

THIS SEMINAR IS THE THIRD IN A SERIES OF SIX BEING INITIATED BY THE IIED/HIVOS KNOWLEDGE PROGRAMME: SMALL PRODUCER AGENCY IN GLOBALISED MARKETS

Making markets work for the poor: contents and discontents

WHY THIS 'PROVOCATION'?

Development policymakers and practitioners are increasingly turning to markets to alleviate poverty. The idea is that well-functioning markets that integrate poor people as consumers, producers and workers can deliver economic growth and prosperity for all. But there is increasing evidence that while they may help some small-scale farmers, the most vulnerable people are still left out in the cold.

Venue:

La Maison des Associations de Solidarité (MAS), Paris, France

www.mas-paris.fr

30 March 2011

9.30-13.00

Central European Time

Livestreaming begins at 10:00

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3RD IN A SERIES OF PROVOCATION SEMINARS

Making markets work for the poor: contents and discontents

New ways of integrating poor people into markets and collaborating across value chains are rapidly emerging; private companies are promoting quality production and supporting research-extension-innovation networks. These interventions can present opportunities for small-scale producers and their organisations as entrepreneurs.

Such market-based approaches often overlook the key fact that most small-scale farmers are vulnerable. They are vulnerable to their environment — for example, to climate shocks and poor soils. They are institutionally vulnerable, dependent on how and when rules are enforced and how well national policies reflect local practices or needs. And they are vulnerable in an economic sense — at the mercy of available infrastructure and services, volatile prices, and input suppliers, processors and retailers. At the same time, farmers have to be able to respond to changing market requirements.

Some critics of market-based development claim that it does not fully understand how this vulnerability governs the diversity of agriculture and rural livelihoods, and how it lies behind smallholders' imperfect responsiveness to interventions, no matter how inclusive the business model.

This viewpoint challenges conventional strategies to 'make markets work for the poor'. It suggests that such approaches do not sufficiently assess who it is that benefits. Market-based development often struggles to reach remote rural areas and it can be blind to differences in gender, ethnic origin and assets — women, indigenous groups and people without secure land access potentially lose out.

Fitting small-scale producers into global or high value chains can also expose them to high volatility and risk. Business can be a fickle ally of rural households and some private initiatives often simply follow the latest fashion in social responsibility.

A third criticism is that 'markets for the poor' approaches tend to have a stereotype image of farmer associations and their role in value chains. When those associations don't respond to this image, private actors might start organising production themselves, leaving out the poor. Collective action by farmers to claim their space in the market is a key issue here — as is the need for a better understanding of the dynamics of farmers' organisations by the private sector.

THE PROVOCATION IN PRACTICE

The provocation will bring together policymakers, academics and practitioners working at the interface between small-scale production, markets and development to share their insights into the contents and discontents of approaches to make markets work for the poor.

It will aim to address the following:

- **Do market-based approaches expose small-scale producers to high risk or do they help to address them?**
- **Do they sufficiently address food and land tenure security as pre-conditions for inclusive business?**
- **Do they assume too much of producers' willingness and capacity to get 'organised'? Do they promote new ways of collective marketing?**
- **Can market-based approaches (often focused on single products) be integrated with local development efforts that emphasise the many functions of small-scale farming?**

SPEAKERS

- Roger Blein, expert in agricultural and food policies, Bureau Issala, France
- Bala Sanou, researcher sustainable economic development of Royal Tropical Institute (KIT), Burkina Faso
- Harm van Oudenhoven, Coordinator of the Tropical Commodity Coalition, The Netherlands
- Olivier Renard, Institut de Recherches et d'Applications des Méthodes de développement, France

Chair: Camilla Toulmin, Director, International Institute for Environment and Development

HOSTING PARTNERS

Netherlands Development Organisation (SNV), Institut de Recherches et d'Applications des Méthodes de développement (IRAM)

LIVE STREAMING:



The seminar will be broadcast as a live video stream on the IIED web site (www.iied.org/provocation3), and also recorded and posted on the site for later viewing. Viewers of the live stream will be able to submit their own perspectives and ask questions in real time. The seminar will be conducted in English and French. The broadcast will be made in collaboration with One World Media.

For further information on the event and registration, please go to <http://snvworld.org> or contact sdesmet@snvworld.org

NEXT PROVOCATION:
Making markets work for
smallholders or wage labour?
IDPM
25 MAY, MANCHESTER