SOCIAL BUSINESSES AS A TOOL AND APPROACH FOR YOUTH DEVELOPMENT IN SUB-SAHARAN AFRICA

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ABSTRACT

Demographic transitions in sub-Saharan Africa, characterised by a youth bulge, are contextually enabling for social work professionals to investigate new methodologies of youth development. Social business is a suggested innovation of youth development with the capacity to strengthen existing social work strategies and interventions. This paper highlights the discourse on social businesses as viable development tools and approaches capable of impacting positively on youth development. Furthermore, the highlighted connections between social businesses and social work professionals may galvanise the profession to become involved in social businesses. The involvement of social work may expand the scope of community development strategies critical to tapping into the social capacities of youth. We argue that social businesses are an asset based approach representing a human face that social work can broker among communities, industry and policy makers, harnessing humanised free market capitalism to foster inclusion and expansion of livelihood options for young people.

Key words: social businesses, youth development, social work professionals
INTRODUCTION

The intense debate on the role of social work in economic development during the 1980s and 1990s seems to have been much ado about nothing. While ignoring the social investment function (Midgley and Conley, 2010), critics of social work’s role in economic development focused on expenditure of scarce public resources (Raheim, 1996). This tended to curtail the movement of social work into community economic development initiatives, therefore, limiting social innovation. Lombard and Strydom (2011:329) however, put finality to the discussion by affirming that “whether or not social work has a role in economic development is no longer a debate”. After all, as Midgley (2010) observes, the original goal of community social work as intended by its founders was to reduce poverty. This paper seeks to reaffirm this original mandate by deliberately focusing on youth as important conduits for enhancing community assets. On the basis of social justice and equity alone, young people necessitate greater investment in alternative development strategies, as their realities are remarkably different from previous generations. For youths in sub-Saharan Africa (SSA), such realities include occupying markedly contradictory spaces of poverty and wealth, exclusion and democracy, and ultimately globalisation and under-development. The 21st century unlike previous centuries is engulfed by what Beck (2000) terms Globalism, a pathological form of globalisation characterised by division of labour that distort and hinder awareness of the demands of a universal ethics of inclusion (Yeatman, 2002). The rising inequalities and in particular an increasing inability of capitalism to provide adequate opportunities to young people provides a space for social workers to remodel their processes of community economic engagement and capacitation.

Other contingencies also add weight to the need for social work professionals to be reflexive on what the new century will demand of them. Globalisation has affected the social work profession in two ways: firstly, through the commodification of welfare provision; and secondly, through market mechanisms gaining priority over social development (Payne and Askeland, 2008). These globalisation outcomes are in conflict with the flexibility and openness required of social work practice to respond to human suffering. In South Africa, StatsSA (2013) in its third quarter survey states that of the 10,4 million youths aged 15 to 24, 3,3 million were not in employment, education or training (referred to as NEET) and thus are considered disengaged from both work and education. This scenario signals the potential large caseloads of vulnerable and unemployed youth in South Africa requiring informed interventions.
Lastly, the emphasis on measurable outputs all argue towards consideration and exploration of newer methodologies and practices of youth development. The suggested method and practice of economic engagement in this paper is social businesses. Yunus and Weber (2008) define social businesses as non-loss, non-dividend businesses which deliberately address a social objective within today’s highly regulated marketplace. Social businesses embrace the idea that business skills and strategies can be utilised to address social issues and achieve a transfer of economic and social resources to disadvantaged groups and individuals (Gray, Healy and Crofts, 2003). In this sense, social businesses become a set of tools and approaches seeking to undo a social injustice in the community.

Further to their definition of social businesses, Yunus and Weber (2008) outline three key characteristics or objectives of social businesses that enable poverty reduction in resource poor communities.

The first objective is social: the products of the social business must satisfy some unmet social need through altruistic business practices. An example could be low cost vegetable gardens, affordable alternative energy sources and health provision.

Secondly, there has to be Community Ownership where the intended beneficiaries own the businesses so that returns on investment are used to bring them out of poverty. An example of this is where profits built up through trading in alternative energy technologies can uplift young people and reduce poverty levels in their ranks. Lastly, the investors that provide seed money for an endeavour may not take interest on the loans, but payback of only the initial amount may be made.

In light of the three objectives Alvord, Brown and Letts (2004:262) argue that social businesses can create “…innovative solutions to immediate social problems by mobilising ideas, capacities, resources and social arrangements required for sustainable social transformations”. Alvord et al. (2004)’s characterisation of social businesses further illustrates the possible usefulness to social work professionals to strengthen, empower and build capacities of youth in the face of exclusion challenges presented by a globalised society (Gamble and Weil, 2008).

Social businesses can be distinguished from other social sector organisations like Non-Governmental Organisations (NGOs), Civil Sector Organisations (CSOs) and Community Based Organisations (CBOs). Vakil (1997:2060) states that NGOs are “self-governing, private, not-for-profit organisations
that are geared to improving the quality of life for disadvantaged people.” CSOs on the other hand are “the population of groups formed for collective purposes primarily outside of the State and marketplace” (Van Rooy, 1998:30). Chechetto-Salles and Geyer (2006:4) define CBOs as “an organisation that provides social services at the local level. It is a non-profit organisation whose activities are based primarily on volunteer efforts”. This means that CBOs depend heavily on voluntary contributions for labour, material and financial support. Clearly social sector organisations overlap in functions and structure, essentially providing a continuum from organisations supplying humanitarian support on to a social business focussing on engagement of youth to unlock socioeconomic value through their ability to meet a social need through a business ethic. In fact, social businesses are better positioned than the other three social sector models to easily replicate and scale up their activities due to a universal appeal to correct the injustices of the capitalist enterprise.

Although this paper is anchored in the asset based approach, the exploration of a social business methodology allows social work professionals to reconstruct their commitment to asset based approaches, especially emphasising youths as important social assets in development interventions. In this article, we conceptualise an asset-based approach as a systematic community development strategy that seeks to use skills, capacities and resources that young people bring and acquire to strengthen community resilience (Rose, 2006; Lerner, Almerigi, Theokas and Lerner, 2005; Quinn, 1999). It is unfortunate, however, that throughout the world and particularly in Africa youth represent a source of innovation and dynamism that is seldom acknowledged and much less nurtured (Patel and Wilson, 2004). We suggest social businesses as a development practice that can tap into youth innovation and energy to enhance youth and community development. This paper highlights two examples of social business that illustrate the use of this methodology and practices for development purposes in sub-Saharan African communities. The role of social work in impacting on positive youth development through social businesses is presented throughout this paper as essential to supporting youth inclusion in development. It is argued that social business as an asset based approach resonates well with the core values of social work and should be seriously considered as a new pathway and methodology. Furthermore, we theoretically explore social business as an alternative and innovative development practice, highlighting its possibilities and advantages for a youth centred development agenda.
Youthhood is a contested concept in sub-Saharan Africa. Crause and Booyens (2010) argue that in some instances age range definitions of young people refer to those in early adulthood thus conflating youth. The reality on the ground, however, is that sub-Saharan Africa is characterised not only by an increasingly young population but also economic growth. According to Hubb (2006), with 44% of its population under the age of 15 in 2006, sub-Saharan Africa is the youngest region in the world. Arguing in the same light, Zuelke (2009) stated that over 20% of Africa’s population is between the ages of 15 to 24. Africa therefore, has a youthful population. Vetterlein (2011) estimated that this demographic transition will not stabilise until 2050. In the same regard, Ashford (2007) asserts that this ‘youth bulge’ has the potential to create a demographic dividend which he defined as a small window of opportunity where there is a large workforce, with fewer children, enabling it to save on healthcare, improve the quality of education through an increased economic output. Ashford (2007) further states that this window closes when the workforce ages and relatively fewer workers have to support an increasing number of older people. It is suggested in this paper that social businesses can be one way through which the continent can maximise the benefits of a demographic dividend.

The World Bank (2009) notes that the first decade of the 21st century saw the world’s developing economies produce their strongest period of sustained growth in decades. Sub-Saharan Africa was no exception to this trend. The growth of Gross Domestic Product (GDP growth) across the region’s economies increased from an average of 3.5% in 2000 to 5.7% by 2005 (United Nations Department of Economic and Social Affairs (UNDESA) 2008). However, as with most complex realities, such growth indicators obscure the hidden inequalities of distribution. The International Labour Organisation (2008) states that youth make up as much as 36% of the total working age population and yet three in five of Africa’s unemployed are youth. The same report further notes that 46% of young people in sub-Saharan Africa live on less than US $1 per day. A World Bank (2007) report goes even further to state that Africa is the only region in the world in which the number of young people living on less than a dollar a day has increased since 1995 by almost 7.7 million per year and this has occurred despite successive years of relatively high economic growth rates.

With specific reference to South Africa, a report by the Organisation for Economic Co-operation and Development (OECD) (2008) noted that income inequality increased between 1993 and 2008 making income differentials in...
the country among the highest in the world. Crause and Booyens (2010), arguing for a solution to the demographic complexities of South Africa state that the country has a youthful age structure with 60 to 67% of the population under the age of 30. The South African Department of National Treasury (2011) further noted that 42% of young people aged below 30 are unemployed, while in a separate article the former Minister of Labour, Membathisi Mdladlana described youth unemployment as a ticking time bomb (Times Live, August 2010). This creates not only a toxic social system ripe for social instability but also multiple pressures for access to social wages on the state fiscal system. There are already examples of simmering grassroots discontent and young people are always at the centre of such protests. An illustrative example is the case of Khutsong in Gauteng (Matebesi and Botes, 2011). The case demonstrates not only the organisational capacities of young people, but also the disconnection between participatory channels and community needs which results in protests of that magnitude. It further reveals the need for youth development programmes to focus on tapping into young people’s energy and dynamism to create a pathway for inclusion and general community development.

The convoluted policy, legislative and programmatic habitat for youth development in South Africa requires clarity. The existence of multiple, cross-cutting Acts and policies do not create an enabling environment for youth development as this results in role duplication. An example is the National Youth Development Agency Act (2008b) which competes for relevance with the Further Education and Training Colleges Act (2006) and the Skills Development Act (1998). Various policy measures and programmes are in place to support the above Acts such as National Small Business Amendment Act (2004) that established the Small Enterprise Development Agency (SEDA), National Youth Policy (2009), and MasupaTsela Youth Pioneer Programme (2008a) among others. This, however, serves to complicate the youth development terrain and results in grey areas within the policy and legislative context which further confirms why “millions of young South Africans are socially excluded...” (Crause and Booyens, 2010:5). In terms of stemming this symptom of youth exclusion, Crause and Booyens (2010) further argued the need for a new social contract between the state and youth to ensure greater compatibility between societal expectations and outcomes. This paper stresses that social businesses could be one of the channels through which to renegotiate the social contract as a way of fostering greater inclusivity and the creation of new prospects for young people. When youth are included in the development milieu, the entire network of human and social capital in communities can be enhanced for all (Delgado, 2004). The most important issue for today’s society, therefore, is
the creation of pathways out of poverty for those that have suffered negatively from the fallout of growth and globalism, especially young people. Such pathways might mean challenging development orthodoxy to ensure that African communities are capacitated to reduce youth poverty and exclusion.

NEED FOR ALTERNATIVE YOUTH DEVELOPMENT MODELS

For over half a century now, global economic initiatives towards poverty reduction driven by the World Bank and the International Monetary Fund (IMF) have been marked by “...stunning condescension, violence to both people and the environment, and ultimately failure” (Coetzee, Graaff, Hendricks and Wood, 2004:1). Such strategies as neoliberal modernisation accompanied by an inherent industrialisation and large scale infrastructure developments have done little to ameliorate the undesirable human condition of poverty (Yunus, 2008). The free market principle informed by a neo-liberal development philosophy has been heavily criticised as lacking a human face (Brittan, 1996). We argue that a human face entails the adequate provision of protective mechanisms for the poor or excluded negatively affected by free market economics. Social protection mechanisms reflect the fundamental values of the social work profession undergirded by a responsive, inclusive and ethically bound intervention framework. The failures of conventional development strategies to reduce youth poverty, therefore, require social work professionals to consider development models rooted in alternative epistemologies like social businesses as argued in the rest of this paper.

The explicit new dimension of the social or of human reasonability that is added to a free market economic endeavour revolutionises its adaptability as a tool for development. Social business does not interfere with the mechanism through which the normal profit making business works and prospers, for example: capitalisation, expert business management, competitiveness (to mention a few), but investors in social business endeavours do not receive any dividend, though they can recover their investment if they want to, to reinvest in other social businesses or profit initiatives (Yunus, 2008). The profits remain within the community and the business is helped to grow further.

Within the South African context, the opportunity represented by the social business approach, has however, found a more ready following from the business community. This is perhaps understandably so, in the light of its name. The main players on the business side are most often driven by social
investment funding. One such is Tshikululu Social Investments, a leading CSI fund manager active in South Africa. Tshikululu states that social enterprise is increasingly popular among social investors wanting to break cycles of dependency in society. Yet actual cases of joint implementation are still mostly absent. We stress in this paper that that the ‘home’ of social business should, however, not necessarily be within business. Rather, social work should provide the main anchor. The ‘human face’ element is difficult for conventional business to deal with, and brokers and advocates from the social work profession are needed if widespread implementation is to become possible.

Social businesses can, however, be an alternative development strategy with the potential to positively impact on community development. This humanisation of smaller scale businesses in resource poor communities can result in the formation of innovative community development strategies which will strengthen the community’s self-reliance. Social businesses can be the basis for an inclusive, self-reliant and locally relevant social protection mechanism in resource poor communities seeking to catalyse economic development. Mawson (2001) argues that social businesses are an opportunity to reduce poverty in resource poor communities through increased access to material and social goods. Midgley (1996) further argues that one advantage of social business is the provision of opportunities for the recognition and development of not only local skills and knowledge but also local people’s participation in their social and economic development. In this regard social businesses become an important incubator for young people to explore their creative potential by using locally based and relevant assets. This is useful to social work professionals in that it underscores the ethics of inclusion in community development initiatives. An ethic of inclusion entails a people centred approach that seeks to build not only on local people’s knowledge schemas but also use locally relevant theories of social transformation. A people centred approach according to Berreman (1994), envisages a perspective in which people living in a social, cultural, economic and ecological setting define their own development priorities. Social businesses can develop out of the contextualised development priorities of communities seeking to innovatively deal with emergent social challenges, as the two examples below will highlight.

**Social business as a youth development strategy: two models in practice**

In light of the above, we will highlight the applicability in practice of the two categories of social businesses in selected projects from Zimbabwe and Malawi clearly highlighting their contribution to youth and community
development. The first category of social businesses is one focusing on providing social benefits rather than maximising profits for the business’s owners and investors. An example of this type of social business is one that develops affordable home based care and hospice services to terminally ill poor people. Due to the severity of HIV and AIDS coupled with the inadequacies of the mainstream health facilities, Zimbabwean rural communities in collaboration with non-governmental organisations developed community home-based care initiatives (International Federation of the Red Cross and Red Crescent Societies (IFRC), 2004). Older youths (both men and women) volunteered in these initiatives that cared for the sick within their homes. These were cheaper and affordable health care options which did not erode family assets but kept them circulating in the locality. This type of social business provides social benefits rather than maximising on profits for the care-givers. There are, however, some liveli-hood benefits for the young care givers: An exchange value is locally determined and the young people are remunerated accordingly by the families of the terminally ill. Furthermore, there are other skills they learn around therapeutic care which some of them formally use to earn a living as village care-givers or upgrade to be primary health care workers as well. This example illustrates how young people can be central to community resilience and enable a community to protect its assets. Without these home-based care initiatives, most families would have sold family assets to pay for admission into expensive private hospices which would have made them more vulnerable to poverty. This is an example of a social business that “concentrates on products or services that provide a social benefit” (Yunus and Weber, 2008:22) for the disadvantaged.

The second type of social business is a typical profit making venture owned by the community or poor. The goods produced do not necessarily have a social benefit but rather the equity growth created by the business provides a direct social benefit to youth and contributes towards poverty reduction (Yunus and Weber, 2008). Young people’s labour and energies are used to sustain whole communities through Fair Trade Tea. Fair trade agreements can be regarded as an example of social business initiatives with communities sharing the equity and taking charge of their own development needs. According to the Fair Trade Foundation (2010:2), “Fair Trade is a trading partnership, based on dialogue, transparency and respect that seek greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalised producers and workers – especially in the South”. In an impact study of three groups (the Satemwa Tea Estates Ltd, Sukambizi Associated Trusts and Eastern Outgrowers Trust located in the Southern districts of
Mulanje and Thyolo in Malawi), the Fair Trade Foundation (2010) noted that fair trade certified producers who export tea to the United Kingdom greatly uplifted their lives and access to opportunities. The promotion of social development, in particular reduced youth illiteracy, contributed to employment creation, increased market access, and helped to reduce poverty in one of the world’s poorest countries. According to the Fair Trade Foundation (2011), youth literacy increased from 68% in 2000 to 82% in 2007. The same report further states that the mean years of schooling increased by almost 4 years as the Fair Trade Premium was invested in youth development sectors. Furthermore, the reduction in child labour (Chirwa, 2005) and an investment on the education of young people creates an enabling context for young people to flourish. The embedding of humanism to a predominantly capitalist enterprise creates an enabling context for young people to thrive. This illustration highlights how communities build internal human capabilities (develop their own human assets) as a pathway to fostering long term development by using natural assets (tea) for the greater good. Furthermore, the example illustrates the positive youth development outcome to emerge from an inclusive capitalist agenda.

In both models of social businesses referred to above (cf. Yunus and Weber, 2008), the focus is on the poor and the youth. They determine their own development interests and strategies to carry out the business while the role of the social worker is to facilitate capacity issues and assess how scaling up and institutional linkages can be improved. This role entails that social work professionals undertake social mobilisation to ensure innovations are cascaded or spread to the rest of society (Weil, 2005) and strengthen social network infrastructures (Schenck, Nel and Louw, 2010) in communities to guarantee acceptance of social business innovations. Both cases reflect how community development can occur by using locally available resources and how social business ideals can be applied to youth development. The direct outcome in both models not only illustrates how to generate socially responsible income but also foster a humane entrepreneurial culture for the most vulnerable people in Africa. We are, therefore, requesting social work professionals to consider social businesses as possible avenues to bring marginalised and excluded communities into the mainstream development agenda.

**Social businesses and the social work profession**

Citing Morris (1970:173), Swanepoel and De Beer (2010:53) stress that the “Social Work professionals are concerned with inducing change...but at the same time tempering that change by the wishes and pacing of the society and
individuals involved”. Toomey (2009:181) further states that change agents “play many different roles in the planning, implementation and diffusion of the ideas and projects that they seek to promote.” Such roles include that of facilitator, broker, coordinator, mobiliser, and enabler (Kirst-Ashman and Hull, 2009). Social work professionals, therefore, are not just a crucial change agent but also a critical resource for communities trying to break out of the deprivation trap (Swanepoel and De Beer, 2010). The underlying call for social work to engage in social business is that social businesses are “an avenue for social work to actively engage the poor….to find a voice and human dignity” (Lombard and Strydom, 2011:334).

Within the realm of promoting and using social businesses social workers may facilitate social change through a bottom up process (Chambers, 1997). In this regard, social work professionals who anchor their actions within the asset based approach support communities to find their own confidence to emergent social challenges. The methods used here include participating and immersing oneself in the community’s work to identify its key socio-cultural practices, rights, assets, resources and goals in order to create effective community building strategies. Writing up case studies and disseminating experience, and working towards attaining critical mass and widespread support for processes that work, will be very important in this process. Implementing social business may, therefore, enable communities to fulfil abstract human needs through providing information needed to make informed decisions facilitating the co-discovery of options, and therefore achieve meaningful empowerment (Swanepoel and De Beer, 2010). Mizrahi (2009) further argues that an asset focused social work practice founded on enhancing capacity and fostering inclusivity is a critical enabler for sustainability and empowerment. Ultimately a community with a future orientation, capable of generating internally driven solutions shows traits of empowerment. Empowerment refers to “the ability to make choices and, more than that, it refers to the ability to change” (Kabeer, 2005:14). This will obviously not be a once off process but a long-term strategy (Botha and Albertyn, 2012) with specific outcomes rooted in social business interventions.

In line with the theme of empowerment, social work professionals can be key conduits for the creation of a critical social capital necessary for social businesses and youth development. Networking and linking with other role players will be an important activity to create the multi-lateral support structures capable of mentoring social businesses. Regardless of the very important dovetailing of intent and practice, the forming of partnerships, is cardinal: including private enterprise, non-government organisations and
state, enhancing a multi-lateral approach to today’s complex developmental contexts (Chan and Ng, 2004). Social work professionals can be the fulcrum of an integrative multilateral social business practice that increases the capacity of communities in an increasingly complex and interdependent world (Healy, 2001).

Furthermore, in the complex environment of youth and community development, multi-lateral efforts are more likely to succeed if there is a boundary spanning profession. Boundary spanning is reaching across borders, margins, or sections to “build relationships, interconnections and interdependencies” (Williams, 2002:80) in order to manage complex problems. Thus the social work profession will have to team up with businesses and social responsibility fund administrators. The relationships will be one of joint learning where social work will represent and protect the ‘human face’ of social business ventures. The possible dividends are high, but without the involvement of the social work profession, to place this ‘human face’ on the agenda, much of this potential will go to waste.

The practice incompatibility between business and social development, clumsily clustered in corporate social responsibility initiatives need not present a conundrum for the social work profession. Social work professionals, who are already acquainted with the objectives of social business, can step into this vacuum of knowledge and practice as the providers of opportunities for young people’s participation in socio-economic development. Social work professionals can facilitate young people’s ability to determine local and relevant solutions critical for the success of any social business ventures (Pandey, Mukherjee and Kumar, 2008). Arguing for a locally responsive and enabling community development practice agenda, Schenck et al. (2010) also state that a people-centred paradigm emerging from a respect of and trust in people, their abilities and potential is critical for successful participatory community practice. True to the spirit of social businesses, high value must be placed on local initiative and participation as this enhances opportunities for the promotion of social cohesion and collective action (Alvord et al., 2004). Without local participation the initiative loses its foundation for positive social change. In the same light, Gray et al. (2003) argue that social business initiatives, particularly those targeted towards positive economic development can genuinely improve young poor people’s livelihood portfolios. Most importantly, the use of social business models as catalytic tools for community development enables the reshaping of knowledge by helping communities to build their own capacities for identifying and solving problems and enhancing self-reliance (Toomey, 2009).
CONCLUSION

Despite the collective ethos in most African communities which makes the social-cultural context easily amenable to social business interventions, there is a dearth of literature on youth poverty reduction initiatives informed by social businesses. A great deal of work is needed to engage young people in locally informed social businesses that tackle the triple bottom line: profit, environment and poverty (Ersing, Loeffler, Tracy and Onu, 2007). It is, therefore, necessary to identify economically sustainable social innovations that focus on poverty reduction and do not reproduce the capitalist business models that have been criticised for lacking a human face (c.f. Brittan, 1996).

While the role of social work professionals has been pointed out as critical, the need for multiple role players to commit to its practice and to foster positive youth development remains. Given the youthful nature of Africa’s population, the urgency for young people’s inclusion into the development milieu cannot be underestimated. The most important issue to emerge from social business is that there is no need for huge capital outlays to reduce youth poverty. The need for action as well as reflexivity on how to address inclusion issues of youth is patently apparent. Social work is, therefore, the best placed profession to use social business models, as it has the necessary epistemeological infrastructure to be critical and reflective. Mostly, new and more examples of implementation via collaborative and participatory research are needed. With the multiplication and dissemination of many and varied examples, best practice and learning elements can accumulate towards critical mass necessary to stimulate social change. The quest for social justice is a compelling reason to explore and use an innovative approach to an old problem.

The supposed disparity between the ‘social’ and ‘business’ can be bridged by the boundary spanning qualities of the social work professionals, in their role as advocates, implementers, scribes, facilitators and disseminators. We also argued in this paper that multilateral collaborations are important but more so, partnerships with disenfranchised youth cannot be replaced. Furthermore, the current development context is too suffocating for youth innovations seeking to solve challenges within their communities. The neoliberal emphasis geared towards a profit outcome is not only predatory but also lacking in humanness. We conclude that to give a human face to development, communities and young people can be capacitated by social work professionals to engage in social businesses as a social transformation avenue.
REFERENCES


