The Hermeneutic Understanding of Social Innovation

Preface

Some of you who are starting to read this article may feel like scratching your head by seeing the title that is compounded by the words you are unfamiliar with: 'hermeneutic' next to one of the most alluring but a big-tent term, 'social innovation.' Suffice to say, such distraction is not what we intend, let alone to be worth the true meaning of education. As Socrates once said, "Education is the kindling of a flame, not the filling of a vessel," we would rather assist you in action-oriented learning for social innovation than provide relevant information merely for external rewards such as grades or scores. Again, before getting any ideas or thoughts divergent, you are asked what this title means to you and us, and why it should be understood in that way. First, let us begin with the contours of 'social innovation.'

The Phenomenology of Social Innovation

1. The Contours of Social Innovation

At this moment, you may also be a bit embarrassed with the word, 'contours,' and ask why the author does not pick any simple word, 'definition,' instead. On the one

hand, 'definition' is too frequently used and seen even in our everyday life to gain much attention. It is on the other hand that when it comes to defining social innovation, we find that the boundary among synonyms including 'invention,' 'renovation,' and 'improvement' blurs. It would fare worse if it got compared to words compounded with adjectives such as 'incremental,' 'rapid,' 'frugal,' 'organizational,' or 'social.'

Now you may be getting to grasp the point of using the word of 'contours,' rather than 'definition.' The contours allow us to consider a real-world definition of social innovation at multiple levels through the spatio-temporal dimensions. Then, what are the contours of social innovation? This may be more puzzling because even when I fly to other countries where seminars or conferences in social innovation take place, professionals and experts involved often ask to one another, "What dose social innovation mean to you and your organization?" "How would you put social innovation into practice?" In response, a senior manager of an NGO in Pakistan might say that he provides microcredit to poor households in rural areas where they have limited access to traditional financial services. A health worker from India may share her story that her organization takes full advantage of ICT-based health care system that enables people in rural areas where doctors and hospitals are scarce to manage their own health and wellness without traditional, extensive face-to-face encounters between doctors and

patients that are structurally untenable in developing countries.

Undoubtedly, new creative, innovative ideas and practices are emerging as Internet gets prevalent and cloud computing and peer-to-peer (P2P) technologies are evolving. Social media like Facebook or Twitter have been pushing away old-fashioned approaches and measures that used to revolve around social development led by few groups of institutions and authorities. Yet, before nailing down the details on relevant cases and brainchild, we need to get ourselves out of prior personal knowledge and biases, or "bracket out" on Edmund Husserl's terms.[1] Let us attempt to refute by paradoxical induction the following statement: if and only if an idea or practice is 'inventive' and without precedent, then, it should be framed in 'social innovation'.

2. 'Bracket' Social Innovation

The first example: microfinance. It is true that, thanks to Nobel Peace Laureate Professor Muhammad Yunus, founder of Grameen Bank[2], microfinance has become a synonym of social innovation. Nevertheless, how many people do know the fact that its genesis dates back to the 1720s?[3] Jonathan Swift, an Irish writer (and author of Gulliver's Travels) and dean of St. Patrick's Cathedral in Dublin, began to lend his money, five to ten pounds in each, to Dubliners.[4] He did not charge any interests and,

instead, asked borrowers two cosigners as intangible collaterals that become a norm in microfinance, nowadays. What elements are critically missing here in comparing the nature of microcredit (or microfinance) between 1720' and 21st century? Take a step back and consider cultural and historical contexts behind the scenes. Another one: electric vehicles (EVs). Likewise, a prototype model of a small-scaled car powered by an electric motor was actually invented by a Hungarian, Ányos Jedlik, in 1828.[5] How would this first, small-scaled EV have something to do with the mass-produced EVs that are becoming more prevalent than ever before for the sake of reducing environmental impacts? Again, take a step back and consider cultural and historical contexts behind the scenes.

The preceding two historically significant events (or inventions) refute the assumption that the nature of invention alone, which is something new or novel without precedent, is so sufficient that such ideas or practices per se are classified as socially innovative enough to become recognized and adopted by the society and its members, at large, and to get scaled out for social change and progress. The same analogy may hold true to the theory of 'the Base of the Pyramid (BoP),' and helps us fill the gap of cultural and historical contexts and the dynamic process of social innovation in between.

3. The Continuity of BoP for the Poor

BoP was conceptualized by the late C.K. Prahalad in his book "The Fortune at the Bottom of the Pyramid" in 2004.[6] Prahalad explicitly puts it:

Four billion poor can be the engine of the next round of global trade and prosperity. Serving the Bottom of the Pyramid consumers will demand innovations in technology, products and services, and business models. More important, it will require large firms to work collaboratively with civil society organizations and local governments. Market development at the Bottom of the Pyramid will also create millions of new entrepreneurs at the grass root level – from women working as distributors and entrepreneurs to village level micro enterprises.[7]

The concept of BoP that Prahalad boldly defines above with his wisdom and foresight may help us grasp various aspects and implications on social innovation. Yet before moving onto the thinking process of it, we have to answer the same type of the following question: Is this the very new thinking? If yes, give us why? If not, explain why that way of thinking and doing needs to be re-emphasized in a transformative way, now?

In order to answer this, let us take a glimpse of the real case of Toyota Kijang

Project in Indonesia. It was in the midst of a civil war that brought about in Jakarta in January 15, 1974. A young section manager who then assumed the entire operation of Toyota in Indonesia thought that "Toyota needs to promote understanding about our activities among the poor."[8] "Convinced that Toyota needs to build a product for the poor,"[9] he and his team bustled about building trust and mutual understanding among key actors and players including the ministry of industry, Toyota engineers and executives of their head office, Tokyo. It paid off and ended up with the innovative design and mass production of a low-cost, low-priced ("that cost one-third the price of the Corolla"[10]) pickup truck named Kijang. The new pickup truck with a boxy, radical design that replaced the rear doors with clear vinyl covers[11] became the bestselling vehicle in Indonesia (whose sales had outnumbered one million over 25 years) and contributed to the economic development there so that it was dubbed "the people's car."[12]

Although not getting the story fully revealed herein, nor are any other latest cases (cf. IFC "Being the Change")[13], but if we go back to the original question of whether BoP is the very new thinking and try to answer that with this life-changing experience of marketing Kijang for Indonesian people in mind, we would 'relatively' say no. BoP itself is not a new thinking. Its seedling was found there in the story of

Kijang. Nevertheless, the accomplishment of this project was not applauded as an exemplary case for BoP at that time. Then, why has it been resurrected (or reinterpreted) in a transformative fashion, recently? What key essences lie underneath to affect our understanding of those events or phenomena to a greater extent over time? Would these be the ones like "Four billion poor," "global trade and prosperity," "civil society," "millions of new entrepreneurs," or "village level micro enterprises"? We are getting closer enough to figure it out that there are something missing when it comes to uncovering the contours of social innovation. Sure enough, this may seem very tricky and complex, but this is exactly part of the process of hermeneutic understanding.

4. Hermeneutics with Pre-judgment

While not sparing many spaces to explain it well herein, we need to understand the notion of hermeneutics and the thought process of it. The term of hermeneutics is originated from a Latinized version of the Greek *hermeneutice*, and has been common since the 17th century.[14] According to Martin Heidegger, a German philosopher known for phenomenology and existentialism, the hermeneutic circle is a perpetual, circular process, which leads us to a deeper level, as Heidegger stresses, "a lucid, clear, and indubitable grasp of the meaning of text."[15] Why in text, or language? It is because

most philosophers in hermeneutics relate cultural and historical contexts to language.

Another German philosopher, Hans-Georg Gadamer, argues that it is through language that the world is opened up for us.[16] Are you following us? In other words, through the term of 'social innovation' and its interpretation, the relevance and presence of social innovation in history are, and, even in a broader sense, the world is opened up and revealed for us. Then, what are these contexts and how would they be opened up?

Gadamer points out that prejudice as pre-judgment cannot be detached from our understanding to the past and pre-judgment itself is tied up to the present life.[17] Put it another way, in trying to understand 'social innovation,' we cannot abstract our prejudices and biases from the historicity of understanding, and, rather, prejudice is viewed as the positive enabling condition of historical understanding.[18] This implies that we have some pre-judgment on which we tend to draw in interpreting or understanding the notion, or the contours of social innovation. What does it mean by that? How would it affect our hermeneutic understanding of social innovation between in the past and at present?

5. Hermeneutics in 'Social' Entrepreneurship

Heidegger's and Gadamer's guiding principles of human understanding and

interpretation may help us gain a further understanding of the interplay of hermeneutics between the past and the present. Taking a narrower look at the term of 'social innovation,' it may readily come to your mind why the word 'innovation' should be compounded with 'social.' It is true of 'social entrepreneurship' – how is this distinctive from '(business) entrepreneurship'? David Bornstein defines:

> For social entrepreneurs, the bottom line is to maximize some form of social impact, usually by addressing an urgent need that is being mishandled, overlooked, or ignored by other institutions. For business entrepreneurs, the bottom line may be to maximize profits or shareholder wealth, or to build an ongoing, respected entity that provides value to customers and meaningful work to employees. [19]

The term 'social entrepreneur' was firstly used by Bill Drayton, founder and CEO of Ashoka in the early 1980s. It appears that social entrepreneurs have emerged and become sought-after to "(change) the underlying dynamics that create the demand for services in the first place"[20] as the highly institutionalized society and the free market economy associated with capitalism are doomed to fail to act on greater prosperity and social justice, equality and inclusion. Although they play a vital role in involving "a wave of creative destruction"[21] that reshapes society and contribute to social progress, it does not always mean that social entrepreneurs are one-size fits all and superior to

business entrepreneurs.[22] For one, an inexperienced but heroic social entrepreneur tends

to build a socially entrepreneurial organization whose structure is "relatively flat" and

that is focused more on "the idea of change" and less on measurement and

governance.[23]

With such comparison between social and business entrepreneurs in mind,

social entrepreneurs are gaining recognition by governments and other institutions, and,

interestingly enough, some of them are not only from the contemporary era. Go visit

Ashoka's homepage and you will find the name of Florence Nightingale, who had

transformed public health and developed modern nursing practice since the early 1850s

(Read the case, "The Fixed Determination of an Indomitable Will"[24]), as a leading

social entrepreneur, along with other 'historical examples.'[25] That being said, the list

itself covers few people as historical examples, compared to the equivalent at present.

(Why? Does it truly reflect 'historically authentic' data and information?) Moreover, a

very simple and significant question comes up again: Why didn't Nightingale receive

such recognition as a social entrepreneur at that time? Why now?

6. Pre-Judgment of an Inclusive Society

It is assumed on Gadamer's terms that our pre-judgment is tied to the present

day when we have been putting more emphasis on an inclusive society, or "a society for all."[26] This emphasis of an inclusive society may represent the equivalent through a couple of words and phrases found in the definition of social entrepreneurs by Bornstein, such as "to maximize some form of social impact" or "being mishandled, overlooked, or ignored by other institutions." (Pick up any people or situations which you think have been "mishandled, overlooked, or ignored by other institutions." For example, people with disabilities, minorities, migrants, women in the Middle East, and the like.) According to the Expert Group Meeting on Promoting Social Integration, held in Helsinki, July 2008, the concept of an inclusive society is:

> An inclusive society is a society that over-rides differences of race, gender, class, generation, and geography, and ensures inclusion, equality of opportunity as well as capability of all members of the society to determine an agreed set of social institutions that govern social interaction.[27]

This statement is predated by another classic, concise notion of an inclusive society: "…in which every individual, each with rights and responsibilities, has an active role to play."[28] Since 2000, governments around the world have been actively involved in setting specific and actionable goals in tandem, that is, "the Millennium Development Goals (MDGs), which "are a critical tool for citizens to hold their governments

accountable."[29] For instance, the MDGs aimed to cut extreme poverty by half and, eventually, to zero by 2030.[30] The technical target of a child survival would be 30 child deaths per 1,000 live births, roughly equal to the equivalent in upper-middle-income countries.[31]

The notion of an inclusive society has been formed as the fall of the Berlin Wall that led to the end of the Cold War brought about a sea change of international relations and globalization. In addition to that, the advent of Internet and the prevalence of ICT now enable each individual to be more ambitiously, actively and assertively committed to creating an inclusive society through both off- and on-line. For one, the practice of rural clinics in developing countries where, "according to the World Health Organization, there is a global shortage of 4 million health care providers,"[32] has dramatically been transformed from hands-on to ICT-based while educating and empowering both patients and providers (Read the case, "The Future of Health Care Access").[33] Marina Gorbis, author of the book "The Nature of the Future – Dispatches from the Socialstructured World," argues, "(S)ocial structuring…is a new form of value creation that involves microcontributions from large networks of people utilizing social tools and technologies to create a new kind of wealth."[34]

Here is the takeaway: our society and the world are getting more intimate and

smaller like a village where people live together and socially connected. Each of members has a sense of ownership and responsibility, and, more importantly, s(he) is an active (micro) contributor as a global citizen. Given the fact that mobile phone subscriptions are forecast to have increased from barely 700 million in 2000 to roughly 6 billion in 2012, which enables and empowers citizens and communities with new technologies to self-organize and innovate,[35] regardless of where they live and how poor they are, the social structured world is emerging while de-institutionalizing the economy and the entire world over which few entities and authorities used to have dominance.

From this point of view, the meaning of 'social,' is audaciously embedded in our collective minds as a main pre-judgment at the present day, diffusing key implications toward being inclusive, collective and collaborative, away from the deference to institutions and authorities alone (See Appendix I: "Pre-Judgment of an Inclusive Society – BoP"). That, if allowed, may be represented by the following term: the global village – that Marshall McLuhan calls the world transformed into "an interconnected tribe" through our new gadgets such as television and Internet.[36]

Anyway, contrast to 1970's, let alone any times and eras before, our modern age exposes and enables us to view (or prejudge) the world as a village (or a society

with intimacy and connectedness) and as if we were as able to address any intractable

issues that should not be overlooked and ignored as did in a village as a responsible

member of the society. (See below "If the World were 100 People:"[37])

"If the World were 100 PEOPLE:"

50 would be female / 50 would be male

26 would be children
There would be 74 adults,
8 of whom would be 65 and older

There would be:
60 Asians / 15 Africans / 14 people from the Americas / 11 Europeans

33 Christians / 22 Muslims / 14 Hindus / 7 Buddhists
12 people who practice other religions
12 people who would not be aligned with a religion

12 would speak Chinese / 5 Spanish / 5 English / 3 Arabic / 3 would Hindi
3 Bengali / 3 Portuguese / 2 Russian / 2 Japanese / 62 other languages

83 would be able to read and write; 17 would not

7 would have a college degree
22 would own or share a computer

77 people would have a place to shelter them
from the wind and the rain, but 23 would not

1 would be dying of starvation

15 would be undernourished

21 would be overweight

87 would have access to safe drinking water

13 people would have no clean, safe water to drink

Conclusion

The world is there for each of you, no matter how poor and vulnerable you are.

The pre-judgment, an inclusive society, takes you there to a new horizon where your

hermeneutic understanding of it becomes more manifest and conscious than ever before.

To that end, inclusive development in accordance with the strategic and sustainable

process of innovation leads to yield inclusive and workable solutions through

refinement and validity. Yes, looking ahead, we would no longer call it social innovation

and name it distinctively, associated with our new pre-judgment of it, at a certain point

of our odyssey. Or, as Rana Foroohar, the Assistant Managing Editor in charge of

Economics and Business for Time magazine, foretells, "a new era of deglobalization" is

dawning and the world becomes "a destructive so-called spaghetti bowl of competing

economic alliances."[38] It is a hermeneutic circle, irrespective of any way, and, sure is,

the nature of humanity.

Appendix I: "Pre-Judgment of an Inclusive Society – BoP"

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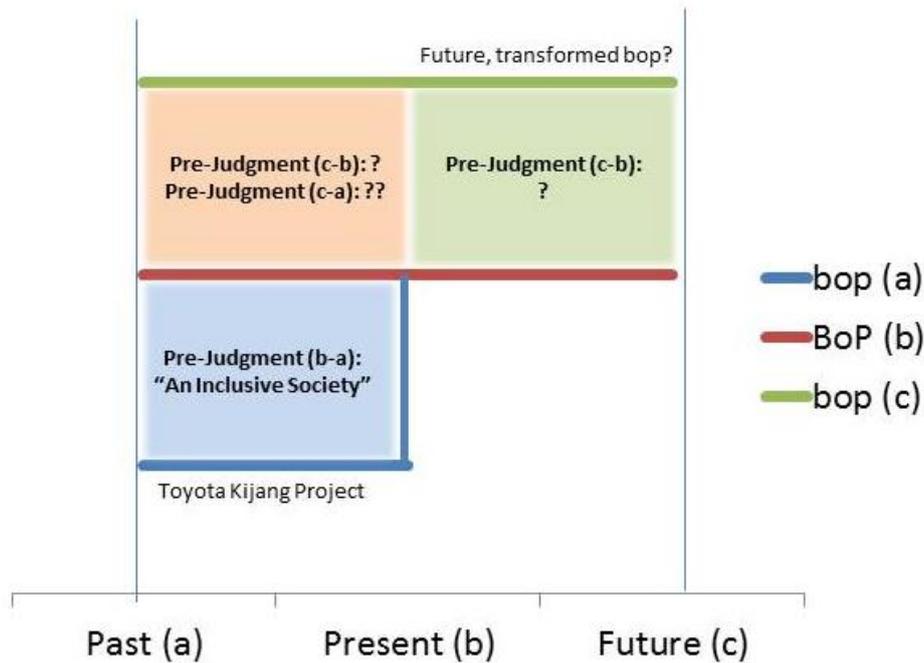
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