



# **Making Markets work for the Poor – How and (Every-) where?**

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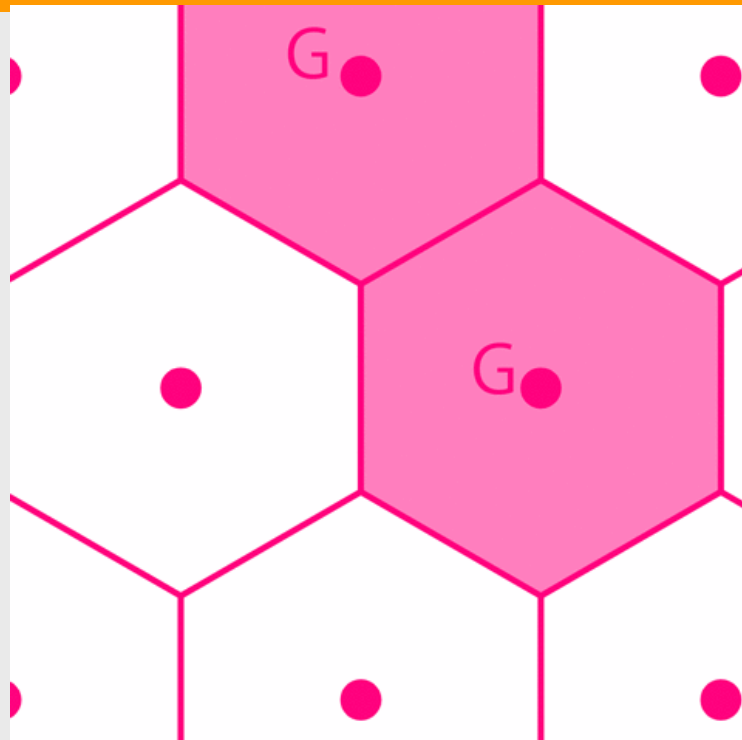
Services have an important dual potential for development:

- Economic sector with important opportunities for (high quality) employment (e.g. tourism).
- Catalysts of growth and sophistication of industrial structures (Business (development) services)
  
- How can this dual potential best be unfolded?
  
- **Should we move service markets to where the poor are – Or should we enable the poor to move to where the services are?**
  
- **A plea for a spatial approach to service market development**



- Poverty
- Remoteness
- Inadequate physical infrastructure
- ...
- **Low Density (of Business activities and - often - of people)**
- **This makes the successful establishment of commercial business linkages especially challenging.**

# Towards a Spatial Approach to Service Market development

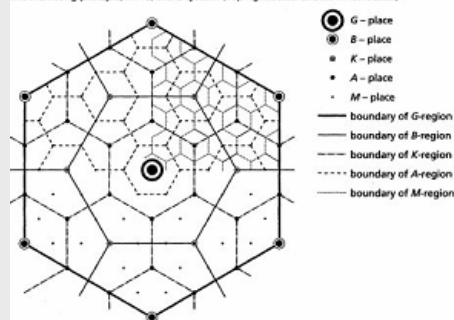


To reach commercial viability, services require certain market area

Required market areas increase with decreasing (economic) density

Required market areas are different for different types of services and consumption frequency

The marketing principle,  $k = 3$ , the G-system (Top right sector shown in full detail)



**Concept of „Central Places“ (Walter Christaller), widely applied in German regional planning**

## Implications of a spatial approach to services market development



- Which **type/s of services** can commercially be provided where?  
-> (hierarchy of places)
- Focus service market development in **urban areas** and other high potential areas.
- In **remote areas**: Concentrate on full-coverage of **basic services** (education, health, electricity) and on **connective services** (telecommunication, public transport)



**Thanks for your attention !**