

Review

Small Change
By Michael Edwards
Reviewed by Doug Bauer

Stanford Social Innovation Review
Spring 2010

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A Mandarin's Lament

Review by Doug Bauer

SMALL CHANGE: Why Business Won't Save the World

Michael Edwards
127 pages, Berrett-Koehler
Publishers, 2010

A mandarin, according to Webster's Dictionary, is a "powerful official or senior bureaucrat, especially one perceived as reactionary or secretive." Michael Edwards has had a long career that has featured top positions at Oxfam, Save the Children, the World Bank, and 10 years at the Ford Foundation. Although it is clear he is not a secretive fellow, he is certainly reactionary, and those beliefs have been poured into his new book, *Small Change*.

Small Change is a follow-up to, and an amplification of, Edwards' 2008 monograph, *Just Another Emperor? The Myths and Realities of Philanthrocapitalism*, which was a hives-like reaction to the book *Philanthrocapitalism: How Giving Can Save the World*, by The Economist's Matthew Bishop and Michael Green (who interestingly enough has had a career similar to Edwards').

Edwards makes no bones about what *Small Change* is about: "The claim that business thinking can save the world is a convenient myth for those who occupy positions of great wealth and power; and the constant celebration of rich and famous individuals is a dangerous distraction from the hard, public work of finding solutions, all of us together." Edwards further states in the preface, "Social transformation is not a job to be left to market forces or to the whims of billionaires."

Clearly, Edwards has a bee in his bonnet about Bono, Bill, and Buffett, and their role in the world—especially in the developing world. Edwards also sees the issue in black and white: Either you believe that business thinking is good and will save the world or you don't. The reality is that the world is

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quite complex and is also quite gray. Given his vast experience, it is shocking that Edwards sees the world as starkly as he does.

Edwards wants the reader of this slim volume to firmly believe that business and business leaders have little to no role in solving social problems. Business leaders are too tactical; are far too focused on outcomes; and really don't, well, *feel*. "The profit motive is not a dirty word," writes Edwards, "but is it a different word from solidarity and caring with no expectation of return." He goes on to describe this division and relies on stalwarts like Adam Smith and Milton Friedman to reinforce his

point of view. For a seasoned reader this all feels a bit "been there, done that." We have heard these antibusiness arguments before, and in 2010 they just don't resonate as they once did.

In the 21st century, corporations of all shapes and sizes know that they cannot risk operating unilaterally. Businesses certainly cannot ignore the concerns of their shareholders, nor can they ignore the concerns of their other stakeholders—including civil society. Even Edwards quotes Lee Scott, CEO of Wal-Mart Stores, "The question of how to assure that American capitalism creates a decent society is one that will engage all of us in the years ahead." Edwards also notes that there are philanthrocapitalists like Mario Marino who are trying and, in the reviewer's opinion, succeeding because they understand what it takes to find the balance between achieving outcomes and impact with the need to embrace social and political dynamics.

Edwards wants you to believe that philanthrocapitalism is completely misguided. He also wants business-minded donors to leave the messy work of social change to the professionals—that the mandarins of the NGO world can take care of it. Edwards wishes business and its leaders would just leave civil society alone. And he wishes that business would stay within the boundaries of its sector and reform and behave itself.

Perhaps it is only fair then to have the last words of this review come from Bishop and

Green: "If philanthrocapitalism is to succeed, it will be because these philanthropists take impact seriously and apply their business talents just as rigorously as they did when they made their money. That is easier said than done, not least because philanthropy lacks many of the market forces that keep businesspeople disciplined, focused on success, and willing to make the tough decisions necessary to survive and prosper."

Edwards tries to update an old argument and make a plea to leave the heavy lifting to committed people who know better. In the end, he fails to make a convincing argument on either point—an unfortunate spot for any well-meaning mandarin to be in. ■

Inequality Makes Us Anxious

Review by David B. Grusky

THE SPIRIT LEVEL: Why Greater Equality Makes Societies Stronger

Richard Wilkinson
& Kate Pickett
331 pages, Bloomsbury
Press, 2009

Why is inequality so bad? It's not just that the poorest people in highly unequal societies may go without food, shelter, or other basic subsistence goods. It's not just that extreme inequality makes it difficult for the less fortunate to participate fully in their country's social institutions. It's not just that lavishing mansions, cars, and jewels on a few lucky people violates some primitive sense of justice and what's fair. Although inequality may well be problematic for these conventional reasons, *The Spirit Level* tells us that it's mainly bad because it makes status differences more extreme and salient and thus generates insecurity about our worth and where we stand in the social hierarchy. We should dislike inequality, in other words, because it produces anxiety and because such anxiety in turn leads to chronic stress, health problems, and other undesirable outcomes.

The great achievement of *The Spirit Level* is documenting that this inequality-induced

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anxiety has so many bad effects. It makes humans feel stressed and deprived and more likely to get depressed, smoke, overeat, or engage in violent behavior. It also leads to conspicuous displays of consumption, such as buying fancy cars, big houses, and luxury clothes, all of which serve no obvious social function save that of reassurance about one's place in the hierarchy.

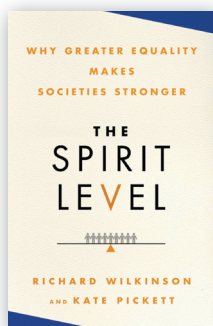
The Spirit Level is, for the most part, a straightforward empirical tract documenting this two-way relationship between how unequal a country is and the frequency of "bad" outcomes within that country (such as overeating, teen pregnancy, and drug abuse). The data reveal that the relatively equal Nordic

societies and Japan have low rates of the bad stuff and the highly unequal societies, such as the United States and the United Kingdom, have comparatively high rates.

In pushing their argument, Wilkinson and Pickett make do with simple graphs of the bivariate association between inequality and bad outcomes, and they're not therefore testing their preferred story about *how* this relationship is generated. Although they argue vigorously that bad outcomes are generated because inequality makes us anxious and stressed, there is rather little in *The Spirit Level* that would dissuade one from the alternative view that high-inequality societies fare poorly because (a) they

tend to have lots of poor and disadvantaged people, and (b) poor and disadvantaged people tend to be sick, depressed, or otherwise unhealthy because they live in polluted and dangerous areas, don't exercise or eat well, are excluded from full participation in their society, lack access to high-quality health care, and so forth. If this alternative account is on the mark, it implies that anxiety isn't the exclusive culprit and that headway can additionally be made by simply improving the substandard material conditions to which less fortunate people are routinely exposed. The case against inequality doesn't necessarily have to be predicated on the anxiety it generates.

Is the latter (exceedingly mild) criticism unfair? It has to be conceded, after all, that *The Spirit Level* is as much a call to arms as a



DOG-EARED

Bearing Witness

Review by Bill Shore

LOOKING FOR THE LIGHT: The Hidden Life and Art of Marion Post Wolcott

Paul Hendrickson
297 pages, Alfred A. Knopf, 1992

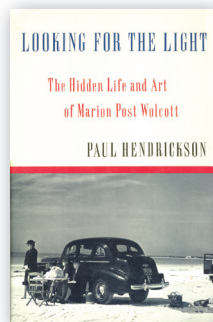
In 1992, while browsing a bookstore in Washington, D.C., I picked up *Looking for the Light*. On the back cover was a black-and-white photograph, taken in 1933, of a beautiful 23-year-old woman with mesmerizing eyes and a tomboy style of dress. I developed an immediate crush on her, a photographer named Marion Post Wolcott and the subject of the book.

Wolcott was a photographer for the Farm Security Administration during the 1930s, one of several photographers employed by the New Deal agency to document the impact of the Great Depression on the lives of Americans. Wolcott, along with Walker Evans, Dorothea Lange, Gordon Parks, and others, created some of our nation's most iconic images. But Wolcott never became as famous as some of her contemporaries. That's because, after taking several hundred thousand photographs over three years, she met a man, put her camera down to start a family, and did not pick that camera up again for almost 50 years.

Paul Hendrickson, the author of *Looking for the Light*, summarizes Wolcott's life as "a story about an artist who stopped, who let go of that gifted magical thing inside her until it was too late and the gift was lost. And yet in spite of this fact she was able to make her survival a grace, not just a dour necessity."

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My work, as the founder of Share Our Strength, has focused on hunger and poverty, which is why I've always been interested in the era of documentary photography that did so much to bring those issues to public attention. The human drama that Hendrickson conveys about the choices and trade-offs that Wolcott made has universal relevance and was riveting, but what I really took away from the book was a new way to see.



Reading Hendrickson's richly textured descriptions of Wolcott's photographs was like watching a magician's sleight of hand up close and still wondering how he pulled it off. I would look at a photograph, read Hendrickson's words, and find more than a dozen things my eye had missed. About one photograph of what I saw only as a man sitting in a general store, he writes: "It's the swirl of that old cane chair, and those lard buckets with their metal bands,

and the Compeer snuff cartons behind him, and the way he's got that five cent cigar cocked, and the popped buttons on his vest ... and the flecks of ash on his shiny gabardine."

About another photograph, of parishioners peeling tomatoes for a 1940 church summer picnic, he writes: "I've wondered about the way these good church ladies ... are wielding their knives. The knives are too much out in front of them. It doesn't seem natural. I think they're afraid some of the juices from those delicious late-summer Big Boys and Beefsteaks are going to splash down their fronts and soak through to their Sunday dresses."

Looking for the Light taught me to pay attention, that details matter, and that like both Wolcott and her biographer, we all have the power to bear witness. We have the power to go and see and feel and share what we felt. When we do this we often say we've been moved. Taken literally that implies starting in one place and ending up in another. It is the basis of all social change. ■

straightforward presentation of scientific evidence, and it's reasonable to look beyond narrowly drawn scientific questions and ask instead whether it will succeed in mobilizing anti-inequality sentiment. It's relevant in this regard that *The Spirit Level* resonates well with the emerging anti-inequality zeitgeist. There is growing concern that extreme income inequality, far from increasing a country's economic output, may in fact reduce total output. It's also relevant that an idiosyncratic constellation of highly publicized news events in the last five years has both exposed troubling inequalities (such as Hurricane Katrina) and legitimated the presumption that we should care about them (the election of Barack Obama). This all suggests that the underlying conditions for a successful call to arms are in place.

Even so, one can't overstate how hard it will likely be to sell the Wilkinson-Pickett premise, at least in the United States, where the opportunity to amass great wealth is understood as a fundamental form of liberty. It is arguably naive for the authors to conclude, "Now that we have shown that reducing inequality leads to a very much better society, the main sticking point is whether people believe greater equality is attainable." The main sticking point, I suspect, will instead be convincing powerful people and corporations to experiment with a new egalitarian society that wouldn't seem to serve them well.

Although Wilkinson and Pickett argue that even the rich and privileged will profit from a more equal society (by enjoying better health, less alienation, and so forth), in fact the calculus is a rather complicated one, because the privileged will not just be giving up massive economic benefits, but also will be giving up the softer privileges that accrue to them by virtue of occupying a privileged place in the social hierarchy. It follows that *The Spirit Level* may not appeal to those at the top. At least in the United States, one can arguably make more headway by railing against poverty, especially the poverty experienced by (blameless) children.

To be sure, that I'm even asking whether *The Spirit Level* fills the bill as the standard-bearer in a new War on Inequality is testimony enough to the importance of this book. We are in the midst of a historic moment in which many forces have come together and suddenly raised the prominence

of debates about poverty and inequality. This type of moment comes along only rarely, and it's important that it's properly exploited with a pitch-perfect delivery, one that's consistent with our most fundamental values and thus resonates. If *The Spirit Level* isn't quite pitch-perfect, it may nonetheless be the closest we get. ■

A Handbook for Change

Review by Dan S. Cohen

SWITCH: How to Change Things When Change Is Hard

Chip Heath & Dan Heath
320 pages, Broadway
Business, 2010

In a world that is becoming increasingly complex, it was a welcome beacon to read the title of Chip and

Dan Heath's new book:

Switch: How to Change Things When Change Is Hard. With great anticipation I turned to the introduction, where the authors promised to teach me how to change things at the individual, organizational, and societal level.

The book's premise is straightforward—successful change occurs when people change their behavior. A person's behavior is driven by three factors: his logic and rationality (what the authors call the "Rider"), his emotions (the "Elephant"), and his environment (the "Path"). The best way to create change, say the authors, is to "Direct the Rider," "Motivate the Elephant," and "Shape the Path."

Most of the book is divided into three sections, each exploring one of these principles. Although the introduction provides the logic behind the principles, I sometimes found it difficult to bring them together into a coherent whole. For example, I found the second principle of change, Motivating the Elephant, insightful, but felt the need to return to the first section on the importance of Directing the Rider so that I could get a better perspective on the dynamic relationship between the two principles.

Once I understood where the Rider was taking the willing Elephant, I found that unless I also focused on the barriers in the environ-

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ment—the Path—neither the Rider nor the Elephant would see the change happen. Is it any wonder that most change efforts fail to deliver their full value?

After having gained an understanding of the three principles of change and seeing that there were only a few pages left in the book, I thought I was going to read a concluding chapter that would tie the thesis into a neat knot. Instead, I found myself reviewing 11 common problems people face when driving for change with advice on how to overcome them. Although this last chapter provides several insightful suggestions, I was disturbed that the authors chose not to bring together what is a very creative and insightful perspective on change.

So what can a reader take away from *Switch*? First, the book presents a number of interesting stories that clearly demonstrate that successful change requires us to look for new behaviors. In addition, we are shown that if change is to succeed, logic, emotion, and the environment need to be properly balanced in order to get stakeholders to exhibit the right behavior. This, as the authors point out in

countless stories, is true regardless of whether the change occurs in the public, private, or educational sector. The final takeaway, which is shared throughout the book, is the dynamic nature of change.

There are a few things I would have liked to have seen more of in the book. First, although the "Clinics" (short case study exercises) in each of the

three sections were a great idea, they lacked the depth and breadth needed to make them truly memorable. I would also have liked the authors to provide more direction on how to use several of the techniques (such as Solution-Focused Therapy) when working through a change project. Last, it would have been helpful if the authors had developed a few practical tools or templates that could be used when undertaking a change project.

Overall, the authors have done a good job of examining the well-trod subject of change from a new vantage point. Despite the book's shortcomings, I recommend that *Switch* be on the reading list for anyone interested in learning more about change leadership. ■

