

# **Agribusiness: Management, Challenges, and Opportunities in Hostile Environment: The Case of Iraq.**

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## **ABSTRACT**

This paper reviews the past trends, the present and the future prospects facing Iraq's agricultural sector in general and the small agribusiness industries in particular. Iraq struggles from chronic structural and emerging challenges that have hindered its food production over the years. In 2019, Iraq's population had been increasing, from 23.5 million in 2000 to around 39 million Iraqis. This amounts to a 66 percent increase in population in 20 years. Food supply, both locally produced and imported, has been struggling to catch up with the population growth, and Iraq has become increasingly dependent on food imports to meet domestic demand. Between 1985 to 2017, food imports increased from USD 2 billion to 11 billion (from 19 to 21% of total imports). Iraq's economy has been highly dependent on the oil sector, with declining oil prices, politician and international communities emphasised that agriculture can be a source for job creation, income generation and self-reliance. Nonetheless, evidence from this exploratory study on the farmers and agri-entrepreneurs indicate that there is a long way for Iraq to rely on agriculture instead of oil for its economy and improve its food system. Moreover, Iraq's political turmoil and uncertainty, the cyclical conflict and wars, and the corruption and mismanagement of state resources exacerbate this problem. Indeed, farmers left with a number of challenges such as lack of infrastructure and security, the dominance of state-owned enterprises and the financing where the farm owners are struggling to access finance since there is no clear banking or credit system. On top of that, the diminishing of the tacit knowledge among the farmers and the labour shortage issue in the agricultural sector, where the majority home left in the market are unskilled labour. This research contributed to the literature on small business survival in hostile and war environment. The exploratory nature of this study identifies areas for future research. Additionally, the arguments that will be presented in this research highlights the challenges that farmers and agri-entrepreneurs face and the tactics they use to survive in a hostile environment like Iraq. It will also offer suggestions for policymakers and international communities to focus intervention to help farmers and agri-entrepreneurs in Iraq to improve their performance.

**Keywords:** agricultural, agribusiness, agri-entrepreneurs, food system, finance, and labour shortage, business in the war zone.