

11 Jul 2019

Market systems resilience - a concept to reframe systemic change and sustainability?



Marcus Jenal

Market systems resilience connects systemic change and sustainability

Resilience was one of the central themes at the [2019 Market Systems Symposium](#) in Cape Town, where I recently had the pleasure to interview Kristin O'Planick, for a [Systemic Insight Podcast](#) (subscribe wherever you download podcasts). Kristin spoke about a new framework for assessing market systems resilience being designed by USAID.

The conversation about market system resilience brings together several threads I have worked in my professional career, particularly on measuring systemic change and sustainability. The perspective I offer here contrasts markedly with some recent BEAM Blogs ([Why can't we measure systemic change?](#) and [How can we fix the biggest sustainability problem facing development?](#)).

Systemic change is not about fixing current problems

I want to challenge one dominant view in our field which seems to conceptualise market system development as being about finding fixes to specific problems in the system (an underperforming function or rule) and then scaling these fixes out to reach large numbers of beneficiaries. This happens first through project partners buying into that fix, then scaling it out, and then through other market actors crowding in and copying the fix.

In my opinion this way of thinking about systemic change is akin to putting plasters (band-aids) on system wounds, not trusting or believing in the ability of the body to heal itself. An alternative view of systemic change, inspired by resilience, would be more about enabling the body to heal itself. This does not

mean that we don't need plasters at all; they can help the body to heal in acute cases. But without building up the healing capacity, we will never be able to step back from the role of first-aider. The interesting thing is that in our daily lives, we seem to understand this much better than in our work lives (see my recent blog - [We seem to understand complexity in life – why can we not in our work?](#))

A better way of thinking about systemic change was described in depth by Shawn Cunningham and I in [Rethinking Systemic Change](#) for the BEAM Exchange in 2016. We concluded that "*Systemic change is most likely to be achieved when influential actors or networks of actors become aware of how change happens, and their role in realising the evolutionary potential of the economy. These influential actors need to develop the capability to engage in, collectively discover and continuously shape their institutional landscape.*"

In other words, what we strive to achieve when using the MSD approach is not merely to fix some current problems, but to build the capability for continuous learning and development into the market system. This is in line with Carl Folke's definition of resilience: "*Resilience is about cultivating the capacity to sustain development in the face of expected and surprising change and diverse pathways of development and potential thresholds between them*" (Folke, 2016)

Sustainability as adaptive capacity

This brings us to the next concept that resilience helps us to reframe sustainability. To use the same metaphor as above, current views on sustainability seem very much about trying to ensure that the plasters (band-aids) we put on stay on as long as possible. Or in other words that a fix that a project puts in place (a new business model, a new service, etc.) will be continuously provided also when the project stops funding it and, ideally, forever. Is that really what we should be after? With dynamic, shifting economies, this particular solution might not be relevant anymore in a couple of years, what then? An economy is dynamic and evolving. So why not equip market actors with means to navigate this dynamic landscape, rather than to put in place a solution for a current problem? That, for me, would be a truly sustainable form of market systems development.

Back in 2013, Lucho Osorio and I conducted an e-consultation on M&E in market systems development and one of the findings was that we should see sustainability not as how long our particular solution persists, but rather as how able the market system is to "avoid or minimize future shocks and benefit from new trends whilst staying inclusive, productive and efficient" (Osorio-Cortes and Jenal, 2013). We called this 'sustainability as adaptability'.

Daniel Christian Wahl in his book [Designing Regenerative Cultures](#) describes sustainability as a learning journey: "*Sustainability is not a fixed state that can be achieved and then maintained forever after. Sustainability is a dynamic process of co-evolution and a community-based process of continuous conversation and learning how to participate appropriately in the constantly transforming life-sustaining process that we are part of and that our future depends upon.*"

Sustainability as a concept also has an important role to play in its original meaning: how we can live on this planet in a way so future generations will also be able to live happy and fulfilled lives. That is a whole different challenge, which is, I believe, not taken into account enough in market systems development. The big

question there is how we balance social, environmental and economic sustainability, without seeing these as trade-offs.

What I don't want to imply in this article is that programmes are not doing any of this at the moment. They are. Yet the conceptual discussion about systemic change and sustainability seems to be dominated by first-aiders. I think it is important to put more emphasis on a system's resilience and give it priority over fixing current problems. All in all, I would say that market systems resilience is a helpful concept when thinking about our legacy as development actors both with regards to systemic change and sustainability.