

WaTER Center Research – Social Entrepreneurship

Affordable rural water treatment systems that utilize materials produced in country and that can be implemented without disrupting established village routines and structures are needed. Market-driven solutions are, in some cases, more sustainable in the long term because the profit incentive ensures a continued supply of the socially beneficial product. Entrepreneurs who live in and understand the local culture are the most likely candidates to successfully promote and develop a business model that is locally appropriate. On an individual level, risk-tolerant citizens have sporadically risen to the opportunities presented by great need in low and middle-income markets. These are considered social entrepreneurs, as the innovative product, service, or process they wish to sell is one that helps to solve a social problem.

Both the practice and the study of social entrepreneurship have grown rapidly in the past few decades. Between 1900 and 2003, the number of Ashoka fellows (an organization that tracks and supports social entrepreneurs globally) has grown sevenfold, from 200 to 1400 members. Profit-oriented social entrepreneurship has two simultaneous goals: to help solve a social problem and to create economic value, collected as rents by the individual or group. The addition of the profit incentive over a simple societal compassion (social activism or NGO) has enough added value to incentivize risk-taking in poor communities. Small amounts of capital available from such institutions as FINCA (The Foundation for International Community Assistance) or Grameen Bank may provide the required stimulation to take initial steps. A solid business plan that establishes a capital expense payback period, ongoing maintenance costs, and strategies to meet expected demand, is essential to ensure financial long-term success for the business owner and clean water https://cq5author.ou.edu/content/coe/centers/water/aud/research/passivetreatment/jcr%3acontent/main_content_par/textimage_0/image.img.gif/1328027519315.gif er provision for the community. This model is more sustainable than either private donations or government subsidies, either of which could end with changing political and economic winds. In the case of water systems, externalities are all either positive (rent taking and provision of clean water to a population) or anti-negative (e.g., removing the arsenic out of amply-supplied tube well water).

With partners in Ethiopia and Cambodia, the WaTER Center team is assessing and encouraging the uses of entrepreneurial activities to promote feasible technologies in each region. Our Cambodian partner, Resource Development International Cambodia (RDIC) has been making ceramic water filters for eight years, beginning at a small scale as it developed its own manufacturing techniques. They are selling these at cost to other NGOs working in the region. By September of 2007, RDIC has distributed approximately 60,000 household filters throughout Cambodia, reducing the incidence of diarrhea while providing local employment and manufacturing capacity and knowledge (<http://www.rdic.org>). The WaTER Center team includes Dr. Lowell Busenitz, the co-founder and Academic Director of the OU Center for Entrepreneurship. Dr. Busenitz teaches entrepreneurship courses for undergraduate, masters and doctoral students, and is adding a new graduate-level social entrepreneurship (SE) seminar in the Fall of 2012. His research has appeared in the leading journals in management and

entrepreneurship, and he has recently co-authored an article defining the scope and substance of social entrepreneurship. His current research includes in the incorporation of SE and business principles into water system analysis, including the assessment of market and small business potential. Laura R. Brunson, PhD candidate and EPA STAR Fellow in the WaTER Center, teaches a course on social entrepreneurship each Fall, and is currently working on fluoride mitigation solutions in Ethiopia.

In the spring of 2011, Laura worked closely with an interdisciplinary team of student interns at OU's Center for the Creation of Economic Wealth (CCEW) to research the commercialization of the bone char technique for water defluoridation. Working closely with local partners and private-sector mentors, the CCEW team developed a sustainable business model for the production, packaging, distribution and marketing of community water filters to over 35,000 residents of the Rift Valley region of Ethiopia. Currently, the team is working to optimize the bone char production process for implementation in the field. Rooted in its tradition of innovation and commercialization, CCEW's social entrepreneurship efforts are focused on creating social and economic impact. To learn more about CCEW, please visit <http://cceb.ou.edu>.