



## Stanford eCorner

### Entrepreneurship and Free, Prosperous Society

Jack Leslie, *Weber Shandwick*

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Jack Leslie, Chairman of Weber Shandwick, discusses the lessons he learned regarding emerging economies and entrepreneurship. First, Leslie argues that the creation of freedom and prosperity comes from a nation's internal entrepreneurial spirit, not imposed from above or abroad. Second, Leslie suggests that an entrepreneurial society is at the foundation of a free political society by allowing individuals to be reliant on themselves rather than an authoritarian regime. He illustrates these principles with two brief stories.



#### Transcript

As some of you may know, started my career as a political media consultant mostly working in Latin America. I had the misfortune of working for democrats in the United States in the 1980s which was not the easiest time to work for democrats. I worked in campaigns for people like Kennedy and Mondale and John Glenn and Michael Dukakis. I could go on for Edgar's grimacing, remembering those days. Finally, they said, "Leslie, why don't you just leave the United States and go somewhere else." So, I had to go down to poor Latin America where, of course, in the '80s, so many of those countries were going democratic for the first time. Mexico, of course, would not accept me because it was a little too close to home to have a gringo but I did manage to work with the radicals in Argentina and the No Campaign in Chile. The experience taught me two things that I wanted to just focus on for a moment that I think are embodied by what Endeavor is doing, and that are integral to flourishing freedom in the developing world. There are principles, by the way, that I think the current administration in Washington could take heed. The first is that freedom and prosperity and the institutions that are necessary to both of them can neither be proclaimed from above nor imposed from abroad. They have to be cultivated and grown as an indigenous crop.

The worst mistake that we can make is assuming that we in America have all the answers that we can just harvest a handful of political or economic crops grown here and plant them in foreign soil somehow and expect them to flourish. Endeavor is genius, I found, was that it taps into and invests in local genius. The second principle is that flourishing entrepreneurial society is absolutely vital, I think, and I learned this to free political society. So while Endeavor's work begins with prosperity as Jim Wolfensohn points out, its ultimate promise really is freedom and further in civil society. Those are more than just kind of platitudes for me. I saw them at work, and I saw them very importantly in Latin America were the emergence of a vibrant and innovative and independent entrepreneurial sector made such a difference. I'm going to tell you just two quick stories that I think illustrate the point. It was about 20 years ago, Jose Luis and I were trying to figure this in 1988, I guess, that the No Campaign was taking place in Chile. You may remember that campaign was a referendum on General Pinochet. Being the American political consultant that I am, I went into it with all the preconceived notions I thought during this brutal regime of Pinochet.

Surely, we should be running the campaign that plasters television and billboards and newspapers with examples of that brutality. So, we send some folks down to work with a number of lands and doing some focus groups. I can remember when Ned Cannon, who was our principal researcher at the time, came back and he said, "They don't want to have a negative campaign in Chile. In fact, they want to have a party." I said, "How naive you are, Ned. They don't want to have a party." He

said, "Yes, they do. They don't want to talk about the past. They want to talk about the future. They don't want to talk about this brutality. They want to celebrate democracy." The whole campaign took on a totally different theme from that point on and, of course, was successful. The lesson of course in all of that is that you can't automatically impose what you may believe to be the right thing.

You really need to think and understand the local dynamic before you move. The second quick story goes to the point that democracy and civil society and entrepreneurship all go hand in hand. It goes to the last question that was asked about: How does entrepreneurship and what kind of role does it play in conflict or in post-conflict? This story actually, we don't have a panelist here from Columbia but I did a lot of work in Columbia over the years. I remember doing some focus groups down there and there were at the time two political parties; conveniently, the liberals and the conservatives of Columbia. We were trying to figure out the difference of how people perceive the differences between the two. We had this one particular focus group and the moderator was going around and we're talking about the differences between liberals and conservatives. There was one sort of old man, an old campesino who was sitting in the corner. He wasn't saying anything. He was very silent. Finally, at the very end, the moderator looked at him.

He said, "Say old man, now what do you think is the difference between liberals and conservatives?" He stopped for a moment and he said, "Two masks, one face." He understood, I think, the fundamental fact that is easy to forget, and that is: The change rarely comes from the establishment. The true reform, especially in young and developing democracies, percolates upwards from totally independent centers of powers and the power of influence. That's where the entrepreneurial class comes from. That's why authoritarian regimes dislike entrepreneurs so much. For all their rhetoric, it's not about the wealth belonging to the masses. It's that authoritarian regimes flourish by obliterating every independent tie to society and making people dependent directly on government alone. So robust public sector, I think, is the best anecdote that we have and high impact entrepreneurs by hiring and employing thousands of people, and all of you who are now involved in your own countries in employing and empowering thousands of people are truly making a real difference.