

Stanford SOCIAL INNOVATION^{Review}

Books

The Prize

By Dale Russakoff

Review by Kevin Huffman

Stanford Social Innovation Review
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BOOKS

REVIEWS OF NEW AND NOTABLE TITLES

PRITPAL S. TAMBER is the founder of the Creating Health Collaborative, an organization that aims to understand “health beyond the lens of health care.” He is a physician by training, with a background in academic publishing and clinical improvement.

Only in New York?

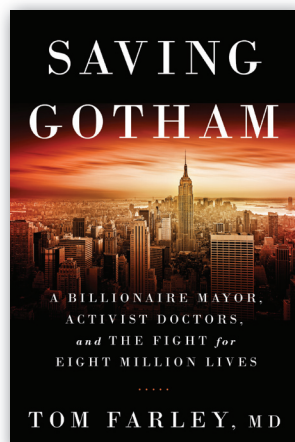
REVIEW BY PRITPAL S. TAMBER

In 2002, Michael Bloomberg was elected mayor of New York City. Over the course of three terms, he waged a war on the city’s carcinogenic and obesogenic environment. He hiked taxes on cigarettes, banned smoking in restaurants and bars, outlawed the use of trans fats in restaurants, forced food outlets to add calorie counts to menus, and almost (almost!) capped the size of soft-drink containers. He did so with the help of two health commissioners: Tom Frieden, who served until 2007, and Tom Farley, who stepped down in 2014.

Saving Gotham, written by Farley, is the story of how he and Frieden, along with the staff of the New York City Department of Health and Mental Hygiene, achieved those public policy changes. It’s the story of people who relied on data, persistence, and chutzpah to transform their traditionally staid department into an insurgent political machine. It’s the story of activist doctors who worked for a mayor with a strong interest in health—a mayor who also happened to be the 13th-richest person in the world.

Public health is the business of keeping people healthy. For centuries, that business focused on delivering services related to communicable diseases. But today, at least in middle- and high-income countries, the business of keeping people healthy is primarily about their lifestyle choices: what they eat, whether they exercise, and whether they smoke. Frieden and Farley, therefore, chose to frame their work in a radically different way. It would be less about delivering services than about “preventing needless deaths” that result from New York’s toxic environment.

Frieden and Farley judged the tobacco industry and some segments of the food industry to be purveyors of death, and they went after those industries with the righteous zeal of crusaders. When it comes to tobacco, that attitude seems to have merit. But the



SAVING GOTHAM:
**A Billionaire Mayor, Activist Doctors,
and the Fight for Eight Million Lives**

Tom Farley
310 pages, W.W. Norton

verdict on food is more complicated. Articles in respected medical journals, for instance, question whether high-salt diets are bad or posit that low-salt diets may be equally bad. Despite such nuances, Farley discusses such issues in a tone that says, “Trust us, we know best.” Farley seems trustworthy enough—but the underlying paternalism of his approach troubles me. The medical profession, after all, has a long history of abusing the trust of patients and communities.

In launching their ambitious campaigns, Frieden and Farley benefited from a peculiarity in how New York City manages public health. In the 19th century, the city established a Board of Health that enjoys considerable insulation from political pressure. The board maintains a health code, and the ability of the city health department to add regulations to that code is its most important tool. Although I applaud Frieden and Farley’s use of the code, I worry about the influence of a body that operates beyond the reach of democratic accountability. I also wonder how health departments that lack this organizational peculiarity can benefit from the lessons of this book.

There’s a touch of hubris in *Saving Gotham* that’s hard to tolerate at times. Farley clearly

believes that other public health departments should follow the lead of his former department, but he gives scant attention to public health authorities whose lead New York City has followed. In 1993, Finland required food manufacturers to post high-salt warning labels. In 2001, Iceland passed a law that requires stores to keep cigarette packs out of view. In 2003, Denmark enacted a ban on trans fats. Although Farley mentions these precedents, he doesn’t offer enough detail to show whether he and his colleagues adopted, modified, or rejected the approaches of these other authorities. In any case, the achievements that Frieden and Farley oversaw are not unique to New York City.

Farley tells the story in two parts. The first part describes the period from 2002 to 2007 and relies on interviews with the main players, including Frieden. The second part, which covers his own tenure as health commissioner, has a more personal feel. At times the story is difficult to follow, because Farley jumps back and forth in time and between issues: smoking, trans fats, calorie-count labels. (A timeline of pivotal moments in the development of each issue would have been helpful.)

Along with recounting the history of his and Frieden’s work, Farley makes three provocative assertions. He unequivocally states that the US Food and Drug Administration (FDA) is under the thumb of food corporations—a serious charge, given that 80 percent of the salt that Americans consume reaches them through processed foods, which the FDA supposedly regulates. He openly suggests that Sam Kass, the personal chef to First Lady Michelle Obama and a senior policy advisor for nutrition in the White House, is under the influence of the food industry and is blocking the FDA’s attempts to regulate salt. And he accuses Michael Alderman, a doctor who opposes low-salt diets and a former advisor to the Salt Institute (a pro-salt lobby group), of misrepresenting the scientific case for limiting people’s salt intake. It’s all brave stuff.

Ultimately, though, *Saving Gotham* is about Michael Bloomberg. He appears in

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the book perhaps a dozen times, but his role as mayor, his desire for a legacy in health, and, quite frankly, his wealth empowered Frieden, Farley, and their teams to embrace a bold political strategy. It's yet to be seen whether cities that don't have a Bloomberg-like figure can replicate this approach. Which is all the more reason to place this story in the context of achievements elsewhere in the world. ■

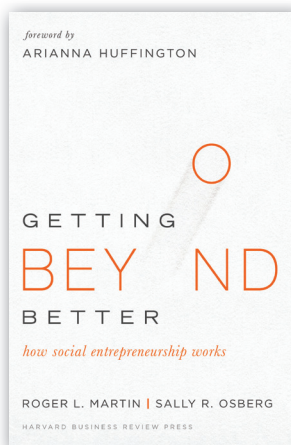
Change Gets a "Roadmap"

REVIEW BY KRISS DEIGLMEIER

In *Getting Beyond Better*, Roger L. Martin and Sally R. Osberg place the field of social entrepreneurship in historical context and present a "rough roadmap" for aspiring social entrepreneurs. To illustrate that roadmap, they use biographical vignettes of widely recognized social entrepreneurs, including Mohammed Yunus of Grameen Foundation and Paul Farmer of Partners in Health, as well as lesser-known figures such as Adalberto Veríssimo of Imazon and Ann Cotton of Camfed. For readers who are new to social entrepreneurship, this book provides a useful overview of the field and its protagonists.

I had hoped for something, well, *better* from *Getting Beyond Better*. Martin is a former dean of the Rotman School of Management at the University of Toronto; he also serves on the board of the Skoll Foundation. Osberg is president and CEO of the Skoll Foundation. Given their credentials, and given their Skoll connection in particular, I expected more than an overview. I was looking for rigorous analysis and "aha" moments that would elevate the field of social entrepreneurship. In the end, I didn't find the ground-shaking insights that I craved. Still, I found the book to be an enjoyable read that contains several nuggets of wisdom.

In 2007, Martin and Osberg penned an article titled "Social Entrepreneurship: The Case



GETTING BEYOND BETTER: How Social Entrepreneurship Works

Roger L. Martin & Sally R. Osberg
248 pages, Harvard Business Review Press

for Definition" in *Stanford Social Innovation Review*. In *Getting Beyond Better*, they elaborate on the definition presented in that article. They contend that social entrepreneurs "take direct action and seek to transform the existing system," with the goal of "forging a new stable equilibrium that unleashes new value for society, releases trapped potential, or alleviates suffering." According to Martin and Osberg, successful social entrepreneurs tend to go through four stages of development: "understanding the world," "envisioning a new future," "building a model for change," and "scaling the solution." The bulk of the book consists of chapters that explore these stages using examples drawn from the ranks of Skoll Award recipients.

Disappointingly, Martin and Osberg seem to have reverse-engineered the steps that these award recipients took. They offer neither comparative data nor a broader analysis that would justify applying their conclusions only to social entrepreneurship. In fact, their four stages reflect broad trends in the social change field. By presenting those stages as though they were unique to social entrepreneurs, Martin and Osberg miss the opportunity to apply their insights to other change agents in the nonprofit, government, and private sectors.

In my view, Martin and Osberg set the bar for social entrepreneurship too high. Saying that social entrepreneurs must by definition be in the business of "equilibrium change" runs the risk of excluding people who bring great ideas and tremendous

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energy to the work of social change. To see why this definition is problematic, consider some of the people profiled in the book.

Muhammad Yunus's work as a micro-finance pioneer had a modest start. While visiting a group of furniture makers in a Bangladeshi village, Yunus learned that they were trapped in a cycle of debt. "He reached into his own pocket to lend the women the money that they needed," Martin and Osberg write. The women repaid that loan and continued to repay loans in subsequent situations. Only later, after learning from related experiments that other people had undertaken, did Yunus formulate a new "micro-lending" model and realize the power of that model to "shift the equilibrium" in his target market. Other social entrepreneurs discussed in the book—such as Farmer, who founded Partners in Health back in 1987—took decades to reach a point where they could achieve some kind of equilibrium change. It's unlikely that these amazing entrepreneurs, in the early years of their ventures, could have articulated their models for "equilibrium change." They started small, listened to people, adjusted their models, kept trying, and moved forward from there.

It's a crucial point. Martin and Osberg, as representatives of the Skoll Foundation, have the power to set an agenda for this entire field. If their lofty definition of social entrepreneurship ends up creating a "club" that includes only scaled-up, equilibrium-changing models for social change, it will be a grave error. It takes vision to find, and courage to nurture, ideas that are promising but not yet proven. We don't want to exclude early-stage innovators from the social entrepreneurship ecosystem merely because they have not yet attained—or even tried to attain—equilibrium change.

Despite these limitations, *Getting Beyond Better* offers insights that may help change makers and their funders to be more effective. Martin and Osberg, for example, outline three tensions that social entrepreneurs must manage in order to navigate the world that they wish to change: "abhorrence" versus "appreciation," "apprenticeship" versus "expertise,"

and “experimentation” versus “commitment.” In a chapter on building a model for social change, meanwhile, they explore important tactics related to financial models that can alter the status quo.

The world needs more would-be social entrepreneurs who will tackle the immense challenges of our time. I hope that this book will inspire them. But I also hope that they won’t treat the book as a checklist of requirements that they must meet in order to qualify as social entrepreneurs. Social entrepreneurship is a journey, not a destination, and the “roadmap” that Martin and Osberg present can support that journey. ■

Learning From Hubris

REVIEW BY KEVIN HUFFMAN

Newark, N.J., has long been home to one of the most expensive and least effective public school systems in the United States. The Newark school district spends more than \$20,000 per student annually (nearly double the national average). For decades, the schools in Newark churned out standard results, even as the district swelled to become the city’s largest employer. Graft and incompetence led the state to take over management of the district in 1994, but not much changed in the ensuing 15 years.

Against that challenging backdrop, three high-profile figures—Chris Christie, governor of New Jersey; Cory Booker, mayor of Newark; and Mark Zuckerberg, founder of Facebook—made a huge bet in 2009 on an education makeover project. Dale Russakoff, a former reporter for *The Washington Post* who has also written for *The New Yorker*, spent several years following the Newark school reform effort at close range. She chronicles the highs (which are few) and the lows (which are many) of that effort in *The Prize*.

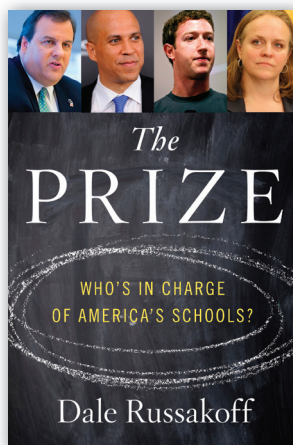
The book opens as Christie and Booker join forces to change Newark’s schools. Their plan is to make a big bet on the charter sector by closing down under-performing and

under-enrolled traditional schools and replacing them with what they hope will be higher-performing charter schools. They enlist the support of Zuckerberg, a recently minted billionaire, and he makes a \$100 million gift, which the three of them announce on *The Oprah Winfrey Show*. Then, using the long arm of the state’s power over the Newark district, Christie and Booker begin to make policy changes—often over the objection of locally elected officials. What could go wrong?

The Prize offers a cautionary tale of hubris, top-down autocracy, and poor execution. It offers an in-depth look at how education reform has played out, amid bare-knuckled political battles, in one American city. Early reviews of *The Prize* have treated it as part of a proxy fight in the education wars. That’s too bad. We should regard the book not as an excuse to confirm pre-existing biases but as a vehicle for discussing what we can do to transform schools.

Indeed, Russakoff is at her best when she acts as an equal-opportunity critic. She skewers reformers for their worst instincts. But she also takes dead aim at the corruption and abject failure that characterize many public school systems.

I’ve spent more than 20 years in public education, most of them squarely in the education reform camp, and I found it painful to read as Russakoff lays bare the worst sins of the reform movement. She details Booker’s private jet trip to Sun Valley, Idaho, to woo wealthy patrons. She describes a reform proposal drafted by McKinsey &



THE PRIZE:
Who's in Charge of America's Schools
Dale Russakoff
246 pages, Houghton Mifflin Harcourt

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Co. consultants. (“It was titled ‘Creating a National Model of Educational Transformation.’ On the cover was a color photograph of Booker surrounded by African American children, all reaching skyward, as was the mayor,” she writes.) She recounts the chaotic early phases of the reform project. “I’m not sure who our client is,” one consultant says during this period.

Behind all of this ugliness lies a core truth that supporters of education reform need to acknowledge. Too often, reformers obsess about policies and overlook execution. They embrace technocratic fixes at the expense of on-the-ground training and organizing. And they are too readily seduced by the trappings of (say) an Aspen Institute retreat. All of this creates an inauthentic, above-it-all aura that people can sense a mile away.

At the same time, Newark’s traditional public schools are a longstanding disaster. Russakoff describes custodial contracts that siphon off so much money that schools can’t hire art and music teachers. Teachers’-union leaders demand extra back pay merely as the price for coming to the bargaining table—and wind up opposing reform anyway. Only half the money that the Newark system spends each year ever makes it to the schools; the rest of it bleeds out in layer after layer of bureaucracy.

Cami Anderson, the superintendent charged with implementing the Newark reform effort, arrives halfway through the book. By that point, miscues by state officials over the course of two decades have poisoned the environment for reform. Ultimately, local resentment drives her from office: The primal scream of opposition to state-imposed control drowns out news of the successes that occur during her tenure.

Although *The Prize* sometimes reads like an obituary for Newark school reform, the book sells short the accomplishments that people have made over the past five years. Newark has seen a significant increase in graduation rates, notable growth in the number of high-quality charter schools that serve poor kids, and critical upgrades in the training and autonomy given to principals.

We may lament the politics, but it's wrong to write off the results.

Russakoff makes a plea for more community engagement, but in doing so she glosses over some ugly realities. In many cities, there is a cottage industry that consists of people who turn community engagement into favor-trading and community meetings into Kabuki theater. Joe Nocera, a columnist for *The New York Times*, suggests that Zuckerberg has “learned his lesson” and will right the philanthropic ship by listening to communities. If only it were that easy!

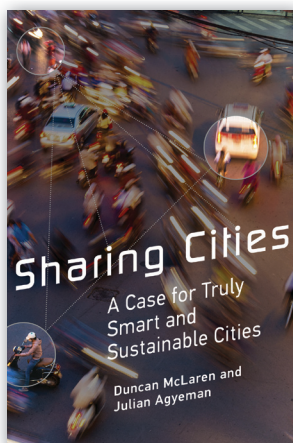
It will be a shame if budding philanthropists read this book and decide that transforming public education is just too hard. It will be equally unfortunate if education reformers skip the book and avoid its critique of their movement. ■

A Tale of Two Futures

REVIEW BY APRIL RINNE

This fall, I traveled to Seoul, South Korea, to give a speech on the global sharing economy. While I was there, I met with Park Won-soon, the mayor of Seoul, and saw him deliver an impassioned speech about the power of the sharing economy to build community, to improve local government, and to create thriving, sustainable cities. Then I traveled to California, where I was greeted by headlines that proclaimed the sharing economy to be a root cause of precarious work, rising income inequality, and gentrification. I thought to myself: Are people like Park and the people who write those headlines even talking about the same thing?

This conundrum lies at the heart of *Sharing Cities*, by Duncan McLaren and Julian Agyeman. McLaren, an environmentalist, and Agyeman, a professor of urban and environmental policy and planning at Tufts University, tease out the many varieties of “sharing” that exist in the sharing economy. They also investigate what each variety means for the



SHARING CITIES: A Case for Truly Smart and Sustainable Cities

Duncan McLaren & Julian Agyeman
426 pages, MIT Press

future of sustainable growth and social cohesion. In doing so, they reveal important issues that may affect the potential of the sharing economy to improve people's lives.

But first let's set the stage: People are moving into cities worldwide at an unprecedented rate. The global urban population is growing by the equivalent of one Copenhagen-sized city every week. Technology, meanwhile, is enabling people to reinvent almost every aspect of their lives—from how they connect to how they consume to how they work, travel, and learn. These two trends have given rise to social models that involve the sharing of assets for financial or nonfinancial purposes. The spread of these models is especially prevalent in cities because cities have dense concentrations not only of people but also of shareable assets.

“At the heart of our case for the sharing paradigm,” McLaren and Agyeman write, “is an understanding of justice as universal access to the capacities and abilities we need to flourish.” A true sharing economy, they argue, is one that values “just sustainabilities”—qualities such as social equity and inclusiveness—rather than efficiency and profits. But that version of the sharing economy is at risk of being co-opted by commercial interests. Even leisure, the authors contend, has become “a battleground of commodification.” The danger is that in our pursuit of more flexible lifestyles, we will set in motion “a race to the bottom”: a process in which consumers replace citizens, the rich get richer, and minorities are marginalized.

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McLaren and Agyeman do an exemplary job of raising these and other thorny issues. They challenge us to ask: What does a truly “smart and sustainable” city look like, and how does this model overlap with the sharing economy? Do current approaches to the sharing economy factor in the values of economic and social justice—and if so, to what degree? Are the entrepreneurs who develop these approaches simply “share-washing” private interests?

Sharing Cities covers a broad range of topics, from Silicon Valley start-ups and neighborhood cooperatives to land rights and tax policy. Drawing on philosophers from Aristotle to Amartya Sen, the authors also explore how ideas about sharing have evolved over many centuries. Yet the book's greatest strength is also its greatest limitation: In attempting to tackle such a broad range of subjects, McLaren and Agyeman dilute and at times muddle their message. The book is an excellent resource for people who already have an interest in the sharing economy, but its complexity will lessen its appeal for people who are new to the topic.

There is no one path to becoming a sharing city; many approaches can work. The truly stellar examples—such as Seoul and Amsterdam—are those in which city government applies the sharing economy to its own operations, enables a range of business models, and gives priority to the values of community. In cities where people focus largely on promoting private-sector models (San Francisco is an example), the risk of commodification, co-option, and a loss of community is much greater.

But the relationship between commercial and noncommercial approaches is not zero-sum. Much depends on *how* a platform is commercialized. To build a sharing economy that is sustainable, just, and efficient, we need to pursue both nonprofit and for-profit models. Perhaps more important, we need to develop new models that allow for the co-ownership of assets by people who use those assets.

I am reminded of the first line of the Charles Dickens novel *A Tale of Two Cities*:

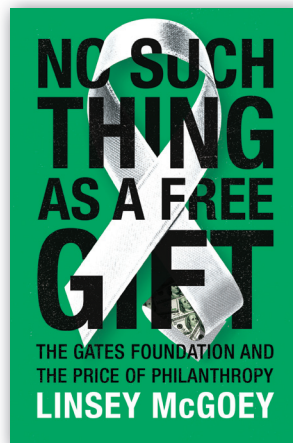
“It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness. ...” All around us, I see encouraging signs of the potential for the sharing economy to benefit cities. But I also see reasons for concern about sharing-economy models that don’t take into account broader social issues. *Sharing Cities* is a wake-up call to policy makers, businesspeople, and community leaders: There has never been a better—or more urgent—time to build a shared urban future. ■

The Price of Giving

REVIEW BY MARIBEL MOREY

About halfway through *No Such Thing as a Free Gift*, her book about the Bill & Melinda Gates Foundation, Linsey McGoeey suggests that it’s necessary to review Bill Gates’s tactics at Microsoft Corp. in order to understand his current work as a philanthropist. At Microsoft, she explains, Gates’s managers would blacklist journalists as a means of preventing negative coverage of the company’s business practices. She offers a compelling example: “John Dvorak, a columnist at *PC Magazine*, describes how Microsoft management would list reporters on a whiteboard with the comments ‘Okay,’ ‘Sketchy,’ or ‘Needs work.’ Many reporters believed, Dvorak writes, that if you ended up in the ‘needs work’ category, Microsoft would take pains to try and have you fired.”

If people at the Gates Foundation follow a similar practice with writers who are critical of the foundation, no doubt they will consider McGoeey to be someone who “needs work.” Fortunately for her readers, McGoeey doesn’t seem to care. A sociologist at the University of Essex, she brings courage and intellectual depth to the task of confronting the Goliath of the philanthropic world. In *No Such Thing as a Free Gift*, she delivers a well-documented manifesto not only against the Gates Foundation but also, more broadly,



NO SUCH THING AS A FREE GIFT:
The Gates Foundation and the
Price of Philanthropy

Linsey McGoeey
296 pages, Verso Books

against the movement known as “philanthrocapitalism.” I hope that people at the Gates Foundation, instead of dismissing (or blacklisting) McGoeey, will treat her with the respect that she deserves both as a scholar and as an engaged global citizen who has a big stake in the activities of their organization.

For her definition of philanthrocapitalism, McGoeey draws from the book *Philanthrocapitalism: How the Rich Can Save the World* (2008), by Matthew Bishop and Michael Green. Paraphrasing them, she notes that the term has two distinct meanings. First, it involves “a novel way of doing philanthropy, one that emulates the way business is done in the for-profit capitalist world.” Second, it concerns “the way that capitalism itself can be naturally philanthropic.” McGoeey focuses on the Gates Foundation because other philanthrocapitalists herald Gates as a leader of the movement. She also argues that the organization’s funding practices warrant more careful scrutiny than they have received so far.

In her book, McGoeey aims to do two things: She seeks to place contemporary philanthrocapitalists’ claims to novelty in historical context, and she intends to explore the social consequences of their funding efforts both inside and outside the United States. She finds that present-day philanthrocapitalists have much in common with earlier philanthropists such as Andrew Carnegie and John D. Rockefeller. Like their counterparts today, the industrialists of

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the late 19th and early 20th centuries made efforts to bring private-sector methods into the philanthropic sector.

Yet McGoeey contends that certain attributes of the current cohort of philanthropists are novel. Not only do the philanthropists of our own time act on a wider, more global stage than their predecessors, but they are also more explicit about advancing their own interests. “Philanthropy often opens up markets for US or European-based multinationals which partner with organizations such as the Gates Foundation in order to reach new consumers. Giving more is an avenue for getting more,” McGoeey writes.

The book is intended for a broad audience that includes scholars, journalists, and citizens who have an interest in applying a historical and critical lens to philanthrocapitalism. The first few chapters of the book provide an analytical and historical introduction to philanthrocapitalism, and the remaining chapters focus primarily on the Gates Foundation’s grantmaking in the fields of public education and public health. The book concludes with a cutting assessment of the organization’s role in society, and of philanthrocapitalism more broadly.

To inform her analysis, McGoeey relies on numerous interviews that she conducted with scholars, journalists, and nonprofit practitioners. She also draws thoughtfully from sources in the history of philanthropy and in the social sciences. Glaringly absent from the book, however, is direct source material from the Gates Foundation. If she had interviewed its staff members or accessed its internal documents, perhaps McGoeey would have come to view the foundation as in some ways a flawed and misguided group, and yet in other ways as a well-intentioned one. (Of course, if the foundation didn’t grant McGoeey interviews or entry to its archives, she cannot be blamed for failing to offer a more nuanced portrayal of the organization.)

In any event, McGoeey has courageously provided readers with a blueprint for analyzing and questioning the significant public role played by philanthrocapitalists in societies across the world today. ■