Course Description

Economics 77/Public Policy 43 provides an introduction to the theory and practice of social entrepreneurship, defined generally as the process of finding innovative, sustainable solutions to social problems and, more specifically for this course, social problems that are a cause or consequence of poverty.

Course Objectives

The course has three objectives. First, students will understand the nature and causes of poverty, in both domestic and international contexts, as well as the emergence of social entrepreneurship as a means of addressing poverty. Second, students will learn about the process of social innovation and the ways social entrepreneurs have transformed those innovations into poverty-relieving initiatives. Third, as a means of experiential learning, students will build on the first two objectives to identify a manageable aspect of the larger problem of poverty and to propose, refine, and pitch a venture to address that aspect.

It is expected that the best of these ventures will be eligible for continued support from the Rockefeller Center and for additional development at the Magnuson Center for Entrepreneurship. Jamie Coughlin, the Magnuson Center’s director, has offered to participate in various aspects of the course.

This course is designed to serve any one of three purposes as part of a major or minor: as a “Policy Methods Course” for the Public Policy Minor; as a course, not part of a sequence, in the Economics Major or Minor; or as a “Design Elective” in the Human-Centered Design Minor.

Prerequisite: Economics 1 is required. To review this material, you can work through videos in the Microeconomics course at Khan Academy (particularly the first, third, fifth, and sixth sets of videos), available at: https://www.khanacademy.org/economics-finance-domain/microeconomics.

Course Readings

The following four books are required. They are available at Amazon.com using the links below. The first focuses on the work of Muhammad Yunus, whose pioneering work in microfinance in Bangladesh helped launch and define the field of social entrepreneurship and who was honored with the 2006 Nobel Peace Prize. The second is an in-depth study of poverty in a domestic context. The third presents a framework for creating and
analyzing business models, and the fourth explains the “Lean Startup” method for building a business.


Sections of these books are referred to in the Course Outline below by the last name of the author(s). Several articles are also listed in the Course Outline, along with links to where they may be downloaded from any computer on the Dartmouth network.

The books are expected to cost about $65, depending on the format, e-book or paperback. You should also expect some additional costs, perhaps $30, for software to assist with the production of your video. An example is VideoScribe, [http://www.videoscribe.co/](http://www.videoscribe.co/). See also [https://www.vyond.com](https://www.vyond.com) and [https://www.powtoon.com/](https://www.powtoon.com/). Make sure that the software you use can export the final product for offline viewing.

**Course Grade Components**

Your grade in the course is determined by your performance on writing, research, and speaking assignments. For students who complete all of the assignments, the final course grade will be determined based on those assignments as follows:

- In-Class Exam: 40%
- Poverty Research Assignment: 20%
- Business Model Assignment:
  - Written business model, including funding request: 20%
  - Video business venture pitch: 20%
1) **In-Class Exam**

There will be one exam in the course, scheduled for the class period of **Thursday, February 14**, covering the material in all lectures and readings prior to that date.

2) **Poverty Research Assignment**

To develop an innovation that is feasible, desirable, and viable requires subject matter expertise. The gap between what you currently know and what you need to know to produce an innovation is research. This assignment gets you started. You may work individually or in groups of 2 – 3. All groups must be formed and certified to me via e-mail by **Wednesday, January 16, at 5 p.m.**

**Due Date for this assignment:** **Monday, January 28**, uploaded to Canvas by 5 p.m.

3) **Business Model Assignment**

For this project, students will work in teams of 2 – 3 to develop and present a business model for a social enterprise that generates net income for those in poverty or increases the purchasing power of low-income households by reducing the cost of a product or service on which they typically spend money. All groups must be formed and certified to me via e-mail by **Wednesday, February 6, at 5 p.m.**

This assignment will require you to research the need for the enterprise’s product or service and the latent customer demand for the product or service; to design a product or service that draws from the class discussions of innovation; and to present your business model in both written and oral form.

At the heart of the Lean Startup framework is the Build-Measure-Learn feedback loop, which is designed to test the key assumptions of your business model as a work in progress. The final section of your written assignment is a grant application for funding to test the value and growth hypotheses of your business model during a leave-term.

**Due Dates for this project:**

**Wednesday, February 27, 5 p.m.**: Earliest time to submit rough drafts of the project.

**Monday, March 4, 5 p.m.**: Latest time to upload presentation materials to Canvas.

**Tuesday, March 5**: In-class presentations of projects

**Friday, March 8, 5 p.m.**: Latest time to submit final drafts of the project.

I am happy to give feedback on rough drafts of the written business model, subject to two conditions. First, I require a minimum of 2-days’ turnaround time. Second, the feedback that I provide should not be considered a punch list for the final draft.
Academic Rigor

You should expect to come to every class prepared to learn and to commit significant time outside of class in order to master the material and complete the assignments in a way that demonstrates analytical and creative aptitude. You will be graded according to your mastery of the material as reflected on your assignments, as indicated in the ORC at: http://bit.ly/ScholarshipRating. Consistent with grading policies in the Economics Department, the median grade for this course is expected but not guaranteed to be a B+.

Additional Information

Class Meetings: Kemeny 105, TuTh 10A (10:10 a.m. – 12:00 p.m., x-period W 3:30 – 4:20 p.m.).

Office Hours: Rockefeller 112, Wednesdays, 11:00 a.m. – 12:00 p.m. Regular office hours are on a walk-in basis. In any week in which the x-period is not scheduled for class time, it is available for office hours. Appointments to see me at other times must be confirmed by e-mail.

Honor Principle: Students are expected to follow the College’s guidelines for the proper attribution of sources in the conduct of their own research. While offering assistance to fellow classmates outside of graded assignments is encouraged, all written, oral, and computer assignments that are not group-based are expected to reflect each student’s own individual work. All in-class, graded assignments will be timed and done without reference to books, notes, or computers unless otherwise specified. Any student referring to such materials or giving or receiving assistance during a graded assignment violates the Academic Honor Principle.

Equal Access: Students with learning, physical, or psychiatric disabilities who may need disability-related classroom accommodations are encouraged to make an appointment to see me as soon as possible. The Academic Skills Center will be asked to verify that the student is approved for these services. All discussions will remain confidential, although the Student Disabilities Coordinator may be consulted to discuss appropriate implementation. I cannot guarantee accommodation without at least a week’s notice prior to the exam.

Religious Observances: Some students may wish to take part in religious observances that occur during this academic term. If you have a religious observance that conflicts with your participation in the course, please meet with me before the end of the second week of the term to discuss appropriate accommodations.
Course Outline

Assigned readings are to be completed before the class period during which they will be discussed unless otherwise noted.

1 Thursday, January 3, Welcome and Introduction


2 Tuesday, January 8, Domestic Poverty: An Introduction


Edin & Shaefer (entire book)


3 Thursday, January 10, Domestic Poverty: Continued Study

Housing Solutions for Vulnerable Populations: Apartment Angel
http://www.apartmentangel.org, CoAbode http://www.coabode.org/


4 Tuesday, January 15, Global Poverty and Social Entrepreneurship in the Developing World

Yunus, Chapter 1, Why Social Business
Yunus, Chapter 2, Growing Pains


[http://libcat.dartmouth.edu/record=b3328261~S1](http://libcat.dartmouth.edu/record=b3328261~S1)

5 Thursday, January 17, Social Enterprises as Redistribution in an Economic Framework

This is the class period that will draw most heavily on your review of the Microeconomics course at Khan Academy, described above. See, in particular, the first, third, fifth, and sixth sets of videos at:  
[https://www.khanacademy.org/economics-finance-domain/microeconomics](https://www.khanacademy.org/economics-finance-domain/microeconomics)


Yunus, Chapter 4, To Cure One Child  
Yunus, Chapter 6, Grameen Veolia Water  
[You should read the rest of *Building Social Business* before the exam, but not necessarily for this class period.]

[http://libcat.dartmouth.edu/record=b3328261~S1](http://libcat.dartmouth.edu/record=b3328261~S1),  
[https://ssir.org/articles/entry/across_the_returns_continuum](https://ssir.org/articles/entry/across_the_returns_continuum)


6 Tuesday, January 22, Workshopping the Poverty Research Assignment [Special Guest **Chris Rudd**]

The Startup Experience Framework (Templates Posted to Course Website)

In-Class Discussions:
- Premama: [http://www.premamawellness.com](http://www.premamawellness.com)  
- The 37 Business Models from 14X, 15X, 17W, and 18W  

7X Wednesday, January 23, The Lean Startup

http://libcat.dartmouth.edu/record=b3059459~S1

Ries, Part One, Vision (Chapters 1 – 4)
Ries, Part Two, Steer (Chapters 5 – 8)
Ries, Part Three, Accelerate (Chapters 9 – 10)

7 Thursday, January 24, The Lean Startup, Continued

[You should read the rest of *The Lean Startup* (Chapters 11 – 14) before the exam, but not necessarily for these class periods.]

8 Tuesday, January 29, The Business Model Canvas [Special Guest Arthur Brooks]

http://libcat.dartmouth.edu/record=b3059459~S1

http://libcat.dartmouth.edu/record=b3328261~S1,
https://ssir.org/articles/entry/philanthropy_in_a_time_of_polarization

Osterwalder & Pigneur, Section I: Canvas

9 Thursday, January 31, Business Model Patterns: Databases and Platforms

Osterwalder & Pigneur, Section II: Patterns


http://www.newyorker.com/business/currency/facebook-should-pay-all-of-us

http://www.applicoinc.com/blog/what-is-a-platform-business-model/

https://hbr.org/2013/01/three-elements-of-a-successful-platform
10 Tuesday, February 5, Business Model Patterns: Donated Inputs and Outputs


11 Wednesday, February 6, X-Period, Ideation

**Osterwalder & Pigneur**, Section III: Design and Section IV.3 Blue Ocean Strategy


Additional resources to be posted to Canvas from Strategyzer and Acumen Plus

12 Thursday, February 7, Business Model Patterns: The Collaborative Economy

Knowledge @ Wharton (2014). “Sharing Economy 2.0: Can Innovation and Regulation Work Together?”
http://knowledge.wharton.upenn.edu/article/the-next-phase-for-the-sharing-economy/

Badger, Emily (2014). “Why We Can’t Figure Out How to Regulate Airbnb,” The Washington Post, Wonkblog (April).


13 Tuesday, February 12, The Video Pitch – Meet in Jones Media Center

iMovie Introduction from Susan Simon, Media Learning Technologist

Review the “Pitch Structure” [Stage 5] template of the SXP framework.

Review the multimedia resource guide at http://bit.ly/dartmouthmediaguide. Using this guide, create or find (online) images, audio, and video that pertain to your final business model assignment. Have these multimedia resources available when we meet in the Jones Media Center for this class period.

14 Thursday, February 14, EXAM

15 Tuesday, February 19, No Class Meeting today

16 Thursday, February 21, Finance and Scale

Ries, Part Three, Accelerate (Chapters 9 – 10) [Review]

http://libcat.dartmouth.edu/record=b3059459~S1

17 Tuesday, February 26, No Class Meeting today

18 Thursday, February 28, Meet in Jones Media Center

No new reading or assignments. Class period provides time for feedback on and further refinement of business model assignments, including specific feedback on Video Projects.

19 Tuesday, March 5, In-Class Business Model Presentations