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

Breakout Series B:
The Reality of High Profile Options

The Hands-On Approach: The Importance of Going Local

The Issue: When it comes to poverty reduction, the impact of the so-called ‘trickle-down effect’ is, at best, meagre and slow to emerge. Occasionally, it happens by chance over the long term. Most of the time, it is imperceptible.

Nonetheless, the importance of a top-down approach to pro-poor export development is essential when it comes to national commitment, to labour and land reform, to addressing infrastructural deficiencies, to affirmative action, and to empowerment.

In the end, however, impact is achieved through local initiative where the poor are the driving force of their own development.

This suggests that the strategic focus of poverty reduction through export development should be on local programmes. It currently is not.

The Proposition: One cannot be serious about reducing poverty unless one works directly with the poor. Bringing the poor into the export process requires a local approach that encompasses a cross-section of hands-on inputs targeting awareness-building and market knowledge, management development, linkages in the sector’s value chain, production capacity development and quality (of product and packaging). Most of all, such programmes must address ‘mindset’. These issues cannot be dealt with through national policies.

Moreover, there is nothing as effective as advocacy through demonstration. Small, local initiatives that directly involve disadvantaged communities, and which ensure fair distribution of the generated gains, can speak volumes to planners and policy-makers (at national and local levels), and to donors and international technical assistance agencies in their pursuit of poverty alleviation through export development.

The ‘act local’ principle is thus particularly relevant to poverty sensitive export strategies, and strategy-makers must respond accordingly.

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

1. Is the proposition valid? Given the export sector’s currently limited impact on overall poverty reduction, is a hands-on, local approach appropriate for pro-poor export development programmes, or should strategy-makers concentrate on combating mass poverty through national initiatives?
2. What sectors are most relevant to a pro-poor export development strategy concentrating on local, as opposed to national, initiatives?
3. What are examples of successful local, export-led poverty reduction initiatives and what are their characteristics? What has determined their success? How is their success measured?
4. What should the focus of trade-related technical assistance (TRTA) to support a pro-poor export development strategy be? Is it on support to national or local initiatives? Why?
5. Given that local programmes are likely to be expensive to initiate and manage, how can TRTA targeting export-led poverty reduction be made more cost effective?