

# E-CONSULTATION: THE IMPACTS OF SOCIAL NORMS ON VALUE CHAIN PERFORMANCE

AN ONLINE E-CONSULTATION- HOSTED ON [MICROLINKS.KDID.ORG](http://MICROLINKS.KDID.ORG)

HOSTED BY THE USAID MICROENTERPRISE DEVELOPMENT OFFICE AND  
FACILITATED BY MIKE ALBU AND ELIZABETH DUNN.



**April 27-29 2010**

This publication was produced for review by the United States Agency for International Development. It was prepared by QED Group LLC and International Resources Group.

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# DAY ONE: INTRODUCTION

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## DAY I: WHAT EXAMPLES HAVE YOU SEEN?

Welcome to this e-consultation on the impacts of social norms on value chain performance! Over the next three days we look forward to a lively discussion and exchange of ideas and experiences about ways that the unwritten rules of society affect intervention strategies for value chain development. The participants registered for this e-consultation have a lot of practical experience and we are looking forward to learning from each other.

A framework for the discussion is attached to this message. It is also posted on the group home page under "Quick Links." We hope you will take a few minutes to look at this one-page framework. For additional background information, we invite you to read the Value Chain Wiki on Informal Regulations under BEE. The text from this Wiki was posted in an earlier discussion thread. By sharing your experiences and lessons learned in this e-consultation, you have a chance to help shape the content of the Wiki.

To kick off our discussion, we would like for you to share examples from your own work that illustrate how informal rules and codes of conduct affect value chain performance. Here is an example to get us started: One of the objectives of a USAID-funded project in Zambia was to help cattle farmers increase their incomes by increasing cattle sales. While the project did succeed in helping farmers expand their herd sizes, this did not result in increased cattle sales or higher farmer incomes. Instead of selling these "extra" cattle, farmers kept the cattle in response to a cultural norm that equates herd size with community prestige.

What are some examples that you have seen in your work that illustrate how informal rules and codes of conduct affect value chain performance?

How have you seen informal rules and codes of conduct affect

Relationships between buyers and sellers along a value chain (vertical linkages)

Relationships between peers, such as trade groups or producer groups (horizontal linkages)

Innovation or business investments (upgrading)

We look forward to hearing from you!

Sincerely,

Mike Albu and Elizabeth Dunn, E-consultation Facilitators

### **Post by Ruth Campbell**

Wow - this is such a big subject! But an important one.

I have seen many examples of social norms impacting value chain performance. For example, we have a project in Liberia that is trying to improve the rice value chain, but farmers will not invest in inputs, even though there is strong market potential and inputs could greatly increase production. The reason is that rice is considered a "food" crop and food is not something you invest money in--you just grow it using as few resources as possible and then invest in "cash" crops. Also, many of the farmers are not willing to try new ways of producing crops--there is a strong resistance to learning and to standing out from the crowd. We think this may be because of the impact of the war there. Educated people were often targeted. Everyone tried to keep a low profile. There seems to be a feeling that if you get ahead and do better than your neighbor, you must be doing so at your neighbor's expense.

Has anyone seen similar behavior in other conflict-affected environments?

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## EXAMPLE IN PAKISTAN

### Post by Alexandra Cech

Yes, in our project in Pakistan we were working on a handicraft value chain focusing on women entrepreneurs. This value chain faced significant obstacles as women in the rural and western provinces could not leave their houses to attend trainings or go to the market. They were forced to sell only to those that they had access to, aka sell to people who came to their doors or sell to other women, whose husbands would then sell at the nearby markets. There was little decision making power at the level of the producer. The ability to reach these producers for interaction, trainings and potential new buyer contacts was stifled by the norms of the community. It was also difficult to convince the men, like the husbands and fathers, that these women should be assisted, when the men desired technical assistance for their own job security.

### Post by Elizabeth Dunn

I'm glad that Ali brought up the example from Pakistan. I think this same problem can be found in many countries. It can be hard to bring women into value chains when their cultural and religious traditions discourage them from traveling away from their village or even their home. **What are some examples from other countries?**

Ruth's comment that rice growers in Liberia do not want to adopt new practices because they don't want to stand out from the crowd was really interesting. The desire to keep a low profile may be an impact of the war, or it might be a more deep-seated cultural norm. I have never been to Liberia, but I have heard about several African countries in which rural people do not want to be seen as better off than their neighbors, since they would then be expected to provide money and employment to their friends and relatives. *Have you seen examples of people trying to avoid "too much" success and why do you think they do that?*

One thing I've seen in conflict-affected areas is that it is more difficult for people to trust each other and work together in groups. Guatemala had one of the longest civil wars in the western hemisphere and many times neighbors exposed neighbors for being sympathetic to the "wrong" side of the conflict. Even though the war has ended, it can still be hard to get producers to trust each other enough to work together in groups. They are very suspicious of the group's leaders (sometimes for good reason!).

*Can other people share some examples of problems forming effective groups? Do you think groups have a better chance of being successful if all of the members have the same background (for example, they share the same ethnicity, class or religion)?*

### Post by David Sturza

I wanted to add a thought in relation to Ruth's comments from Liberia. In running an agriculture as an enterprise simulation training in Liberia, I witnessed a very revealing set of behaviors. The training required teams to compete against one another in running a commercial farm, including negotiations with traders and transporters. We were struck by how calm and quiet each team was in their negotiations. This held throughout the training. However, when the simulation ended and the discussion began, the room erupted with accusations of cheating and manipulation! This team had too much control, that team wouldn't cooperate, traders wouldn't give fair prices, etc... It was quite shocking given what we had just witnessed during the simulation.

I think this really accentuates how valuable simulated learning and relationships can be. Not only for the farmer who may be learning lessons about commercial agriculture, but also for program staff to understand how people interact with one another as it can be quite representative of how relationships function in reality. Such insider information can be invaluable and quite difficult to elicit through other means.

I wonder if others have had experiences where training simulations have provided behavioral insights into relationship-building? What other approaches have people found useful in gaining insights into relationship behavior?

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## AVOIDING TOO MUCH SUCCESS

### Post by David Sturza

I think that this is a very interesting norm to consider. It brings the proverb to mind, "The tallest blade of grass is the first to be cut". I know that this rings true in many cultures and for various reasons. To me it reminds me of working in Northeastern Thailand where this line of thinking often pervades. In Thailand they have a word that means great/smart/clever that is often used both positively and negatively - often times, people would be described as "too great". Being too great did mean that one succeeded too much, but more than that it meant that one succeeded too openly. In reality, each person wanted to be successful, but it was important to do so humbly and not in the face of others.

This had a very interesting effect on how business relationships were formed as it often drove what may have otherwise been successful individual enterprises more toward cooperative or group-based enterprises as a mechanism to secure against appearing too successful. What is interesting from the value chain perspective is the question of whether or not these groups were adding value, economies of scale or bargaining power through horizontal linkages or whether they were actually inhibiting a smaller group, household, or individual from operating more effectively and growing their business. So, it seems useful to consider both sides of the coin. Not only, how do norms inhibit group formation, but also how do they accelerate group formation where other structures may be more effective in supporting a well-functioning value chain.

### Post by Banu Akin

I think having the same ethnicity or religion would definitely help successful formation of a group. Members would be attached to each other not only for economical reasons but also for social reasons.

On the other side, I would be curious to hear about cases where how these social norms affect the way buyers and producers with different ethnicity or religion interact-work with each other. Do you have some examples on this one--where social norms like religion, ethnicity affected the relationships of these groups? If so, what has been done there?

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## ONE OF THE THINGS

### Post by Jennefer Sebstad

One of the things that came out of a recent paper on gender and value chain development is the issue of bargaining power in shaping norms of behavior in value chains. This relates to gender, but may also to people who have been displaced in conflict settings or in other settings where norms are a factor in value chain performance. In the case of gender, social norms prescribe behaviors that have evolved due to more limited options and bargaining power for women. Women tend to have access to fewer outside options than men and thus less bargaining power. Women's more limited bargaining power is translated into social norms or rules that shape and reinforce gender segmentation in value chains and women's more limited power. For example, in many places rules and norms assign economic tasks to women that ensure basic survival of household's production of food crops and economic activities that generate small, reliable flows of income to ensure the day-to-day household needs are met. These affect women's mobility which is a key constraint in value chains. In many agricultural societies there are norms regarding control of land by men or women, and in some places norms regarding women's obligation to work for their husbands. These norms limit women's incentives to do something different without risking a lot. Here's a table that shows how norms regarding can influence value chain outcomes.

Options and bargaining power shape social norms

Women have fewer options and less bargaining power

Social norms shape financial behaviors, business practices and value chain relationships

Gendered financial behaviors, business practices and value chain relationships place women at a disadvantage

Financial behaviors, business practices and relationships shape market outcomes

Value chain benefits do not flow equitably to women

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## KEEPING YOUR HEAD DOWN

### Post by Mike Albu

I have seen similar social norms in rural Uganda - during the early 1990s. People were suspicious and wary being seen to be more successful than their peers. Partly this was about fairly onerous obligations to (very) extended family. It may also be because people were frightened of inciting jealousy. Fear of witchcraft, or of being accused of using sorcery, was still a powerful factor according to anthropologists doing research at the time.

### Post by Ruth Campbell

So what did you do about it, Mike? We are still struggling with this in Liberia. Do you have any tricks of the trade to share?

### Post by Jeanne Downing

Yes, I was in Ethiopia recently looking at the live animal and meat value chain, where buyers complain that pastoralists do not sell their animals. For cultural reasons, they assert, pastoralists seek to maximize their herd rather than cash income. Perhaps they just have cultural differences in how they (buyers vs. pastoralists) define wealth. Nonetheless, these two cultural groups (buyers and pastoralists) complain equally. Pastoralists complain that buyers will not buy their animals. Clearly social norms are affecting the competitiveness of this value chain. Moreover, there is so little guidance as to how to intervene with social norms and/or cultural clashes affect business practices and behavior. Typically we do not measure these as constraints, we do not quantify them, and we lack guidance or tools for intervention design to affect them or their outcomes.

### Post by Michael Field

In the case in Zambia with cattle we interpreted the underlying norm for wanting more cattle as the cattle being used to lock families together creating a broader social network to more effectively deal with risks. Said another way the cattle was a means to exchange and accumulate social capital. In this context a larger herd meant either more social capital to broaden your families network or implying your family already has a very broad network and able to withstand substantial risk. In either case, it gave that family more prestige as lynch pin in the social fabric of the community. Our interpretation led us to testing out how to leave that structure in place, but foster enough growth in herds (via vet care) of farmers that are leaning towards some adoption of commercial practices so that a commercial herd could emerge and be managed separately. The idea being that evolving a two herd system could eventually lead to commercial management and increased incomes without damaging an important coping mechanism.

I think it is critical to understand these norms in the context of their underlying purpose. For example, when I have encountered the 'tall poppy' norm where showing individualism is not an acceptable behavior, my interpretation typically revolves around the maintenance of the social fabric that the community relies on as means to absorb and share/diffuse risk.

Much of the tactics I have used revolve around creating opportunities for early adopters to access easy investment/upgrading options, but do so in a way that is open and provides incremental steps for other community members to see the progression as obtainable. I do this to limit the potential for accusations at the early adopters since the process of upgrading is more open and accessible.

I have also tried to address a typical feedback that communities use to enforce a tall poppy norm – e.g., requiring of any extra earned income to be shared with other members of the family. To address this we did two things. The first was a push to create localized jobs like input agents and spray service jobs that would start a process where requests for cash (a request that cannot be denied) could be defined around transactions for a service or product. The second was to track cash flow and foster upgrading investments to capture the cash right away before the farmer can hold the cash and then have to honor requests from community members. We did this by encouraging input firms to organize promotional events with harvest-time sales for inputs for the coming season.

An important lesson that I found was that norms typically are enforced through feedback mechanisms to maintain compliance in the community. Understanding the underlying driver, what the benefits are and the various feedback mechanisms used for enforcement are essential. Without a solid understanding of the full cycle used to operationalize a norm it is hard to know the full set of options to address the behavior without causing any harm. Norms are in place for a purpose and while behaviors evolving from the norm can limit uptake on certain more effective behaviors in generating income care should be taken to understand the implications.

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## **EXAMPLES YOU HAVE SEEN... DISTRUST OF "OTHER" GROUPS**

### **Post by Lucy Creevey**

One of the issues which I have seen in rural financial and other commercial networks in Senegal and in Niger is the emphasis on family and/or established contacts. Where this means that traders, suppliers etc are willing to help poorer relatives with loans or supplier credits, it also means that those who are in "out" groups may not be able to get into the network. Thus it is hard for a recent arrival with no family connections to get into the business and also very hard sometimes for members of minority or "foreign" ethnic groups...

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## **"CASTE" AS AN OBSTACLE TO DIALOGUE**

### **Post by Mike Albu**

I have a story from Sri Lanka which I hope we may more details on from my colleague in Colombo tomorrow.

It concerns traditional producers of cane and bamboo products who were cut off from access to a critical material from natural rain forests – a softwood called “Enipeththa”. The producers were victims of well-intentioned but unnecessarily draconian blanket ban on extracting forest produce. Because they belong to a low-status caste, the producers were unable to get forest authorities to listen to their arguments for a more pragmatic sustainably-managed approach – which would have conservation advantages by reducing damaging illicit harvesting.

Low social status (especially when encoded in ‘caste’ relationships) can be a major obstacle to dialogue.

Practical Action solved this ‘social’ bottleneck by organizing for producers, forest authorities, police and other stakeholders such as the national Craft Council, to collectively analyse the issue, negotiate and devise a solution.

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## PRACTICAL ACTION IN SRI LANKA

### Post by Jayantha Gunasekera

Practical Action in Sri Lanka worked with lagoon fishers to establish governance systems in lagoon fisheries. In one of the lagoons we worked in the Eastern province namely Panama Lagoon. For number of years there had been women catching prawns in this lagoon using traditional methods. In the traditional fisheries management system women were allocated certain locations of the lagoon to harvest prawns. But with the collapse of traditional system in the recent past with social and political changes this norms were challenged. Going against the traditional norms men started violating the rules and have been fishing in the grounds allocated for women too. Men brought religious and social arguments to stop women being fishing in the lagoon. This has affected very badly the women's livelihoods specially women bread winners. As a result the number of women fishers reduced. But those women who did not have any other option remained fishing in the lagoon despite the difficulties. In 2008 when Practical Action facilitated the process of formalizing the fisheries society men opposed women being offered the membership. When establishing fisheries management committees this situation was even worsened that men categorically opposed the fisher women being elected as committee members. It took Practical Action a long time to create awareness among men to accept that women should be given equal access to resources and equal right to engage in lagoon decision making, Now Panama Lagoon function as an Authority accepted by the government through a Parliament act where women are holding executive positions. This example shows how the social norms in traditional livelihoods systems can help to strengthen governance in "modern market systems".

### Post by Ruth Campbell

These gender examples are interesting. Thanks for sharing! I wonder about the other institutions, though. In some ways it is easier to see gender-related norms. Does anyone have other examples?

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## DAY 1: FRAMEWORK FOR DISCUSSING IMPACT OF SOCIAL NORMS

### Post by Mike Albu

In order to help focus our thinking about the way informal rules and codes of conduct affect value chain performance, we put together a draft framework which was sent to you yesterday.

<http://microlinks.kdid.org/sites/default/files/groupdiscussion/files/Dra...>

In what ways do you think the framework is useful for analyzing and integrating informal rules and codes of conduct into implementation strategies?

What are some of the issues or concepts that are not captured in this framework—issues that you might be experiencing in your work? (e.g., corruption and other nefarious practices)

How can we improve the framework?

### Post by Mary Morgan

Greetings all. I am a bit late in jumping in and am impressed with the enthusiasm of the discussion. It is as if this discussion was a long time in coming. But then not really, because in our journey in the field to figure out how to analyze value chains to identify bottlenecks and reduce constraints that impede the participation of the poor and the competitive development of value chains, we had to start somewhere and as is such we have started with the most concrete evidence available to understand how markets operate.

The value chain conceptual framework has provided an approach for us to systematically look at value chains. The existing value chain approach looks at the end market opportunities, BEE, strength and weakness of inter-firm linkages

(horizontal and vertical), and upgrading. I think there is agreement that the BEE comprises of laws, standards, licenses required, treaties. Etc. all formal regulations. Yet on the ground, as many have shared, there are other regulations that exist that have tremendous influence over how enterprises can operate in a give context.

If one was to deconstruct property laws for instance, which is a formal regulation, one can begin to see how the law is a constraint for women in some contexts because women cannot have their name on titles, or if their husband dies the inheritance law insists that the property of the deceased husband goes to a male family member of the deceased, who in turn is to take care of the widow. Yet in practice many times the widow is abandoned. In an agricultural commodity value chain this has tremendous influence over who can participate in the value chain if land title is required. An excellent example was written up by Catherine Dolan in Kenya where a project that worked with women to grow French beans that were then exported to UK supermarkets in the end lost out why because the contracting companies wanted security over the production so signed contracts with the men who had land title, despite the fact that it was the women who were responsible for horticultural crops. In the end, the project did more harm to the women because they had no access to the extra income they had been earning from growing and selling vegetables and the men used the cash for their own purposes of recreation (in the bar).

We all know that any good project begins with a good value chain analysis and when we are studying the formal regulations that shape the BEE in the aforementioned case--requisites that contracting companies need and local property laws something could have been negotiated or figured out so that the contracting company would be guaranteed their product and the women would continue to earn income. But it would have to be also planned that somewhere along the line the men would be brought in to participate in the chain because in this particular case, their traditional crops (coffee and tea) were earning very little and the women were earning more than the men which displaced them from their position of traditionally earning more and this was resulting in domestic disputes.

The value chain framework as is a tremendous methodology for analyzing markets what practice is illustrating to us is that we have been allocating the informal regulations to a place that is of little importance when in fact the informal rules are the basis for many formal rules. The formal regulations institutionalize the power dynamics of a society and many have written extensively on this.

To look at formal regulations isolated from the social world can result in projects going side ways unless of course we catch it as in the many examples posted. BUT imagine if we could have some idea of the influence of the social regulations on the formal regulations and how it all plays out in the BEE at the end of a value chain analysis and we then incorporate interventions into a project that take into consideration the soft rules that regulate economic actors on the reality on the ground, our impact and success rate may improve.

Mary Morgan

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## DEFINING "INFORMAL RULES / REGULATIONS"

### Post by Mike Albu

So we've heard some interesting examples of social norms and how they affect different aspects of value chains. Based on this and our other experiences, please would you share your thoughts on how best to define informal rules / regulations.

The wiki says they are "norms and customs established by the social institutions of gender, race, ethnicity, class and religion."

What do you think about this definition?

How would you define informal rules and codes of conduct?

You might like to refer to the [draft Framework](#) also.

### **Post by Ruth Campbell**

I think this definition is a bit restrictive. Some of the examples we have had today--not wanting to appear successful, not investing in "food" crops, treating cattle as a means of building social capital--don't immediately seem to be linked to gender, race, ethnicity, class or religion. Maybe if you dig deep enough you will find that these institutions do influence informal rules, but it is not immediately apparent. What about things like a reticence to learn or donor dependency? Such things may be more linked to past experience than to the institutions identified in the wiki. Maybe the wiki should say "influenced by social institutions of gender, etc." or "established in part by the social institutions of gender, etc."??

Ruth

### **Post by Marian Boquiren**

We see informal rules as norms and conduct that often rely on or have emerged from past instructions and formed habits influenced by culture, religion, gender, self-interests (dominant/influential groups), etc. In some cases, it would seem that informal rules emerge as a response or means to alter formal institutions that do not function to the benefit of the majority or a dominant group.

### **Post by Elizabeth Dunn**

Your last sentence is really intriguing: "In some cases, it would seem that informal rules emerge as a response or means to alter formal institutions that do not function to the benefit of the majority or a dominant group."

Can you give us an example or two to help us understand this better?

### **Post by Marian Boquiren**

Hi Elizabeth ... We are not so sure whether we are correct in our perception but it would seem that sometimes informal rules emerge as a response or means to alter formal institutions that do not function to the benefit of the majority or a dominant group :-) ...

Below is an example:

The personalized economic relations or the suki system (similar to preferred supplier-buyer relations) proliferated in efforts to find ways to minimize risks and vulnerabilities to opportunistic behavior and cheating (both trader and farmer) in response to the perception that formal rules/institutions are not that reliable. In a sense, people generally do not believe that a written marketing agreement would protect them from opportunistic behavior and cheating. Likewise, there is a general perception especially in rural areas that these written agreements can protect the rich but not the poor as they do not have the resources and power to run after the buyers who may cheat them. The depth of the suki relationship differs with each relation but over time, repetitive transactions with the same person develops trust. On both sides, there is reduced search, negotiation, and monitoring costs because the suki lives up to the norms and values of reciprocity and comes close to becoming part of the family mindset. The bonds between people engaged in exchange are determined by informal rules or social institutions and serve to enforce the terms of the exchange.

The formation of suki relationship though is also facilitated by the social structure. Filipinos, particularly those that belong to distinct cultural groups, are more regionalistic than nationalistic.

Filipinos can relate more to their region of origin, than to the Philippines as a whole. In this sense, Filipinos lack a national trust culture, as compared to Korea and Japan. Filipinos are generally more conciliatory, less trusting, and risk averse. Kinship structure motivates the Filipino's behavior.

### **Post by Elizabeth Dunn**

So--formal and informal rules interact in interesting--and sometimes surprising--ways. What you've observed in Philippines are similar to what we found in Guatemala as part of an AMAP research study.

Like you, we found that written (formal) contracts between buyers and sellers carried no more weight than informal agreements. What mattered more was the building of trust through repetitive transactions. Only when that trust had been established were buyers and sellers willing to invest in each other and expose themselves to greater risks from the other side's possibly failing to honor agreements.

Thanks for clarifying.

Yesterday, Jayantha shared another interesting example of the interaction of formal and informal rules related to lagoon fishing in Sri Lanka. In that case, the traditional (informal) system allocated sections of the fishery to women for the purpose of harvesting prawn. As traditional social norms collapsed (due to social and political changes), women's access to the resource was crowded out. When it came time to formalize the fisheries management, the project implementer intervened to ensure that women regained access to the resource and a voice in the management of the resource. What was once a social norm broke down and was reinstated through formal rules.

It would be great to hear other examples of the interaction between formal and informal rules. **How can/should project implementers intervene in this process?**

### **Post by Alison Griffith**

I agree with Ruth about digging deeper and finding connections that may not be apparent initially. Some work we did in the aloe market system in Kenya a few years back showed the impact of food aid on the aloe business. The main areas for harvesting aloe were food insecure and periodically they would receive large amounts of food aid. For the months this happened the aloe business dried up because no-one needed or wanted to collect aloe (which was not surprising since it was a risky activity as the areas were also prone to cattle rustling). So in the analysis it was important for market system actors (and supporters) to understand all these connected issues and take account of them.

### **Post by Lucy Creevey**

This comment is a little out of the stream of conversation because it goes back to what informal rules are... by my definition these are behaviors generally accepted by a group of people (either small or large) which are not captured by specific laws, regulations, contracts etc. Such rules may be adopted by a majority or a minority of the population in a society and they compensate or fill in a lacuna in legislation. Sometimes this is because the group which has these informal rules is not recognized as important by the majority... sometimes it is because the group has its own important goals which others might reject as unimportant or irrelevant. It does not matter what country you pick... there are illustrations everywhere of informal rules in different sub groups.. national, regional/gender/ class/ etc..Once the rules are captured by a specific set of laws or acknowledged guidelines, they cease to be informal and become formal, at least within the setting of whatever group you study....and they are easier to see and understand even if you don't belong to the group. Such informal rules cover a broad range of things and may pertain to how you speak, how treat someone else, how you appear, how you behave in business and what you expect of others etc.

The important thing here is that an outsider has to be quiet and listen long enough to figure out what the unwritten rules are....and this takes time, a lot of time. All too often in outsider -financed projects, facilitators come in with their own interpretation of how people should act and behave AND what behaviors they observe mean. This is true even

when "participant" approach is adopted because outsiders come in and hear only what they already understand... I must say the basis for my comments is long exposure (long ago) to the Sarvodaya Shramadana movement in Sri Lanka which DOES attempt to let people define for themselves what they think is important and how they want to go about carrying out whatever this objective is.....

### **Post by Elizabeth Dunn**

Thanks, Lucy, for commenting on the wiki definition of "informal rules" ("norms and customs established by the social institutions of gender, race, ethnicity, class and religion"). I think your description is more complete and we will incorporate it into the wiki definition. **Do others have comments on the definition that we can use to revise the wiki?**

I think the point that informal rules are "generally accepted by a group of people" is super important. The group might be large or small, majority or minority, powerful or weak, it doesn't matter. What matters is that the norms are shared by the group and they set the standards for what is generally considered acceptable behavior.

**Does that help to explain why it is easier to build effective relationships between value chain actors who share similar backgrounds?** Since they share norms of behavior, they can predict what each other will do. I guess that is one of the benefits of what they call "bonding social capital". (Do you even agree with the premise that it is easier to build relationships between people with similar backgrounds? Maybe you have seen situations where that is not the case?) Others participants have pointed out that historical events, especially conflicts, can destroy that predictability and the trust that goes with it.

**Similarly, is it harder to build relationships between people from different backgrounds,** such as between buyers and sellers from different social classes? This would require what they call "bridging social capital". **Have you found that it is hard for value chain actors to create those kinds of relationships? If so, how can that process be facilitated?**

### **Post by Mary Morgan**

The generic description provided by Lucy is very helpful yet at the same time if I was hired to go do VCA how would I even start to get at the informal regulations in the market I am to study? I have been in Guatemala for 2 months now studying the informal regulations shaping the criollo avocado market. Last year I was also here for 2 months and I hit the wall, this year I returned with revised instruments that include asking questions about who does what and then disaggregating the data accordingly gender, race, and ethnicity. This has shed more light on how the market is regulated Ladinos approach the world very differently than Mayans, and different ethnic groups have different capacities in the chain there are some ethnic groups with more capital thus they are higher up the chain. Gender plays out with mobility and access to capital too.

Ok so what does this have to do with defining informal regulations of the market? This discussion has revealed how behaviour, mind sets, cultural mores, path dependency (history), and so many other factors affect how VCs operate. I have found that these factors are reflected in the social institutions of race, gender, ethnicity which provide me with a framework to begin to investigate and then analyze a market.

Defining informal rules as "generally accepted by a group of people" I think would be hard to implement in a VCA framework. I think we are all interested in broadening the existing VC framework which has BEE as a key component, and we are all in agreement that the BEE is shaped by formal and informal rules. The formal regulations have been defined as laws, treaties, standards, licenses etc. and we know how to investigate these. If we define informal regulations as rules generally accepted by a group of people how do we investigate that?

The BEE is all about the rules of the game. Douglass North who is an Institutional Economics was the one who coined the term rules of the game to define institutions which are comprised of formal and informal constraints that shape human interactions. Institutions are designed to achieve efficient outcomes (North, 1992) and to reduce uncertainty for players in the game (North, 1998, North, 1999).

Ok this is academic, but if we can put our bias of academics aside for a moment, the term rules of the game is something all of us can understand even the people we work for and with the disadvantaged. So how can we define the rules of the game that socially regulate markets?

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## DAY 1: SUMMARY

### ***Impacts of Social Norms on Value Chain Performance - Summary of Day One***

#### **Examples of What We Have Seen**

The first day of discussion concentrated initially on identifying illustrative examples of situations we have observed where informal rules and codes of conduct, driven by social norms, affect the performance of value chains. Examples given include:

*Avoiding standing out from the crowd.* This inhibits innovation and upgrading in pursuit of greater success. David Sturza, Ruth Campbell and Michael Field gave us examples from Thailand, Liberia, Uganda and Zambia.

*Gender-based roles.* These restrict women's options and bargaining power in many value-chains. Examples from Pakistan and generally. Aside from overt discrimination in access to markets, or cultural traditions that restrict travelling, Alexandra Cech and Jennefer Sebstad highlighted that women often have (socially entrenched) responsibilities that make it impractical to attend as fully as they would like to commercial activities.

*Trade-offs between social and commercial values.* This is well illustrated by common experience among African pastoralist communities, described by Michael and Jeanne Downing. Families rationally seek to maximise the social value of their herd (number of cattle) as well as, or instead of, the commercial value (meat).

*Discouraging investment in food crops.* In many rural communities, families are reluctant to invest cash in staple food crops, even when returns appear to justify this. The purpose of this 'norm' is not clear, but it may well be related to gender-roles in the household, or a risk-reduction strategy.

*Social and ethnic divisions inhibit useful collaboration.* Examples of 'caste' and ethnic divisions that block effective communication and hence development of relationships in value-chains were given from Senegal, Niger and Sri Lanka were offered by Mike Albu and Lucy Creevey.

It is interesting that almost all examples describe ostensibly 'negative' impacts of social norms on value-chain performance. This way of looking the topic was challenged by Michael Field, David Sturza and Marian Boquieron

"informal rules (also) emerge as a response or means to alter formal institutions that do not function to the benefit of the majority or a dominant group."

Michael pointed out that social norms serve an underlying purpose, which may often be positive in the sense of building social capital, reinforcing social safety-nets or reducing community risk. Even where social norms are undesirable, it is vital to understand the mechanisms by which communities monitor and enforce (maintain compliance with) these norms.

Michael also offered a couple of examples of ‘solutions’ that avoided challenging deeply entrenched social norms, or undermining positive aspects of them:

A ‘two herds’ solution to the problem of social versus commercial value of livestock

Ensuring process of innovation (of new crops, technologies etc) are as inclusive, transparent and incremental as possible – so that early adopters stand out less from the crowd.

Marian Boquiren described the ‘suki’ system of personalised business relationships in Philippines – which serves to compensate for lack of trust in formal contracts, and draws its strength from Filipino cultural traditions of reciprocity.

Jayantha Gunasekera also described the impact of gender roles and attitudes on efforts to establish sustainable governance of lagoon fisheries in Sri Lanka.

Lucho Osorio described how in the Quechua culture of Peru, the introduction of any new practice (e.g. in farming) is a collective community-driven process: “innovators must maintain a humble and patient position of encouraging the new practice but without asserting its value” until its utility is validated by the wider group of peers.

### **Definition of Informal Rules / Regulations**

A second topic of Day 1 discussion, which we may need to continue was around how to define informal rules. The existing definition on the Wiki seems rather restrictive. Alison, Marian and Ruth all pointed out that “reticence to learn” and “donor dependency” may be more linked to past experience and historical habits than to the social institutions identified in the wiki.

Lucy Creevey suggested that the definition should focus on generally accepted behaviours which are not captured by specific laws, regulations, contracts etc. Such rules may be adopted by a majority or a minority of the population in a society and they compensate or fill in a lacuna in legislation.

There was some discussion that the framework should be broadened to show that social norms are not the only thing that influences access, relationships and behavior. These are also influenced by historical experience and political economy.

## **DAY TWO**

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### **DAY 2: GAINING INSIGHTS ON SOCIAL NORMS**

#### **Post by Elizabeth Dunn**

Welcome to Day Two of the discussion!

There were a lot of interesting examples yesterday to illustrate how social norms influence access, relationships and behavior. If you are just now joining the discussion and/or have another example to share, please do so!

Some of the comments toward the end of the day seemed to move us to the next step of trying to understand why these norms exist and how we can gain insights about them.

Mike Field made the excellent point that social norms exist to serve a purpose. We might say that social norms are "double-edged swords"? It is not enough just to understand how social norms might impede our intervention efforts. We also need to understand the purpose behind the norm--what is the good it is there to accomplish?

Does the idea of social norms as double-edged swords make sense to you? When have you found it useful to understand and accommodate the underlying purpose behind a social norm, in order to develop more effective intervention options?

It was interesting to hear about David Sturza's experience with training simulations and how this led to important insights into building relationships.

How do the people in your organization gain insights about social norms that might affect your project design? I would like to hear about techniques that people use to gain insights on social norms

### **Post by Alex Mugova**

At Practical Action, we have discovered that the best way for staff to get insights into social norms is to do detailed studies to understand what social norms exist prior to an intervention. Unless this is done, there is every likelihood that projects will be derailed by social norms and thus fail to achieve the intended results and impacts.

Let me illustrate with a brief case study of work we did to promote production of guar bean in Zimbabwe. In Zimbabwe, and indeed most of Southern Africa, women take the lead in carrying out agricultural activities. Regrettably, most of the decisions on sale of agricultural produce are made by men rather than women. When we started the project, we therefore made it our key task to understand why this is the case and what we could do to change this situation. A quick study revealed that men make all the decisions by virtue of their role as heads of households and not because they want to keep women marginalized. It was therefore evident that even if the project empowered women to be the main producers of guar bean, they would still lose out when it came to sale and use of income earned from sale of guar bean. Our way out of this tricky situation was to facilitate discussions between men, women and Agriseeds, the company that was going to provide inputs and eventually buy guar bean. Agriseeds made it clear that it was in the interest of men to discuss and agree with their wives on how much guar to grow and how the earned income would be appropriated. Evidence from previous projects supported by Agriseeds was presented illustrating how productivity and output of crops increases dramatically when both men and women are involved in decision making on area to be planted and appropriation of earned income.

After three years working on the project, women had become the main producers of guar bean in five districts of Mashonaland Central Province. Even more significant, men and women jointly decided how incomes from sale of guar bean would be appropriated and almost 80% of the income was used by women to meet household expenses - mainly food, school fees and clothing. Because of the major contribution women were making in production of guar bean, their social status at both household and community level improved dramatically.

Two key lessons emerge from this experience. First, it is a truism that social norms act as a double-edged sword. If we fully understand why they exist and work with all involved to use the best elements of the social norms, they can help to improve attainment of planned results and impacts. Second, private firms can help a lot to improve social norms for the benefit of communities. Agriseeds did this by presenting compelling evidence showing that when both men and women make decisions on crop production and sale, productivity, output and household welfare tend to increase dramatically. The way to change the norms was to present the argument from a social efficiency angle rather than from sterile gender empowerment viewpoint.

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## **INSIGHTS FOR PROGRAM DESIGN**

### **Post by Alison Griffith**

I am replying to the final question in the email below : how we gain insights about these issues to guide program design. For a number of years Practical Action has been developing an approach which we called Participatory Market System

Development (we need a better name!).

All this means is that we have some tools which help us to involve all the key market system actors in identifying opportunities and blockages. We use participatory market mapping workshops. Part of this is an analysis of the business enabling environment, involving the players in the system (including decision makers). An example from dairy in Nepal can be found in a paper on MicroLINKS: [http://www.microlinks.org/ev.php?ID=35558\\_201&ID2=DO\\_TOPIC](http://www.microlinks.org/ev.php?ID=35558_201&ID2=DO_TOPIC)

Looking forward to learning how other orgs do it!

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## PARTICIPATORY MARKET SYSTEM DEVELOPMENT PAPER

### Post by Hannah Schiff

Thanks, Alison. Here is a link to the short paper you and your colleagues developed as part of AMAP's series on best practices in value chain development:

[http://www.microlinks.org/ev.php?ID=35558\\_201&ID2=DO\\_TOPIC](http://www.microlinks.org/ev.php?ID=35558_201&ID2=DO_TOPIC)

It highlights some lessons in using participatory methods to analyze and intervene in market systems.

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## COLLECTIVE LEARNING AS A VALUE SHAPING INNOVATION AND UPTAKE

### Post by Lucho Osorio

"It is characteristic of Quechua culture that there is no individual inventor of new practices: production practices are socialised and named after the district or community. So a farmer with new ideas does not instruct the others but encourages group experimentation, they do not take new ideas to other communities first, or they will be labeled "big mouth" and lose image and prestige. The innovator must maintain a humble and patient position of encouraging the new practice but without asserting its value there may need for adaptation of the practice to micro level ecological conditions. Only validation of its utility by the wider group of peers can demonstrate this."

(I took this from an evaluation of one of Practical Action's projects in Cusco-Peru written in 2009 by my colleague Stuart Coupe)

These social norms of collective innovation and humbleness must be taken into account by development agents when it comes to promoting sustainable, community-based agricultural knowledge and info services. One example of how our colleagues in Peru have taken this on board is The "Toribio Quispe Jallo" Kamayoq Association (Kamayoq were the wise and influential agricultural advisors to the Inca Emperors).

Coupe explains that this association "is a registered legal entity with its own premises, whose membership is open to the graduates of the Kamayoq School. It strengthens the capacities of the Kamayoq as an organiser of group activities, in management and implementation of action plans and in formulation of community development proposals. The Kamayoq Association's functions are to:

channel the problems and proposals of members to appropriate institutions,  
maintain unity,

promote the cultural and professional identity of the Kamayoq

opening opportunities to Kamayoq, on an equal basis, to compete for service contracts

opening and providing information on market opportunities for the products from small businesses founded by Kamayoq  
manage opportunities for further training. "

### Post by Mike Albu

Interesting example of social norms in the Andes and how Practical Action engaged with them, Lucho.

Could you say a little about the processes or techniques which your colleagues used to collect information and understand these critical issues?

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## ADD TO OUR WIKI

### Post by Hannah Schiff

So far I've seen some great examples of how gender norms influence value chain dynamics. But gender is one of the most apparent or obvious institutions that shapes norms. What about some of the less apparent ones?

Our wiki page says:

"The informal regulations of norms and customs are established by the social institutions of gender, race, ethnicity, class and religion. Laws, regulations and policies are all influenced by the norms and values of a society. For instance property rights and inheritance rights are shaped by the dominant norms and values in a society."

Does anyone have an example that we could put into the wiki of how **property rights** reflect underlying norms and values?

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## DAY 2: NAVIGATING THE MAZE OF INFORMAL REGULATIONS

### Post by Mike Albu

For many small producers and informal enterprises in developing countries, the first prerequisite of business success is the ability to negotiate a way through the maze of corrupt officials, demanding relatives, exploitative landowners, dishonest buyers and out-right criminal gangs. The informal rules and codes of conduct that small entrepreneurs need to survive, without the protection of honest policemen or effective court systems, are never written down – but they are often key to the performance of value-chains.

**So, let's leave abstractions about social institutions of gender, class or religion aside for a moment.**

**What do the women and men struggling to make a living, in developing economies, say about the art of running a business? How can we capture these insights on the Value Chain Wiki? Right now, the wiki says,**

*"Norms greatly influence the acceptability and therefore prevalence of side-selling, price reductions and other breaches of contract by producers and buyers that are detrimental to vertical relationships."*

**What does a value-chain approach that tackles these issues look like? What do practitioners need to know? We are looking for your input to revise and refine the Value Chain wiki!**

### Post by Jennefer Sebstad

This is a great example of a real issue people face. But I would argue that issues of gender, class, ethnicity and, also, AGE are not abstractions in dealing with these situations. There is an example from Kenya where there was a corrupt buyer in a lead firm; he benefited from side selling and undermined a link between the firm and farmer groups. A young woman working to facilitate the linkage was in a distinctly disadvantaged position in dealing with this official, compared to older males. The leaders of the farmer groups were mostly older, retired men in the community. It is likely that some of them were the side sellers. Who has the power to break up some of these traditional relationships? All to say, I'm not so sure these are such abstract issues.

### Post by Elizabeth Dunn

Point well taken! This is a good example of the interplay between a number of the institutions that affect behavior.

Jennifer asked: "Who has the power to break up some of these traditional relationships?"

It may be that all of the value chain actors who had that power were also benefiting from the status quo.

What is the appropriate role for an external agency in this situation?

**Post by cedirisinghe**

What is the appropriate role for an external agency in this situation?

I think the role of external organization here must be strategic and need to design in very careful manner. In case of Sri Lanka experience in Bamboo handicraft value chain, the external organization (practical Action) initially try to develop the capacities of field officers who are already working in the field (employed by other development agency) to analyse the situation deeply, worked with those field officers to strengthened the marginalized producers to work as a group, initiate discussions with local authorities separately and then collectively etc. My suggestion here is the external organization should work behind the scenes rather than taking the leadership.

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## DAY 2: SUMMARY

### ***Impacts of Social Norms on Value Chain Performance - Summary of Day Two***

#### **Gaining Insights into Social Norms**

The second day of discussion focused on how organizations go about gathering information about, and gaining insights into social norms that might affect their project designs. We began with a useful reminder from Michael Field about the ‘double-edged’ nature of social norms. Yes, informal rules and practices are sometimes inhibitory of innovation, and often reinforce social inequalities. At the same time, they serve always serve a purpose, which may be very valuable: for example reducing business risks, managing uncertainty and bolstering the social fabric of communities.

*Detailed and slow.* Alex Mugova and Lucy Creevey (using examples from Zimbabwe and Sri Lanka) both emphasized the importance of taking adequate time to investigate and figure out what the unwritten rules are: “an outsider has to be quiet and listen long enough”. This poses a challenge for donors and implementing agencies.

*Participatory approaches.* Alison Griffith described the participatory methods and tools used by Practical Action (for example in Nepal) involving all the key actors in a value-chain in identifying opportunities and blockages – which includes informal rules in the Business Environment. The essence of their approach is that as ‘facilitators’ they try to let market actors identify key issues themselves, rather than impose (as Lucy feared) their own interpretation of what the behaviours they observe mean.

Others have pointed out that an essential feature of such a light touch approach are activities to empower socially marginalised actors to participate effectively in the analysis and negotiation.

#### **Negotiating the Maze of Informal Rules**

A new thread was started about the ‘social norms’ for small businesses involved in negotiating the maze of corruption and criminality found in many informal private-sectors. These codes of conduct can not be explained by social institutions of culture, ethnicity, gender etc. but have political and historical basis too.

Jennefer Sebstad pointed out traditional relationships (such as gender roles) can play a part in reinforcing disadvantages and power imbalances that underpin corruption and dishonesty: the interplay between a number of different institutions affects behaviour.

Based on his experience in the Sri Lankan bamboo sector, Chopadithya suggested the appropriate role for an external agency in such situations is to work behind the scenes rather than taking the lead.

## Continuations from Day One

We continued to get excellent examples of the phenomenon of social norms influencing value-chain performance from the field.

Marian Boquiren described the ‘suki’ system of personalised business relationships in Philippines – which serves to compensate for lack of trust in formal contracts, and draws its strength from Filipino cultural traditions of reciprocity. Jayantha Gunasekera also described the impact of gender roles and attitudes on efforts to establish sustainable governance of lagoon fisheries in Sri Lanka.

Lucho Osorio described how in the Quechua culture of Peru, the introduction of any new practice (e.g. in farming) is a collective community-driven process: “innovators must maintain a humble and patient position of encouraging the new practice but without asserting its value” until its utility is validated by the wider group of peers.

The debate about how to define ‘social norms / informal rules’ also continued. Lucy suggested that the definition should focus on generally accepted behaviours which are not captured by specific laws, regulations, contracts etc. Such rules may be adopted by a majority or a minority of the population in a society and they compensate or fill in a lacuna in legislation.

There was some discussion that the framework should be broadened to show that social norms are not the only thing that influences access, relationships and behavior. These are also influenced by historical experience and political economy.

# DAY THREE: HOW DO YOU ADDRESS SOCIAL NORMS IN YOUR PROJECTS?

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## DAY 3: WELCOME TO DAY THREE

### Post by Mike Albu

In the last two days participants shared many interesting examples of ways that informal rules and codes of conduct affect access, relationships and behavior in value chains. Instead of viewing social norms as negative influences that must be overcome, we've agreed that social norms can provide important benefits, such as building social networks, managing risks and strengthening group organizations. So the general consensus is that project designers and project implementers should be aware of both the social norms that affect implementation AS WELL AS the purpose that is served by the social norm.

Several ways to gather this information were mentioned, from bringing the different groups together to engage in dialogue and identify common interests, to revealing attitudes through simulation exercises, to the use of participatory market mapping approaches. Good old-fashioned observation was also mentioned, but with the caveat that the observer has to be able to somehow let go of preconceptions. **If you have used other tools and techniques to gather information about social norms, please share that information with the group.**

**For this third day we would like to learn how you use information about underlying norms to better design and implement your projects.** Suppose you know that there are unwritten rules that can affect your project, then what do you do? How do you use information about social norms in project design and project implementation? How do you adjust your strategies?

One example from yesterday came from rural financial markets in Senegal and Niger, where the emphasis is on family and established contacts. This means that those in the "out" groups and new arrivals to the area were not able to access financial services. How could you, as a project implementer, expand access to financial services in support of value chain development?

**What kinds of approaches could be used to address this and other issues you have encountered in your work?**

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## STRATEGIES TO ADDRESS SOCIAL NORMS

### Post by Lucho Osorio

Reading David Sturza's message describing the case in Thailand reminded me about the importance of taking informal rules into account when facilitators of pro-poor market development are assessing the feasibility of new business models.

Even if the new business model is created in a participatory way, this does not automatically mean that it will have more chances of success; simply because sometimes the informal rules are influential at an unconscious level or because it is very hard to talk about them openly (e.g. security reasons). These rules simply go off the radar... until tensions and conflicts start to come out of the "informal" closet once the business is operating.

I would like to contribute by highlighting a tension that that is in many cases critical for the success of new business models (and consequently, for pro-poor market development):

- Nature-centered vs. Anthro- entered. That is; nature as a live organism seen by people as integrated to them and rich in mystical meanings VS nature as a resource separated from humans and available to be exploited using a rational/economicistic/technological approach

A corollary to it is:

Informal/social/hidden meanings vs. objective/rational/explicit meanings

This tension can help to explain the common complaints of "westerners" about the "weird" believes of indigenous people who do not allow the exploitation of natural resources in their communities, despite the "enormous potential for profit and development".

Taussig has analyzed contemporary rituals centering on evil figures in South America and he talks about "pacts with the devil in order to increase productivity in the [...] plantations." (Narotzky, 1997, New Directions in Economic Anthropology, Pluto Press)

This tension grows as the engagement of marginalised farmers with markets grows.

One experience I can share from my work in Practical Action relates to the coca rituals that peasants in the High Andes of Cusco perform when they engage in key moments of the production processes of potato (e.g. cultivation and harvesting). For them the mountains are gods (the Apus) with overwhelming power and they offer coca leaves to them to ask for their benevolence and fertility in return.

I would dare to say that the relationship between the farmer and the potatoes is one of love. The potatoes are not just a nutrient or a commodity to make a profit from. In our projects we have used this special connection to mobilise some processes of change:

- to create incentives for farmers to engage with agriculture research centres with the aim of understanding and protecting the biodiversity of their more than 3,000 varieties of potatoes for future generations (as a way of partially compensating for the need to specialise in a few potato varieties with high demand in gourmet markets driven by tourism)
- reviving the label "Kamayoq" (who were the wise agricultural advisors to the Inca Emperors) to enhance the position, recognition and influence of community-based agriculture extensionists. The Kamayoq had a magical connection with the earth and this belief permeates the relations between them and their farmer clients.

Despite these achievements, things have not been easy; especially when it comes to interactions between farmers and private buyers from the city centres. Language barriers (Quechua and Spanish respectively); stigma about the backwardness of indigenous populations (prevalent in Latin America) and preconceptions related to the tension proposed above have been major challenges.

Probably too late to keep my head down now! Sorry for such long email (I did delete lots of other stuff before posting it) but I get excited with these conversations. I am learning a lot with all your stories/ideas... Please keep them coming!

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## ECONOMIC ANTHROPOLOGY

### Post by Mike Albu

Lucho - please elaborate a little on your reference to Michael Taussig's work on "peasant economics". What, in practical terms, is the lesson which we value-chain development practitioners can learn from his studies.

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## REVALUING VALUE CHAINS

### Post by Margie Brand

I appreciate Lucho raising the issue of Nature-centered vs. Anthro-centered approaches. At EvoVentures International (EVI), as the focus of our work is the connection between enterprise development and the environment (natural resources, energy, etc), we are becoming more and more aware of this. We are developing a model we call ReValue Chain Analysis, where we look at understanding how values are attributed differently at different points in the system depending on whether something is considered at its market value alone, or the environmental service it is providing. By simply looking at a natural resource as "raw material" we are often not looking at it the way another group does. In several of our simulation training programs, people have requested that we not use the term "raw material" for an input into business at all as they do not see any materials as raw. In some instances, groups will only reap as much as they need to immediately sustain. I wonder if services become more useful to focus on than products in this context. I also wonder if the value to communities can be thought of in a different way - triple bottom line thinking could maybe be explored more as a market-based incentive, or maybe even only the third bottom line. Interesting, as this would mean rethinking some ways that we do things, or evaluate them, in ways that are particular foreign in many of our own markets. Someone mentioned to me recently that they thought that Spirit-based Nature could be an interesting concept to explore in terms of natural resource-based market development (I'm still trying to wrap my head around this...) As part of the Payment for Eco-System Services work that EVI is exploring, such as our work in vetiver market development in Haiti, we are trying to look at different ways to value natural resources, so that these values can be fed into market systems with income and expense implications (which seems to be a growing area of focus by an increasing number of organizations and research vehicles). This becomes interesting in trying to include obvious environmental value (in terms of carbon sequestration, soil erosion control, etc) which in itself is not actually so obvious and is difficult to measure, versus additional (what many of us may think of as perceived) spiritual value that is valued very differently by different groups. It seems that it could be interesting to explore this much more, particularly with a growing awareness among market actors that environmental outcomes are leveraging new markets, financing opportunities, etc., and that

we could use this to further understand often hidden value given to natural resources and resulting product flows in different social contexts.

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## HOW YOU USE INFORMATION ABOUT UNDERLYING NORMS TO BETTER DESIGN

**Post by Laura Dillon**

Sorry to jump in late on this discussion...

A look at behavior change theories can guide analysis and understanding of social norms. Karen Glanz and Barbara K. Rimer have published extensively on this. They explain theories that are relevant to individual behavior change, individuals and influencers, and communities. Community organization theories, organizational change theories and diffusion of innovation theory are a good place to start, and observational research along with qualitative methods that take an anthropological look at norms/roles can help program designers understand why systems/roles are the way they are, along with providing insights about barriers to change.

The Western orientation/temptation to add efficiency and technology to traditional processes often does not work for the simple reason that people perceive risk in doing something new/different, especially when neighbors, friends and family members have also been doing something like farming a particular way for generations. When you are a subsistence farmer, even a small change can seem fraught with risk and the potential reward of a higher yield or better market price may seem too abstract. Identifying and engaging credible "champions" of change who are respected and trusted sources of information and who can advocate for small incremental changes that are seen as less risky is one potentially effective strategy.

Abt Associates has developed its own unique integrated Agricultural Behavior Change (AgBC®) approach to ensure a clear understanding of existing barriers and incentives to behavior change. This participatory, demand-driven approach identifies and addresses the environmental, economic, cultural and sociopolitical constraints to achieving food security as it improves knowledge, shifts attitudes, and facilitates the adoption of environmentally-friendly practices, technologies and products. We combine the expertise of our agricultural, environmental, climate change experts with our behavior change communication professionals to change the way people work, communicate and participate in a market-driven economy. AgBC® goes beyond traditional development assistance as it motivates and enables people to make lasting changes that improve quality of life because they understand and embrace the necessary changes. Simply put, they buy-in to the fact that the benefits (usually economic) of the change will outweigh the risks.

Change is the most difficult thing we ask of people. We are asking people to give up what they know. In essence, we are asking them to give up their reality or their "normal". You have to have a pretty good sales tactic for that. You have to be persuasive, consistent in message, targeted and be able to show real positive change for people to move. You have to understand why they make the choices they do, which requires a lot of fieldwork and a deep understanding of the societal, environmental, gender, and financial climate. To get people to change successfully and sustainably, we have to find the incentives provided by the markets. So whether we're talking about getting people to change a simple agricultural practice or to invest their profits into seed inputs, we need to work at all levels and bring in the expertise of agriculturalists, sociologists, economists, communicators, etc.

Abt Associates' Behavior Change Team

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## RISK, SOCIAL NORMS AND BEHAVIOUR CHANGE

### Post by Mike Albu

Hi Laura,

Many thanks for the fascinating post about the relationship between behavior change and social norms.

To pick just one point out from many, I appreciated the link to perceptions and avoidance of risk. Mike Field discussed earlier the importance of getting at the purposes of different social norms. Clearly, reducing risk is a very high priority for vulnerable communities and food insecure households. I like that you go one step further in asking VCD practitioners to think about the incentives for changing norms, and how these might be communicated to different market actors.

I see Abt Associates have a variety of resources on your website

<http://www.abtassociates.com/Page.cfm?PageID=40330&FamilyID=40330&PBL=1>

Would you mind pointing us to any publically available tools / methodologies that you use or recommend?

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## TOOLS

### Post by Laura Dillon

Hi Mike,

Although these are not Abt's tools, here are a couple of tools available to the public, which you might find useful.

This one describes observation research: <http://www.fhi.org/nr/rdonlyres/ed2ruznpftevg34lxuftzjiho65asz7betpqigbb...>

The Creative Brief, which is used by advertising companies throughout the world, is also a useful tool for developing messages and ensuring that the message is targeted and meeting the right audience.

Creative Brief

*Target Audience(s):* Whom do you want to reach with your communication? Be specific.

*Objective(s):* What do you want your target audiences to do after they hear, watch, or experience this communication?

*Obstacles:* What beliefs, cultural practices, pressure, misinformation, etc. stand between your audience and the desired objective?

*Key Promise:* Select one single promise/benefit that the audience will experience upon hearing, seeing, or reading the objective(s) you've set?

*Support Statements/Reasons Why:* These are the reasons why the Key Promise/Benefit outweighs the obstacles; the reasons that what you're "promising"/promoting is beneficial. These often become the messages.

*Tone:* What feeling or personality should your communication have? Should it be authoritative, light, emotional...? Pick a tone.

*Channels:* What channel(s) or form will the communications take? Television? Radio? Press? Poster? Point-of-purchase? Flyer? Stakeholder dialogue? Trainings? Market Information Systems? All of the above?

*Openings:* What opportunities (times and places) exist for reaching your audience?

*Creative Considerations:* Anything else the creative people should know? Will it be in more than one language? Should they make sure that all nationalities are represented? Etc.

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## ETHNOGRAPHIC TOOLS

### Post by Elizabeth Dunn

Thanks, Laura, for sharing so much great information!

In your post you mentioned "*observational research along with qualitative methods that take an anthropological look at norms/roles.*" This reminded me of a question that I meant to ask about tools for gaining insights on social norms:

*Do any of you use (and realize that you are using) ethnographic tools to gain insights on social and community norms? Please share your insights about this.*

### Post by Ruth Campbell

No! But I would love to learn about these tools. Does anyone know of good resources (books, websites?). What I have found to date does not seem to fit the economic development agenda too well, is too theoretical for me as a non-specialist, or is solely about gender.

### Post by Mary Morgan

I am using institutional ethnography as my qualitative methodology to study how markets are informally regulated for my study here in Guatemala (that is for PhD). Institutional ethnography provides a framework to do an ethnographic study on the market as an institution it is providing me a framework to identify and analyze the power relations in the market. This methodology was developed over a couple of decades by a sociologist to look at educational systems and health provision systems in a first world context and follows the paper trail what forms get filled, who fills them, which forms define decisions, etc. In a third world context where the forms are few and far between, it has still provided me a starting point to look at the avocado market.

One of the issues being faced by Mayan micro producers is that production is falling. A couple of producers interviewed were interested in finding out why their production had fallen, and as they are also micro coffee producers they were familiar with soil analyses. So I accompanied them in the process of accessing a soil analysis. First we had to download the application for a soil test, fill it out, find out how to take a soil sample, drop it off to the office and wait for the results. Accompanying the 2 producers along this journey revealed who has access to information.

Along the formal channels within the government of agricultural extension, I am told that there is access to technical assistance for micro producers. This whole exercise illustrated there is no technical assistance for producers who are illiterate, do not know how to use the computer, do not have bus fare to pay for the journey to drop off the soil sample, do not have the \$4 to pay for the sample and do not understand the technical codes of the components of soil. IDE in Bangladesh had an incredible project that included a mobile soil analysis provider who hired people and micro producers were able to improve yields, decrease chemical fertilizers which resulted in higher incomes. This idea would be a great response to the micro producers here in Guatemala.

The paper trail for exporting and importing what are the forms, where do the forms go, how forms are expedited (corruption), how forms are changed to reduce taxes has shed light on the importance of social networking within a specific group and if you are not part of that group, you are out of the loop for exporting. Yet development projects are identifying that exporting hass avocados and working with micro producer associations is a big opportunity to be developed. NGO and Govt. resources do not exist with criollo avocados which is a strong local market facing some

serious problems now because these resources are being dedicated to developing the hass market which locally excludes micro producers.

I have also followed the trail of how stats are produced. For instance, I accompanied the ministry of agriculture employee who is responsible for posting the prices of products on the web and from this the Bank of Guatemala makes projections that are posted on revenue generated well this poor fellow was terrified to get out of the truck in the market which is the heart of the Guatemalan economy operating informally and where lots of thieving happens and the occasional murder. He leans out of his car and asks someone who is a bit friendly what the price is. I downloaded the price from the net, went to the market and found a \$2 difference in the unit price multiplied by an estimated 50,000 units, this would affect any official stat considerably.

All in all, following the paper trail and stats has provided me incredible insight to who is running things and how, and who is excluded as well as insight into significant constraints and bottlenecks impeding the participation of micro producers in an existing market that is operating informally.

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## **STARTING TO EXPLORE TALL POPPY SYNDROME, CRAB MENTALITY, ...**

### **Post by Margie Brand**

I really appreciate the discussion taking place here.

At EVI, we have been exploring the concept of the Tall Poppy Syndrome, Crab Mentality, and Sheep Herding as they drive behaviour of value chain actors in ways that is has often been hard for us to understand. We are in the process of exploring tools to be able to understand these within a particular context and to use this understanding to guide us through various processes to be able to use community and culturally-appropriate incentives or disincentives as drivers of positive economic behaviour change. As is generally accepted, the Tall Poppy Syndrome describes a social phenomenon in which people of genuine merit are resented, attacked, cut down, or criticized because their talents or achievements elevate them above or distinguish them from their peers. Some societies are thought to appreciate the successful, seeing them as an example to admire and attempt to emulate, versus others where many resent success of their fellows. Many of our development strategies were (and probably still are) based on the former, without recognition that if societies are not falling along the spectrum of appreciating success, that these become largely ineffective or short term. The Crab Mentality describes the situation in which members of a (often disadvantaged) community are seen as undermining the success of community members. The image is drawn from the observation that a crab clawing its way out of a bucket can easily escape but is continually pulled back down by his fellows ("if I can't have it, neither should you"). We are using the Sheep Herding analogy to describe and analyze with local communities where and when it naturally seems to be "safer" to stay in the middle of the herd rather than doing anything that places you at the edge - which means you could be eaten by the wolf. I think of Jeanne's black and white sheep analogy to describe lead firms taking initial change steps, and how the Sheep Herding concept really allows us to understand why some cultures and communities are particularly, often unconsciously, averse to behaving in this way. In South Africa, we see a huge difference in this Tall Poppy Syndrome and Crab Mentality among different cultural groups, as we did in our work in Tanzania, and realized that we needed to take this down to even a tribal perspective in many instances.

We are working on ways to validate signals with the local community by exploring things such as what is success, what makes people not fit into the community, what happens when people do not fit in, etc. We are exploring using analogies relating to sport, and individual or group success in these contexts (as sport, particularly soccer, seem to be a commonly accepted form of individual success for the success of the group stretching to even remote areas) and trying to create analogies with business and longer-term community success. We are trying to understand more about how communities (groups at whatever level) can start seeing longer term benefit to individual success, but instead of highlighting this

success at an individual level, highlighting this at a community level – what market structures can be set up that require individuals to excel but feel comfortable doing so as this allows the community to recognize their overall community growth - or alternatively with communities coming up with their own intentional validation of individual success.

We're not sure what will come of the tools that we are exploring, but it seems interesting to try to understand this more and link these directly to action at a market development level.

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## LAND TENURE AND GENDER: A CASE AND RECOMMENDATION FROM ZAMBIA

### Post by Lucho Osorio

I found a case that can contribute to this interesting and rich discussion. Note that it agrees with the recommendation made by others here (e.g. embroidery case in Pakistan) of using a male-female mutual understanding and collaboration strategy instead of an only-female empowerment strategy that assumes that women will then stand up, defend their rights and champion changes in traditional social norms.

"In Western Province customary systems of tenure determine access and use of land. The Barotse Royal Establishment (BRE), the traditional authority for the Lozi people, administers land rights. The Litunga is the owner of the land and grants land rights to his subjects via his representatives: the district chiefs, Indunas (district councillors) and the elected village headman. Right to land is determined by residence and land is also granted to incomers, Lozi or not.

On maturity a woman is traditionally given land by her father. She holds this land in her own right and the produce of this land is hers alone. Women retain rights to land in their home village even on moving to the husband's village. In that event she may continue to cultivate this land if it is nearby. Married women are allocated land by their husbands, however the land remains his and he will have some input in decision-making over the produce. Traditionally when a man dies the land allotted to his wife or wives reverts to his successor.

[Concern Worldwide] recognise the importance of access to, and control of, land for marginal farmers and in particular, women marginal farmers. Traditional tenure can impact on women marginal farmers in regards to control and disposal of crops. Women usually indicated that decisions to sell were taken jointly; however, the problem of husbands 'stealing' crops to sell (and spend on beer or girlfriends) was also raised. Increased land rights are commonly advocated as a solution to this problem<sup>47</sup>. This may overcome some problems for women (such as incentives to invest or access to credit), however, the fieldwork suggests that improved outcomes for women and household food security may also be possible by working with men and women towards gender equality to encourage joint decision-making."

Taken from "Unheard Voices: Women Marginal Farmers Speak Out" A Zambian Case Study, page 14, by Concern Worldwide, 2009:

[http://www.reliefweb.int/rw/RWFiles2009.nsf/FilesByRWDocUnidFilename/HHVU-7XUJNV-full\\_report.pdf/\\$File/full\\_report.pdf](http://www.reliefweb.int/rw/RWFiles2009.nsf/FilesByRWDocUnidFilename/HHVU-7XUJNV-full_report.pdf/$File/full_report.pdf)

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## DAY 3: INTERACTION OF FORMAL AND INFORMAL RULES

### Post by Marian Boquiren

We see informal rules as norms and conduct that often rely on or have emerged from past instructions and formed habits influenced by culture, religion, gender, self-interests (dominant/influential groups), etc. In some cases, it would seem that informal rules emerge as a response or means to alter formal institutions that do not function to the benefit of the majority or a dominant group.

Marian/SDCAsia

### Post by Elizabeth Dunn

Your last sentence is really intriguing: "In some cases, it would seem that informal rules emerge as a response or means to alter formal institutions that do not function to the benefit of the majority or a dominant group."

Can you give us an example or two to help us understand this better?

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## EXAMPLES OF INFORMAL RULES AS A RESPONSE TO FORMAL INSTITUTIONS

### Post by Marian Boquiren

Hi Elizabeth ... We are not so sure whether we are correct in our perception but it would seem that sometimes informal rules emerge as a response or means to alter formal institutions that do not function to the benefit of the majority or a dominant group :-)

Below is an example:

The personalized economic relations or the suki system (similar to preferred supplier-buyer relations) proliferated in efforts to find ways to minimize risks and vulnerabilities to opportunistic behaviour and cheating (both trader and farmer) in response to the perception that formal rules/institutions are not that reliable. In a sense, people generally do not believe that a written marketing agreement would protect them from opportunistic behavior and cheating. Likewise, there is a general perception especially in rural areas that these written agreements can protect the rich but not the poor as they do not have the resources and power to run after the buyers who may cheat them. The depth of the suki relationship differs with each relation but over time, repetitive transactions with the same person develops trust. On both sides, there is reduced search, negotiation, and monitoring costs because the suki lives up to the norms and values of reciprocity and comes close to becoming part of the family mindset. The bonds between people engaged in exchange are determined by informal rules or social institutions and serve to enforce the terms of the exchange.

The formation of suki relationship though is also facilitated by the social structure. Filipinos, particularly those that belong to distinct cultural groups, are more regionalistic than nationalistic. Filipinos can relate more to their region of origin, than to the Philippines as a whole. In this sense, Filipinos lack a national trust culture, as compared to Korea and Japan. Filipinos are generally more conciliatory, less trusting, and risk averse. Kinship structure motivates the Filipino's behavior.

Sorry to be late in posting. We were on field work during the past days.

### Post by Elizabeth Dunn

So--formal and informal rules interact in interesting--and sometimes surprising--ways. What you've observed in Philippines are similar to what we found in Guatemala as part of an AMAP research study. Like you, we found that written (formal) contracts between buyers and sellers carried no more weight than informal agreements. What mattered more was the building of trust through repetitive transactions. Only when that trust had been established were buyers and sellers willing to invest in each other and expose themselves to greater risks from the other side's possibly failing to honor agreements.

Thanks for clarifying.

Yesterday, Jayantha shared another interesting example of the interaction of formal and informal rules related to lagoon fishing in Sri Lanka. In that case, the traditional (informal) system allocated sections of the fishery to women for the purpose of harvesting prawn. As traditional social norms collapsed (due to social and political changes), women's access to the resource was crowded out. When it came time to formalize the fisheries management, the project implementer

intervened to ensure that women regained access to the resource and a voice in the management of the resource. What was once a social norm broke down and was reinstated through formal rules.

It would be great to hear other examples of the interaction between formal and informal rules. ***How can/should project implementers intervene in this process?***

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## **MORE EXAMPLES- INTERACTIONS BETWEEN FORMAL AND INFORMAL RULES**

**Post by Marian Boquiren**

***Example 1.***

Informal rules can contribute to the effectiveness of formal rules. If the norm is to abide by formal rules (e.g., adherence to grading standards even if the buyer does not always check), then it becomes less costly to enforce the regulations. If this is not the case (e.g., all in procurement --- no grading/sorting --- as the norm in most trading activities in Mindanao) then the standards set by government agencies become a paper tiger or a substantial amount of resources is needed to enforce the regulations (e.g., buyers have to send their own people to check on quality right at the point of purchase). Norms of civic cooperation reduce enforcement costs by leading individuals to internalize the value of standards and regulations even when the probability of detection for violation is negligible.

***Example 2.***

There are cases when introduction of market norms can cause social norms to fade away or cause the weakening of social relationships. In the Philippine setting, for example, suki relationships or preferred buyer-supplier relationship becomes strained when behavior of one of the parties enters the realm of market norm (e.g., processor starts enforcing penalty for late deliveries, when a buyer informs suppliers that they have policies and cannot treat their suki differently than everyone else, or when supplier demands the same terms of payment as he does with other traders). The abrupt re-entry of one party into the realm governed by market norms is perceived as a betrayal.

Similarly, there is a danger of bringing social norms into a space that must rely primarily on market norms to drive revenue as it can change behavior of players. For example, once a business makes its relationship more social with customers, customers then expect the benefits of a social relationship, such as instant payment not being required. When expectations related to being friends are not met, it may cause a long-lasting damage to social relationships.

As such, it is oftentimes necessary to facilitate shifts from social to market norms (or vice versa) in an incremental manner and to make sure that each of the parties are eager to shift and tweak on governance norms that have negative impact on competitiveness parallel to ensuring that positive social norms are sustained and valued.

It was also observed in our project that oftentimes people didn't mind doing certain tasks for free because it was seen as a social norm. The minute money was involved, market norms came into play and peoples involvement and behaviour changed. As such, in very remote and poor communities it was oftentimes more viable for our project to build on indigenous social structures of learning rather than imposing fee-based business development services delivery structure. In many cases, the amount that households can afford to pay was very minimal and was often seen by community-based providers as not worth their time which eventually led to the fading away of the services or complaints on the very low payments vis--vis time spent. From our experiences, it is the social norms pride in being called up.

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## **NORMS ABOUT CONFORMING**

**Post by Mike Albu**

Thanks Marian. Example 1 is a valuable point. Even in societies (and value chains) where rules are largely formalised, we easily overlook the informal norms about conforming to the formal rules ! I guess these 'conformity' norms are underpinned by deeper social and historical factors; and easily damaged in conflict situations.

Which begs the question: how can norms about conforming to "the regulations" be nurtured in value-chains whose competitiveness depends on this civic or economic co-operation?

**Post by Marian Boquiren**

Re: Mike's question on how can norms about conforming to "the regulations" be nurtured in value-chains whose competitiveness depends on this civic or economic co-operation?

The paper that we prepared on "Transforming Relationships ..." and the presentation on "Facilitating Behavior Change..." (Breakfast Seminar) provide some info

**See the resources on microLINKS at:** [http://www.microlinks.org/ev\\_en.php?ID=42581\\_201&ID2=DO\\_TOPIC](http://www.microlinks.org/ev_en.php?ID=42581_201&ID2=DO_TOPIC)

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### **KEEPING MARKET AND SOCIAL NORMS SEPARATE**

**Post by Elizabeth Dunn**

The second example that Marian describes reminds of my parents' admonishment to "never loan money to close friends or relatives." Their reasoning was that a loan was a business transaction and it was not reasonable to expect your close social connections to interact with you in a businesslike way.

Of course, in some societies, parents might teach their children to "only loan money to close friends and relatives"!

The important point is the red flag about bringing market norms into social spaces and social norms into market spaces.

**Can anyone give an example of trying to mix market and social norms? Was it problematic or beneficial? If problematic, then how did you resolve the problem?**

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### **POPPIES, CRABS AND SHEEP**

**Post by Elizabeth Dunn**

Don't be afraid to stand out from the crowd! You can still post to the discussion.

Several of you have contacted me to say that you have more to say. Please share. Either respond to this message or pick an earlier message that has sparked your interest.

Let us know what you, your peers and your organization are learning and doing related to social norms in value chain development.

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### **DAY 3: SUMMARY**

Impacts of Social Norms on Value Chain Performance - Summary of Day Three

Previously, a consensus had emerged that value-chain project designers need to pay attention to the purposes served by particular social norms, which are often positive: serving to build social networks, manage risks and strengthen group organizations. The third and final day of the discussion focused on how we use information about underlying social norms to better design and implement value-chain development projects. A parallel strand of the conversation examined the interaction or relationship between informal rules (norms) and the more formal institutions (laws, regulations) that make up the business enabling environment.

How social norms are addressed in value-chain development projects:

## Behaviour change methods

Laura Dillon advised us to study “behaviour change theories” (e.g. Glanz & Rimer). Theories of ‘community organization’, ‘organizational change’ and ‘diffusion of innovation’ may be relevant. Observational methods that have an anthropological perspective on norms can help.

Link to example of [Participant Observation methods](#).

Change is a very difficult thing to ask of people. Requires a good sales tactic, based on lots of field work and a deep understanding of the societal, environmental, gender, and financial climate. Our creative brief should cover: Target audience, Objective(s), Obstacles, Key Promise, Support Statements, Tone, Channels, Openings and Creative Considerations

Abt Assocs approach – called Agricultural Behaviour Change (AgBC®) – focuses on helping people to embrace change (e.g. participation in market-based economy) based on understanding that benefits will outweigh risks.

Margie Brand offered three behavioral phases:

*Tall Poppy Syndrome*: people of genuine merit are resented, attacked, cut down, or criticized because their talents or achievements distinguish them from their peers.

*Crab Mentality*: when members of a (often disadvantaged) community are seen as undermining the success of other community members

*Sheep Herding*: when cultures or communities, often unconsciously, find it “safer” to stay in the middle of the herd, and are averse to anything that places them at the edge

EcoVentures are working on methods to understand what particular communities value as success, and see as ‘fitting in’. Exploring use of (e.g. team sport) analogies to discuss relationship between individual, business and community success.

## Participatory methods

On Day Two we had a number of examples of Practical Action’s ‘participatory’ approaches to VC development from Sri Lanka, Nepal, Peru and Zimbabwe.

Lucho reminded us that participatory methods are not a silver bullet (magic solution) because informal rules of conduct are sometimes secret or unconscious. The tensions or conflicts they reflect only emerge (become apparent) when new ways of working (e.g. new business models) are implemented.

## Culture and capitalist assumptions

Laura Dillon observed that ‘western’ orientation to improving VC performance (e.g. upgrading) often does not work because perceptions of risks are different. Therefore we need to engage credible champions of change, and offer the vulnerable small incremental, hence less risky, steps.

Lucho Osorio went further to discuss the cultural clash between values of market capitalism and indigenous peasant societies. Misunderstandings, mistrust and stigmatisation rooted in divergent cultural values can be a significant source of poor performance in value-chains. He cited Michael Taussig’s 1978 study of peasant economies and development of capitalist agriculture in Colombia. Tensions between people’s ideas about the ‘natural world’ – as a source of spiritual value, or merely of resources to be exploited.

As a contemporary example: in high Andes, potato farmers have many rituals associated with critical seasonal events – reflecting their belief in role of mountain deities (*Apus*). Practical Action enlisted these traditions in efforts to protect bio-diversity, and promote innovative forms of agricultural extension service.

Margie Brand also described a methodology called ReValue Chain Analysis which EcoVentures is developing to analyse how value (commercial, environmental, spiritual) is attributed differently by actors along a value-chain.

#### Interaction of formal and informal rules

Marian Boquiren reflected that informal rules, norms and conduct do not only emerge from past traditions and habits influenced by culture, religion, gender. Sometimes they also emerge as a response to formal institutions that fail to function to the benefit of the majority or a dominant group.

Informal rules contribute to the effectiveness of formal rules: most obviously where the norm is compliance with formal rules (e.g., adherence to grading standards even if the buyer does not always check). This vastly reduces enforcement costs. When the chances of detecting violations are negligible, most laws or regulations are ‘paper tigers’ unless such social compliance or civic cooperation exists.

Example: ‘suki system’ (or preferred supplier-buyer relations) in Philippines. Exists to reduce risks of cheating / opportunistic behaviour in a business environment where formal rules (e.g. written contracts) are not reliable. *Suki* is rooted in traditional norms of reciprocity and kinship.

Elizabeth Dunn gave a similar example from Guatemala – where an AMAP study found that written contracts were less important than building trust through repeated transactions.

Jayantha Gunasekera also gave an example of social norm break down, replaced through formal rules. In Sri Lanka, traditional social norms which allocated lagoon fishery resources to women collapsed due to social and political changes. When it came time to formalize the fisheries management, Practical Action helped ensure that women regained access and a voice in the management of the resource.

Reflecting on gender norms in land tenure, Lucho Osorio gave an example of a strategy based on developing mutual understanding and collaboration from Concern’s work in Zambia. Increased land rights (i.e. formal rule changes) are commonly advocated as a solution to the problems women face however, the fieldwork suggests that improved outcomes for women and household food security may also be possible by working with men and women towards gender equality to encourage joint decision-making (i.e. changes to informal norms).

For more on nurturing VC norms about conforming to "the regulations" see Marian’s ‘Transforming Relationships’ briefing paper, and breakfast seminar presentation at

[http://www.microlinks.org/ev\\_en.php?ID=42581\\_201&ID2=DO\\_TOPIC](http://www.microlinks.org/ev_en.php?ID=42581_201&ID2=DO_TOPIC)

#### Interaction of social and market norms

In some cultures, people say ‘never lend money to close friends or relations’. In others, the opposite view holds sway. This illustrates how important the link between social and market norms is.

Marian Boquiren pointed out that adoption of market norms can cause social norms to weaken. Therefore shifts from social to market norms (or vice versa) need to be managed carefully, and in an incremental manner.

For example: *suki* relationships become strained when one party adopts more conventional market-based behavior (e.g., processor starts enforcing penalty for late deliveries, when a buyer informs suppliers that they have policies and cannot

treat their suki differently than everyone else, or when supplier demands the same terms of payment as he does with other traders). The abrupt re-entry of one party into the realm governed by market norms is perceived as a betrayal.. SDCAsia observed situations where behavioral norms changed the moment money was involved. In very remote and poor communities services or tasks are traditionally offered without payment, drawing on social norms of reciprocity or social status. It was sometimes more viable to build on these indigenous social structures rather than encouraging fee-based business services.

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