

## WORLD EXPORT DEVELOPMENT FORUM – W·E·D·F 2008

### BREAKOUT SERIES 3: SCALING-UP SOCIAL ENTREPRENEURSHIP: CHALLENGES AND SOLUTIONS

#### **The Issue:**

A social entrepreneur identifies and solves social problems that often exist on a large scale. Just as business entrepreneurs create and transform whole industries, social entrepreneurs act as the change agents for society, seizing opportunities others miss in order to improve systems, invent and disseminate new approaches and advance sustainable solutions that create social value. Unlike traditional business entrepreneurs, however, social entrepreneurs primarily seek to generate "social value" in addition to business profits.

Social entrepreneurs are springing up everywhere across the globe, in developing and developed countries alike, and they gain increasing recognition for their activities and as agents of change. They have inspired global movements and alliances, e.g. in the area of microfinance, and their business blueprints are replicated in different contexts worldwide. More often than not, their values, actions and impact are closely aligned to the MDGs as relating to poverty, gender inequality and pressing environmental issues.

The perception is however that they address global issues primarily at a local level. Operations may cross borders, e.g. fair trade products being produced by disadvantaged communities and sold at a fair price to global customers via the Internet or through dedicated ethical or fair trade shops, but the appeal is generally to a relatively small consumer base – and hence their impact, and thus the creation of social, ethical or environmental value, remains limited.

#### **The Proposition:**

The rise of conscientious consumerism provides a fertile ground for social entrepreneurship to be:

- **replicated** (applying the same business model many times in the same country and across the globe)
- **multiplied** (benefiting from their being or acting as change agents to upgrade their impact, transform globally oriented value chains and thus multiply their activities by impacting other actors) or even
- **massified** (up-scaling their own business to reach more people or address social or environmental issues at a larger scale), thereby allowing its fruits to achieve impact at a larger scale and contribute significantly to development.

In fact in such an environment, there is no reason for social entrepreneurs to fail. Or is there?

#### **Focus of the debate:**

The debate will address the following questions:

1. Is the proposition valid? Why or why not?
2. How can local conditions encourage or stifle social entrepreneurship?
3. What needs to be done to integrate social entrepreneurs better into the global market and appeal to consumers so that the desired impact can be achieved at a larger scale?
4. Which approach or business model would be most pragmatic and sustainable, to move from reacting to local problems to creating global solutions?