

Public Abstract

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Title: STRATEGIES TO DEVELOP MARKET ACCESS IN THE BOLIVIAN HIGHLANDS: TWO CASE STUDIES FOR CHUNO AND TUNTA

Rural households in the Bolivian Highlands lack reliable information about market prices, consumers' quality expectations, and contacts for trading. They also face climate events, such as droughts, which make agriculture a risky activity and limit the amount and quality of produce they can supply in the market. Several development programs have been implemented to alleviate or solve these problems. Two case studies are the focus of this research. The first focuses on promoting collaboration in the market chain to reach high income target markets with higher returns. The second analyzes efforts to improve the quality of the products to the markets. Both seek to reduce transaction costs through collective action. A single case study design was used for the Bolivian Andean Platform (BAP) developed with the Participatory Market Chain Approach (PMCA). BAP seeks to reduce transaction costs for small-scale producers of chuno and tunta of two producer associations in La Paz-Bolivia. The study identifies incentives within the platform that motivate market chain actors' participation. The second case study is a local native potato varieties' improvement development program (NPVP) supported using a multiple embedded case study design. The program focuses on quality issues, and again aims to reduce transaction costs of participant farmers. This study also includes a group of non participant farmers, to identify the barriers foreseen by those who do not participate in NPVP. This case aims to evaluate if the NPVP would empower farmers and enable them to participate in the BAP. A 2006 household survey informs the selection of families for the second case study. Selection criteria include participation and non-participation in the Native Potato Varieties Program, and production of native potatoes for the market.

Research findings indicate that the BAP, formed by 10 stakeholder organizations, reduces information, search, and contracting costs in the market chain, while increases participation, monitoring and enforcement costs. It also promotes agency capacity and market involvement for small-scale producers. The BAP price setting policy, on the other hand, is a disincentive to farmer's participation because it does not reward higher quality of chuño and tunta. In terms of collective action to improve native varieties, the NPVP decreases search and information costs, and increases participation, contracting, monitoring, and enforcement costs. It also develops the capabilities of participant farmers to participate in initiatives based on collective action, like the BAP. A major barrier to participation in NPVP is time to attend meetings.