

Applied Empathy – The Secret to System Change

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"This is what we call smart power. Using every possible tool and partner to advance peace and security. Leaving no one on the sidelines. Showing respect even for one's enemies. Trying to understand, in so far as psychologically possible, [to] empathize with their perspective and point of view. Helping to define the problems, determine the solutions. That is what we believe in the 21st century will change the prospects for peace."

When Hillary Clinton made this statement at Georgetown University in December 2014, the conservative press lambasted her for proposing that we empathize with our enemies, and liberals largely ignored it. Nobody seemed to recognize, or be willing to admit, what a significant and urgent insight this is for the current era.

Change is, of course, a historical constant. But change today happens at an unprecedented rate. As innovator and futurist Ray Kurzweil has noted, early human technologies like stone tools developed over tens of thousands of years. By the time of the printing press, the impact of change was felt over decades. With the Internet, we feel the impact of change over far shorter timeframes. Today, we see the use of robots transforming the job market, replacing formerly reliable jobs with new types of employment we might never have imagined just a generation ago.

This accelerating rate of change has many effects, both good and bad, but one of the most interesting and compelling dynamics is the transformation of traditional power structures. Power has been diffused which has enabled millions to participate in society in new ways. We can map this trend from the end of slavery and colonization to the rise of democracy and the movements for civil rights, women's rights and LGBT rights, and to the current tech revolution that is exponentially expanding civic and economic participation around the world. African farmers can access commodity market information on their mobile phones rather than relying on middlemen. Women in rural areas of the world, previously relegated to financial dependence on their husbands, can access loans to start their own businesses. Anyone with a car or a home can become the equivalent of a taxi driver or hotel operator. Anyone with a camera or smartphone can bring global attention to issues like police brutality. Anyone can use the Internet to become a publisher or to start a business or organization through crowdfunding rather than relying only on banks and philanthropists for capital. The list continues. In many ways hierarchy is out, networks are in, and everyday people are becoming more powerful.

As we move away from a model of society in which power is wielded only by the elite, there is the potential to reduce marginalization and to solve problems faster. We can all contribute because we no longer have to rely on the traditional power centers of government and big business. But everything depends on how we use our power. Members of ISIS use the same tools for recruitment and in spreading their destructive ideology across the globe. A world in which information and power is decentralized to all presents enormous complexities. Institutions and hierarchies have a reduced role informing or shaping our decision-making. We face a daily assault of abundant, often ambiguous information from myriad sources. In our communities and workplaces, we increasingly need to be able to interact with and move between formerly homogenous groups, and groups that have been in conflict with each other. In this new reality, we need to wield smart power to drive positive change.

There is a group of people across the world who show us exactly how that can be done. The world's leading social entrepreneurs — individuals who innovate to drive systemic change for the

good of their societies — show us that the source of smart power and the secret to systemic social change is applied empathy. Empathy – the ability to understand the feelings and perspectives of others and to use that understanding to guide our response – enables us to act in constructive ways because it gives us insight into the range of human dynamics at play in any given situation.

When faced with a social problem, if we don't use empathy, we tend to react in either a defensive or hostile way. At best, this temporarily mitigates the challenge and, at worst, aggravates it. When we do use empathy we can respond in ways that better address the problem itself. But we have to recognize that empathy is far more complex and muscular than good intentions or other concepts with which it is often mistakenly conflated, such as kindness, compassion or sympathy. Seeking to understand does not mean seeking to sympathize or agree, as the critics of Secretary Clinton's statement about empathy seemed to believe. Likewise, it does not mean expressing kindness or compassion for someone without understanding their perspective. International development has seen countless failed projects that have good intentions but lack perspective-taking, such as infrastructure or technology projects that made poor assumptions about the people for whom they were intended.

In contrast, the best social entrepreneurs see solutions to problems that others don't because they empathize with all the players and stakeholders, including those that might be considered to be causing the problem they seek to address. Understanding different perspectives enables them to see how they can realign incentives in a way that creates a sustainable solution to the problem.

Take the example of education costs. Students and their governments the world over clash about the cost of education – and many students do not pursue or complete higher education due to either lack of access to funding or the prospect of debilitating debt in an uncertain job market. Felipe Vergara has been building a solution in the form of a financial product that incentivizes private investment in higher education and minimizes the risk for students.

To explain, through Felipe's enterprise, [Lumni](#), students no longer face the burden of collateral or the prospect of unpayable debt because they pay back the financing based on a percentage of their post-university income (never more than 15 per cent) over a set period of time, rather than a fixed monthly payment they have to meet regardless of their employment status or income. Investors mitigate their risk by purchasing equity shares in students' aggregate financial success through pooled investments. While the future of any particular student may be difficult to assess, in aggregate, one can expect a diversity of outcomes across the spectrum from unemployment to high-paying jobs. Therefore, the student benefits regardless of where he or she ends up after graduation, and the investor can count on stable returns. For their part, universities now have an additional tool beyond traditional scholarships and public loans to offer talented prospective students. Consequently, thousands of students have graduated across North and South America who might not otherwise have been able to afford higher education. The key to Felipe's success was that he empathized with students unable or unwilling to take on this burden, with public universities in Latin America and elsewhere that are already short of resources, and with private investors for whom individual education investments are too risky.

Similarly, a doctor in Rio de Janeiro, Vera Cordeiro, noticed that over half of the children treated and released at the government hospital where she worked were ultimately readmitted due to living conditions at home. Many of these children did not have proper housing, nutrition, and other necessities. Vera felt that she had to do something to end this vicious circle. Using applied empathy, she started building a solution that addressed the needs of all the players.

She started an organization, called [Associação Saúde Criança](#), that takes a multi-disciplinary and integrated approach to healthcare. It seeks to address the challenges that were contributing to children's medical problems — such as through ensuring access to food assistance, transportation vouchers, or counseling for family members. By establishing Saúde Criança inside the hospital, Vera enabled the hospital to provide better holistic care, while cultivating relationships between families and hospital staff that were critical to ensuring positive outcomes. By engaging the families as decision-makers and enlisting a group of professional volunteers to guide them through the program, she also empowered families as drivers of their own pathway out of poverty, while keeping costs to a minimum. The result has been a significant improvement in child health, as well

as a significant reduction in hospital costs and days of hospitalization. It has also resulted in an increase in family incomes, a positive externality of understanding the real needs at play. Crucially, Vera's approach was based on empathizing with the families trapped in impoverished conditions, with the hospital staff trained to treat medical, not social, conditions, and with a government unable to adequately address the poverty of a significant portion of its population. The result was transformational.

We do not often think about empathy in such terms, relegating it instead to a character trait or a desirable value in social interaction. But empathy enables individuals to thrive in an era of collaborative networks rather than hierarchical institutions. It allows society to flourish when change is accelerating, creating the potential for greater social challenges. If we cultivate our innate human capacity for empathy, and apply it over and over again in increasingly sophisticated ways, we will wield smart power. Empathy will help us see solutions we could not see before. It will equip us to tackle the challenges of the 21st century.