

First of a series of provocative seminars

PRODUCER AGENCY AND THE AGENDA TO “MAKE MARKETS WORK FOR THE POOR”



Museum for Communication

Zeestraat 82, The Hague, Netherlands

28 September 2010, 13:00-16:00

iied

ESFIM

Hivos
people unlimited

Producer agency and the agenda to “Make markets work for the poor”

Why this “Provocation”?

Much of the renewed interest in small-scale agriculture has focused on connecting producers to markets. The concept of “pro-poor markets”, whether global value chains, regional trade or new markets for environmental services, has gained a lot of traction among the development community and some businesses, partly as a result of failure of other poverty alleviation programmes. The expectation has been that through market inclusion, small-scale farmers can survive and even prosper in the face of major changes in agriculture and food markets ushered in by globalisation, economic liberalisation, and the partial withdrawal of the state.

With some notable exceptions, the vast majority of policy development and debate around the agenda of “making markets work” for small-scale farmers has been conducted at a distance from small-scale producers. This raises some challenging questions. Has the drive to “make markets work for the poor”, whether in the form of support for producer organisation, or support for Fairtrade products, or subsidies for big business, perpetuated a tradition of development interventions being designed externally to “beneficiaries”? Has enough attention been paid to the capacity of small-scale farmers to reflect on and shape this agenda to better suit their needs – in other words, producer agency? Has the development community downplayed other major social and political imperatives by placing economic inclusion at the centre of development discourse?

In the first of a travelling series of “Provocations”, IIED, Hivos, Mainumby and ESFIM are gathering together a group of provokers and invited local and international participants for three hours of debate.

The objective is to inject new knowledge and insights into the topic. This Provocation is supported by the Hivos Knowledge Programme Small Producer Agency in the Globalized Market.

It is also a side event of the Hivos Dialogue Knowledge & Change: Theory and practice of development dilemmas to be held in The Hague on 29 September – 1 October 2010.

Structure

The Provocation will be structured around three sets of questions:

- Why is the topic of smallholders and the “pro-poor markets” agenda in need of provocation? Has producer agency been overlooked in the push to “make markets work for the poor”?
- How are producers engaging with pro-poor market interventions and how are they trying to influence this powerful external agenda?
- What are the principles and practices of building producer and community capacity to make good choices and shape agenda? What kind of policies are needed that enable these principles and practice?

Debate around each question will be started by short provocations from Latin America, Africa and Asia grounded in work with producers and communities, from the following participants:

- **Lorenzo Castillo**, Junta Nacional del Café, Peru
- **Mohamed Shariff**, Kabarole Research and Resource Centre KRC, Uganda
- **Diego Muñoz**, Mainumby Ñacurutú Research Centre, Bolivia and convenor of global Learning Network “Small Producer Agency in the Globalised Market”
- **Sudhirendar Sharma**, Knowledge Networking for Rural Development in Asia/Pacific Region ENRAP, India
- **Falguni Guharay**, Servicio de Información Mesoamericano sobre Agricultura Sostenible SIMAS, Nicaragua

Invited local participants and an international group connected by web streaming, will then bring their own responses and opinions to the debate.

Insights from the provocation will be carried forward to the next in the series (see over) and will also be assembled into published and digital media.

For registration visit www.hivos.net.

For more information on this seminar, contact Josine Stremmelaar, Hivos, j.stremmelaar@hivos.nl.

“Making Markets Work” for Small-scale Farmers? A Series of Provocations

Small-scale agriculture is back in the spotlight. This renewed interest is based upon a number of expectations from powerful players in development. Expectations that small-scale producers are a key to reducing rural poverty and achieving the MDGs. That they are a pillar of global food security. That they are a source of new supply for agribusiness and a new market for seeds and other inputs. That they are stewards of biodiversity. That they are part of the solution to climate change.

Much of this renewed interest has focused on connecting small-scale farmers to markets, especially global value chains and high-value markets. The concept of “pro-poor markets” has gained a lot of traction among the development community and big business, partly as a result of failure of poverty alleviation programmes. By “making markets work for the poor”, the expectation has been that small-scale farmers can survive and even prosper in the face of major changes in agriculture and food markets ushered in by globalisation, economic liberalisation, and the partial withdrawal of the state.

The critique of the approach has multiple strands, as follows. Markets can rarely be programmed to work in favour of the poor and the private sector by definition rarely protects the public good. “Inclusive business” therefore still bypasses the rural poor on the economic and geographic margins; women, indigenous groups and people without land title can lose out. The majority of smallholders are not organised into economic associations, which is a prerequisite for market-based approaches to function cost-effectively; even when they are, many producer groups are not really farmer-led in making their choices, but convened by external actors such as traders, exporters or NGOs. Market development of niche products makes communities and households more vulnerable to market volatility, unsustainable extraction and loss of indigenous knowledge. Business is a fickle ally, and will move on with the latest CSR fashion. Placing economic inclusion at the centre of development discourse leaves out compelling imperatives of deepening democracy for social inclusion.



IIED, Hivos and collaborating institutions are organising a travelling series of “provocations” to take a more careful look at the assumptions, impacts, evidence, benefits and risks of the approach to “making markets work” for small-scale farmers. The aim is to provoke constructive debate by focusing new knowledge and insights onto this development dilemma.

Between September 2010 and September 2011, up to seven Provocations will take place in European cities. Each Provocation will gather invited provokers, local participants, and international participants via web streaming, for three hours of debate. Insights will be transferred from one Provocation to another. They will also be assembled into published and digital media. The series is supported by the Hivos Knowledge Programme Small Producer Agency in the *Globalized Market*.

Provocation 1.

Producer agency and the agenda to “make markets work for the poor”

The Hague Netherlands, 28 September 2010

Provocation 2.

Rights-based versus market-based development: a false dichotomy? December 2010

Provocation 3.

Market-based development blindspots in the spotlight
February 2011

Provocation 4.

Making markets work: for smallholders or wage labour?
April 2011

Provocation 5.

Businesses and the business of rural development
June 2011

Further Provocations are also being considered, on **Informal Markets**, and on **Markets for Environment Services**

For further information on the seminar series, see www.hivos.net and www.iied.org

For further information on the seminar series, see overleaf. Track developments at www.hivos.net and www.iied.org

