Grassroots Innovation as a Mechanism for Smallholder Development in South Africa: Can Impact be Measured?

Brigid Letty, Zanele Shezi & Maxwell Mudhara

Abstract

This paper consists of a discussion of two case studies of ‘grassroots’ innovation led by innovative smallholder farmers in a village in South Africa – one about developing an alternative production practice for growing potatoes, and the other about introducing a new cash crop (cherry peppers) and the establishment of a new marketing relationship. The study explores questions about the development of innovation indicators that might support policy and management concerned with this kind of innovation and examines the position of ‘grassroots’ innovation within other perspectives on different kinds of innovation systems (or mode of innovation) in agriculture in developing countries. The case studies provide information on innovation activities, and suggest indicators that could be used to measure the impact of grassroots innovation on livelihoods as well as indicators to quantify the extent to which farmer experimentation and local innovation was taking place. However, these indicators are not generalizable to the point where aggregate versions could support policy debate.

Keywords: Agriculture, Small Farmers, Grassroots Innovation, Inclusive Innovation, Informal Economy.

JEL Classification: O13, O17, O33.

The Informal ICT Sector and Innovation Processes in Senegal

Almamy Konté & Mariama Ndong

Abstract

This paper investigates the informal information and communication technology (ICT) sector in Senegal with a view to developing indicators that could be used to improve the understanding of the innovation process. Three approaches are used to gather the information needed for the analysis: a review of literature; a questionnaire to collect data; and, a life story to provide context to the research. The analysis provides examples of innovation in the informal ICT sector and examines the relationship of social factors to these examples. As the informal sector dominates the Senegalese economy, the paper contributes to the understanding of innovation driven economic growth in that sector, and to the factors linked to transition of economic activity from one sector to another.
**Keywords:** Informal Economy, Innovation Indicators, Information and Communication Technologies, ICT, Social Innovation.

**JEL Classification:** O31, O33.
Mobile Banking: Innovation for the Poor

Tashmia Ismail & Khumbula Masinge

Abstract

Access to and the cost of mainstream financial services act as barriers to financial inclusion for many in the developing world. The convergence of banking services with mobile technologies means that users are able to conduct banking services at any place and at any time through mobile banking thus overcoming the challenges to the distribution and use of banking services. This paper examines the factors influencing the adoption of mobile banking by people at the Base of the Pyramid (BOP) in townships around Gauteng province in South Africa, with a special focus on trust, cost and risk. While the most critical factor was found to be cost, trust, negatively correlated with perceived risk, played a key role in enhancing customer loyalty. Implications for public policy and for business strategy are drawn from the research.

Keywords: Mobile Banking, Base of the Pyramid, Innovation Indicators, Inclusive Innovation, South Africa.

JEL Classification: O31, O32, O33, O55.

User Innovation in the Business Enterprise Sector of Maputo Province in Mozambique

Júlia Eva Baltazar Zita & Avelino Hermíneo Lopes

Abstract

Evidence of user innovation in firms in the Maputo Province of Mozambique is presented. The results are from a case study of firms that had previously been identified in the Mozambican National Innovation Survey 2009 as process innovators. While the observations are small to support statistical inferences, they demonstrate the presence of user innovation in firms and help suggest further work on the policy implications, especially related to support for innovation in firms that perform no research and development. The case study found little evidence of the sharing of knowledge gained through user innovation, in contrast with findings from industrialized countries but closer to results from the newly industrialized country of Korea.

Keywords: User Innovation, Process Innovators, Knowledge Sharing, Indicator Development, Mozambique.

JEL Classification: O31, O33, O34.