Making Market Systems Work for the Poor

Experience inspired by Alan Gibson

Edited by
Joanna Ledgerwood

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CHAPTER 3

Market system diagrams: Or, how I learned to stop worrying and love the doughnut

Jake Lomax

Abstract

Doughnuts (aka market system diagrams) are central to market systems analysis, and to the way of thinking that seeks to investigate and address root causes of market system underperformance. But we rarely see them being used, and still less see them used well. Why is the defining framework of the Making Markets Work for the Poor (M4P) approach not used more, and why is it not used more consistently? This chapter starts by getting under the hood of the doughnut to see what's really going on in there and describes how it needs to sit alongside other M4P tools. It then details three common examples of doughnut-related malpractice and the real implications this has for our ability to deliver sustainable change at scale in market systems. Finally, the chapter analyses the incentive and capacity constraints that prevent programmes making better use of doughnuts, and suggests how these may be addressed.

Keywords: market systems analysis, M4P, development, diagnostics

Introduction

Like many of us working in the field of Making Markets Work for the Poor (M4P), I had the pleasure of an M4P pupillage at the hands of Alan Gibson. It was the autumn of 2014. I'd started a job at the Springfield Centre the day after submitting my PhD thesis. And a few days after that, still barely aware of what M4P was, I found myself on a flight to Bangkok to find out. Here, in the King Power Hotel, the scepticism about development practice that I'd carefully accumulated over the preceding years in academia were chipped away.

It turned out people had actually been *doing* something about the problems of implementing development programmes. They had understood the critiques, figured out why development wasn't working, and set out principles and steps to follow in order to avoid those pitfalls. Alan was clearly one of the heroes of this movement, and rapidly became one of mine. His railing against the incompetence and inadequacy of conventional development was devastating and often hilarious. But it wasn't just the familiar critique of failure. It was much more powerful; an outline of a solution – largely of

his own creation. And what was the antidote to decades of malfunctioning development aid? The doughnut!

Of course, I'm oversimplifying. It was much, much more than the M4P market system diagram (familiarly known as the doughnut). But if we want one visual image of what M4P is, it's the doughnut. It's everywhere in M4P training. It's everywhere in explanations and definitions of M4P. What's different about M4P? Doughnut! How do you do M4P? Lots of doughnuts! This is understandable – we're in the business of transforming systems, and doughnuts are the only diagrammatic representation of the system outlined in the approach. They are the lens for understanding what a system is, and how it is underperforming. They are central to market systems analysis, and to the way of thinking that investigates and addresses the root causes of market system underperformance.

But once I started working more closely with M4P programmes, it seemed that all the doughnuts had dried up. Scrabble round through old programme documents and you might find one, but it was usually pretty stale. It seemed that the doughnut was an occasional tool of external M4P consultants rather than a tool for regular systems analysis by M4P programmes. And on closer analysis, doughnuts were variable beasts: you can find all sorts of things written in the spaces, value chains stuffed into the centre, actors appended in various places.

What is going on? Why is the defining framework of M4P not used more, and why is it not used more consistently? And why is this a problem?

What's in the doughnut?

A quick primer for the uninitiated. The doughnut has been around in various forms since 2004 (see Annex for a potted history). The system is defined in relation to a set of actions that form the core (see Figure 3.1). Generally speaking, these are a set of production and exchange actions that link producers on the supply side to consumers on the demand side for a given good or service. The core will usually include the actions of the target group.

The system represented in the doughnut then comprises factors identified as important in determining how effectively the core operates. These factors are grouped into either 'functions' (the services or resources required for the actions in the core) or 'rules' (those functions that are specifically related to the formal or informal institutions that shape decisions in the core).

In this manner, the systems analyst using a doughnut can proceed rapidly to specify factors which are causing underperformance in the core. Then each causal factor judged to be important may be framed in terms of supply and demand and put in the core of an additional doughnut for analysis. And so on until we've got to the root of things.

The doughnut is a tool for action. Spend too long sweating over whether a factor is a supporting function or a rule and you're missing the point. And I spent quite a lot of time missing the point. Coming from years immersed in
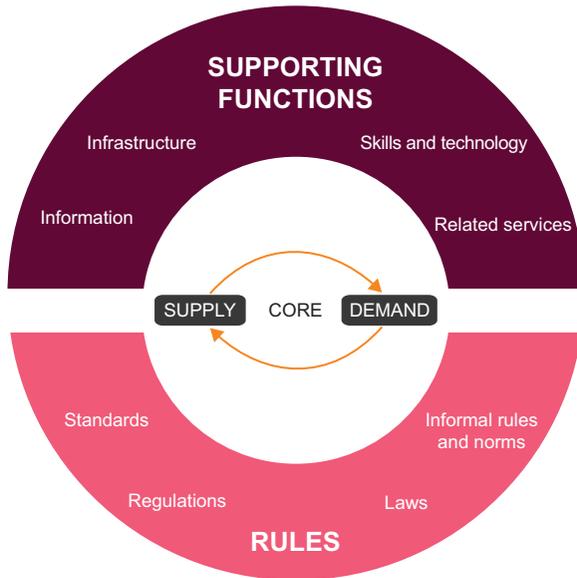
Figure 3.1 The doughnut. Best consumed as part of a balanced diet that includes other system analysis tools

the micro-level analysis of human behaviour, I wanted my concepts nailed down. The doughnut made me uncomfortable, with its loosely aggregated, unspecified sets of actions in the core, and all sorts of different things apparently eligible to be 'supporting functions'. Institutions-based 'rules' are a familiar concept for economists, but what actually *are* supporting functions again? And if they're so important why is this concept nowhere else in social science?

And … then I got over it. Because of two key realizations. This imprecision is actually quite useful. And the doughnut does not stand alone in the representation of systems in M4P.

Conveniently imprecise

The conceptual ambiguity I found so problematic is exactly what enables rapid, good-enough analysis of complex social phenomena. We're framing an investigation, not a 100,000-word dissertation. Doughnuts are the ultimate quick 'n dirty systems analysis tool – great for getting to the interesting stuff fast. When using doughnuts we don't need to spend time mapping out in detail the actions and actors that comprise the basic value chain. We can skip straight to the causes of underperformance and start analysing what underlies those causes. The analyst armed with a doughnut is able to quickly get into regulatory issues in the licensing of refrigeration trucks while the value chains analyst is still figuring out farmers' profit margins on milk.

Separating out 'rules' from the broader set of supporting functions means the temptation to look for simplistic, input-based answers is countered by the requirement to set out a number of factors that may explain why the system hasn't changed, and may ultimately cause any eventual intervention to fail. It's like having a fisheye lens on your camera. Doughnut-led analysis helps keep an eye on the wider picture throughout. Focusing our initial understanding of systems on the broad spectrum of what is required to make the core operate effectively is its great strength. In fact, it's tempting to butcher some Billy Joel lyrics to emphasize that the doughnut is almost more of a way of thinking than it is a conceptual framework.

> *I'm just looking for reasons*
> *I left the rest behind*
> *I'm in a Doughnut state of mind.*

Not only is it a tool for action, its focus is *on* actions. However, actors are nowhere to be seen. This keeps the analytical focus on what is happening in the system before we have to be precise about who's doing what. This is opposed to an actor-centric view of systems, where analysts may become paralysed mapping out a hugely diverse set of actors – even mapping out individual actors – with the risk that this doesn't actually help to determine interventions. But it is important to remember that the doughnut does not stand alone, and analysis of actors in the system comes once you've decided on the actions that are important.

A dynamic duo

The status of the doughnut as M4P poster child may be deserved, but it is also problematic. There is the risk that some will believe that completing a doughnut-led analysis, and producing a 'market system diagram' (aka the doughnut), is sufficient for understanding and representing a market system, and thus their work is done. It may be the glitzy doughnut that gets all the attention, but it needs a more solid and reliable partner in crime. Like Sherlock Holmes, doughnuts are the massive brained, investigative wunderkind, but they risk becoming a cocaine-addled wreck with limited communication skills unless partnered by something a bit more sensible.

The 'Who Does Who Pays' (WDWP) framework is our Doctor Watson. It's just a table. No curves, no exotically ambiguous concepts. It's boring to look at, but essential for telling the story of the system (Figure 3.2).

For here we get at lots of rich detail about the system that is absent in the doughnut. Just as it says on the tin, we present who is *doing* each of the functions (or creating the rules), finally getting to the detailed actor level but only after we've prioritized important supporting functions and rules to look at. And we present who is *paying* for this work. This lays the groundwork for the focus on sustainability that is at the centre of the M4P approach. But there's more. It may not have made it into the WDWP title, but we're also analysing

Function/rule	Who does?	Current picture	
		Who pays?	Inadequate, mismatch, absent?
Core function			
Supporting functions			
Rules (formal/informal)			

Figure 3.2 Who Does Who Pays. Less appetizing but more nutritious than the doughnut

the nature of the underperformance of the functions. Taken together, this simple table is getting across a great deal of essential information about what's going on in the system. And while doughnuts are more commonly used for framing our understanding of a system, it is the more tangible WDWP that, I think, is rather more useful for this purpose.

Underperformance in doughnut use

We've seen what doughnuts are, what they're useful for, and what they should be used alongside. But as we suggested in the introduction, the use of doughnuts in M4P programmes is often not up to scratch – the full potential of doughnuts is not being realized. Some of the ways in which this is the case are set out below, before we get into possible explanations.

Stale doughnuts

It's not uncommon that a doughnut is produced in the inception phase of a programme then occasionally dusted off and presented to visiting dignitaries as an 'I'm doing M4P' badge. Understanding the system is not a one-off activity. It's a lifestyle choice. The system isn't standing still – even if your interventions aren't effective, it's still changing. And your understanding of the system is never complete – not only because it is changing, but also because the system does not reveal its mysteries on the first date: there are aspects

of the system that are difficult to find out and take significant time working within a system to discover. Get your deerstalker on and keep looking for new important reasons the system isn't working effectively. And keep your doughnuts (and your WDWP) fresh.

Unconsumed doughnuts

Even if you have a perfect understanding of the system, represented in doughnuts and a duly completed WDWP, this doesn't mean you have an M4P programme. The diagnostic is happening for a reason – so you can facilitate change in the system. Too often programmes fail to leverage their understanding of the system when it comes to figuring out how to change it. There is a disconnect between diagnostics and intervention.

To bridge this disconnect, first, you need to create a vision. Each of those under-performing functions specified in the doughnut and WDWP needs someone to do them differently and on an ongoing basis. And they need someone to pay for them, also on an ongoing basis. (See the *Operational Guide* (Springfield Centre, 2015) for more detail on the Who *Will* Do, Who *Will* Pay table. Stretching our analogies beyond breaking point, if WDWP is Dr Watson, WWDWWP is the time-travelling Doctor Who.) The system actor who, in our vision of the future, is doing and the system actor who is paying both need to have the incentive and capacity not only to change behaviour so that the function starts performing as required, but also to continue doing so on an ongoing basis. Which is why they should be actors that are part of the system rather than development actors whose funding will run out in a few years.

So there is a need to analyse the incentives and capacities of system actors to determine who may have (or may acquire) the incentive and capacity to *do*, and who has the incentive and capacity to *pay* for changes to each underperforming function on an ongoing basis. This then allows programmes to determine how to intervene, and which actors to partner with, to align incentives and develop the capacity to drive behaviour changes required to attain the desired vision system state. If interventions are not directed by this analysis, there is little scope to attain the sustainable behaviour change at scale that is the underlying ambition of M4P programmes.

Other people's doughnuts

Contact lenses are extremely useful for the person using them. They make the world around you less fuzzy, and help you move around with a clear sense of direction. But take them out and stick them on the side of the sink, and they're not especially interesting for your housemates to look at. With doughnuts too, you need to be *using* them to get the benefits.

So where staff charged with delivery of an M4P programme are not comfortable just getting out there and finding things out for themselves, then there is a risk that producing doughnuts – or indeed any kind of information-gathering – is seen as a formal research exercise to be contracted out. But it

is very problematic to outsource diagnostics. The deep understanding of the system that comes through diagnostics then remains only with people outside the programme. Only so much depth of understanding can be effectively presented in a document. The doughnut a consultant produces will mean a lot to that consultant; it will mean much less to the programme. Diagnostic information is much more useful if it is embedded in the minds of intervention staff, rather than sitting in a report on a shelf. Programme staff should be bakers of doughnuts rather than just consumers.

This is not just about the communication of diagnostic information. It is also about the process. System diagnosis is an investigation, and pathways for analysis emerge and are discarded as you know more. If, each time you have a line of enquiry to pursue, you have to write a TOR (terms of reference) and recruit consultants to gather data, analyse it, and write it up, you're not only losing valuable time, you're losing much, much more. You're not out there building relationships that will be useful when it comes to implementation. You aren't getting to know potential partners. Your organization's name is being used, and time and patience of potential partners in the system is being used up by whatever researcher the contracted firm allocates. You can't follow up on interesting information that comes up, and probe deeper. Instead you are reliant on whatever the consultant thinks is interesting. Not only are you not getting any of the rich, non-verbal cues, you're also not getting any information the researcher didn't think was of interest.

Incentive and capacity constraints to improved doughnut usage

What is it that stops programmes improving their use of doughnuts? 'Incentives and capacities' analysis was mentioned earlier. This is usually used by M4P programmes to understand the prospects of system actors changing behaviour to perform a function more effectively (or to pay for it). But this section uses incentives and capacities to determine why M4P programmes are not performing and using doughnut-based diagnostics more effectively.

And as always with incentives and capacities, it is important to be clear about the behaviour change we're seeking – what is it exactly that constitutes improved doughnut usage? I won't go so far as to set out a detailed vision for the system of doughnut use, but I think it's clear that the behaviour change we want involves programmes doing the following:

Use doughnuts to analyse the reasons the system isn't working. Do this *internally* and *regularly*, and *use the findings* from this analysis in creating and adapting programme strategies and intervention design.

Capacity of programmes to use the doughnut

Brain size. How big does your brain have to be to use doughnuts? Alan's brain was bigger than most, and he had the ability to look at a problem holistically; keeping in mind the sheer breadth of factors that doughnuts suggest might be important is certainly a challenge for the little grey cells. No one

said understanding why economies don't work better was going to be easy. But doughnuts are for everyone. Don't be intimidated by uncertainty about how to use them, just ensure you maintain a spirit of inquiry and keep your focus on what's most important. If you're doing things right, you'll in any case already be looking for reasons why things aren't working better. Use a doughnut or two to help frame your answers and provoke new questions. The problem is not so much capacity as usage and practice. Eat doughnuts and sleep doughnuts. Get into the doughnut mindset. Instil a doughnut culture in your organization.

Staffing. While doughnuts *are* for everyone, there are some who are going to be more adept at doughnut-led diagnostics than others. If you've got a choice about how you staff your programme, then get people in with an investigative mindset. While I would argue that in-house research capacity is essential (and someone with formal research training will be very useful), this doesn't mean you should necessarily recruit a whole team of dogmatic academic researchers unwilling to spend less than a year analysing their data. Better mix in those with the skills of journalists or journalists' stringers – people used to getting out there, asking questions, building rapport, getting to the root of any kind of story quickly, intuitively understanding what is important and probing further. You need people like this who are able to set up trusting, open dialogues with all the types of actors in the sector you work in, and those who can get CEOs of big corporates to open up about their problems *may* be different from those who can easily relate to marginalized female onion collectors.

Information about doughnuts. Doughnuts don't exist outside M4P. They are nowhere else in development programming or social science. As such, there is relatively little information about how to use them outside the M4P bubble – and I believe there isn't enough information within it. The Springfield M4P training course (that Alan was instrumental in designing and leading) covers use of doughnuts, but there is a lot of other information to cover in two weeks so trainees may not emerge with enough information to be confident doughnut users. Similarly, the *Operational Guide* (Springfield Centre, 2015) contains useful information about using doughnuts, but there is scope to add more detailed and more diverse guidance. I suspect the circle of regular doughnut users is actually fairly small, and many of them spent significant time with Alan, learning directly from him through practical work in diagnosing system constraints.

Alan's death only increases the need to consolidate and clarify the information we have about the tools and approach he created. While this chapter sets out how I overcame some misconceptions of my own, it would be useful to consolidate practical understanding on an ongoing basis that can support a growing community of practice in doughnut-led diagnostics. One way would be to have more of the often-excellent learning documents produced by M4P programmes focus on practical tips and experience of using

doughnuts, and for the various forums on M4P practice to draw out more clearly the sum of information already available, and add new guidance as it is produced. Better understanding of what it is to use doughnuts and WDWP may reduce the incidence of misuse, and support more people being willing to give it a try.

Conceptual confusion. Part of the strength of the doughnut lies in its ability to encompass aggregated and simplistic representations of complex processes. A whole lot of stuff can go in there without too much hand-wringing. Lots of difficult-to-articulate actions, often around information exchanges, can be aggregated into 'supporting functions'. This allows things like 'market coordination' to be bunged into a doughnut even if we can't easily nail down *exactly* what it entails. This simplicity has advantages – it's often closer to how we see things in real life, and it enables us to move quickly. It is especially useful for exchanges rather than production – even if there are many important production actions that lead up to transactions in the core of a doughnut, these are wrapped into 'supply'.

But there are costs to this. It makes it difficult for the uninitiated to readily understand what's going on and creates a barrier to entry for those not familiar. Programmes often create a more tangible 'business model' of how parts of the system operate, and this is done using ad hoc diagrams that are disconnected from the doughnut and WDWP. Beyond individual programmes, it creates a language barrier between M4P and the social sciences as well as other development approaches. This contributes to a lack of clarity as to what systems are and what systemic change is.

This is not a criticism of the doughnut per se – as I've argued throughout this chapter, doughnut-led analysis is integral to the M4P approach and good development generally. But I believe it does indicate a possible gap within the M4P approach. I believe there is space for tools to go alongside the 'supporting function' framing of systems that set out visually exactly who is doing what within the system, breaking down 'supporting functions' into their constituent actions. Disclaimer: I've had a go at this myself (see Lomax, 2018).

I believe there are at least two advantages of an additional representation of systems that integrates both actors and actions. First, it can help to translate between the system level doughnut and the tangible set of actors with whom programmes are actually interacting. This may help to reduce the marginalization of doughnuts that can result from programmes not seeing the explicit connection between their day-to-day work and abstract 'supporting functions'.

Second, a more precise understanding of what comprises a supporting function helps in the application of the M4P approach and doughnut-led diagnostics to unfamiliar and new sectors. Similarly, it should help programmes to integrate the wider body of research they commission (e.g. political economy research, gender research, and so on) directly into a unified understanding of the system.

Incentives for programmes to use the doughnut

As always, addressing capacity constraints will only get us so far in shifting behaviour – incentives are key. If all implementers were as inherently interested as Alan was in developing and deepening their understanding of the broader system they were trying to change, we'd all be knee-deep in doughnuts. But something of the spirit of inquiry that M4P depends on sometimes evaporates on contact with the bureaucracy of the aid industry. And so we must look at what underpins the lack of incentives to use the doughnut.

Disconnection of doughnuts. Building on the conceptual confusion set out above, there are two things that in my experience tend to focus the thoughts and actions of M4P programmes. First is partnership agreements. Second is intervention monitoring and measurement. Both are about relationships: relationships with the partners who often become responsible for delivering numbers, and relationships with donors to whom the programme is accountable. These human relationships often take precedence over the more abstract understanding of systems.

Programmes often become very partner-centric, rolling out agreement after agreement with one partner as they capitalize on the relationship that has been built; it is easier to continue cost-sharing new behaviour changes with one partner than look beyond that partner to the supporting function or rule of which it is part. The incentives for programmes are often to get numbers as easily as possible. Working with new partners involves difficulty, hard work, uncertainty, and cost. Working with new partners in new supporting functions or rules still more so. 'Better the devil you know' becomes a way of thinking (not least because the system-wide doughnut analysis was done three years ago by someone else), so if the numbers are doing OK, why bother analysing the system?

Which brings us to monitoring and measurement. 'Diagnose down, measure up' is an oft-repeated mantra, but I think this is problematic. With doughnuts and incentives and capacities analysis, we diagnose down to where the programme forms a partnership. Then set up logic models and measurement plans based on that partnership through to impact on the target group. What's missing? Some kind of measurement of the performance of *supporting functions* and hence of the *system*. Why is this a problem? As another noted Glaswegian intellectual once noted:

> I often say that when you can measure what you are speaking about, and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind … (William Thomson, Lord Kelvin, 1883)

This is often simplified as 'what gets measured gets done'. Which isn't always true, but in the case of programmes accountable to donors, the basis of

measured outcomes usually is. This points to a problem whereby programmes are not accountable for changing systems because systems are not measured – not at the diagnostic stage, and not later even if there are sporadic efforts to capture 'expansion' of benefits. I think 'diagnose *and measure* down, measure up' would produce a healthier, system-centric accountability framework for programmes. If system diagnostics are incorporated into ongoing measurement systems, then there will be greater incentives to keep the focus on the system throughout the programme lifecycle. And hopefully to use doughnut-led diagnostics to continually understand both progress within the system and reasons for its underperformance.

A dearth of donor desire for doughnuts. Programmes are responsive to donor priorities. What might it take for donors to start incentivizing doughnut use? Donors' technical skills in diagnostics are – at least in my experience – inadequate to hold programmes to account in their identification and prioritization of important reasons why systems are not working. We've a couple of options for addressing this, though they may be fanciful. First, if donors used doughnuts themselves they might understand them better, and so be better able to interrogate the lack of, or poor quality of, programmes' doughnut-led diagnostic processes. In principle you might imagine that donors who understand and endorse the M4P approach would use doughnuts to understand national-level priorities for the poor in a given country, and commission programmes within that framework. You might also imagine this would best be a coordinated process between multiple donors and national government in a given country, producing a unified overall understanding of why the economy is not functioning for the poor. This in turn could be extended and deepened to include coordination with and between implementers working on specific programmes.

But we must return to reality. The second, slightly more feasible, option is to return to the 'what gets measured gets done' principle and push for consistency and transparency in the methodology of doughnut-led diagnostics. We have said diagnostics represent an investigation, not a lengthy dissertation. But the principles of research, whereby we state our methodology explicitly so that others can interrogate the process we followed to collect information and reach our conclusions, are not incompatible with market system diagnostics. A clearer set of methodological principles around a diagnostic process that establishes best practice for measurement of the underperformance of supporting functions would not only help the sector learn about how best to conduct their diagnosis, it would also render the process more transparent and set the basis for accountability, coordination, and incentives. There are of course risks here; we don't want to prevent inquisitive thinkers from getting to the root of problems and turn diagnostics into an audit process. The inquisitorial spirit of the doughnut must be retained, even if we advocate for the trailblazing truth-seekers to be armed with the best tools for gathering information, and be pursued by someone laying down some more tangible tarmac.

Conclusion

The doughnut facilitates deep investigation of the underlying causes of problems in market systems. It should be used more widely, certainly beyond the confines of what currently comprises M4P programming. Moreover, it should be used much more frequently within M4P programmes. Though a high-quality doughnut-led diagnostic process does not by itself guarantee a good M4P programme design, it certainly is a key step that is more likely to be useful to the programme when done internally and regularly, and when the findings are properly and consistently integrated into the work of the programme.

The 'supporting function' concept that underpins the doughnut is what allows for the diagnostic process that embraces complicated aspects of market systems and allows the M4P analyst to find root causes without getting bogged down in conceptual murk. This chapter has made a case that incentives and capacity for increased doughnut use might be improved through breaking down supporting functions into 'actions' that are more readily understood at the actor level and hence more easily integrated into the intervention and measurement plans. Increased effective use of doughnuts also depends on the necessary skills being present in the programme team and might be supported by more and better doughnut guidance, including more transparent diagnostic methodologies.
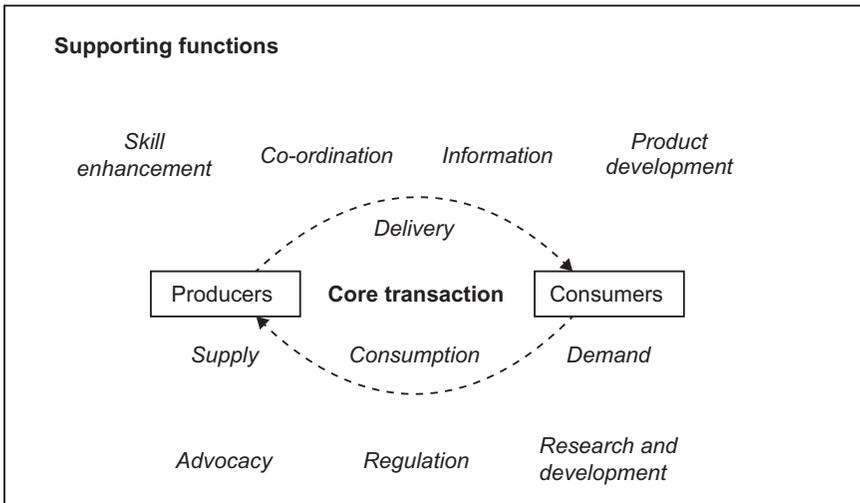
Take the necessary steps that will allow you to embed doughnuts in your thinking as a programme. Learn to love them, as I did, and you will be rewarded with a better understanding of what's going on in the market system. This, if embedded alongside other steps of the M4P approach, will give you better interventions and ultimately lead to better, more sustainable outcomes that will benefit the poor.

Through the set of tools Alan left us, he has helped the rest of us see the world as clearly as he did, and helped so many of us to do more good in the world. We must cherish these tools, and make sure we keep trying to improve our understanding and application of them.
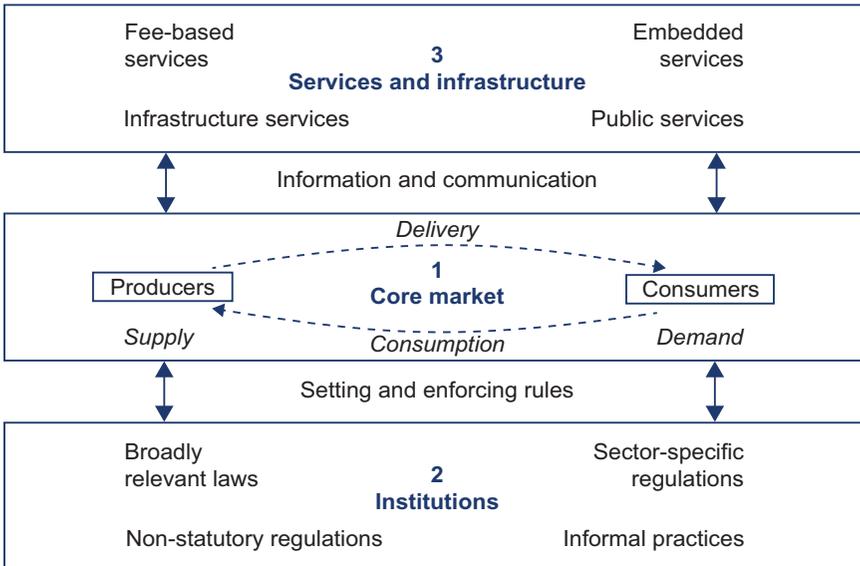
Annex: A brief history of doughnuts

Early documents of M4P, for example Department for International Development (DFID) (2000), do not present visualizations of markets or market systems. It was in 2004 and two papers written by Alan with Springfield Centre and DFID colleagues that early forms of doughnut seem to have been produced, although the recipe wasn't quite what we enjoy today. First, in February 2004 came an early iteration where we have a core transaction and supporting functions. Rules are not differentiated from supporting functions here – regulation appears as a supporting function. Producers and consumers are actors in the core function, connected by 'delivery' and 'consumption'. And the whole thing looks rather unsatisfying to eat (Figure 3.3).

Later that year, something slightly more familiar – if no more edible – emerged, where 'institutions' we now know as 'rules' were distinguished from 'services and infrastructure' that are now referred to as 'supporting functions' (Figure 3.4).

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Supporting functions

Skill
enhancement
Co-ordination
Information
Product
development

Delivery

| Producers | **Core transaction** | Consumers |

Supply
Consumption
Demand

Advocacy
Regulation
Research and
development

Figure 3.3 Doughnut exhibit A
Source: Elliott and Gibson, 2004

Fee-based
services
3
Services and infrastructure
Embedded
services

Infrastructure services
Public services

Information and communication

Delivery

| Producers | **1** **Core market** | Consumers |

Supply
Consumption
Demand

Setting and enforcing rules

Broadly
relevant laws
2
Institutions
Sector-specific
regulations

Non-statutory regulations
Informal practices

Figure 3.4 Doughnut exhibit B
Source: Gibson et al., 2004

By April 2006, the more familiar representation and terminology had emerged, presented in a Springfield paper by de Ruijter de Wildt et al. (2006) (Figure 3.5).
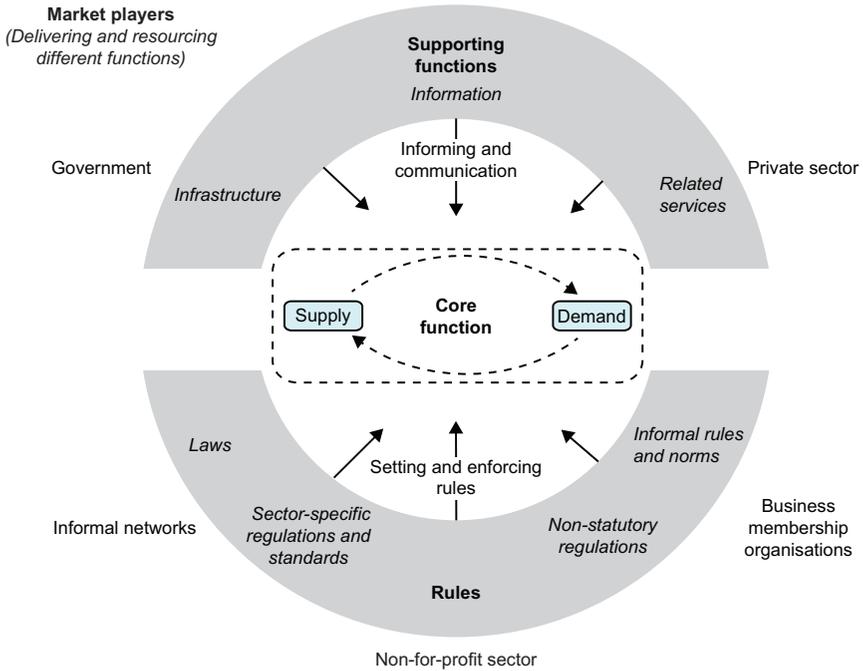
Figure 3.5 Doughnut exhibit C
Source: de Ruijter de Wildt et al., 2006

Here, producers and consumers have disappeared from the core transaction (now called a core function), but actors have appeared in greater diversity, floating rather amorphously round the edges of what is now definitely a more edible doughnut. And here they remained at least in one instance in the 2008 *Operational Guide*, before disappearing in the 2015 edition, which also removes the text informing how rules 'setting and enforcing rules' and supporting functions 'informing and communicating' connect to the core function. The 2008 *Operational Guide* also includes an instance of the doughnut with a value chain in the middle, as well as several versions that point towards the 2015 version (Figure 3.6).
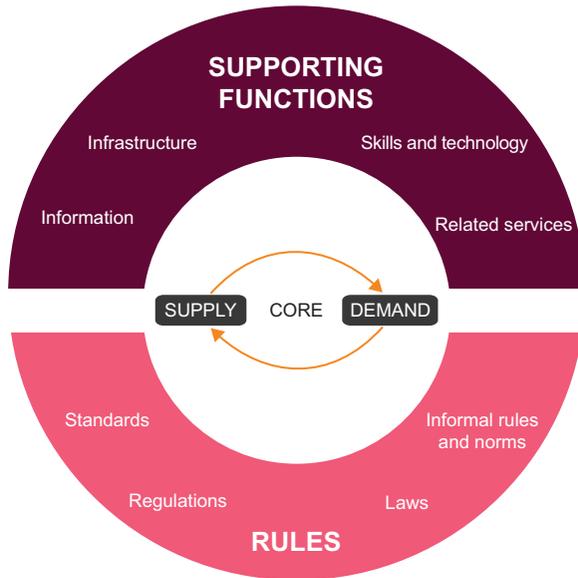
Figure 3.6 Exhibit D: the satisfying form of the 2015 doughnut
Source: Springfield Centre, 2015

About the author

Dr Jake Lomax is a systemic change researcher and consultant, and founder of 3sd Research. He has been an employee and subsequently a close collaborator of the Springfield Centre since 2014, and it is through Springfield that he learned the core principles of M4P from Alan Gibson.

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