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Lead article

Addressing marginality – needs for innovative research initiatives

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While poverty has declined in the past decades, the poorest are being left behind. This is for instance revealed by a much slower decline of hunger than of income poverty indicators. At the same time a range of covariate risks (e.g. weather shocks; food price and other economic shocks) to which the poorest are exposed are increasing and idiosyncratic risks, such as health shocks, remain very high for the poorest. A broader concept to address these issues is needed – a concept of marginality – and ZEF is set to address this with inter-disciplinary research that facilitates actions.

Marginality describes people and communities in situations affected by circumstances and in places at the edge of economic, ecological, social and political systems. Most of the extremely poor are marginalized, but not all marginalized are extremely poor. The marginalized poor are trapped in poverty. They are marginalized by system internal and external factors which prevent the unleashing of their capabilities.

The concept of marginality gives emphasis to relationships, processes and systems whereas poverty usually only describes the status of income, education or other assets relative to cut-off points. Frequently, root

causes for poverty such as vulnerability and exclusion are linked to phenomena of marginality. Marginalized people in poverty are prevented from living up to their potentials, which is socially unfair and economically inefficient. Marginality is most prevalent in rural areas and often relates to agricultural conditions in small farms, whereas in urban areas marginality often relates to a lack of employment. However, education, health, and institutional factors, as well as discrimination against women, the disabled or members of ethnic groups are relevant in rural as well as urban areas.

Marginality signals both, development challenges and opportunities. Understanding the multi-dimensional and complex nature of marginality requires a systems approach because social, economic, and ecological systems are dynamic, and interact and change over time. With its strength in interdisciplinary research ZEF is well positioned to pursue research on the many facets of this issue. In addition, describing marginality requires a participatory approach because, what is perceived by actors outside the system may be perceived differently by actors who are part of the system. The approach promises to lead to positive change in the lives

of the poorest by de-marginalizing them and thereby unlocking their social and economic potentials. This will be achieved by a better understanding of the nature and dynamics of marginality, by better designing and targeting development investments, strengthening risk management, creating new partnerships and tapping social venture capital. When development investors understand marginality better, poverty-reducing investments will be more successful.



The marginalized are prevented from living up to their potentials.

Marginality research needs to address extreme poverty by

1. assessing, analyzing, and mapping the different dimensions, complexities and dynamics of the marginality syndrome in developing countries and thereby enable identification and location of priority actions, and
2. supporting selection of effective policies and development interventions by development investors

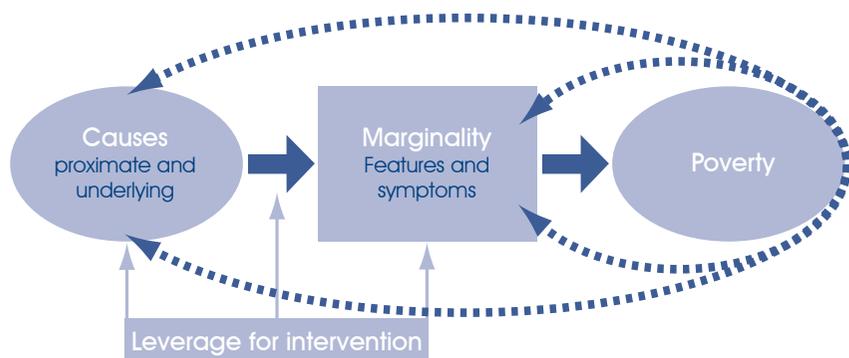
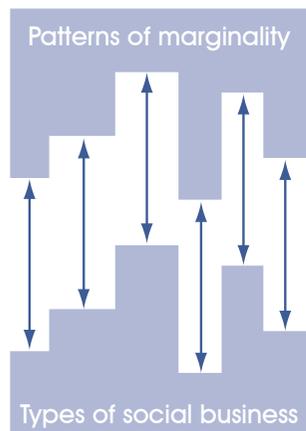


Figure 1: Causes of marginality and leverage points for intervention

3. finding means of empowering marginalized poor people in decision-making, and
4. testing investment options for overcoming marginality of the poorest by relating to promising interventions and actions and by identifying social business opportunities that can work on a larger scale.

Figure 2: Matching social investments to patterns of marginality



The analytical framework of ZEF for such a research endeavor (Fig.1) is results-oriented. A focus on causalities is to be the basis for potential actions that will change marginality. Potential interventions to overcome marginality need to target either the causes of marginality, the link (causal chain) between causal factors and marginality or

Potential investment options are technological, institutional or financial in nature and must respond to the specific features, capacities and capabilities of the marginalized communities, which depend on their endowments (Fig. 2). The target beneficiaries of the research are:

1. marginalized communities, groups and people
2. social entrepreneurs and venture capital investors
3. decision makers in development organizations.

To sum up, research needs to answer the following questions:

- A. What is the state of marginality among the poorest, globally, and in single countries?
- B. On which scale (micro-macro) shall marginality models be built to make best use of the available data and reflect perceptions of marginalized people of specific aspects regarding their livelihoods, in order to assess investment options?
- C. What policy and program options are to consider

directly the marginality features or symptoms.

One of the features of marginality, however, is that it is not particularly investment friendly. Therefore, different incentives need to be tailor-made, to match and strengthen the existing endowments of communities in order to improve their adaptation capacities, self-governance and thereby address the de-marginalization of the community.

for effectively reducing marginality at scale (e.g. rural services, local governance; anti-discrimination; technology; access to assets, etc.) and on what basis can policy and program choices be made?

Action to accelerate reduction of marginality must include technical and institutional elements:

1. Focusing on inclusive growth. A different pattern of growth that includes the poorest and hungry from the beginning, is needed.
2. Improving access to assets and markets. Appropriate property rights are needed to address constraints in access by the poorest. Millions of small farmers need improved access to value chains, and many poor households access to non-farm rural employment.
3. Phasing in social protection more quickly and comprehensively. Policies that encourage "pro-poor" growth need to be re-balanced with social protection policies that reach the extreme poor.
4. Accelerating investments in health and nutrition programs, particularly for children and women in extreme poverty.
5. Including the excluded. The above-mentioned actions all require an effective state that is responsive to the needs of the poorest and the socially excluded. Actions to empower women are also particularly important to ensure their full participation.

This large agenda can of course not be addressed by ZEF alone. ZEF reaches out to its partners to form a larger research and action initiative and network to tackle the marginality research problems in coming years. This research has recently been initiated at ZEF with support by a grant from the Bill and Melinda Gates Foundation.