entrepreneurship." The relationship of women to social entrepreneurship can be seen as an

 $<sup>^{56}</sup>$ Muntean, S. C., & Ozkazanc-Pan, B. (2016). Feminist perspectives on social entrepreneurship: Critique and new directions. I

 $<sup>^{57}</sup>$  Capital Culture. Gender at Work in the City. (1998). *Capital & Class, 22*(3), 188-190. doi:10.1177/030981689806600122

intersection of "inequality regimes".<sup>58</sup> Inequality regimes are structural arrangements in startup ecosystems that present fewer resources to women who engage in for-profit ventures while at the same time placing less value upon the cultural and social capital associated with women than those associated with men. Therefore, social entrepreneurship can be used as a prime example of the gendered segmentation existing in entrepreneurship because it often emphasizes socially constructed gender disparities rather than its claim of engaging in social innovation to change the world.

Therefore, in order for real change to occur, it is necessary to examine the broader structural issues that intersect with gender. It is important to acknowledge that there are gendered perspectives in social entrepreneurship that view women as less capable of leading a rapidly growing business. These views are often internalized by women themselves and those actors within entrepreneurial ecosystems who control access to resources. "this perspective creates unconscious biases regarding capabilities and potential, thereby potentially creating a harmful feedback cycle that is difficult to overcome"

### **Transnational/post-colonial feminist intervention**

Generally transnational and post-colonial feminist theories refer to the living and working conditions of women (and men) in the global south in order to draw attention to their positions as lo-status, low-wage workers whose labor is exploited in the context of globalized capitalism. However, it is important to note that the two streams of feminism are distinct in their own right. They differ in their epistemological and material concerns, but they can be used in conjunction to

<sup>&</sup>lt;sup>58</sup> Acker, J. (2006). Inequality Regimes. *Gender & Society*, *20*(4), 441-464. doi:10.1177/0891243206289499

discuss critiques of social entrepreneurship. Post-colonial feminist thought specifically focuses on how the global south is gendered and addresses epistemological concerns around voice and representation<sup>59</sup>. In comparison, work that addresses the roll of the state and global governing institutions in producing gendered lives falls under the domain of transnational feminist thought.<sup>60</sup> When applied to social entrepreneurship, these feminist lenses can outline the ways in which gendered assumptions around the type of entrepreneur a woman can be. Limit the activities and opportunities available to them. They can also highlight "what other knowledge is hidden through practices meant to "help small women".<sup>61</sup>

In the literature, social entrepreneurship is often presented as a tool for empowerment in developing nations. These kinds of enterprise activities are undertaken as a part of economic development programs including microfinancing and they are based on neo-liberal ideologies. <sup>62</sup> Thus, we find that social entrepreneurship has begun to include women in practice and study, but development actors have gone about this in problematic ways. Using the labor of women to establish and manage micro-enterprises as some sort of "poverty solution" is currently celebrated all too often without being examined at its core to see if it truly addresses the issues of

 $<sup>^{59}</sup>$  Spivak, G. C. (1996). Diasporas old and new: Women in the transnational world. *Textual Practice, 10*(2), 245-269. doi:10.1080/09502369608582246

 $<sup>^{60}</sup>$  Choo, H. Y. (2012). The Transnational Journey of Intersectionality. Gender & Society, 26(1), 40-45. doi:10.1177/0891243211426724

<sup>&</sup>lt;sup>61</sup> Calás, M. B., Smircich, L., & Bourne, K. A. (2009). Extending the Boundaries: Reframing "Entrepreneurship as Social Change" Through Feminist Perspectives. *Academy of Management Review*, *34*(3), 552-569. doi:10.5465/amr.2009.40633597

<sup>&</sup>lt;sup>62</sup> Chant, S. (n.d.). Cities through a "gender lens": A golden "urban age" for women in the global South? - Sylvia Chant, 2013. Retrieved from https://journals.sagepub.com/doi/full/10.1177/0956247813477809

marginalization and subordination.<sup>63</sup> Additionally, the field of social entrepreneurship and specifically microfinance follows a "global shift toward greater neo-liberal individualism" and with it comes an increased value placed on the individual entrepreneur.<sup>64</sup> We therefore find that the social entrepreneurship literature is filled with the same assumptions as that on female entrepreneurs in developing economies which groups all women together as necessity driven entrepreneurs. Several scholars have noted that the microfinance literature "tends to portray women as the beneficiaries rather than the innovators behind social enterprise initiatives.<sup>65</sup>

These development programs depend on gender stereotypes about women not having enough agency or autonomy to help themselves, their families or their communities. Therefore, unlike traditional for-profit entrepreneurship which describes the entrepreneur as a celebrated, heroic, competitive, innovative, male prototype, the female social entrepreneur is seen as much the opposite- as in need of saving. Men therefore remain seen as most competent in the wealth building arenas of the economy as women are more identified with social the social sector and microenterprise.

Rather than replacing the male superhero with a woman who swoops in to save the day, the goal of the transnational and post-colonial feminist critique is to call out the very global economic systems that create that sort of gendered entrepreneurial caricature in the global south

<sup>&</sup>lt;sup>63</sup> Al-Dajani, H., & Marlow, S. (2010). Impact of women's home-based enterprise on family dynamics: Evidence from Jordan. *International Small Business Journal: Researching Entrepreneurship, 28*(5), 470-486. doi:10.1177/0266242610370392

<sup>&</sup>lt;sup>64</sup> Al-Dajani, H., & Marlow, S. (2010). Impact of women's home-based enterprise on family dynamics: Evidence from Jordan.

<sup>&</sup>lt;sup>65</sup> Jennings, J. E., & Brush, C. G. (2013). Research on Women Entrepreneurs: Challenges to (and from) the Broader Entrepreneurship Literature? *The Academy of Management Annals* 

to begin with. The way many social enterprises are structured to cater to poor women by providing them with self-employment opportunities needs to be problematized on several levels. The implicit biases about women's' role in society as relegated to minimally compensated marginalized economic activities such as crafting, and food service serves to further imbed culturally based and gendered work stereotypes. Furthermore, women in these contexts have their ability to exit these low wage, low status jobs compromised. This particularly happens in manufacturing roles when nationally and globally driven development goals include opening borders to foreign multinational corporations so they can take advantage of the cost-effective workforce<sup>66</sup>.

Social entrepreneurship often positions itself as a tool that women can use to rise from abject poverty to self-employment. At times it does function in this way, but more often than not it limits women by not presenting them as ambitious people who are capable of managing innovative, scalable, and impactful enterprises. It often doesn't address the structural systems that leave the majority of industries such as manufacturing, technology, and finance in the domain of men. It therefore puts men as starters when it comes to wealth and power internationally and leaves women on the bench, still fighting to get in the game. A critical post-colonial, transnational understanding of social entrepreneurship could allow it to be realized as a revolutionary tool. Instead of defining success as the ability for women to climb up the corporate ladder and adopt for-profit motives, our goal is to highlight the fact that those kinds of ambitions are often unavailable for the female entrepreneur in the global south. For example in microfinance interest payments on loans to impoverished women still end up as profits in the

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<sup>&</sup>lt;sup>66</sup> New Frontiers in Feminist Political Economy. (2013). doi:10.4324/9781315884745

pockets of financial institutions that are primarily controlled by men. Therefore, even though activities like microfinance are overwhelmingly supported all over the world, they may actually end up contributing to the issues they claim to solve.<sup>67</sup>

We then find that in their current form, social enterprise does not appear to fix the inequitable power dynamics between the developed world and the global south. It may in fact perpetuate them. Gendered structures of governance that target women in the global south do not change the present economic and cultural assumption locally or globally. Moreover, states may be less inclined to engage in systematic action towards gender equality if the assumption is that social entrepreneurship solves that issue for them.<sup>68</sup> Therefore there are still many issues to address before social entrepreneurship can be utilized in a truly equitable way.

### Challenges

Now that we have discussed these three feminist perspectives and how they relate to social entrepreneurship, we can focus on challenges that still face the field. The first is that within the practice of social entrepreneurship, women who shoulder much of the burden of these societal issues, have become objects that bear the responsibility for fixing social and economic problems at an individual level. An example is microlending programs where the responsibility for fixing economic and social problems is placed on the shoulders of the individuals who are the largest target of the microlending programs. Scholars who focus on the problem at such an individual level often unintentionally redirect resources that could be used to address the

<sup>&</sup>lt;sup>67</sup> Calás, M. B., Smircich, L., & Bourne, K. A. (2009). Extending the Boundaries: Reframing "Entrepreneurship as Social Change" Through Feminist Perspectives. *Academy of Management Review* 

<sup>&</sup>lt;sup>68</sup> Chant, S. (n.d.). Cities through a "gender lens": A golden "urban age" for women in the global South? - Sylvia Chant, 2013. Retrieved from https://journals.sagepub.com/doi/full/10.1177/0956247813477809

underdeveloped world. Gender expectations and perceptions of women remain a highly problematic aspect of the social entrepreneurship field. By advocating for self-employment as the pinnacle of success for women, the field of social entrepreneurship may unintentionally "ghettoized" women entrepreneurs into low profit micro enterprises in undervalued industries. Therefore, this individualized solution, specifically in social enterprises risks ignoring the various structural and economic barriers to the equality of men and women in society.

The second issue is that placing women within the social enterprise space may magnify their entrepreneurial and economic marginalization by suggesting that they normatively belong to smaller scale enterprises in relation to men. Social enterprises, and specifically microenterprises might actually magnify structural pay gaps if women find fewer barriers to entry when they try to establish businesses in feminized industries (crafts, caregiving, etc.) compared to very competitive industries like information technology. They may therefore continue to self-select into those gendered fields. Empirical research suggests that compensation penalties in fields that are associated with women become economically devalued.<sup>69</sup> On the other hand, masculinized areas like tech entrepreneurship maintain the glass ceiling for women.

It is important to recognize that there is another side to the widely distributed images of a woman pulling her family up out of abject poverty through participation in a microenterprise that is driven by necessity. We must ask then why these images continue to be reproduced. How do the positions of privilege continue to be reinforced and maintained through the existing

<sup>&</sup>lt;sup>69</sup> Muntean, S. C., & Ozkazanc-Pan, B. (2016). Feminist perspectives on social entrepreneurship: Critique and new directions. *International Journal of Gender and Entrepreneurship, 8*(3), 221-241. doi:10.1108/ijge-10-2014-0034

structures of startup ecosystems and the cultural assumptions found in society and academic
study?
sady.

# Chapter 5: Social Enterprise Narratives

### The Necessity of the Narrative

Author and activist Chimamanda Adichie speaks about the danger of a "single story". A single story develops when the same one-sided story is repeated about a people or place. Often the people who reinforce the single story by retelling it, do not have first-hand experience of it. The risk of a single story is that it leads to stereotypes that condense robust, complex experiences into simple one-dimensional retellings of it. She states, "The consequence of the single story is that it robs people of dignity. It makes our recognition of our equal humanity difficult and it emphasizes that we are different rather than how we are similar."

Although my thesis only highlights stories out of the million that need to be told, it is my humble attempt to shatter the single story that has plagued the field of social entrepreneurship for so long. All too often in scholarly conversation, social entrepreneurship is discussed as a unique field that combines the best of making money and making an impact. The single story of the social entrepreneur is usually one of an innovative young white man that happens to have a predisposition for saving the world and just so happens to have an MBA, so he sets out on an epic hero's journey to revolutionize water access, food aid, education. He discovers that he can find fulfillment while making money for a good cause and everything is lovely. Although the reality of this portrayal is a bit less idealistic, and while these young white men may really be doing some great work, it is dangerous to give them the face of social entrepreneurship because it overshadows so much of the work and innovation that is being done by people all over the world. The example of the young man that I've just described

<sup>&</sup>lt;sup>70</sup> Adichie, C. N. (n.d.). The danger of a single story.

encompasses the real-world stories of entrepreneurship that are being told all around us. However, that story is only part of the full picture of social entrepreneurship. Social entrepreneurship, in it's true sense, did not start with that individual. Perhaps that is why it is so difficult for academics to come to a consensus on the definition of social entrepreneurship. Perhaps it is time we realize that a concept doesn't simply pop into existence the moment it is named by someone with a doctorate degree. While definitions are necessary for effective communication, it is also necessary to understand who has the power to define and influence in our society. It is important to look at who gets relegated to the margins or even worse, whose stories go completely untold when those in power, often wealthy, white, educated, men are the only ones who contribute to the definition of something as potentially revolutionary as social entrepreneurship.

Scholars should recognize that social entrepreneurship is not just a development strategy that is implemented in underserved communities. Neither is it simply a way to do business which accounts for both social and financial profits. While these things are important to the concept of social entrepreneurship, we must also consider the fact that long before anyone first said the words social entrepreneurship, there were community-oriented businesses all over the world that were structured to make sure that community members were being taken care of. There were community-based money lending entities that we would now call micro financing banks all over Africa and Asia which had systems for collecting and delivering money to those most in need. There were community aid cooperatives developed by area natives who couldn't depend on any government support and therefore had to develop innovative ways to survive. In this way, we find that the globalization of social entrepreneurship is not the process of an academically

derived solution spreading all over the world, but instead it is the process of advancing and highlighting a concept that has long existed in various iterations globally.

If we look at the globalization of social entrepreneurship, we must consider the fact that so many of the greatest problems in the world such as poverty, food insecurity, and lack of access to healthcare are the result of systems like imperialism, colonization, an oppression put in place by western nations or leaders value money and power at the expense of human lives. Social Entrepreneurship and other forms of social intervention, however, are being implemented by these very same systems. While there is amazing work being done, I would hope that if humanity has learned anything in the last 100 or so years, it is that when solutions are implemented for people instead of with people it often exacerbates the problem. Time and time again we have seen that even if you do partner with a community, systematic power differences should lead you to defer to the cultural practices already established there rather than trying to impose overly capitalistic ideas that don't address the need and often lead to unintended consequences. This holds true in any underserved or marginalized community whether it is in the global north or global south.

While there are so many social enterprises that take these things into consideration, there so many more with influence and significant financial backing that are intentionally or unintentionally subscribing to the single story of what a social enterprise is and what a social entrepreneur looks like. This can cause locally led, grassroots social enterprises to lose out on the funding, support, and recognition that they need to succeed. If those people who understand the problem most intimately and who are social entrepreneurs in their own right are not included in the widely acknowledged narratives of social entrepreneurship then as a society we will have

failed the most vulnerable of us by silencing those who may be best positioned to develop the most innovative and sustainable solutions to the problems that plague the world today.

## **Background on Social Entrepreneurship and Development in Panama**

In just one generation, Panama, a country that had always been seen as an "almost" colony of the US ruled by a dictator with America-friendly policies has now become free to embrace democracy. Panama embraced capitalism as the way to success as a nation. They followed the lead of the major global financial institutions that adopted the neoliberal ideal of equating global democracy with market-based economies. The people of Panama, who once lived under military occupation and control we're empowered to participate in the government and take their piece of the emerging prosperity. Panama's increasing influence and affluence as a nation rose in line with the Panama City skyline. However like most things, when you zoom in, all is not as it appears from a distance. On the ground level of these high-rise buildings one can see an overwhelming amount of construction in the concrete spaces between the rainforests and the canal zones. In the rush to develop there have been cultural and environmental sacrifices.

The Panama Canal is essential to the country's success, but it is important to consider who really controls the Panamanian economy. When one walks up a downtown street in Panama, the Americanization of the nation and influence of foreign investment is evident in the events in the foreign banks and American stores and restaurants that line the streets. It is evident how far Panama has come in a generation, but one has to wonder at the cost of that advancement and then must further consider if it is worth it. Organization like the World Trade Organization (WTO), the World Bank, and the International Monetary fund (IMF) are responsible for establishing many of the rules and regulations that govern the global resources all over the world and particularly in places like Panama. However the mission of these organizations is

profitability and even though their economic theories have not proven entirely successful, they are very popular. These economic theories include principles of neoliberalism, free trade, privatization, deregulation, and elimination of restrictive tariffs. This new global economic order preaches freedom and global democracy, but critics point to unintended consequences and class disparities that are all too reminiscent of colonization. This new neocolonialism often looks like supporting government leaders that are willing to sacrifice the human rights of their people at the expense of securing their place in the global marketplace.<sup>71</sup>

Panama's record-breaking growth has been studied by human rights organizations like UNESCO. A recent State department country report<sup>72</sup> stated that although Panama is committed to children's rights and welfare, the government's inadequate allocation of resources and training has resulted in problems with child labor and trafficking as there are too many children that are put back into dangerous households where they are often exploited by gangs. In Panama, the signs of economic and class divisions are nearly impossible to miss. Near million-dollar hotels and shopping complexes in the city center, young children begged from tourists and native vendors sold handmade crafts. It is jarring but unsurprising to see that from the outside looking in, Panama is well on its way to becoming an extremely prosperous nation in the global economic scheme, but within the country there are populations that are suffering and being crushed under the weight of the country's newfound wealth.

<sup>71</sup> Arriola, E. (2009). Gender, Globalization and Women's Issues in Panama City: A Comparative Inquiry. *The University of Miami Inter-American Law Review,* 

 $<sup>^{72}</sup>$  Country Reports on Human Rights Practices - United States Department of State. (n.d.). Retrieved from https://www.state.gov/reports-bureau-of-democracy-human-rights-and-labor/country-reports-on-human-rights-practices/

The end of the U.S. occupation in Panama unfortunately did not end the influence and power of foreign governments and multinational organizations that shape Panamanian public policy to better line their pockets. The model for free trade that was established in the Colon Free Trade Zone under U.S. occupation has continued into Panama's economic evolution. Even though the U.S. left, the business that they brought still remained. The world development interestingly isn't often used in relation to Panama. Development can mean growth or destruction depending on what scholars you consult. Nevertheless, in the case of Panama the development process has set in motion mechanisms that perpetuate social and economic disparities between the socioeconomic classes that have existed since the US was in control of the nation.<sup>73</sup> There are numerous resources for outside investors to profit of off the business of the Canal Zone and for well-trained engineers to benefit from the influx of wealth, however in the city of Colon where the Colon Free Trade Zone operates, the growing unemployment rate has resulted in riots by disgruntled youth who are forced to observe massive amount of wealth coming out of their city while they are living in poverty.<sup>74</sup> Many of these young people engage in the drug trade in order to supplement inadequate family incomes.

#### The Case of Lourdes Alvarez

During my journey to Panama I met with Lordes Alvarez, the bubbly and energetic CEO of YMCA Panama City. She had what many might refer to as a very grandmotherly energy. As soon as I met her, she embraced me and made me feel right at home in the small dimly lit building in which her and her staff ran YMCA Panama. She was one of those women who you

<sup>&</sup>lt;sup>73</sup> Arriola, E. (2009). Gender, Globalization and Women's Issues in Panama City: A Comparative Inquiry. *The University of Miami Inter-American Law Review,* 

<sup>&</sup>lt;sup>74</sup>Panama port city of Colón hit by rioting and looting. (2018, March 14).

just knew everyone referred to as abuelita. As I spoke to her, I could sense her passion for the students who she saw come in and out of the YMCA center. It is important to note that YMCA Panama is very different from what one might think of when they consider a traditional American YMCA. At this location, there were no gyms or pools. In fact, from what I saw there was little more than an office and a large event room where our interview was held. The YMCA Panama largely operated as a self-sustaining non-profit youth outreach center. Lordes had been their fearless leader for 22 years. As I sat down to speak with her, she told me more about the story of her work with the YMCA and how she turned it into a sustainable social enterprise by establishing a private school as an offshoot of the organization.

Lordes started working at the YMCA in 1997 when she lost her company where she worked as an architectural and interior designer due to the U.S invasion. As a young adult Ms. Alvarez volunteered at different NGOs. She also attended the Instituto CentroAmericano de Administración de Empresas (INCAE) which is one of the top business universities in Latin America. At INCAE she studied NGO administration and nonprofit management so when she lost my company, she decided to work with what she knew. She had always liked working in planning and administration. That with the NGO and volunteer work all just came together to give her the opportunity to do work that matters and that she enjoys.

While looking for a new job she read in the newspaper that there was an opening for a NGO director. It didn't mention the YMCA, but they said she needed to present a project with the application. She always had an idea for a youth center, so she presented a project draft in the interview. The YMCA hiring board liked her so much that they hired her on the spot, and she worked as the leader of the organization ever since. Her process there was very unorthodox. In other YMCAs the people move up through the ranks to the director position but because the

YMCA established at the time was so small, she was able to come directly into the position and build the organization into what it is today.

Ms. Alvarez and her son who was translating for us whenever my broken Spanish turned into full blown English or his mother's broken English turned into full blown Spanish were eager to talk about both the successes and the challenges that YMCA had faced over the past 22 years. Yes! The spoke of how running the organization has been challenging 24/7 for 22 years. Everything from community support, to crowdfunding projects, dealing with the economy, and navigating the government presented obstacles for the organization. The YMCA in Panama is not as big as many other ones in other countries. It's not an organization that's really well known therefore people are not as readily willing to give. Some people hear the name YMCA think it's the same format that YMCA had 20 years ago, or they think it has the same structure as the US, so they don't take the time to know what the organization really is or what they do.

One issue they initially struggled with when looking for charitable donations was that there were simply other more popular NGOs in Panama. In Panama City people tend to go with the wave when it comes to charitable support. So people support NGOs that are more well-known or that maybe the First lady supports that because it is run by a friend of hers. Miguel tells me that there is nepotism in the system because people say things like, "well, she's a wife of someone that already has a lot of money and they have better connections" and therefore donate to those more well-connected foundations. So even though YMCA has been in Panama for over 50 years it doesn't get as much financial support from the community as it should.

The Panama City YMCA has 20 members. In comparison, other countries' YMCA have lots of members that provide income and support for the organization. Ms. Alvarez put it this way:

"If you need a glass of milk and you have 10,000 members, you have 10,000 glasses of milk. Getting what you need is easier in these places. However, at YMCA Panama things are very, very hard because we only have 20 members. Even if our 20 members tell their friends and they tell their friends, we still may only get to 100 glasses of milk. But we still keep working. We always keep working. You still continue because the work must be done."

In order to provide access to quality education for students in the community and provide a solution to the organization's funding issue, Ms. Alvarez decided to move forward with plans to build a private school that could supplement the income of the YMCA and enable them to do more work in the community. She tells me that when they started the school, they didn't have anything. However, some of our members had another NGO and the other NGO loaned us the money. They gave the YMCA a 1 million dollars donation. Some other members donated the land and with that they built the school. Mrs. Alvarez said the school that was built is very small but according to her son, it is not that small, it's just smaller than the vision Ms. Alvarez had for it. According to her blueprints, it was supposed to be this huge place with three buildings, with a pool basketball, soccer, volleyball courts but unfortunately, they did not have the funds for that kind of investment. They ended up building the first phase of the building where the school has been for 15 years.

They are currently holding off plans for expansion because taking into consideration the amount of languages that they teach there at the school, the infrastructure, the facility, the quality of the teachers, they are charging parents very little to send their children there. The area where the school was built it's still considered a lower-class community. So the YMCA tries to charge a price that parents can afford but still pays to keep the school running and bring income into their organization to fund community outreach. They are able to do this by offering a tiered payment system so parents who can afford more pay more and cover the expenses of students who can't fully afford to attend the school. Outside of the income that comes in from the school making the Panama YMCA operate as a social enterprise other support comes in the form of in-kind donations. The program has utilized other inconsistent funding sources in the past like government grants however, the school has been the only consistent funding source that the organization has seen.

One of the most impactful programs that YMCA Panama runs is a summer day camp with over 800 registered kids. They partner with another NGO called house of Tiffany's, which teaches low income kids during the summer. The kids then get bussed over to the YMCA with the help of local police where they are fed and engaged in various activities. The YMCA staff and volunteers teach chess, English, guitar, ping pong and basketball and have other activities to keep the kids busy. There is such a light in Ms. Alvarez's eyes when she speaks of the kids that she works with.

"We always have good children", she says, "But we also have some children that are very hard. Most of these kids come from Corondu which is known as a really bad place and we want to show these kids that there is more for them out there. Even though these kids had different kinds of childhood experiences and were raised in different ways, most of them have

parents that just don't care, or parents tell them like, why do you study? You're never going to get out of here. You better try to learn to defend yourself or try to learn to steal. Most of these kids come with those kinds of challenges. So when they come to the YMCA some of them might take more food with them back home. We're talking about small stuff, you know. There's been even more complicated kinds of conflicts which is why the police department tries to help out because they are in the community. They know the kids and the kids mostly respect the authority of cops as well.

As we wrapped up our interview, I asked Ms. Alvarez about her hopes for YMCA Panama. She looked off into the distance for a few seconds and then catching me quite off guard, she quoted the famous words of Dr. King with a passionate intensity in her eyes saying, "I have a dream". She then proceeded to tell me of her big dreams for expanding the social enterprise that she had created out of YMCA Panama. She believes that YMCA has an opportunity to leverage their school because they are planned very well. She dreams of the YMCA growing to reach the vision that was started 15 years ago so that it can benefit more of the community. She imagines a big YMCA with a state-of-the-art gym with a good say you say sport facilities that the whole community can use. Her dream is really to have a greater impact on the community. She says,

"It's a big community! 15 years ago we did a community study and we found that the community around the school had 165,000 people but that number has surely grown. Because of our small capacity, not all the members of that community have access to the programs offered by YMCA. If we sell some land and invest in this area, maybe YMCA will grow, grow, grow.

After giving the speech about her dreams for YMCA Panama, Ms. Alvarez looked at me, a bit more bashfully and repeated "I have a dream. I believe in it. Who knows if I will live to see it, but at least I can dream it?

### **Background on Social Entrepreneurship and Development in Nigeria**

In order to address the subjugation of women in the global south and specifically Africa, western feminists introduced the Women in Development (WID) movement. A key pioneer of the movement was Danish economist Ester Bosrop. In her 1970 book, *On Women's Role in Economic Development*, <sup>75</sup> Bosrop detailed the critical role of women in a capitalist economy while identifying how they'd been excluded from development work. The movement evolved under the realization that many aid programs left women out of the conversation and further entrenched a significant part of the population in poverty. In an attempt to solve this complex issue in one fell swoop, in the 1970's and 80's development agencies capitalized on this overgeneralized image of the African woman as an oppressed, hopeless person who takes on more than her fair share of work without access to or knowledge of her rights. The neoliberal development machine painted the African woman as a monolith so even though there was some truth to the depiction, it gave a simplistic definition to a diverse and complex group of people. As Schroeder mentions this type of generalization is problematic because it actually disempowers women by denying them agency and autonomy to change their own situation.

Another problem with the WID approach was that it came out of a Neoliberal intervention in Africa that attempted to establish a "modern", high efficiency, individualistic system within African countries. The WID model said that women should be included in the sphere of high efficiency and productivity because they could add just as much value as men. WID therefore focused on training and educating women in order to plug them into the free market capitalist system on the assumption that public equality with men would alleviate poverty disparities. However, this process was flawed because according to Wilson<sup>76</sup> it only identified discrimination against women in the development process, but it did not actually address how that discrimination was rooted in unequally gendered power structures or how it intersected with issues of race, class, and imperialism. WID interventions relied on the assumption that if women were given equal access to the tools of the neoliberal development machine such as skill training,

<sup>&</sup>lt;sup>75</sup> Kenya: The role of women in economic development. (1989). World Bank

<sup>&</sup>lt;sup>76</sup>Wilson, K. (2015). *Towards a radical re-appropriation: Gender, development and neoliberal feminism.* International Institute of Social Studies.

microcredits, and small-scale income generating activities, they would become equal economic actors. However, because this idea was rooted in the fundamentally flawed politics of neoliberalism it was bound to lead to further disparities. Neoliberalism is a political and economic philosophy based on a belief in free trade, uninhibited markets, and small government as keys to national development. It is based on reducing inefficiencies in state spending to create a more effective and efficient process of capital accumulation. It accomplished this by shifting away from government subsidies to public sectors such as health and education and towards progrowth efforts such as export industries and agriculture. It also promotes a shift towards privatization and ending protection for local markets.

Because unemployment was and is so high among women in Nigeria many naturally gravitated to entrepreneurship as a way to make money and have more control over their lives. For many of them there was simply no other choice since there was no work to be found and they needed to feed their children. Although a great deal of these entrepreneurial ventures was informal and community driven, WID views these women's' operations as illegitimate because they functioned outside of the traditional free market. Therefore they determined that there was a need to remove the perceived barriers such as legal and administrative business ownership and access to credit. WID-based development actors addressed these barriers through microfinance and community banking. Because such a great emphasis was based on banks and financial institutions, a system of community banking was established in the 1990's. These banks were expected to provide microfinance services as well as typical banking offerings like savings accounts while encouraging investments. Rather than the Nigerian government trying to help local farmers that had been excluded from markets, banks operated primarily by granting loans which only resulted in short term gains. WID Development actors were counting on banks to help develop the country's agriculture and manufacturing but these processes require long term planning that isn't attractive to newer banks.

<sup>77</sup>The state would have been an optimal investor rather than banks because they would have been better equipped and incentivized to keep track of the long-term development goals.

<sup>&</sup>lt;sup>77</sup>Poverty in Nigeria: Rich Country, Poor People. (n.d.). Retrieved from https://www.poverties.org/blog/poverty-in-nigeria

That is the model that has played out all over Asian and in almost every western country during the industrial revolution. However because private and foreign microfinance initiatives continue to line the pockets of only a select few they have failed to bring about the poverty reduction promised by WID development practitioners. Additionally without the correct legal framework small women owned businesses are left vulnerable to various scams. Rather than relying on banks and private institutions, building on the community-oriented methods of enterprise that existed long before neoliberal intervention and primarily involved women would have been a better way to tackle the issue of poverty and its feminization.

#### The Case of Felicia Tinuola Awe

In Yoruba culture names carry great significance. They often come from the circumstances around which a child was born or in anticipation of what the family hopes for the child's future. My grandmother's name is Felicia Tinuola Awe. Tinuola means born from wealth and my grandmother's life ensured that name held no irony. The story of how enterprise transformed my family begins with my grandmother, Felicia Tinuola Awe, the strongest woman I know and my biggest inspiration in life.

My grandmother is someone who I like to refer to as the OG Entrepreneur. She was in the business of buying and selling in her local community long before WID practices and neoliberal ideals had established such a firm grip on the Nigerian economy. Of course she still had to contend with imperialism and western oppression that presented a very singular notion of success and modernization. However, in 1950's Nigeria, within Ekiti state before it was known as such, in the village of Ipoti located in the southwest region of the country, within the area where the Yoruba people have lived since before the white man ever stepped foot on our fertile soil, my grandmother, utilized her God given resources and community to start a business that brought her entire household out of poverty and helped other women in her village do the same.

Contrary to the single story of rural African women, my grandmother didn't start her business *in spite* of her husband, she started it with him. When my grandmother was still working on the farm, she used to sell her produce at the local market every week. When she saw how much money the fish seller was making, she inquired about his methods and figured that she could also increase her revenue by selling fish. She discussed it with her husband, and he fronted the initial cost that was used to start the fish selling business.

The interesting part of the story is that my grandfather was able to have a large sum of money all at once because he was part of a community-based saving scheme known as Esusu. Esusu is a traditional form of cooperation whereby individuals contribute to informal savings and credit associations that form to support personal and collective interests. In various regions the Esusu functions in different ways and goes by different names but the one my grandfather was a part of operated as follows. My grandfather belonged to an Egbe which is a club or what could be called a cooperative society. Each member gave a certain amount every week or so and at some predetermined date the entire pot was given to one member to use as a loan in rotation. The practice of Esusu is believed to have originated among the Yoruba people of Nigeria and spread to Liberia, the Democratic Republic of Congo and many other West African countries. Although the traditional informal Esusu still exists, there are also modern forms with state backing that have arisen.

The loan that my grandfather got from the Esusu started my grandmother in the fish selling business. When she eventually had to leave that business, it was the 600 Naira that she saved which helped her to buy a large bag of beans that she used to start her bean selling business. My grandmother wasn't sure if she could sell the beans because she wasn't part of the bean seller's Egbe but my grandfather encouraged her to start anyways. He paid for her to

register as a part of the bean sellers association and she was an instant success. When telling me about her start she said "O dabi pe eniyan n duro de mi lati bere ta", "it was as if people were waiting for me to start selling". She used half of that first bag of beans to give out and feed community members but she was able to nearly recoup the entire cost of the bag by selling the other half. My grandfather added to the money she'd made and helped her to buy two more bags of beans

She continued to sell beans so regularly that people started coming to her house to place orders. From that time on the people of the village began referring to her as irisi onisowo- The Bean Seller. About 25 years ago my grandmother became the head of all the bean sellers in Ipoti. In the true spirit of innovation and community empowerment, my grandmother opened up what was once a very exclusive Egbe, simply because very few people had the money to join, and brought several other young women into the business of bean selling.

My grandmother was very successful in her business and made several times more than her husband who remained a farmer but he continued to support her. Once again this was a patriarchal society so their setup was quite abnormal and other people in the community questioned them but my grandmother stood firm in her belief that she could excel as a businesswoman and help support her family. Felicia Tinuola Awe is the strongest woman I know and my biggest inspiration in life. Growing up she had no formal education and nothing to her name. However, through sheer willpower and ingenuity, she began her own business in Nigeria selling the crops that were produced in her small agricultural village to people coming to visit from large cities. She acted as a sort of "middle-woman" as she facilitated one of the first systems of organized commerce in that region at the time.

Her response to the issue of the feminization of poverty in Nigeria was her life, career and the guidance she provided for other women to make a living and support their families. My grandmother's work effectively shattered the single story of the rural African woman in need of saving. That narrow view of Nigerian women all too often leads to WID interventions. She may have had a child on her back and a bowl of produce on her head, but my grandmother was anything but helpless. She didn't need any neoliberal intervention or micro-credit system to provide for her family become a successful businesswoman while raising 5 children. She used the community-based funds that she had access to and, most importantly, when she found success, she made sure to spread the wealth with those women coming up behind her.

### **Chapter 6: Conclusion**

A single story is so detrimental because it unfairly categorizes a person or people based on just one view of who they are. I often think of myself as a compilation of stories. Some of them have been told, some are waiting to be explored, and some are simply unfinished.

However, I am fortunate enough to live in a space where I am free to share all of my stories, rather than only those which the world would impose on me. As Chimamanda says, "the problem with a single story is not that it is inaccurate, but rather that it is incomplete."

In my experience social entrepreneurship is a field that effectively shatters the single story of those living in poverty. The concept of social entrepreneurship is based on the idea that poverty describes a person's situation, but it doesn't define their humanity. It emphasizes that no one is inherently less capable or holds less potential just because they are in poverty due to the society, they find themselves in, the circumstances that have impacted them, or even the choices they've made. Granted, there are individuals who suffer from physical or mental ailments[176], war-torn cities, or environmental catastrophes that make them physically unable to help themselves, but the majority of people do not need someone to simply give them a handout that renders them unable to sustain themselves long term. It is important to understand that poverty is not created or perpetuated by the poor, it did not come about because of any deficiencies on their part, it was created by the systems, institutions, and concepts that we have created which are often fundamentally flawed and skewed to bolster a select few at the expense of others with less power.[1777] In the words of Mohammad Yunus,

Every human being is born into this world fully equipped not only to take care of himself or herself, but also to contribute to the wellbeing of the world as a whole. Some get the chance to explore their potential, but many others never get the chance to explore

the wonderful gift they were born with. They die with those gifts unexplored, and the world remains deprived of their contribution.

Therefore in this finale part of my thesis I will present the social enterprise narratives of the 3 women who dismantle the single story of social entrepreneurship that has often been told in academic spaces. It is high time that the voices of those who are often left out of social enterprise studies are amplified. While I focus primarily on sex in this study it is important for those of different races, ethnicities, education levels, and socioeconomic statuses to be highlighted as well. These small-scale social entrepreneurs focus on the unmet needs of disadvantaged populations but little is known about them. The narrative format is necessary because if we are truly going to change the single story of social entrepreneurship, we cannot relegate our understanding of these underrepresented social entrepreneurs to numbers or demographic statistics. A better understanding of the motivations and processes of these social entrepreneurs can help them be more effective in solving social problems.

It can also help create a social enterprise ecosystem of investors, partners, and supporters to help accelerate their efforts. I have conducted interviews with social entrepreneurs from 2 countries- Nigeria and Panama both of these people are differently situated in race and socioeconomic status and despite the challenges they faced being women in male dominated and patriarchal societies, they still started social enterprises that have changed the lives of thousands of people.<sup>78</sup>

<sup>&</sup>lt;sup>78</sup> Kropp, F., Yitshaki, R., & Snyder, C. T. (2017). The Path of the Social Entrepreneur: A Narrative Analysis Approach. *The Customer Is NOT Always Right? Marketing Orientations In a Dynamic Business World Developments in Marketing Science: Proceedings of the Academy of Marketing Science* 

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# **Biography**

Oluwasijibomi "Siji" Deleawe was born in Lagos, Nigeria in 1997. Her family moved to Sydney Australia when she was 1 and after about 2 years there, they settled down in Dallas, Texas. She attended The University of Texas at Austin where she majored in Business Honors and Plan II Honors. She soon realized her passion for social entrepreneurship and added a certificate in Social Entrepreneurship and Non-Profits. In college she served on the leadership Team of Haven Student Fellowship, held an executive position in Texas Orange Jackets, and founded a literacy non-profit called The Onkawe Initiative. She plans to begin a career in Human Capital Consulting at Deloitte in the fall.