

Corporate Social Responsibility in Iranian Agricultural Sector Governmental Public Policy Making necessities in Agri-Business Partnerships

Hassan DanaeeFard ^{*1}, Ali AsgharFani ², Ali Reza Hassan zadeh ³, Mohamadreza Noruzi⁴

 0000-0003-2204-3071

 0000-0083-2604-3481

 0000-0003-2204-3071

¹Professor, Public Administration, TarbiatModarres University, Tehran, Iran

²Associate Professor, Public Administration, TarbiatModarres University, Tehran, Iran

³Associate Professor, Public Administration, TarbiatModarres University, Tehran, Iran

⁴EMBA, PhD Candidate, Public Administration, TarbiatModarres University, Tehran, Iran

 <https://doi.org/10.32612/2019.1.1>

ARTICLE INFO

Article history:

Received:13 August 2018

Accepted:11 November 2018

Online:21 November 2018

Keywords:

corporate social responsibility

Agriculture

Iran

agri-business

ABSTRACT

One of the main sector in every country is agriculture and its management is very vital for every government and every government's wants to manage it well because it is interrelated with lots of branches for example citizens' health. Another related part is corporate social responsibility and its relation with public policy and agri-business SMEs is again vital too. This paper investigates the accountants' integrity, responsibility, compassion and forgiveness on CSR in the Iranian private sector in east and west of Azerbaijan in Iran.

1- Introduction

There is increased attention to the engagement of business in society. There is growing recognition that private enterprise that operates on an international scale must help find solutions to global problems. Governments, NGOs and the media have put large companies in the spotlight to account for the social consequences of their activities. As a result, CSR has emerged as an important area of action for large companies globally. The agricultural sector, which is dependent on natural, human and physical resources, responsible innovation is increasingly being viewed by firms as a corporate and strategic necessity to ensure long-term sustainability (Genier, 2012).

A relatively small number of companies has the ability to affect the lives of millions of people and

their use of natural resources. Yet the agricultural sector today faces critical challenges: global food demand is due to double in the coming 25 years, requiring an equivalent increase in agricultural production.

Many companies have engaged in CSR for defensive reasons. While some companies view CSR principally as a Public Relations tool based on traditional philanthropy, others use it to prevent negative media publicity by imposing "ethical" codes of conduct within their value chains. Increasingly, too, they cooperate with competitors in the same industry in an effort to set common values, spread risks and shape opinion (Genier, 2012).

In this paper we study Public policy and agricultural sector first, then we studies the following materials like Implications and suggestions for Iranian



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*Corresponding Author : Hassan DanaeeFard Governmental management (adaptive and developmental), Allameh Tabatabaie University.
Email: hdanaee@modares.ac.ir
phone: +98(21)82883681

CSR based Agricultural sector and Supplementary suggested works related to our studied topic for agriculture and corporate social responsibility.

2- Corporate Social Responsibility

Like many of management and social science concepts, corporate social responsibility is fraught with definitional problems, which makes it difficult for a uniform platform to assess firms' responsiveness to it. On a plethora of definitions, Crowther and Jatana (2005) argue that social responsibility is in vogue at the moment but as a concept, it remains vague and means different things to different people.

Bowen (1953), one of the early contributors on the concept, conceived corporate social responsibility as business policies and decisions, which give values to the society.

Another early proponent of social responsibility, Frederick (1960), defines social responsibility as the use of society's resources; economic and human, in such a way that the whole society derives maximum benefits beyond the corporate entities and their owners.

Backman (1975) considers social responsibility as other stated objectives by business, which are not directly related to economic, but rather address its negative externalities, improve employee's conditions and the societal quality of life.

Davis (1973) defines corporate social responsibility as the voluntary efforts by business to achieve a balance of economic goals and societal well-being (Obalola, 2008, p.539; DanaeeFard& Noruzi, 2013)

3- Public policy and agricultural sector with corporate social responsibility approach to have healthy products in Iran

According to the Oguntade and Mafimisebi, 2011, all public sector interventions in the agricultural sector tiers of government are directed at

achieving national agricultural policy objectives to have corporate social responsibility based one. Private sector entities are also encouraged to key into these objectives. In a broad sense, the objectives of the agricultural policy to have CSR- based SMEs are:

- 1) The achievement of self-sufficiency in basic agricultural products supply and the attainment of agricultural products security.
- 2) Increased production of agricultural raw materials for industries.
- 3) Increased production and processing of export crops, using improved production and processing technologies.
- 4) Generating gainful employment.
- 5) Rational utilization of agricultural resources, improved protection of agricultural land resources from draught, desert encroachment, soil erosion, and flood, and the general preservation of the environment for the sustainability of agricultural production.
- 6) Promotion of the increased application of modern technology to agricultural production
- 7) Improvement in the quality of life of rural dwellers (Oguntade and Mafimisebi, 2011).

3-1- The key features of the agricultural policy with corporate social responsibility are:

- 1) Evolution of strategies that will ensure self-sufficiency and improvement in the level of technical and economic efficiency in agricultural products' production.
- 2) A nationwide, unified and all-inclusive extension delivery system.
- 3) Active promotion of agro-allied industry to strengthen the linkage effort of agriculture on the economy.
- 4) Provision of such facilities and incentives as rural infrastructure, primary health care, cottage industries, etc, to encourage agricultural and rural development and attract youths (including school leavers) to go back to the land (Oguntade and

Mafimisebi, 2011).

4- Implications and suggestions for Iranian CSR based Agricultural sector

According to Farm Zero, 2012, and other intuition of the researchers of the paper from their long living in Iran and their own experience in the public and private organizations and also teaching, working and interviewing with the agricultural sector in Iran, some question can be sum upped here as the following;

- Solve social and policy challenges by reducing, or altogether eradicating, resource tensions through our corporate initiatives, relationships or through knowledge transfer.
- Undertakes a root to branch approach to agricultural social responsibility, from the eco-friendly equipment in the agricultural sector
- Own corporate social responsibility (CSR) policy extends beyond that of most leading corporations in the agricultural sector.
- Sustainability should be the fundamental part of Iranian farm and farmers" business strategy
- In Iranian labor policies and practices in the agricultural sector, the government must support healthy food and healthy agricultural products on consumers" rights.
- Iranian agricultural policymakers should concentrate on environmental-impact, human and child rights, and gender equality as key criteria, alongside commercial benefits in Iranian agricultural sector.
- Iranian scholars and agricultural universities should focus on some noble researches to ensure food security, improved health, employment and education opportunities for resource-poor communities and countries around the world.
- Iranian agricultural sector policymakers should be a purpose-driven voice for sustainable agriculture.
- The agricultural sector should have a consistent and strong voice in social and traditional

media, for continuing change to have health-products.

- Iranian governors in the agricultural sector should be engaged in sustainable agriculture and cutting edge science businesses and NGOs to incorporate unique, environmentally sensitive design into each project in the agricultural sector.
- Agricultural SMEs should integrate design elements that drive radical innovation and produce meaningful real-world environmental and business impacts in Iranian agricultural sector.
- Agricultural firms should strive for enlightenment across the entire value chain, partnering with governmental entities and organizations that are equally committed, mission-driven, transparent and ethical in Corporate social responsibility (Zero, 2012).

5- Supplementary suggested works related to our studied topic for agriculture and corporate social responsibility

Here in this parts some supplementary works from some prestigious works listed below;

- 1) "Key CSR dimensions for the food chain" by Sari Forsman-Hugg, Juha-Matti, Katajajuuri, InkeriRiipi, Johanna Mäkelä, KatjaJärvelä, and PäiviTimonen, sets out to define the key components of CSR. The authors identify seven dimensions of CSR in the food chain and try to follow a blueprint for responsible and sustainable food business. Through their case approach, the authors attempt to present a better understanding of the meaning of CSR in a food context.
- 2) "CSR schemes in agribusiness: Opening the black box" by Katharina Poetz, Rainer Haas, and Michaela Balzarova, the authors analyses existing CSR schemes and provide practitioners with a guide to the maze concerning potential application as these are applied to the food industry in order to offer both theoretical contributions in understand-

ing of the landscape of CSR.

3) “The food system, climate change, and CSR: From business to government case” by Valeria Sodano and Martin Hingley, arguing that weak public policy and reliance on voluntary and disparate corporate responsibility has not been effective in challenging the problem. This theoretical paper proposes a “government case” for CSR based on more binding regulation. and challenges the relatively weak position of public policy concerning CSR in the context of the embracing and significant issue of addressing climate change.

4) “CSR failures in food supply chains – an agency perspective” by Anne Wiese and Waldemar Toporowski, the article offers advice concerning the avoidance of failure and the role of agents and delivery of third-party quality. stressed is the interconnected roles of agent and principal and importance of communication and quality systems in heading off failure. Takes the less well-understood path of investigating CSR failure in the food sector. The approach used is agency theory in order to understand the quandary of delegated supply chain responsibility.

5) “The impact of corporate social responsibility in food industry in product-harm crises” by Ioannis Assiouras, Ozge Ozgen, and George Skourtis, The authors investigate the impact of CSR policies on attribution of blame, brand evaluation, and consumer buying intention and add much-needed understanding of the importance of CSR in managing negative perceptions following crisis events in food; as well as being an import antecedent assurance factor. It concerns the dangers of negative perceptions surrounding and following events.

6) “Consumers” awareness of CSR in the German pork industry” by Monika Hartmann, Sarah Heinen, Sabrina Melis, and Johannes Simons, concerns the meat industry and specifically a German context, An interesting finding is that although German customers are interested in and motivated by

CSR in the meat sector, their realization is relatively new, in contrast perhaps with countries such as the UK, where the issues and attitudes were sharpened by specific “crises” (Emerald insight, 2013).

7) “Corporate and consumer social responsibility in the food supply chain” by Louise Manning, develops the concept of consumer social responsibility, arguing that if organizations do not fully engage with consumers, CSR policies cannot be effective and will remain in the sole domain of corporate gift, consequently develops a consumer responsibility/CSR interaction model in order to develop theory.

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