

Letters

Dear Peter,

Congratulations on your new journal. It is much needed; indeed the topic is far more important and more complex than microfinance. The 'Crossfire' topic is well-chosen, but both protagonists omitted one very important aspect: their subject was the impact of supermarkets on small-scale producers so they may perhaps be forgiven, but they said nothing about the impact of supermarkets on small-scale traders, market vendors, and so on. There is little doubt that 'modern' value chains can benefit small producers, farmers, and artisans, who can enjoy higher prices, while at the same time consumers pay less, but there is also little doubt that the supermarkets displace large numbers of traditional 'middlemen' (very often women, actually).

My own and others' research into the labour-efficiency of supermarkets vs. traditional retailers shows that the average sales per employee of a supermarket are between five and seven times those of the outlets they replace (see, for example, my book 'Inclusive Value Chains', World Scientific, Singapore, 2010). And, modern retailers tend to employ fairly well-educated young men; they replace far larger numbers of largely illiterate women.

There are some palliatives, such as have been used in Malaysia and elsewhere for many years: closing city streets to vehicles in the evenings to make them into temporary 'malls' for small traders; the provision of common storage and processing facilities and so on; but these are no more than palliatives. We have to accept that firms such as Carrefour, Tesco and Wal-Mart, and their local competitors, like so many features of 'development', destroy large numbers of urban livelihoods, particularly for poor uneducated women.

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Editor's note: Caryn Abrahams makes a similar point to Malcolm's in her article on page 206.