



BSR Conference 2010

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In Conversation With Raymond Offenheiser

Breakout Session Summary

Thursday, November 4, 2010 | 2:45-3:45 p.m.

Speakers

- » **Raymond Offenheiser**, President, Oxfam America
- » **Chad Bolick**, Director, Partnership Development, BSR (moderator)

Highlights

- » NGOs like Oxfam America are transitioning from advocacy campaigns *against* corporations to partnership *with* corporations.
- » Oxfam America sees the greatest opportunity for effecting change through corporate partnerships in bottom-of-the-pyramid investments and corporate lobbying reform.
- » Both NGOs and corporations should be discriminating in their engagements, pursuing relationships where effective action is likely.

Memorable Quotes

"We think that the private sector has an incredibly important role to play vis-a-vis pro-poor advocacy work." —Raymond Offenheiser, Oxfam America

"I'm in the optimism business, and I think we need a few optimists these days." —Raymond Offenheiser, Oxfam America

"It requires a great deal of modesty and humility to confront these problems." —Raymond Offenheiser, Oxfam America

Overview

Partnerships between business and advocacy organizations have the potential to advance each party's mission. Bolick opened the conversation with a focus on two of Oxfam's efforts to engage corporations in working toward international development goals: 1) creating alignment between a company's CSR agenda and its public policy engagements; and 2) creating opportunities at the bottom of the pyramid (BOP).

Offenheiser, who has been with Oxfam America since 1995, has seen Oxfam International transition from a somewhat unstructured group of advocacy organizations to a strong global brand with an integrated approach to global change. The organization works in 99 countries and annually spends between US\$800 million and US\$1 billion per year on pro-poor efforts.

Offenheiser cited a pivotal moment in the development of the organization's strategy. When working on a program to keep young West African girls in school, a local partner shared that funding would help her conduct outreach to absent students, but the real problem was the Ministry of Education's decision to close schools. Oxfam was able to trace this decision through the Ministry of Education to the Ministry of Finance to the World Bank, whose efforts to collect on the country's debt resulted in the local government routing funds from its schools to repayment of its debt to the World Bank. The resulting epiphany about the systemic nature of the root causes of global poverty catalyzed Oxfam's work to tackle issues of social justice through the lens of globalization, campaigning in service of social movements around the world.



Oxfam now works through three complementary business models: core humanitarian work and basic relief efforts, long-term community development efforts, and advocacy. While the organization has previously engaged in adversarial campaigns against corporations, these days it works primarily through more collaborative activities.

One of Oxfam America's focus areas is encouraging business to co-create with poor communities, not only as new consumers of products but as new participants in the market. BOP strategies are shifting from being supply-driven to demand-driven. Offenheiser predicts a second shift to more inclusive and equitable markets, and he is working to create an effective business case for why the private sector should be involved in BOP work and pro-poor advocacy.

One focus of Oxfam America's BOP work is enabling climate adaptation among poor communities. In collaboration with Swiss Re, Oxfam America is supporting stability among African communities most vulnerable to climate change by introducing weather insurance for local farmers. The insurance industry is interested in this kind of work because insurers want to establish risk management tools for developing markets, and the farmers are interested in protecting themselves against weather-induced losses. This is particularly critical in areas where climate change has increased drought cycles from every seven years to every three years. Oxfam expects that, through additional partnerships, others will scale this effort to more countries.

In addition to its BOP work, Oxfam America is also focused on engaging with corporate lobbying and public policy efforts. Offenheiser quoted Georg Kell of the UN Global Compact as saying that lobbying is "the world's second oldest profession." Oxfam America is currently asking the question: Can we reshape the way lobbying is practiced?

According to Offenheiser, responsible lobbying embodies three core concepts:

- 1) Companies avoid policies, practices, and financing that are at odds with their CSR principles.
- 2) Companies actively lobby in favor of their sustainability policies and programs.
- 3) Companies are transparent about their lobbying activities and behaviors.

In Oxfam America's view, investors and shareholders are increasingly looking at this aspect of corporate behavior to ensure that there is alignment among CSR activities and public policy, lobbying, and trade association memberships.

Offenheiser raised the example of corporate involvement in recent efforts to reform U.S. foreign aid investments as a positive example of corporate lobbying. He considers business investment in proactively reforming the U.S. foreign aid system as a win-win for all parties—the businesses, government, and the impacted communities around the world. Ultimately, Oxfam America is looking for statesmanship on the part of corporate leaders, a behavior Offenheiser believes will lead to more stable developing economies.

Offenheiser ended the session by cautioning the audience to be discriminating in its choice of partners, advising them to engage where "meaty work" is being done rather than where organizations are posturing. He encouraged all of us to build more effective venues, engage in more innovative and diverse partnerships, and hold more engaged dialogue around issues of common concern.

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