

2008 Oxford Leadership Prize

What aspects of leadership in the 21st century can contribute most towards a global ambition of 'improving health and saving lives'?

QuickTime™ and a
TIFF (Uncompressed) decompressor
are needed to see this picture.

Don't let the sun set on your ambitions. –Anonymous

Compassion, Commitment, and a Sense of Clarity

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INTRODUCTION

Leadership in the twenty-first century needs to respond to the effects of globalisation. The United Nations recognized this need and adopted the 'Millennium Declaration' in 2000. The international community pledged to 'spare no effort to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty' (The Millennium Development Goals Report 2008, p. 3). The Millennium Development Goals (MDG) is a set of eight goals adopted by the international community as a framework for international development, to be completed by 2015. These goals include freedom from hunger and the rights to basic education and health. However, the global economic slowdown has increased the vulnerability of the world's poor and it made the MDG much harder to fulfil. For example, the World Bank estimates that 'high fuel and food prices will increase the number of malnourished people in the world by 44 million this year to a total of 967 million' (Stewart 2008, p. 1). Former U.N. Secretary-General, Kofi Annan explains that though the global financial crisis is nothing to balk at, global hunger and health deserve urgent attention and focus as well: '...millions (are) likely to die. Is that any less urgent?' (Stewart 2008, p. 1). If the international community can find ways to raise funds to for banks, then surely it can do the same for the hungry. However, the latter does not seem to be the priority of global leadership. Therefore, if current global leadership is not whole-heartedly focused on fulfilling the global ambitions of improving health and saving lives, how should leadership behave so that it can be?

There is no exact list of what comprises leadership. Leaders are those who are meant to influence people or impact behaviour to move towards achieving certain goals. Considering the global ambitions of improving health and saving lives, I believe that compassion, commitment, and a sense of clarity are the most important aspects of leadership that can contribute most towards accomplishing them. Why these three? These characteristics have a successful record of improving health and saving lives through the expanding fair trade movement in the United Kingdom. This essay will therefore show how fair trade has been able to work towards fulfilling the aforementioned global ambitions through compassion, commitment, and clarity.

FAIR TRADE BACKGROUND IN THE UK

In the 19th and 20th centuries in the United Kingdom, British culture had developed a strong moral imperative that reshaped notions of acceptable business practices, its origins largely religious (Cowe and Williams 2000, p. 8-9). After two centuries of concern for issues such as animal welfare, the environment, and consumer protection, the UK experienced a significant phenomenon: the rise of the ethical consumer, a consumer driven largely by issues such as child labour and genetically modified organisms (2000, p. 4). As a result, dramatic growth in products and services for 'concerned consumers' occurred (2000, p. 18). Cowe and Williams note that the term 'ethical consumer' can carry a variety of meanings and interpretations. In this report, ethical is used to cover social aspects (e.g. labour standards), health concerns, and matters of conscience (2000, p. 4). One of the matters of conscience includes fair trade and a 'national initiative' to promote and

certify fair trade products took place during the early 1990s and was led by the newly established Fairtrade Foundation.¹

Daniel Jaffee (2007, p. 1) states ‘a central goal of the [fair trade] movement is to create more direct, socially just, and environmentally responsible trade relations—mainly between disadvantaged farmers in the global South and concerned consumers in the North.’ Reynolds, Murray, and Wilkinson go further to describe the original goals to include ‘improving the livelihoods and well-being of producers by improving market access, strengthening producer organizations, paying a better price, providing continuity in the trading relationship, promoting development opportunities for disadvantaged producers, and raising awareness among consumers of the negative effects on producers of international trade so that they exercise their purchasing power positively’ (2007, p. 5). In order for a product to be labelled ‘fair trade,’ it must follow certain criteria. Most fair trade organizations use the following criteria: ‘guaranteed minimum prices to producers (farmers), fair wages to labourers, a social development premium (that can be used towards schools, roads, etc.), advance credit or payment to producers, democratically run producer cooperatives, long-term contracts and trading relationships, environmentally sustainable production practices, public accountability and financial transparency, financial and technical assistance to producers, and safe, non-exploitative working conditions (Jaffee 2007, p. 2). Essentially, the movement seeks to improve the health and the save lives of the disadvantaged producers and their families.

COMPASSION

Compassion means being sympathetic towards those who suffer and often includes a desire to help. Consumers in the UK in the early 1990s exhibited compassion for those who produced the goods they purchased. Unflagging compassion in particular by individuals like Harriet Lamb, helped the fair trade movement gather strength in its early days. She wanted to make sure that the people who provided us with the food we eat and the clothes we wear were also given the means to provide the same things for themselves. In ‘Fighting the Banana Wars and Other Fair Trade Battles’ (2008) she describes how initially she wanted to get an idea of life for farmers in countries like Costa Rica, but in the course of these meetings became one mother talking to another about children, health, and hardship. These meetings instilled an overwhelming desire to tell consumers in the UK how others suffered to make sure their groceries stayed cheap. Sympathy and a desire to lift these farmers from their misery: that is compassion. Whether one is a leader of an organization or simply a consumer, unfaltering compassion towards helping someone or something will work to help it get what it needs. It is compassion that constantly keeps the goal in mind and drives people to ensure the goal is met.

Initially sold in alternative and charity shops, such as Oxfam, fair trade products have come to be mainstreamed. Mainstreaming is defined as moving fair trade products into commercial distribution channels and selling them there, with the most common channel being a supermarket (Low and Davenport 2006, p. 315). As of May 2008, seventy percent of UK adults recognize the fair trade certification mark (Fairtrade Foundation website, 2008). Additionally, sales of fair trade products in the

¹ Established in 1992.

UK have grown from £22 million in 1999 (Ethical Consumerism Report 2007, p. 10) to £500 million in 2007 (Tipping the Balance 2008, p.1) and are now sold by 400 companies in the UK (Lamb 2008, p. 55). Increased sales are not just a sign of growing compassion for producers among British consumers, but also increased commitment. Overall, compassion fuels the soul to fulfil ambition.

COMMITMENT

Fair trade sales have grown in the UK because consumers and non-profit leadership have demonstrated commitment to the movement. Compassion may be the fuel that feeds the desire to help, but it is commitment that ensures the goals are met. Commitment to ensuring that our global neighbours stay healthy requires an unswerving group effort. These ambitions are not like fashion trends: 'in' one season and 'out' the next. We cannot treat them like trends, only serving them when it is convenient for those of us in the developed nations. We have to work towards these goals everyday for the producers' livelihoods to improve. If you practice a musical instrument everyday for a month, you will be better at the end of that month than you were at the very beginning. Commitment can lead to improvement. Consumer commitment to fair trade led to increased sales and is now helping 7 million farmers and their families across the developing world (Lamb 2008, p. 4). Despite the present economic downturn, fair trade sales grew by fifty-five percent in April 2008 through June 2008 to an estimated retail value of £113 million to £176 million compared to the same time in 2007 (Fairtrade Foundation Website, 2008). Development is still on the consumers' 'shopping list.' Leaders outside the fair trade movement who exhibit equally strong commitment towards improving health and saving lives can be successful. Even when the global economic environment presents challenges, sacrifices and decisions can be made to ensure and maintain commitment to development goals.

CLARITY

In addition to compassion and commitment as leadership characteristics that will improve health and save lives, leaders need to be clear with expectations and communications. Expectations of one's partners and time frames for goal completion need to be articulated so that those working towards the same goal know where to concentrate their efforts. Clear communication is also essential. Steps to reach goals, and methods to complete each step must be clear so as to avoid confusion among those working towards the goal(s). Overall, when all participants in a project know exactly what needs to be done and what is expected of each participant, the project can fulfil its purposes efficiently.

The fair trade movement, for example, understands the need to articulate expectations and communicate clearly. The fair trade product range and therefore the number of fair trade producers could not grow efficiently and effectively unless there clearly articulated requirements to garner fair trade status existed. An arbitrary, ad-hoc certification system would be inefficient. International certification standards of course exist to ensure all producers and organisations from all over the world meet similar requirements when seeking a fair trade mark for their product(s). Product requirements and expectations are clearly delineated. However, it should be noted that from a trade development perspective there are two distinct goals in the fair trade movement: one seeks to foster equal trading relationships between the North and

South, while the other seeks to change conventional international trade practices. As a result, there are two different certification standard-setting groups: International Fair Trade Association (IFAT) and the Fairtrade Labelling Organisation (FLO), respectively.ⁱ Despite differing perspectives, as long the number of fair trade certified products continues to grow, more producers will be able to live healthy, productive lives. Consumers will have more fair trade product options to choose from; thus allowing them to express their compassion for the producers and continue their commitment to them through a variety of products.

CONCLUSION

Compassion, commitment, and a sense of clarity can contribute most towards a global ambition of improving health and saving lives. Though this essay has only examined these three characteristics of leadership, this author believes that leaders in other fields who demonstrate these characteristics will be successful in fulfilling the aforementioned global ambition. The fair trade movement seeks to fulfil a similar ambition and the compassion for the producers, the commitment to purchasing and growing the product range, and the clear expression of standards have only served to strengthen the movement and in turn, improve the livelihoods of developing world producers.ⁱⁱ

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ⁱ The International Fair Trade Association (IFAT) launched a Fair Trade Organisation mark in 2003 in order to boost Alternative Trade Organisation (ATO) credibility (Raynolds et al. 2007, p. 18). The roots of the fair trade movement lie with ATO. They typically import and retail the products themselves, forging highly connected networks and reducing the distance between producers and consumers. Those using the aforementioned mark are required to meet certain ethical standards, but this system is still not as strict as the one employed by FLO (Fairtrade Labelling Organisation). Created in 1997 to coordinate fair trade product labelling efforts, the central goal of FLO has always been to take the movement beyond its historical alternative trade roots and move fair trade ‘into the supermarkets where most people do their shopping’ (Raynolds et al. 2007, p. 8). FLO’s primary argument is that expansion into Northern markets offers the possibility of providing fair trade benefits to more of the marginalized producers in the global South. Though in principle FLO is committed to the same goals of fair trade as the ATO strand, relations between producers and consumers hinge heavily on ‘formal rules, standards, and product labelling procedures’ (p. 18). Unlike with ATO, importing and sales of the fair trade products are handled by mainstream commercial enterprises; therefore making it difficult for producers and consumers to establish meaningful partnerships. Organisations such as the Fairtrade Foundation concentrate more on certification and labelling efforts of fair trade items for sale in mainstream retail outlets over direct marketing (p. 8).

ⁱⁱ Most of the background information and use of secondary sources (except for the MDG report and the article by Phil Stewart) were used in my MSc thesis, ‘UK Consumer Perspectives on Fair Trade Mainstreaming’, which was submitted in August 2008 and fulfilled the requirements for the MSc in Management Research degree at Oxford University/SBS in September 2008.