

SO YOU *want* TO CHANGE
the WORLD

{ *The Emergence of Social Entrepreneurship* }
{ AND THE RISE OF THE CITIZEN SECTOR }

HART HOUSE LECTURE 2005

DAVID BORNSTEIN

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Published in 2005 by
The Hart House Lectures
Hart House
University of Toronto
Toronto, Ontario, M5S 3H3
416-978-2452
www.harthouse.utoronto.ca
www.harthouselectures.ca

NATIONAL LIBRARY OF CANADA
CATALOGUING IN PUBLICATION DATA:

Bornstein, David.
So You Want to Change the World? The Emergence of Social
Entrepreneurship and the Rise of the Citizen Sector
(The Hart House Lecture, 4)
ISBN 0-9694382-5-7

Book Design: Graham F. Scott

Printed and bound in Canada

SO YOU WANT TO CHANGE THE WORLD?

The Emergence of Social Entrepreneurship and the Rise of the Citizen Sector

FOREWORD

The Hart House Lecture strives to inspire debate about visions of our place in the world, to create a public conversation with young people about issues related to personal and collective identity, and to explore the meaning of active citizenship. In the autumn when I gathered students together to consider who would be the 2005 lecturer, it was in the context of the Canadian federal election, the American presidential election and the ongoing hostilities in Iraq. On the basis of low voter turnouts, the media was declaring the current generation of young people to be uncaring, disengaged, self-interested, uninformed and apathetic; but we thought otherwise.

In passionate early-morning discussions, the students on the lecture committee expressed their concern for the overwhelming pace and impact of global change and the ways in which they were interested in making a better world. Recognizing that youth are finding different ways to be involved—beyond traditional definitions of civic engagement such as voting—we became interested in the notion of social entrepreneurship. This led us quickly to David Bornstein, a Canadian computer-programmer-turned-writer and New Yorker who has written extensively about social entrepreneurs and their profound impact throughout the world.

David Bornstein's original lecture is both inspiring and practical, with idealistic aspirations grounded in pragmatic projects. Upon reading the first draft, we all wanted to hear more. He is an extremely engaging storyteller, enticing the reader/listener into the creative world of social entrepreneurs. David encourages us to seek and encourage such opportunities in our own communities by reflecting on what makes social entrepreneurs tick. Revealing the profound impact of small local projects on

communities, he manages to challenge us without judging us, offering hope which is realistic and a way which is realizable. Through the lecture, David shows us that, as individuals, we can effect positive change with global reach by engaging in local projects on a human scale.

Since the inception of the Hart House Lecture, it has been our dream to make the lecture meaningful beyond the event itself. In particular, we want the lecture to provide a departure point for more questions, reflection and inquiry among young people about active citizenship. Discovering the world of social entrepreneurship through this year's lecture has been like finding a new planet. We have made connections with organizations such as the Toronto-based World Youth Centre, which is an incubator for "youth-driven social change projects." We have found high-school students who want to learn how to create solutions to issues in their community using the model of social entrepreneurs. We have learned about Ashoka, a non-profit organization that identifies and invests in leading social entrepreneurs; and we hope to inspire submissions to a book project spearheaded by several Action Canada fellows which will document stories of inspiring young Canadian thinkers, activists, community leaders and social entrepreneurs. Already the 2005 Hart House Lecture has meaning beyond itself. We hope you find inspiration in the ideas presented so eloquently by David Bornstein and share our excitement about the limitless possibilities to make a difference in the world.

— Margaret Hancock
Warden, Hart House
March 2005

ONE

Several years ago, I participated in a three-day workshop, held on a college campus in Colorado, designed to help 40 low-income high school students reach college. My job was to help five students compose college admission essays that would reveal them as whole people, not just numbers on a transcript. Others, meanwhile, would be helping the students to choose colleges, find sources of financial aid and overcome their personal fears about college.

In the weeks prior to the workshop, I hadn't done anything to prepare for it. I grew up in a middle-class family in the suburbs of Montreal. Before becoming a writer, I worked as a computer programmer. I've seen poverty but I've never experienced it. So I had some doubts about how well I would be able to relate to five inner-city teenagers. But the organization in charge, a group called College Summit, which had been founded by a former divinity student named J.B. Schramm, assured me that all I had to do was show up.

I was to begin working with the students at 8 a.m. on a Friday morning. On Thursday night, at about 11 p.m., after a four-hour crash training, I met my students: three boys and two girls, four African Americans and one Samoan. The boys towered over me. I would later learn that they had all grown up in violent neighborhoods in Los Angeles and Denver. One of the girls had seen her sister murdered in a drive-by shooting. I said hello and the teenagers mumbled and stared at their feet. We had five minutes together before we had to go to sleep—enough time for me to realize that I was in way over my head. I felt so stressed I didn't fall asleep until 3 a.m.

The next morning, I met with my students again and together we took a walk across the campus to our assigned room. It was a magnificent summer day and passing the library, the grassy lawns, I was hit with a longing to return to college. When we arrived at our

classroom, I immediately dove into the writing work as I had been instructed, and within an hour a sense of panic began to rise within me. The students were guarded and their writing was horribly dull. I thought: “This is never going to work.” But College Summit had been honing its workshops for six years and the night before, I’d been told: “Don’t worry. Trust the process.”

The morning was painful. Then something shifted in the afternoon. And by the following morning the room had a new feel. By Sunday, my students had produced five essays. Not essays free of grammatical errors, but authentic pieces of writing drawn from life experiences that gave a rich sense of who the students were. I was astonished by how far we had come in three days.

When I returned to New York City, where I live, I found myself looking differently at the teenagers holding court on the sidewalks and monopolizing subway cars. I found I had an easier time imagining where they came from and what stories they might tell if someone would listen. Before that weekend, I had never thought about how much ability is trapped below the surface of our society. There are 200,000 low-income students who graduate from U.S. high schools each year, who, according to the government, are capable of succeeding in college, but who fail to enroll. In Canada, in 2001, only 20 per cent of students with family incomes of \$25,000 or less attended college.

That weekend made me see that there is no reason why so many young people should end up marginalized. It showed me that it is possible to create relatively simple processes that unleash talent and ambition—systematically. Since then, I’ve repeated the experience two more times. I’ve spoken with scores of other participants, including my wife, who has done it four times—and in almost every case the experience is the same, the magic is repeated.

My point is not to explain how College Summit works—there are many other aspects of its approach that I haven’t mentioned. My point is to explain that it does work, and it works at scale. Somehow, College Summit has developed a process—a social technology—that gets thousands of low income students into college at much higher rates than one would reasonably expect, almost 75 per cent higher than the national average for their peers.

Here is another example of a social technology: there is an organization in Poland called Barka, which operates a series of homes in which former prison inmates, recovering alcoholics, and recently homeless people live and work together, sharing responsibilities and co-managing small businesses. Now, you would be correct in thinking that this sounds like a recipe for disaster. The history of communal living is strewn with failure. Who, in this day and age, would imagine that you could bring together a group of so-called “undesirables,” give them responsibilities for taking care of themselves

and one another, and create a co-operative living arrangement that actually works?

When Barka began, people told its founders, two psychologists named Barbara and Tomasz Sadowski, that they might be able to run one of these homes successfully, maybe two, but no more. People said it depended too much on their charisma. But today there are 20 such houses, the Sadowskis are no longer supervising them directly, and the social franchise they've built continues to expand. Somehow, Barka has created, out of the ashes of communism, a system of mutual support that allows people to free themselves from a kind of self-imposed captivity. This system, incidentally, is not built on rules, but on a culture of empathy. It is informed by humor, flexible thinking and a good-natured acceptance of human weakness.

I mention that Barka is built on empathy. If you look closely at College Summit, you will find that its workshops also stimulate empathy, and that is, I think, why the students become unchained so quickly in that environment. Empathy, it turns out, is a kind of skeleton key, unlocking many doors and shackles. Here, in Toronto, you have an organization founded by a remarkable educator named Mary Gordon called Roots of Empathy, which helps children acquire the skills of empathy and emotional literacy. Roots of Empathy has assisted almost 70,000 students ranging in age from 3 to 13, with 1,100 classrooms currently running the program in eight provinces across Canada. It is now being adopted in Japan and Australia.

The idea is deceptively simple. Every month during the school year, children receive a classroom visit from a baby and its parent, and a trained Roots of Empathy instructor. Roots of Empathy calls the baby the "professor." During visits, the children try to make sense of the baby's sounds and movements. The instructor meets with the class before and after each of the baby's nine visits to prepare and debrief the students, and through these 27 meetings, the children learn to think about the meaning of a baby's cry, and about caring and safety, and good-byes and good wishes. Most important, they learn to recognize and name other people's feelings, which helps them to manage their own. Studies undertaken by the University of British Columbia have shown that these experiences improve the students' understanding about emotions and social situations, and lead to more pro-social behavior and less aggression, including less bullying.

College Summit, Barka and Roots of Empathy are three examples of the kinds of creative solutions that are coming up around the world today, built by citizens—or social entrepreneurs—who have taken it upon themselves to repair society. If we recognize the role of innovators like J.B. Schramm, Mary Gordon and Barbara and Tomasz Sadowski in building organizations like these, and if we properly support their efforts, I believe we will see the rate of social innovation increase dramatically.

TWO

In the early, 1990s I was working as a journalist in New York City, when I came upon an article about the Grameen Bank, which means “the village bank.” The article explained that this bank made loans to half a million women villagers in Bangladesh. The loans were tiny, about \$60 a year on average, and the women paid them back at the rate of \$1.20 a week, with very high repayment rates. Typically, a woman would purchase an asset—a cow, or goats, or perhaps a rickshaw for her husband. She would use the asset to generate an income, pay off the loan, and at the end of the year she would be the owner of the asset. Then she would do it again. Through this process, over time, borrowers moved from very oppressive poverty, eating one or two meals a day, to less oppressive poverty, eating three meals a day, keeping a vegetable garden, being able to send their children to school. I remember walking along Morton Street in Greenwich Village on a sunny spring morning in 1991 when it suddenly struck me that I would have to go to Bangladesh to see this for myself.

It took me six months to save the money for the trip. So before leaving, I had plenty of time to read everything I could get my hands on about the bank. I kept coming across references to it as a development “miracle,” which worried me, because I don’t believe in miracles. But after I arrived in Bangladesh, it didn’t take long to see that it was not a miracle at all. It was something better: a system—a system that had turned the idea of a bank on its head by serving only poor people, requiring no collateral, and allowing villagers to become the owners of the bank.

I ended up spending 10 months in Bangladesh and another four years writing a book about the Grameen Bank. By the time the book was done, the bank had two million borrowers. Today, it has more than four million, 95 per cent of whom are women.

More important, the Grameen Bank has advanced an idea which has spread around the world. Today, there are more than 3,000 organizations engaged in “micro-credit” lending, and they reach more than 70 million families—about 350 million people. Most of this growth has occurred in the past seven years. This is a very dramatic social change.

I'd like to put it into perspective. What does it mean that tens of millions of poor families enjoy access to fair-priced credit? Consider what credit means in our lives: how do we buy our cars, our houses, our college educations? We buy them in installments. We don't pay for them in advance. If we had to, many of us could never afford them. The ability to buy things in installments is critical to economic development and social change. It is a big part of our freedom and our ability to move beyond the circumstances of our birth.

Most of the world's people don't have this option. When I was in Bangladesh, I met men who had been pedaling rickshaws for 20 years and still hadn't become the owners of those rickshaws. If a man's wife joins the Grameen Bank, she can take out a loan, buy a second-hand rickshaw, and they can pay it off in a year. Then they can do it again the following year. Thousands of people have done just that.

Installment buying enables all sorts of radical changes, but without the empty slogans of revolutions. For example, the Grameen Bank has extended 600,000 home mortgages to Bangladeshi families, who pay off the loans over 10 or 15 years at the rate of about \$1 a week. The houses have corrugated tin roofs, cement pillars, and pit latrines: they stay dry during the monsoons and keep families healthy throughout the year. Every one of these houses, as well as the land beneath them, according to the rules of the Grameen Bank, must be registered in the wife's name. The Grameen Bank also leases cell phones to close to 100,000 “village phone ladies,” who support themselves by selling calls to other villages.

In Mexico, a large cement company is using the principle of installment buying to help slum dwellers build their own homes. In Brazil, I met a social entrepreneur named Fabio Rosa, who rents solar panels to poor villagers. The monthly fee is less than what the villagers used to pay for candles, batteries, and kerosene. There are about two billion people in the world who don't have electricity, and about a billion of them could afford solar energy if they could rent it or pay it off in installments. But the systems have to be built.

I was recently in Southeast Asia, where I learned that survivors of the recent tsunami there, who had been waiting in vain for promised relief, had begun taking out bank loans to get back on their feet. Not long ago, the only source of credit for a poor family in Sri Lanka would have been a loan shark. Now, poor women fish vendors can purchase transport vehicles with a loan at six per cent interest and they enjoy a one-year grace period before having to make any payments. Of course, it would be nice if the

relief actually reached the intended recipients—but it is fascinating to see how options have expanded for poor people.

Who created the Grameen Bank? Initially, I imagined that the government had built it. But I discovered that the bank had been founded by an economics professor named Muhammad Yunus, a creative, single-minded, intensely driven individual who has spent the past 30 years building his organization and spreading the idea of micro-credit around the world. Yunus could have become a wealthy businessman. But in 1974, after a famine struck Bangladesh and tens of thousands of villagers starved to death, Yunus became obsessed with eradicating poverty. Today, his vision is to help build a world in which our grandchildren will have to go to museums to see what poverty was.

I concluded my book on the Grameen Bank by saying that if we wanted to see more innovative organizations of this sort, we needed to do more to support social entrepreneurs like Muhammad Yunus, who devote their lives to building them. Shortly after that, I met a man named Bill Drayton, an American, who had spent the previous 20 years searching the globe for social entrepreneurs in order to help them grow and spread their seeds. Drayton had built a remarkable organization called Ashoka, which has supported more than 1,500 innovators in 53 countries.

It didn't take me long to see that I had found my next book. I embarked on a five-year journey interviewing a hundred social entrepreneurs in eight countries, most of whom I identified through Ashoka's network. I was struck by the similarity in their stories: the social entrepreneurs had all spent years gaining skills and experience in different environments before they were exposed to a problem that seized them—often something painful. In a village in Bangladesh, Muhammad Yunus met a woman who was being terribly exploited by a moneylender. In a teen center in Washington, J. B. Schramm met four students who were desperate for help to get into college. In Hungary, Erzsébet Szekeres could find no place in society that was appropriate for her disabled son, Tibor.

The social entrepreneurs felt compelled to take action. Their initial response was unplanned and very modest. (The Grameen Bank's initial loans to 42 borrowers amounted to \$26.) But before long, they sought to reach out to others and that forced them to assemble a team and mobilize resources. For the next decade, they immersed themselves in the problems they were addressing and went through an intensive period of experimentation, continually working to improve and expand their organizations and to make them less dependent on their own personalities. Over time their work grew more and more central to their lives, until they reached a point at which every decision was filtered through the prism of their ideas: where to live, what to read, who to marry. Often their ideas crowded out everything else, including family, and their marriages fell

apart. Step by step, with each success, their belief in their ability to cause change grew and they kept looking for ways to increase their impact, to change the very systems that were at the root of the problems they were addressing. In time, others began copying them and the basic standards and assumptions in their field began to shift. Some of these social entrepreneurs had effected reforms at the national level. I thought: “Why don’t we hear about these people?”

Then I began scouring books and I discovered that history was full of social entrepreneurs, too, but we had never thought of them that way. People like Roland Hill, who founded the modern postal system; Florence Nightingale, who revolutionized health care practices; and Gandhi, who built up the political structures that enabled India to make the transition to self-rule—they were very much entrepreneurs, both in temperament and in method. While I was working on this book, my father had a brain aneurysm and his life was saved by a seven-hour operation at the Montreal Neurological Institute. I began wondering how we got this hospital in the first place and I discovered that I owed thanks for my father’s life to the physician and social entrepreneur, Wilder Penfield, who had the vision seventy years ago to build a world-class neurological institute in Montreal.

I saw that social entrepreneurs had been around for centuries, but that their global presence was accelerating. Over the past 30 years, something had shifted which had caused an explosion of citizen activity, with millions of people starting organizations to address problems, often in new ways. Nothing like this had ever happened before. In the six years following the fall of the Berlin Wall, for example, more than 100,000 new social organizations were established in the former communist countries of central Europe. Since the early 1990s, hundreds of thousands of organizations have been established in Canada and the United States. In Bangladesh and Thailand, there are tens of thousands. In India and Brazil, there are more than a million social organizations in each country, the vast majority of which have been founded just in the past 20 years. Bill Drayton, the founder of Ashoka, has coined the term “citizen sector” to describe the space between the private and public sectors in which these organizations operate.

And I began to see that we had arrived at a point where the most practical and exciting ideas about how to fix social problems—how to alleviate poverty, how to help disabled people live more independently, how to deliver electricity to villagers, how to teach empathy—were not in governments or universities or big development agencies; they were in the hands of the social entrepreneurs. And this was also something very new.

THREE

In his book *Bury the Chains*, Adam Hochschild notes that at the end of the eighteenth century, well over three-quarters of all people alive were in bondage. Hochschild is referring to actual bondage, as in slavery and serfdom. But he got me thinking about freedom more broadly. And it struck me that until recently, except for a sliver of humanity, almost everybody has been in a form of captivity—captive to kings or feudal lords, generals or politburos, captive to short lives, or illiteracy, or the daily hardship of survival. For most of the twentieth century, in what we would consider the most culturally advanced corners of the world, if you were a woman, or a black-skinned person, or a disabled person, or a homosexual, or a member of any of a thousand minority groups, you were shackled by age-old traditions and prejudices, prejudices often backed up by the rule of law.

For most of the world, this status quo has persisted until very recently. In many places, it still persists. But over the past thirty or forty years it has weakened substantially. The most dramatic changes have been the global spread of the women's movement and improvements in the distribution of basic education and health care, which have raised literacy rates and life expectancies for hundreds of millions of people. During the 1970s alone, the number of universities in the world doubled. During the 1980s alone, the global vaccination rate of children climbed from 20 per cent to 80 per cent. Even something as simple as the widespread dissemination of iodized salt, which occurred mostly during the 1990s, has prevented tens of millions of people from being mentally retarded.

Since the 1970s, many countries, including India, Indonesia, Brazil and Thailand, have seen the growth of significant middle classes. A global environmental

movement has emerged full force, along with an extraordinary range of social movements—consumer protection, disability rights, gay and lesbian rights, the movement for the equality of untouchables in India, the landless movement in Brazil and the global convention on the rights of the child. During the 1990s, citizens around the world—with leadership from the Canadian government—achieved an international treaty banning the use of landmines and created an international criminal court, both over the objections of the most powerful nation in the world, the United States. Micro-credit, as I mentioned, has spread to 70 million families. I haven't even mentioned the internet. And of course, we can't forget the collapse of communism and apartheid and numerous dictatorships, and in their wake, the spread of political pluralism and tentative democracy. Today, many more people around the world have the opportunity to challenge the status quo without being imprisoned or "banned" or "disappeared."

Václav Havel has written that education is "the ability to perceive the hidden connections between phenomena." Several years ago, a friend of mine had the chance to ask Mikhail Gorbachev what he thought was the most important factor in the demise of communism. Gorbachev replied, "The Beatles." It is impossible to understand or predict the cumulative effect of all these changes, or the mysterious ways they interact. But one thing becoming clear is that a global citizen ethic is gradually emerging, fueled by the recognition that the world is not such a big place and, for better or worse, we are all in it together.

This is the good news. But it is not all good, as we know. Every day the newspapers remind us that the human instinct for savagery is alive and well. In recent years, reading about genocides in Bosnia, Rwanda and now Darfur, about the trafficking of sex slaves, about bombings in trains and cafés, I have found myself repeatedly stunned by what human beings are capable of, although I know I shouldn't be. When I was thirteen years old, I wrote an essay on the Holocaust. I remember the first time I read about the medical experiments performed by the Nazi doctors at Auschwitz. How they would drop infants upside down onto cement floors from different heights to see at what point their skulls would be crushed. That was an awakening for me. I remember thinking that nothing I read about people would ever shock me again. But, recently, I attended a remarkable play in New York called *9 Parts of Desire*, based on interviews with Iraqi women, and hearing vivid accounts of the butchery of the Baathist regime, I was newly stunned, although, again, I know I shouldn't be.

But my wise old aunt Selma, now 91, often reminds me that the sins of omission are greater than the sins of commission, and that the greatest evils in the world, like mass poverty, are more the result of inaction than of direct brutality. The

poorest half of the people in the world receive five per cent of global income. It is probably safe to say that half of the people on the planet are living so close to the edge of survival that they have no options in life to speak of. This is not to say that they can't experience happiness—you find many high-spirited people in a Bangladeshi village—but that they never get to experience a fraction of their potential.

The sins of omission are hard to keep track of, they are so many. Western societies take pride in their compassion and rationality, yet we offer a thousand explanations about why we can't increase the minimum wage, or cut drug prices for Africans who are HIV positive, or reduce the rate at which we are destroying the environment. Over the past 30 years, we have consumed a third of the planet's natural resources. It's pretty obvious that we are in denial about this. Look at the cars we drive: why have we chosen the precise moment in history when the problem of global warming has come to light to double the size of our cars? It's like being told you're developing emphysema and responding by switching from smoking one pack a day to smoking two packs a day. And instead of changing our behavior, we'd rather pray for good health. According to polls, a third of Americans believe that the Bible is literally true. In a number of states, science teachers have stopped teaching evolution altogether, not even because they have been ordered to do so, but because they don't believe in it themselves or they see it as a career risk.

But this, I believe, is a symptom of global forces that we are failing to come to grips with. The world is changing so quickly. The current decade is the first in human history in which more people live in towns and cities than in villages. That's a significant milestone. It has been a long time coming. We can think of it as the tipping point of a process that began 13,000 years ago with the development of agriculture. We only have to go back two or three generations to a time when the overwhelming majority of the world's population was still rural, even in industrial countries like Canada and the U.S. For almost all of recorded history, just about everyone lived in slow-changing communities where people rarely moved, where survival skills could be acquired from parents, and where age-old codes of conduct told you what was right and what was wrong, and you acted accordingly.

That was the world that shaped our laws, religions and identities, underpinned our economies and, until recently, governed our expectations. It was a knowable world dominated by simple rules. We used to compare ourselves with our neighbors to see if we were doing all right. We used to compete with them for jobs. We could count on gradual change, so we had a pretty good idea about what tomorrow might bring.

That world doesn't exist anymore—not in Canada, not in Brazil, not in Thailand, not even in rural India, where villagers watch the same TV

shows we do. And, historically speaking, it has disappeared in the blink of an eye. The urban population in developing countries was 300 million in 1950. In 20 years, it will be four-and-a-half billion. Global society and the global economy will look very different then. People already feel the loss of control: they have been uprooted from their traditional foundations; their jobs have been globalized; they have to work with people who look different and speak a different language and have no use for their God. And to make matters worse, the media floods them with images reminding them on a daily basis that they are inadequate in a hundred ways and in constant danger of everything from cholesterol to child molestation.

It is difficult to tolerate so much change, so much ambiguity. I suspect that these global forces may explain why we are seeing a rise in fundamentalism across the world—not just in the Middle East, but among Indians, Nigerians, Brazilians, and Americans and Canadians, too. Wherever people feel adrift, threatened, marginalized, they cling to certainties. They have always done so.

On a personal note, even in the quiet suburbs of Montreal, things have changed. When I was growing up, I spent most of my afternoons playing pickup road hockey games with friends and riding my bicycle around the neighborhood—hours and hours of unstructured, unsupervised time. I don't think our mothers had much of an idea about what we did after school. Now I have friends raising their children in those same suburbs and they feel that they have to keep a constant watch on their kids. They spend half their lives driving them from this lesson to that play date. Is suburban life in Canada that much more dangerous than it was in the 1970s? Or do we feel that much more out of control?

If you look at social entrepreneurs working with youth, it is fascinating to see how, across the world, so many people working independent of one another are responding to the same challenges: how do we prepare children to succeed in this new world? How do we protect them? How do we help them learn to manage change? How do we help them to enjoy, rather than fear, differences?

In India, a remarkable network called Childline has spread across the country over the past nine years to protect street children. Much of the rescue and call-response work is actually done by the street children themselves. In Sao Paulo, Brazil, an organization called Crecheplan is upgrading educational models for day care, so that children grow up learning to think as problem solvers from an early age. In Indonesia, new schools are bringing together Chinese and Muslim students who have historically been kept apart. One of the most valuable things that College Summit does is ensure that low-income American students have opportunities to experience otherness in a safe environment. It's better to get into your first heated political argument with a freshman classmate than with your boss. And, again, the skill that

people need most to be able to operate effectively in a fast-changing, diverse world is empathy. That is why Roots of Empathy's work, with its little "professors," is so critical.

When I pull back and try to imagine the global changes of the past 40 years from a long-term perspective, they strike me as a kind of ice age melting. As the glacier recedes, many forms of growth can take root, or return to life, both desirable and undesirable. These changes have increased the power of individuals and the options available to them.

Individuals with extraordinary access to information are responding where traditional structures—governments, businesses, media, universities—are failing. As the pace of change accelerates, they know that our adaptive systems also have to speed up. Whether it's the environmental threat, or AIDS, or the impact of unregulated capitalism, we can't wait too long to fix things. This is why social entrepreneurs have become a global force today: social conditions have finally allowed them to flourish, and they are desperately needed.

I expect this force to grow because it is better suited to crafting decentralized solutions than top-down mechanisms, and because it tends to strengthen democracy. It is hard to imagine dictatorships re-emerging in Brazil or Thailand, where the citizen sector has exploded. However, there are many countries, like Russia, Egypt, and Pakistan, where the future is uncertain. The big question remains: what will people do with their new freedoms? Will they devote themselves to making money and making war? Will we see more lawlessness and terrorism? Or will people organize themselves intelligently to preserve and extend the freedoms they now enjoy?

It is possible that over the next few decades we might be treated to something new: a chance to watch the real history of the world begin to unfold. Not the history of what people must do when they are held captive, but the history of what people choose to do when they have options. What might such a world look like?

FOUR

In my freshman year at McGill University, I enrolled in Economics 101, where I was promptly introduced to a character called “Economic Man,” who always acts rationally to maximize his economic self-interest. At around the same time, I was also introduced to The Proletarian of utopian socialism, who is happy to work according to his ability and receive according to his need. In other courses, I encountered The Noble Savage and Hobbes’s Warrior-Against-All and the strange human being imagined by John Locke who has no innate tendencies.

Personally, I have never come across anyone who resembles any of these imagined people. But these are the ideas that have shaped our world and our institutions. It is no wonder that so many of the systems in our society are in need of repair. We have been deluding ourselves about what people are like. In a beautiful little book entitled, *Prisons We Choose To Live Inside*, the novelist Doris Lessing has written: “I think when people look back at our time, they will be amazed at one thing more than any other. It is this—that we do know more about ourselves now than other people did in the past, but that very little of this knowledge has been put into effect.”

Maybe this is the challenge of the century: to make practical use of the knowledge we have about ourselves. When I travel today, I do feel encouraged. I see people building eminently practical organizations—like the Grameen Bank, College Summit, Barka, and Roots of Empathy—that are deeply woven in the texture of people’s lives. They are not floating on rosy fantasies or drowning in unwarranted pessimism. They recognize human limitations and weakness, but they also begin with the presumption that, for the most part, people are competent and resourceful and they strive for connection and meaning. These organizations trust, but they also verify.

Over the past 30 years, the Grameen Bank has had to deal with every problem imaginable: repayment crises, staff corruption, scandals, robberies, management incompetence, opposition from fundamentalists, the fierce competition for survival that follows cyclones and floods—and each time it has learned something valuable about how to work with poor villagers. Each time it has changed its recipe, added some safeguards, or given its systems a major tune-up.

You have to look at the details to appreciate how much “soft intelligence” is built into this system, which has 4 million borrowers and 12,000 employees who, each week, make their way over muddy paths and across bamboo bridges to collect installments. A week after being hired by the Grameen Bank, for example, every new recruit is dispatched to a village where he or she has to write a detailed case study about a poor woman. The recruit is expected to spend a few days interviewing the woman in her home, sitting on a cane mat taking notes, while the woman goes about her business grinding chilies or shelling peas. It is a relatively simple exercise designed to help the staff see beyond their prejudices, but it also turns out to be an excellent way to screen out staff members who have little enthusiasm for serving the poor. Another way the bank screens out potential problem staff is by not hiring people who have worked in other banks. It is too difficult to get them to change their ideas about banking.

I have repeatedly found creative management approaches like these in organizations founded by social entrepreneurs. I think they stem from the social entrepreneurs’ compulsion to make their ideas work, no matter what it takes, no matter how long it takes. No bureaucracy is as motivated as an obsessive person. No bureaucracy has the patience and tenacity to solve all the small problems and attend to all the details. Now, if you imagine the level of knowledge that the Grameen Bank has amassed about village life, multiplied a thousand times and scattered around the globe, you can get an idea of the gold mine of experience the social entrepreneurs are sitting on today, and the rich opportunities we have to draw out the practical insights and put them into broader use.

In Hungary, I met a woman named Erzsébet Szekeres, the mother of a disabled son, who had established a network of 21 working and living centers for disabled people. I discovered that Erzsébet had come to the same realizations as Muhammad Yunus. The key to success was choosing the right people with the right qualities. Initially, she had hired people with formal credentials and experience in state institutions, but she quickly found that many of them had negative attitudes about the disabled and were resistant to change. So she began watching people who connected well with the disabled and enjoyed helping them to live more independently, and

she saw that they shared certain qualities: patience, empathy, a sense of humor, and flexible thinking. Today, when she hires people, she doesn't pay much attention to their credentials or experience, except to make sure they haven't worked in an institution. She is happy to hire former shop clerks, bakers and homemakers. She puts them to work for three weeks and watches to see how they engage with disabled people. If someone is not right for the job, it is usually apparent in a matter of days. The difference between her centers and the state institutions is like the difference between a greenhouse and a morgue.

Why don't institutions for disabled people routinely screen their employees for empathy, flexible thinking, and a decent sense of humor? There was a scandal in New York state a few years ago when it was revealed that dozens of institutions for the disabled had degenerated into warehouses of abuse and neglect. The administrators in these institutions gave no thought to personal qualities when they hired caregivers. In the age of the microprocessor, we are still making these basic mistakes.

Here is another example: India has 22,000 primary health care centers and they all have to dispose of needles and other waste products safely. It's a big problem. How does a poor country like India manage it? For years, the World Bank has been pressing the Indian government to borrow money to build oil-fired incinerators. If you talk with people in India who deal with primary health care centers, they will tell you that building incinerators around the country would be a disaster. Nobody would use them. Locals would sell the oil and the incinerators would end up rusting. Today, a social entrepreneur in India named Ravi Agarwal, a nature lover and bird watcher, has founded a network called Toxics Link which is addressing the hospital-waste problem in a realistic fashion: by teaching simple, low-cost procedures that people can actually follow: cut the tips off the needles, dip them immediately in a hypochlorite solution, deep bury them, and so forth.

You could fill a phonebook with development schemes that have failed because they forgot about the people. To my mind, the biggest challenges we face today are not technological, but organizational; they require innovations in the areas of management, motivation, communication and distribution. We have many life-saving and life-changing solutions that are not yet broadly distributed. Malaria nets. Oral rehydration therapy. Vaccines. Reading glasses. Water filters. Millions of lives could be saved each year by getting them into people's hands. The information that could have prevented tens of thousands of deaths from the 2004 tsunami was available; it just wasn't distributed.

FIVE

All the ideas and solutions I have mentioned come into being because people listen, trust their instincts, and make the decision to act. They share certain qualities: initiative, flexibility, boldness, humility, tenacity, humour, and faith. Now, keep in mind that most societies still attempt to solve problems with institutions that lack many or all of these qualities. It's worth asking ourselves why we do this. It's also worth asking how we can cultivate these qualities in our institutions and in our own lives.

In his essay "Self Reliance," Ralph Waldo Emerson wrote: "A man should learn to detect and watch that gleam of light which flashes across his mind from within, more than the lustre of the firmament of bards and sages. Yet he dismisses without notice his thought, because it is his. In every work of genius we recognize our own rejected thoughts: they come back to us with a certain alienated majesty. Great works of art have no more affecting lesson for us than this. They teach us to abide by our spontaneous impression with good-humored inflexibility then most when the whole cry of voices is on the other side. Else, to-morrow a stranger will say with masterly good sense precisely what we have thought and felt all the time, and we shall be forced to take with shame our own opinion from another."

How do we come to trust our "gleams of light"? It has often been observed that only one person in 10 is a natural leader. In *Prisons We Choose To Live Inside*, Lessing reminds us that tyrants and commanders of prisons and concentration camps have long understood that if you remove or purge the natural leaders from the general population, the remainder will become "spineless and conforming."

You may have heard about Paul and Tatiana Rusesabagina (whose stories are

told in the movie *Hotel Rwanda*), who risked their lives and saved 1,268 people during the Rwandan genocide. What makes them so unusual? Why is it that only a small proportion of people can be counted upon to resist group madness? Why are some people able to hold to their beliefs in the face of opposition, loneliness, and personal danger? What does it take?

Will the world always be a place in which only 10 per cent of the people are independent thinkers? Is this a fact of life, a naturally occurring ratio—like π ? Or is it a function of the way societies have historically been structured, with power concentrated and dissenters severely punished? Is there some way the leadership ratio could be increased to, say, 20 per cent? Could we double the number of people who see themselves as creative actors rather than passive responders? Could we do it worldwide? And if so, what would be the impact on our schools and businesses, on our governments and religions? Would we still have genocides?

Tomasz Sadowski, the founder of Barka, began his work by inviting 20 homeless people to live with him, his wife Barbara, and their baby girl, Eva, in a renovated rural schoolhouse. When I asked Tomasz why he took that step, he replied: “It’s like I was walking down the street with tickets to the opera and I saw somebody fall into a well. So I have to soil my suit and help him. But after the opera is over, each time I walk by that well—maybe even with that guy—I have the satisfaction of knowing that I did the right thing.”

Why is it that some people will stop at the well while others will continue to the opera?

People often ask me if social entrepreneurship can be taught, or if some people are just born that way. The answers are “yes” and “yes.” People arrive in this world with temperaments and talents, but how they activate those talents is largely a function of what they happen to be exposed to, and what they consciously expose themselves to. I mentioned that Muhammad Yunus was deeply affected by the famine in Bangladesh in 1974. J.B. Schramm, the founder of College Summit, had a similarly profound experience when he worked at a camp for adjudicated youth in South Carolina. Each came away from the experience transformed. It’s possible that, without those experiences, they might have continued on their previous paths. Yunus may have become chancellor of a university. J.B. may have become ordained as a minister. But social entrepreneurs are good listeners; they take in new information and adjust quickly. And first and foremost, they listen closely to themselves, to the voice inside that reminds them to stay faithful to their core truths.

Over the past year, I’ve visited universities across the U.S. and Canada, and spoken with hundreds of students. I have met dozens of students who are

now exploring the new terrain of the citizen sector, pursuing their own social-change visions. They feel very connected to the world and they seem to be enjoying themselves quite a bit; but they remain a distinct minority.

These student innovators aren't independently wealthy. Many will graduate from college owing tens of thousands of dollars in student loans like all their friends. Why are they willing to pursue paths that are somewhat risky, financially speaking? I think the answer is that they are more worried about another kind of risk: the risk of doing work that doesn't excite and inspire them for the next 40 years. Curiously, that is a risk that many of their classmates seem willing to bear. I have spoken with young bankers and lawyers and managers who would drop their pens in mid-sentence and quit if they won the lottery. I don't know a single social entrepreneur who would do the same. What does that say? Who is more self-sacrificing? If you have a wide range of options, as many people in Canada and the United States do, why spend your days doing something that your heart isn't into?

This is what I mean when I say that the social entrepreneurs listen to themselves. It is not that they don't seek approval from others or enjoy material comforts—of course they do. It is just that they are unwilling to do work that is not intrinsically meaningful to get those things. For some reason, they can't tolerate the feeling of stagnation that sets in when their minds and bodies are not fully engaged in meaningful work. A big part of the social entrepreneurs' effectiveness comes from this simple fact: they respond to their own feelings honestly and aggressively and they pay attention to their "gleams of light."

We can learn from them. I think we should all be taught to look for the patterns in our lives that reveal where our deepest interests and strengths lie. What do you care about most? What do you do best? I suspect that many people don't know the answers to these questions. There are strong forces in society that push us in the direction of our marketable competencies rather than our interests and strengths. I know this because I experienced it myself. I worked as a computer programmer for five years, largely because it came naturally to me and the path was clearly defined, not because it was the work I did best or found most fulfilling.

One unfortunate idea many of us have acquired from childhood is the notion that failure is shameful and to be avoided at all costs. This is probably the most debilitating idea we grow up with. Successful entrepreneurs, scientists, and innovators in any field absorb failure on a daily basis. Some people believe that entrepreneurs are different from others not because they have something extra, but because they are missing the thing that tells them to worry about failure. Perhaps that is why they are continuously trying out new ideas, many of which never work, in order to find the few that do. In this sense they are a little like toddlers. I watch my 18 month old son,

Elijah, and he is constantly experimenting with his environment, trying to make his little horses stand up, trying to stack the books on the shelf; most of his plans fail, but he is never discouraged. He is worlds apart from the seven-year-old schoolboy who stops raising his hand after a few wrong answers.

If we want to build a society of creative actors and thinkers, I think that we will need to shift our approach to education. Right now, we have a society whose elites are chosen based on their ability to perform well on tests. I think we would do better to help young people identify their interests and strengths at an early age and create spaces for them that allow for robust experimentation, with lots of opportunities to build real things, and to fail without shame. Most people have more creative ability than they will ever realize. But they lack opportunities, particularly early in life, to see what they can do. “A great part of courage,” Emerson reminds us, “is the courage of having done the thing before.”

As I mentioned before, I believe we are moving towards an era in which individuals around the globe will have more and more options, and self-organized citizens will become increasingly powerful actors on the world stage. We need to prepare to take full advantage of these changes. When I graduated from McGill University in 1985, I had never heard about the Grameen Bank or social entrepreneurship or the citizen sector. I wasn't interested in joining the government. As I saw it, my career options were limited to working for a company, becoming a professional, or starting my own business. Today, 20 years later, I am amazed by the landscape of opportunities in the citizen sector—opportunities to pursue your interests, apply your talents and act on your values while doing work that has a major social impact.

I don't mean to imply that everyone should become a social entrepreneur. We don't want that. If everyone were an entrepreneur, society would be a terrible mess. But for every entrepreneur, you need hundreds of MVPs—most valuable players—who manage the organizations, advocate for them, handle the computers, the finances, the writing, the training, and so forth. Over the next decade, the citizen sector is going to draw a vast array of talent from the other sectors and the professions. It will need many new institutions that don't yet exist, and that means that your generation will have to build them.

One group of people who will become increasingly important will be bridge people—individuals who have experience in multiple sectors, multiple disciplines, and multiple cultures. In the future, the relationships between the government, the business sector and the citizen sector are going to be redefined. Many responsibilities are going to be shared. I believe that governments will come to see social entrepreneurs as the driving force of new policy ideas and practical change models, while businesses

will begin taking a more proactive stance towards solving problems and reaching out to underserved markets via the citizen sector. To collaborate effectively, we will need many more people who are comfortable crossing sector and cultural boundaries.

Since World War II, the average per-capita income in Canada and the United States has almost tripled. Our homes are twice as large as they used to be. We have computers and microwaves and home entertainment centers with Dolby sound. But studies show that we are no happier. In fact, we may be significantly more depressed. What do we know about happiness? We know that money does not produce it. In the United States, once a family is earning above \$50,000 a year, more income does not translate into more happiness. What does? All the studies point to the same thing: being engaged in meaningful work and feeling connected with others.

We need to keep in mind that life is a mystery. We don't know where we come from and we don't know where we are going. The only thing we know for sure is that we have some time in this three-dimensional place, and then it ends. What are you going to do during your time here? What would you like to leave behind?

I'd like to end with one last thought, and that is when you look at people ahead of you who have made their marks on the world, use their stories for inspiration and guidance, but don't compare yourselves with them. You don't know how humbly they began. Capacity is not fixed; it grows along the way. Keep in mind that you do not need to have the knowledge or the skill or the energy to complete a task when you begin it, you just need enough to begin.

ABOUT THE AUTHOR

David Bornstein is the author of *How to Change the World: Social Entrepreneurs and the Power of New Ideas* (Oxford University Press, 2004), which was described by *The New York Times* as “must-reading for anyone who cares about building a more equitable and stable world.” The book chronicles the work of social innovators in Bangladesh, Brazil, India, South Africa, Hungary, Poland, and the United States. It will soon be published in India, China, Taiwan, Japan, Spain, Mexico, Argentina, Brazil, France, and Germany.

Bornstein’s first book, *The Price of a Dream: The Story of the Grameen Bank* (Simon & Schuster, 1996), traces the history of the Grameen Bank and the global emergence of the anti-poverty strategy known as “micro-credit.” *The Price of a Dream* won second prize in the Harry Chapin Media Awards, was a finalist for the New York Public Library Book Award for Excellence in Journalism, and was selected by the *San Francisco Chronicle* as one of the best business books of 1996.

Bornstein’s articles and opinion pieces have appeared in *The Atlantic Monthly*, *The New York Times*, *New York Newsday*, *Il Mondo* (Italy), *Defis Sud* (Belgium) and other publications. He co-wrote the two-hour PBS documentary series *To Our Credit*, which focuses on micro-credit in five countries.

Bornstein grew up in Montreal, Canada. He received a Bachelor of Commerce degree from McGill University in Montreal and a Masters of Arts from New York University. In addition to writing, he has worked as a computer programmer and systems analyst. He lives in New York City with his wife, Abigail, and son, Elijah.

A NOTE ON THE TYPE

So You Want to Change the World is set in Caslon, redesigned for Adobe by Carol Twombly.

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