



**OXFAM**  
America

**Raymond Offenheiser  
Address at the Inauguration of  
President Kerry Healey  
Babson College  
Wellesley, Massachusetts  
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Thank you Joe. President Healey, honored guests, members of the Babson community.

As you just heard, Oxfam America is part of a \$1 billion global relief and development confederation fighting poverty and injustice in 90 countries. Like Babson, we call Boston home but touch the world.

Oxfam was founded in Britain during World War II providing emergency food supplies to refugees. And our U.S. chapter started right here in Boston in the 1970s by academics from Harvard, MIT and BU and local Quakers and Unitarians. Today we have chapters in 17 countries are one of the largest private international non-profit development organizations in the world.

Our mission is to create lasting solutions to poverty, hunger, and social injustice.

So why am I here at a business college instead of an international development or foreign policy school?

Very Simple: Kerry Healey.

I don't need to tell this crowd that Babson is no ordinary business college. It stretches its students. And your new president is passionate about stretching you even further. Promoting the connections between innovation and global development is just one way. That is why I am here.

And Oxfam is no ordinary international development organization. Increasingly we are engaging the private sector in promoting social justice and shared progress. That is also why I am here.

It is in keeping with the spirit that Roger Babson put at the heart of this school, almost 95 years ago. He saw business as a means "to render service to humanity." Babson graduates would be not just better business leaders but better human beings.

It used to be that business, government, and civil society operated in separate spheres.

But globalization has led our roles to evolve in extraordinary ways.

Boundaries are dissolving... bringing unlikely actors together in common cause  
And we at Oxfam believe this new landscape is ripe with promise.

If the world gets it right, and puts in place new norms and more inclusive and sustainable business models, we can drive unprecedented growth in global commerce and prosperity... combined with economic empowerment and opportunity among the world's poor.

And I believe the world is crying out for the kind of leaders that Babson College creates... to help build a brighter future for the one in seven people who still lives on less than \$1.25 a day.

Human insecurity matters to us as members of the human family.

Increasingly, though, it has to matter to business leaders as well. In a global economy, characterized by global markets and global supply chains, instability threatens the predictable environment on which the private sector depends.

And, whereas creating healthy, stable societies was once the province of governments, today we see the limits of government, in countries rich and poor.

This coincides with a drop in the scope and influence of foreign aid.

The \$30 billion the U.S. spends on foreign aid—which is the world's largest level by far—is dwarfed by the trillion dollars in investment capital that flows from the United States to developing countries each year.

So, like it or not, the private sector has become an emergent development actor... with an open invitation and a growing expectation that it play a leading role in generating equitable growth around the world.

In recent years, there's been a host of market-based efforts to engage with the poor: traditional corporate social responsibility initiatives have now been joined by working at the base of the pyramid... impact investing... shared value... and public-private partnerships

Some of the most compelling work is being done by social entrepreneurs—as Babson knows and is helping to inspire through the Lewis Institute.

I think of organizations like Made by Survivors, which helps survivors of sex trafficking in India become financially self-sufficient by working as skilled artisans. Babson faculty

and students, together with MIT and the Rhode Island School of Design, have helped refine a micro-supply chain that will enable the business model to grow—bringing hope and dignity and a better future to more women and girls and their families.

Another example is the work that students from Babson and its partner Olin College of Engineering are doing to devise simple products and services that can improve the health and wellbeing of poor communities. From supporting cassava growers in Ghana to working with rickshaw drivers in India, students are tackling social challenges in sustainable and innovative ways.

Efforts like these, and so many others, are commendable and inspiring.

But so far, when we consider poverty's grip around the world, market-based approaches have often failed to deliver meaningful change.

Where markets have grown, the benefits have not always trickled down. And too often, where poor communities have been targeted, with ventures that are tailored to their needs, success has not been scalable.

Why?

Because, as Oxfam sees it, poverty is about powerlessness.

It isn't about the absence of goods or growth, but rather about the presence of injustice and the persistence of marginalization.

And that means that overcoming poverty through markets takes more than creating jobs or raising incomes.

It takes empowering poor people with sufficient leverage to benefit from the market, instead of being buffeted by forces beyond their control.

It takes strong laws and effective governance—as President Healey knows well.

And it takes a government that values inclusiveness as a key trait of market performance—which implies robust regulation, enforcement, and accountability mechanisms.

In fact, earlier this month the World Bank released a provocative new report that acknowledges social exclusion as a key barrier to promoting shared prosperity. It stresses the importance of strong country institutions to promote social inclusion, and identifies access to services, markets and political spaces as priority areas where exclusion often takes place.

And so the challenge I'd put to you, as leaders in the field of entrepreneurship... and as men and women who care about making a difference in the world... is to look beyond just starting a business that works at the base of the pyramid.

Ask yourselves:

How can my engagement through markets actually change those markets?

How can it change discrimination against women, or against the rural poor?

How can it contribute to a healthy development model that brings benefits to all citizens?

These are the kinds of questions that really get to poverty's roots.

As Oxfam sees it, there are two fundamental priorities we must tackle.

First is empowering local citizens, and giving them the capacity and agency to solve their own problems.

Second is space at the top -- by which I mean that when governments and businesses make decisions, the people affected have some way to influence them. This brings together issues of transparency, participation and accountability – at Oxfam these are not just buzz words. We fight every day to make them a reality.

It's a new frontier. But we at Oxfam think it's incredibly exciting. A way to truly get at the roots of poverty.

Because, when you can combine entrepreneurship and market forces with a focus on empowerment and accountability, you can tap into something that generates value and also drives structural change.

Enlightened corporations are already moving in this direction.

Take Newmont, one of the largest gold companies in the world.

You might be surprised to learn that Newmont worked closely with Oxfam to pass legislation on greater transparency in the extractive industry (something strongly opposed by the main industry groups), to help ensure that poor people who live on the land actually benefit from the resources beneath it.

Or, take Coca-Cola and its bottler SABMiller. They worked with us on a "Poverty Footprint" study to analyze the impact of their operations in developing countries, with an explicit commitment to publish the results and engage with stakeholders around the most challenging issues – in this case, water and gender rights

More recently, Oxfam has joined with Costco and a coalition of food retailers, growers, and NGOs to address the vulnerability of migrant farm workers in a way that serves workers, business, and consumers alike. As opposed to top-down auditing models, this collaboration starts with the farm workers and trains them to be front-line monitors of both their labor rights and broader food safety issues.

Retailers like Costco recognize that a better trained and better paid work force, will deliver safer food, reduced turn-over and a more stable supply chain.

Currently, we are challenging and in dialogue with Coca-Cola, Pepsico and Associated British Foods to examine their sugar supply chains to expose and rectify unjust land acquisitions that are displacing smallholder farmers in countries like Brazil, Cambodia and Ghana – leaving hundreds of families destitute and driven from their land. Through solid research, direct dialogue with corporate executives, and consumer engagement, we are getting the companies' attention. We are helping them do the right thing.

No company wants to be associated with tragedies like we witnessed in the Bangladesh garment factory disasters last year. Smaller disasters like that happen every day across many industries, including sugar. At Oxfam we shed light on them and work aggressively, and collaboratively, with companies stop such injustices.

Examples like these make Oxfam hopeful about what the future could hold in terms of the private sector's role in sparking both social and economic gains.

And as Babson approaches its second century, under the leadership of President Healey, I'd like to leave you with three suggestions to help move the dial for change.

First, to all the future CEOs in the audience this morning: Be brave. From day one – make sure that human rights and sustainability principles are in your company's mission statement or business plan. And keep them there.

And for those of you who go on to build and grow your businesses in developing countries, make sure that you are aware of and engaged in the government structure around you. Doing business should also mean constructively influencing public policy. Learn the language, the culture, the people and join their voices in promoting an inclusive business environment..

Second, to the brilliant professors here, from Babson and beyond, spearhead the research that advances the business case for stakeholder empowerment, transparency and accountability. It won't be enough for a few corporate pioneers to test out their experiments. We need methodologies for others to analyze, learn from, adapt, and apply. The corporate world must see benefits and consequences.

Finally, to President Healey and the Babson community as a whole, continue to champion entrepreneurship beyond the boundaries of business itself.

As you already know, entrepreneurship is about much more than starting companies. Entrepreneurs are “the brilliant improvisers who continually assess how to use their strengths and the resources at hand to evolve and reach their goals.”

In our complex world, we need “brilliant improvisers” in every domain. The public sector. The private sector. The nonprofit sector as well.

We need creative, action-oriented leaders who aren’t afraid to try new things; whose focus is solving problems and driving positive social change.

We need socially conscious, globally minded leaders, who embrace humanity’s interconnectedness... and apply their entrepreneurial talents to create a wealth of opportunity for all.

That’s the kind of bottom line we all want to see grow stronger.

President Healey, on behalf of Oxfam, we wish you every success as you undertake this exciting new leadership role here at Babson College!

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<sup>i</sup> <http://www.oecd.org/dac/stats/aidtopoorcountriesslipsfurtherasgovernmentstightenbudgets.htm>

<sup>ii</sup> <http://www.usaid.gov/news-information/speeches/presentation-deputy-administrator-donald-steinberg-oecddac-high-level>