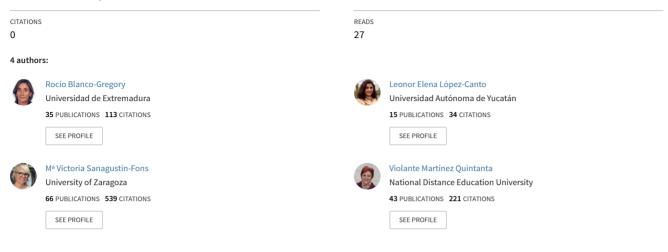
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## Article

# Agroecological Entrepreneurship, Public Support, and Sustainable Development: The Case of Rural Yucatan (Mexico)

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Abstract: This paper offers an approach to Yucatecan social reality in terms of entrepreneurship and the process of creating companies dedicated to the production and/or commercialization of agroecological products, considering its contribution to sustainable rural development. The key actors' perspective towards the existence of policies that favor land sustainability, assist in the development of rural areas and their population, and support these business initiatives is also presented. Likewise, it illustrates the small entrepreneurs' standpoint on the role of public institutions in promoting wealth generation and sustainable development in lower growth areas, such as the state of Yucatan, in Mexico. A qualitative methodology was used for this research, based on in-depth interviews with a group of businessmen and -women from the region. The main results give a pessimistic view of institutional concern regarding both production and consumption of agroecological products and, therefore, the promotion of these enterprises for the socioeconomic development of Yucatan. From these findings, we detect: (a) A policy of scarce support for this type of production, due to political priorities; (b) inadequate management that prevents the consolidation of certain structures needed to support agroecological enterprises; (c) a lack of confidence in the Yucatecan government, which does not promote or support a social network of collaboration between agroecological producers and marketers; (d) a difficulty in undertaking agroecological enterprises because of social and cultural norms and poor environmental awareness among the population; (e) significant training deficiencies among entrepreneurs in agroecological agriculture; (f) absence of adequate distribution channels for agroecological products; and (g) excessive bureaucratic obstacles through laws that hinder entrepreneurial processes.

Keywords: entrepreneurship; agroecological production; sustainable development; public institutions; rurality

### 1. Introduction

In order to combat the decreasing population of rural areas, it is of considerable importance that public institutions encourage entrepreneurial initiatives that generate wealth and employment in a sustainable manner. Such measures would prevent the depletion and degradation of these areas and contribute to the development of the territories in accordance with their natural resources and biodiversity [1,2].

The neoliberal economical model has caused enormous damage to the planet. Governments in rural areas are faced with the dilemma of either maintaining the current paradigm or transitioning to a



new one based on a notion known by multiple names: Organic, biological, ecological, or biodynamic agriculture [3].

Since its emergence in the early 1980s, the concept of agroecology has evolved both in approach and analysis. In its beginnings, this term referred to "the application of ecological concepts and principles to the design and management of sustainable agroecosystems, or the science of sustainable agriculture" [4] (p. 599), encouraging farmers to substitute the inputs and practices of conventional industrial farming and move towards certifiable organic production systems. By the end of the 1990s agroecology was conceived as a way of building relationship-based market systems that are equitable, fair, and accessible for all, focusing on political economy: "The approach is grounded in ecological thinking where a holistic, systems-level understanding of food system sustainability is required" [4] (p. 599). Today, agroecology is both a new discipline and a practice "seeking to develop food and fiber production in a sustainable manner. At the same time, it is a broader social movement integrating politically the social actors who promote institutional and social changes towards sustainable agriculture" [5] (p. 485). The aforementioned paradigm shift implies, for national governments and public institutions, a transformation in perception of the countryside and its inhabitants. This transformation must be manifested in the promotion of agroecological entrepreneurial initiatives that contribute to sustainable territorial development.

This document presents the results of a study on entrepreneurial initiatives in the agroecological sector of the Mexican state of Yucatan. These initiatives function as a sustainable development option for entrepreneurs by contributing to the preservation of their lands, the improvement of their quality of life, and the adoption of a natural and healthy food culture.

In Yucatan, agroecological products are those derived from chemical-free agriculture and farming, that is, natural products subjected to a natural production process that respects the cycles and elements provided by nature [6]. This type of merchandise could include both those with and without organic qualifications. It is pertinent to mention this since only a portion of the agroecological produce is certified as organic by the Mexican government's Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA). The "Organico SAGARPA México" seal is the accreditation granted to products that meet quality, health, and food safety guidelines; it also guarantees consumers that the Mexican standards established in the Organic Products Law have been complied with [7].

The role of institutions is fundamental, not only in the economic aspect by implementing policies to promote this type of entrepreneurial projects, but also in the educational and social aspect by generating awareness among the population that sustainable development implies the moderate and rational exploitation of natural resources, taking care to preserve them for future generations.

Mexico's agroecology sector has experienced dynamic growth since 1996 (the organic surface area, the number of producers, and the foreign exchange generated have grown at an annual rate of over 25% concentrated in the Mexican states of Oaxaca and Chiapas, the poorest in the country). However, organic agriculture in the country has only developed due to the efforts of the producers themselves [3]. The meagre support of official institutions, a condition known as "institutional inertia" or inability to assimilate change, which also occurs in the state of Yucatan, is particularly noteworthy [8]. Despite the existence of a robust legal framework in Mexico on this matter, laws have not translated into sufficient institutional support [9]. The small-farming systems deal with "technical problems such as pests and disease as well as the lack of markets and opportunities for commercialization ... there is also evidence of failures by the government in terms of the lack of public policy and programs geared toward promoting and incentivizing the use of these agroecological systems" [10] (p. 342).

The objectives of this study focus on ascertaining the existence of effective support for agroecological production by public institutions at a national level in Mexico, but, mainly, in the state of Yucatan. In this sense, we were keen to learn our witnesses' opinion regarding: (a) The existence of government policies that favor this sort of production, or, on the contrary, if there are many bureaucratic or legal obstacles for the regulation of these activities; (b) social and cultural norms embedded in the population to benefit such initiatives; (c) whether the entrepreneurs' training is sufficient for the

development of this type of business, and the main training deficiencies of the producers; (d) the presence of production, distribution, and sale channels; (e) their promotion through public institutions; and (f) the population's income and environmental awareness as elements that facilitate and enable these activities.

Based on this introduction, this article is structured in five further sections: Section 2, a theoretical framework on agroecological entrepreneurship and production that refers to: The entrepreneurial process, the role of public institutions in this process, the consideration of elements which favor agroecological entrepreneurship (the training of entrepreneurs, the population's income, and environmental awareness) and, finally, agroecological production and the Slow Food market in Yucatan. Next, Section 3 presents the materials and methods used in the study, explaining the geographical context in which the research has been developed and the methodology that has been applied. Section 4 presents the results obtained from the subjects who have been studied. Section 5 provides a discussion of the results obtained; and, finally, Section 6 describes the conclusions reached and sets out the limitations of the study, as well as future lines of research that could be established.

#### 2. Entrepreneurship and Agroecological Production

#### 2.1. Entrepreneurship and the Business Creation Process

In view of the consequences of globalization, in Yucatan, as in many regions of the world, there is an increasingly important movement that strives for the preservation of the environment from a perspective of sustainable local development. Consumers now respond to different visions of politics and consumption, culture and economy [11]. Thus, nowadays the revival of varieties of plants and foods threatened by agricultural standardization resulting from the extensive use of conventional practices [12] has gained popularity amongst consumers who reject the assimilation of intensive agriculture due to its negative impact on society and the environment [13]. From the perspective of New Institutionalism (NI) based on social actors [14–17], the aforesaid situation has led to the creation of a new institutional field [18], a concept based on Dimaggio and Powell, who described a set of "organizations that, in the aggregate, constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies and other organizations that produce similar services and products" [19] (p. 148). The Slow Food movement is positioned in such an institutional field as a result of the incorporation of new actors and the creation of an extended collective identity. Now, it includes not only gastronomes, but also social justice activists and environmentalists [18]. Within this context, there is a movement among local entrepreneurs who have incorporated this vision of sustainability, i.e., agroecological products, into their productive processes.

Entrepreneurship implies the entrepreneur's vision, the creation of new economic opportunities and the introduction of their ideas into the market, facing uncertainty and taking decisions related to the location, form, and use of resources and institutions [20] (p. 18).

Although entrepreneurs are usually studied in a business context, several of their theoretical principles such as networks, resource mobilization, business representation are also valid for other kinds of organizations [21], for example, in the areas of education, culture, and agroecology. Specialized literature distinguishes between traditional business-related entrepreneurship and social entrepreneurship [22]. The latter is characterized by a concern for aspects that go beyond private profit, mobilizing resources in areas with low productivity to strengthen the economy through job creation for local residents [22,23], and also to preserve the environment.

Regardless of the entrepreneur's orientation (traditional or social), the result of their initiatives tends to crystalize into the creation of a company. This process is a complex phenomenon, contextualized around specific moments and environments in which social, cultural, and economic factors interact [21,24–27].

Following the above, Kantis et al. [27] defined three stages in the company creation process: The *project gestation*, the *set-up*, and the *initial development of the firm*. In each of these phases, certain