Principles of Transformative Action  
By Scott Sherman, Founder of Transform America

Whenever I walk into a college classroom, I begin by introducing myself to the students:

“My name is Bill Gates…
“ I am the world’s richest man…
“And I am willing to give you as much money as you need to pursue your life’s dreams.”

This is how I begin courses that I teach all over the country, to students at schools from Princeton and Yale to Berkeley and Colorado. I teach courses on social entrepreneurship – encouraging students to draw up proposals for changing the world.

These enthusiastic, idealistic young people will come up with innovative ideas for restoring the environment, improving medical care, putting an end to poverty, promoting human rights, and creating solutions to many of society’s biggest problems. Instead of marching in the streets and protesting, they are going to create better visions of the future.

Indeed, I tell my students that I am going to help them write up a great strategic plan. This can be a business plan, for those people who want to create a financially profitable enterprise. Or it can be a grant proposal, if they are writing up a plan for a socially profitable enterprise.¹

For those who write up an excellent blueprint for success, they might not just get an A in the class. They might also get the money to make it happen.

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You may ask: Why would I, Bill Gates, be giving away my billions of dollars?

A few years ago, I was often ridiculed and reviled as a greedy, selfish corporate villain. I was reputed to make $300 dollars every second of every day, even while I was sleeping.

If I saw a $1000 bill on the ground, it wouldn’t even be worth my time to pick it up. In the few minutes that it might take you to read this page, I could make $50,000 – more than most Americans make in a year.

But then I found out that my money could change the world and save millions of lives.

¹ I prefer this term to the term “nonprofit” or “nongovernmental organization.” Why do we define such important, valuable, socially important enterprises by what they are not? It’s like calling sex “non-abstinence” or peace “non-war.”
It was on the eve of my wedding when I started down this more altruistic path. At the time, I owned a billion shares in my company, Microsoft. This meant that I was far richer than every person on the earth, with a net worth soon to exceed $100 billion.

But that’s when my mother wrote a letter to Melinda, the woman I was about to marry. She said that the two of us had powerful opportunities to improve the world. With our incredible wealth, we had the responsibility to make a difference in other people’s lives.

Over the next few years, I ended up talking to some of the world’s leading scientists and discovering that millions of children were dying every month of easily preventable diseases. Hundreds of millions of people suffer needlessly every day as a result of sicknesses that we could stop. A woman dies every single minute from medical complications that we know how to avoid. It was stunning to me. I didn’t realize that you could save so many lives for just a few hundred dollars – the same amount of money I was making every second of every hour of every day.

As the head of Microsoft, I was always interested in results. I’m a hardheaded businessman. And now I saw that my money could yield tremendous results in saving millions of lives.

For example, doctors told me that there were twenty diseases that were killing millions of children: malaria, AIDS, and river blindness, to name just a few. Sure, there was a World Health Organization that was trying to deal with the problem, but it had very little money. I could easily give four times as much as their entire budget; this could truly make a difference. And I wouldn’t have to worry about a slow bureaucracy; I could get results right away. My goal is to eliminate all 20 of these plagues, the world’s deadliest diseases, from the face of the earth. And I am determined to succeed.

But don’t mistake me for a saint or a hero. I’m actually just one of thousands of people who are giving away their fortunes. There are countless other individuals who realize that it’s valuable to donate our money to meaningful causes. Some of these people are famous, while others have been anonymous until very recently. But we are all giving away our money to people with great ideas to change the world. Here are a few examples:

• George Soros grew up in occupied Hungary, where first the Nazis and then the Soviet communists deprived people of their liberties. His family knew personally what it was like to be robbed of freedom. His father had been taken prisoner in Russia until escaping from a Siberian jail. Then, as Jews, the entire family was targeted for extermination when Hitler seized their country in 1943. They managed to survive the war, but they were not out of trouble yet. When the Soviets took over his country, Soros fled to the West.

After Soros defected, he became one of the world’s richest men as a businessman and investor. Indeed, in one afternoon in 1992, he made a profit of more than 1.1 billion dollars on a single financial transaction.

Now he has given away much of his money trying to create open societies – places where there is freedom of thought and democracy. He helped organize and fund nonviolent revolutions that led to the fall of communism and dictatorships through Eastern Europe, including Czechoslovakia, Poland, Hungary, the Soviet Union, and Georgia. He has also given millions of dollars in an attempt to stop
extreme poverty in Africa. Overall it’s estimated that he has given away $6 billion to try to bring
democracy and prosperity to the world.

- Oprah Winfrey grew up among tremendous adversity, having been raised in poverty and wearing
dresses made out of potato sacks. She was molested and raped as early as 9 years old. And at 14 years
old, she became pregnant and had a baby that died after only a few weeks. Yet since that time, as a
media mogul, she has become the richest African American of the 20th century – the first black woman
ever to become a billionaire. And she has used that wealth to give back to others. Although she has no
living children of her own, she started a Leadership Academy for orphan girls in South Africa. “Now I
have 152 daughters,” she said. “[and I’m] expecting 75 more next year. That is some type of gestation
period!” She has also started an Angel Network to give hundreds of millions of dollars to charitable
causes. Overall she has been recognized as the most philanthropic celebrity in the world.

- Chuck Feeney is one of the world’s richest men, but, for most of his life, he has kept it a secret. He lives
without the trappings of wealth. He doesn’t have a car or a house; instead, he and his wife rent a small
one-bedroom apartment in San Francisco. When he flies, he never travels first class. And when he is at
home, he prefers to take buses, just as he did when he was growing up in the working-class. Yet he is a
self-made businessman who has earned $8 billion. And now he is determined to give it all away by the
year 2016.

Of course, in keeping with his personality, he isn’t interested in bringing attention to himself. He sees
himself as an ordinary man, not one of the wealthiest people on the planet. So until recently he
succeeded in keeping both his fortune and his generosity confidential. He set up a foundation called
Atlantic Philanthropies in Bermuda so nobody could trace it to him. For many years, numerous people
who were doing great things for the world received unexpected financial windfalls. But they had no idea
where the gifts were coming from.

This money had powerful results: Feeney’s philanthropy helped activists broker a peace agreement that
put an end to decades of war and terrorism in Northern Ireland. Additionally he has endowed
numerous hospitals and universities. In Feeney’s view, there are so many problems in the world that
urgently need to be solved. He won’t miss the $8 billion that he is giving away in his lifetime, but it will
benefit millions of other people.

Feeney likes to quote Andrew Carnegie’s essay on “the gospel of wealth.” Carnegie was one of the
world’s richest men in the 19th century, but he too decided to invest his fortune in making the world a
better place. He called it “giving while living.”

After all, we rich people won’t be able to enjoy our great wealth when we are dead. We can’t take our
money with us to the grave. And it makes no sense to hoard it while we are alive. At a certain point, we
can’t spend all of those billions of dollars on new vacation homes and toys and cars. Studies show that
money doesn’t make us rich people any happier.

So that’s why we’re giving away billions of dollars. We just want to use our fortunes to enrich the lives
of other people, and solve many of the world’s most pressing problems.

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And that is where this university class comes in. I walk into college classrooms and announce that I’m willing to recruit young people to come up with great ideas for creating a better future.

It is like the “American Idol of Social Change.” It is a million-dollar competition for the best ideas to change the world.

Of course, I’m not really Bill Gates. I’m just a young social entrepreneur named Scott Sherman. My colleague Randy Parraz and I founded an organization called The Transformative Action Institute. This organization is devoted to discovering and training the next generation of leaders – the visionaries, innovators, and social entrepreneurs who will change the world in the 21st century.

Yet this begs the question: How do people really change the world?

For my doctoral dissertation, I investigated the most effective methods of social change. From my own experiences, it seemed like many of the old antagonistic, adversarial strategies of “fighting the power” and protesting in the streets were no longer as effective as they used to be in the 1960s.

After studying hundreds of groups that were fighting for social justice, public health, the environment, and racial equality, I found that the most successful groups were using innovative strategies that I called “transformative action.”

The keys to transformative action were these:

1) Exposing injustice – When there is something unfair or wrong in the society, we cannot sit quietly. As the British statesman Edmund Burke once said, “All that it takes for the triumph of evil is for good people to do nothing.” We need to speak the truth to power; we need to let the entire world become aware of the problem. The hope is that, if people became aware of the injustice, it can no longer fester. Sunlight is the best disinfectant. Of course, this may not seem like a new idea. Exposing injustice is what many activists and change makers are already excellent at doing. But there is much more to transformative action. The second step is:

2) Social aikido – Although it may seem like exposing injustice would create many enemies, the surprising thing is that it’s not about embarrassing, humiliating, or even defeating anyone. Transformative action goes beyond the old dynamics of pitting “us versus them.” Instead, it is about winning people over to your side. It is about moving to a dynamic of “all of us together versus the common problems that we share.” It is like the martial art of aikido. You are not trying to use brute force to conquer the opponent; instead you use the strength and power of the person you face to your advantage. As Lincoln once said, “the best way to defeat your enemy is to make him your friend.”

3) The constructive program – The final element of transformative action is about focusing on a better vision of the future. It’s not so much about what we are against. It’s not about fighting and protesting what you don’t like. It’s about offering a better alternative.

The best example of this comes from a story by Malcolm X. His teacher at the time, Elijah Muhammad, held up two identical glasses of water. Into one of the glasses, he poured some oil. Now this glass of water was dirty and oily and viscous.
“Never tell anyone that they are holding a dirty glass of water,” advised the teacher. “They will just resent you for pointing out what is wrong with their lives. They will deny that their glass is dirty. They will resist you and fight you and hate you.”

“Instead,” the teacher continued, “just hold up your own clean glass of water side by side with the dirty glass, and let people make the choice for themselves. They can decide which is better.”

This is the secret of the constructive program. Instead of always criticizing and condemning everything in our society, we can offer up a better idea. We can hold up our own clean glass of water – our vision for a future of prosperity. This is exactly what social entrepreneurs do. They don’t spend their time protesting or marching in the streets, angrily denouncing corporations and governments. Instead, they create better solutions and – just like traditional entrepreneurs – they find a way to make them happen.

These three principles of transformative action were powerful. But, as Randy and I looked across the country, nobody was training young people in these strategies for social change. There were many centers that trained people in the old activist tactics that had been so successful in the past. One of the best of them was the Highlander Center in Tennessee. This was where Martin Luther King, Jr. and Rosa Parks had learned the best ideas for leading the civil rights movement. This was where many activists and organizers of the 20th century had learned the strategies of success.

Now Randy and I hoped to start a Highlander Century for the 21st century. We wanted to train young people in the strategies of transformative action. We were looking for the next Martin Luther King, Jr. and Rosa Parks, the next Rachel Carson and Cesar Chavez, the next Robert F. Kennedy and Dorothy Day. They could even be the next Andrew Carnegie, Henry Ford, or John D. Rockefeller – successful businesspeople who used their wealth to improve the conditions of humanity.

Inevitably, some students would complain that they could never be great, heroic figures like these people who transformed the 20th century. Many of our students felt like they were powerless to make a difference.

So we showed them a movie about students living under a dictatorship in Serbia in 2000. This was a brutal tyranny, which was responsible for massive human rights violations, genocide, and “ethnic cleansing.” The dictator, Slobodan Milosevic, was wanted for crimes against humanity, and was seen as heir to the mantle of brutality from the 20th century, which stretched from Hitler and Stalin to Mao and Pol Pot.

NATO countries had tried to oust the dictator from power with a three-year bombing campaign. They dropped 23,000 bombs on his country at a cost of $3 billion. But he actually became stronger during this time, and increased his stranglehold on power.

That’s when a handful of students got together and led a nonviolent campaign that successfully toppled him from power. If a group of students in a country where they had no freedom of speech, no freedom of assembly, and few other rights, could transform their country and bring down one of the worst tyrants of the 20th century, how much more could these students in the United States do? Our students have access to all of the best resources, media, and freedoms. They can change the world. And we have a program to help them do it.
We call our program “Transform America.”

The name is a play off of the idea of “Teach for America” (TFA). That is an organization started by a young social entrepreneur, Wendy Kopp, when she was a senior at Princeton University in 1989. She recognized that many public schools in America were failing. What if we could recruit “the best and brightest” – some of the most intelligent and enthusiastic young people in the country – to devote two years of their lives to the teaching profession? What if we could infuse such talent and energy into American schools?

20 years later, it has been a wild success in many respects. More than 14,000 graduates of the nation’s top universities have entered public schools to become teachers as part of the program. Fellow educators have recognized it as one of the nonprofits that has had the greatest impact in the field. Wendy Kopp, the founder, has won numerous awards for her pioneering work.

Yet even Kopp would admit that the American educational system is still broken. While there are many excellent schools and many excellent teachers across the United States, overall many of our educational institutions are not reaching anywhere close to their potential.

That’s where “Transform America” comes into the picture. It is about training tens of thousands of young people to become agents of transformation: the change makers and social entrepreneurs of the future. It’s about launching a new social movement for the millennial generation.

After all, students and young people have long been at the forefront of social change, both in the United States and abroad:

In the 1950’s, young people were instrumental in leading the civil rights movement.

In the 1960’s, it was the women’s movement.

In the 1970’s, it was the environmental movement.

In the 1980s and 1990s, it was the worldwide movement for democracy and human rights. Students and young people were central in overthrowing the racist regime of apartheid in South Africa and communism across Eastern Europe. Across the world, it has been the youth who have led the transformative movements to change their societies.

So what will be the great social movement for this generation? There is no shortage of problems. In fact, the challenges before us have never been so great:

2 However, we have many international students, so we can start similar causes around the world, called “Transform Asia,” “Transform Africa,” “Transform Australia,” and “Transform Europe,” to name a few.
• The world’s leading scientists warn about global warming, species extinction, and the collapse of ecosystems that sustain life across the planet; they say that it is this generation that will have to “save the planet.”

• Meanwhile poverty continues to plague people across the globe. There are nearly 4 billion people who live on less than $2 a day.

• And this inequality can lead to social unrest and the potential for violence. Terrorism is a growing threat, especially with the danger of nuclear bombs in suitcases or biological and chemical weapons that could obliterate tens of thousands of people in a day. National security looms larger than ever before.

These are just some of the pressing crises that the current generation will take the lead in addressing. We haven’t even mentioned the spread of infectious diseases that claim millions of lives each year, or genocides still raging across the world, or so many other urgent problems that need to be solved.

In the past, there was a “great man” theory of history—that there needed to be a singular, one-in-a-billion leader who would save us from crisis: someone akin to Lincoln in the Civil War, or Churchill in World War II. The problem with this theory is that it assumes that there are only a few great people in the world who can make an impact. Most of us seem relatively powerless.

But now is the time to throw the “great man” theory into history’s dustbins. Today millions of men—and women—are taking leadership and power into their own hands. Rather than complaining that there is nothing they can do, and being passive in the face of danger, ordinary people are showing that they can change the world. We call it “World Change 2.0.”

For those of you who aren’t familiar with this terminology of “2.0,” it is based off of an astonishing Internet phenomenon. For the first decade of the Internet, most of us were just passive consumers on the World Wide Web. Only a few people would create the content to inform and entertain us; the vast majority of us—hundreds of millions of us—would sit back and read what was given to us.³ This was the first generation of the Internet—known as Web 1.0.

But in the last few years, we have seen the emergence of a new phenomenon: Suddenly tens of millions of people are empowered to create their own content for the World Wide Web. Instead of relying on a few official news sources, hundreds of thousands of citizen journalists now publish their own reports online. There are millions of people creating their own movies and posting them on YouTube. There are millions of people creating their own music, authoring their own books, and posting their own professional-quality photos. There are millions of blogs. We have stopped becoming passive, mindless recipients of the products of a few big corporations. Now there is an explosion of creativity. We all have

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³ It was like the old model of education, which Brazilian educator Paolo Freire called the “banking model.” Students sit quietly, obey orders, and follow directions. They are presumed to have no knowledge or expertise of their own; teachers make deposits of information into the students’ empty heads.
the capacity to make our voices heard – to share our knowledge and artistry with the world. This is known as Web 2.0.

Now we see a similar phenomenon taking place when it comes to making a difference. In the past, we relied on a few “great men” to change history. This was World Change 1.0, in which the vast majority of us were passive. We could complain about how bad the world was, but there was little we could do.

This is about a specific type of change maker – the social entrepreneur. It’s about people who are creating bold new initiatives to transform society. There are thousands of these people emerging all over the world, many of them under the age of 25. This is the wave of the future.

Now, in the words of social entrepreneur Bill Drayton, “everyone is a change maker.” We all have the power to make a dramatic difference in the state of the world.