



The New Engines of Reform

By David Gergen

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There won't be any sleek limousines drawing up at the door, no red carpets, no paparazzi, no Vanity Fair afterglow, and, alas, no Annie Leibovitz. But when dozens of people roll into the Mohonk Mountain House in the Hudson Valley this week, they'll be holding their own Oscar party--one celebrating the stars of a new group of emerging leaders in the United States.

They're called "social entrepreneurs," and if you haven't heard the phrase yet, you're missing one of the hottest movements to ripple across college campuses and into young urban communities. Among them is Gillian Caldwell, who cofounded Witness, a nonprofit that provides video cameras to people in other lands who film human-rights abuses and bring them to public attention. Jonathan Schnur, CEO of New Leaders for New Schools, is seeking to transform urban schools by training leaders to be principals. J.B. Schramm runs a group called College Summit Inc. that helps high school seniors from low-income schools enroll in college. So far, it has served more than 6,000 students.

Social entrepreneurs do more than treat society's ills--they envision widespread, systemic change that could prevent those ills from ever occurring. They tackle social problems with entrepreneurial and innovative spirit. As the Schwab Foundation for Social Entrepreneurship says, this new breed is part Richard Branson, part Mother Teresa.

America has seen social innovators before. Jane Addams became one of the most famous when she started Hull-House in Chicago in 1889, touching off a national effort to improve lives in poor neighborhoods. But pioneers like Addams were rare. As Bill Drayton, the godfather of social entrepreneurship, argues, the business sector from 1700 onward developed an entrepreneurial and competitive culture that bred huge gains in productivity, while the social sector fell behind. Today, the social sector is trying to catch up.

The roster of all-stars in the social enterprise movement is growing rapidly--and just as in business and politics, they are forming networks among themselves. Dave Levin and Mike Feinberg, cofounders of the KIPP charter schools featured on Page 41, are sending their new CEO, Richard Barth, to the Mohonk conference this week. Barth just happens to be married to another major figure in the social enterprise world: Wendy Kopp, founder of Teach for America.

And they are capturing the imagination of large numbers of students on major campuses. At Stanford last November, the annual Net Impact conference drew 1,600 M.B.A. students who want to set up businesses that create as much social wealth as private wealth. With the support of the Catherine B. Reynolds Foundation, Harvard has started a fellowship program for social entrepreneurs, and one of the largest student clubs at its business school is devoted to social enterprise. (Disclosure: This writer is involved in the Harvard program.) The World Economic Forum now invites social entrepreneurs from around the globe.

Social entrepreneurs are among the first to recognize that they face difficult challenges. The hardest is taking their efforts to scale. It is relatively easy to start a nonprofit; reportedly, Americans launch as many as 115 new nonprofits a day. But it's tough to build a large, sustaining organization, says Vanessa Kirsch, an authority on the subject. Kirsch's organization, New Profit, estimates that since 1971, only 21 direct-service nonprofits have reached the \$20 million revenue mark. New Profit applies a venture capital approach to philanthropy to provide the resources social entrepreneurs need to make a national and global impact.

The Bridgespan Group's Tom Tierney, a respected figure for social entrepreneurs, says that another challenge for nonprofits is to recruit talent; his studies show that by 2016 nonprofits may need as many as 80,000 new leaders. As Jane Addams discovered, social entrepreneurs must also change the direction of American politics if they are ultimately to succeed. The challenges go on and on. Still, in an atmosphere of celebration, it would be nice if Annie Leibovitz were at Mohonk this week.