



# From grassroots to global: the power of thinking small

## Executive Summary

Sometimes the most resilient and beautiful plant will “volunteer,” setting down amazingly firm roots in the tiniest sidewalk crack. That simple image is a particularly fitting metaphor for a model that works to help economically disenfranchised people in local communities the world over meet their own immediate needs as they make broader, long-lasting changes. The model proposed by the Economics Institute, a non-governmental organization in New Orleans, Louisiana, first identifies a “crack” in the economic system, then proceeds to demonstrate how economic strength can spring from the smallest niche.

It’s been proven to work. The Crescent City Farmers Market, under the umbrella of the Economics Institute, attracts 1,500 people to three weekly markets with a total annual economic impact of well in excess of \$1.5 million. Among the ongoing, sustainable outcomes of the seven-year-old project: boosting incomes of small farmers in the rural South, one of the most impoverished groups in the United States; bringing farm-fresh products to urban households; supplying specialty vegetables to local restaurants; spawning a number of spin-off enterprises; and revitalizing the urban core.

A workable alternative to failure-plagued, top-down economic development and poverty reduction programs, the Economics Institute model is a tool local communities can use to identify niche opportunities to create new commercial infrastructures linking small-scale producers and consumers—in short, nothing less than grow their economies in a grassroots-powered, locally-based, sensible, sustainable fashion.

## 2002 greenpaper



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*This Greenpaper is a joint project of the Economics Institute and New Orleans Bread for the World, two non-governmental organizations (NGOs) housed in Loyola University New Orleans' Twomey Center for Peace Through Justice. The Economics Institute works to initiate and promote ecologically sound economic development in the Greater New Orleans region. Its flagship endeavor is the Crescent City Farmers Market, which now gives local growers in the Greater New Orleans region three opportunities a week to sell their produce directly to New Orleans consumers.*

*The New Orleans chapter of Bread for the World collaborates with community organizations in developing solutions to poverty and hunger through prayer, education, advocacy, and fundraising.*

*Together, these two organizations have created the Global Network for Justice ([www.globalnetwork4justice.org](http://www.globalnetwork4justice.org)).*

*The Global Network for Justice establishes a structure through which NGOs and other social justice organizations can communicate for greater effectiveness in educating and advocating on behalf of human rights — especially the right to food, as stated in Article 25 of the Universal Declaration of Human Rights.*

*This paper presents an analytical tool and replicable model that other NGOs may find helpful in assessing their own entrepreneurial, indigenous, and cultural assets and in expanding the scope and effectiveness of their own economic development and food security programs. The model is based on the metaphor of interlocking “organic gears,” which, because they are “organic,” can grow out of whatever local conditions they find themselves. Because of their interconnectedness, they are capable of driving change far greater than the capacity of individual cogs.*

**T**he failure of “top-down” economic development and poverty reduction programs, which frequently bypass or harm the very people they purport to help, has prompted a search for alternative economic development models.

How can we preserve indigenous knowledge and convert it to an economic development resource? How can we sustain our forests, our grasslands, our arable soils, and native crops to serve countless generations, not just this one? And so on.

The model the Economics Institute proposes—which we call the “organic gear” model—empowers disenfranchised local people to meet their immediate needs, and does so a way that positions them to make broader, longer-lasting change.

In contrast to the top-down model (which, even in its most benign manifestations, typically relies upon continual infusions of expensive, external technology, capital, and other resources), the “organic gear” model builds on local, indigenous knowledge, innovation, expertise, and other resources. It is always “appropriate” to the situation, because it is designed by local people in response to local needs. Moreover, this grassroots model need not repudiate or replace the top-down model entirely. Instead, it offers the opportunity for people who have been bypassed or overlooked by the global economy to participate in it on their own terms, and from a position of relative strength, rather than from isolated weakness.

For example, the “top-down” development model may dictate that indigenous farmers accept genetically altered seeds from a giant conglomerate, from whom they then must purchase fertilizer and pesticides to produce a crop that can only be sold at the price the conglomerate names to the conglomerate itself. In such a model, the indigenous farmers are little more than sharecroppers, with virtually no negotiating strength vis-à-vis the conglomerate, which controls all the terms of their relationship. It is not surprising that this type of development model benefits the conglomerate first and the local growers last, if at all.

By contrast, the grassroots model asks local stakeholders, “What are our strengths and resources? What are our community and cultural assets? What niche opportunity exists for a product that we can provide? What technical assistance do we need to produce that product? What policy changes do we need to facilitate production? Who are the leaders who can represent us in making those changes? Once we begin to enjoy successful, how can we invest in our own capacity?”

In other words, the grassroots model invests in a resource that underdeveloped communities have in abundance: under-utilized people and their dreams of improvement, their own healthy self-interest. Over time, the cumulative effect of these investments, the cumulative effect of thousands of small-scale entrepreneurial efforts, initiated and organized around thousands of individual interests, can form the backbone of a healthy economy—just as small businesses, not Fortune 500 corporations, form the backbone of the American economy.

## The ‘organic gear’ model described

This grassroots model, as it has developed out of the Economics Institute’s experience with the Crescent City Farmers Market, consists of five interlocking cogs or gears. Although each of the cogs or gears is important, it is their inter-connectedness that gives them their strength. It is only by linking the gears together that the model really begins to move.

The gears are:

### 1. Identification of a “crack” in the economy that can be cultivated.

Like a crack in the sidewalk that can support a pioneering dandelion, this economic, cultural, or other niche is generally too small to have attracted the attention of global economic players. In New Orleans, the crack we identified was the lack of a direct market mechanism for local growers to sell to local consumers. So we created a farmers’ market. In the Philippines, a group of rural women identified the lack of safe drinking water as the crack that could be cultivated, thereby initiating a turn-around in the physical and economic health of the village. Local conditions generate local opportunities, which local people are in a prime position to cultivate.



### 2. Tending of relevant public policy.

New entrepreneurial or other community-based endeavors frequently require changes in government policy in order to flourish. To achieve the greatest results from their efforts, grassroots organizers need to involve themselves in relevant public policy discussions. By doing so, they facilitate their own success and, like true pioneers, they make the path easier for those who follow in their footsteps.



**3. Cultivation of new, grassroots leadership.** The processes of starting a new business or other endeavor and of affecting public policy will bring new, grassroots leaders to the fore. These leaders are resources to be cultivated—for the success of the current effort, and for the greater good of the community as a whole.



### 4. Reinvestment in the organization’s internal capacity.

The goal here is to continually put systems in place that enable the organization to move forward. These investments can include the purchase of equipment or technology, the development of systems to handle repetitive tasks, the creation of permanent funding mechanisms, or continually seeking to expand the organization’s circle of support and influence.



**5. Sharing of technical assistance.** With this gear in place, the model really begins to move forward. By sharing what the



organization has learned with others, those who were in need of assistance are able to give it; those who sought information can share it; and the entire process of information exchange sparks new collaborations, reveals new opportunities, and identifies new “cracks” in the economy waiting to be cultivated.

## Flexible points of entry

An important aspect of the “organic gear” model is that it offers several points of entry. It doesn’t particularly matter at which point in the process one begins. The key is the inter-connectedness of the gears, not the gear with which one starts. A university offering technical assistance, for example, may have the opportunity to educate numerous community organizations on how to increase their internal capacity, thus enabling these organizations to identify and cultivate new grassroots leadership, which leads to changes in public policy that spark new entrepreneurial endeavors, or new healthcare initiatives, or new uses of other local assets.

A group of women living in a rural in the Philippines used the model to make far-reaching changes in their community. Although their efforts had significant economic development impacts, their point of entry was healthcare. The women identified poor nutrition and contaminated local wells as the “cracks” in the economy that needed cultivating. Believing that the wells were causing typhus outbreaks, the women identified and cultivated local leaders who would carry their concerns to the provincial health department. These leaders convinced the officials to test the wells, and remedy the problem. In other words, they affected public policy.

Inspired by their initial success, the women invested in their internal capacity by learning to read. Literacy increased the women’s employment skills and many of them found jobs, thereby supplementing their family incomes. The increased income enabled additional investments. For example, many of the women’s husbands were pedicab drivers, who were now able to upgrade their hand carts to bicycles and motorcycles—thereby increasing the internal capacity of their families—and by extension, their communities.

The fifth cog in the model is technical assistance. This group in the Philippines sought the assistance of the local university extension program for information on amending the soil to support vegetable growth. Because the area they were

farming was reclaimed coral reef, the soil was very salty and had been unable to produce green vegetables.

The university officials not only helped with advice, they even supplied seeds with which the women began growing vegetables. In fact, they grew so much water spinach (a.k.a., *kang kong*), there was plenty to trade for eggs and other proteins. The health of the entire community—and most dramatically, the children—began to improve. The children experienced fewer upper respiratory problems, gained weight, grew stronger, and had more energy as a result of the iron, vitamins, and protein they were now consuming.

### How the model can work for you

A model is valuable because it gives community developers a template for evaluating their own projects. To be most effective, the model must also be universal—easy to adapt to circumstances in local communities the world over.

As noted, each of the cogs in this economic development model is important. However, the critical factor is their interconnectedness, which gives the model its strength. If the Economics Institute had been content merely to create a farmers market, we wouldn't have had nearly the impact we've been fortunate to have.

The model can help other NGOs by giving them a template against which to compare their own efforts. It can spark questions such as:

- What are the potential niches in our local economy? What are the products or services we need? What products or services can we provide to others?

- What are local public policy needs? What government policies or regulations currently obstruct our work? How can changes to these benefit local groups?

- What kinds of technical assistance do we need to participate more fully in the local economy? What are our local technical assistance resources? Do universities have a role to play in offering technical assistance?

- How might we invest in our own internal capacity? Can we develop systems to handle repetitive tasks? Can we collaborate, or share the work with others, to free up

energy to carry our organization forward? How might we acquire the equipment or technology we need? Co-op? Purchase? Rent? Borrow? Share?

- Have we cultivated our local leaders? What skills or training might they need? How can we make the best use of the skills or willingness they possess?

- How can we share our questions, answers, solutions, and strategies with others for mutual benefit?

### Conclusion

Over the past decade, the disappointing results of the World Bank's economic development and poverty reduction programs have become apparent—even to the World Bank itself. Whether it's the Western China Poverty Reduction project, Chad-Cameroon oil pipeline, or the InterAmerican Development Bank's *Plan Puebla Panama*, the problems are the same. Local communities are kept out of the decision making loop. They should be there to decide not only how these massive infrastructure projects are to be implemented but more importantly whether the projects should exist in the first place. Short of sounding quaint and simplistic, communities who live in forests should be consulted as how best to manage their forests. Commercial fishing families should be consulted as how best to manage their fisheries. Farmers possessing indigenous assets, like heirloom seeds and traditional, organic practices desirable to growing niche markets, should be recognized for their knowledge and consulted upon when industrial, and increasingly *bio-tech* methods are introduced from above. Local communities possess a wealth of assets, regardless of whether they are measured by "leading economic indicators." Indeed, innovative

economists like Peru's Hernando de Soto have learned to look for positive economic activity in the smallest, most unlikely places. Unfortunately, they have not been engaged, connected to those who set policies, who set economic priorities from above.

This begs the question: "If top-down development and 'restructuring' programs don't work, what are the viable alternatives?"

Although the answers will vary in each community and culture because the specifics of the problem vary from place to place, there



nevertheless are models we can look to for structural support and guidance. Board and staff of the Economics Institute were confident that the “organic gear” model worked in New Orleans—and for the many organizations for whom the organization had been a mentor. But would it make sense in another culture and for a different kind of crack in the economy altogether? The test was Bali.

The Ford Foundation assembled more than 100 representatives of nongovernmental organizations there in late May to network, share ideas, and keep governments honest as official representatives negotiated political documents to be signed at the Earth Summit in August 2002. Economics Institute director Richard McCarthy was invited to join the group of key practitioners who work at the grassroots level—and who may hold the keys to sustainable development. He assembled a team to attend: Sr. Jane Remson, O.Carm and Sr. Helen Ojario of the New Orleans Bread For the World office who had recently established the Global Network For Justice, and Louisiana State University Cooperative Extension agent Henry Harrison. Economics Institute board member Tim Walch, a senior vice president of Bank One, was so fascinated with the meeting of micro and macro economic concerns that he decided to attend at his own expense.

In Bali, the team learned from Indonesian and Filipino peasants and agricultural organizations. Their needs did indeed match some of those that the Crescent City Farmers Market has tried to address in Louisiana. These include access to small markets for producers, access to credit and technical assistance, and the development of new models for survival in a rapidly changing world.

### The Story of the Crescent City Farmers' Market

Here's how the “organic gear” model worked in application at the Economics Institute in New Orleans:



1. Local constituents identified a “crack” in the economy—an economic niche—which was the lack of a direct market mechanism connecting rural food producers and urban consumers. This “crack” inspired the creation of a downtown “Farmers’ Market.”



2. Organizers of the Farmers’ Market soon recognized a need to modify the Department of Health’s safe food handling guidelines to accommodate open-air markets. They also sought to influence the Department of Agriculture’s policies towards small growers. By educating and working with these government officials they ultimately affected public policy in these relevant areas.



3. The process of organizing the market and affecting public policy brought forth new leaders among the rural growers—those who were willing to attend meetings, ask relevant questions, and speak on growers’ behalf. In addition to these “policy leaders,” other risk-taking, entrepreneurial growers became local role models as a result of their newfound economic success and stability. They became called upon to share their personal success with other growers. The Economics Institute gratefully harnesses the energies of these leaders.



4. The Economics Institute has reinvested in its own internal capacity by developing systems to handle repetitive tasks, empowering individuals to avail themselves of the information they need, and securing a source of continued funding. Specifically, these capacity-building systems include the publication of safe food handling guidelines and other manuals; the development of a website and other unattended communication mechanisms; the creation of a self-service library and technical resource center; the widening of the circle from which the organization draws volunteer board members, vendors, and staff; and the beginning of an endowment that may one day free the Economics Institute from the demands of continual fundraising.



5. The Economics Institute has shared its expertise with other organizations through the publication and dissemination of *From the Field to the Table*— its safe food handling guidelines and other tools; its sponsorship of technical assistance workshops in its own region and participation in conferences and meeting, such as this one in Johannesburg, with other sustainable agriculture groups; and its one-on-one assistance to communities from Baton Rouge, Louisiana, to Seattle, Washington.

#### Our results have demonstrated that:

- Farmers’ markets are extraordinarily efficient mechanisms for enterprise incubation and regional cooperation.
- Farmers’ markets can help to create humane and safe urban centers, capturing people’s imagination about all sorts of partnerships and possibilities, and generally cultivating a sense of community.
- Thousands of consumers will shop our markets each week—even in a city with plenty of modern supermarkets.
- Communities across the nation—from Baton Rouge, Louisiana, to Seattle, Washington, and countless points in-between—are interested in duplicating our model and in acquiring our tools. And
- We have helped to create a community among family farmers and their client restaurants and consumers has been enriching economically, socially, and spiritually.



In one case, it even resulted in a group effort to harvest the crop and pay the medical bills of an injured farmer who otherwise would have faced financial ruin. In short, as the “organic gears” of our model turn, they create many wonderful spin-offs and many viable alternatives to the global “top-down” corporate economic development model.

The model proved workable in the ways it develops opportunities to engage people, build community, and alter relationships (for example, between producers and consumers at the Market). Ultimately, the model—as applied to the Market—provides an alternative to the fast-food, global supermarket model that encroaches on and jeopardizes local cultures and natural resources.

The organic gear model operates from the premise that rebuilt, re-energized local economies can grow from strong roots in small places. Perhaps that's why the model was greeted with such enthusiasm by organizations from Sri Lanka, Kenya, South Africa, Mexico, Brazil, and Vietnam, among others. Other community groups respond positively to it. In fact, they recognize it. They realize that it reflects their own process and experience, although they may not have described it the same way.

Given global lack of confidence in large institutions, the timing for the model seems extraordinary. Its power lies in its directness—and its reality. In its application at the Crescent City Farmers Market, a farmer and a consumer look each other in the eye, week after week. That contact builds bonds that go way beyond the economic. A small, strong enterprise growing from an unnoticed crack in the system is non-threatening to global business. It may be considered insignificant by those who focus on the big picture. But it is deceptively powerful, because it engages people through self-interest. Once they're involved in a supportive community, self-interest becomes enlightened self-interest. Behavior changes—then ideas do.

And, while the model was developed from a food and agriculture application, the implications go far beyond that niche. The service can be urban black-market taxis, for example—or anything else that serves a need. It's simply finding the crack, nurturing the effort to root an economy within it, and eventually harvesting the new social relations that build the future. ■



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