

# RETHINKING THE ENTREPRENEURIAL SPECTRUM

Entrepreneurship can have many faces.

by Richard Hannah

Readers of this piece may not be aware of MTSU's heritage of having association with three Nobel Prize winners. The main purpose of my intention herein is to focus on the global impact of the ideas of one, Dr. Muhammad Yunus, who was awarded the Nobel Peace Prize with Grameen Bank in 2006, and who also taught at MTSU. I will briefly mention the relevance of the other two at the end of this article.

In December of 2010 I was highly fortunate to have the opportunity to visit Bangladesh. This two-week trip had two primary objectives. One was to lay the groundwork for academic cooperation with Chittagong University. The second was an up-close learning experience with Grameen Bank. The genesis of this journey comes from two sources. One is the tireless efforts of Dr. Kiyoshi Kawahito to give students the opportunity for world poverty studies, including his maintaining a personal friendship Dr. Yunus. The second source is a question asked by a Buchanan Fellows student a couple of years ago: why MTSU did not undertake an initiative to embrace the work of Dr. Yunus. To make a long story short, connecting the dots led to the Yunus Commemorative Agreement between MTSU and Chittagong University, what I would describe as an open-door by Grameen Bank to accept interns from MTSU, and my own rethinking of the idea of entrepreneurship.

Bangladesh is a country of approximately 150 million people living in an area slightly larger than Tennessee. While the country is generally self-sufficient in food production and receives relatively little foreign aid, it is also acknowledged to be one of the poorest nations. Yet the general populace is very civil and highly ambitious, and those fortunate to receive formal education are exceptionally curious and open-

mindful about the larger global context. This was the first Muslim (90%) country I have visited, and hence my curiosity was reciprocal.

Bangladesh is an extraordinarily poor country where those trapped in poverty had no hope, and until the flowering of microlending championed by Dr. Yunus, had no opportunity to improve their lives. Herein lies the intent of part of the title of this article. The development of microlending to the poor directly tapped the entrepreneurial spirit, especially of women, who were (and remain) the target of Grameen microlending. The evolution of this type of microlending has two halves. One is economic, a lifting out of poverty. The second is social, a cultural shift in the role of women, rising as entrepreneurs within a Muslim nation of highly conservative values regarding their role. This development has the additional benefit of improving the lives of children and the communities where the Grameen model has taken root. Whatever and however economists or other academics evaluate the Grameen model of microlending, one has to appreciate the accomplishments of Dr. Yunus's economic solution in the broader cultural context.

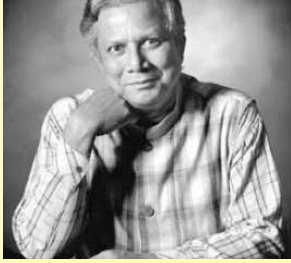
I will comment on another dimension of the Yunus legacy of entrepreneurship. This is a comment on its continuing evolution, especially regarding the social business model. This idea is different from the microlending approach to entrepreneurship in that it involves a corporate approach. Still, the basic ingredients of the positive spillover of enterprises that explicitly incorporate the philosophy and actions of improving the extended family and community infrastructure is similar to microlending—i.e., the economic and social objectives are brought into the “balance sheet.”

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*This issue is dedicated to the memory of Richard Hannah (1951-2011), a professor in the Department of Economics and Finance at MTSU.*

*(<http://tinyurl.com/3o9j2mr>)*



Muhammad Yunus

**MTSU's Yunus Program**  
[mtsu.edu/yunus](http://mtsu.edu/yunus)

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I must say that, as an economist, it is much easier to work out, even contest, the ideas of what these kinds of initiatives mean rather than put boots on the ground in foreign places and look at reality. I'm still not convinced of the theoretical coherency of Yunus's work, but then I can't deny reality as I saw it, either. The punch line, so to speak, is that Yunus is direct in his challenge to unfettered market capitalism, not in the context of arguing an alternative, but in the context of putting forth the proposition that one of capitalism's prime principles, self-interest, is only half of the full model yet to be developed. The other half is selflessness. In the culture of our sophisticated U.S. economy of for-profit and non-profit dichotomies, this may be hard to grasp. Not so in a country like Bangladesh. As an aside, herein lies the importance of understanding the interplay of cultural context and economic context together.

To more precisely present the gist of the text to this point, Yunus does offer up the idea of social entrepreneurship, not as a counterpoint, but as a complement to economic entrepreneurship. This juxtaposition of ideas takes on global significance when Yunus includes the themes of sustainability and environment. We tend to think of these in our highly developed economic context, but poverty as seen from the perspective of Bangladesh and other developing nations has a clear and direct link to these ideas.

At the start of this summarization, I said I'd reconnect to the ideas of two other Nobel Laureates with connections to MTSU. I will focus only on the idea of entrepreneurship in doing so. Whatever you as a reader may value as a political or economic philosophy, and even whatever you may think of the personalities I reference, the linkage to the theme of entrepreneurship suggests contrasting the ideas.

Dr. James Buchanan, Nobel Laureate in Economics in 1986, for whom our Buchanan Fellows program in the Honors College is named, advanced the idea of political entrepreneurs in his works. This might aptly be viewed as negative entrepreneurship, in which he examined self-interest as applied to elected representatives. In this context, his conclusions regarding the prospects for majority rule democracy are not pretty. Coupled with the origins of the recent recession in the financial meltdown, we have another example of negative entrepreneurship in which the institution of and objectives of financial corporations were brought into question. Hence, we have our recent recession, arguably a partial result of self-interest gone wild.

The third Nobel recipient is Al Gore, who taught at MTSU. The idea of environmental sustainability as a global issue is what I want to focus on. The interplay with poverty is highly sensitive. Gore has been consistent on this theme. Consider a one-meter rise in the sea level, regardless of what you may think causes this phenomenon. This will displace about 40 million people in Bangladesh alone. Is there a form of global entrepreneurship that can adequately address this kind of outcome?

I am an optimist when it comes to the creativity of the human mind. Entrepreneurship is one of the forces driving that creativity. What I have hopefully laid out is that entrepreneurship can have many faces. A more holistic education, including boots-on-the-ground observation, helps us to sort out which institutions might channel the more positive entrepreneurial energy. Those institutions may be very different in different parts of the world, or even here at home. Sometimes we have to travel to far-off places for such lessons to sink in.

*\* Richard Hannah (1951-2011) was a professor in the Department of Economics and Finance at MTSU.*