



# Extending the margins of marketization Frontier regions and the making of agro-export markets in northern Ghana



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## ABSTRACT

This paper demonstrates how the global commodity chain approach has mutated from a critical tool for studying the production of inequality in the global economy to an instrument of development policy that extends the frontiers of marketization to so-called “peripheries” in the Global South. Taking an outgrower scheme for the global production of organic mangoes in northern Ghana as point of departure, and situating this case study within the broader context of market experiments in the Ghanaian agricultural sector, it develops an account of global capitalism as a diverse, heterogeneous and messy arrangement of local borderlands. As a zone of inclusive exclusion these borderlands are brought into being by an economic discourse which separates the inside of the capitalist world from its supposed outside. The so-called integration of smallholders into global markets relies on exclusionary representations and the forging of new associations. First, economic practices in northern Ghana are portrayed by economists as defective and in doing so determine what lies outside the market. Second, within this “outside” – on which the “inside” actually depends – global capitalism mediated through the market models and rhetoric of international development organizations now literally touches the ground in specific geographical settings. Hence Frontier regions as represented by our case study bear the paradoxical character of the work of economics and are an instructive example for the performative power of economic theories. Marketization is revealed as a complex and socio-technically entangled process full of hidden prerequisites and unforeseen consequences that open up new social spaces of multiple ontological reconfigurations.

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## 1. Introduction

The global market for agricultural commodities has been undergoing tremendous changes since the 1990s. New consumption patterns in the Global North, a rising demand for convenience food and fresh from harvest “just in time” products, and increasingly oligopolistic retail competition are some of its driving forces. At the same time recurring food scares have evoked doubts about the reliability of the hidden hand of anonymous markets. Consumers are more than ever before concerned about food safety and particularly North American and European retailers have invested heavily in the manufacture of trust through traceability systems, standards and brands. For producers in many African countries the privatization of agri-food regulation and quality assurance has had significant repercussions. Private certification schemes have become entry-barriers to the market due to their technical complexity and monetary requirements, but they also allow for the creation of new niches and opportunities for smallholders and exporters (Ouma, 2010).

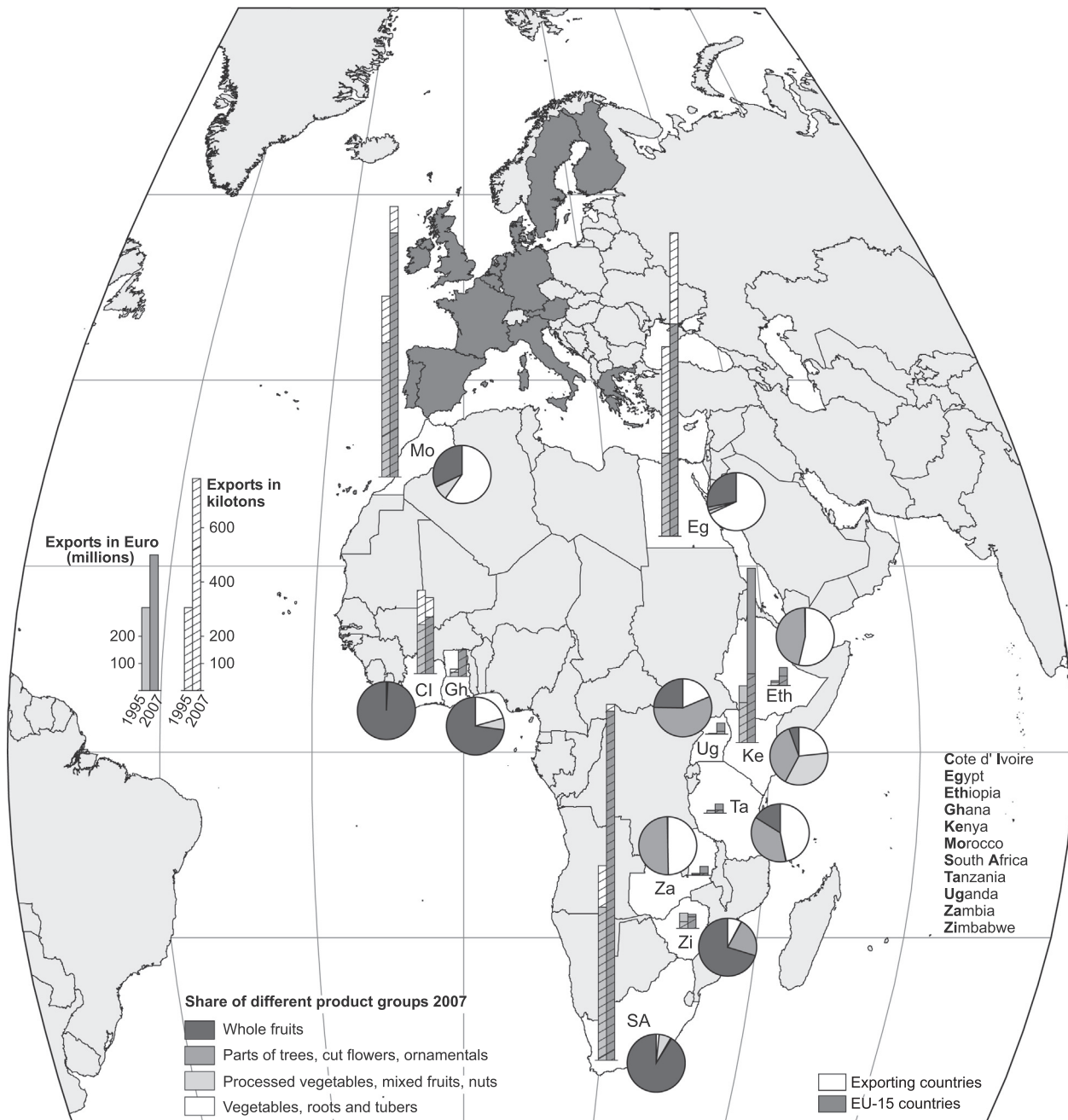
One of the markers of these changes is the rising importance of high value non-traditional agricultural exports,<sup>1</sup> particularly horticultural products. Between 1980 and 2005, the global trade in fresh fruits and vegetables increased by 243%<sup>2</sup> and horticulture exports of many African countries rose considerably (see Fig. 1). Products and assortments, which just one decade ago were barely known to consumers in the North, have become so-called “destination goods”; they are regarded as being crucial to attract customers to a supermarket of “their choice”. Their demand has led to an expansion of the global market to peripheral but ecologically favorable areas and to the construction of new import-export relationships that link European consumers to farmers in South America, Africa and Asia. As a consequence, export portfolios and agrarian structures in many countries of the Global South have profoundly changed. While the share of traditional agricultural exports in the total export portfolios of developing countries declined from 39.2% to 18.9% between 1981 and 2001, the share

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<sup>1</sup> By “non-traditional exports” (NTEs) we refer to horticultural products such as fresh fruit and vegetables, ornamentals such as cutflowers and nuts. Aquacultures have experienced a similar rise over the last two decades, but are not included here.

<sup>2</sup> Calculated from FAO (2008).



**Fig. 1.** Exports of horticulture products from selected African to EU-15 countries between 1995 and 2007.

of horticultural products increased from 14.7% to 21.5% (Jaffee, 2005, p. 2).

The new market segments constituted by these trends have attracted considerable attention from international development organizations, NGOs and many African countries' National Departments of Agriculture, Industry and Trade. New opportunities for agricultural production and export do not only promise to improve the situation of the poorest of the poor but also offer development prospects for peripheral areas often still characterized by a high degree of subsistence production. In the broader context of these endeavors, "market integration" becomes – once again, one may argue, yet with a new subtext – the one-size-fits-all approach for poverty reduction and service provision. We use the example of recent projects of market expansion in the horticulture subsector of Ghana to show that what is commonly called "integration"

requires a comprehensive reconfiguration of socio-material relations which cannot be fully captured by orthodox economic perspectives on markets. Taking this reconfiguration as a vantage point we discuss the concepts of "Frontier regions" and "marketization" to come to terms with the efforts and controversies involved in the expansion of market relations.

We conceive of marketization as a fundamental transformation of the social in general, involving processes of anonymization, the cutting of social ties, and rational, calculative and efficient post-social coordination. In a more radical sense, marketization can be read as essential translation processes, which ensure that economic and social realities are brought into line with the laboratory conditions of economic modelling (Callon et al., 2007; MacKenzie et al., 2007). A particular crucial role in this reconfiguration of the social play "things" and "science", or, to be more precise, "market devices"

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