

Transforming Food Markets for Social Good

Access to nutritious food is a human right, for which households increasingly rely on the functioning of markets. However, food markets and the value chains that supply them are in transition in many parts of the world. IDS is leading research on food systems, within which the [Business, Markets and the State cluster](#) has researched the potential for food markets to improve access to quality and affordable food, produced sustainably, and contribute to employment. There will always be trade-offs (e.g. fresh and high-quality food may be more expensive), so we work with policymakers and practitioners on how to understand and best manage these and work towards delivering more effective policy and interventions.

What do we know?

The food system relates to most of the [Global Goals](#), including on poverty, hunger, good health, decent work, responsible production, and climate action. Ideally, [food and agricultural systems](#) would deliver safe, nutritious and affordable diets, through a sustainable value chain that [creates more and decent jobs](#) in the economy. Yet food markets are affected by dynamics that include urbanisation, climate change, and innovation (e.g. retail approaches and ICTs). Depending on the policy environment, such changes can create market opportunities for micro and small enterprises and smallholder farmers, or alternatively [disempower them](#) and undermine resilience in responding to shocks. Traditionally, development agencies and policymakers have focused on raising agricultural production to improve food security; however, research shows that producing more food does not automatically improve access to diverse diets needed for good nutrition, nor is it without environmental issues, affecting the very poor the hardest.

In developing countries, growth in the agriculture and food sector can have a larger [impact on poverty reduction](#) than growth in others (such as mining), due to the number of people involved in the food and agriculture sectors, from farming and processing to formal and informal food services. In particular, the informal sector remains the

dominant area of employment and the predominant [source for various types of foods](#) for low-income populations in both rural and urban contexts. Changing food systems could offer a critical opportunity for [women's economic empowerment](#), yet agricultural commercialisation can shift women's access to land or commons resources, or [push women into low-paid non-farm jobs](#).

The degree to which [food markets deliver decent work and access to nutritious foods](#) is an outcome of the interactions of policies, distribution networks, infrastructure, technological innovation, finance, information, and consumer awareness and preferences. [This system often fails](#) due to constraints rooted in lack of awareness and ill-functioning markets. The extent of such failures and [failed policies](#) is diverse in each country (e.g. [conflict areas](#)). By [framing food markets with a systems approach](#), which adequately reflects underlying constraints and recognises how these shape and are shaped by business incentives and the institutional environment, our work highlights how policy and interventions can transform food markets for social good.

For example, to guide understanding of how to better shape food markets to deliver healthy and nutritious food for everyone, we have developed a [framework that illustrates the distribution–consumption linkage](#) between the different levels

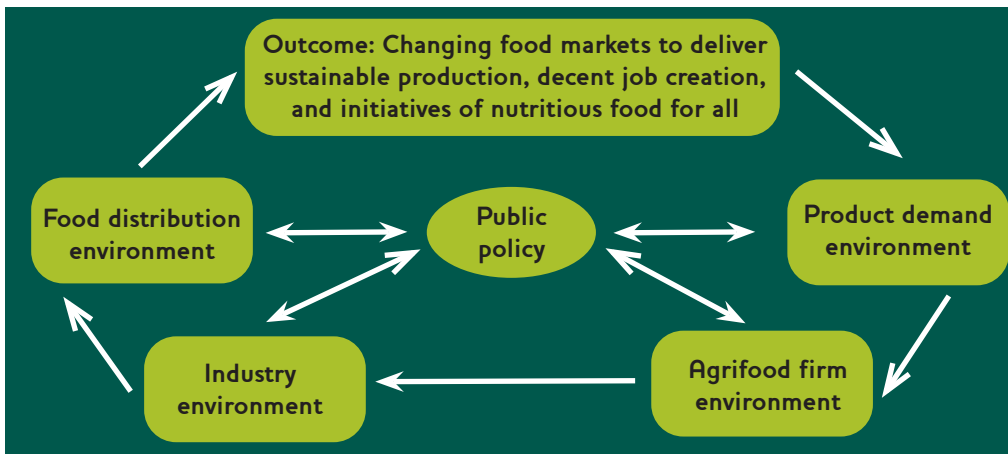


Figure 1. Food market approach

Source: Based on Maestre, Poole and Henson (2017)

in the food markets (see Figure 1), which should include [food supply](#), [food demand](#), and changes within the value chain.

How we work with others toward sustainable development

By being aware of the limits of what markets can and cannot achieve in a given environment, we are able to better design policies and interventions by leveraging the capabilities and willingness of all stakeholders involved. To achieve this, at IDS we have developed a [key issues guide](#), infographic, and [blogs](#) highlighting the role of policy in shaping private sector action along the food value chain with the aim to improve nutrition, make food production sustainable, and create decent work.

At the international level, we have been part of a [panel of experts](#) influencing how the Rome-based global food agencies frame their knowledge in this area. We have been supporting international development agencies to improve their theory of change and intervention design; for example, we are working with the [Scaling Up Nutrition Movement \(SUN\)](#) to strengthen multi-stakeholder platforms for nutrition in SUN

member countries (e.g. [SUN Indonesia](#)). The IDS-led K4D [Learning Journey on Changing Food Systems](#) brought together external experts and staff from the UK Department for International Development (DFID) to explore the long-term implications of changing food systems for DFID's development goals. As part of that process, several in-country roundtable discussions were facilitated and a range of learning products were produced, including a [policy brief](#), resulting in awareness raising in DFID on using a systems approach for agriculture and food programmes.

We also increased awareness with national policy actors. For instance, in [Ghana](#), [Nigeria](#), and [Tanzania](#) we convened representatives from the private sector, civil society, the donor community, and government to discuss the opportunities, challenges, and impacts of market-based solutions to improve nutrition. Using innovative methods such as participatory food system analysis and Action Research, we have also worked with national farmers' organisations to identify potential pathways to sustainable food systems in the [UK](#), [Nicaragua](#), and [Senegal](#).



The Business, Markets and the State cluster investigates how businesses enable or constrain pathways that deliver development and curb inequalities, and how the relationships between business and the state influence these processes. Our interdisciplinary research builds on IDS' well-established track record working on value chains and market systems, complemented by political economy and participatory perspectives.

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Further reading

Ayele, S.; Zegeye, E.A. and Nisbett, N. (2020, forthcoming) *Multi-Sectoral Nutrition Policy and Programme Design, Coordination and Implementation in Ethiopia*, IDS Working Paper

Maestre, M.; Poole, N. and Henson, S. (2017) 'Assessing Food Value Chain Pathways, Linkages and Impacts for Better Nutrition of Vulnerable People', *Food Policy* 68: 31–39

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Wossen, T. and Ayele, S. (2018) 'Ethiopia's Agricultural Transformation: Agribusiness' Contribution to Reducing Youth Unemployment', *IDS Bulletin* 49.5: 15–30

Credits

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