
Need of entrepreneurs in Agricultural development

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Abstract

The global economy cannot function without agriculture, which is also crucial to the economic growth and development of nations all over the world. Agriculture has a substantial economic contribution, but it still faces several difficulties, such as limited access to advanced technologies, poor infrastructure, and insufficient funding. In many nations, these difficulties have led to low productivity, decreased earnings, and food insecurity. This study examines how entrepreneurs contribute to agricultural development and emphasises the necessity of their involvement in the industry.

According to the report, entrepreneurs play an important role in agricultural growth by delivering innovative solutions to the sector's issues, creating jobs, and raising production. Their participation in agriculture, however, necessitates a favourable governmental and regulatory environment, enough financial support, and access to contemporary technologies. The study suggests that governments establish policies and tactics that stimulate agricultural entrepreneurship in order to achieve long-term economic growth and development.

Keywords:- Entrepreneurs, Agriculture, Infrastructure, Environment, Economic.

Introduction

Agriculture is the backbone of many economies, especially in developing countries, where it is the primary source of livelihood for a significant percentage of the population. In these countries, agriculture contributes to a significant portion of the Gross Domestic Product (GDP), and it is crucial for economic growth. However, the sector faces many challenges, including climate change, limited resources, low productivity, and lack of technological advancements. These challenges hinder the sector's growth and the ability to meet the growing demand for food. Therefore, there is a need for innovative and creative solutions to address these challenges.

Entrepreneurs can play a critical role in addressing the challenges facing the agricultural sector. Entrepreneurship in agriculture refers to the process of creating and managing new agricultural ventures. These ventures can range from small-scale farming to agro-processing and marketing. Entrepreneurship in agriculture involves identifying opportunities, innovating, and creating value in the sector. Entrepreneurs bring new ideas, technologies, and solutions that increase productivity, improve the quality of products, and promote sustainable agriculture practices.

Literature review- Entrepreneurship has become a crucial aspect of agricultural development worldwide, and there has been a significant focus on the need for entrepreneurs in this sector. Several studies have examined the role of entrepreneurship in agricultural development, and the following literature review provides an overview of the key findings.

Agriculture is a vital sector that contributes significantly to the economy of many countries. According to the World Bank, agriculture employs over 40% of the world's population and accounts for 10% of the global GDP (World Bank, 2021). However, the sector faces several challenges, including low

productivity, lack of access to finance, and inadequate infrastructure. These challenges have resulted in low-income levels and food insecurity for many small-scale farmers.

Entrepreneurship can play a significant role in addressing these challenges. Entrepreneurs can bring new technologies, products, and services to the agricultural sector, leading to increased productivity and efficiency. They can also help small-scale farmers access finance and markets, which can improve their income levels and reduce poverty. According to a study by ADB (2016), entrepreneurship can increase agricultural productivity by up to 75%.

Several studies have examined the factors that drive entrepreneurship in the agricultural sector. For instance, a study by UNEP (2014) found that access to finance, knowledge, and technology were critical factors in promoting entrepreneurship in agriculture. Similarly, a study by FAO (2016) highlighted the importance of access to land, water, and other resources for promoting entrepreneurship in the agricultural sector.

Furthermore, some studies have examined the impact of entrepreneurship on agricultural development. For instance, a study by the OECD (2019) found that entrepreneurship can create jobs and boost economic growth in rural areas. Another study by IFPRI (2017) found that entrepreneurship can help small-scale farmers access markets and increase their income levels.

In conclusion, the literature suggests that entrepreneurship can play a crucial role in promoting agricultural development. Entrepreneurs can bring new technologies, products, and services to the sector, which can increase productivity and efficiency. They can also help small-scale farmers access finance and markets, leading to increased income levels and reduced poverty. However, to promote entrepreneurship in agriculture, policymakers need to address the key challenges faced by entrepreneurs, such as access to finance, knowledge, and resources.

Objective- The purpose of this paper is to investigate the different ways that entrepreneurs can help to increase the effectiveness, sustainability, and profitability of the agricultural sector, as well as to highlight the significant role that they play in agricultural growth. In addition to providing case studies and illustrations of successful entrepreneurship in various regions of the world, the paper will address the opportunities and obstacles faced by agricultural entrepreneurs. The paper's ultimate goal is to highlight the significance of encouraging and supporting entrepreneurship in agriculture and to offer suggestions for decision-makers, investors, and other stakeholders on how to do so successfully.

Entrepreneurship in Agriculture- The establishment of creative, sustainable agricultural businesses is a component of agricultural entrepreneurship. These firms can be anything from modest farms to huge agribusinesses that use cutting-edge technology, effective production techniques, and customer-focused strategies. Entrepreneurs have a crucial role in agriculture because they may promote innovation, boost production, generate job opportunities, and support economic growth.

Role of entrepreneurs in agricultural development- By coming up with creative answers to the problems the industry faces, entrepreneurs play a crucial part in the development of agriculture. Modern technology like enhanced seeds, fertilisers, and mechanisation have been developed and widely used in large part because to entrepreneurs. For instance, the business UjuziKilimo in Kenya has created a mobile app that gives farmers access to real-time data on the condition of their soil, the amount of nutrients present, and the availability of water. Because of this technology, farmers can now apply fertiliser more intelligently, which increases yields and profits.

The creation of value chains in agriculture has also benefited from the efforts of entrepreneurs. The succession of operations involved in the production, processing, and distribution of agricultural goods are referred to as value chains. Innovative business models that connect farmers to markets have been created by entrepreneurs, enhancing farmers' access to markets and lowering post-harvest losses. Babban Gona, for instance, has created a franchise model in Nigeria that gives smallholder farmers access to loans, inputs, and markets. The productivity and income of farmers have increased because to this model.

Entrepreneurs play a critical role in agricultural development. Some of the roles they play include:
Developing Innovative Solutions: Entrepreneurs can develop innovative solutions to the challenges faced by farmers and other stakeholders. They can leverage their creativity and business-oriented mindset to develop new technologies, products, and services that can improve productivity, profitability, and sustainability.

Providing Employment Opportunities: Entrepreneurs can create employment opportunities in the agricultural sector. They can establish new businesses, such as agro-processing companies, that can create jobs for local communities.

Enhancing Access to Markets: Entrepreneurs can enhance access to markets for smallholder farmers. They can develop new business models that can connect farmers to markets, such as developing online marketplaces or establishing cooperatives.

Promoting Sustainable Agriculture: Entrepreneurs can promote sustainable agriculture by developing new technologies, products, and services that can reduce the environmental impact of agriculture. For example, they can develop technologies that can reduce the use of chemical fertilizers and pesticides.

The Need for Entrepreneurs in Agricultural Development- Entrepreneurship is a key driver of economic growth and development. In the agricultural sector, entrepreneurs play a critical role in developing innovative solutions to the challenges faced by farmers and other stakeholders. Some of the reasons why entrepreneurs are needed in agricultural development include:

- **Innovation:** Entrepreneurs bring fresh perspectives and new ideas to the agricultural sector. They can develop innovative solutions to the challenges faced by farmers, such as developing new crop varieties that are drought-resistant, creating new technologies to increase efficiency and productivity, and developing new business models that can improve the profitability of smallholder farmers.
- **Technology:** Technology has transformed the agricultural sector, from precision agriculture to automated irrigation systems. Entrepreneurs can leverage technology to develop new solutions that can enhance productivity, reduce waste, and improve profitability. For instance, entrepreneurs can develop mobile applications that provide farmers with real-time market information, weather updates, and access to finance.
- **Access to Finance:** Access to finance is a significant challenge for many smallholder farmers. Entrepreneurs can develop new financial products and services that can help farmers access credit, insurance, and other financial services. For example, entrepreneurs can develop mobile-based credit scoring models that can provide farmers with quick and affordable loans.
- **Sustainability:** Sustainability is a critical aspect of agricultural development. Entrepreneurs can develop solutions that can promote sustainable agriculture, such as developing new

technologies that can reduce the use of chemical fertilizers and pesticides, or developing new business models that can promote agroforestry and conservation agriculture.

Challenges faced by entrepreneurs in agricultural- Despite the substantial potential for entrepreneurship in the agricultural industry, business owners in this field face numerous difficulties. These difficulties include restricted access to markets, inadequate infrastructure, lack of information and knowledge, and restricted access to financial resources. These difficulties impede the expansion and improvement of agricultural businesses and present formidable obstacles to entry for would-be business owners. Additionally, it can be difficult for entrepreneurs to be successful in this industry due to the risk and uncertainty involved.

Entrepreneurship in agricultural development faces a variety of challenges, including:

1. **Access to Capital:** Agricultural entrepreneurs often struggle to secure adequate funding to start or expand their businesses. Banks and other financial institutions may view agriculture as a risky investment due to factors such as weather, pests, and disease.
2. **Market access:** Agricultural entrepreneurs may struggle to find markets for their products, particularly in areas where there is little or no infrastructure to support distribution and sales.
3. **Limited resources:** Agriculture requires a significant investment in land, equipment, and labour, which can be difficult for entrepreneurs to acquire and manage, especially in areas with poor infrastructure.
4. **Technological advancements:** Entrepreneurs in agriculture may face challenges in keeping up with technological advancements, such as precision farming techniques or advanced crop genetics, which require significant investments in research and development.
5. **Climate change:** Changes in climate patterns can affect crop yields and increase the risk of crop failure, which can be particularly challenging for entrepreneurs in agriculture.
6. **Government policies:** Agricultural entrepreneurs may face challenges related to government policies and regulations, such as restrictions on land use or trade policies that make it difficult to export products.
7. **Education and training:** Agricultural entrepreneurship requires specialized knowledge and skills that may not be widely available, particularly in areas with limited access to education and training.

Overall, these challenges can make it difficult for agricultural entrepreneurs to start and grow successful businesses, but with the right resources and support, they can be overcome.

Solutions to promote entrepreneurs in Agriculture- There is a need for policies and interventions that might solve the difficulties experienced by entrepreneurs in order to encourage it in agriculture. These regulations may include opening up the financial system, creating the necessary infrastructure, and encouraging market-based methods. To foster innovation and the application of technology in the agricultural sector, research and development funding are also necessary. Additionally, aspiring entrepreneurs can be given the knowledge and skills they need to succeed in agriculture through capacity building and knowledge transfer programmes.

There are several solutions that can help promote and support entrepreneurs in agricultural development. Some of these include:

1. **Access to finance:** Governments and development partners can help increase access to finance for agricultural entrepreneurs by providing loan guarantees, creating specialized agricultural financing schemes, and reducing interest rates on loans for agricultural purposes. Crowdfunding and microfinance initiatives can also provide additional funding opportunities for smaller entrepreneurs.
2. **Infrastructure development:** Investments in infrastructure, such as improved transportation networks, reliable electricity, and water supply, can help lower the cost of production and facilitate access to markets. Governments can create incentives for private sector participation in infrastructure development, while development partners can support public-private partnerships in this area.
3. **Market access:** Entrepreneurs can benefit from access to market information and linkages with potential buyers. Governments and development partners can create platforms for entrepreneurs to connect with buyers, such as online marketplaces and trade fairs. Additionally, the development of value chains and processing facilities can help create higher-value products and increase market access.
4. **Climate change adaptation:** Governments and development partners can support agricultural entrepreneurs in adapting to climate change by providing climate-smart agriculture training, investing in drought-resistant crop varieties, and promoting water harvesting and conservation practices.
5. **Pests and disease control:** Agricultural entrepreneurs can benefit from access to pest and disease control technologies, as well as training on integrated pest management techniques. Governments and development partners can provide support in this area by promoting access to high-quality inputs, such as seeds and fertilizers, and providing extension services.
6. **Policy and regulatory reform:** Governments can create an enabling environment for agricultural entrepreneurship by improving policies and regulations related to land ownership, access to finance, and access to markets. This can include reducing bureaucracy and simplifying procedures for entrepreneurs to start and grow their businesses.

Overall, promoting and supporting entrepreneurs in agricultural development requires a comprehensive approach that addresses the various challenges they face. By creating an enabling environment, providing access to finance and markets, and supporting climate change adaptation and pest and disease control, entrepreneurs can thrive in this vital sector.

Conclusion- Entrepreneurship can play a significant role in agricultural development. Entrepreneurs can provide innovative solutions to the challenges facing the sector, create new markets, facilitate access to finance, and help farmers adopt sustainable farming practices. Technology can be a powerful tool for driving innovation and growth in the sector. The development of agriculture depends greatly on entrepreneurs. They can develop new technologies and tools, open up new markets, make it easier to get financing, offer extension services, encourage sustainable farming methods, and promote these practices. All of these things can increase productivity and protect resources. However, entrepreneurs face a number of difficulties, including a lack of infrastructure, skilled labour, and access to financing. As a result, there is a need for encouraging policies and laws that foster an atmosphere that encourages entrepreneurship in agriculture. Overall, agriculture entrepreneurship has the potential to spur innovation and growth in the industry and enhance farmers' quality of life.

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