INTRODUCTION TO MARKET-ORIENTED SOCIAL
DEVELOPMENT APPROACHES

1. Elements and examples of these approaches also have at times been discussed under the term "philanthrocapitalism," which itself is loosely defined but generally refers to more strategic, businesslike, and investor driven philanthropic giving strategies by the well-off (Bishop & Green, 2009; Jenkins, 2011). This term is too broad to be analytically or conceptually meaningful, and so I will avoid it here except in referring to the work of those who use it. In addition, although the approaches described here often involve philanthropic support from the well-off, they extend much further and involve a wide array of individuals and organizations that do not bring extensive personal wealth to their change efforts.

2. Among other market-based social change approaches that have received growing attention are impact investing (Bugg-Levine, & Emerson, 2011), venture philanthropy (Frumkin, 2003), and social impact bonds (Liebman, 2011). Although literature and practice experience have emerged around these approaches, they are in my opinion less well-developed and have a much less extensive experiential base than the approaches to be assessed.

3. It is noteworthy that by these standards very few people in developed countries live in poverty, which reinforces my aim to discuss the change approaches presented here primarily with respect to their promise in developing countries. Nonetheless, relative poverty considerations within developed countries remain important in social policy and program development. In addition, some of the approaches to be discussed, especially social entrepreneurship and corporate social responsibility, at times focus on more diverse target groups or on social concerns that extend beyond poverty issues. Therefore, although I will emphasize developing world poverty related interventions, at times I will refer to services for other disadvantaged

groups that appear to be especially innovative or particularly illustrative of a change approach.

4. I will mention at various points in the text "social sciences" or "social sciences training," by which I mean traditional social science disciplines such as political science, sociology, psychology, anthropology, and so on. I also will refer to "related professional programs" or training that typically intersects closely with the social sciences, such as social work, behavioral counseling, human and family development, community development, public policy, and other applied programs. Although training in such programs varies, it often relies heavily on concepts from the social sciences; my general attempt is to contrast this with business-oriented training.

DEVELOPING SOCIAL CHANGE MODELS

1. I will use the terms "model" and "approach" interchangeably throughout the book. By either, I mean to convey an organized set of activities and related logic designed to bring about change in a specified target group.

2. Some may object to my definitional focus on one group of actors helping another, because it may seem to underestimate the importance of groups of people instigating change on their own behalf. For example, in self-help oriented change efforts, the initiators and leaders are also generally the primary intended beneficiaries. In addition, many participatory approaches emphasize change agents working closely with potential beneficiaries in defining and implementing the change. I view participatory change ideas as very important, and I incorporate them in the more generalized approach to be articulated. Nonetheless, even highly indigenous development approaches often rely quite heavily on outside instigators in their initial stages. In these instances, those targeted for change may in turn become change agents as part of the change implementation process.

3. There may be some confusion between my definitions of "model" and "approach" on the one hand, and "initiative" and "effort" on the other. The distinction pertains primarily to breadth of analytic focus. The former terms are conceptual constructs aimed at broad categorization, while the latter are more concrete examples within such categories. For example, the corporate social responsibility approaches discussed in Chapter 3 define general strategies for attempting to change corporate behavior. In comparison, a boycott of a particular corporation is seen as an initiative or effort that exemplifies such a broader change approach.

4. There actually are slight differences in meaning between these terms as commonly used. In particular, the term beneficiaries may be seen as somewhat broader in that it can include all people who receive a benefit—whether or not that benefit was intended for them. A target group rather implies a set of intended beneficiaries. Although recognizing these differences, to aid simplicity and variety of presentation, I will use the terms interchangeably throughout, with an emphasis on considering those for whom benefits are intended.

5. There are many other approaches that focus more on organizational development or political mobilization. However, I would argue that these approaches typically have the ultimate goal of improving circumstances for some defined set of people. The goal of political mobilization, for example, typically is to allow disenfranchised groups in society to more effectively garner benefits or otherwise improve their well-being through the political process; I would thus view these largely as political capital building approaches, as will be discussed later in this chapter.

6. I will use the terms life circumstances and well-being interchangeably and in a general sense throughout the book. Given my focus on poor persons, I most often will be referring to better basic life circumstances such as improved employment, wages, health, or literacy. The section later in this chapter on "what benefits are delivered" provides a flavor of the range of how change efforts may affect such life circumstances, but I do want to make clear that I use such terms in a general and non-technical manner.

7. This is akin to a very similar problem emerging in many social service fields regarding how best to respond to multiproblem families, which likewise has encouraged attention to new intervention strategies. As recognition has grown, a related thrust in academic and practice oriented settings has been to advocate for the creation of multidisciplinary teams in conducting research and providing services. A central tenet of such approaches is to link persons with differing backgrounds, expertise, and perspectives in a manner that creates new thinking about problems and related intervention strategies (see, for example, Bornstein, 2007).

8. I should note a variation of focus in model descriptions that at times is confusing. That is, although it is widely agreed that the point of providing benefits ultimately is to affect *outcomes* for beneficiaries, many model descriptions focus more upon the processes through which benefits are delivered and in turn on the *outputs* of these processes. For example, the benefits provided through prenatal care programs are specific health-related products or services for

expectant mothers, and in descriptive terms, proponents may focus on describing the particular processes and action steps required to deliver these benefits. They likewise may emphasize the quantity of these benefits that are delivered or the characteristics of those who receive benefits. Yet, the effectiveness of such programs ultimately depends not just on the success of benefit delivery but on the accuracy of the underlying causal logic—that provision of such benefits to expectant mothers in turn leads to better health and/or cognitive developmental outcomes for children.

This point is well understood in various academic and program development fields, and is the focus of much program evaluation and applied research that attempts to distinguish between program outputs and outcomes (Kettner, Maroney, & Martin, 2013). I mention it here because this book is much more about change model explication than outcome evaluation, and hence in describing various models, I generally will focus more heavily on the processes change agents employ to produce and deliver various benefits. The extent to which such benefits in turn lead to intended outcomes for targeted beneficiaries and for broader societies is a more difficult evaluation issue that requires ongoing empirical assessment. Nonetheless, I believe it is essential to establish the causal logic through which delivered benefits should be expected to affect outcomes, and so I will attempt to articulate such implied causal logic when it is not done so explicitly by model proponents.

9. Although logic models should be sufficiently specific to allow one to clearly classify intended change processes that fall within their purview, it should be noted that many different operational tactics may be consistent with implementation of a particular logic model. For example, proponents of externally driven corporate social responsibility (CSR) believe that corporations only will change behavior in socially desirable ways if pressured by outside advocates; therefore, the logic model proposed by such persons emphasizes bringing external pressure to bear on corporate officials. Yet, there are many specific operational tactics that are consistent with doing so, such as boycotts, lobbying, and socially conscious investing strategies. I will refer to these more specific operational devices implemented in the context of a general change strategy as "tactics." These typically fall under the auspices of more detailed implementation plans. It is in this sense that the behavioral model sometimes overlaps with "the politics of change" aspect to be discussed in a subsequent section. The behavioral model may serve as an umbrella of sorts that defines a broad approach, with several more specific tactics possible in bringing it to

operational fruition. Change agents then are left to consider and choose from such tactics based on their philosophical inclinations, coupled with a reading of the socio-political environment in which the change approach is to be implemented.

10. There is a fine line here in some cases between bona fide capabilities needed for a program to have a chance of succeeding, and what is known as "creaming." The idea of creaming is that program managers consciously select beneficiaries who have the greatest chance of succeeding, but here I am referring to capabilities that at least give beneficiaries a reasonable chance of success.

11. The terms primary, secondary, and tertiary prevention often are used in the health-care field in thinking about possible intervention points. According to Gordon (1983:107), these terms are defined as follows: "primary—practiced prior to the biologic origin of disease; secondary—practiced after the disease can be recognized, but before it has caused suffering and disability; and tertiary—practiced after suffering or disability have been experienced, in order to prevent further deterioration." The definition has the limitation of not corresponding closely to what we think of as "prevention" in non-health-care fields, which usually implies programs in which problems have yet to affect individuals. Gordon (1983:109) consequently proposed the following alternative to flesh out differences in prevention programming: "we propose to define prevention as measures adopted by or practiced on persons not currently feeling the effects of a disease, intended to decrease the risk that that disease will afflict them in the future. Prevention is classified into three levels on the basis of the population for whom the measure is advisable on cost-benefit analysis. Universal measures are recommended for essentially everyone. Selective measures are advisable for population subgroups distinguished by age, sex, occupation, or other evident characteristics, but who, on individual examination, are perfectly well. Indicated measures are those that should be applied only in the presence of a demonstrable condition that identifies the individual as being at higher than average risk for the future development of a disease."

12. I recognize that whether or not to include paid transactions in describing interactions between change agents and various actors is a gray area. I choose not to do so because I feel the more important struggle in this respect is raising sufficient resources to allow such paid transactions to occur. That is, although selecting the best paid providers remains an important challenge even for those change agents who acquire resources, I assume that doing so falls more under the "business of change" functions discussed in the following section. In most

situations, I assume that skilled change agents can make reasonable decisions about the deployment of resources for various operational purposes once these resources are obtained.

13. I should note that the term community engagement has been used in different ways by many others in considering change processes, and that there is no commonly accepted standard definition. Important applications of this idea are now prominent in community based participatory research strategies, as well as in a movement to engage students in community work. For example, the Committee on Community Engagement of the Centers for Disease Control Prevention (1997) has defined community engagement related to research as "the process of working collaboratively with and through groups of people affiliated by geographic proximity, special interest, or similar situations to address issues affecting the well-being of those people" (p. 9). In addition, the notion of collaborating with diverse sets of citizen groups has been prominent in some forms of community organization work, and in attempts by governments to involve citizen groups in policy or program decision-making or implementation (see, for example, Head, 2007). Although not always the case, definitions such as these commonly imply a process of cooperation and consensus building among different groups of community stakeholders.

14. A buycott is basically the opposite of a boycott. It involves organized efforts to persuade consumers to purchase goods or services from particular companies, in order to reward selected positive behaviors by these companies (Friedman, 1996).

15. Books focusing on these more technical aspects of program development are common in social work, public administration, and business administration. Some examples include Kettner, Maroney, and Martin, 2013; Calley, 2011; and Dimock, 2004.

16. This issue has received considerable attention in treatments of advocacy and political agenda setting. For example, Kingdon (2002) has articulated a process of "softening up" key decision-makers and the public regarding specific issues, which is seen as an initial step before substantial changes related to that issue are likely to occur.

CORPORATE SOCIAL RESPONSIBILITY

1. Southern New Hampshire University, for example, offers an entire online MBA in corporate social responsibility. Examples of certificate or executive education programs include the Alberta School of Business Executive Education Corporate Social Responsibility Program, Pepperdine University Certificate in Strategic Corporate Responsibility, Queen's School of Business Certificate in Corporate Social Responsibility, and University of California Berkeley Extension course on corporate social responsibility reporting. Details of these programs and courses may be found on the Web sites of these programs.

SOCIAL ENTREPRENEURSHIP

1. I should note that many devotees of social entrepreneurship will disagree with me on this point, because they view personality and leadership traits as fundamental. For example, Bill Drayton, one of the most influential leaders in the development of applied SE through his creation and stewardship of the Ashoka foundation, emphasizes personality characteristics in describing social entrepreneurs (Ashoka, 2012; see also Bornstein, 2007, and Light, 2008, for interesting discussions of personality and leadership traits considered to be important in SE).
2. The information that follows on the Grameen Bank development is derived from Yunus (2007). There are many other accounts of Yunus and Grameen Bank. Among them is an interesting video short included in the PBS *New Heroes* series.
3. The information that follows on Victoria Khosa is derived from Bornstein (2007).
4. The materials for the case example are drawn from information on the Kiva Web site (www.kiva.org) and from a profile of Kiva in Welch (2008).

PRIVATE SUSTAINABLE DEVELOPMENT

1. Descriptions of Prahalad's ideas in this section all are derived from Prahalad (2005).
2. The description that follows on Hindustan Level Ltd. is derived from Prahalad (2005).

3. Such development could be considered either as a BOP or ITC strategy. If, as increasingly is the case, information technology is viewed as a basic good that cuts across productive and consumptive domains, it seems more useful to consider it as a BOP strategy. In addition, the simple mass distribution of information technology devices, as opposed to more careful interactions to tailor information technology devices to local needs, does not fit well with ITC philosophies. For these reasons, I present the following information technology example as illustrative of BOP, but I also think specific information technology applications will enjoy increasing importance as part of ITC strategies. For example, many emerging programs are demonstrating the creative use of Internet and mobile technologies to improve local producer knowledge of market prices for goods, as well as to eliminate the need for some intermediaries in market transactions (Abraham, 2006; Eggleston, Jensen, & Zeckhauser, 2002).

4. The information on KickStart is from the KickStart Web site (www.kickstart.org).

FAIR TRADE

1. The description of Ten Thousand Villages is derived from the following sources: Ten Thousand Villages (2012, 2013).

2. In 2012, there were about 45 Ten Thousand Villages stores in Canada, with total Canadian sales of more than $14 million. Although also affiliated with the Mennonite Church, the Canadian initiative is incorporated separately and operates independently of Ten Thousand Villages in the United States.

3. The description of GoodWeave International is derived from the following sources: GoodWeave International (2013); GoodWeave USA (2012); and Welch (2008).

4. The description of Cafédirect is derived from the following sources: Davies, Doherty, & Know (2010); and Cafédirect (2011, 2012).

MARKET-BASED SOCIAL CHANGE MODELS: REFLECTIONS ON STRENGTHS, LIMITATIONS, AND DIRECTIONS FOR SOCIAL CHANGE ADVOCATES

1. There are several interesting dimensions to such debates. For example, for any given amount of money, one can extend benefits to higher numbers of people by focusing on those with lower levels of need. In addition, if an individual's level of need or dysfunction is extremely high, even high benefit dosage levels

may be ineffective in bringing about the desired change. Even if change is possible with high dosage levels, program developers are left to contemplate whether it is preferable to serve higher numbers of beneficiaries with lesser needs or to serve smaller numbers of beneficiaries with higher needs. This represents a difficult trade-off between equity and adequacy and also has important implications in terms of community spillover benefits that may result from these choices.

2. Externalities refer to costs or benefits of an exchange relationship that accrue to persons not involved in the exchange; thus, they fall outside of the narrowly construed relationship. The cost of air pollution to those not involved in industrial production is a commonly offered example of an externality with negative ramifications. In contrast, positive externalities also sometimes occur, such as when a person educated in one community with local taxpayer funding moves to another locality.