Bringing the Poor into the Export Process: Linkages and Strategic Implications

Breakout Series A:
A Virtuous Circle – Export Development, Poverty Reduction and Empowerment

Getting Started – Is It a Question of Education or Entrepreneurship?

The Issue: The poor cannot be brought into the export process if they are not willing and equipped to take the journey.

But it is a chicken and egg situation. Can a poor person, who wants to start a business, become an out-grower, or join a production cooperative or cluster, be expected to achieve success if he does not have the knowledge and skills required? On the other hand, can someone who has the necessary education be expected to take the leap into export if he is not inclined to do so?

The Proposition: Export strategy, which seeks to engage the poor, must address the issue of education and entrepreneurship in parallel.

In the first place, education must combine basic business training (business plan preparation, accounting, and cash and correspondence management) and knowledge of business procedures and information sources. Such education programmes must be sector-specific, and be combined with production extension services (for example in the case of rural dwellers).

The entrepreneurship aspect is a little trickier. The old argument is that entrepreneurs are born and cannot be created. This is possibly true. But latent entrepreneurship can be converted into active entrepreneurship through special support programmes, finance and mentoring.

Again this requires public sector leadership in close partnership with the business sector and the NGO community.

Focus of the Debate: The debate will address the following questions:

1. Is the proposition valid? Must education and the promotion of entrepreneurship go hand in hand or is one more relevant than the other in bringing the poor into the export process?
2. What represents a ‘suitable’ education that will empower the poor to enter the export process?
3. Should entrepreneurship development be addressed under a national export strategy, or does it fall under the domain of a wider development initiative?
4. What should be the key steps of a pro-poor export strategy that targets education and entrepreneurship development?