Identification and analysis of factors effective in underdevelopment of agricultural conversion and complementary industries
(Case study: Marvdasht County)

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1. INTRODUCTION

Development in agriculture plays a pivotal role in our country's general development. Agro-industries can be seen as the prerequisite and the driving force of development in this sector. Moreover, considering the global circumstances, presence in the international and regional markets, and joining the world Trade Organization (WTO), it is essential to explain the status quo of processing industries in the agricultural sector of our country. There are several factors which are essential for development of processing industries. But the most important factor in this regard, is the region's potentials in providing raw materials for these industries. Potentials and relative advantage of Marvdasht County suggest there is a favorable environment for further development in agro-processing industries in its rural areas. However, due to the lack of information about the preventive factors, lots of capabilities of this region have not received due attention. 126 factories of agro-processing industries are active in Marvdasht County, which among them 11 industrial units for tomato processing and 22 units for producing pickles, employing 938 people, have had a great role in agricultural and economic development of the region. However, over the last few years, these factories have failed to make any considerable progress in economic growth, production level, or job creation. Therefore, the objective of this study was to identify the preventive factors and their contribution towards inhibiting the development of agro-processing industries particularly “tomato processing and pickle production”.

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2. THEORETICAL FRAMEWORK

Given that in developing countries, especially in Iran, almost one-fourth of agricultural products are wasted only due to lack of storage facilities and conserving industries; agro-processing industries, as a part of rural development process, can play a great role in preventing the waste of agricultural products, producing added value products, increasing rural families’ income, improving productivity, and increasing the share of industrial employment in rural areas.

Developing this kind of industries, as well as improving agro-processing industries and upgrading the technology in industrialization process provide more opportunities for other sectors especially transporting, and some service industries. Considering these issues, to encourage processing industries in rural poor areas, is the most practical approach to reduce poverty and foster rural or even national development. Undoubtedly, paying more attention to this issue will facilitate agricultural development and economic growth in the country.

3. METHODOLOGY

The present study is an applied research conducted in a descriptive-analytical method. Data were collected through library and survey research. The data on variables were gathered by questionnaires. The questionnaire included 16 variables and 5 general indices.

Population consisted of all managers and owners of tomato paste and pickle industries (33 factories) in Marvdasht County. To analyze the data, in addition to statistical analysis, descriptive statistics, analytic hierarchy process (AHP), SPSS and Expert choice software, we have also compared preventive factors of development in agro-processing industries in two groups (i.e. tomato paste and pickle).

4. DISCUSSION

In this study with a descriptive-analytic approach, we made attempts to identify the most important factors preventing the proper growth and development in agro-processing industries in Marvdasht County. For this purpose, after identifying preventive factors in above mentioned industries, the authors formulated a questionnaire with 16 items under 5 main obstacles, in a five-item Likert scale, and the managers completed the questionnaires. The study results showed that both tomato paste and pickle industries were both equally affected by the obstacles and barriers such as "financial problems", "mechanization", "legal and administrative impediments", "lack of production elements", and "market barriers". Here, the impact of the above mentioned factors on tomato paste industry was a little more than those on pickle industry.
4. CONCLUSION

The study results show that among the most important factors hindering the development and growth, in tomato paste and pickle industries, items such as high energy costs, lack of working capital and the harsh condition of the loans respectively are the first three major hindrances. Also for tomato paste industry, providing packaging materials, shortage of manpower, and foreign imports of similar products are the least significant hindrances to growth and development of these factories, respectively.

In pickle industries, duties and taxes, foreign imports and shortage of manpower had a less important role in inhibiting the growth of these industries. Hierarchical analyses of the results showed that financial problems and lack of credit facilities had the highest score (0.498) and accounted for the greatest role in discouraging the development of processing and conversion industries in the region. Mechanization, lack of production elements, legal and administrative impediments were respectively of less importance. Market barriers with a score of 0.057 had the lowest ranking and effect in hindering the development. To sum up, financial problems and lack of credit facilities were the most important barriers to the development of processing industries in the region, and "market barriers" had the least impact on the development of these industries.

Key Words: agricultural development, conversion and complementary industries, Hierarchical Analysis, Marvdasht.

References (in Persian)


References (in English)