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EXPANDING THE EXTERNAL MARKET FOR THIRD WORLD CRAFTS --

THE ROLE OF ALTERNATIVE MARKETING ORGANIZATIONS

By

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For

Workshop on Third World Producers and Alternative Marketing Organizations
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S Y N O P S I S

This paper takes the position that Third World craft producers, especially the poorer of them, labor under constraints which limit their ability to gain a meaningfully large share of the world market. It argues that alternative marketing organizations are in a position to mask this reality, and to create expectations and conditions of dependency which, though unintended, have a counter-developmental impact.

It pleads for a thorough understanding, on the part of both alternative marketing organizations and the producers, of the production and marketing system, and a critical and conscious choice, by the producers, of the market mix most suited to their organizational, managerial, and productive capabilities and to their development goals.

It points out the need to re-examine the meaning of "alternative" from the perspective of producer control over market mechanisms and to re-evaluate the indigenous market (local, national, and regional) as part of a strategy aimed at self-reliance and self-actualization, as well as improved living conditions.

It calls upon alternative marketing organizations to provide leadership in forming working coalitions with producer groups and development assistance agencies to consider and act on problems which block the development of the craft sector, such as matching product and market, improving feedback between market and producer, and improving organizational, managerial, and business skills of producer groups.

A B O U T T H E A U T H O R S

Jacqui Starkey and Maryanne Dulansey are partners and, with a few associates, have formed a firm called Consultants in Development.

Consultants in Development is especially interested in providing services in program planning and evaluation in the areas of food and nutrition, rural employment (agriculture, crafts, and small industries), and women's participation in development. The goals of the firm are:

- a) to gain a clearer vision of development programs which will benefit the least advantaged--the poor, rural populations, women and minorities;
- b) to advocate the provision of resources to such programs, especially through US public and private development assistance agencies;
- c) to assist in the more effective and efficient use of resources, through improved planning and management techniques; and
- d) to foster the development of people's critical awareness and control over their own development process.

The authors came together during International Women's Year because they both felt that crafts can provide an entry point into the development process for women, especially rural women. They developed a Seminar on Third World Craftswomen and Development for the International Women's Year Non-Governmental Organizations Tribune in Mexico City to test their hypotheses against the experiences of craftspeople and to discover their needs and aspirations. They have, as Consultants in Development, attempted to follow through on the Seminar recommendations for expanded markets, increased funding, and management training by working with craft producers, import firms, alternative marketing organizations, development assistance agencies and others in a position to assist craftspeople. Since forming the firm in January 1976 they have dealt with craft projects in Colombia, Guatemala, Haiti, Mexico, Nicaragua, St. Lucia, Ghana, Upper Volta, Kenya, Tanzania, Botswana, Cyprus, Turkey, India, Bangladesh, Sri Lanka, and the islands of the South Pacific.

The authors are North American women with backgrounds in international and domestic development and in the importing, wholesaling, and promotion of crafts in the United States. Ms. Dulansey, as Chairperson of the Women in Development Subcommittee of the American Council of Voluntary Agencies for Foreign Service, wrote Criteria for the Evaluation of Development Projects Involving Women.

Ms. Starkey has a Master's degree in Fine Arts from Bennington College (Vermont), has taught, has run her own business, and has managed the New York showroom of an importer of Third World crafts.

THE SETTING

The external market for Third World crafts is complex, highly structured, and sophisticated. Quality control and standardization are important. The market changes over relatively short periods of time. It is large, requires volume, and is growing. Most importantly, the external market is not one market, but is made up of an almost infinite range of market segments. That is to say, one must find out what buyer is willing to pay what price for what item at what time in what quantity and at which place, in order to ascertain if there is a market for a certain product. It is essential that producers thoroughly understand these characteristics of the external market.

Whether the alternative marketing organizations (AMO's)* can expand the external market for Third World crafts depends to a large extent on their ability to assist Third World craftspeople to gain the knowledge and experience they need to operate in the world marketplace. It depends on the AMO's ability to stamp out guilt and romantic yearning, and to do right rather than good. It demands a realistic appraisal of the world economic system as it is today, for that is the one craftspeople must enter. Today's hunger cannot wait for the coming of the New International Economic Order. It demands a realistic assessment of the capabilities of the producer and of the precise market in which each product is to be sold. It requires an understanding of the limitations of the external market for poorer producers who, because they labor under constraints of marginality, are severely handicapped in their abilities to meet the demands of external markets.

*also called social marketing organizations--they provide an external market outlet for Third World goods, primarily crafts, as a means to promote self-help development and to educate their constituencies about development.

Some of the services AMO's and their related development assistance agencies are providing to producer groups are: collection of goods, warehousing, preparation of labeling and export documentation, packing and shipping, and contacts in-country and externally. These are necessary functions. These are the functions ordinarily performed by middlemen. Middlemen are considered to be exploitative, whereas AMO's or development assistance agencies providing these same services at no cost to a craft producing group are considered helpful. However, in both cases the craft producer is left in a position of dependency on an outside group. This is counter-developmental in so far as it does not build self-reliance.

Expanding the external market is not only a question of quantity, but also of quality, that is, the quality of the market for the producer. By their own mandate, AMO's have a commitment to assuring that the Third World craft producer is justly compensated for her (the greater part are women) or his labor. This is a difficult task, fraught with danger. In the end, AMO's often create producer dependence on higher purchase prices (not commercially competitive), sometimes by providing uncosted "middlemen" services; they may encourage non-feasible craft projects (non-viable in a commercial market); they may undercut the craft producers' commercial market potential by underpricing products (vis-a-vis the commercial market). When we consider that AMO's have a small share of the craft market (less than 1% in the United States and around 2% in the United Kingdom) (Little, 1974), these methods seem, at best, to postpone confrontation with the reality that "development has always been and remains a harsh process" (Goulet, 1975). Some AMO's, out of a recognition of these problems, but more frequently out of a need to stock a marketable quantity, quality and selection of goods, have relaxed their policy to deal with relatively needy, profit-sharing groups.

Given this situation, one may ask what the AMO is an alternative to. The AMO is forced to function as a market parallel to, but not much different from, regular commercial channels. It may offer the buyer an alternative (more variety, lower price, information about the producer), but it does not give producers an alternative to the system in which they exercise little or no control over the market.

What, then, is the way out of this dilemma? First of all, it is to encourage craft projects only under conditions in which they benefit the producers' process of development. To ascertain the benefits, the feasibility of a craft program must be studied in a hard-headed, detailed fashion against other alternatives. Experience indicates that this is seldom done, and even when attempted, too much hope is placed on inadequate projections of external market demand. Often the possibilities of the local market are not seriously explored. And, as with every other sector that has had the misfortune to be a development fad, the craft sector has been blown out of realistic proportion, first hailed as a panacea, then damned as an uneconomic activity, a trap to keep women in traditional roles, or a source of corruption of traditional cultures through outside market influence, with cries of "Exploitation!" rising on all sides. Our position is that craft development is a situation-specific, limited tool which has a valid and important place in a people-centered overall development strategy, primarily in rural areas as a supplement to agriculture. ". . . handicrafts are certainly needed to provide additional avenues of employment--but they should not be seen as alternatives to agricultural work." (Mazumdar 1975) We must avoid the pitfalls generated by the hopes of potential producers for a way out of poverty and by the sentimentality and short-sightedness of those who would help them. Crafts should be

seen as part of a rural employment strategy and studied, planned for, invested in and evaluated accordingly. Then crafts can be a means of bettering the quality of life of the producer and her or his family. In addition, the organizational and management skills learned in craft production and marketing are skills which can be transferred and applied in other areas of the craftsperson's daily life, as well as to other economic activities. That is our opinion; what is the view of the craft producer?

INTERNATIONAL WOMEN'S YEAR SEMINAR ON THIRD WORLD CRAFTSWOMEN AND DEVELOPMENT

We and the other organizers of the Seminar on Third World Craftswomen and Development held in June 1975 at the Non-Governmental Organization Tribune in Mexico City believed in the potential of crafts to afford women the beginnings of participation in development and a means to improve their lives. The more than 400 participants from all over the world, including those producing crafts, marketing crafts, and providing technical and financial assistance to craft programs, strongly affirmed the rationale proposed by the organizers:

"At the present time women are not integrated into the process of economic development. The lack of long-range economic stability, an organizational structure, an institutionalized power base, and participation in one's future restricts the development of society as a whole and women in particular. Crafts provide a point of entry into the development process for great numbers of women because they build on existing or easily learned skills, utilize low-cost native materials, return income despite varying levels of time invested, are cash-producing or cash-offsetting and have proven acceptability."
(Primer, Craftswomen and Development, 1975)

The 50 panelists and resource people quickly went beyond the rationale. The most pressing concern of all of them was how to assure "steadily expanding markets." (Report, Third World Craftswomen and Development)

This concern generated a number of additional meetings after the Seminar's conclusion, and recommendations appealing for the creation of (1) an international coordinating body for the economic and technical development of crafts, (2) an international foundation of Third World craftspeople to encourage crafts exchange, to reduce the problem of product imitation, and to provide development assistance, (3) an international social marketing organization, (4) clearinghouses for crafts, and (5) the elimination of intermediaries through direct sales from producers to consumers. (See Appendix A, Seminar Recommendations)

What is the picture a year later? None of the recommendations has been implemented as such. However, more people are aware of the needs and the problems and as the report acknowledges, "The realization of the recommendations will largely depend on the work of the participants within their own countries." (Seminar Report, TwCAD). The progress is small and slow. This Workshop is an opportunity to share the Mexico City deliberations more widely, to seek constructive criticism, and to move closer to the goals identified there, particularly regarding expanding markets.

If the Third World craft producers see the primary problem as a lack of markets, how does it look from the market side of the picture? Since we are most familiar with the situation in the United States, we will speak primarily of that country, bearing in mind that while there are similarities, there also exist some notable differences between the U. S. and other developed country markets for crafts. The best information on the subject is available in a Discussion Draft Report of Arthur D. Little, Inc. to the World Crafts Council entitled Marketing Crafts from the Third World. The study explored market opportunities in the

United States, the United Kingdom and Canada, and the supply potential in Mexico, Guatemala, Iran and Indonesia. It concluded that, "The market for all types of crafts in the three countries we examined--the US, the UK and Canada--is large and growing by 10 - 25 percent annually. The present size of the crafts market in the US, for example, is so much larger than any new marketing organization could satisfy that there appears to be no problem of entry or share of the market, " and "US crafts marketing companies can sell more quality crafts than they can obtain from Third World countries." (Little, page I-7R) Thus, the demand side (the market) indicates inadequate supply (products) while the supply side (producers) indicates insufficient demand (markets). What accounts for these diametrically opposite views of the craft market? We believe that this disparity is caused by a failure of both sides in understanding the production and marketing systems, and of the necessity to match them. Let us explore the possibility that supply and demand (products and markets) do not match by taking a closer look at the craft production system and the external (US) market for crafts.

THE CRAFT PRODUCTION SYSTEM

A product, in economic terms, is an article which has an exchangeable value. Crafts may be defined as "wholly or partly hand-made objects, which are produced in multiples and emerge from the tradition and daily lives of people." (Primer) Thus, crafts may or may not constitute products, that is, they may or may not have an exchangeable value, depending on the needs, tastes and lifestyles of those to whom they are offered. Objects fashioned by rural people for their daily use, although often possessing an integrity and beauty of their own, seldom retain their utilitarian value in external markets. Sometimes

this change even occurs between the village and the capital city as, for example, in many countries where plastic or metal containers have displaced the calabash in the urban marketplace. Traditional craft objects may be valued abroad for other than their original purpose: baskets used to carry grain are converted to wastebaskets; jute sikas made to hang food out of rodents' reach now contain hanging plants; and many craft objects are valued as curios and decorations. But the fact remains that it is difficult for a person living in Bangladesh, Haiti or Tanzania to know of needs and tastes formed in quite different lifestyles in the Netherlands, the United Kingdom, or the United States.

Furthermore, in order to make products for distant markets, ingredients such as raw materials, equipment and tools, skill, design ability, organization, planning and time are not enough. If an object has an exchangeable value in a certain place, it must be gotten there, so one must add the functions of collection, quality control, marking, pricing, packing, sales and export documentation and shipping.

THE MARKET FOR THIRD WORLD CRAFTS IN THE UNITED STATES

If a product is an article which has an exchangeable value, a market is the act or place of exchange. Therefore, a product and its market are two sides of the same coin. A key question is "Which consumer wants this product?" If one envisions many consumers with a wide range of tastes and needs, it is apparent that there are many markets, or many consumers willing to buy many varying products. Marketing is a set of activities that direct the flow of goods and services from producer to consumer. Marketing includes research on demand for the product, design, style, price, quantity, quality, advertising and promotion (sometimes called merchandising), transportation, storage, selling,

financing, and post-purchase services. For Third World crafts, the importing process becomes an important part of the system.

The US market is the largest in the world. It is difficult to determine the size of the US market for Third World crafts, but the best data available is found in Marketing Crafts from the Third World which estimates total crafts imports from developing countries in 1972 somewhere between \$120 and \$160 million FOB country of origin, with an annual growth rate of 18 - 22 percent. (Little, II-5) Of this total, the non-commercial channels account for well under \$1 million. The report estimates the number of commercial wholesalers at 600 and retail stores at 50,000. (Little, II-10 and 11)

The report breaks down Third World crafts sold in the US into three groups (Little, II-6):

- "1) artist-craftsmen products which represent less than five percent of total imports, and are retailed primarily by galleries, exclusive boutiques, interior decorators and museums;
- 2) popular art, which is indigenous to the country of origin, generally of high quality and aesthetic appearance and retailed by boutiques specializing in crafts, gift shops, department stores, museum shops and furniture and jewelry stores. This segment represents perhaps 25 to 30 percent of total industry sales;
- 3) pre-industrial craft items imported from developing countries (about 65 percent of total sales), typified by less expensive, often poorly designed and produced products of mass appeal which are sold primarily by retail chains such as Pier I, Cost Plus and Azuma, variety and hardware stores, and less prestigious boutiques and gift shops."

Because of our development thrust, we are primarily interested in the second category, popular art, which has a 25 - 30 percent share of the market. At a total market range of \$120 - 160 annually, this means popular art has a range of \$30 - 48 million (1972 figures).

It is useful to divide the US craft market according to the three major types of importers, since they provide graduated markets for the producers. They are (1) the non-commercial AMO's, (2) the commercial "compassionate importers," and (3) the straight commercial market. The non-commercial AMO's account for less than 1 percent of the total US craft market; even if one takes AMO total sales as part of the popular arts category alone (which is not the case), the AMO share would not exceed 3 percent (1972 figures).

The most significant US alternative marketing organization is SERRV (Sales Exchange for Refugee Rehabilitation Vocations). It was begun in 1950 by the Church of the Brethren to assist war refugees. SERRV is now related to the world-wide church, cooperating with overseas churches and with overseas programs of the American churches, and working ecumenically through the Department of Church World Service, Division of Overseas Ministries, National Council of Churches, USA. SERRV works with some 60 countries, most of them in the Third World, serving "overseas persons who can produce high quality, saleable handicrafts and who need to sell them as a means of livelihood, but who otherwise would not have adequate sales outlets for their products." (The SERRV Story) The Little study reports SERRV sales at under \$750,000 in 1972; in 1975 SERRV was doing approximately \$1.25 million in sales, a growth rate consistent with the study's projected 18 - 22 percent annual rate. Over 60 percent of SERRV's suppliers have some connection with an overseas church program, and about 85 percent are non-commercial. SERRV tries to deal as directly as possible with the producer and tries to assure that the payment to the producer represents a fair wage in the local economy, as well as being related to the quality of the work. SERRV has three International Gift Shops,

accounting for about 25% of sales, and some 1,500 church and women's groups which sell handicrafts. Retail catalog sales run at 10 percent of the total. SERRV is required to pay import duties on crafts, sells at about 90% over the FOB country of origin cost (a low figure when compared with the 400 - 600 percent markups found in commercial markets), and returns about half the retail cost to the producer. SERRV provides information about Third World producers and their products to its constituency through a newsletter, SERRV News.

A newer and smaller US alternative marketing organization is the International Program for Human Resource Development (IPHRD), which is linked to overseas projects. In addition to selling crafts, its goals are employment creation and constituency education.

As an outgrowth of Freedom from Hunger activities, the European model of Third World Shoppes has been copied on a small scale in the United States. Some 25 shops, each doing between \$5 - 10,000 gross sales annually and staffed by volunteers, are loosely federated in the Union of Third World Shoppes. In addition, there a number of non-profit shops whose proceeds go to the United Nations or UNICEF, run by the United Nations Association and the US Committee for UNICEF. (See the Alternate Celebrations Catalogue, 3rd Edition, for more information.)

Between these AMO's and the straight commercial market are a number of "compassionate importers," which go out of their way to accommodate producer groups. They are willing to take products available in small quantities and those needing further development. They will, whenever possible, buy directly from producers such as cooperatives, Peace Corps ventures, church-related projects. They are interested in crafts as a reflection of the people who produce them, and the countries in which

they are produced. They often import fairly traditional and somewhat adapted products of a mixed nature, from decorative home furnishings to personal accessories such as hats, bags, sashes and jewelry. We estimate the US market share in 1975 at \$5 million for AMO's and compassionate importers together, and the total market at \$250 million--a 2 percent share.

The third and by far the largest group are the straight commercial importers. Usually these are quite specialized, such as one handling rattan furniture and decorative accessories from Asia, or one confined to hand-loomed fabrics. Other commercial organizations are formed around popular wares, such as baskets and containers to hold plants. These products have been so successful that price is almost inconsequential, except for purposes of competition for the same article. They import in large volume, and have comprehensive sales networks. They maintain wholesale showrooms in New York, Chicago, Atlanta, Los Angeles, Dallas and Miami in buildings wholly dedicated to showroom space, such as the Merchandise Mart In Chicago and 225 Fifth Avenue in New York. They also have salespersons who cover defined territories, showing samples and taking orders from retailers, and who are paid on a commission basis. Another mode of selling is through trade shows, such as the twice yearly Gift, Jewelry and Boutique Shows in New York and other regional marketing centers. Shows geared to museum shops are more highly specialized. All of these provide merchandising opportunities for craft items. Also, commercial concerns make some use of catalogs and direct mail advertising, though this is much less significant.

The US market is characterized by high volume, standardization, rapidly changing fashion trends and a wide variety of markets. In order to gain a meaningful share of the US market, Third World producers must

be able to produce in suitable quantity, to control the quality and achieve a certain range of standardization, to adapt designs and shift production to taste-making trends, to deliver on time and receive prompt and exact market information. All this, in addition to pricing and exporting considerations. As we see it, Third World craft producers, especially the poorer of them, labor under constraints which severely limit their ability to meet these market requirements, and thus gain a larger share of the market. It is no coincidence that the pre-industrial segment of the US market identified by the Little study accounts for 65 percent of total US craft sales. Japan, Hong Kong, Taiwan and South Korea account for most of this production. The People's Republic of China is now beginning to enter this market in the US also. In contrast, craft producers of most developing nations share the characteristics of being unorganized, untrained in management and business, undercapitalized, cut off from market information, living in precarious, marginal and insecure conditions and consequently, at the "mercy" of the market and its intermediaries. The services performed by middlemen are required to market products, and are priced at levels the market will bear. If and when craft producing groups can perform these services for themselves, they can increase the return on their labor and gain better control over the market.

Can the external (US) market for Third World crafts be expanded, and if so, what is the role of alternative marketing organizations? If we make gross comparisons between the production system and the marketing system we can identify some areas where there are clear mismatches--quantity, quality, design, timely delivery, for instance. While we are speaking of the US market, similar conditions apply in

external markets generally. One of the problems is the feedback of information from the market to the producer. As the geographical, cultural and technological "distances" increase between the producer and the consumer, it becomes increasingly difficult for producers to know what products consumers want. And even given this knowledge, producers must also have the means to act on it.

CONCLUSIONS AND RECOMMENDATIONS

Alternative marketing organizations cannot substantively expand the external market for Third World crafts. They can possibly help the craft producer to gain the knowledge and experience needed to operate more effectively in the world marketplace. The development process is one harsh reality; commercial business is another. If the AMO's are going to be able to be of assistance, they themselves must critically and consciously understand the workings of the world market. Specifically, they must understand the possibilities and constraints of small scale businesses of a cottage industry nature. It is necessary for the AMO's to re-examine the meaning of "alternative" from the perspective of producer control over market mechanisms and to re-evaluate the indigenous market (local, national and regional) as part of a strategy aimed at self-reliance and self-actualization, as well as improved living conditions. This critical understanding on the part of AMO's and producers alike is an essential first step in developing a craft sector controlled by the producer.

Alternative marketing organizations and craft producing communities do not have the resources to do this alone. Development assistance agencies have been functioning in this capacity and therefore, it

would seem appropriate to form working coalitions among these three groups to consider and act on problems which block the development of the craft sector. Because AMO's are in a unique position to see these problems, they are the natural leaders in forming coalitions.

What are some practical things that might be done right now-- by a cluster of one AMO, one producing group and one development assistance agency--or by a larger group? The following are suggestions for immediate action in the priority areas of:

- 1) matching product and market;
- 2) improving feedback between market and producer; and
- 3) improving organizational, managerial and business skills.

Formats could be developed to facilitate individual action in common directions.

1) Matching Product and Market

Since there is an infinite variety of segments to the market (an infinite array of markets) it is necessary to break down craft products and production/marketing capabilities, and to match these to specific market segments in order to develop successful marketing strategies. In all three categories--product, production/marketing capabilities, and market segmentation, special attention must be given to design capability and requirements for design adaptation.

A) Product - Descriptive categories of crafted items should be used so that appropriate marketing strategies can be developed for each classification. A starting point is the three large categories used in the Little study: artist-craftsmen products, popular art, pre-industrial craft items.

B) Production/Marketing Capabilities - The production and marketing capabilities of producer groups should be inventoried, rated

and classified. These capabilities correspond to functions listed in the Craft Production System and the Market for Third World Crafts in the United States sections of this paper. Inventories could be made by AMD's on the basis of information in their files, and on the performance of the producer. These should be checked against the producer's own assessments. Problems and opportunities could be identified for action to assist improvement and growth.

C) Market Segmentation - Market segments should be explored and identified for characteristics such as unit price, number of pieces, total monetary value, uniformity of quality required, competition, market leaders, location, trends, seasonality and promotion. The particular crafted item should then be assessed for its short and long term viability and potential.

2) Improving Feedback Between Market and Producer

Many craft producers receive virtually no feedback from the commercial market except for re-orders. AMD's provide considerably more information to the producer, especially in helping them enter the AMD market. However, this information is usually provided in an unstructured, irregular manner. The feedback system could benefit from the introduction of simple forms, used on a regular basis. Since this is primarily the task of the AMD, it would probably require them to make an initial investment to set up the system. AMD's would also have to work with producers to enable them to utilize the information.

A) Market Forecasting - AMD's could provide the producer an estimate of the volume of goods they could take over the course of a year, identifying peak sales periods and checking the estimates on a monthly or quarterly basis. This would enable producers to plan ahead

in acquiring raw materials, scheduling production, anticipating cash flow and stockpiling problems, and seeking additional markets.

B) Fashion Trends - AMO's could monitor market trends in fashion and guide producers in targetting products to changing markets. For example, in the United States fashion trends are set in New York or California and usually run one or two years behind, in a modified lower key, across the rest of the country. This lag reduces the risk small producers face in entering changing fashion markets. However, for AMO's to provide this information, they must be tuned into the commercial market more than they are now.

C) Competitive Products - Producer groups need information about products on the market which are similar to those they are producing or could produce. If indicated by market research, such data could stimulate producers to make a new item, or to stop production on one for which they cannot meet the going market price. Such information might be furnished on an occasional basis, perhaps gathered according to materials utilized. For example, products made in different regions of the world from banana fiber enter the US market at very different prices for what amounts to the same product. The consumer will naturally buy the less expensive item. Such information could stimulate coordination among producer groups, and the development of new products.

D) Solutions to Technical Problems - AMO's could facilitate the exchange of production information among producers, especially when technical problems arise. Often it does not occur to producers to seek assistance, as the problems are not apparent to them, for instance in the methods used to fasten or close bags, clothing, jewelry, etc.

AMO's might keep files of "good examples" of such solutions for use as the occasion demands.

E) Standard Sizes, Weights and Quality - Many small producers do not understand that the saleability of an item is greatly affected in a particular market by considerations of size, weight and quality. These differ from country to country. AMO's should issue information sheets on groupings such as linens and tableware, clothing and footwear, baskets (e.g., as plant containers, used with standard size pots, and to facilitate shipping by nesting the baskets), jewelry (neck size, length of necklace or drop earrings, quality and weight of wire in pierced earring fasteners, etc.). Decorative hangings might be made according to standard frame sizes to decrease the cost of mounting and consequently increase saleability.

F) Restrictions on Imports to Country - In the United States there are varied and confusing restrictions on imports. These include restrictions on animal and vegetable materials in order to prevent infestation and spread of disease (e.g., vegetable fibers used as packing materials), health restrictions (e.g., on feathers), and restrictions to protect endangered species (e.g., tortoise shell). These restrictions might be listed and made available to producers.

3) Improving Organizational, Managerial and Business Skills

This is the category which requires long-term planning, and long-range commitment of significant resources to its development. Consequently, development assistance agencies have a large role to play. The functions of production and marketing often fulfilled by middlemen (and sometimes by AMO's) such as stockpiling of raw materials and finished products, pricing, inventorying, correspondence with customers, bookkeeping, export documentation, labeling, packing and shipping should be brought

within the competence of producer groups to do for themselves, or to control.

One approach might consist of using the data gathered in the inventories of producer capabilities (see section 18 above, Production/Marketing Capabilities) to identify common areas and priorities of need upon which to base training and other forms of assistance such as:

A) Workshops and Training Programs - If a special skill need were identified for several producing groups, perhaps in a restricted geographical area, training courses could be developed and held. One such course might be in packing for export shipment.

B) Manuals - Self-teaching materials could be developed in conjunction with the training programs, for wider diffusion at relatively little cost.

C) Internships and Exchange Programs - Personnel of producing groups could profit from spending time working with other producer groups, and/or with AMO's or commercial importers/exporters. Similarly, AMO's might wish to lend personnel for short periods to producer groups to assist them with special problems, such as warehousing and inventory control.

Undoubtedly the producers and alternative marketing organizations attending the Workshop will be able to add to this suggested action list. The criteria for selection should include consideration of what effect it will have on the producer, how practical and feasible it is, and whether it will break a bottleneck in the production/marketing system.

APPENDIX A

RECOMMENDATIONS MADE BY PARTICIPANTS IN THE SEMINAR ON "THIRD WORLD CRAFTS-WOMEN AND DEVELOPMENT" HELD AT THE INTERNATIONAL WOMEN'S YEAR TRIBUNE, IN MEXICO CITY, JUNE 20, 1975.

INTRODUCTION

Women in the developing world are generally not integrated into the process of economic development in that their contribution to their nation's GNP is largely invisible in statistical or monetary terms. THIRD WORLD women do provide services, produce and process the majority of the food which their communities depend upon for survival, and also spend a significant but varying amount for their time in craft production activities.

In other words, they make a direct and substantial but as yet unrecognized contribution to the development of their countries.

Currently, much of the labor put into crafts yields little or no return for the women or their communities, and although not the sole or ultimate mechanism through which THIRD WORLD women will achieve equal status and economic opportunity, crafts can create valid opportunities for the economic advancement of THIRD WORLD women.

Special economic development programs for women will move most rapidly where they build on existing or easily acquired skills, utilize low-cost or native materials and produce goods acceptable for both local and foreign markets. Furthermore, such programs will benefit women most directly where women are instructed in money management, and encouraged to control their income. This will require women's organizational structures which build, in addition to economic skills self-confidence, cooperative programs of investment, health care and practical education.

RECOMMENDATIONS

The Seminar on THIRD WORLD CRAFTSWOMEN AND DEVELOPMENT recommends that, in order to integrate women into the process of economic development crafts must be developed to provide long-range economic stability, an organizational structure, and institutionalized power base, and participation in one's future.

Specifically:

A.- Considering that crafts already constitute sources of permanent income producing employment, while also safeguarding the traditions and cultural expressions of their people, we urge that crafts be treated as a vehicle for development at all levels: rural, urban and marginal suburban. Member governments of the United Nations should individually, and through the UN, recognize, protect, and lend special assistance to craft programs developed according to the needs of each country and specially those focused on women. Attention should be directed to:

- I. Developing steadily expanding markets;
- II. Organizing craftswomen in associations; and
- III. Providing financial, administrative, and legal support of governments and international agencies, in such a way as to promote self-help, entrepreneurship and balanced integral development through modernization or industrialization.

B.- We recommend to the United Nations the creation of an international coordinating body for the economic and technical development of crafts. Such a body should function on a regional basis with the participation of governmental entities and private non-profit associations devoted to craft development.

C.- We further recommend that the introduction of technology should be limited to situations in which it will not cause economic dislocations or exploit the craft-producing country. Technology is acceptable when it facilitates production by the introduction of simple tools or machinery while retaining the individuality and creative expression of the artisan and using local raw materials.

D.- The individuals who have gathered for the International Women's Year Tribune sessions on THIRD WORLD CRAFTSWOMEN AND DEVELOPMENT recommend the creation of an International Foundation consisting of representatives from THIRD WORLD craft producing nations to assist and encourage THIRD WORLD crafts exchange; to reduce the problem of product imitation; and to provide development assistance to the THIRD WORLD crafts person.

APPENDIX B

R E F E R E N C E S

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Addresses of U.S. Alternative Marketing Organizations

Aid and Trade Center-International, International Program for Human
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Bethesda, Maryland 20014. Dr. Varghese Keerikatte.

SERRV Program, Church World Service Center, Box 188, New Windsor,
Maryland 21776. Mr. William Nyce.
(Catalog available at \$0.25 cost)

Union of Third World Shoppes, 428 East Berry Street, Ft. Wayne,
Indiana 46802. Mr. Jim Goetsch