

Can Gender Equity and Environmental Sustainability Co-exist?

Two Social Enterprise Strategies Address Demographic Challenges:

RUCODE in Uganda and *Progetto Quid* in Italy

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Preface

Over the past several months, I have read multiple research papers on the challenges associated with social enterprises that use financial incentives to form partnerships and advocate for gender equity and environmental sustainability. When I began my exploration, I was interested in understanding the differences between what is referred to globally as the “developing south” and “developed north” in terms of how projects in these two regions connect both social enterprises and nongovernmental organizations (NGOs). After examining approximately 100 projects in the *Women, Gender and Climate Change* (WGC) listserv and thirteen other projects that received awards by the United Nations Climate Change *Women for Results* program, I decided to conduct an in-depth study on two projects— *Progetto Quid* in Italy and *RUCODE* in Uganda, to determine if their “lessons learned” could be applied to programs across regions of the world. My main question was whether a project in the north operated differently than one in the south: that is, to what extent do demographic issues determine a project’s success? While my research agenda focuses on *Progetto Quid* in Italy and *RUCODE* in Uganda, I hope that my findings will enable others to also explore the dynamics of south-south organizations where there has not been enough shared knowledge to date. My main concern is identifying the “driving forces” for creating and

establishing organizational structures and transnational advocacy networks to address gender equity and environmental sustainability.

Before I present my research in this paper, Professor Christoff asked me to describe for the symposium attendees and visitors of the website how I became interested in social enterprises. In this, I would like to say that I am interested in inspiring those of my generation to follow their dreams in terms of making the world a better place, especially for those who are underserved. Also, I want my readers to know that, after my freshman year at Stony Brook University, where I originally intended to major in political science, I realized that I want to study legal issues pertaining to human rights— in the hopes that I will be able to work as a litigator. Taking steps into what I believe is the right direction for me in order to make the world a better place, I decided to transfer to Cornell University and begin my sophomore year studying industrial and labor relations, which would allow me to learn about labor law and workers' rights as "human rights," and address the challenges of disadvantaged groups such as women and immigrants.

My passion for international relations, human rights, and international law came about by reflecting upon my cultural heritage, traveling on my own throughout Europe, and working as an English language tutor for a non-profit organization. Even in elementary school, I dreamed of learning about new cultures, traditions, languages, and interacting with people from different backgrounds. As a Japanese American, I gained an appreciation for both Japanese and American culture, and traveled to visit extended family all over the world including within the US, Mexico, Japan, Germany, and Austria. During the summer before my junior year of high school, I travelled alone to Europe and, while staying in Germany, I lived with a distant relative with whom I became very close in a short period of time. I call her Oma, or "grandma" in German. She inspired me to learn more about the political issues that were taking place in the Middle East— rampant human rights violations, extreme poverty, suppression of free speech, and brutal violence just to name a few— and she told me about her volunteer work as a tutor for refugees.

What struck me the most was her unconditional willingness and devotion to help people without asking for anything in return. She talked with so much passion and conviction about how her volunteer work helped political refugees that I was inspired to learn more about global issues and pursue something similar.

As a junior in high school, I became an English tutor for a non-profit organization called *Paper Airplanes*, which paired native English-speaking students with displaced students from regions impacted by war and political upheaval. While I was to teach spoken and written English to a Syrian student, Asma, I also learned a great deal about her interests, family, dreams, and how her life changed after she fled her home country.. In talking with her and other tutors from *Paper Airplanes*, I was shocked to learn about the number of students who lack basic human rights; and heartbroken for the people who were prevented by their own governments from receiving an education. This experience fueled my passion for international human rights law: I want to help people who, like Asma, are unable to exercise their basic rights and find a way for their voices to be heard.

It turns out that my interests fell under the rubric of a symposium that, before COVID-19, was to be held in mid-April at Stony Brook University on women's empowerment in an irrigation project in Gujarat, India. While the symposium had to be postponed, I still was able to interview, via *Zoom*, scholars and activists and gain more exposure to global issues that touched upon my interests in human rights. In reflecting upon this experiential learning, I realize that my project was worth doing because I gained a better understanding of how global organizations take on issues, how people come together to form groups united by a common cause, and why people choose to contribute to the international community. My project was worth doing because it showed me how people working for social enterprises and NGOs care about their work and are inspired by what they do. My project was worth doing because I gained more knowledge about how global issues like unemployment, gender inequality, and climate change

impact all populations in different ways. Clearly, some populations are more vulnerable than others and there are ways to combat these problems by sharing knowledge and experiences.

My target audience for my research paper is my peers— that is, those who are embarking on college careers and trying to figure out what they want to do with their lives and how they could have an impact on their communities and the world. Young people who do not have a lot of experience in international relations or lack knowledge about international organizations can conduct research and share what they learn in order to gain exposure to different perspectives, cultures, struggles, and patterns of human behavior. In fact, we— me and my peers— are poised to analyze scholarly literature, conduct interviews with activists, read newly-released reports from the United Nations, and eventually travel to and work in other countries. According to the United Nations for Youth and Political Participation (UN4Youth), “There is strong evidence that the participation of young people in formal, institutional political processes is relatively low when compared to older citizens across the globe... Youth is not represented adequately in formal political institutions and processes such as Parliaments, political parties, elections, and public administrations.” (“Youth, Political Participation, and Decision-Making 1-2”). Because youth participation in global affairs should be given greater attention and encouragement from all people, I believe that writing this paper as a young adult to other young adults may help inspire their engagement in international affairs.

The UN Department of Economic and Social Affairs report, *World Youth Report Youth Social Entrepreneurship and the 2030 Agenda*, describes how to increase participation. It states the following:

Social entrepreneurship leverages young people’s talents and capacities, it can support their own individual development and efforts to be effective agents of change. Given that young people are still regularly excluded from policy and political decisions affecting their lives, social entrepreneurship can become an alternative avenue to express their views and affect change in society. Youth are not only demanding greater inclusion and meaningful engagement, they are taking actions to address development challenges themselves, including through social entrepreneurship (2).

I believe that entrepreneurship appeals to my generation because they can have a voice— socially, economically, politically, and environmentally. I hope that, by reading my paper, my peers will see that they have the potential to make a difference in the world today; and that that, in turn, will serve to inspire experienced professionals across sectors. I hope that my paper can show that although entrepreneurs, for-profit groups, non-profit groups, and corporations may have different economic and business-related goals, they can unite through a social cause and work together to take on such an issue through their respective techniques and strategies.

In this project, I conducted several interviews that allowed me to understand the importance of sharing knowledge about gender equity and environmental sustainability. I interviewed **Valeria Valotto**, the current Vice President of *Progetto Quid*, and **Mazumiru Menya**, the founder of *RUCODE*, to learn about the specific challenges that each organization faces, and understand how individuals “at the top” may impact the way an organization runs. Before conducting these interviews, I developed a framework by conducting interviews with several other professionals, who helped me gain different perspectives on the issues of women’s empowerment, climate change and power dynamics between the global north and south. These individuals are **Susan Hinely**, who provided a global history perspective; **Jamie Sommer**, who provided a sociological perspective; and, **Dhruti Thaker**, who provided an environmental engineering perspective. These women helped me realize that women’s roles in climate change adaptation can be tackled from various angles, depending on one’s foundation and expertise. For example, if Dr. Hinely and Dr. Sommer were looking at the same issue of women’s leadership roles in India, Dr. Hinely would study past cases to try and find parallels between the time frames of the past and present, whereas Dr. Sommer would look at the current family and societal dynamic that influences a woman’s ability to have power.

There are two other interviewees, **Christian Marc Schmidt**, founder of *Schema Design*, and **Victoria Pilato**, Digital Projects Librarian at Stony Brook University, who explained the ways in which the fields of computer science, data science, and information technology can be used in the context of social entrepreneurship, international relations, and other “liberal arts” fields. These two individuals gave me a better understanding of the digital divide that is present between developed and developing countries. The lack of internet access is one issue, but the lack of recognition from the global community is one that is also prevalent and equally problematic. Smaller, developing countries get less recognition for their research compared to, for example, the United States, and both Mr. Schmidt and Ms. Pilato were clear to acknowledge this disparity. This point was made clear to me after speaking with Mr. Menya, who wanted people to recognize the work that he is doing, as well as many other organizations in Africa, because there is not enough recognition from other countries. The lack of recognition is related to the fact that digital literacy is not as prevalent in local villages in Uganda or the African region; however, this should not take away from their achievements or research. This is yet another reason why it is necessary to dedicate more research to Sub-Saharan Africa and other developing nations doing impactful social work.

In addition to the interviews, I drew upon academic scholarly research. In fact, these published works enabled me to connect my work to others and develop my unique perspective and analysis. Scholarly articles and journals provide complex details and delve into problems and applications, which is a great way to understand very specific topics and apply them to my own findings. Furthermore, reading scholarly articles and discussing the material early on was the best method for coming up with my own research topic. By reading about the research conducted by professionals, researchers, and other students, I was able to determine which topics were most interesting and relevant to my life and interests. With this, I present my research to you.

Introduction to the Research Project

Progetto Quid is a social enterprise in Italy that serves the disadvantaged and vulnerable populations— mostly women and migrants— by providing stable employment through sustainable fashion. At the other end of the spectrum, *RUCODE*, an NGO in Uganda, focuses on environmental sustainability by using a two-tier business model that supports rural women and small farmers. In this paper, I argue that the specific strategies for empowering women that these two organizations employ are relevant to projects in other parts of the world. For *RUCODE*, the focus is on creating partnerships, and gaining financial support and recognition from international organizations such as the UN in order to empower women to invest in climate smart activities using a pool of funds to facilitate long-term financial sustainability in East Africa and India. For *Progetto Quid*, the focus is on articulating a presence in the fashion industry in Milan, as well as in the countries of Portugal, Spain, and Greece, and perhaps even transferring business management and sales skills to Bangladesh where the same demographic of poor women and men can be addressed.

In order to describe why the above strategies are powerful and translatable across cultures and geographic regions, I provide a qualitative analysis of the factors involved in addressing gender equity and environmental sustainability. I explore various areas related to social enterprises and NGOs. First, in identifying a social enterprise strategy, and the socio-economic and political issues pertaining to Europe and Africa are key challenges. Next, the well-defined missions of *RUCODE* and *Progetto Quid* (as an NGO and social enterprise, respectively) have proven to be a key component for success. Both of these organizations employ a two-tier model, tackling climate change and supporting women's empowerment simultaneously. Third, despite their success to date, *RUCODE* and *Progetto Quid* continue to have ongoing challenges, which I describe later in this paper. Finally, it was actually the conducting of

interviews with the principals in these two entities that clarified how regions outside of each organization's headquarters could utilize *RUCODE's* and *Progetto Quid's* strategies.

Although my findings only apply to *RUCODE* and *Progetto Quid*, there are many other social enterprises and NGOs located in both Europe and Africa that aim to tackle similar issues. Currently, literature on social enterprise strategy remains scarce in general, but especially about Sub-Saharan Africa; and the literature on social enterprises and NGOs indicates the need for a significant amount of external funding and support. Studying the demographic challenges pertaining to a particular region enables researchers and entrepreneurs to use social organizations to combat these issues directly. Not only will this prove to be beneficial to the population receiving support, but it can also service the entire nation by improving their respective economies.

Definition of a Social Enterprise

A social enterprise does not have one single, solidified definition, but rather, it can be interpreted and used to describe several different situations. The term must be contextualized and understood with flexibility because the structure, types of partnerships, and various functions of a social enterprise are complex. However, there are shared characteristics of social enterprises, outlined by Ana Maria Peredo and Murdith McLean in their critical review of social entrepreneurship.

[They all] (1) aim(s) at creating social value, either exclusively or at least in some prominent way; (2) show(s) capacity to recognize and take advantage of opportunities to create that value; (3) employs(s) innovation, ranging from outright invention to adapting someone else's novelty, in creating and/or distributing social value; (4) is/are willing to accept an above-average degree of risk in creating and disseminating social value; and (5) is/are unusually resourceful in being relatively undaunted by scarce assets in pursuing their social venture (Peredo and McLean 64).

Additionally, “[social enterprises] connect two different aspects, which means they attract those who are interested in the social mission and those in making profits” (Ferrarini 13). While my paper is not

intended to enter the ongoing debate about the definitional boundaries of a social enterprise, it is important to introduce the complexities surrounding the term itself. This paper suggests that organizations demonstrating the above characteristics still can be considered social enterprises. In fact, my case study of *RUCODE* in Uganda functions *as if* it was a social enterprise.

This paper focuses on the regions of Europe and Africa, particularly Italy and Uganda, to look at how social enterprises function in these areas of the world. While scholarly literature analyzes social entrepreneurs, there is not enough attention given specifically to social enterprise strategies. In particular, there seems to be a lack of discussion on the connections between demographic issues of a region and the social enterprises that develop as a result of these issues, or in what ways the social enterprises shape their strategies to best combat the region's problems. These "demographic issues" include political, social, economic, and environmental sectors; and examples within these sectors include gender inequality, unemployment, political corruption at the national level, wage gap, discrimination, and much more. Evidently, social enterprises are created to combat these problems, and this paper will look at the ways in which they do so, why, and what methods are used to achieve their social and economic goals. *Progetto Quid* and *RUCODE* will serve as case studies representing their respective global north and south regions, and are used to compare and contrast social enterprise strategies with similar demographic issues.

With the limited discussion about social enterprise strategy, especially related directly to demographic issues and about the African continent, three published studies were used in order to provide tangible examples; and also because using specific examples would allow readers to gain a better understanding of the concepts that are discussed below, instead of describing social enterprises in Africa in a generalized way. These three particular studies were also used in the hopes that they will draw more

attention to the social enterprises in Africa, and open up a pathway for more discussion about the African continent.

The data collected from the three studies are mainly from interviews with the founder of the social enterprise or senior management, although there is another method of data collection and analysis that will be discussed shortly below. The first study conducted by Dima Jamali et. al focuses on the Middle East and North Africa (from here forward referred to as MENA) region, and “how social enterprise is manifested in practice along with the constraints and opportunities facing social entrepreneurs across the region” (Jamali et. al 4). The second study is written by Miguel Rivera-Santos et. al, and looks at the “relationship between social enterprises and their environments, specifically the contextual influences on social entrepreneurship in Sub-Saharan Africa” (Rivera-Santos et. al 1). This is an empirical study, collecting data from 384 social enterprises from 19 Sub-Saharan African countries (Rivera-Santos 4). Finally, the third study examines the challenges that social enterprises face in Sub-Saharan Africa, as well helps to identify the strategies applied by resilient social enterprises (Littlewood and Holt 1). This paper will use these three studies to develop the main challenges and strategies that define social enterprises in Africa, and provide a method for comparing challenges and strategies faced in Europe.

The African Context

While social enterprises have been increasing around the globe, there is still a lack of knowledge about social enterprise strategy in Africa. In regard to the particular region of Sub-Saharan Africa, which contains 46 out of 54 countries in the African continent, this region has struggled with a variety of demographic issues that are encompassing social, environmental, and economic sectors. Some of these issues include “high levels poverty, with 26 countries ranked among the 30 poorest countries in the world; government failures, with 14 countries ranked among the 30 most corrupt countries in the world; and poor

infrastructure, market failures, and a large informal economy, with 23 countries ranked among the 30 worst countries in the world to do business in” (Rivera-Santos et. al 3). Northern Africa (that is, the 8 countries not included in Sub-Saharan Africa) also faces social and economic problems, including “poverty, discriminatory access to quality healthcare and education, and gender inequality” (Jamali et. al 7). In a study conducted by the Center for Business and Development Studies at the Copenhagen Business School, researchers studied social enterprises in East African Kenya. Although this study only looks at one specific region, the demographic issues are fairly representative of Sub-Saharan Africa: “67% of the population continues to live for less than 2 USD/day and the unemployment and inequality is generally high” (Panum and Hansen 1). Recently, there has been an observed increase in infrastructure created to support social enterprises in Africa, such as accelerators, social incubators, and dedicated centers (Jamali et. al 8). However, this region still continues to struggle with many challenges that threaten to stunt the impact of social enterprises that are working to better the lives of people in Africa. Therefore, it is necessary to study social enterprises in terms of what demographic challenges this region faces and how social enterprises develop strategies to combat these challenges.

One of these challenges is the slow-developing economies of most African countries. According to Rivera-Santos et. al, “out of a total of 187 countries ranked by the International Monetary Fund (IMF) for GDP per capita in Purchasing Parity Power terms, 26 Sub-Saharan African countries are ranked in the bottom 30” (9). Not only does the economy relate to money, but also to the overall wellbeing of the people, including healthcare, education, and the influence of informal institutions (Rivera-Santos 10). The International Labor Organization states that “cross-country data suggests that informal employment is paired with low income per capita and high poverty rates,” (Rivera-Santos 10) implying that some people may not have any other choice besides informal employment given their financial situation.

In general, the economic challenges in Africa tend to originate at the global level, such as the global financial crisis of 2008, but there also are issues at the local level (Littlewood and Holt 8). Additionally, the economy can be significantly affected by natural disasters that can destroy the tools used by social enterprises to generate revenue and pay their workers. One example of a financial crisis occurred in Zambia, where “the Zambian government’s sudden announcement in mid-2012 that U.S. dollars would no longer be legal tender in the country, followed by the ‘rebasin’ of the Zambian currency in January 2013” (Littlewood and Holt 8). This had disruptive consequences for many social enterprises, and in particular, an organization called Z2 that is located in a remote part of Zambia that is difficult to reach (Littlewood and Holt 8).

Furthermore, poverty is a widespread problem in Sub-Saharan Africa that coexists with high levels of inequality. A direct result of acute poverty is the increase in social missions, as they will continue to fill the gaps in socio-economic problems that the government does not. As the number of social enterprises working to find solutions to poverty increases, they likely will “incorporate a more specific targeting of the poor and, more generally, of marginalized communities” (Rivera-Santos 14). Furthermore, high levels of poverty will likely “increase the probability of compassion being transformed into social entrepreneurial ventures... and lead to a stronger self-perception as a social enterprise and to a choice of activities that emphasized the venture’s social mission” (Rivera-Santos 15).

It is relatively more difficult to start and grow a business in Sub-Saharan Africa than in other parts of the world (Rivera-Santos et. al 10); and Jamali et. al. assert that “[many of the social enterprise business models aim to tie] commercial activities to social value creation as opposed to adopting a model where social and commercial activities are detached” (8). As a result, the long-term success of social enterprises relies heavily on external donors that will not only provide financial help but also guidance in

the business aspect of operating a social enterprise. Thus, a change in donor behavior or attitude forces social enterprises in Africa to look for another source of income (Littlewood and Holt 8).

In addition to the economic issues this region faces, the political environment and the extent to which a country's government is involved in supporting social enterprises are important issues to study because they "influence eligibility for funding grants or public sector contracts..." (Peattie and Morley 13). The Institutional Difference Hypothesis (IDH) highlights "the importance of contextual differences between developed and developing countries" (Rivera-Santos 11), and while there is some research about the difference between institutional theory related to developing and developed regions, more research is needed to find "institutional differences across developing countries within a region" (Rivera-Santos 11). Rivera-Santos asserts that "slavery, colonization, and post-colonial relationships" have a large impact on the political development of Sub-Saharan African countries (11). In particular, they suggest that "former British colonies in the developing world tend to be more prosperous, have stronger property rights, and exhibit more developed financial markets, relative to non-British ex-colonies" (12); and that poor governance is directly linked to the country's dynamics after it has gained independence. Furthermore, Rivera-Santos posits that patterns of corruption— recognizing that 14 Sub-Saharan African countries among the 30 most corrupt countries in the world— include institutional layers that "seem to be specific to the Continent, at least to some extent" (12).

Moreover, in Africa, there is a "lack of awareness about social entrepreneurship," and therefore many people and, indeed governments, associate social enterprises with not-for-profit organizations (Jamali et. al 11). Several interviewers in the study conducted by Jamali et. al talked about the "limited efforts by the government in incentivizing and supporting social entrepreneurship," and highlighted the problem that the governmental sector, non-governmental sector, and even the media need to "treat the social enterprises in a different manner than business companies, which are purely profit-oriented"

(11-12). The lack of support, acknowledgment, and inefficiency in a government bureaucracy is ultimately impacted by the political environment in each region that, in turn, thwarts the development of social enterprises over the long term.

While both African and European social enterprises benefit greatly from external funds, especially grants, the consistency and opportunity is arguably less in Africa, even though African entrepreneurs rely heavily on both business guidance and financial support. Furthermore, because most social enterprises in Africa lack a sustainable business model, it is more difficult for external donors to be able to see the impact or performance, which then creates major financial and socially strategic drawbacks (Jamali et. al 11). A proper evaluation of impact and performance analysis, one that is more common in a European social enterprise, would allow an African social enterprise to “express the social objective of the business in a measurable way and provide further transparency and accountability...and is also key in reducing transportation costs, improving productivity, and staying aligned with strategic objectives” (Jamali et. al 11).

To overcome these challenges, we must continue to study the African region in terms of demographic issues. As a general research trajectory, studying key demographic challenges in a particular region can help to pinpoint specific areas or problems that social enterprises or other social organizations can look to take on. The African region in particular faces many challenges, and it is important to have a broad understanding of a few of the issues that impact the development of social organizations such as *RUCODE* in Africa.

An African Case study: RUCODE

RUCODE is a registered NGO based in Uganda, Africa. It was created in 2004 and since then, it has been operating as a local grass-roots organization in the local districts of Kamuli, Buyende, Iganga, Kaliro, and Jinja (“The 2019-20125 *RUCODE* Concept”). Their mission focuses on economic

empowerment of women, youth, small farmholders, and micro-entrepreneurs through sustainable practices in agriculture. Additionally, *RUCODE* seeks to “protect the existence of the Nile River and the volume of flow of the water along its journey through six countries of Uganda, South Sudan, The Greater Sudan, and Egypt to the Mediterranean Sea in Europe” because it is a vital resource for the people surrounding the body of water (“The 2019-2025 *RUCODE* Concept”).

A project spearheaded by *RUCODE* called “Women’s Empowerment for Resilience and Adaptation Against Climate Change” was a finalist of the United Nations Framework Convention on Climate Change (UNFCCC) *Women for Results* competition in 2016. This project is “a women-led association, representing more than 250,000 women, that have pooled together their individual savings to generate a fund of USD 2,875,752... women involved in this initiative borrow from this pool of savings to invest in innovative, scalable and replicable activities that catalyze action towards a low-carbon and highly resilient future” (“Women’s Empowerment” 4). These women now have control over the land that they are using and can own property by generating their own income. In addition to the impact on women’s empowerment, this project has significantly helped the surrounding environment: “during the past five years, more than 1,800 hectares of wetland has been conserved...more than 34,000 energy-saving stoves have been constructed in thousands of households, reducing deforestation by 8%” (“Women’s Empowerment” 5).

The European Context

In contrast to the African region, social enterprises in Europe have greater exposure and receive support from the European Union as a necessary component of the region’s social economy. Research has found that of the approximately “1.3 million social economy organizations across 15 EU states...eighty percent of these jobs are within social services, health, education and research, and culture and leisure time sectors” (Peattie and Morley 39). Because of the large numbers of social enterprises (and

corresponding scholarly literature on the subject), I narrowed my search to scholarly articles that discussed social enterprises in terms of “strategy” and “development.” These scholarly articles contained well-developed discussions and analyses replete with examples of social enterprise strategies in Europe, which was a stark contrast to the paucity of scholarly literature on Africa that relied on a few case studies.

The demographic issues affecting Europe vary with the changes in the environment and the differing geography, as well as metropolitan, urban, and rural areas within each country. However, according to Poon, a scholar from the University of Pennsylvania, the decline in the economy during the 1970s was a factor that impacted all of Western Europe (18). This most likely is the reason social enterprises began to increase in numbers during this time. There was also a significant push from governments to support social enterprises, because they viewed them as a way to directly address the socio-economic problems that were arising, such as unemployment and population growth. On the other hand, there was a modest rise of social enterprises in Eastern Europe, which experienced the fall of communism, high unemployment and dislocations in the economy (Poon 19). Compared to Western Europe, the social enterprise sector in Eastern Europe was underdeveloped due to legal constraints that “do not permit the conduct of economic activity as a primary operation by the third sector” (Poon 20). In contrast, Western Europe has two main types of social enterprises: those that are legally recognized, and those that are “de-facto.” Legally recognized social enterprises are “those having a distinct legal identity in the country concerned” whereas de-facto social enterprises are “...entities which fully meet the criteria laid out by the EU span across a wide variety of organizational and legal forms such as WISE [work integrated social enterprise], cooperatives, associations, mainstream enterprises, etc,” (“A Map” 19).

As a whole, Europe’s financial crisis developed mainly due to budgetary constraints, but ineffective long-term unemployment policies caused great uncertainty (Kerlin 252). Ultimately, many countries in the European Union experienced a steep incline in the rate of unemployment within a

time-span of 10 years— 3% or 4% to over 10% from 1980 to 1990 (Kerlin 252). As the rate of unemployment steadily increased and the economy became a significant issue in Europe, social enterprises were created to help stabilize the standard of living. Social enterprises responded by finding solutions to housing problems, childcare services, special services for the elderly, and employment programs for long-term unemployed people, to name a few examples (Kerlin 252). One of the most common types of social enterprises in Europe, in terms of their social mission, is WISE, whose main purpose is “the social and occupational integration of disabled or socially marginalized people, while providing them adequate follow-up training or a sustainable integration, within the enterprise or with a regular employer” (Kerlin 253).

The predominant business model for social enterprises in Europe has been influenced by the economic challenges— mainly high unemployment, and institutional support— and legal recognition from the government. For social enterprises in Europe, the model focuses more on revenue streams than profitability. This is due to several reasons, but the main reason is because “the social mission of social enterprises by definition places restrictions on the distribution of profits to ensure they are reinvested” (“A Map” 36). These revenue streams come from various sources including public contracts, direct grants or subsidies, market based revenue from private sources, membership fees or donations and sponsorships, and other forms of revenue (“A Map” 37). In Italy in particular, the majority of revenue comes from market sources, referring to the sale of goods and services (“A Map” 37).

In terms of government support, sixteen European countries have some form of legislation relating to social enterprises. According to a report published by the European Commission, “adaptation of existing legal forms to take account of the specific features of social enterprises, creation of a social enterprise legal status, or creating specific types of non-profit organizations that allow for the conduct of economic activity” (“A Map” 51). Recognition by the government allows social enterprises in the country

to integrate a greater number of disadvantaged individuals into the workforce, or into any social purpose defined by the social enterprises (“A Map” 55). For example, according to the European Commission’s report, Italian Law provides for two types of social cooperatives: “Type A, which provides social, health and educational services; and 2) Type B can engage in any other type of economic activity that is not listed in Type A which furthers the work integration of defined disadvantaged groups” (“A Map” 55).

In Western Europe, legal recognition by the government allows social enterprises to directly address socio-economic problems brought by the global financial crisis, as well as other challenges that are prevalent in this region. Governments in Western Europe view social enterprises as “partners through which they could address the socio-economic problems brought about by the economic circumstances which their welfare states were unable to effectively address” (Poon 18). In general, many of the institutions in European countries promote the growth of social enterprises by “creating specialized legal structures and forms which facilitated the operations of such social enterprises” (Poon 18). Overall, the Western European envisions an active role from each state to increase awareness and support for social enterprises in order to find solutions to their demographic challenges.

External and public support can come from various sources, ranging from independent governing bodies such as the European Commission to national competitions. An example is the *Social Growth Programme* in Denmark, which is designed specifically to help social enterprises and incentivize them to grow their organization in order to create jobs or other work integrating activities for vulnerable populations (“A Map” 68). Financially, European social enterprises have access to publicly-funded investment projects, access to markets and, with the financial support, many social enterprises are able to become self-sufficient (“A Map” 73). Competitions for social enterprises are organized all across Europe, and are created in order “to increase visibility of the concept, to celebrate achievement, and to promote a culture of social entrepreneurship” (“A Map” 69). Another method of public support that is present in

Europe is the organization of events in the efforts to share knowledge and promote mutual learning about social enterprises. In most countries, this includes conferences, round tables, panel discussions, and ongoing forums on “social enterprise and entrepreneurship” to engage social enterprises from different regions to come together and share their experiences and practices (“A Map” 69).

The scope of communication is vital to social enterprises, not only in Europe, but also in Africa. Greater public awareness can lead to more opportunities for funding, investment from companies, public support, government support, access to international markets, and an overall greater impact on the population. Public events such as the ones in Europe should be opened up to international social enterprises as a common occurrence, particularly in developed regions, to facilitate and strengthen relationships between social enterprises working in different parts of the world. Not only would this allow entrepreneurs to share knowledge pertaining to their work and gain more knowledge about how social enterprises work in Africa, but it would also help social enterprises in Africa gain more attention and expose them to possible partnerships or collaborations. One social enterprise stands out as particularly effective— with lessons for both the global north and south— is *Progetto Quid*.

A European Case Study: *Progetto Quid*

One non-profit organization based in Italy, *Quid*, is a women-led organization that addresses unemployment specifically among disadvantaged women by creating its own fashion brand, named *Progetto Quid* (“About *Quid* 2019”). *Quid* provides their workers stable and fair employment, while also marketing sustainable, ethical, and affordable fashion. Significantly, *Quid* (and *Progetto Quid*) simultaneously, and uniquely, tackles more than just one demographic issue. As explained by their vice president, Valeria Valotto, *Quid*’s impact model is two-tier: “while redesigning vulnerable women’s access to the job market, *Quid* also aims to redesign fashion— one of the most exploitative businesses in the world...” (“About *Quid* 2019”).

Anna Fiscale, the founder and president, started *Quid* when she was only 25 years old, drawing inspiration from her personal struggles as well as her experiences in working abroad with NGOs. The main idea of the organization, as Fiscale describes in her Ted Talk, was to redefine the idea of fragility not as an individual weakness, but as a universal strength (12:21). In 2012, Fiscale and a group of her friends created *Quid* and, in 2013, then registered under Italian law as a social enterprise.

In 2012, *Quid* created clothes for their own brand. While the original idea was to re-style unsold pieces of clothing, the team soon discovered that fashion companies actually had a surplus of leftover cloth. Furthermore, this cloth was for top fashion brands, which guaranteed high-quality, which allowed *Progetto Quid* to create high-quality pieces as well (Komatsu 6). Fiscale and her team then created two types of products using the leftover scrap: the first was clothing branded only *Progetto Quid*, and the second was co-branded clothing made in collaboration with partner companies (*Progetto Quid* 3). Currently, *Quid* produces their own *Progetto Quid* collections which are sold in the 6 stores located across Italy, on their online store, and in over 90 multi brand stores. In addition, *Quid* creates “co-branded products for other brands that then distribute [the products] in their own distribution channels” (Houston 3).

Although *Quid* focuses on providing women who struggle with disabilities or who are inmates, ex-convicts, or recovering addicts, *Quid* is willing to hire anyone who strives for a new beginning and is categorized as a disadvantaged or vulnerable worker under Italian law (“About *Quid* 2019”). This includes “victims of human trafficking, victims of domestic violence, migrants, refugees and asylum seekers, people who are not in employment, education, or training (known as NEETs), and long-term unemployed individuals” (“About *Quid* 2019”). As of 2019, *Quid* employs 130 people from ages 19-65 and from 14 different countries (“About *Quid* 2019”). As discussed in the next section, the power of this

social enterprise in Europe and *RUCODE* in Africa— including how these two entities came about and the people they hope to serve— leads to several important findings.

Findings

Among my findings is the “story” about the different ways social enterprises and NGOs developed in response to the demographic challenges that arose in Sub-Saharan Africa and Western Europe. I found that, in Africa, social enterprises have yet to see a major breakthrough, especially after the global financial crisis in 2008, which significantly impacted the economic sector of the Sub-Saharan region. In addition, this region faces high levels of poverty, low income per capita, and poor governance, and these factors all contribute to the challenges that stunt the growth of social enterprises and NGOs. It is, however, very significant that social enterprises impact local populations in Africa. In fact, *RUCODE* has significantly influenced women’s empowerment through environmentally sustainable agricultural methods. Furthermore, it is easier to establish an organizational entity in Africa than in Europe simply because there are relatively similar economic and political challenges across the African continent. In contrast, the development of social enterprises in Europe came about during the 1970s, when the economy impacted almost all of Western Europe and caused a significant increase in unemployment. The governments in Western Europe looked to social enterprises as a way to tackle many of the socio-economic issues on a long-term scale. With legal acknowledgement from the government, social enterprises thrived under a supportive, nourishing environment. **However, unlike Africa, where social enterprises are used to target entire sectors such as the economy, social enterprises in Europe target specific problems— like the waste created by the fashion industry in Italy— in order to combat larger problems like climate change.**

Evidently, *RUCODE* and *Progetto Quid* approach their economic, social, and political challenges in different ways. This was clear after the interview with Mr. Menya of *RUCODE* and Ms. Valotto

Progetto Quid as discussed below. While certain questions were catered to each organization, questions overlapped between the two interviews— such as what the main social, economic, political, and environmental challenges are, in what ways the two organizations respond to these challenges, as well as whether or not it would be possible for their projects to be implemented outside of their main region.

Interview with Mr. Menya

The impact of climate change on agricultural output is a significant issue that impacts local villages in Uganda. Women and children are most affected by these changes, and rural women especially have less financial freedom. Policy change at the district level is another issue. Even though the government in Uganda is responsive to the agenda of the social enterprise, the lack of government enforcement of policies at the local level severely hinder the ability of rural women to participate in business sales and marketing. Essentially, women have the cutting edge in agricultural output and production, but when it comes to marketing, the percentage of women involved is very minimal, and policies tend to correspond more toward men. The financial difficulty for women lies in the fact that in order for women to have a profit margin, they must participate in all value chains: production, marketing, and export. However, women are only involved in production; and *RUCODE* is working to change that so as to include women in all 3 parts of the value chain.

Another challenge is the lack of institutional capacity. As important as donors are to implement *RUCODE*'s project, they usually come with their own goals that may not align with *RUCODE*'s, or the donor after them. For example, one donor comes to help *RUCODE* develop 3 to 4 yards of land for output, but they come with their own goals that they want out of the project. When that donor leaves, another donor comes with its own agenda, and the previous project cannot be continued. Therefore, it is very difficult to simultaneously promote *RUCODE*'s vision and connect the projects with a donor.

The money they borrow from their pool of funds, about \$5-\$10 per week, is not enough for investing in enterprises. It's not enough to attract external financial institutions and banks. Furthermore, the lack of connection between women who are involved in climate change adaptation and mitigation across the world is a barrier that *RUCODE* hopes to break by continuing to expand their project and gaining worldwide recognition through competitions such as the United Nations *Women for Results*.

First, in response to the demand for women's empowerment through climate change adaptation and mitigation, *RUCODE* decided to collaborate with the *Innovation for Poverty Action* (IPA), a research and policy nonprofit organization, in order to measure their impact on women, along with *CARE International*, a global humanitarian organization fighting poverty. They helped *RUCODE* determine whether or not their project has had an impact on the local women involved in the project. After the implementation of the project for 3 years, data was collected using selective indicators. The results saw that *RUCODE* had an impact on the area where the project was implemented. After this, *RUCODE* was able to gain another 3 years of collaboration to keep collecting data on their impact. This information is extremely important not just for the organization, but also for any other potential collaborators to have evidence of their impact. *RUCODE* will continue to use this measurement as part of their strategy of gaining external support to finance their projects and gain more recognition on a global scale.

The next strategy they have developed recently is partnering with organizations that are willing to work with *RUCODE*'s goals, and not their own. One of the biggest challenges to *RUCODE* that is mentioned above is forming partnerships, because organizations bring their own agenda to the table which may not necessarily help to improve the lives of local women, children, or farmers in the districts. Now, with a greater financial stability, *RUCODE* is able to be upfront with their potential collaborators about their own social mission and what they want from a partnership: an organization that will connect green energy and the protection of the environment to women's empowerment, help to measure the reduction of

carbon emissions, and willing to publish or share information about *RUCODE* to the public. With these components, *RUCODE* will be recognized for the efforts they are taking, because currently, many of their achievements are failing to be acknowledged by groups outside of Uganda.

After speaking with Mr. Menya, it was clear that *RUCODE* could be replicated in the East African region beyond Uganda, including countries such as Ethiopia and Somalia. This is a region where women need support— financially and socially— and with this demand, there is a great possibility to take on the challenge through *RUCODE*'s efforts. Additionally, the culture across East Africa is relatively similar, allowing an easy integration of methods such as agri-market development for small farmholders. With very similar socio-economic challenges spread across the East African region, expanding *RUCODE* into this region is an achievable goal. However, this would require even more funding from external institutions, as well as a long-term partnership with an organization that has the tools to measure *RUCODE*'s impact on carbon emission reductions.

Mr. Menya also mentioned that *RUCODE*'s strategy could be replicated in India. This effort would also require a significant amount of funding and guidance, but there are parallels in the climate change vision in both Uganda and India, as well as the need for financial support for women in local villages. With the large gap in socio-economic status between its citizens, India has some regions struck by poverty. Climate change poses a particularly larger threat to these regions, and is especially dangerous for women, who are more likely to have less access to resources. There is also a heavy reliance on agricultural output to provide household income, similar to Uganda, and these factors create a gap that can be filled by *RUCODE*'s initiatives. There is already some evidence of this in India; social enterprises and NGOs are being created that utilize almost identical methods to take on climate change while simultaneously empowering local women. Another factor that should be taken into consideration is the impact of European colonialism of both Uganda and India that has shaped these regions in different ways.

While there are overlaps in the culture of both regions because of the European foundation, these regions have formed their own unique cultures which must be taken into consideration when implementing organization outside of the original location. From a general perspective, the presence of a patriarchal system and society which creates marginalization of women in many aspects, is a problem that is found in both regions, and can be resisted in corresponding ways. Thus, it appears to be likely that *RUCODE* will be able to expand into this region and improve the lives of local villagers, including men, women, and children.

Interview with Ms. Valotto

According to Ms. Valotto, demographic challenges in the Verona region in Italy have changed over time. The first change is the increasing number of migrants and asylum seekers. In general, Verona is one of the most diverse areas along with the Lombardy region. With diversity comes tension and resistance to diversity in the form of politics and discrimination, such as workplace discrimination. Migrant workers have less upward mobility opportunities, but this depends on education and language proficiency. Migrant families, and especially migrant children often struggle with their education because their parents may not be able to support them without proper skills or language fluency. The social divide is also apparent, not just between social classes, but within families and specifically the gender divide. In migrant families, the man is considered the breadwinner, which leaves the woman to stay at home and take care of the children. This setup is tough for women, who have little money of their own, little independence, and barely any free time to fulfill their own dreams. This is one of the reasons why *Quid* targets women as their main employees, in order to give them a chance to make their own money and pursue the things they truly want to. These challenges also reflect the demand for more work integration social enterprises such as *Quid*.

Ms. Valotto pointed out that *Quid* has been very responsive to the change in demographics, specifically regarding the influx of migrants in the Verona region in recent years. Under Italian law, *Quid* is a Type B social cooperative, which means that at least 30% of their employees must be categorized as “protected”. Currently, 34% of *Quid*’s employees are considered part of the protected category of workers, and 37% of their employees are considered disadvantaged workers. The rest of their workers are people who have a regular history of employment.

The first change they made to their employment team was extending opportunities to young men, mostly asylum seekers, after realizing how many migrants were coming into the Verona region. In general, *Quid* has created more work opportunities and apprenticeship opportunities in collaboration with the refuge welcome center to respond to the new demand for job opportunities. In addition to this effort, last February, *Quid* decided to launch their own welfare program to help their employees in a number of areas. This is part of a new strategy *Quid* developed in the recent years, after they realized that connecting their employees to services or support that helps them realize what makes them happy is more important than just financial empowerment, and also has increased the likelihood of their employees to continue to work for *Quid*. Some of their services within their welfare program includes digital literacy support, where employees can access online procedures for subsidies, a welfare officer that helps with housing and paperwork, and a social counselor.

Within Italy, it is possible for *Quid* to expand its organization to Milan and the region around Milan, another fashion hub with similar demographic issues to the Verona region. After speaking with Ms. Valotto, it is clear that in order for the social enterprise to succeed, the area of implementation must be known for and already have a thriving fashion industry. *Quid*’s main clients are small to medium social enterprises and multinational companies, as the leftover fabric that *Quid* uses comes from these groups. Therefore, without a solid developed fashion industry dominating the region and the guarantee of leftover

fabric, *Quid's* business model may not succeed. On a EU scale, Portugal, Spain, and outside of the EU, Greece, have strong manufacturing companies, and therefore it could be possible to replicate *Quid's* business model in these countries. These three countries also have similar demographic issues related to socio-economics, as well as migrants seeking asylum and work.

Without a reputation for fashion and a strong industrial society, it is likely that *Quid's* business model would falter in the global south. However, in posing this question to Ms. Valotto, she said that if it were possible for *Quid* to maintain a substantial amount of leftover fabric, and ship it to and from a country such Bangladesh, it would be possible to extend beyond Europe. The fast fashion industry creates a significant amount of waste and causes serious environmental problems such as water pollution. It is known to be an unregulated industry in terms of the environmental consequences. In Bangladesh, there is also an intersection between the fast fashion industry and disadvantaged women as there is in Verona. Economically, Bangladesh is considered a developing region, with 10.4% of the employed population below \$1.90 PPP a day (“Basic Statistics, Asia and the Pacific”). In such a situation, women especially are left in a predicament; they have no choice but to find jobs in unethical industries, such as the fast fashion industry, in order to make money. These workers are forced to work in terrible conditions; wages paid to workers in the industry are insufficient to live on, factories typically violate building, safety, and sanitation laws (Hayashi 201), and workers are not guaranteed a long-term working contract (Stafford). If *Quid* created a factory based in Bangladesh, this could have a powerful impact on the lives of the women, and even men currently working in clothing factories.

Quid will have access to unused fabric that could be used to create the same unique, sustainable, and ethical collections that are currently being made in Italy as long as there is a demand for high quality clothing and designer brands. Their two-tier model redesigning vulnerable women's access to the job market while redesigning fashion— could be integrated into Bangladesh using the same or similar units:

production and packaging, logistics, finance and administration, styles, retails, and communication (Valotto 3). Of course, there are many factors that must be taken into consideration, such as the lack of demand for designer clothes in Bangladesh. This is why the clothes should be sold in small quantities in Bangladesh, and the majority of the collections sold in Verona or directly online. Not only would this allow the workers to earn their fair wages, but it would allow them to also gain recognition for their work, and for the changes in workers' rights that should be made in the entire nation.

Conclusion

In order for both of these projects to not only achieve their social missions but continue to expand their goals and make an impact on the vulnerable population, there must be greater involvement, especially from the youth population; the future of social enterprises and NGOs around the world depends on young adults to address many of the environment, social, political, and economic issues that are prevalent today. Young adults should especially feel empowered to approach research regardless of their previous experience, use their voice or platform to share their knowledge, and make an impact on the world by addressing global issues impacting all populations. The current COVID-19 pandemic has impacted the entire globe in many different, drastic ways, and is a prime example of how people from all over the world must work together, combining knowledge from various fields instead of focusing on flaws or differences, in order to tackle the challenges that we all face. After speaking with many individuals throughout this project, it is clear that there are a multitude of directions that can be taken in terms of research, and truly so many ways to make a difference in the world. In fact, diversity in professions or areas of study is arguably more effective than a group of people with the same perspective on an issue, and can bolster the effort to create an impact on other people's lives because of the variation in background, knowledge, and passions.

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