

Chapter 11

Stakeholder Agriculture: Innovation From Farm to Store

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ABSTRACT

The shift in agricultural production and agribusiness may be a solution in reducing unemployment and particularly that of young people which is dramatically high in several European countries that are experiencing the negative consequences of the recent global financial crisis that led to a dramatic decline in their GDP per capita and has affected all sectors of economic activity, including agriculture. The overall scope of this chapter is to present an Agricultural Entrepreneurship and Social Innovation Framework that can lead to a new business model with social aspects, contribute to the economic growth and sustainability and hence combat the phenomenon of unemployment and poverty in rural areas that have been seriously affected by the recent financial crisis.

INTRODUCTION

According to UN Global Compact (2016), the world's population is expected to grow to nine billion by 2050 and demand on global food systems intensifies every day, while businesses will be critical partners in designing and delivering effective, scalable and practical solutions for food security and sustainable agriculture. Every actor along the agriculture supply chain, including farmers, traders, retailers, investors and consumers have a role to play in advancing food security protecting the environment and ensuring economic opportunity.

Globally recognized organizations like the UN Global Compact have already ranked sustainable agribusiness among their top priority issues. In this context, in 2014, the Food and Agriculture Business (FAB) Principles were launched by UN Global Compact as a voluntary framework to advance the positive impact businesses can have in the food and agriculture space and engage in principle-based collaboration with the UN, governments, civil society and other stakeholders.

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Focusing on European countries, five decades after the founding of the EU and the implementation of a Common Agricultural Policy, the rural structures of each Member State continue to vary considerably. The main reasons for this variation are the different economic and social-political progress achieved in each member state and the different geographical and climatic data. Thus, for each country the agricultural sector represents a different proportion of their overall economy and contributing differently to the national GDP, employment rates and foreign trade as well as the overall cost of living of the population.

Countries experiencing the negative consequences of the recent economic crisis, of the recent years such as Greece, Cyprus, Spain and Portugal show a dramatic decline in GDP per capita, which has affected all sectors of economic activity including agriculture. In parallel, the agricultural sector in these countries has traditionally been of significant importance to their economies, representing a main economic activity and employment opportunity of a large part of their population, and was relatively higher as a percentage of their GDPs compared to the EU average. It is worth to mention that between 2005 and 2008, the employment rate in the EU, at ages 20-64, rose and reached 70.3%. The trend reversed from 2009 and employment returned to 2006 level at 69%. The following five years employment in EU declined further with an average employment level at 66%, making it very difficult to reach the European target of 75% by 2020 (Eurostat, 2015).

The current lack of sufficient employment opportunities in urban areas, as well as several other obstacles together deepened further youth unemployment in the agricultural sector creating continuous instability guiding to social exclusion and finally poverty. Moreover, farmers have nowadays weak cooperatives leading to the development of individual farming culture that does not support at least a minimum standardization level of their products or farming processes. In addition, the majority of them face overexposure to the financial institutions having difficulties to pay back their loans and as a consequence secure further funding for their future production needs. The limited farming knowledge and absence of formal agricultural training creates further barriers for young people entering the farming sector.,

The shift in agricultural production and agribusiness may be a solution in reducing unemployment and particularly that of young people, which according to the ILO's (2016) World Employment, Social Outlook, in the counties mentioned above it increases continuously and remains dramatically high. To enable such a shift, people, especially young, should be encouraged to remain or return to rural areas and supported to enter the field of agricultural production, which seems to be able to ensure a fair income and provide a chance to young people to build their future with dignity.

There is an urgent need to change the existing and problematic reality. This can be done with the participation of as many as possible players of the production. The creation and support of collective economic rural activities in the form of new, highly-equity cooperatives in the context of social enterprises can create economies of scale and enhance the development of commercial agricultural products by the farmers themselves. These social forms of collective representation bodies and the establishment of regional agricultural chambers can further support rural entrepreneurship, for producers to work together as entrepreneurs. The comprehensive training for farmers arises as a basic need and attending a training course on the "Primary production" can help to de-demonize her.

In addition, the development of an effective network of applied agricultural research to serve farmers in cooperation with the academic community, as well as farming in experimental fields using innovative agricultural applications can contribute to the reversal of the age distribution of farmers. At the same time, the provision of financial support through traditional tools and the development of additional tools of social and solidarity economy, the protection of agricultural means of production, the targeted land

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