

FORDHAM UNIVERSITY
COLLEGE OF BUSINESS
INTERNATIONAL SERVICE LEARNING
FAIR TRADE AND MICROFINANCE CONSULTING PROJECT

CMBU 4452
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“If you have come to help me, you are wasting your time. But if you have come because your liberation is bound up with mine, then let us work together.” –Aboriginal woman

**“Recall the face of the poorest and weakest man you have seen, and ask yourself if this step you contemplate is going to be of any use to him.”
Gandhi**

In the past three decades, one third of our planet’s resources have been used up.¹ This course is an attempt to explore business options which are sustainable, in the sense that profit is used directly to alleviate poverty. Business students are given contact with the struggle for human survival which can powerfully motivate them to change existing economic systems. Students are encouraged to see not only what they can **give** in terms of new markets and consulting help, but also the education they can **receive** as they absorb the entrepreneurship, innovation, high standards, and commitment of artisan-run small businesses.

There have been many attempts to help the poor in the last century, the most costly being the aid distributed by the World Bank, and loans made by the IMF. This course operates under a more targeted design by doing business with specific artisan groups in Kenya, in the hope that a small system created within a university may in some real way lessen poverty, if only for our two artisan groups. At the same time, I am proud to contribute to your business education in a Jesuit institution by making more clear to you how money currently moves in reference to the poor, and how it might be more efficiently be managed in the future.

COURSE DESCRIPTION This course is centered around the activity of acquiring fair trade goods, then selling them to a wider market. The sale of such merchandise powerfully assists in the reduction of poverty. Students will attempt to simplify the supply chain, deal with shipping issues, production costs, market products to a college audience, and create out-of-the box accounting protocols specifically to formalize business relationships with the very poor. Students

¹ Lovins, Natural Capitalism.

should set aside about 2 hours of time each week to be devoted to the work of running our small social business. Another 2 hours of time will be needed for academic assignments. This course takes place within the framework of the Jesuit tradition of men and women for others, as well as the Buddhist framework of love and action. In this course, you are being asked to call on a second source of insight, your heart (following from your concern for the poor, and your concern for yourself as living at the expense of others) as well as your head, your intellectual abilities. This course then, in that specific sense, places us in our own corner of developing the Jesuit tradition: that to serve, for business students, can translate into engaging in a conversation between one's head and one's heart. Your intellectual and business abilities are much needed: to solve business problems will literally put a certain amount of food within the reach of some very hungry people. But your compassionate insight, your wish to act for others, being a woman or man for others is equally necessary.

In a larger sense, much of this course resonates with modern Catholic social teaching (as well as many other religious traditions) which stresses the dignity of the human person, which is damaged by poverty, and introduces the concepts of the common good and social justice. The dignity of work and rights of workers concept states that "an economy's purpose is to provide access, on fair conditions, to reasonable degrees of material flourishing for all its members."²

This course, then, will create a template for leveraging higher education into an efficient vehicle to assist the poor, evolving appropriate business techniques in the process. Business students are put at the cutting edge of the evolution of capitalism, absorbing crucial information about how profit can be generated, and the power for good that profit then can then make possible.

In the second semester, the team will attempt to design a microcredit loan for each artisan group, continuing with selling activities. The interest rate will be minimal, and recipients will be connected in some way, even tangentially, to existing fair trade business.

Therefore, the course is a year long: the first semester is devoted to creating profit, and the second semester is devoted to offering that profit back to artisan groups in the form of loans based on social capital, with particular attention to AIDS widows.

The reading assignments alternate chapters between NYU Professor, and former World Bank employee William Easterly's The White Man's Burden and Nobel Prize Winner Mohammad Yunus' Banker to the Poor. The first text is a heavily documented cause and effect analysis of poverty and the second is a more spiritually oriented autobiography of the founder of Grameen Bank, which opened up credit to the poor. These two texts to a degree speak to one another, and they will play against the backdrop of our endeavors to sell Fair Trade goods the

² From a talk by Christine Firer Hinz, Collegium June 2009

next two semesters. In total, students should find copies of these two texts plus their choice of one of the list of African books which follow this syllabus. At some point in the semesters they should prepare a synopsis of the book in a 5 minute presentation to their classmates. Extra credit is given to all books beyond the one required.

CONDUCT OF COURSE Our team will divide itself into groups along the lines of accounting/finance, communications, and marketing. Students will attend all assigned meetings, and submit a weekly commitment to complete assigned tasks. This is a three credit course, with one added credit for the activity of service learning. You may register for this program by visiting CBAService.com. One absence is allowed in the course of the semester. After this, a letter grade is subtracted for each absence. Students must also submit a weekly reflection by email to the professor, commenting on how your two hours of service were spent in one paragraph and in a second paragraph responding to the assigned academic work, at least two important insights and/or flaws. The class email account is Combellick3@yahoo.com, and copy our class blog with your assignment, too. To receive credit you need also to hand in a hard copy of your assignment before each class.

Tentative Syllabus

Understanding the Context

September 8 Introductions and the back-story of International Service Learning. We will divide our class into teams for the blog, inventory control, accounting, marketing, planning, expediting selling events, etc. We will decide on our selling dates for the semester, and assign tasks. In Kenya, the effects of the national elections in 2007 are still being felt, in terms of tribal controversy and violence. AIDS has devastated many communities, leaving a large orphan population behind. In the countryside at least, these children are absorbed into existing family structures, making food even more scarce. Currently there is a serious drought.

Typically the first hour of class is a logistical discussion about taking care of our miniature social business, and the second hour of class will be on assigned readings. Tonight we will organize ourselves in term of selling dates, and whether to add more people to our team, as well as meet Raina Clarke our resource person for Fair Trade. Your first academic assignment is due in two weeks, to give you time to order the books.

September 15 Finalize the team, selling dates and division of work.

September 22 **Watch and respond to: Why are we Here? (I will give the information for streaming video from Films for the Humanities and Sciences in class.)** Read the first chapter of The White Man's Burden, "Planners versus Searchers"

September 29 ." **Watch Chris Abani (muses in humanity) on Ted.com (as well read his profile) and read the first chapter of Yunus' book Banker to the Poor (Yunus is the recipient of the Nobel Peace Prize).**

September October 6 **Watch George Ayittey on Ted.com and read "The Legend of the Big Push."**

How Fair Trade Can Change the Context

October 20 **Watch Dan Ariely on Ted.com "Are We in Control of our Decisions?" and Read from Easterly "Bailing out the Poor."**

October 27 **Visit, experiment with, then evaluate a selection of the following:**

<http://fieldwatch.oxfamamerica.org/>

<http://www.corpwatch.org/>

<http://fairtradecertified.blogspot.com/>

<http://fairtrade.wordpress.com/>

http://psdblog.worldbank.org/psdblog/2006/01/what_is_fair_tr.html

<http://www.worldgoodsgb.com/blog.html>

<http://www.fairtradeblogger.com/blog/>

http://www.oxfamireland.org/whatwedo/campaigns_advocacy/fairtrade/2008/blog/

<http://twohandsworldshop.com/blog/>

Watch Life and Debt (on NetFlix, most likely)

November 3 MIDTERM

Social Business and Other Attempts

November 10 <http://www.iop.harvard.edu/Multimedia-Center/All-Videos/Social-Business-Enterprise-And-A-World-Without-Poverty2>. Read "Back in Chittigong."

November 17 **Watch Hans Rosling "The Best Stats," and read "You Can't Plan a Market."**

November 24 **Read "The Stool Makers of Jobra" and watch A Walk to the Beautiful.**

December 1 **Watch Ashraf Ghani "Rebuilding Broken States" and read "Planners and Gangsters."**

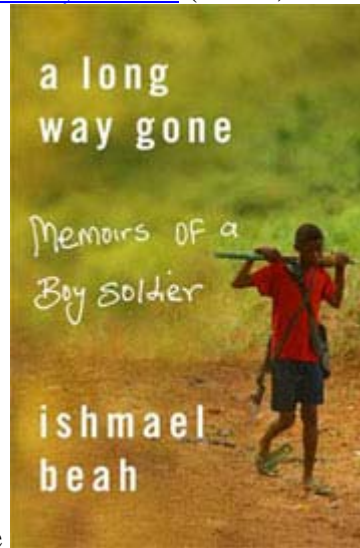
What Else Can be Done

December 8 Watch **The Story of Stuff** on its website and read “**A Pilot Market is Born.**”

December 15 Presentation of final report:

List of books to choose from:

Ishmael Beah, [*A Long Way Gone: Memoirs of a Boy Soldier*](#) (Farrar, Straus and Giroux,



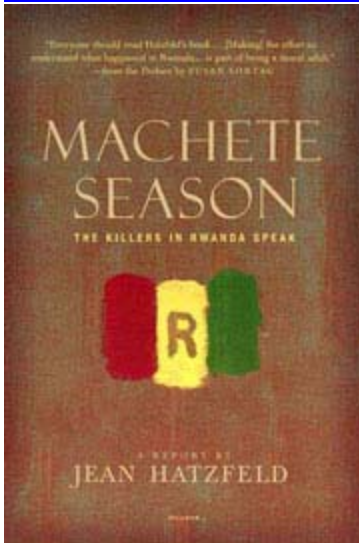
2007). Beah, who was captured in Sierra Leone when he was 13 and forced to join the government army. His account of his time as a killer is a rare look into the doped-up horror of child-soldiering, a way of life for an estimated 10,000 children during Sierra Leone's decade-long civil war, which ended in 2002. Another take on Sierra Leone's history and fate is [*The Devil That Danced on the Water: A Daughter's Quest*](#) (Atlantic Monthly Press, 2002), by **Aminatta Forna**.

Caroline Elkins, [*Imperial Reckoning: The Untold Story of Britain's Gulag in Kenya*](#) (Henry Holt, 2005). Elkins won a Pulitzer for this shocking, intricately researched depiction of the last cruel years of Britain's colonial reign in Kenya. **David Anderson's** [*Histories of the Hanged: The Dirty War in Kenya and the End of Empire*](#) (Norton, 2005) provides additional harrowing stories from the same period.

John Ghazvinian, [*Untapped: The Scramble for Africa's Oil*](#) (Harcourt, 2007). Crisscrossing the continent to determine what has become of Africa's burgeoning oil wealth, Ghazvinian finds opportunistic businessmen, power-hungry and money-laden leaders, and a citizenry that has known little but brutal corruption and desperate, deepening poverty. Other books by reporters who have traveled through Africa to document conflicts, cult-of-personality dictators, and the painful legacy of colonialism include **Howard W. French's** [*A Continent for the Taking: The Tragedy and Hope of*](#)

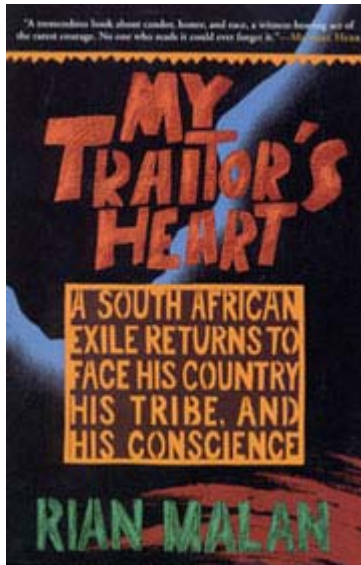
[Africa](#) (Knopf, 2004) and **Bill Berkeley's** [*The Graves Are Not Yet Full: Race, Tribe and Power in the Heart of Africa*](#) (Basic Books, 2001).

Jean Hatzfeld, [*Machete Season: The Killers in Rwanda Speak*](#) (Farrar, Straus and Giroux, 2005). The genocide in Rwanda has inspired a wealth of insightful reporting. **Philip Gourevitch's** beautifully written [*We Wish to Inform You that Tomorrow We Will Be Killed with Our Families: Stories from Rwanda*](#) (Farrar, Straus



and Giroux, 1998) is perhaps the best-known book on the subject. Others include **Gérard Prunier's** [*The Rwanda Crisis: History of a Genocide*](#) (Columbia University Press, 1995), **Mahmood Mamdani's** [*When Victims Become Killers: Colonialism, Nativism, and the Genocide in Rwanda*](#) (Princeton, 2001), and **Roméo Dallaire's** [*Shake Hands with the Devil: The Failure of Humanity in Rwanda*](#) (Random House, 2003). But the most disturbing—and fascinating—book of all is Hatzfeld's, in which he painstakingly earns the trust of a group of men who were imprisoned for their roles in the genocide, then has each tell his own story of how and why he cut down his fellow countrymen.

Rian Malan, [*My Traitor's Heart: A South African Exile Returns to Face His Country, His Tribe, and His Conscience*](#) (Atlantic Monthly Press, 1989). A descendant of one of the founders of apartheid, Malan writes about South Africa as it is boiling over with

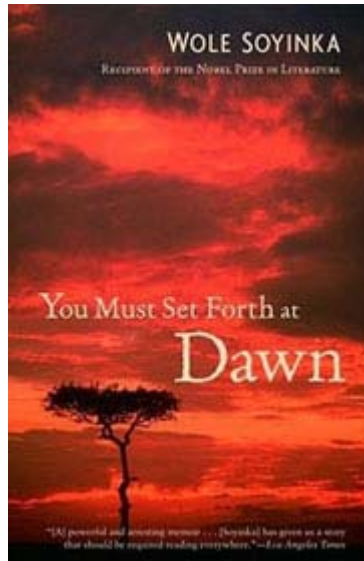


hatred. This is an unflinching and intimate story of a man fighting against injustice in his homeland, even as he must come to terms with his own family's poisonous role there. For other first-rate accounts of apartheid, try **Joseph Lelyveld's** [*Move Your Shadow: South Africa, Black and White*](#) (New York Times Books, 1985) and **William Finnegan's** [*Crossing the Line: A Year in the Land of Apartheid*](#) (Harper & Row, 1986)

George Packer, [*The Village of Waiting*](#) (Vintage, 1988). Peace Corps memoirs, like the periods of service upon which they are based, tend to aim for just the right mix of exotic self-discovery and the best of intentions. Packer's honest and brilliantly written book about his time in Togo is the finest of the genre, in part because it is a story of failure: he fled for home, frustrated and fed up, before his two-year commitment was finished.

Another admirable work is **Sarah Erdman's** [*Nine Hills to Nambonkaha: Two Years in the Heart of an African Village*](#) (Henry Holt, 2003).

Wole Soyinka, [*You Must Set Forth at Dawn: A Memoir*](#) (Random House, 2006). Soyinka is perhaps the greatest of Africa's literary giants; in 1986 he became the first African to



win the Nobel Prize in Literature. An outspoken critic of the politics of his native Nigeria, he spent nearly two years in prison in the late 1960s for trying to help avert a civil war. His poetry, plays, essays, and other writings continue to have an enormous impact on the political and intellectual landscape in Nigeria. *You Must Set Forth at Dawn* is the follow-up memoir to his highly acclaimed [*Aké: The Years of Childhood*](#) (Random House, 1982).

Michela Wrong, [*"I Didn't Do It for You": How the World Betrayed a Small African Nation*](#) (HarperCollins, 2005). In this book about Eritrea, Wrong explores territory covered by almost no one else, telling of how this tiny East African country has been batted around and stepped on by the West for decades. Wrong's deft touch is also on full display in her first book, [*In the Footsteps of Mr. Kurtz: Living on the Brink of Disaster in Mobutu's Congo*](#) (HarperCollins, 2001), a worthy companion to the definitive book on the Congo, **Adam Hochschild's** [*King Leopold's Ghost: A Story of Greed, Terror, and Heroism in Colonial Africa*](#) (Houghton Mifflin, 1998).

Other noteworthy recent books:

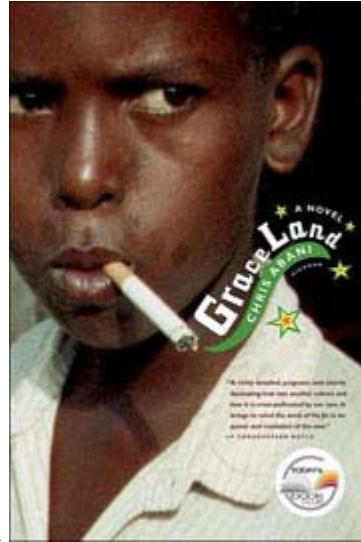
Stephanie Nolen, [*28 Stories of AIDS in Africa*](#) (Walker, 2007).

William St. Clair, [*The Door of No Return: The History of Cape Coast Castle and the Atlantic Slave Trade*](#) (Bluebridge, 2007).

Scott Straus, [*The Order of Genocide: Race, Power, and War in Rwanda*](#) (Cornell University Press, 2006).

FICTION

Chris Abani, [*GraceLand*](#) (Farrar, Straus and Giroux, 2004). A whirlwind tour through



Maroko, a notorious slum of Lagos, Nigeria, on the heels of an Elvis-imitating street performer and his underworld guide, a young man named "Redemption." Even if the plot sometimes seems to veer out of control—involving stolen organs and international cartels, and peppered with Ibo recipes and cosmology—Abani's debut novel announced him as a writer to be reckoned with.

Leila Aboulela, [*Minaret*](#) (Grove, 2005). Aboulela, Sudanese-born but living in Britain, writes poignantly of the exile's diminished life in the West. Here, her female protagonist, oceans away from the sheltered existence she once knew in Khartoum, scrapes by as a nanny in gritty London, finding solace, ultimately, in the local mosque and the religion she never fully embraced at home.

Achmat Dangor, [*Bitter Fruit*](#) (Grove, 2005). Like J. M. Coetzee's *Disgrace*, this is a masterpiece of contemporary, post-apartheid South Africa, where everyone's fate is bound up together and shadowed by the country's violent past. No one probes the sexual and racial taboos of multi-racial South Africa quite as boldly as Dangor. **Zoë Wicomb** is another writer who mines South Africa's explosive racial landscape from a mixed-race or "coloured" perspective. Her 1987 novel in stories, [*You Can't Get Lost in Cape Town*](#) (Pantheon), drew praise from—and in many ways evokes the work of—the African-American Nobel laureate Toni Morrison.

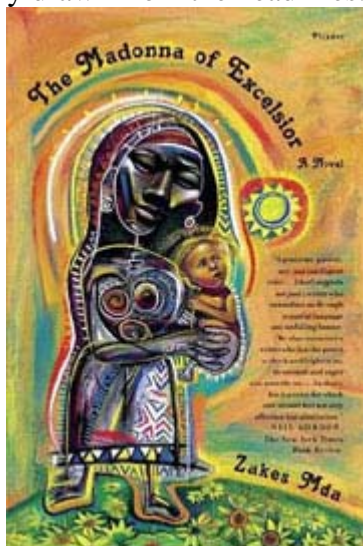
Abdulrazak Gurnah, [*By the Sea*](#) (New Press, 2001). Like Aboulela, the Zanzibari-born novelist Gurnah offers stunning, expertly woven portraits of lives in transition—lonely Londoners tossed by history and caught between the hard present and the secrets of the past. This novel traces several migrations across the globe, from the small East African island of Zanzibar to behind the Iron Curtain, and finally to ratty, modern-day English hostels, where refugees from the wars in the Balkans end up cheek by jowl with those fleeing Africa's conflicts.

Moses Isegawa, [*Abyssinian Chronicles*](#) (Knopf, 2000). If the film *The Last King of Scotland*—based on Giles Foden's excellent 1999 novel—whetted your appetite for details of Idi Amin's grisly reign, pick up this debut novel by Isegawa for an even more

elaborate portrait of 1970s Uganda. Isegawa, now based in Holland, writes with a feverish intensity, furiously stuffing an entire decade's worth of woe and clamor into this dense, ambitious book.

Ahmadou Kourouma, [*Allah Is Not Obligated*](#) (Anchor, 2007). Recent civil wars in Africa have spawned their own literary genre: child-soldier novels. Besides Uzodinma Iweala's *Beasts of No Nation* and Helon Habila's *Measuring Time*, there is the Congolese author **Emmanuel Dongala's** [*Johnny Mad Dog*](#) (Farrar, Straus and Giroux, 2005), and now, finally translated from the French, the last novel by the great Ivorian author Kourouma, who died in 2003.

Laila Lalami, [*Hope and Other Dangerous Pursuits*](#) (Algonquin, 2005). Here's another novel seemingly drawn from the headlines: Moroccan-born author Lalami's debut tale of



illegal African immigrants who wash up on Spanish shores. Lalami, who follows her characters' individual backstories with a steady, sympathetic gaze, is a reviewer and critic as well, with her own popular [literary blog](#).

Zakes Mda, [*The Madonna of Excelsior*](#) (Farrar, Straus and Giroux, 2004). Along with writers such as **Niq Mhlongo** ([*Dog Eat Dog*](#)) and **Phaswane Mpe** ([*Welcome to Our Hillbrow*](#)), Mda has been at the forefront of a resurgence of black writing from the "new" South Africa. Wildly prolific, Mda has written historical novels, comic novels, even a love story about a whale. But this book is perhaps his most vivid and affecting: the tale of 1970s Orange Free State's divided communities during a trial under the Immorality Act, which outlawed inter-racial relationships. Like Blacklaws's *Karoo Boy*, *The Madonna of Excelsior* practically shimmers off the page, saturated with the light and colors of its blinding landscape.

M. G. Vassanji, [*The In-Between World of Vikram Lall*](#) (Knopf, 2004). Yet more nostalgia and the melancholy of exile, this time from the Kenyan-born, Canada-based author Vassanji. *Vikram Lall* follows the past four decades in Kenya's history—from the euphoria of independence to the cynicism of the present—through the eyes of Vikram Lall, Indian middleman, corrupt power broker, and, finally, national scapegoat, who ends up miserably alone and adrift along the banks of Lake Ontario.

The 10 Standards of Fair Trade

IFAT prescribes 10 standards that Fair Trade organizations must follow in their day-to-day work and carries out continuous monitoring to ensure these standards are upheld:

- **Creating opportunities for economically disadvantaged producers**
Fair Trade is a strategy for poverty alleviation and sustainable development. Its purpose is to create opportunities for producers who have been economically disadvantaged or marginalized by the conventional trading system.
- **Transparency and accountability**
Fair Trade involves transparent management and commercial relations to deal fairly and respectfully with trading partners.
- **Capacity building**
Fair Trade is a means to develop producers' independence. Fair Trade relationships provide continuity, during which producers and their marketing organizations can improve their management skills and their access to new markets.
- **Promoting Fair Trade**
Fair Trade Organizations raise awareness of Fair Trade and the possibility of greater justice in world trade. They provide their customers with information about the organization, the products, and in what conditions they are made. They use honest advertising and marketing techniques and aim for the highest standards in product quality and packing.
- **Payment of a fair price**
A fair price in the regional or local context is one that has been agreed through dialogue and participation. It covers not only the costs of production but enables production which is socially just and environmentally sound. It provides fair pay to the producers and takes into account the principle of equal pay for equal work by women and men. Fair Traders ensure prompt payment to their partners and, whenever possible, help producers with access to pre-harvest or pre-production financing.
- **Gender Equity**
Fair Trade means that women's work is properly valued and rewarded. Women

are always paid for their contribution to the production process and are empowered in their organizations.

- **Working conditions**
Fair Trade means a safe and healthy working environment for producers. The participation of children (if any) does not adversely affect their well-being, security, educational requirements and need for play and conforms to the UN Convention on the Rights of the Child as well as the law and norms in the local context.
- **Child Labor**
Fair Trade Organizations respect the UN Convention on the Rights of the Child, as well as local laws and social norms in order to ensure that the participation of children in production processes of fairly traded articles (if any) does not adversely affect their well-being, security, educational requirements and need for play. Organizations working directly with informally organized producers disclose the involvement of children in production.
- **The environment**
Fair Trade actively encourages better environmental practices and the application of responsible methods of production.
- **Trade Relations**
Fair Trade Organizations trade with concern for the social, economic and environmental well-being of marginalized small producers and do not maximize profit at their expense. They maintain long-term relationships based on solidarity, trust and mutual respect that contribute to the promotion and growth of Fair Trade. Whenever possible producers are assisted with access to pre-harvest or pre-production advance payment.