
SOCIAL ENTREPRENEURSHIP: WHAT EVERYONE NEEDS TO KNOW

Bornstein, D. & Davis, S.
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My son's school friend Jean-Pierre was asked by his eighth grade teacher, "What would you like to do when you grow up?" Jean-Pierre responded, "I want to help people." "Great," replied the teacher, "think of something people need and build a business to provide it. Then you can use your profits however you want, to build houses, provide medical care, or provide other fine things poor people can't afford." Alas, Jean-Pierre did not have the courage of his convictions to start something, run it and take full responsibility for the outcome like any good entrepreneur. He preferred to go to work for a big agency, draw a salary, and allocate money he had not earned by himself.

Bornstein and Davis have written a text for those who want to transform their desire for societal change into action that will promote such change. They define social entrepreneurship as "a process by which citizens build or transform institutions to advance solutions to social problems, such as poverty, illness, illiteracy, environmental destruction, human rights abuses, and corruption, in order to make life better for many." Sadly, the book is missing any reference whatsoever to Christianity or ministry to the needy and focuses instead on secular organizations including governmental, non-profit, and major foundation grants or business entities for both funding sources and modeling, thereby missing the example Christianity has set for doing the work most efficiently.

The introduction makes reference to "change-makers" who have enabled millions of people all

over the world to take action to solve problems. Throughout the book, the examples that resonate best are those about innovators who labored long for deeply held ideas and then adapted those ideas when it became apparent that change was necessary. Grameen Bank "began making loans primarily to women after seven years of experimentation lending mainly to men." This ability to correct a faulty assumption is central to entrepreneurship.

On the other hand, critical thinking about the role of government would be helpful. While the authors discuss the issue of "funding" they never seem to grasp that government generates its income solely from taxpayers, and taxpayers may legitimately question whether the proper role of government, especially America's limited government, should be, as an example, to designate tax money for the reduction of energy consumption. Congress has allocated enormous grants to the production of ethanol in the belief that a government subsidy of corn to cut the use of fossil fuels (read: oil) is a good thing. As private citizens note shocking increases in the cost of food, and foreign importers of grain note alarming shortages, the authors' unwillingness to confront the consequences of an unquestioning acceptance of global warming theories seems a serious omission. Instead, we see rising energy prices in America, while ethanol subsidies continue to incentivize farmers to grow grain for fuel rather than food, even as the country approaches a fiscal crisis. Social entrepreneurship works best when, as with run-of-the-mill business entrepre-

neurship, those who dream of making the world a better place organize, manage and assume the risk of building on that idea and must deal with consequences good and bad.

The first segment, “Defining Social Entrepreneurship” consists of chapters that set social entrepreneurship apart from business entrepreneurship, activism and government. The authors rightly note that systemic change takes longer than a one- or two-year grant, and that politicians must answer to constituents. Still, they bridle at reporting requirements and transparency: “Social entrepreneurs, in contrast, insist on being insulated from day-to-day political pressures.” But surely if one wants to be insulated, one should look to self-financing. I would have liked more examples like those of social innovators over the age of 60 pursuing service-oriented encore careers, which are likely self-funding, and fewer examples like the citation that one quarter of college seniors’ dream is to work in arts or public service while only half that number actually plan to do so. The authors approvingly note that the “evaporation of high-paying jobs made it easier” for some Harvard students to choose work they care about, but if that attitude spreads among young people entering the work force, exactly where will the money come from to make these dreams a reality? Or will those caring, nurturing graduates be content to live their lives effectively taking a vow of poverty?

The biggest unanswered questions for the authors are as follows: where does the money come from? What constitutes success and who decides? These questions are answered simply at the local level, but arguably can never be answered at the global level.

The Gospels teach the seven corporal works of mercy: feed the hungry, give drink to the

thirsty, clothe the naked, shelter the homeless, visit the sick, visit those in prison, and bury the dead. Only 25 English words. Nothing about fund raising, no reliance on government, foundations or grants. *Social Entrepreneurship* is a secular book and never mentions Christ’s call to works of mercy. Thankfully Bornstein and Davis do credit Silicon Valley entrepreneurs who donate millions and billions for favored and worthy causes, as well as private citizens who spend their working lives generating income, and then spend their retirement years doing good, supporting themselves, and directing their own savings to the fulfillment of long-nourished dreams to use their talents in ministry to others.

Social entrepreneurship in its generic meaning refers to good works being done efficiently using a business model. At the individual level the results are exciting as individuals see a need and work to fill it, bringing others along as the idea matures and integrating a business model that requires planning and measuring results. At the national and global level, too often social entrepreneurship ceases to be entrepreneurial and evolves into a bureaucracy answerable only to another bureaucracy. The challenge for social entrepreneurs is how they can grow without succumbing to the inefficiencies, lack of accountability, and decreased effectiveness of most bureaucracies. Unfortunately Bornstein and Davis are too willing to let social entrepreneurship follow predictable, and predictably unsatisfactory, channels once the enterprises have grown beyond their initial stages.

The Gospel’s call to the corporal works of mercy is a simpler, more efficient model and neatly follows the authors’ suggestion at the book’s end, number 24 in Thoughts for Changemakers: “Find sources for inspiration and use them.”