

SOCIAL ENTREPRENEURSHIP IN DEVELOPING COUNTRIES

Name

Course

Date

Sample

## Introduction

Social entrepreneurship involves all entrepreneurial activities that are aimed at tackling major social issues and offering fresh and innovative ideas for impact on a wide-scale range. It is carried out ambitiously and persistently by people who provide diplomatic solutions to the most pressing social challenges<sup>1</sup>. In so doing, social entrepreneurship offers solutions to social dislocation, inequality, education failure, and climate change. It also provides a sound basis for self-development<sup>2</sup>. Social entrepreneurship is a survival tactic for the poor in the developing countries such as India and majority of the countries in Asia, Latin America, and most parts of Africa.

Social entrepreneurship has drastically gained traction in the recent years. According to the latest statistics, the number of poor people in the developing countries is 902 million and is expected to fall to 702 million in the year 2016 mainly due to the social entrepreneurial activities<sup>3</sup>. For instance, social entrepreneurship has largely influenced the introduction of solar power in African countries, most of which are remote, poor and unable to get access to electricity. Social entrepreneurship has contributed significantly to the provision of clean drinking water at affordable prices in most parts of Pakistan. Furthermore, social enterprises have offered financial and marketing support that has revived the traditional industries in Vietnam<sup>4</sup>.

Numerous programs have been established in a bid to nurture and support the social enterprises. Among them is Jolkona, a program in Seattle that identifies potential new social entrepreneurs in the developing countries and takes them through a nurturing and mentoring

---

1. Purvis, *Role Of Social Enterprise In International Development*

2. Marquardt, *Social Enterprise in or for Development*

3. Purvis, *Role Of Social Enterprise In International Development*

4. Ibid.

program. In the three-week program, the entrepreneurs are taken through business and leadership training by some of Seattle's best talented entrepreneurs such that they acquire the best of skills and tactics on how to scale and engage locally and globally in their respective ventures<sup>5</sup>.

Additionally, the Global Entrepreneurs Council was developed by the UN in 2011 and was commissioned to support and promote the establishment and growth of sustainable social enterprises globally by working hand in hand with global leaders and influencers. Many states are also diverting most of their funds towards investing in social enterprises. The US and the UK, through the USAiD and the UK Development for International Development (DfiD) organizations respectively, announced the Global Development Innovation Ventures (GDIV) investment in innovative solutions to world poverty in the year 2013<sup>6</sup>. The social enterprises have therefore impacted the society significantly especially in the developing countries. This research is hence meant to explore social entrepreneurship and its impacts in developing countries, including some of its challenges.

### **Social entrepreneurs**

The social entrepreneurs are regarded to as the "invisible" entrepreneurs since they are hardly recognized on a national basis. They are only recognized in their local regions because they start off with an aim of improving their lives and those of their loved ones. However, they develop into large-scale entrepreneurs with time, set out to improve the livelihood of their community, and they scale up to national and, eventually, to global levels. They are visionaries, yet realists, who stand up, seize and implement their ideas for the good of the society<sup>7</sup>.

---

5. Ibid.

6. Ibid.

7. Del Moral, *Impact of Social Entrepreneurship in Developing Countries*

Additionally, social entrepreneurs consist of the local community members who possess consummate experience and understanding of their immediate needs and surroundings, hence are in a good position to take action and initiate problem-solving activities for the better of the entire community. In contrast with those in the developing countries, social entrepreneurs are mainly recruited and contracted by the government in the developed countries, so as to establish the social enterprises<sup>8</sup>.

### **Impacts**

The impacts of social entrepreneurship depend on the interaction with local institutions and their effect on the long-term capacity building, projecting into the future. Some of the impacts are discussed below.

Access to education has been significantly improved. For instance, the refugees from the 1989-1997 Liberian Civil War in Baduburam Refugee Camp in Ghana were able to acquire literacy through the actions of a social entrepreneur, Hayes Karrus, a Liberian refugee in that camp. He noticed the gap in literacy and gathered resources to fill it by building a free school. Through this, Hayes Karrus became the founder of Vision Awake Africa for Development<sup>9</sup>.

Access to health services has been enhanced. For example, the low-cost, high-quality eye care is provided to those in inaccessible areas in India by the Kalinga Eye Hospital. The hospital was founded by Doctor Sarang Samal, a social entrepreneur<sup>10</sup>.

Many social entrepreneurs have lived on the little that they make from their enterprises. Their enterprises have become a good source of income for them and their employees. Consequently, this has led to reduced instances of crime and improved standards of living<sup>11</sup>.

---

8. Marquardt, *Social Enterprise in or for Development*

9. Del Moral, *Impact of Social Entrepreneurship in Developing Countries*

10. Ibid.

## **Challenges**

The main challenges of social entrepreneurship are the institutional, legal and structural constraints<sup>12</sup>. They result from the lack of resources to implement the ideas of investors to full potential. Some laws and regulations are also too harsh on the developing enterprises. If the enterprise is not capable of coping with the requirements of a particular country, it does not thrive for long and eventually collapses.

## **Conclusion**

Social enterprises are taken as a means of producing ethically and morally-sound, publicly minded young individuals with a sole goal of boosting the government's activities rather than being the tools of propagating development. However, it is clear that they are the best tools for development especially in the developing countries. Much should be invested by the public and private investors to improve the social entrepreneurship sector. More people should be sensitized on how to tap into their skills and talents as a means of venturing into entrepreneurship, the key goal being self and community development.

---

11. Marquardt, *Social Enterprise in or for Development*

12. Ibid.

## Bibliography

Del Moral, Rocío. 2016. "Impact of Social Entrepreneurship in Developing Countries."  
<http://www.jolkona.org/impact-social-entrepreneurship-developing-countries/>.

Marquardt, Clara. 2013. "Social Enterprise in Development, Or For Development?" *The Humanitarian Centre*. <http://www.humanitariancentre.org/2013/03/social-enterprise-in-development-or-for-development/>.

Purvis, Katherine. 2015. "What Is The Role Of Social Enterprise In International Development? – Live Chat". *The Guardian*. <http://www.theguardian.com/sustainable-business/2015/jun/16/role-social-enterprise-international-development>.