

THE ‘EVERYDAY’ POLITICAL ECONOMY  
OF SOCIAL ENTERPRISE  
LESSONS FROM *GRAMEEN SHAKTI* IN BANGLADESH

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*For Shaun*

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# Acronyms and Abbreviations

ADAB	Association of Development Agencies in Bangladesh
ADB	Asia Development Bank
B/W TV	Black and White Television
BCSIR	Bangladesh Council of Scientific and Industrial Research
BRAC	Bangladesh Rural Advancement Committee
CDM	Clean Development Mechanism
CEO	Chief Executive Officer
CFL	Compact Fluorescent Lamp/Light
CNG	Compressed Natural Gas
CSR	Corporate Social Responsibility
DC	Direct Current
EIPE	'Everyday' International Political Economy
FDI	Foreign Direct Investment
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
GoB / Government	Government of Bangladesh
GTC	Grameen Technology Center/s
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation)
HH	Household
ICS	Improved Cook Stove/s
IDCOL	Infrastructure Development Company Limited
IFRD	Institute of Fuel Research and Development
IMF	International Monetary Fund
INGO	International Non-Government Organisation
IOC	International Oil Company
IPE	International Political Economy
IPP	Independent Power Plant
IT	Information Technology
KfW	Kreditanstalt für Wiederaufbau (Reconstruction Credit Institute)
lakh	100,000
LED	Light-Emitting Diode
LGED	Local Government and Engineering Department
MNC	Multinational Company
MoU	Memorandum of Understanding

MW	Megawatt
n.d.	no date
NA	Not Available / Not Applicable
NDBMP	National Domestic Biogas and Manure Programme
NGO	Non-Government Organisation
NGOAB	NGO Affairs Bureau
PBS	Palli Bidyut Samities (Electricity Cooperatives)
PO	Partner Organisation
PV	Photo-Voltaic (solar energy)
REB	Rural Electrification Board
REEEP	Renewable Energy and Energy Efficiency Programme
REREDP	Rural Electrification and Renewable Energy Development Project
RIPE	'Regulatory' International Political Economy
RSF	Rural Services Foundation
SAP	Structural Adjustment Program
SHS	Solar Home System/s
SNV	SNV Netherlands Development Organisation
Tk	Taka. Bangladesh currency unit. 70 Taka ~ US\$1 (1 January 2010)
UK	United Kingdom
US / USA	United States of America
USSR	Union of Soviet Socialist Republics
WHO	World Health Organisation

# Abstract

With increasing international concern for both the corporate social responsibility of businesses and the market-compatibility of charitable projects, a new field is sparking interest in government, business and academic circles. The burgeoning field of ‘social enterprise’ incorporates a variety of organisations which attempt to tap into the potential of business and nonprofit ventures, with their dual social and financial goals, or ‘double bottom-line’. The literature concerning social enterprise is still in the early stages of development, with much focus on the economic debates but considerably less attention to the political aspects that influence and drive the field. This is especially true for social enterprises in developing countries. In order to help fill this gap in the literature, the thesis uses an ‘everyday IPE’ (International Political Economy) lens to explore and assess ‘Grameen Shakti’, an energy-focused social enterprise from Bangladesh.

In-depth analysis of this case study reveals the ways that Grameen Shakti has been able to ‘resist’ the energy development history of Bangladesh, with its alternative focus on decentralised, renewable energy solutions for rural households. In terms of its sales-based dissemination of energy technologies like the solar home system, Grameen Shakti has made considerable strides forward. The social enterprise’s dual focus on both financial and social goals, however, has meant that it has not been as successful with its less financially-rewarding technologies and sales initiatives. Furthermore, the analysis shows that Grameen Shakti’s product-oriented approach is not sufficient for addressing embedded local socio-political energy issues, such as the gendered energy inequalities surrounding land use and fuelwood supply. In summary, while Grameen Shakti does step outside the conventional boundaries of energy development in Bangladesh, and has made significant progress in addressing rural energy needs, its focus on market-compatible energy solutions means that it is an incomplete solution to rural energy development.

In itself, this finding is not problematic, as a social enterprise like Grameen Shakti could still be considered a valuable piece in the development puzzle. It is when we consider the national and international political contexts, however, that the broader causes and consequences of Grameen Shakti's choices become apparent. With an analysis of the political economy of development in Bangladesh, the thesis reveals how social enterprises like Grameen Shakti have been used by powerful national and international actors, such as the Government of Bangladesh and the World Bank, to direct the development sector as a whole towards more market-compatible, and less politically sensitive, development issues. Consequently, it may be argued that social enterprises in Bangladesh and other developing countries are helping to legitimise the marginalisation of the types of development solutions and organisations that may be better able to challenge structural political inequalities and mobilise for social change.

In this way, the social enterprise field is part of a broader, global contestation between neoliberal and counter-hegemonic agendas, with individual social enterprises (in both developing and western countries) contributing to this scenario with varying degrees of resistance, complicity and awareness. Currently though, with the social enterprise literature being dominated by the economics of social entrepreneurship, political issues such as this are not being sufficiently studied or debated. The thesis ends, then, with a call for more 'everyday IPE' analyses of social enterprises in a variety of contexts: to gain a more nuanced understanding of these significant political dimensions and to create a social enterprise discourse that better reflects the diversity in the field.

# Declaration

This work contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution to Michelle Hackett and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text.

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Signed: Michelle T. Hackett

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Date

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