

Asia: A Unique Ecosystem for Social Innovation

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One of the best ways to know our own ecosystem is by getting to know that of others. By doing so we are able to establish the differences and similarities that will enrich and empower us to generate new ideas that, in the long run, will help all of us to build the kind of world we dream of living in.

I am proud to introduce the latest edition of the *Social Innovations Journal* dedicated to the unique ecosystem of Asia -- "Asia 2019: A Dynamic Social Innovation Ecosystem."

Social innovation practices have had considerable success in the West. Yet, what has social innovation looked like in the East during the course of the last year?

To answer this question, we must understand the context of the region. Asia is not a homogeneous region and its diverse paths to democratization and industrialization imply a more complex approach to social innovation.

Since the practice of social innovation is leveraged to tackle unmet social needs that cannot be solved solely by the government or certain stakeholders in a given society, a unique approach is required to solve today's societal

problems across Asia.

The Hope Institute research team, with the support of the Rockefeller Foundation, has investigated how social innovation practices have been put into effect in Asian countries and how they have influenced its societies.¹ This research strongly supports the core principle that "social innovation is neither context-free nor value-neutral".²

The Asian region includes about 50 countries all composed of a myriad of cultures, religions, and sociopolitical systems. The level of economic and democratic progress varies so much that it is necessary to create subregions similar to those in advanced economies (e.g. Japan, Taiwan, Singapore, Hong Kong, and South Korea).

Even though there has been considerable development through industrialization and modernization, these benefits have not been shared equitably to support sustainable development and the consequence of this is that the gap between poor and rich has widened.

Social innovation in Asia has emerged as a response to growing challenges like the lack of resources, climate issues, aging populations, globalization, mass urbanization, among other pressing concerns. According to the Asian Development Bank, the Asia and Pacific regions have the dubious distinction of having the largest number of poor citizens (63 percent of the poor

worldwide lived in this region in 2008). Many work for low wages in manual labor and lack access to education. They are further underserved by a lack of access to social welfare services and quality health care. This is exactly the fertile ground ripe for social innovations to emerge where the sharing of information, knowledge, financial resources, and technology offer the promise of creating a self-reliant economic ecosystem in a way that cannot be replicated in innovative ideas from western societies.

Under these unique circumstances, it is important to highlight the special characteristics that are represented by the authors of this edition:

1. Community empowerment summarizes an important characteristic of the Asian ecosystem, where trust, solidarity, and cooperation are key. People have realized that together they can obtain more, and better, solutions to their problems. In this sense, they build up an informal network by connecting the right person with a creative idea to those in need of this new idea that offers a solution to an existing concern.

2. Social Entrepreneurship. Social entrepreneurs have emerged to provide solutions to problems that are beyond the reach of the government or the market alone. They tend to fill in gaps in the social welfare system. The role traditionally performed by governments in welfare states is now owned by social initiatives. Many nonprofit organizations evolved into social enterprises to find better

opportunities for self-financing and this change has encouraged the government to create policies to support the growth of this industry. As part of this change, young professionals who have worked in for-profit companies are moving into social venture and its related spaces.

According to the Economic and Social Commission for Asia and the Pacific in the United Nations, a social enterprise can be defined as "an organization committed to explicitly including social and/or environmental returns as part of its core business while seeking profit or return of investment".³ It is a concept that is not well understood and that should be promoted in other regions as they have proven the merits of solving social challenges with an appropriate business model that ensures sustainability.

3. Intermediary actors (Ashoka, British Council Asian Social Ventures, universities, et al) have emerged to fill a void by connecting social enterprises with funding entities and are performing a counseling role to help social innovators through the process of finding their own sustainable economic model.

The nonprofit sector has not been strong enough to lead partnerships alone, and some governments also lack strong governance. Under these constraints, Asian social innovation can be described and understood by the active role informal participants and their contributions to cross-sectoral collaboration play in leading the charge of this movement.

4. Governance context: Many countries in Asia have weaker governance in part due to a low level of government transparency and accountability, which means that the government lacks the capacity to deal with societal problems. Although, according to studies from the United Nations' Economic and Social Commission for Asia and the Pacific, governments in the region are making efforts by implementing policies to encourage the foundation of a solid ecosystem for social enterprises and a positive climate for impact investment so that the private sector finds appealing opportunities to adopt social enterprises. Finally, the evaluation of these initiatives should be a top priority to establishing a system of best practices to better facilitate a positive climate for this ecosystem to not only be created but to thrive.

The result of all of this is that social innovation projects are crucial for Asia. The potential of social innovation to change the economic and social dynamic in Asia is huge.

The articles included in this edition show this precisely in context of the work taking place at a grassroots level. They are making paradigm changes by replacing the culture of old and encouraging people, accustomed to traditional ways of solving problems, to take a leap of faith and embark on the journey to finding new ways of perceiving the problems as opportunities and to become active participants in leading the charge to these solutions to pave the way to build new lives and a brighter future.

As a Latin American, I have been impressed by the courage, strength, discipline, and commitment of the authors of this edition who are the leaders of a new paradigm for the region of Asia. I feel honored to have had the opportunity to meet Mark, Lehui, Isabel, Arlin, Alvin, Stanley, Jane, and Awen and thank each of them for all that I have learned from them. I am very excited now to present their experiences and I hope they will impact your lives as much as they did my own.

Works Cited

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Footnotes

¹ This chapter was presented at the conference "Grassroots of social innovation practices in East Asia: held by the Australian National University and was revised

by Dr. EunKyung Lee, research fellow in the Hope Institute.

² Idem

³ United Nations – ESCAP – Economic and Social Commission for Asia and the Pacific. “Policy approaches to scaling social enterprise and impact investment in Asia and the Pacific”. Bangkok. March 2017.

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