

Enterprise Solutions to Poverty

Reflections on Experience in Kenya

by Allan Bussard



As manager of the Integra Social Venture Investment Fund, the author describes the trials of an African business venture in which his company is seeking to bring the first fair trade macadamia nuts from Africa to the European and US markets. Now after two false starts, he reflects on the place of faith in enterprises that face corruption, fraud and exploitation. Faith-based enterprise in Africa, he concludes, requires strong nerves and a sense of humour.

Macadamia Nuts and Their Eroding Influence on Faith

Macadamia nuts. They evoke a feeling of luxurious decadence. Affordable only a few times a year. Something for Christmas, and special moments. But since June 2008 macadamia nuts have become part of my daily existence. I can hardly eat them anymore.

It was in June 2008 that three partners and I set out to create the world's first fair trade macadamia factory in Kenya. Kenyan macadamia farmers had long been exploited by those close to the government. One dominant exporter would dictate prices to the farmers, often below the cost of production. Kenya's once proud export (no. 5 in the world) was sinking into neglect and decay.

Ten Senses Africa, our new macadamia company, was to change all of this. We set about implementing a 12-month process to help more than 1200 farmers in Chogoria and Taita to gain fair trade status. This would mean stable prices, training and support, and a social premium paid to the farmer association for investment in community projects including schools, clinics, wells and playing fields.

At the same time we began to set up a factory in Thika, about 45 minutes north of Nairobi. Dryers, crackers, sorting tables, vacuum packers: everything was installed and ready for the harvest of 2009.

The season started, and not long after, so did the stories. "The farmers are sending us rotten nuts", "Rats are eating the product", "The roaster operator fell asleep", "The women are carrying off nuts in their underwear", "The power was off". One excuse after another to explain the yields that were far below target.

What we learned was really happening is that of the 50 or so workers (45 of them women; we wanted to empower the vulnerable) about five were the ringleaders of the macadamia mafia. The schemes they created to steal nuts deserved awards for creativity. Over-sorting was one of the most popular. Rather than only remove the mouldy and insect-damaged nuts, they would sort out large numbers of good nuts. Discarded, the nuts would be retrieved after dark and taken to the market to be sold. Another method was to adjust the cracker



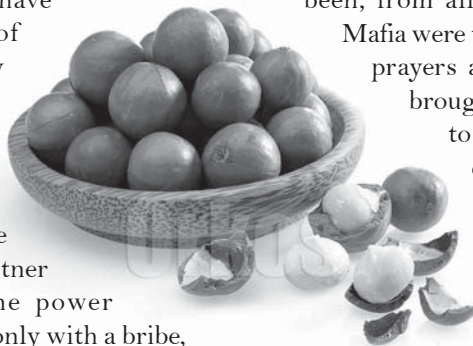
▶▶ to crush the nuts when coming out of the shell, rather than lightly squeeze the shells so that whole nuts would emerge. The broken pieces, while no good for export, could be easily sold locally.

Of course we hired guards to search the workers as they left each day. But the guards were subject to the influence of gifts and favours in order to look the other way.

Eventually, the only way we concluded that we could escape the situation was to move the entire factory about 60 kilometres south-east to the outskirts of Nairobi. So, the 2010 season began in a new factory, with new workers and new hope.

Things came together...slowly. The power company took four months to hook up a two-metre cable, pleading lack of manpower, lack of cables, lack of electricity, lost documents and inadequate rainfall on various occasions. A bribe would have helped, as the book of Proverbs makes clear. Very pragmatically, we are told that "A bribe is a charm to the one who gives it, wherever he turns, he succeeds." (Prov 17.8) But we resisted. As our Kenyan partner told us, "if you train the power company to provide service only with a bribe, we are complicit in depriving the poor of electric lighting their children need to study in the evenings."

But just as the first large volumes of macadamia were ready to be shipped, the boiler exploded, destroying product, setting back the orders for weeks, and rendering the factory useless for the season. The boiler took off like a rocket and landed through the roof of the neighboring factory three doors down. Bricks went flying through windshields, and factory doors were ripped off stout metal hinges. And of course, bits of macadamia carpeted a good part of the industrial park. We suspect sabotage from the macadamia mafia who tracked us down and made us pay for destroying their lucrative playground.



Finally, orders of six containers had been secured, only for us to see them all lost in a mess of twisted metal, macadamia splinters and debt in need of rescheduling yet again.

As said, this was a work of faith. The partners, one from Europe, one from the USA, and one from Kenya (the second Kenyan having fled after the first factory experience) were all deeply committed to enterprise solutions to poverty. The project was launched in prayer. Moved by the exploitation of the farmers, the goal was to lift farmers, their families and their communities out of poverty. (If not out, at least a little way off the floor where so many of them were stuck.) It was about justice, not profit. We were committed to a sustainable enterprise as the best way to secure marketplace justice in the long term.

But the faith of the investors has taken a beating. The most magnificent aspect of the entire drama has been how faith-filled it has been, from all sides. The Macadamia Mafia were the ones who led morning prayers and Bible reading. They brought a devotion and passion to their faith that one could easily get teary-eyed just listening. The care for the poor! The passion for justice! The gratefulness to the Lord for being willing to use them, and to give them this chance to provide for their families, and for the less fortunate. The irony is that even when the corruption emerged, there was no sense of misdeeds. Such behavior was seen as normal, with faith as the lubricant.

It is at this juncture in the adventure that I rediscovered the usefulness of foul language. And decidedly uncharitable, not to mention unChristian thoughts. We had set out to serve the poor, to bring justice to an exploited corner of God's creation. But in the end, we were the ones exploited. Just when progress was about to be made...Bang! I found myself yelling at our African manager, "No wonder you people are poor!" Hardly a noble outburst, for which an apology was later offered. ▶▶

▶▶ The question is how to process this experience? Not yet having put the mess behind us, I am trying to find ways to encourage the other investors not to lose hope, while having mostly abandoned my own. The investors are digging deep for reserves of faith, hope, grit and of course, more money.

Are there lessons, other than the obvious one that the world is broken and those who try to help fix it can be broken in the attempt? But the last thing I want is a lesson: how cruel for the whole thing to be arranged for my character development! I would much prefer to remain with rough edges. The only comfort I take is that even the Kenyans have been defrauded. So it is not a simple matter of dumb foreigner. Small comfort.

Canadian folk singer Leonard Cohen once said, "There is a crack in everything. That is how the light gets in." Having become frustrated with what little help the Bible seems to bring to the chaos, I find inspiration in his words. As I process this, I am finding it most helpful to become more metaphysical in my life orientation. By metaphysical I refer to a growing sense that there are large forces at play, much bigger than me or macadamia, that I only barely sense. And that what is really going on has very little to do with processing nuts.

Without injustice and exploitation, would justice be seen for what it is? If Shalom were the order of the day, would it be sought? If evil is banished, might good seem dull and tasteless? If all went well, would it be appreciated for the miracle it would be? And if all prayers were answered, would prayer be reduced to a transaction tool?

I am forced back to face the reality of injustice, exploitation and life in a grace-less world. And then there is the cross. Macadamia nuts do not seem very important in comparison. The injustice of the false accusations, the political cowardice and the lethargy of a system at its apex all contributed to nail Jesus to the wooden beams that became his last place to pray. And even at this pinnacle of God's intervention on earth, Jesus wondered if his prayers were being heard.



"I cried to You, and You did not hear me"
Job's despair (1805), William Blake (1757 - 1827)

By 'chance' I am reading through the book of Job. This morning I read, "I cried to You, and You did not hear me. I stood up, but you did not notice me." This is the reality of millions of Africans, largely women and children. Despite earnest faith and frequent prayers, they feel unnoticed by God. The exploitation of the "Big Man" who feels himself invincible rolls on and on. And of course, all the more painful is their exploitation due to its amplification by words of piety and faith. So, my trials are trivial. They stand little chance of costing my livelihood, let alone my life. But they do create a crack, through which the light may make its way.

So, what to say about faith-based enterprise solutions to poverty? In a strange way, I am more committed (desperate?) than ever to do what I can to make it work. Currently our fund has invested in seven enterprises in Kenya, Ethiopia and Sudan with a view to creating sustainable and scalable enterprise solutions to poverty. Perhaps God can find a use for my stubbornness and reluctance to admit defeat.

This harvest, things are looking up. No recent explosions, modest and controllable theft and some macadamia-filled containers making their way to market. We now have skilled and committed local managers and supervisors. Our courageous Kenyan partner has kept the faith, though she has had many reasons to give up.

We are also learning a lot about how to do business in Africa. I have just received a note from our current (and reliable) factory ▶▶

▶▶ manager, which put things into perspective. *“It’s a great sense of achievement. Today we are finishing strapping up the pallets, now the nuts are ready for export as far as the production stage is concern. A few challenges on the way but we made it nevertheless, teamwork has seen us through. I still feel that everyday I learn a lot. I hope you are encouraged by the progress however slow it is.”*

The last sentence is actually quite profound. Progress, however slow, should be a cause for encouragement in an economic and social context where things can so easily move backwards. Business in Africa is a matter of steady plodding in a forward direction, and my Kenyan colleagues have taught me a great deal about perseverance, hope and humour in the face of adversity. I am always amazed by my Kenyan friends, whose first response to something bad is often laughter. At first it felt strange. But then I realized that it is their way of expressing hope and faith in a place where bad things happen a lot.

We do face a few problems such as increased shipment insurance premiums due to Somali piracy, and a three-week inspection delay in the Port of Los Angeles due to the current California budget crisis. But these issues seem surmountable, or at least offer the comfort of being demonstratively not the fault of our own stupidity.

Most gratifying is the response of the farmers. Stable incomes and increased yields means fewer worries about finding school fees for more than 270 farmers in the Taita Taveta district of South East Kenya. Along with that, deep pride in being the only Fair Trade macadamia providers in the world.

All this has also got me thinking about failure and disappointment. As Christians we perhaps have a harder time with bad things than those without faith. Somehow we easily believe that since God loves me, he will bless me. Thus, failure can disturb not only our lives but our faith. But life simply happens to all, believers and non-believers. Sometimes good things happen ...sometimes bad things. The purpose of faith is not to guarantee blessing, but to guide and be a source of wisdom and strength, to inform me how to respond to whatever happens.



Taita Taveta district in South East Kenya

Business as Mission is currently rather fashionable. Sometimes it can be presented trivially as a simple win-win. In its most debased form, at times one hears “Do mission and make money at the same time.”

When thinking about my experience from a Business as Mission perspective, it occurs to me that when all is stripped away, Business as Mission is really about justice for the poor. And as with all efforts to bring justice, a struggle will be the norm. This is a good thing, since injustice is the best way to provoke enough anger not to give up. Injustice has a raw edge that pushes us forward despite the odds. While we may doubt God’s goodness at times of deep personal struggle, it is a much harder task to seriously doubt his anger at injustice.

While preparing these thoughts, an email came from the previous manager of our macadamia factory and ringleader of the Macadamia Mafia. Entitled “Request for Vacancy” he wrote, *“I, your former foreman I will be very grateful if you offer me to the same position and I can secure for your poverty (sic). Please am waiting for your reply and remember that am jobless now and I will be very grate full if you will answer to me and may the Lord Bless you.”*

Yours faithful,
(Name Withheld)

I am tempted to respond to him that he has already done quite enough to secure for my poverty without coming to work for me again. At least we can say that he has shown great faith in being willing to re-surface. At least someone in the entire show hasn’t lost his faith!

But one thing he writes is true, the Lord may bless me. ■

Allan Bussard, originally from Canada, has managed the Integra Social Venture Investment fund since 1995. This fund has managed investments in Slovakia, Russia, Romania, Serbia, Bulgaria, Croatia and for the past five years, in Kenya, Ethiopia and South Sudan. The vision of the Integra Fund is to promote sustainable business solutions to poverty. Not all the investments have had the same problems as the one described in the article!

