Social Enterprise and Re-Civilization of Human Endeavors: Re-Socializing the Market Metaphor or Encroaching Colonization of the Lifeworld?

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Abstract

An implicit normalization of the capitalist market model—in both the facilitation of human endeavors and our relationship to the earth—is clearly evident in the work of J. Gregory Dees, as it is in much organizational theory and education. To better understand the effects of this market mentality, a more critical approach to Social Entrepreneurship is required. In this article, we re-conceive Dees's characterization of Social Entrepreneurs as potentially achievable by all human beings and as a part of all their activity. This re-conception transforms what is possible in the human. We advocate for the elaboration of a relational ethic as the means to achieve Habermas' "communicative action" in order to counter the instrumental logic of "the system" that, we argue, puts all at risk.

Introduction

The growing gap between rich and poor within and among countries, and the devastation of the natural environment have been attributed to the predominance of economic development through a free market metaphor by thinkers from all but the most conservative positions on the political spectrum (Baumann, 1998; Chomsky, 2003, 1996; George, 2002; Kelsey 2002, 1999; Korten, 1996; Shiva, 2000, 1993; Stiglitz 2003, 2002). "The free market" as an organizing metaphor, has been taken up by or imposed on many countries to inform all trading activities. It is increasingly used to organize the delivery of social services through the ever extending commodification of human social needs such as the opportunity to learn, the desire for companionship, the need for care when we are unwell and so on.

In previous work (Martin et al, 2004) we likened the "free market" to a single hulled ocean going vessel which stifles diverse ways of knowing and being. In this paper we argue that we are at risk of allowing this vessel to harness the concept of Social Enterprise to the redress of human needs and that this harnessing will stifle the generation of creative ways of being human. The appeal of Social Enterprise as a market(able) solution to social and environmental concerns stealthily draws our mind to the belief that ever more of the human endeavor can be achieved through the market; that evermore of the social and environmental costs of a market approach can be met through the extension of that very metaphor. We suggest that by encouraging a more fluid concept of social enterprise and by working to make more fluid our thoughts about

the best way to co-ordinate human endeavors in general, we will enrich the human experience and perhaps contribute to a safer, fairer society.

In this paper we review the discussion of the concept of Social Entrepreneurship provided by J. Gregory Dees. Dees (2001) provides a broad ranging discussion of the emergence of the concept of entrepreneurship and its usefulness as a response to social issues. Drawing on the work in business of such leading figures as Say, Schumpeter, Drucker, and Stevenson, he argues that their ideas are "attractive" because they can be as easily applied in the social sector as the business sector. They describe a mind-set and a kind of behavior that can be manifest anywhere" (p.2). He advocates building the notion of social entrepreneurship on this strong tradition in the market sector. He recognizes, however, that social entrepreneurs differ from other entrepreneurs because they have a social mission and it is this social mission that provides them with some "distinctive challenges" (2001). In general, we diverge from his thinking in terms of our more limited confidence in the appropriateness of the contemporary market metaphor. We further disagree with his suggestion that the characteristics observed in a group of social entrepreneurs somehow characterize a group of people with essential and unique qualities.

Dees (2001) acknowledges the inadequacy of the market metaphor for the social entrepreneur:

> …markets do not do a good job of valuing social improvements, public goods and harms, and benefits for people who cannot afford to pay. These elements are often essential to social entrepreneurship….it is much harder to determine whether a social entrepreneur is creating sufficient social value to justify the resources used in creating that value (p. 3).

He demonstrates that markets do not often provide the right disciplines for social entrepreneurs. Their resources may come from a mixture of variously focused consumers, grant givers, volunteers and so forth and these further muddy the waters of the supposedly useful market disciplines in the profit focused sector. Thus Dees calls for a definition of social entrepreneurship that reflects the need for a "substitute for the market disciplines that works for business entrepreneurs" (p. 3).

For those who see "markets" in a more critical way, the metaphor may be seen not only as an inadequate disciplinary mechanism for the conduct of social enterprise, but may be seen as the *generator* of the environmental and social ills that Dees understands social entrepreneurs seek to address. It is the further naturalization of the use of this uncritical market metaphor—and its implicit de-socialization of economic activity—that underlies our deepest concerns—and on which we attempt to engage a discussion in this essay.

Dees characterizes the "ideal" social entrepreneur as:

- adopting a mission to create and sustain social value (not just private value);
- recognizing and relentlessly pursuing new opportunities that serve that mission;
- engaging in a process of continuous innovation, adaptation and learning;
- acting boldly without being limited by resources currently in hand; and
- exhibiting heightened accountability to the constituencies served and for the outcomes created (Dees, 2001, p. 4).

We agree that the characteristics depicted here are currently not generalized among the population. We do not, however, declare this to be evidence of a naturally occurring limited subcategory of humanity. We would argue that rather than being a set of characteristics found only in a small group of exceptional people as indeed may be the case now (Dees, 2001), many of these characteristics could be encouraged to flourish among more people through education, through different employment policies, and through the vitalization of a more relational ethic in societies generally. Instrumentality and managerialism predominate today. This has been achieved through the historical emphasis on the education of human beings as functionaries for capitalism; through the implied and insidious and limited re-definition of human beings as producers and consumers, agents in contracts, or human resources. The recognition of these concepts as the social fabrications of a specific time and place, serving a specific form of society, and the understanding that we might create something different, suggest that educators could advocate that current emphasis might usefully be reconsidered. We could, for example, re-conceive Dees's ideal characteristics as potentially achievable by all human beings, expressed in all their activity, and through such re-conception, transform what is possible in the human.

We concur with Professor Dees that it is by focusing on the social mission of entrepreneurs that we have the starting point for a creative turn in our thinking. We suggest, however, that the distinction Dees makes between social and economic entrepreneurs in his paper could be taken in another direction. We would argue that all economic activity *is* social activity. It is its reduction in the context of the predominating market metaphor that allows us to think of "profit" as a "legitimate objective," a statistic on a page, rather than a complex social construct that represents (or perhaps obfuscates) the harnessing of human ingenuity, struggle, and even pain and their transformation to a financial equation or abstraction. This, in our view, is a flaw in the deeply naturalized acceptance of "the market" as a reasonable conduit for the coordination of the vital interactions of humans with each other and the earth that sustains us. We explore this view more fully in this essay.

We suggest that without a critical perspective, Social Enterprise will not have the capacity to address the organizational and environmental issues before us with the wisdom generated from an awareness of the relationality among all aspects of the social, political, financial and spiritual aspects of being. This task, if it were to be undertaken, would be enhanced if education in general were more critical of currently naturalized metaphors for social organization—metaphors that might be different. Dees (2001) provides us with a good platform from which to begin. We would endorse his call, but not limit our thoughts to the distinguishing of social enterprise from markets in general. Rather, we would suggest the use of his idealized definition of a social entrepreneur to enquire into the predominating market metaphor more deeply; to propose the generation of alternative metaphors of social, economic and environmental coordination that would require the fabrication of a different human being. We would encourage an increasing normalization of his ideal social entrepreneur as a typical human being.

In the next section of this essay we invite consideration of our call to transform the predominant instrumental ethic that drives much human engagement. We are

particularly interested not only in the concern with the instrumentalization of people and the earth but in the transformation of this predominant ethic to one of relationality. We propose the amplification of a relational ethic that may bring the spirit of humanity implied in Dees's definition of social entrepreneurs, not only to understand his segregation of social enterprise from the market "proper" but to encourage a critical transformation of that very market in ways that amplify the values articulated by Dees (2001, p. 1) across all the sectors, whose boundaries are indeed blurring.

We do this by drawing more fully on the characteristics of a social entrepreneur provided by Dees (2001, p.4), and on the organizational critique and the transformational aspirations of critical theorists, particularly through our interest in the work of Jürgen Habermas. Habermas is concerned about the increasing colonization of "the lifeworld" by the encroaching instrumental logic of markets in all spheres of human endeavors and so are we. He suggests that new social movements such as environmentalism, feminism, and post-colonialism, provide avenues for the development of new values and identities. He argues that these movements represent transition from old politics based on economic and military security to new politics involving the enhancement of quality of life, equality, and enhanced political and social participation.

We concur with Habermas. There are many voices challenging liberal capitalism. We believe that the changes they call for may bring us a more human and environmentally sound future if the concerns expressed by these voices are not merely assimilated into, but leaving largely unchanged, the predominating market modality of instrumentalism (Grice and Humphries, 1997). This instrumentality, garbed in the cloak of functionality, is expressed as a commitment to efficiency, productivity and growth. However, it largely serves a limited assumption for the right (and espoused duty) of capital to seek places and processes through which to maximize return on investment, and the necessity for all to be in its service. We refer readers to the integration of the concept of "flourishing," a concept that entails wellbeing, dignity and the achievement of one's creative potential and we draw towards an appreciation of a relational ethic.

By a relational ethic, we mean a prioritization of concern about who we are to each other, what we might legitimately expect from each other as human beings—always in relation one to another and to the earth. This way of being invites a subtle shift from an instrumental ethic that assesses how we might harness the energies of others to extract the maximum value of the relationship for our own benefit. It means treating each human being as fully human—as purposeful and free—not as a means to our own ends. This shifting of focus could only be achieved, in our view, by paying overt attention to and transforming the instrumental ethic dominating the contemporary organizational modalities now reaching into all aspects of human endeavor and by collaboration with human communities whose interests and needs are proposed to be channeled through a Social Enterprise paradigm. If this is not to be done through a functionalist discourse, or with a presumption that "free markets know best" then the relationships between Social Entrepreneurs and their communities must be complex and must have emancipatory intent. This context requires the dialogue that Habermas advocates.

Of Markets and the Lifeworld
Habermas introduces the distinction between "the life world" and "the system" to focus of the differing ways social cohesion may be fostered (Ingram, 1987, p. 115). "The life world" is the sphere in which social relationships form the binding/bonding processes of communities. It is the world of magic and metaphor, of emotions, and of varied forms of articulating entitlement and the caretaking responsibilities of one for another and the earth. "The system" refers to the economic and bureaucratic practices that characterize contemporary western societies. In this sphere, the binding/bonding effect is intended to be met through largely mechanistic or instrumental arrangements we refer to as "the market." The "contract" is its most articulated vehicle. In western society, argues Habermas, what is left of "the life world" is being encroached by the logic of "the system." He calls this encroachment "colonization." We can see this most explicitly when we look at the transformation of various care-taking responsibilities from families to professional service providers who win and serve "contracts" in health care and disability services, education, eldercare, and so much more. Habermas has some concerns about this colonization that we share:

> To the degree that the economic system subjects the life-forms of private households and the life conduct of consumers and employees to its imperatives, consumerism and possessive individualism, motives of performance, and competition gain the force to shape behavior… (Habermas, 1987, p. 325).

Working in, and responding to, the Frankfurt School of critical theory, Habermas developed a concern for emancipation particularly in response to Adorno and Horkheimer and their deeply pessimistic view of contemporary western society (Edgar and Sedgwick, 2002, p. 275). Critical theorists, in this tradition often link the predominant ways in which power is formulated and institutionalized in these societies to the exacerbation of the problems humanity must address. They want to do this in a way that generates emancipatory change (Carr, 2000, p. 208). From a transformational perspective, this is to make a contribution to the emancipation of humanity, the creation of just societies and the responsible stewardship of the earth. The ideas, the hope and the inspiration that are needed for the deep transformation of western society are more likely to emerge from the lifeworld than from "the system." Subjecting the life world to the logic of the system is thus likely to dry up the very source of creativity needed for such transformation. Enlarging the group of people that are committed to developing the character traits Dees describes, would be a marvelous contribution that educators could make.

For Habermas, the boundary between the two spheres, "the lifeworld" and "the system" is marked by the contrast between "communicative and functional rationality" (Jackson, 1999, p. 45) While the latter emphasizes "the search for instruments of effectiveness", the former offers the "potential for using reason for more noble ends" (Jones, 2003, p. 169). Habermas is deeply concerned with the pathologies that emerge when the system "colonizes" the lifeworld, when rational instrumental processes invade "areas of social life that have been or could be co-coordinated by the medium of understanding" (White, 1995, p.8). This medium of understanding requires education in elaborated ways of thinking and being; it requires a different tack than that of the single hulled vessel.

Could a critical approach to Social Enterprise provide a different tack, a tack that may put the single hulled vessel on a path on which it may morph into a more sophisticated vessel for a mutually beneficial future? We propose that by reconceiving the metaphorical vehicle in which we journey through our human life and from which we navigate our human experience to a multi-hulled vessel, we endorse diversity and relationality in ways a single hulled craft does not. For illustrative purposes, let this imaginary new vessel be a two hulled craft. Each hull must be stable and sound in its own right, the bridge that binds them and holds the steering house must be robust and the navigators elected to this steering house must understand the necessity of the wellbeing of each hull and its occupants to the wellbeing of the whole. A fabulous further reflection on this craft is that its direction is set "by the space between"—the space we are calling "the relationship." It is the relationship between us that is both the destiny and the process. (Martin et al, 2004; Humphries and Martin, 2005). The possibility of such morphing of our vehicle requires both critical thinking and transformational action. We believe the work of Habermas provides us with some theories towards such a move.

Habermas seeks to retain the potential of the contribution of critical theorists to achieve a just or "emancipated" society (White, 1995). We tend to hold a similar view. However, rather than seeking to maintain the demarcation that allows for an instrumental ethic to prevail in the sphere of the market, as do Habermas and Dees, we would invite a reconsideration of the very validity and limited insight that currently endorse a de-spiritualized, de-socialized mode of being in an arena as significant as our economic activities. We would see Social Enterprise as the process through which we can invest all human activities, including our economic activities, with respect for human dignity and responsibility for the earth that sustains us.

Dialogue and communication are at the heart of Habermas's project and represent one of his most significant departures from the Frankfurt theorists. "What raises us out of nature is the only thing whose nature we can know: language." Through interactions between people, meaning is created. Meaning is not to "be read off the world." And it is in this turn in the analyses that we depart from Dees's empiricist approach to a characterization of social entrepreneurs. We see such people not as a discrete category of human beings who display unique natural traits, but as examples of people expressing values and ways of working that might be more generalized through education.

This is an evolutionary point of view: under the right conditions, the power of uncoerced and free conversation will contribute to emancipatory movements towards a more truly democratic society. In the last section of this essay we apply the complex ideas discussed above to our interest in developing a relational ethic that would help shift consciousness from the transaction/functionalist ethic that predominates in management education and that has become so "normalized" that it appears as the natural way of doing things. It is this very naturalization, through education, that brings to the social sphere, entrepreneurship that may have the colonizing effects Habermas is concerned about.

A Relational Ethic- Attention to the Space Between
Habermas is among those theorists who not only challenge the subtle processes of systemic control as violation of the principles of mutuality (Habermas, 1977), but also propose working towards societies that are based on mutual respect through what he calls communicative action (Habermas, 2001 [1984]). Habermas (2001 [1984], 1977) challenges (hegemonic) practices oriented to achieving pre-established objectives of specific interest groups through instrumental action and advocates instead mutual understanding generated from inter-subjectively agreed and recognized relationships, calling on ideals which espouse full emancipation for all human beings. Actions are *communicative* "when the participants coordinate their plans of action consensually, with the agreement reached at any point being evaluated in terms of the inter-subjective recognition of validity claims" (1990, p. 58). Habermas "relies both on the possibility and the transformative capacity of dialogue" (Kersten, 2000, p. 236), so that the learning processes in "the family, the public sphere, community life, and cultural expressions" (Welton, 1995a, p. 28) may be reappropriated from the control of technical, instrumental rationality and put back in the hands of those engaged in consensus building and dialogue. He argues that it is only through communication and interaction that people can master society, form social movements and achieve power. Along with Arendt (1970), he argues that "common conviction in unconstrained communication" (Habermas, 1977, p. 4) may provide the capacity of a people to achieve collective goals of agreement.

Legitimate power does not co-opt others through deceptive means, it is driven by mutuality of agreement and understanding; a concept Habermas (1977) terms intersubjective agreement. We come to such agreement through communication. He suggests that the "very possibility of language implies a deep reciprocity between speakers" (Edgar and Sedgwick, 2002, p. 275). This view allows Habermas to postulate an "ideal speech" situation where his concern for an egalitarian approach to voice and discourse leads him to conclude that democracy and emancipation require a public sphere where "all participants have equal power, attempt to reach understanding, do not act manipulatively or strategically, and understand their obligation to offer reasons" (Stephens and Cobb, 1999, p. 26). That is to say, he imagines places where all participants have reciprocal rights to question each other as to the "sincerity, factual accuracy and meaning of what they say as well as their moral right to say it" (Edgar and Sedgwick, 2002, p. 74). Stephens and Cobb (1999, p. 26) also suggest that the ideal speech situation creates spaces where true democracy is ethically possible: a place where "every stakeholder is accorded equal opportunity to be heard" and space is preserved for critical thought which is not "subject to the contextualized pressures of particularized interests or power" (Edgar and Sedgwick, 2002, p. 118). Habermas offers "a guiding metaphor for bringing about social change" (Stephens and Cobb, 1999, p. 27) where "the paradoxes produced by a self-referential critique can be avoided if we develop a concept of communicative reason that emphasizes intersubjectivity and dialogue" (Fleming, 1997, p. 16) This requires, among other things, an education in the art of dialogue rather than in the processes of achieving and retaining control.

Kersten (2000, p. 239) notes that dialogue requires at least three things to build faith in human capacity to regain control over economic, social and political affairs—rather than handing responsibility for these to the vagaries of "the system." These are: a critical and

reflective understanding of one's own world; an emphatic grasping of the world of the other; and the shared building of a joint world, based on undistorted social consensus. This form of dialogue speaks to us of human potential and the power of communication to generate a world worthy of our self-respect. It speaks to us of our responsibility. If Social Enterprise moves us in this direction, we welcome its higher profile. We have proposed that developing an ethic of relationality, rather than complying with the instrumental ethics of the dominant market modality will move us towards the manifestation of such an ideal. Dees (2001) provides us a platform to explore these ideas further.

In this essay, we have expressed our concern about the move of social responsibility from civil society to its expression through a market modality and the disciplinary effects of the associated technical logic. This expression of concern is not to suggest that "the market" should not be more socially responsible, responsive, and response-able to social and environmental values of communities. The *mind-shift* sought here is the empowering of communities to ensure that our processes of trade and exchange are governed by guiding principles of democracy. This requires the generation of a civil society strong enough to instruct its governments, and governments robust enough to facilitate the mutuality necessary for a just society.

To begin the work of the transformation, we envisage an open and broad ranging critique of the ideological principles that are increasingly governing all aspects of our human existence and our relationship to the earth. We advocate against an uncritical promotion of the instrumental gospel of market speak, and the showcasing of fabulous achievements with no broader political analysis, that leave significant issues untouched by human consciousness and thus human conscience. We suggest that such a critique be developed across the educational spectrum, at all ages and in all disciplines. To limit this discussion to the arena of "social enterprise" is to risk limiting the discussion to a small group of predefined social activists—and to allow the rest of us to deflect or diminish our responsibility for a safer, fairer world for all.

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