A heap of do-goodery

The Skoll World Forum in Oxford is the annual meeting place of the new generation of social entrepreneurs. The young entrepreneurs want to make the world a better place. And they have no objections to doing well by doing good.

A visit on site.

Priya Haji is suddenly all of a flutter. “Oh my God!” she cries. “That’s Sophi Tranchell from Divine. She is my heroine, an absolute rock star!” Rock star? A strange way to describe the lady with the dark, curly hair who is currently making her way through the throngs of people in the foyer of Oxford’s Said Business School. At any rate, Tranchell has nothing to do with music. She is the managing director of a company called Divine Chocolate Ltd., a highly successful purveyor of chocolate – and of good consciences to boot.

A fussy pattern of traditional West African symbols which would not look out of place on a Louis Vuitton handbag graces the packaging on Divine’s chocolate bars. The company turned over around nine million British pounds in 2006. Followers of the Lifestyle of Health and Sustainability (Lohas) in particular buy the fine chocolate. Because Divine is an advocate of fair trade: 45 percent of the company’s shares belong to the cocoa farmers in Ghana who supply the raw material for the chocolate, with the remainder being in the hands of various fair trade NGOs. Divine has received a string of awards for its policy. Divine is a star in the field of social enterprises – companies that combine business success with social commitment.

Sophi Tranchell is due to explain just how it works in Oxford, where she is appearing as a guest at this year’s Skoll World Forum on Social Entrepreneurship. Hundreds of young social entrepreneurs from all over the world have come together at the three-day event, to discuss amongst themselves, and with experts, how it is possible to do good and earn good money in the process. With craft jewellery from developing countries, coconuts from Kenya or clothing for South African miners.

The forum is run by the Skoll Foundation, which was established in 1999 by Jeffrey Skoll, the first president of Internet auction house EBay. A 4.4 million pound donation by the Foundation made it possible to set up the Skoll Centre for Social Entrepreneurship at the University of Oxford Said Business School in 2003. The congress is the highpoint of the year for many – “the Davos for social entrepreneurs”, wrote The Observer.

These are young people with business suits and neat haircuts: clean-shaven men, women with pinned-up tresses. They clutch laptops under one arm as they greet one another exuberantly, constantly exchanging newly printed business cards with their free hand. “In two to three years this business sector will undergo a boom similar to that experienced by the New Economy in its day,” someone remarks, slapping his opposite number robustly on the shoulder as though they had just concluded a million-dollar deal.
The socially-driven entrepreneurs not only talk and dress like alert venture capitalists. They also think like them. Profit is not a dirty word for anyone here. On the contrary: these people are about using the intelligence of cost-efficient systems, entrepreneurial spirit and rigorous controlling – but creatively and in a good cause. This young generation of entrepreneurs puts in 80-hour weeks to create traineeships for young people in Bolivia, or to negotiate good conditions for Ghanaian craftswomen in order to get them involved as business partners.

This is also the goal of Priya Haji, the forum delegate who was so thrown off track by the arrival of Sophi Tranchell. The thirty-something Californian founded the company World of Good, working with several thousand craftsmen and craftswomen from poor regions of the world in order to sell their products in over 1000 American stores – hand-woven raffia bags from Uganda, or bracelets made by long-term patients at a Thai hospital and worn by women in New York and San Francisco.

Non-profit is yesterday’s model. The prefix ‘non’ disbars it from being successful

“Pioneers such as The Body Shop or Aveda were big role models for me,” says Priya Haji during one of the morning’s plenary discussions. She shows off her bangle and says: “In the USA, 55 billion dollars are spent on gifts every year, so why think small? I wanted to make this vast market accessible to all the thousands of talented women in developing countries, and at the same time make sure that they were paid properly for their designs – as was the case with this coconut bracelet.”

Haji, the daughter of Indian immigrants, studied in Stanford and as a teenager helped her father, who founded a community clinic in Texas. Here she is, around twenty years later, standing on ten-centimetre stilettos in front of several hundred people, utterly quivering with energy. If you want to save the world you have to think mega. Megalomania delivers a whole lot more here than do-gooding.

When the bell sounds for the first break just before one o’clock, the Canadian and Japanese delegates have already been sitting in lectures for four hours in spite of their jet-lag and are gathering input about the future of mobile telephony in Africa, loan repayment options and alliances with global companies. The noise level in the foyer rises. It seems no other social group feels the need to communicate more than this type of do-gooders, permanently driven by the notion of finding solutions to problems – quickly and effectively. Time is money even here.

“How do I find a good company?”

“This kind of event would not have been possible even ten years ago,” says Sol Guy, one of the delegates in the foyer. “No one would have dared to come out and say: it is not reprehensible to tackle social problems and earn money by it.” Guy, who, with his hat cocked to one side and pencil moustache, has the air of a smart Gangsta rapper, reports in his documentary series 4Real on people from all over the world who are engaged in social action projects – from African musicians who sing songs about the dangers of AIDS through to a Brazilian hip-hop artist who supports street kids. Guy has managed to get stars like Cameron Diaz and Joaquin Phoenix to participate in his films and introduce the projects. The 30-minute episodes are proving a big hit and are running on MTV Canada among other channels. Half of all the takings from licences, advertising, sponsorship and DVD sales go to the initiatives presented.

The 33-year-old Canadian, who unlike the majority of the forum delegates did not attend an elite university, never thought of anything else but setting up a proper company. He grimaces at the very word “non-profit” as though he had just been told to use a droning cassette player from now on instead of his iPod. “Non-profit is yesterday’s model,” he explains. Charitable organisations, believes Sol Guy, are mainly engaged in begging for cash injections: “Isn’t the prefix ‘non’ a weak platform for changing the world successfully? Competition and financial success are, after all, the perfect stimulus to make anyone enthusiastic about venturing down new paths.”

This is undoubtedly true. But of course there are also other drivers and success stories, as demonstrated by the Kiva project in San Francisco, showered with so many awards and so much praise. Via the website of the chari-
of a cow or to a Malay for setting up a drinks store. An individuals can grant microcredits for quite specific purposes. For example, to a peasant woman in Bolivia for the purchase of a cow or to a Malay for setting up a drinks store. An ingenious model through which millions of dollars are distributed – transfer fees are charged on the money by the local microcredit institutes, who pay out the money at the end of the chain.

The devisers of Kiva are the recipients of this year’s million-dollar Skoll award. “You can work with that. And the guys have earned it,” reckons Sol Guy, biting into a fair trade banana. The tables in the foyer are now laden with hundreds of organic packed lunches. In addition to politically correct sandwiches and fair trade fruits, bars of Divine chocolate are included.

Many of the social entrepreneurs are out on the gravel of the Business School’s inner quadrangle eating their snacks. They are using wireless Internet access to tell colleagues back home in San Francisco, Berlin or Oslo about potential new business partners. Or to enquire whether the weavers from Bolivia have got the order from the New York design firm. The rest are relaxing in the Social Network Lounge, a cool name for an unspectacular beer tent with comfy sofas.

Sitting on one such sofa is Susanna Krüger, recounting stories of her everyday life in Ramallah. The German currently works at an NGO on the West Bank and helps young social entrepreneurs to get on their feet. “This business culture, which is not solely about maximising profit, but is based on social, environmental and ethical values, is already fairly well established in the USA and the UK. But in Germany, too, the idea is spreading more and more,” says the 34-year-old, straightening out her casual trouser suit. In her free time the tall blonde prefers to wear jeans. She may even have one of those hooded tops with the Harvard logo in her closet, the university is her alma mater. Out front in the foyer, Troy Holmberg, a sun-tanned American in a pinstripe suit who has been clutching his BlackBerry constantly the whole day long, has stretched out with his laptop on one of the many almond-coloured Barcelona armchairs. No one here is particularly fussed, after all his constant emails are in a good cause. “We have a company, and of course business still goes on wherever I happen to be,” says Holmberg with a charming smile. His company Coast Coconut Farms Ltd. creates long-term jobs in the rural areas of Kenya by pressing locally harvested coconuts for oil that is sold locally and exported. They can also do something with the rest of the fruit in Kenya: “We use the husk as firing to dry the nut flesh and the rest as animal feed, this way we also resolve a waste issue.”

When the 39-year-old studied international entrepreneurship at Cornell University in Ithaca, he had no inkling that just a few years later virtually every business school would be offering courses in social entrepreneurship. Though he still maybe doesn’t quite grasp all that actually lies behind this term. Or behind expressions such as hybrid capital, creative capital, non-profit or for-profit, which are being bandied around the hallways so casually in Oxford.

Investments in development aid are good. Investments in social entrepreneurs are better.

“The definitions are very fluid at the moment,” says Susanna Krüger, “but this is a good thing since it makes people get going straight away instead of going round and round discussing definitions for months on end.” For the German-speakers at least an elegant solution has already been found: the new capitalist philanthropists have simply been shorted to “socialentrepreneurs” or “socialinvestors.”

At this point they are seated in their hundreds in the business school’s big lecture theatre, listing intently to Maximilian Martin, global head of Philanthropy Services at Swiss bank UBS, and Antony Bugg-Levine, co-director of the renowned Rockefeller Foundation. Some regular Saïd Business School students are also in the audience and typing every word into their laptops, including Geetha Tharmaratnam. “We see social welfare as unique capital. Here, we learn to combine social values and profit interests from the beginning,” says the student in a whisper. “Albeit not because current competition demands a politically correct leadership style. But because we really want to.”

On the podium, the Rockefeller representative is now talking about the happy circumstance that more and more investors want to put their money into clever, social companies. Geetha Tharmaratnam nods. “Yes, of course, since up to now they have donated money primarily to charitable organisations where it is all eaten up by development aid projects. Now they give their money to aspiring social entrepreneurs at favourable terms and get it back at some point, after it’s been put to a much more creative use.”

For example, by successful young entrepreneurs like Natalie Killasy. In 1996 the South African established Stitch Wise, sewing to combat the high injury risk faced by miners in the South African province of Gauteng. Killasy designed protective clothing for the workforce and spent 18 months in dark tunnels to develop a backfill bag system for the tunnel roofs. Stitch Wise now employs around 130 people, half of whom had previously suffered injuries in industrial accidents, and supplies the mine industry with thousands of its textile designs.

“We don’t operate on that kind of grand scale yet,” says Stefan Barbic from New York, Managing Director of Freedimensional. Along with his colleague Todd Lester, Barbic helps artists from immigrant backgrounds to realise projects and to place them at international trade fairs and in major galleries. “We want to establish ourselves as a brand in future, as a social brand, enabling artists to do professional, freelance work,” says Barbic. Then he makes his apologies, he wants to go and find out how many dollars the Skoll World Forum will spend on the three-day international event: to compensate for the delegates’ CO2 footprint, a tidy sum is to be donated to an Indian bio energy trust.

Outside, dusk is starting to fall. Later on, Al Gore will give a talk on climate change and express his gratitude for the enormous energy in evidence here. His applause will resonate through into the foyer for five minutes, rounding off the final evening with a sense of optimism and euphoria.

There is still a long way to go before the fundamental social driver of every company draws level in importance with profit and growth. The delegates are aware of this too, of course. But they are in no doubt whatever that the day will come. Sol Guy, the film-maker, sums it up as he leaves: “People have had it up to here with the big, greedy corporations. The urgent wish for change and new ideas has not been seen in society in that form since 1968. The time is ripe for new models. And we are there to implement them.”