Foreword

My career in government—as an academic researching democracy and politics, and as a civil servant implementing public policy in Mexico—has granted me certain privileges that few others have experienced. I am cognizant of this privilege and humbled by the assignments I have been asked to lead.

During my tenure as Mexico’s Secretary of the Interior, I was aware of the multiple interdependencies that exist between the private and public sectors at the national and international levels. Additionally, in many of the positions I held in the ministry, I was not only charged with the task of engineering and increasing the accountability of policy solutions for national security, but I was also tasked with organizing policies to address many of Mexico’s most pervasive and chronic social challenges. These challenges included healthcare, education, corruption and economic development.

My position in government also provided me with the opportunity to meet with Dr. Jeremi Brewer. At the time, Dr. Brewer was conducting his postdoctoral research at Brigham Young University on necessity entrepreneurs from the missing middle around the globe. More specifically, he was searching for programs and institutions that were focused on training microenterprise operators how to start and/or improve their small businesses. Thanks to other social entrepreneurs in Mexico, I also learned about “La Academia”—the non-governmental organization Dr. Brewer had started with Stephen W. Gibson in Mexico City in late 2010. I was immediately interested in helping him with his efforts. I have since been inspired by his efforts as he and his business partner, Jeff Brownlow, have incubated “Elevate Business Academy” (a promising high-impact entrepreneurship and leadership company) at the Graduate School of Business at Stanford University and Brigham Young University. As an academic, social entrepreneur and policymaker, I have high hopes for their program.

Eventually, Dr. Brewer arrived at my office in Mexico City, and we had a chance to spend several hours together discussing his work. I inquired more about the mission and vision of “La Academia” and the “Microenterprise Education Initiative” he had started at BYU. I was pleased to know that
Institutional case studies on necessity entrepreneurship

my country was benefiting from a social entrepreneur whose heart and mind were properly aligned behind solid scholarly research.

Our conversation centered primarily on the following three questions Dr. Brewer posed, and that were particularly germane to contemporary public policy in Mexico:

1. Why is the process for registering a non-profit/non-governmental entity in Mexico so cumbersome and ‘impossible’ to navigate?
2. Did I believe in the argument that Mexico was inundated with “necessity entrepreneurs”?
3. Would I be willing to contribute to this book?

The first question merits much more than what I am able to write in this foreword. However, I will mention here that the process for registering social-entrepreneurship ventures, not-for-profit ventures, and/or non-governmental ventures in Mexico is indeed cumbersome. In some sense, this derives from the fact that Mexico is still a very statist political system. Its history is less one of citizens organizing together to create a certain form of government, and much more one of elites (foreign and domestic) using the state apparatus to further their individual interests—most of the time limiting access to power and competition for it. Despite the alternation in power that came after the years 1997‒2000, Mexico’s political elites still believe that it is the State’s (with a capital “S”) responsibility to regulate social, economic and social life—that the State embodies some kind of common and superior good, and social actors must abide by the rules set forth by those running the polity—from government and Congress. And as much as in government we tried to change these views, old habits die hard, and registration of not-for-profits remained burdened by this perspective.

My answer to Dr. Brewer’s second question was that Mexico was, in fact, inundated with what he has defined as “necessity entrepreneurs.” Granted, I was not familiar with the term, but I was familiar with the description. In Mexico, I knew that the majority of small business owners did not have a registered entity, did not pay taxes, had employees without healthcare, and had almost no formal business training. Additionally, the vast majority of Mexicans who started college would not complete their university studies and that only about one in ten would actually find a job in the industry they studied.

This foreword is in a sense an answer to Dr. Brewer’s third question. Over time, he and I grew closer, as I have learned more about his work both in Mexico and abroad, and have been inspired by his life story and his many accomplishments. I have founded a social start-up myself, México
Crece, and currently contribute to an institution that firmly believes in the power of education to transform oneself.

Thus I am grateful for Brewer’s insistence that I can add value to the discourse on necessity entrepreneurship and economic development among the missing middle. And, while I am not familiar with each of the organizations or initiatives covered in this work, I am aware that there remains a significant need to train necessity entrepreneurs around the world. I am convinced that Mexico is not the exception and that hundreds of millions of people around the globe would benefit from receiving business management training in addition to receiving capital through microfinance loans, while they rethink of themselves as masters of their own destiny.

I wish to challenge all of those who will read this book, as well as Volume I of this series, to continue searching for scalable solutions that address some of the greatest social challenges around the world. In his own way, Dr. Brewer has found a niche and will surely be successful at training tens of thousands of people in Mexico (and other nations) each year. From one who has seen the spectrum of social trends, I am thoroughly convinced that by training necessity entrepreneurs how to start and/or grow their small businesses will inevitably lead to bottom-line economic development in each country.

I also urge all of those who read these works to get involved in the work that Dr. Brewer and others are conducting around the world; these are good and inspiring people, with good ideas, and with a solid understanding of how to impact at scale.

In closing, I leave you with this thought: governments will never solve the problems of their countries in isolation, and neither will NGOs or private enterprises. Together, however, our reach will be much greater and the positive impact will be longer lasting. But in order to work together, we must have the courage to take risks and move forward. This is the only way we will ever achieve that which we deeply desire: bottom-line economic development.

Alejandro Poiré, PhD
Dean
Graduate School of Government and Public Policy
Tecnológico de Monterrey