

Inclusive Systems Development Through the Looking Glass

"Would you tell me, please, which way I ought to go from here?"
"That depends a good deal on where you want to get to," said the Cat.
"I don't much care where" said Alice.
"Then it doesn't matter which way you go," said the Cat.
"so long as I get SOMEWHERE," Alice added as an explanation.
"Oh, you're sure to do that," said the Cat, "if you only walk long enough."

Alice's Adventures in Wonderland; Lewis Carroll

The Beam Exchange recently published a review of the evidence available in its Evidence Map, which draws on over 150 pieces of evidence on programmes using the Market Systems Development approach. As this review coincided with Swisscontact and the Springfield Centre formally joining forces, it prompted us to consider the current state of thinking and practice in the world of Market Systems Development.

In the late 1990s, when it was proposed that micro and small enterprises – let alone farmers – could be supported sustainably and at scale there was overwhelming scepticism among aid actors. Two decades later, planning for sustainability is a prerequisite for any credible development effort and Market Systems Development (MSD) – an approach that makes sustainability and scale central – is, as the Beam Exchange's recent evidence review put it, "an established approach."

For twenty years, Swisscontact and the Springfield Centre have played a key role in MSD's evolution. We had learned that, to paraphrase Lewis Carroll, "if you don't know where you are going, any road will get you there." To achieve sustainability, on the other hand, you must plan and strive for sustainable outcomes from the beginning of an aid intervention. Sustainability doesn't just happen.

We have advocated for sustainability in our training, advice and publications, whilst pioneering practical approaches to implementation in our programmes on the ground. Three of the five case studies highlighted in this recent review as examples of high impact inclusive systems programmes – PRISMA, ENABLE, and MDF – are ones in which we have been deeply involved.

Where have our efforts got us? In a nutshell, we have increasingly credible evidence that MSD works. As Conroy and Kessler observed in the review, "it is clear that many MSD programmes have significant success" – and the closer programmes stick to practical MSD principles, the more effective they are. The initiatives with the most impressive results all addressed root causes, were led by a vision of sustainable outcomes, played a facilitative role and programmed adaptively.

Despite the available evidence, debates continue within the market systems development field: Isn't it all too complex? What constitutes a system? When is change systemic? What can we reasonably predict and measure? Can MSD really benefit poor people?

Rigorous scrutiny is to be welcomed (analysis and triangulation are integral to the approach, after all), but any answers derived need to serve a singular goal – that of making systems more inclusive. In practice, the ingredients to achieve inclusive systems development are not controversial or complex:

- Addressing root causes requires rigorous analysis – but shouldn't any development approach prioritise evidence-based understanding over externally-led assumptions?
- Being led by a vision of sustainable outcomes requires thinking in advance about whether and how benefits will last – but shouldn't all programmes be honest about the finite nature of their own investments before they intervene in other people's lives?
- Playing a facilitative role requires identifying and working with local players, aligning change with their incentives and capacities – but shouldn't development agencies avoid undermining local systems or instigating dependency through unilateral direct delivery?
- Programming adaptively requires measuring results in real time, adjusting assumptions and actions to respond to changing contexts – but is there really any excuse for the alternative?

If these guiding principles are established, evidenced and uncontroversial, why aren't they being applied more widely? One reason might be that although two decades of trial, error and evidence have generated a good understanding of what works, applying these principles still isn't easy. Achieving sustainable impact takes commitment, practicality and adaptability. As Conroy and Kessler point out, it requires significant investment in building strong teams and in rigorous monitoring and results measurement. In today's aid environment, it is sometimes more expedient to report the numbers of direct delivery "beneficiaries" reached than it is to apply the principles underpinning genuine sustainability and scale.

Some critics argue that direct delivery of solutions to the disadvantaged is the only way to guarantee inclusiveness. But isn't inclusion without sustainability an illusion ("Why, sometimes I've believed six impossible things before breakfast", exclaims Alice)? MSD principles do nothing to impinge on inclusivity; they simply emphasise the importance of prioritising long-term inclusivity over short-term outreach.

Another reason that MSD guidance is not being promoted and adopted might be the development industry's perpetual quest for the 'next big thing': a new, unifying theory of everything, the next idea to sell ("MSD was last year's fad"). Innovation is important, without a doubt, but when it comes to the livelihoods of poor people, it must have a practical utility – it must move the field forward. A strength of MSD is the fact that it has grown – and continues to evolve – out of practical experience. It has never aspired to be a neat theoretical construct or the subject of an academic paper.

For Swisscontact and the Springfield Centre our driving concern has long been to improve the effectiveness of international aid and the scale, inclusivity, and sustainability of impact it achieves. From the early Katalyst days of testing whether agri-businesses would invest in providing better information to farmers, to current efforts to facilitate more inclusive urban labour markets, we are still innovating and trying to keep things practical.

Conroy and Kessler highlight two areas which are key to the future of MSD, both of which we are heavily invested in.

The first area is to expand MSD to new sectors. As the review notes, “the Evidence Map displays the great range of diversity in programmes that apply MSD principles and practices” but nonetheless “over two-thirds (72%) of evidence still relates to initiatives in the agricultural sector.” Swisscontact and the Springfield Centre have been at the forefront of extending inclusive development systems principles to new areas, such as vocational education, water, sanitation and health, housing, tourism, finance and urban labour markets, demonstrating that in any sector, urban or rural, “working through various local actors with a systemic approach can achieve lasting change that benefits large numbers of poor women and men.”

As one colleague from Water for People recently put it, “Rather sadly, [this market systems] program builds more latrines in one month than I have managed to build in my previous 28 glorious years of working on sanitation. I wish I’d started using the market system development approach years ago and still cannot understand why other NGOs are slow in adopting this obviously better way of working.”¹

Secondly, Conroy and Kessler repeatedly highlight the need for greater rigour and independence in the evidence both within and about MSD programmes. Through [training, research, developing quality monitoring and results measurement systems](#), and conducting [reviews, evaluations](#) and [case studies](#), we have consistently invested in strengthening the evidence base that making systems more inclusive can be a realistic objective for aid programmes.

Our commitment to the principles of inclusive systems development are well known, but we are pragmatic, not dogmatic. It is not ideology that drives our unrelenting advocacy for sustainability and scale in development. It’s simply that years of practical experience have taught us that such an approach works.

“Simplicity is a great virtue but it requires hard work to achieve it and education to appreciate it. And to make matters worse: complexity sells better.”

Edsger Wybe Dijkstra

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For more information, see Conroy, K. & Kessler, A. (2019) [The results achieved by programmes that use the market systems approach: a narrative synthesis of current evidence](#), BEAM Exchange.

¹ See <https://medium.com/@waterforpeople/no-short-cuts-reaching-scale-takes-time-and-persistence-84074c793e22>