

## Cape Town, South Africa 2012

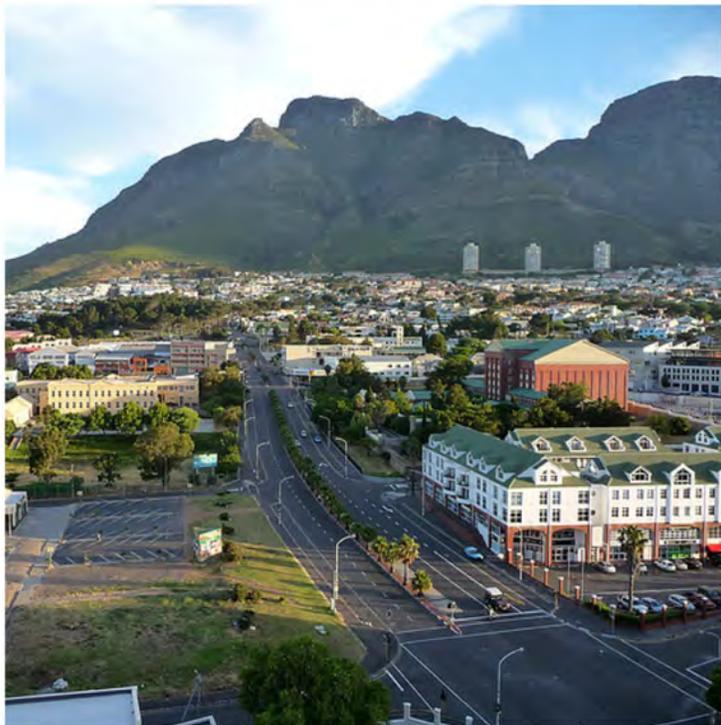
*Alexandra Haass is a recent graduate from Belmont University, where she earned a Bachelor of Arts in Social Entrepreneurship with an emphasis in Economic Development. Eager to utilize her degree and to travel the world, she set off on the adventure of a lifetime to Cape Town, South Africa where she would work with a company called Reciprocity. Every experience is a form of exploration and it was expected that this African experience would be eye-opening and inspirational. However, expectations were exceeded immensely as Cape Town transformed from a classroom to a home away from home. Below is her account of this transformation and how this experience influenced her heart, mind, and soul.*

### **A New Beginning**

With every life transition comes big changes and many unknowns. As the chapter of my life at Belmont University came to a close, I knew the opportunity to go to South Africa that lay in front of me would be crucial in building the foundation of my next chapter. Therefore, in mental preparation for my journey I really focused on developing concrete goals that I would, without hesitation, set out to achieve. These goals were as follows:

- 1) Carpe diem... Take advantage of every opportunity that presents itself, never letting fear hold me back.
- 2) Focus on self-growth and appreciation because without either your success and impact are extremely limited.
- 3) Absorb and learn everything that I could about the people, the culture, and the country so that I could better understand social entrepreneurship on a global stage and contribute the best that I could. Not only for my four months in South Africa, but also as I move forward in my career.

With these at the forefront of my mind, Jack Kerouac's *On the Road*, and my bags packed, I took a deep breath and boarded the flight that would take me half way across the world. Thirty-two hours later I landed in what would become my new home. Wearily I gazed out the window as I was driven from the airport to my apartment building in the city bowl. Just off the N2 near the airport the area was dark and vast, but when you looked closely you could barely make out the organized chaos of sheet metal and electrical wires that are the Cape Town townships. Then, what seemed like in a blink of an eye, we were driving over the hill and descending into the magnificent city bowl, glowing with all the twinkling lights from the harbor to the skyscrapers to the homes at the base of Table Mountain. The socio-economic complexities that I had read and heard so much about, I had already seen in my first 20 minutes in the country. As I laid my head down on my pillow that night I wasn't sure which dimension of the experience I was more excited for.



## Reciprocity

*resə'präsətē* | noun.

*“the practice of exchanging ideas, goods or services between two entities for their mutual benefit”*

Prior to my arrival in South Africa my perception of "inclusive business" was limited by my understanding of "social entrepreneurship" and the Triple Bottom Line model (people,planet,profit). I quickly realized that, though effective, it was just the tip of the iceberg and I undoubtedly had lots to learn when it came to economic development on the ground. The primary lesson learned from working with Reciprocity was that business and socio-economic responsibility can be much more sustainable than traditional corporate social responsibility, as well as, more effective and impactful than the "buy one, give one" models that have recently become so trendy (examples include TOMS shoes and Warby Parker glasses). During my stay, the primary projects that I was involved in included:

- 1) Research and drafting for an in-depth report on inclusive businesses for the United Nations Development Program, including specific research and mapping of financial instruments available in Africa for the development of the private sector. This report is due for official global release by UNDP in March 2013.
- 2) Preparation, organization and execution of an “inclusive consulting” program for 96 MBA students from London Business School in the Johannesburg township of Alexandra. Over a period of several weeks, I was directly involved in helping to identify, interview, screen and select 18 micro-entrepreneurs from the township. I also provided logistical and strategic support throughout the program preparation and its execution during the first weeks of December 2012. An experience that provided me with in-depth exposure to emerging market dynamics in a South African base of the pyramid environment.
- 3) Identifying, interviewing, mapping, and profiling low-income entrepreneurs so that Reciprocity can develop a solid network in the townships that will help them to test and execute pilot products, services, or methods for large firms, NGOs, or government

organizations. A thorough mapping of entrepreneur will also enable Reciprocity to direct funding, training, and mentoring opportunities to the most eligible and strategic candidates in the townships, increasing the entrepreneur's probability of success.

All projects enabled me to begin to grasp the versatility of this sector, and opened my eyes to the complexities, but also the opportunities that involve the BoP.



## **Inclusive Business Justified**

First off, the essential players required for this system of "inclusive business" to work are not just those that exist in the private sector, but in actuality come from four different areas of influence: policy, advocacy & research, finance, and implementation support. Therefore the list of players is lengthy and includes those such as: policy makers, NGOs, multinational corporations, think tanks, researchers, academics, consultancy firms...etc. The general logic that supports the idea of "inclusive business" is as follows:

There are over 4 billion people that live at the base of the socio-economic pyramid (BoP) that are currently not formally included in developed economies, forcing them to informally develop, sell, and acquire essential products and services. But what if formal economies were inclusive? What if multinational companies like SABMiller, PepsiCo, Nestle, Colgate, molded their business models to include these **4 billion** people in their supply chains, distribution channels, and consumer base? Well by empowering the BoP through employment in *supply*, whether it be agribusiness or textiles or manufacturing etc., you improve their livelihood by providing a solid source of income. Including the BoP in *distribution channels* opens up opportunities for further employment and also facilitates entrepreneurship in disadvantaged communities. Such improved economic stability then allows for general social development in education, healthcare and housing. Thus, opening up a whole new market for these companies to sell their products or services to.

Companies are always looking for ways to penetrate new markets requiring investment, innovation, and risk. So the question that Reciprocity asks is, "how is the BoP market different?" Like any entrepreneur they identified a problem and an opportunity in the market and created a link between the two with a model that enables the for-profit sector to engage with and benefit from incorporating the BoP into their business models. Their selling point not only being that it is the "right" thing to do, but that there are 4 billion people out there with potential purchasing power that can also help your business do more business along all three tiers, while subsequently improving lives!

Walking around the townships, spending time with the people that make up the BoP and working with others towards a common goal despite our diverse backgrounds made me realize and feel the power of the human spirit when working in tandem innovating, executing, and improving what already exists.

## The Power of Connection

It sounds cliché, the young traveler that sets out to save the world and whose life is changed by every person they meet. But I believe what I experienced was deeper than that. It's a naive mistake for travelers to venture off to a new land, suspend their core values and absorb a new culture blissfully while ignoring the inherent flaws that undoubtedly exist. At my core, I'm a girl from Colorado who lives by a code centered around adventure, hard work, and cooperation. Like I had hoped, I took advantage of every opportunity I could in South Africa and along the way met people who changed my life. However, it is not because I was in an exotic land, but because I shared a life experience with them. Whether it be my friends from Connect 123, fellow travelers I met, local Capetonians, or the micro-entrepreneurs in the township of Alexandra a personal connection was shared that neglected any status quo's and broke down preconceptions of



our diverse backgrounds. I was challenged and equally I challenged those around me. I immersed myself into a new culture, yet religiously stayed true to myself and because of that I was accepted and supported by the people that surrounded me. It is with this rediscovered sense of self that I believe enabled me to confidently and effectively implement a degree of change in the communities that I worked, and ultimately I attribute this lesson to the entrepreneurs and navigators that I worked with in Alexandra township. They reminded me that the only respect you deserve is what you first give yourself, and that embracing your unique identity and talents is not only better for you but also for the people that you live, work, play, and interact with everyday. In fact, this wise advice can be defined by the single Southern Africa term Ubuntu: *"I am what I am because of who we all are."*

It's an interesting phenomenon to travel half way across the world to learn more about the person who you never are separated from... YOU. Uniquely through the Lumos foundation however, such discovery is instigated as you strive for a greater purpose in a land that is not your own, making for what I believe to be a richer and more unforgettable experience that will continue to challenge you to grow for a lifetime.