

TOWARDS SOCIAL ENTREPRENEURSHIP AND ITS MEANING

“Etymological perspective”

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Social entrepreneurship as a concept is made up of two building blocks

1. Social &
2. Entrepreneurship

For us to understand the foundation and meaning of the blended SOCIAL ENTREPRENEURSHIP concept we must critically ask ourselves why social entrepreneurship (in Tanzania) as concept gets its popularity in 21st century than some few decades before? But also we must understand in detail the meaning and an etymology of the word ENTREPRENEURSHIP itself.

The history tells us that a word Entrepreneur is a translation of France word *entreprendre* which means a person who undertake or doing something. That means ENTREPRENEURSHIP will mean undertaking. And this conception was used in ancient times from which the definitions of entrepreneurship became a process of undertaking certain responsibility and achieve goals by personal motivation.

In 16th century when business started to get its momentum and capitalism was in its growth much then entrepreneurship started to be defined in connection to business, the then author of a book *Essay on the Nature of Commerce* **Richard Cantillon (1680-1734)**, an Irishman, who lived in French coined a term entrepreneurship after he compared entrepreneurs to businessmen who undertake some new business ventures to achieve goals with their personal motivation.

Therefore a word business was added into a definition of entrepreneurship and now it seemed like you can't separate business and entrepreneurship and this was basically what we call economic entrepreneurship.

In 18th century economists **Jean Baptiste Say (1767-1832)** popularized it and **John Stuart Mill {1848}** another economist gave an opinion that entrepreneurs are people who come up with new innovative way of changing things by assuming the market and management of that business hence taking risk, so for you to become an entrepreneur you must have this distinguishing feature of taking risk. Therefore for these economists entrepreneurship was a process of shifting economic resources from lower level of productivity to higher level. An entrepreneur is a mediator who knows how to use and combine capital and labor to create something new which can realize profit after being traded and he/she must take risk.

Reaching 19th century, entrepreneurship started becoming a formal field which needed people to learn its skills on how to apply and do it in the real world, and up to this moment entrepreneurship looked inseparable from business, almost everyone had been defining it in business perspective from which you cannot separate economic entrepreneurship from making profit.

From then onward, entrepreneurship is defined in terms of:

1. Undertaking
2. Business
3. Innovation
4. Opportunities
5. Taking risk and
6. Entrepreneurship skills

SOCIAL ENTREPRENEURSHIP

If you have well followed me from the beginning it means that under the concept ENTREPRENEURSHIP there is ECONOMIC ENTREPRENEURSHIP but recently we are witnessing another new emerging concept namely SOCIAL ENTREPRENEURSHIP.

Remember at the beginning I said for us to understand this concept we also need to ask ourselves why this was not popular some years back and now it is coming up rapidly? It is obvious that the world social economic is changing.

Due to many and crucial social problems in the world people are now thinking about the society, people are thinking on how they can make world a better place to live and in reality business as usual has depleted the world environment due to its many negative impacts. Remember economic entrepreneurs for a very long time have been focusing on making profit and not serving the society by their businesses. This means that for us to be safe we need to turn our approach and use entrepreneurship skills and principles to realize positive change in the society or community instead of focusing on profit.

Remember at the beginning and etymologically a word Entrepreneurship didn't necessarily mean business, it was the rapid growth of capitalism and business world which bought a concept of entrepreneurship and blended it into itself to the extent you can't easily separate them anymore, this means that it is possible now to blend the original meaning of entrepreneurship to social development and make it work as social entrepreneurship from which making personal profit is not a focus as in business/economic entrepreneurship instead realizing positive social change.

People don't believe that making profit out of entrepreneurship is an attitude which was built some centuries back hence making positive social change or adding value to the community out of entrepreneurial business is an attitude which can also be built.

So in social entrepreneurship we intend to use entrepreneurial principles and skills to do business or initiatives which will mainly focus on solving social problems and basically fighting poverty by different approaches, this means that in social entrepreneurship, even if you will be making profit out of that business, it won't go into your pocket first instead it will be used to sustain and expand the same enterprise or business mission. Here profit is just a means to an end.

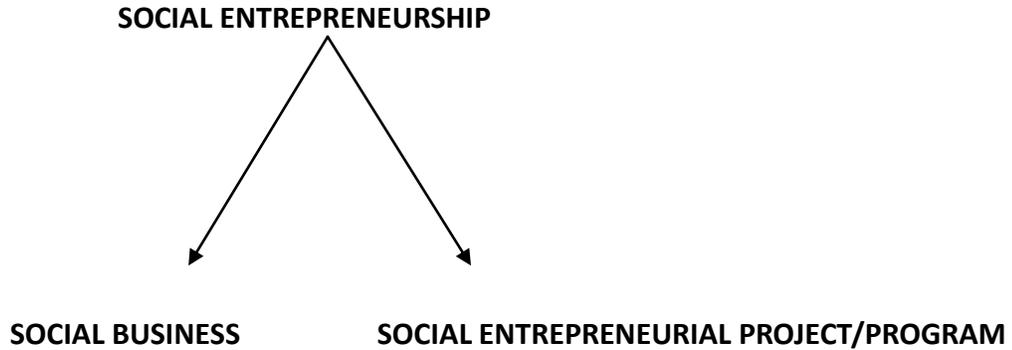
This approach of doing social entrepreneurship is what is called social business because it involves typical business model which is making profit but the intention and purpose of such a business is solving a social problem.

In this model even if an investor invests his/her money in an established or to be established social business, at the end he/she is going to get her own same money without any interest and although by the time he/she was investing US Dollar exchange value was low and now at the time of withdrawing his/her money the US Dollar exchange value is higher he/she will end up getting the same amount which he/she invested before. It is strictly that way so as to maintain the concept of not making personal profit in social business.

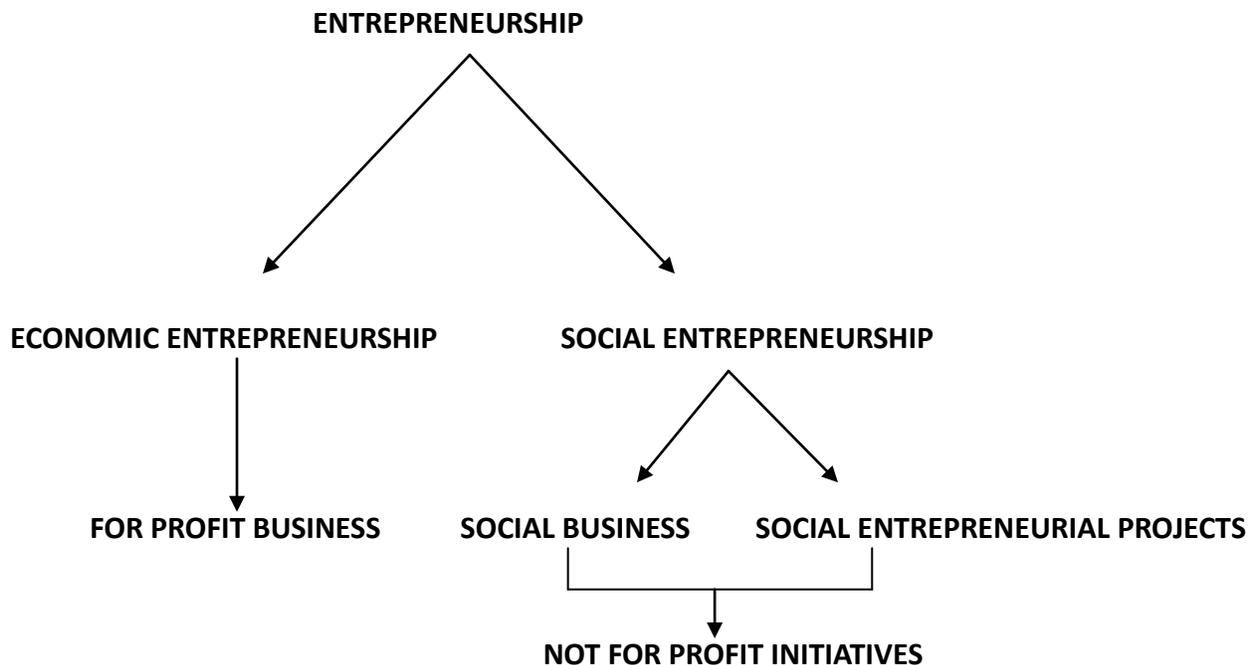
Apart from that model of social business there is another model of doing social entrepreneurship which is not necessarily a transactional business. In this model an individual, charity organization even government can creatively come up with an innovative idea of using available resources to make positive change or adding value in the society.

Someone like Professor Wangari Maathai in Kenya came up with an idea of planting trees all over Kenya and the idea was to train rural women to pick seeds from available few trees and process them so that they can be planted more and this worked hence millions of trees became planted without doing business behind it. This model is simply able to work because of the free market economy which allows people to exploit available resources without any restriction from the government and make change in the community.

So in a simple way I can say social entrepreneurship is done into two models



At the end of the day we come to understand that:



Social entrepreneurship in Tanzania

I think now you can easily understand why social entrepreneurship is recently becoming popular in Tanzania than 2 decades ago. To remind you is that, Tanzania passed through Ujamaa policy which is a kind of socialism ideology for almost 20 years from 1960s to 1980s when the centralized government were controlling everything and no any social entrepreneur could emerge and freely use available resources to implement his/her good ideas, all social services were well provided by government.

Since 1985s onwards Tanzania experienced a rapid shift to free market economy which of course is still transforming itself into it and this shift brings with it a lot of unsettled social and economic development styles which gives a room to social entrepreneurs emerge and offer a solution to emerging social problems and poverty. This is why everyone has a room to become a social entrepreneur in this era. Being a government, charity organization, religious institution, individuals etc have a chance to eradicate poverty by using social entrepreneurship in Tanzania.

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