

2007 greenpaper published by marketumbrella.org



## greenpaper [grĕn-pā-per] -noun

1. a document that shares with those interested in the field of public markets marketumbrella.org's findings and learnings as practitioners
2. statements by marketumbrella.org, not of policy or practices already determined, but of propositions for discussion
3. produced for the policymaking process, they hope to inform interested parties on specific topics in a brief, easy-to-digest format

## Documenting the Flowering of Public Markets |

trans•act research confirms extensive contributions to the “triple bottom line”

Farmers market fans have long argued that markets deliver a “triple bottom line” as they benefit food producers, consumers and the larger community. While anecdotal evidence indicates that public markets are indeed a source of widespread public good, little formal research has tested this hypothesis.

A project called *trans•act* was organized in 2007 to fill this research gap. Its name sprouted from our observation that markets are built around a myriad of transactions that benefit individual buyers and sellers and strengthen entire communities. These transactions “pollinate” the market, contributing to the growth of all those involved in markets as they contribute to financial health, social interaction and community strength.

With funding from the Ford Foundation, marketumbrella.org assembled a research team, developed the measurement instruments, established relationships with NGOs and farmers markets in the global North and South, and conducted research designed to test the hypothesis that:

*Appropriately managed and resourced, public markets build social cohesion as they improve local food security, public health, and the economic well-being of farmers and communities as a whole.*

In 2007, *trans•act* studied five markets in the New Orleans area, interviewing 191 shoppers, 61 vendors, and

375 residents during 12 visits. The same year, 15 trips to three markets in Santarém, Brazil, a port city with a population of about a million, included interviews with 231 shoppers, 205 vendors, and 400 residents.

Among our findings: New Orleans markets do a better job of bringing homogenous people together than they do at seeding those from different cultures or demographics into the “market garden.” Similarly, in Santarém, Brazil, markets intertwine the rural and urban poor, but do not effectively connect food producers who are rural and poor with rich urban shoppers. Recommendations in this greenpaper are intended to help markets in both regions do a better job of building the kind of social capital that bridges differences.

The *trans•act* research shows that farmers markets are effective but underutilized systems for building financial, human, and social capital; they undoubtedly offer benefits in natural, environmental, or even spiritual capital as well – areas beyond the scope of this study. Given the universal appeal of these simple and relatively low-cost institutions that bloom in all kinds of soil, markets warrant further study, as well as far greater attention and investment from policymakers and practitioners at all levels—local, state, and national. This fertilization will lead to a flowering that will keep



cultivating the field of public markets for public good

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our shoppers, vendors and communities perennially sustainable.

### Planting the seeds

Farmers market organizers have long held that farmers markets benefit the larger community, as well as food producers and consumers in several ways:

- providing a harvest of direct and indirect economic impacts
- supporting the viability of local farms and the preservation of local farmlands
- guiding urban consumers to understand their shared interest in the fate of local food suppliers and the means by which their food is produced.

Indeed, the Farmers Market Coalition, a non-profit association of market organizers, includes this “triple bottom line,” at the core of its mission statement: “to strengthen farmers markets for the benefit of farmers, consumers, and communities.”

However, very little research has tested the theory that farmers markets deliver this “triple bottom line.” Organizers sometimes behave as if these benefits occur naturally as by-products of farmers markets. But how much more effective could the markets be if they were managed to maximize human and social benefits as well as economic ones. Finally, farmers market advocates (including us) like to boast that “Farmers markets are good for everyone!” But are they really? Have we tested our hypothesis? Can we produce any evidence to show that farmers markets are good for inner-city moms with WIC coupons? Or twenty-something club-goers in Los Angeles? Or fixed-income seniors in Detroit?

In *The Good City and the Good Life* (Houghton-Mifflin, 1995), Daniel Kemmis, a former mayor of Missoula, Montana, devotes nearly the entire book to such benefits. Describing a typical visit to the Saturday morning Missoula Farmers’ Market, he reflects during a broccoli purchase that, “the whole history of their farm and of our friendship is part and parcel of what we exchange. ...Moving through the market, I see in dozens of conversations around me an interweaving of these life stories, and I find delight and security in realizing once again that this fabric is Missoula, my home, my city.”

We agree with Kemmis that these repeated, human-scaled transactions over time nurture a community together, while growing healthy lives and livelihoods. We agree that these transactions not only serve immediate, pragmatic purposes, but also, in Kemmis’ words, “renew [the] human experience of citizenship.”

Public markets bring together people and products in a specific place supported by effective procedures. Because they are local (or at least regional) and knowable, markets reinforce participants’ sense of rootedness—to a community, a culture, to people, to place. Even out-of-town visitors are renewed by experiencing a specific somewhere, identifiable by the products, the setting, and the palpable sense of community, in contrast to the lack of such feeling in a trip to a Wal-Mart or a McDonald’s in Anywhere, USA.

Farmers markets—indeed, all public markets—are living organisms, which wither or perish depending on the care they receive.

Thus, supported by the Ford Foundation, *trans•act* tests the hypothesis that:

*Appropriately managed and resourced, public markets build social cohesion, while they also improve local food security, public health, and the economic well-being of farmers and communities as a whole.*

The research should also support development of innovative methods and tools to analyze and improve the management of public markets.

### Preparing the soil

Social scientists identify two kinds of cohesion-building activities in communities: those that “bond” homogenous community members to each other and those that create “bridges” across heterogeneity. For example, transactions among the buyers and sellers at a predominantly Vietnamese ethnic farmers market build bonding cohesion. However, farmers markets that effectively increase positive interactions among diverse members of a community (rural farmers and urban consumers; rich and poor; black and white, etc.) are said to build “bridging” cohesion. They help bring together groups that otherwise would have little reason or opportunity to interact.

The literature describes several characteristics of social capital, including

- social participation
- sense of belonging
- information equity
- friendship diversity
- family cohesion
- a sense of trust (intergenerational, interracial, urban-rural, etc).

# The care & propagation of farmers markets

**A public market is like a flower. It lives, languishes, or dies depending on the care it is given.**

Petals can be few or many in number, depending upon the type of flower and the pollinators it hopes to attract. They can be the same size, or some petals can be much larger than others. Markets are the same: some markets may have large “economic” petals, others larger community ones. For our markets, our petals grab the enthusiastic attention of vendors, shoppers, and the community (building financial, human, and social capital). The petals attract buzzing activity from pollinators.



The corona and its petals are the site of the action (trans.actions).



In the market, the “pollinators” are primarily vendors and shoppers but may also include musicians and street performers, tourists, elected officials or candidates, nonprofit organizations, among many others. Pollinators may be attracted by one petal but end up being enriched by several.

While they may not receive the attention petals demand, leaves play an important function soaking in both sun and rain, much like a development officer for a nongovernmental organization attracts grants and individual investment for the good of the organism — or market.

For example, a farmer may come to sell her wares (adding to her own financial capital), but may buy from other vendors, taking part in the “human capital” transaction. She may get a new business idea to implement (more human capital in the form of knowledge, and eventual financial capital from increased sales), or a new business partner (social capital in the form of strengthened ties to her community).



The market’s management is the stalk, connected to the roots, the leaves and the flowers. Our strength to stand tall comes from our focus on Mission, Management, Marketing, and Measurement. (For more on “The Four Ms,” please visit our website at [www.marketumbrella.org](http://www.marketumbrella.org).)

The flower can be rooted in an environment that is rich and healthy, or sterile and inhospitable. Well-nourished flowers easily fill a field, while single hardy blooms spring up from little more than a crack in an urban sidewalk or along a country road.

**The more flowers there are — and the more different kinds that bloom together — the richer the field, the healthier the environment and the more successful the pollinators. These flowers show us how strong public markets — and strong communities — are built.**

## What happens when a market falls out of balance?

Can a weak stem hold up the flower?



Can an organization (i.e. the stem) manage too much financial or human capital?



**Our paradigm argues for balance as a necessary precondition for longevity of a market.**

These attributes are rooted in a variety of formal and informal interpersonal networks. Just as different plants together make a more beautiful garden, the more, and more varied, an individual's associations are, the stronger is the sense of cohesion, or trust, he or she has with the community. Thus the research uses trust as a proxy for the varied attributes of social cohesion.

Having first grounded the project in academic social theory, we identified partners—other non-government organizations (NGOs), who recognize the value of building social capital – with whom we could share the fruits of our “cultivation” – new approaches, innovative methodologies, and well-defined results.

Our primary partner during the first two years of *trans.act* has been *Projeto Saúde e Alegria* (Health and Happiness Project, or PSA), a long-standing grantee of the Ford Foundation Brazil, which has been working in the Amazon region since 1987. In 2003, PSA began gradually expanding its service area to 143 localities along the Tapajós and Arapiuns rivers, reaching approximately 29,000 beneficiaries. Its mission is to support participatory and integrated processes of comprehensive and sustained community development, managed by the population itself.

We also developed relationships with the Renaissance Project, sponsors of the Upper Ninth Ward Farmers Market in New Orleans, and Mary Queen of Vietnam Catholic Church, sponsor of the New Orleans East Farmers Market. NGOs in East Africa and the Rural Workers' Union in Brazil helped test the relevance of markets for rural food producers in challenging settings.

### Selecting the “flowers”

To isolate and examine public markets' effect on social cohesion, *trans.act* focused on communities experiencing instability as a result of dramatic natural or manmade circumstances or events. Because these communities lack many of the social institutions of their more stable counterparts, public markets clearly build strong social cohesion. In addition, because farmers markets typically are nimble organizations, policymakers should be aware of their usefulness and of how easy it is to grow a market in communities struggling to stabilize themselves.

**New Orleans, Louisiana**, is one such transitional community as a result of Hurricane Katrina, which flooded 80% of the city in August, 2005 with up to 12 feet of water that sat for two weeks or more.

The *trans.act* fellowship studied five farmers markets in the region:

- two operated by *marketumbrella.org*, one in an uptown residential neighborhood and one in a downtown warehouse/arts district;
- an ethnic Vietnamese Farmers Market, organized by Mary Queen of Vietnam Catholic church, and serving Vietnamese immigrants in suburban New Orleans East
- an Upper Ninth Ward Farmers Market, serving residents on the fringe of the post-Katrina urban desert;
- and the Biloxi Farmers Market, a 45-year-old re-sellers market operated twice a week – under a freeway overpass, as its original location was destroyed by the storm– by the City of Biloxi on the Mississippi Gulf Coast.

**Santarém, Brazil**, is also a community in transition as a result of rapid, large-scale urbanization. With PSA's collaboration in the research, *trans.act* studied three markets in Santarém:

- Mercado 2000, the city's largest public market with more than 600 stalls, which is open seven days a week;
- Tablado Market, known as the city's fish market, which is located on the riverfront across the street from Mercado 2000; and
- Cohab Market, in the old public housing section of the city, which has 200 permanent stalls in a lot, even though it only operates on Saturdays.

### Building the right tools

Because we found that existing surveys in the field lacked sufficient specificity, *trans.act* developed several innovative tools which grew from our own experience as market practitioners. Key methods included interviewing shoppers, vendors, and market neighbors using our own market survey instrument; observing local markets, including shadowing shoppers to count and describe their transactions with vendors; canvassing door-to-door to evaluate how non-participating neighbors perceive the market's value; and conducting focus groups, or Participatory Urban Appraisals (PUAs), with various subsets (vendors, shoppers, and neighbors) of the market “populations” studied. The PUAs offered qualitative insight into issues affecting transitional communities, as well as markets' perceived and potential roles in addressing these issues and building social trust. The PUAs helped

answer questions and capture consensus around topics such as: What do you consider your community? Which institutions are important in the community? Which important institutions work in the market? And which institutions have more impact than others?

### Cultivating leadership in the field

The human resources for this labor-intensive research came from *trans•act*'s summer fellowship program, which harnesses the talents of exceptional young researchers



## trans•act

in the US and Brazil. Heading our research team is J. Robin Moon, a Ph.D. candidate at Harvard University School of Public Health. In 2007, she directed two younger researchers, including Mischa Byruck, co-founder of Emergency Communities, a non-profit disaster relief organization that since Hurricane Katrina has brought 4,000 volunteers to the Gulf Coast, built five community centers, served over 350,000 hot meals, and distributed roughly 1 million pounds of goods to the residents of Southern Louisiana; and Julia Corrêa-Côrtes, our Brazilian local fellow, a recent graduate from the Agriculture En-

gineering program at the University of São Paulo - Escola Superior de Agricultura Luiz de Queiroz (ESALQ/USP).

Our fellows worked with local partners, interviewing market vendors and consumers, shadowing shoppers and noting their transactions, conducting PUAs, and compiling and analyzing data. In addition to cultivating young researchers, the fellowships engineer peer learning among NGOs, and formalizes North/South learning about the universality of markets as strategic systems, especially important in what we call “shifting sands communities,” those settings that are coping with rapid social/economic/ecological change.

### Gathering the data

In 2007, *trans•act* researchers made 12 visits to five markets in the New Orleans, LA, area, including two visits each to the CCFM (downtown), the Upper Ninth Ward Farmers Market, and the Vietnamese Farmers Market in New Orleans East, and three visits to the CCFM (uptown) and the Biloxi Farmers Market. We interviewed 191 shoppers, 61 vendors, and 375 residents.

That same year, we made 15 trips to three markets in Santarém, Brazil, including five visits each to the Mercado 2000, the Tablado, and the Cohab Markets, interviewing 231 shoppers, 205 vendors, and 400 residents. In each site, trained and paid local interviewers were recruited with the assistance of local community-based organizations.

### Fruits of our labors: New Orleans area

In the New Orleans area, farmers markets do an excellent job of ad-

ressing the “supply side” of the food equation through commercial and social transactions that

- increase the sustainability of small family farms,
- expand the nutritional, agricultural, and business acumen of farmers through interaction with consumers and their peers, and
- widen their social networks to include predominantly urban, professional customers.

On the demand side of the food equation, shoppers contribute to the wealth of local food producers as they buy healthy foods, sustainably produced. However, consumers in these markets — mostly white-collar professionals and physically able retirees — typically already have a lot of choice about and access to healthy food options. Farmers markets have been less effective in improving the nutritional options of poor, or otherwise food-insecure, shoppers. While urban farmers markets grow social capital by increasing positive transactions and trust between rural farmers and urban consumers, any efforts to increase positive interactions among disparate races or economic or social classes appear to have fallen in barren soil. To fulfill their social justice aspirations and build far-reaching community social capital, New Orleans-area markets must do a better job of reaching out to poor and isolated shoppers.

Each market we studied was dominated by a particular ethnic, socio-economic and age group; thus each appears to be better at building social cohesion within groups (bonding) than across groups (bridging).

**Ethnicity:** With the exception of the Vietnamese Farmers Market,

white shoppers predominated at each of the five New Orleans markets studied. The Biloxi Farmers Market was the most diverse, with whites constituting 50%-70% of shoppers, blacks 15%-30%, Asians 5%-12%, and Latinos less than 10%. By contrast, the uptown Crescent City Farmers Market averages 90% white shoppers, and the downtown market approximately 80%. These numbers also shed light upon the Katrina-induced demographics whereby seniors and low income renters have not found their way back to the city. Shoppers at the Vietnamese Farmers Market are more than 90% Vietnamese.

**Age:** Those from 40 to 60 years old constitute 40%-60% of shoppers. Adults age 20-40 represent 20%-30% of shoppers, while shoppers 60 and older make up 10%-20% of market shoppers. Individuals under 20 generally constitute fewer than 10% of market shoppers. There is some logic to this finding: shoppers tend to be adults purchasing food for their families. This interpretation is reinforced by the fact that most shoppers are women—a finding that was consistent with results in Brazil.

New Orleans-area farmers markets are viewed by virtually everyone surveyed as an important aspect of community life. The primary public market benefit was identified as a food/nutrition source for shoppers; support of local food producers ranked second and providing a social meeting place was third.

Shoppers say that markets are significantly more important in connecting the community post-Katrina. All groups agree that the markets are bright blooms of connectedness in an overall wilted social system that vendors, shop-

pers, and residents perceive in the wake of Katrina. However, in areas (such as the Upper Ninth Ward) of little social cohesion prior to the devastation, residents did not show much interest in or trust of, the local farmers market.

### Fruits of our Labors: Santarém

All three Santarém markets we studied fit the definition of traditional staple markets. They attract people who otherwise have little or no access to fresh food; vendors also sell at other markets and their incentive is primarily economic. A relationship with the market management does not play a major role in attracting them to the market; and produce sold here is not necessarily locally grown. Feira de Cohab, the weekend farmers market that most resembles its US counterpart, draws mostly people from the immediate neighborhood due to the limited transportation choices.

Shoppers (and vendors) at all three Santarém markets, who tend to be from the 20-59 age group, come to buy produce and other food. As in New Orleans markets, shoppers are a homogenous group. However, this group is made up of rural and blue-collar workers, rather than professional, “white-collar” workers. This pattern could be the result of the time conflict between office hours and market hours, or the higher-paid individuals’ anecdotally-reported preference for supermarkets over public and farmers markets.

Almost unanimously, vendors and shoppers consider their markets an important aspect of their lives, as well as an important community asset.

- Markets are the most significant — if not the only — source of fresh, nutritious food.

- A high proportion of shoppers indicate that they come to the market to support local producers.

- The markets are also an extremely important social gathering place. The most frequent response for “what influence does the market have for your community?” was that the market “brings and connects people together,” and “brings the community and neighborhood together.”

People agreed that the market has the biggest impact on the demand side of the local economy — access to affordable fresh food. Although the “nutritious” benefit was not explicitly stated, it is clear that markets improve health by giving shoppers choices among the fresh, healthful foods on offer. For the Cohab market in particular, the proximity to where shoppers live is a huge factor, since they can walk there rather than pay for transportation.

In Santarém, the research results from shoppers and neighbors are almost the same, for the simple reason that virtually all neighbors are shoppers. Neighbors, however, did emphasize the community benefit of “healthier eating and nutrition,” which had been overlooked (presumably as obvious) by shoppers.

Vendors and shoppers also say markets help them learn “how to deal with people, make new friends, respect differences, and to be with others.” This result shows strong social capital-building, and it holds true regardless of respondents’ criticisms of market locations, size, or cleanliness.

Vendors value the markets as a place to learn business skills – selling, marketing, negotiating – as well as basic skills in finance and math. This awareness offers an opportunity for continuing education, based in the market or the community. Although the survey instrument did not ask specifically about banking needs, interviews revealed that banking services basically do not exist for most vendors. Microfinance programs, in particular, could provide a much-needed resource as well as leverage for other human and social capital benefits.

Santarém vendors reported strong informal ties with their colleagues, both during and beyond market days. Although distance may discourage them from socializing outside of market days, a significantly higher percentage of them do so than do vendors in the US. In general, they also interact more with each other during the markets than vendors in the New Orleans area do.

### Harvest: New Orleans

In New Orleans, recommendations for guiding market policy decisions include:

⇒ planting incentive programs to bring food-insecure segments of the community to farmers markets. Such programs will increase the markets' effectiveness at growing the "bridging" variety of social capital; improve the diets of city dwellers (human capital) and boost sales for vendors (financial capital). In particular, we recommend collaborating with the US Department of Agriculture to extend or expand two programs: the Farmers Market Nutrition Program (FMNP) and the Electronic Benefit Transfer (EBT) program.

⇒ plotting market location or other affiliation as a strategy for increasing shoppers' diversity. Working with community partners, marketumbrella.org plans to establish mobile strategies, like "mobile markets" bringing farmers' market produce to food-insecure sections of the city. In other cities, other solutions might be in order. For example, a market that takes place in a Catholic church parking lot and serves predominantly white customers might find that its shopper demographics change considerably simply by moving across the street to the Baptist Church parking lot.

⇒ cultivating markets' outreach, particularly through channels targeted to under-represented demographic groups. Successful strategies include identifying community groups and organizations willing to work with the market to extend the range of benefits to under-served sections of the community. In addition, a community-wide initiative should involve key leaders in understanding how local markets are important assets in any equitable and sustainable community development plan.

### Harvest: Brazil

US farmers markets have successfully built coalitions between rural poor and urban rich, strengthening rural farmers' networks for survival. As noted, our recommendations for improving farmers markets in the US are to reach out creatively to the urban poor through several policy and programmatic initiatives.

In Brazil, however, public markets assemble coalitions between rural poor and urban poor, creating natural linkages among the disenfranchised. We believe that these

markets could increase their impact if they became centers for innovation and empowerment. In particular, we recommend:

⇒ seeding a microfinance program orchestrated by PSA's Forest Economy group in partnership with community leaders. We outlined to PSA a program, designed to reach at least 30,000 borrowers in four years, with the group's members becoming capable of operating autonomously by the end of the fourth year. Such an effort would not only rescue 30,000 families from severe poverty, but could also seed the creation of a fledgling middle class in rural Santarém, Brazil.

### Flowering for the Future

Beyond the area-specific findings, our research clearly demonstrates that farmers markets constitute real but underutilized mechanisms for growing financial, human, and social capital (as well as natural, environmental, spiritual and other forms beyond the scope of the study). These simple and relatively low-cost institutions, combining effectiveness with nearly universal appeal, deserve far greater attention and investment from practitioners and policymakers at all levels—local, state, and national.

The *trans•act* findings encourage the policy and practitioner community to develop an understanding of public markets that communicates across disciplinary silos. Public health workers, for example, might see the benefit of farmers markets for improving local nutrition, while urban planners might consider markets as a tool for creating human-scaled economic activity in an area undergoing redevelopment. Elected officials

might see a public market as a way to build community while attracting tourists. FEMA workers might advocate the establishment of an ad hoc produce market as one of the first steps in restoring normalcy in the wake of a disaster.

The methods outlined in this *greenpaper* not only support the triple bottom line. They also help measure effectiveness of markets, joining with [marketumbrella.org](http://www.marketumbrella.org) to offer tools such as SEED (<http://www.marketumbrella.org/SEED/>) to help market “gardens” thrive.

Public markets are at least a 6,000-year-old system for exchanging goods, creating social networks, and growing trust. We also believe our research has the potential to bridge the social networks between the so-called global haves and the

have-nots. In many ways, the global South, whose market traditions have generally not been interrupted by the homogenizing influence of superhighways and supermarkets, has much to teach those of us in the global North about the role and influence of these markets, and the incalculable value of the triple bottom line they deliver. ■

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**learning, sharing, growing**

Dedicated to cultivating the field of public markets for public good, we define public markets as “recurring assemblies of vendors marketing goods directly to consumers in a public setting.” We believe in the power of public markets to build sustainable, human-scaled economies and communities. In markets flourish many of the values essential to the grassroots of democracy — cooperation, decentralization, entrepreneurial spirit, small-scale industry, inclusivity, diversity, self-governance, local authenticity, and the mutual respect and freedom that flow from a recognized stake in each other’s well-being. In other words, community. In developing and redeveloping economies of the global North and South, we draw encouragement from the sight of market umbrellas opening, like so many flowers, in places where human beings come together and say “Here is where we will create community.”

Founded in 1995 as the Economics Institute and operated under the auspices of Loyola University’s Twomey Center for Peace Through Justice until 2008, [marketumbrella.org](http://marketumbrella.org) is an independent nonprofit 501(c)3.