Crisis resilience and adaptation in agriculture

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- Agricultural Economics and Rural Policy Group
- **KSE Agrocenter Discussion Series**
- War and Post-War Agriculture of Ukraine
- Zoom Conference 29 Nov 2023



Outline

- I. What crises?
- II. The role of resilience in Ukraine's current situation
- **III.** Adaptation power of the Ukrainian food system



I What crises?

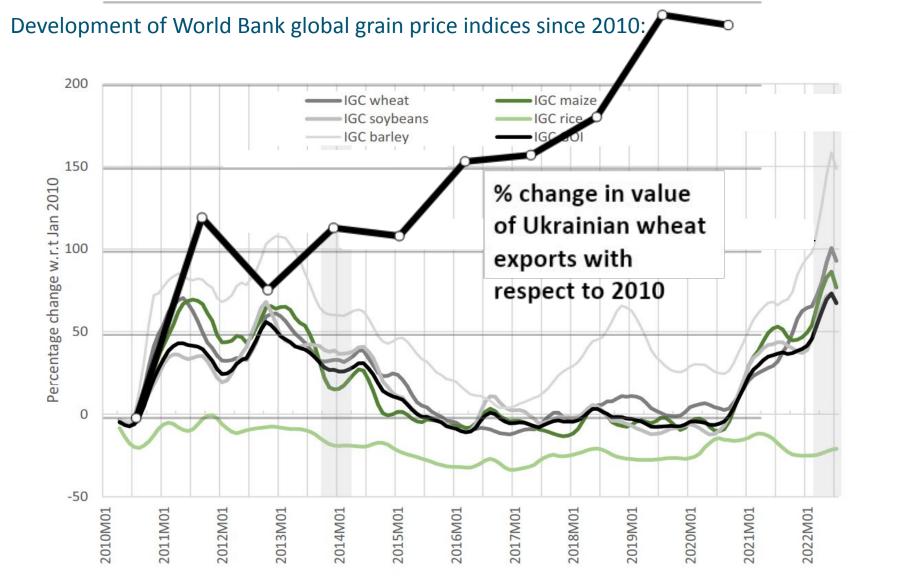
- Ukrainian agriculture has experienced various substantial challenges since 1990
 - Economic transformation (from Soviet Union to now)
 - (Hyper-) Inflation
 - Recession
 - Biological challenges
 - Changes in weather patterns due to climate change
 - Covid
 global supply chain disruptions
 - Geopolitical destabilization
 - Governance crises (Trump 2017-2021, Brexit 2020 etc.)
 - Euromaidan and the aftermath
 - Russian invasion \Box global supply chain disruptions

□ Existential crisis at national scale

- □ Unique "fate" in modern European & global history
- \square Strong contract to the chaltered and highly protected \Re stable development of

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I What crises?



Source: Ihle et al. (2022)

I What crises?

- Which challenges come next?
 - Climate crisis?
 - Sustainability crisis?
 - More/ sustained geopolitical destabilization?
- Similarities
 - Unforeseen challenges & hardships for farms & agribusiness companies
- Differences:
 - Degree of existential character of the challenge/ threat
 - Comprehensiveness of effects/ impacts on the agric. production process & chain
 - Degree & duration of uncertainty
 - In current situation

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II Resilience in Ukraine's current situation

A resilient farming system "ensure[s] the provision of the system functions in the face of increasingly complex and accumulating [...] shocks" (Meuwissen et al., 2019)

Immense effort ... as well as chance!



II Resilience in Ukraine's current situation

- Necessitates flexibility, creativity & inventiveness from Ukrainian agricultural entrepreneurs
- Unvoluntary "training" at extreme levels enforced upon Ukraine by the Russian Federation
- Enforces increased preparedness & capabilities to ensure farm survival (resilient behavior)
- □ Any other challenges in the one, two decades after the war: piece of cake
- Final decoupling from the communist past and (inter-) dependence with/ from Russia
- □ For Ukrainian society as a whole & Ukrainian agriculture specifically
- \Box Chance for
 - Creating,
 - Recording,
 - Optimizing,
 - Maintaining and sharing expertise
 - How to deal with large to existential challenges for the own agric. enterprise
- Resilience (intelligence) expertise leader?

III Adaptation power of Ukrainian food system Tragic & painful experience for the Ukrainian society & economy ۲ Unanticipated scale of existential threat to European society Chance for transforming shock and SDevelopment of World Bank global grain price indices since 2010; • Inventiveness? 200 Feb 24, 2022 Full-scale invasion Innovative power? 150 idan protest % change in value Percentage change w.r.t Jan 2010 Occupation of Crime Start of violence in Jonb of Ukrainian wheat Constructive and productive Military co exports with nsity 100 respect to 2010 Acceleration of sustainability transit 50 Ideally in medium and long run \Box er ۲ 0 Anticipate (more predictable) compl ۲ -50 2012M01 2015M01 2016M01 2010M01 2011M01 2013M01 2014M01 2017M01 018M01 2019M01 020M01 2021M01 2022M01 Source: Ihle et al. (2022)

- Forward-looking perspective feasible?
 - Losses are implensing painful and traumatic
 - \Box = \Box =

III Adaptation power of Ukrainian food system

- Turn existential threat and societal trauma into
 - Success factor?

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- (Long-run) business accelerator?
- Stabilizing factor for global food supply chains?

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Questions? Comments?

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References

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