

Stanford SOCIAL INNOVATION REVIEW

Sponsored Supplement to *SSIR*
Forging Ahead with Cross-Sector Innovations
By Won-Soon Park

Stanford Social Innovation Review
Summer 2013

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Forging Ahead with Cross-Sector Innovations

By **Won-Soon Park**

We are living in a remarkable era of connectivity. People living in Seoul, Korea, for example, are becoming much more closely intertwined with people living in New York City, and finding solutions to the myriad issues we all face has become of vital importance.

Such intertwining extends to government, the market, and civil society as well, requiring collaboration among the three sectors in order to create effective solutions. Indeed, our era requires deep understanding, swift decision-making, revolutionary innovations, and empathetic approaches.

In the past, society often operated according to market rationality, and winners and losers were clearly defined. But gradually, the search for solutions inspired the growth of civil society and the birth of numerous civil society organizations from diverse realms. Despite this growth, the civil sector lacked the power by itself to solve these problems. Likewise, the private sector and the government found that they, too, could not solve social problems on their own.

Such constraints led the three sectors to pursue strategic cooperation with the goal of finding solutions to complex issues. This new reality—that cooperation and collaboration, rather than conflict and competition, hold the key—is now apparent. Cross-sector innovation is a tremendous advance over the way that society had been addressing social problems.

As author Peter Drucker wrote, “Innovation is change that creates a new dimension of performance. Change cannot be controlled. The only thing we can do is be in the front, and the only way to stand in front is through organic cooperation and collaboration between sectors.”

As the mayor of Seoul, I have striven to create innovative ways of governing that

are based on cooperation and collaboration. I have made a point of soliciting greater citizen input and getting citizens more directly involved in decision-making, fostering social enterprises that use innovative approaches to tackle social problems, and expanding collaboration between government, the market, and civil society.

My approach to governing has been shaped over my three decades of work before taking office—as a political activist, as a human rights lawyer, and as founder of a watchdog organization, community foundation, social enterprise, and think tank. I

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was privileged to be part of an effort to help civil society take root in South Korea (officially known as the Republic of Korea), and I believe that my career traces the evolution of important developments in modern South Korea that have brought us to this moment of innovation and greater collaboration. And so before I detail some of the social innovation efforts Seoul City has pursued, allow me to share a bit of my own personal journey, which I hope will provide greater context.

My Journey as a Civil Activist

Since the birth of modern South Korea in 1948, the country has achieved remarkable macroeconomic development through rapid industrialization. Although the country's growth was impressive, it came at several costs, one of which was obliteration of the majority of the nation's civil organizations. These organizations had functioned for decades as a social safety network for citizens, and their destruction caused negative side effects throughout South Korean society.

By the 1970s and '80s, South Koreans were thirsty for democracy. Sparks of mass protests arose nationwide. During this time—my university years—I was jailed for merely participating in protests against the military government and expelled from school.

This injustice motivated me, in 1982, to become a human rights lawyer. My clients came from all walks of life, including students, laborers, intellectuals, and artists. The large-scale pro-democracy rallies that took place in 1987 actively engaged the public and eventually led to the end of the military dictatorship and the installation of a democratic government.

In 1991, I left South Korea and moved to the United Kingdom and then to the United States to research the activities of human rights and civil organizations in those nations. I began the preliminary work to form an international network of organizations to share lessons about inno-

vations that could help solve problems in South Korea.

When I returned to South Korea in 1993, I built on these experiences to found the nonprofit watchdog organization People's Solidarity for Participatory Democracy (PSPD) with a group of jurists, scholars, and activists. We represented different fields but shared a common passion: a fresh new world after the collapse of the military dictatorship.

We led a movement to protect small stockholders' rights and other economic reform campaigns aimed at large South Korean conglomerates—companies that wielded power in the market but failed to fulfill their social responsibilities. We waged campaigns against political corruption. And we engaged a movement to restore fundamental civil rights to citizens whose rights had been infringed by the government.

We didn't think of this as innovation at the time—rather, we seized opportunities and took risks to create lasting positive changes for our fellow citizens. But in hind-

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Won-Soon Park is mayor of Seoul, South Korea.

sight, these movements are at the heart of what social innovation is all about, and they helped to create an enabling environment for further social innovations.

Sharing Is Beautiful

By the end of the 20th century, it was clear that South Korea needed more sustainable institutions to encourage civic engagement and voluntary donating and sharing. During this time I again had the opportunity to visit the United Kingdom and the United States and learn about other civil society institutions.

When I returned, I created The Beautiful Foundation, a community foundation, and The Beautiful Store, a social enterprise, to solicit donations of both money and products to help people in need. Our ultimate philosophy was to help people recognize that simply sharing one percent of their own income could have incredible impact. Or as our slogan read, “Even a small bean can be shared by two.”

Since 2000, the Beautiful Foundation has donated about 100 billion won (\$93 million) to many civil society organizations working for underprivileged South Koreans. Several companies, organizations, and individuals continue to use the model of the Beautiful Foundation’s One Percent Sharing campaign to spread the culture of collaboration and cooperation among their members.

The Beautiful Store sells second-hand goods while promoting recycling, sharing, and the fair trade movement. There are more than 130 Beautiful Stores across South Korea, with more than 400 employees and 10,000 volunteers. The stores generate more than 30 billion won (about \$28 million) in annual sales.

A subsidiary, The Beautiful Coffee, imports coffees and teas from underdeveloped nations; with its 3.5 billion won (about \$3.2 million) in annual profits it builds local infrastructure (such as schools) and supports communities in those nations. The Beautiful Store also supports flood prevention efforts for the Ganges River in India and in cooperation with Oxfam supports minority groups in Vietnam.

Altogether, the Beautiful Foundation is more than a sum of these programs. Alongside the many other non-governmental organizations that have emerged in South Korea during the last few decades, the

foundation is working to build a better society through social innovation.

Redesign for Social Innovation

While other social enterprises and institutions began to surface in South Korea, there was still a great need for a place where individuals, organizations, governments, and other institutions could collaborate around big ideas.

And so, after teaching at Stanford University in 2005 and visiting numerous think tanks, I decided to bring this innovative organizational type to South Korea. I created the Hope Institute, which aimed to reconceptualize and redesign South Korean society through active engagement and support at several different scales: from ordinary citizens to corporations to the South Korean government.

The Hope Institute engages in a variety of vital, sustainable activities: devising

convergence were the most effective means to tackle the problems plaguing South Korean society.

A Social Designer Comes to City Hall

Though the Hope Institute had significant impact in forging serious partnerships with the government and other public institutions, there were fundamental barriers to large-scale change due to traditional, at times inflexible, government decision-making. It was not easy to convince the government of the necessity of partnership when even citizens were not fully convinced of its worth.

Citizens’ confidence in the media, economy, democracy, and their environment was eroding. Most important, trust, the cornerstone of maintaining and developing civil society, began to dissipate. Citizens sensed the crisis instinctively and began



creative policies to improve living environments; operating a “social designer” school that offers education about social innovation for social enterprises and assists people in starting social enterprises; and consulting with local governments on social economic policy and initiatives to revive local communities.

The Hope Institute also conducts experiments to induce the active cooperation of local governments and public institutions in improving citizens’ lives. Through these efforts, the institute quickly came to see that cross-sector cooperation and

to demand a change in local government. It was in this challenging environment, in September 2011, that I made my decision to run for mayor of Seoul.

During my campaign, even my background in citizen participation could not prepare me for the intense demand for social innovation among our citizens. People showed a clear preference for an administration that would actively engage citizens in governance.

Seoul citizens had a strong sense of ownership of their city and wanted to exercise their rights as citizens to bring about chang-

es to welfare and health—they had little interest in grandiose, empty promises.

In this environment, my campaign slogan, “Citizens are the mayor,” seemed to resonate. I won the election as an independent candidate—the first independent to be elected mayor of Seoul—defeating candidates from both the ruling and opposition parties.

Transforming City Government

Since becoming mayor, I have ensured that innovation and cross-sector collaboration

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are deeply rooted in city administration. I give citizens venues for their voices and enlist their support and participation.

One method we have used to increase citizen participation is establishing the Seoul Innovation Planning Division, which is responsible for collecting examples of innovation from around the world and researching how they may be applied in Seoul. The division also gathers the creative ideas of Seoul citizens and then spreads and systematizes those ideas. We also designated a critical administrative center of Seoul as a social innovation park, where organizations are creating a living social innovative ecosystem.

The Seoul City administration is also undertaking numerous initiatives for cross-sector innovation. The *Simin-cheong*, physically located in Seoul City Hall, acts as a “speaker’s corner” for anyone who wants to send a video message to the city administration. It is modeled after the forum for free speech at London’s Hyde Park Corner. Opinions can be up to 10 minutes long and are broadcast on the Seoul City website.

Moreover, several committees responsible for encouraging citizen participation and feedback have been formed within the administration, and experts from various fields and working-level government officials continuously engage in dialogue with business people, scholars, civil activists, and ordinary citizens on issues that affect our society.

Seoul City administration has also established online platforms to allow citizen participation and information sharing that will in turn enhance transparency in city operations. I have more than 660,000 Twitter followers, who express their ideas, concerns, and suggestions to me in real time and discuss those issues among themselves on Twitter.

We’ve created several other initiatives to increase citizen participation in government. One of these is the One Less Nuclear Power Plant campaign to improve our en-

vironment. Another initiative is the City 2.0 campaign for the spread of transparent information and communication. Yet another is the Seoul Plan Citizen Participants, an organization that involves citizens in Seoul’s urban planning initiative “Seoul 2030.”

Other initiatives launched by Seoul City administration are the Residents’ Participatory Budgeting System, a citizen-participatory budget plan that allows citizens to secure 50 billion won (roughly \$47 million) in 2013 for projects of their choosing, as well as a campaign to declare Seoul “A city where citizens share with one another.”

All these initiatives are part of an effort to make Seoul a city where information is readily accessible from anywhere, at any time. Leveraging the power of collective intelligence fosters the free expression of ideas and opinions among citizens and ensures that they are adequately considered in Seoul City’s policymaking processes. Today, a drawing of a large ear greets those who enter Seoul’s newly built City Hall.

Creating Super-Sectoral Social Innovation

But no matter how good a job government does to involve the ideas of its citizens, we cannot expect to solve all of the complex problems we face using the perspective of just one expert or the skills of just one sector.

As we become increasingly interdependent, the once-rigid boundaries between the public sector, private sector, and civil society are being challenged—each sector pursues innovation and convergence. The time has come for us to pinpoint the competences of each sector and strategically use them to improve the well-being of all citizens. In short, we need super-sectoral social innovation.

One way we foster this kind of innovation is encouraging partnerships between government and business. Indeed, many South Korean corporations now understand that prioritizing social responsibilities is a prerequisite for business success. The sharing of corporations’ resources, information, and know-how can accelerate solutions to the chronic and complicated problems weighing on society.

To help corporations increase their impact, Seoul City has developed alliances with businesses that leverage the unique strengths of each sector. Corporations enter into these collaborations by offering financial support, donations, volunteer work, and employment.

For instance, when a company donates a heating system and a food supplier delivers meals to seniors living alone, these businesses take on roles that are beyond the capacity of Seoul City’s budget and administrative competence but have direct social impact. The business sector also directly invests in social outcomes through innovative mechanisms such as the social investment fund created by Seoul City to support cooperatives and social enterprise by matching the amount that businesses contribute.

This is just one example, but we are working diligently to ensure that super-sectoral social innovation and citizens’ participation in governance take root more deeply. I hope the lives of citizens can be fostered and designed by citizens themselves. This is how citizens become mayors of Seoul.

South Korea is a country of transition, and South Koreans are a people who have experienced many trials and errors. We will likely continue to do so. But we are also a people known for our perseverance and our desire to create lasting friendships with other countries, regions, and cities. If we pursue innovations based on strong solidarity between people and free of sectoral divisions, there is no limit to what we can achieve—in Seoul City and in the world. ●