

**Reasons of the deterioration of the food industry in  
Progressive countries and ways to re-build it**

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**مدرس في قسم البستنة**

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ABSTRACT

This study attempts to investigate and explain the causes of the collapse and destruction of agricultural industries in order to understand the causes and consequences of this problem. So here this emphasizes on several internal and external factors related to production, farmers and the government. To prove the truth and strength of the factors that cause the decline and extinction relied on the method (Factor Analysis) according to this study to the relationship between the numbers for quantitative variables sample size is the reduction of the number of variables to fewer variables called factors. In general, PCA was used to find factors with Varimax rotation using SPSS, V24.

In conclusion, the most influential factors affecting the phenomenon which was the most important factor for the collapse of the food industries is the lack or absence of taxes on imported agricultural products. Another important factor that has had a direct impact on the collapse of the food industry was the outbreak of the coronavirus, which had a direct impact on this collapse. Bad systems to marketing domestic products and lack of propaganda to encourage the use of domestic products also make food industrial products uncompetitive. Therefore, one of the proposals is to increase taxes on agricultural products on a continuous basis to increase demand for domestic products. We also recommend turning to the food industry after the virus is under control and its impact has subsided. Therefore, the government should create a tripartite market for these products that includes domestic consumption, food industry and exports.

Key Words: Food Industry, Border's tax, Corona Viros, Kurdistan Region,

CHAPTER ONE

INTRODUCTION

Economical institutions is in progressive countries face several complex problems and dysfunctions, and to try to get out of this crisis had to find a port in way with its possibilities and circumstances to increase and improve actual production. This is would be in away which make them interested in productive enterprises and departments as the main pillar of economic growth and a source of production of goods and services.

Food industries in the region have a great last period and retracements this retreat on reducing production and GDP and consumption of imported finished products waltatherha on the balance of payments, in addition to increased negative effects of reducing collapse of agricultural production sector, without this productive installation will not be able to reach the ultimate goal.

*Research importance*

Given the economic importance of agro-industries, it shows the importance by creating a market for the sale of local agricultural products, particularly products that are perishable on one hand and on the other hand it becomes the main source of the composition of the food industry products for the food, especially in the Kurdistan region of Iraq. Through predictions on traditional methods and personal experience, this study is an attempt to reach the main points of the occurrence of this problem and its root causes. Despite the long strides made by the province in some areas and economic sectors, it is still the food industry branch that did not receive the attention which is required to considere food security substrates, and therefore this study is trying to trace the development of this type of industries manufacturing in the region and draw attention towards it in order to be developed in the future.

We appreciate the importance to conclude:

- Identify the role played by the food industry to reduce the size of the food gap.
- Highlighting the dimensions of the food industry to participate in solving the problems of other sectors.
- Focus on giving industrials of agricultural field rather than theoretical importance.

*Research problem*

The reason for the choice of subject is the lack or absence of food industries, and the collapse of a large part of the projects related to the food industry. Particularly the food industry products in the Kurdistan region of Iraq after 2003 and the adoption heavily on agricultural and industrial products imported and this is because of the role that is played by this economically important sector of Kurdistan, which is being one of the most important industrial sectors outside the scope of the hydrocarbon sector.

*Research Aim*

The aim of this study is as follows:

1. Try to clarify and interpret the reality of the food industry and food especially in the Kurdistan of Iraq methods to show their roles in the economic situation in the region.

2. Recognize the reality of the food industry organizations within the development plans during the different stages of the province and this move is to help raise the performance and efficiency of economic management in the enterprise.
3. Clarify the basic reasons for reducing the interest in these projects and to find suitable solutions to re-build.

### **Research Hypothesis:**

Based on the degradation of food industries in Kurdistan and what ensures and helps economic in the re-organization plan for the better future of these industries. Based on the previous basic assumption can be asked the following sub-assumptions:

1. Taking care in developing the agricultural products and their development and this way for making a larger part of the composition of primary resources and food industries.
2. Reconstruction and relocation the food industry and especially the necessary resources to meet a large part of the basic requirements relating to the daily lives of individual in the region.

### **Reasons for Choosing Subject**

There are several reasons and motives led to the choice of subject, most notably:

1. The importance of the food industry and its crucial role in economic activity eventough, there is a the social, political, and lack of research studies in this section.
2. Try to connect between what is happening in the reality of agricultural and food factories in the province and the theoretical side of the subject.
3. Neglecting the prediction process in many industrial projects related to food industries and the dependence of their managers on foreign trade

### **Methodology of research**

To answer the problematic search and try to test the validity of assumptions upon which the study was to rely on inductive approach to clarify the reality of the food industry in the province and avoid the causes of these industries and the most important methods that can take them into account to fix the problem.

### **The study limits: -**

It limits of the research is includes onlyKurdistan, and the temporally covers the period 2023.

## **CHAPTER TWO**

### **GENERAL CONCEPTS ABOUT FOOD INDUSTRY**

#### **١-١. food industry:**

The food industry plays a pivotal role in achieving food security requirements, and through this sector achieving integration between agricultural investment and industrial investment, but unfortunately facing these vital industrial sector difficulties limiting prospects of its development.

And weaken its ability to import substitution from the outside world, with the local products, and the goal of determining a strategy for manufacturing seeks to increase the efficiency, developing industrial sector and improve its competitive ability, nations seeking to allocate adequate resources to support and activate it so that the sectors becomes active within the social and economic development project .

The rising of the food industry sector in the province requires the availability of a range of motives, which builds a successful development strategy and quickens the utilize of the available resources and take advantage of technological development to speed up the production process as well as an attempt to produce the goods to compete with good specifications and claims foreign products

#### **٢-١. The concept of the food industry and its importance:**

The industrial sector plays a major part in the economical development. It is the basis for the provision of basic needs of citizens, and provides job opportunities. And increasing its important for the role that can play in treating the structural distortions and structural imbalances suffered by the regional economy, especially the easing accessory of the global economy and improving the ability of the productive sectors to create prospects for the development of the regional economy where we can focus on industries that can replace foreign imports and industries are capable of absorbing manpower with taking into account available resources and capabilities available to the regional economy.

Food industry is one of the most important sectors of conversion industries and it is the main important. One of the basic supports for forming an economic dimension of strategic, as they effectively

contribute to securing food for humans and working to achieve the greatest degree of self-sufficiency in food products.

**First: Definition of food industry:** There are many definitions for the introduction of food industry, mentioning some:

**Food industry:** Is the industrial branch that converts agricultural raw materials according to specific specifications. For this, these industries operate on the remaining of food products that is usable as long as possible due to the conversion and conservation, adaptation and usage in line with the good conditions for the consumer and imposed by the development of civilization.

**Food industry:** It is a set of organization that are interested mainly to convert agricultural materials, in general it's for the final food intake and It is an important part for the food system, which in turn includes classified activities in the agriculture like food distribution.

**Food industry:** It is the practical application for work and technology aimed at the preparation and manufacturing, conservation and marketing the food materials for using the results and the bases of other sciences in food processing industry to increase shelf life and maintain the value and food quality.

Food industry plays an important role for preparing the around and important detailed in the food chain and a definite mediator between tableware and field. Food industries are a practical application for science for the conservation and circulation of food is divided into two types of conservation industries such as canning, refrigeration and freezing, etc., and transformational including sugar, oil, milk and other industry.

Food manufacturing science enables organizations to develop new products, methods and improved machines raises the quality of the produc., It also allows them to choose the most suitable raw materials in every process of manufacturing processes of different foods and how to overcome obstacles of the industry or marketing product process with the knowledge of the changes in the nutritional value of foods. Therefore familiarity of different changes occurs in the components and nature of food during manufacturing or after it.

As a result the spread of the aspects of cultural and civilizational and progress expansion of learning systems among various groups of society and the development of methods of communication and media, and got to increase the high level of knowledge and the development of consumer behavior, where he became more vigilant and more aware of the requirements of the health and security of consuming, where conditions have grown and increased its needs towards the issue of safety in food products.

**Second: the importance of the food industry:**

The contribution to the food industry is to develop in the direct completion of the most important developmental goal declared by all governments for its different directions. That is to improve these standard of living of citizens, and through the development of this type of industry it achieves the principle of ensuring social stability and economic, where citizens normally ensures government demands to provide food commodities attributes of a good, affordable, and make the trading prices of these products on the market in the reach of their purchasing power. So food industry is of economic importance and great social can be summarized as follows :

1. Contribute to the provision of food products quantity and appropriate qualitative and timely.
2. Save nature of agricultural raw materials in the form that allows protect them from damage to the time consumed orconverted.
3. Provide an integrated system for consumer protection through the provision of safe and healthy products.
4. Obligation to respect the scientific standards of quality in the field of food industry in order to improve food products.
5. Facilitate the consumer opportunities in satisfying consumer needs through ensuring the provision of products and chime with his preferences and tastes.
6. Strengthen the food products with the improved materials and enhanced nutritional value through the addition of some mineral salts or vitamins nutrients.
7. Contribute to upgrade the modern production system and as part of adapting to technological development .

Food industry achieved a lot of economic and social benefits for the benefit of the citizen and society, and this means that their presence within the economic sector generally and the manufacturing sector especially its justified and necessary, its industry that check justifications and its presence and the most important are as follows:



1. Food industry play a major role in treating the time gap between production and consumption, since many of the agricultural products characterized by seasonality despite the fact that consumer demand for it or for their derivatives characterized by annual, resulting in a kind of discontinuity in meeting the needs of consumers, but with the development of food industry this has become a problem not proposed where the concerned institutions can handle it with putting all the aimed policies ensuring to supply the markets with the required agricultural materials throughout the year and through the storage systems and the known adaptive in the food industry field
2. Some agricultural crops affected by fluctuations as a result of their exposure to many environmental factors They are between the increase and decrease as a result of the deterioration of some of the climatic conditions or the agricultural season exposed to certain lesions, making the chances of satisfying the desires of consumers is almost impossible, and here intervenes manufacturing industry to treat this problem by managing the display operations by running inventory or by resorting to Import ...etc from the available procedures for the institutions that are active in this sector.
3. Industrial institutions food contributes to ensure the continuity of operations, where it attracts these institutions large numbers of permanent labor or temporary hand, where increased hiring processes whenever characterized the agricultural season a success, and thus increasing the combined transport and storage of agricultural crops activities also increase conservation work and adapt to the treatment to ensure agricultural products to maintain the nutritional value until it's needed.
4. The preparing and processing of agricultural products consequent add formality benefit of agricultural products and raw, with the primary role of the enterprises manufacture food appears in the conversion process from raw materials characterized for the most severe susceptibility to damage the scalable storing family of food products, responsive to the preferences of consumers .
5. Food industry allows manufactures and food preservation and food that increases the need for fresh consumption in agricultural production season for use in times of scarcity of its existence, and in its fresh condition and it can be maintained at the level of price for agricultural services and turn them into products with economic value .
6. The agricultural processing converts agricultural raw materials that cannot be consumed on the condition of different products to its nutritional value such as juice or extract oils from oilseeds, as well as grain milling and baking industry.

Notably, there is an exchanging relationship between the sectors of agriculture and agro-industry, where the food industry development requiring development of the agricultural sector firstly and then provide industry support means in this strategic field.

### **Third: Characteristics of food industry:**

The food industry has a great relationship to the environment, they are on the one hand from which the various inputs, and on the other hand they affect them, including failure of the toxic waste and non-toxic significantly affect the water, air and soil, so and in the midst of voices to achieve a cleaner production and manage industrial projects that are eco-friendly as part of achieving the green administration, the food industry is an important and effective element in the framework of sustainable development to fight pollution, and seeks to achieve a clean industry contribute to the reduction of the depletion of the available resources and allow enable future generations to have the right to live in safe:

- Food industry characterized by a set of characteristics and including the following
- They are directly linked to agriculture to get input from the raw materials or intermediate materials and others. • Most of the affiliated institutions has transformative institutions in terms of forming rings of a long chain called food Chain
- The outcomes characterized by diversity and development because they reflect the diversity and development of consumer needs and desires .
- Its products market is characterized by its extreme concent, where the competition is based on the basis of different origins (Price, trademarks and names, cans and the comerial cover....)

The determination of quantity and quality of food products is according to consumer tastes and preferences and their purchasing power on the one hand, and on the other hand, for the level of technological development and artistic that is available for the active stitutions in this sector in. So on the one who is heading the production in this sector must attaches the consumer a great importance, through the study of his desires and motivations and the nature of influencing conditions in his consumption decisions, and for

finding out what the consumer wants to buy and what are the reasons that drives him to take the decision to purchase these products or to abstain from it,

This is what affects one way or another in the ways of manufacturing food and channels of distribution, till arrives to the consumer at the time and the right place and the image he prefers, noting that some food products have not changed in the general characteristics but the methode of its presentation and the way of its preservation is what made it advanced products.

### CHAPTER THREE

#### RESULTS AND DISCUSSION

This discussion consists of the practical aspects of the revival for the community of factory owners or former factory owners who have now given up through factor analysis, the questions were divided into several factory owners.

##### 3.1. Data collection:

The data collected during the survey of factory owners was used for direct interviews and social networks. The survey forms were distributed to 189 factory owners. The number of samples used in this study is 133 and the rest have been removed due to non-return or incomplete forms

##### 3.2. Statistical explanation:

Table (1): Statistical description for general variables and age categories

Steps	Class	Replicate	%
Age	30 & Less than	5	3.76
	31 - 40	32	24.06
	41 - 50	81	60.90
	& more than 51	15	11.28
Gender	Male	121	90.98
	Female	12	9.02
Studding level	Diploma and under	88	66.17
	Bachalor	23	17.29
	Master	22	16.54
	PhD	0	0.00
Personality States	Single	10	7.52
	Married	123	92.48
Years Experiences	Less than 10	17	12.78
	11 - 20	15	11.28
	21 - 30	44	33.08
	More than 30	57	42.86

Source: Researcher preparation based on questionnaire.

Table (1) illustrate that most of the factory owners participating in this survey are male (90.98%), which indicates the difficulty of factory work for females. Most of the factory owners are very old. The highest age rate is between 41-50 years old, which accounts for 60.90% According to the survey, most of them are married (92.48%). The most important point is the years of service in the field, which gives us better and more accurate results in our study, and most of the factory owners have more than twenty years of service, which is (75.94%).

##### ٣-٣: Principle Component Analysis:

**3.3.1.** The first question through the planning stages for factors analysis is determine the sample size, which should be great and suitable for factor analysis. Sample size requirement is the general section were consisting of two sections: the number of cases and the number of subjects-to-variables. For example, the basis for determining the sample size must be one of the following:

- The number of cases is greater 51 more than the number of Variables. (Lawley & Maxwell, 1971, 153).
- The subjects-to-variables ratio should be no lower than 5. (Bryant & Yarnold, 1995, 125)
- At least 100 cases available however ratio of the subjects-to-variables should not be less than 5 (Suhr, 2006, 8).
- At least the number of cases around (150 – 300) cases (Hutcheson & Sofroniou, 1999, 87).
- At least 200 cases, including Something credible subjects-to-variables (Gorsuch, 1983, 44).
- At least 300 cases (Norušis, 2005, 106).

According to our data, we have 133 cases and 19 variables and the ratio of subjects-to-variables is 7 to 1., which is the condition for our purpose. (Suhr, 2006, 8)

**3.3.2.** Also before analyzing the main components, we must know that there is a strong relationship between the variables in the Correlation Matrix.

In the analysis of the main components prerequisite at least 3 of the variables must have a correlation greater than 0.30 in the analysis of the main components. Here we see that more than 11 of them are more than 0.30, which will provide the condition and those whose relationships have been separated more than 0.30 Most of them are separated (Appendix 1).

**3.3.3.** Another condition for my analysis before factorization of the variables is that the variance for each variable in anti-image correlation matrix must be greater than 0.5.

In the counter-image of the relationship, we don't have any variables smaller than 0.5, so all variables must remain in the analysis (Appendix 2).

**3.3.4.** Communalities express the proportion of variance for the study variables, which is done for causal analysis. In factor analysis it should consist of at least half of each of the variance of the variables where the common value for each variable should be 0.5 or more. Because the communality in variable "disruption of rural production and reduction of agricultural labor force 0.230" are less than 0.05, they must be removed from the analysis. (Neli, 2002, 450) (Richard and Dean, 2007, 430).

Table (2): Communalities for factors Analysis

Communalities		
Factor (Case)	Initial	Extraction
X2: Lack of domestic production for factories	1.000	.747
X10: High cost of products after production Process	1.000	.783
X8: Poor internal marketing system	1.000	.796
X5: Deterioration of domestic products and low of special transportation to transport Agricultural products to factories.	1.000	.801
X11: The existence of political problems makes it impossible to collect the products of all cities	1.000	.811
X12: Cheap imported products compared to domestic products	1.000	.820
X6: Deterioration of agricultural factories during the spread of the Corona virus	1.000	.824
X7: low of worker's skill and high wages	1.000	.833
X3: Lack of agricultural incentives for farmers, which leads to higher costs of crops	1.000	.837
X1: Inability of the village population to use advanced technology in production process.	1.000	.862
X9: Awareness of local consumers about using local factory's products	1.000	.869
X4: Low border's tax on imported products	1.000	.887

Source: Researcher preparation based on questionnaire.

In Table (٢) the value of communality for each variable equal or greater than (0.50), the for this factors are remaining at factor analysis.

**3.3.4.a.** At the Basic component analysis, the Kaiser-Meyer-Olkin index of sampling adequacy must be greater than 0.50 for each variable. (Amy, John, Jennifer, Schuyler, Gray, and Shelley, 2013,4) and (Thomas, 2012, 28).

KMO and Bartlett's test (٣) :Table

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.781
Bartlett's Test of Sphericity	Approx. Chi-Square	1058.212
	Df	78
	Sig.	0.000

Source: Researcher preparation based on questionnaire.

In Table 3, the overall MSA (Kaiser-Meyer-Olkin Measure of Sampling Adequacy) for each variable is 0.781, which is appropriate, provided that the minimum value is 0.50 for the MSA. Therefore, it remains in the analysis to conduct a causal analysis.

**3.3.4.b.** The probability associated with Bartlett's Test of Sphericity must be less than the significance level in the analysis of the main components. Because the correlation in Bartley's test is 0.001 smaller than 0.05, this confirms



hypothesis ( $H_1$ ) Thus, we can say that this model is good for explaining the cause according to the following assumptions:

$H_0$  = The model is not good for explaining the cause

$H_1$  = The model is good for explaining the reason

### 3.4. Choosing the number of factors:

There are two ways to select a number of common causes. The first is to draw a picture between ( $j, \lambda_j$ ) called a "scree plot" and emphasize where the picture is flat. Number of factors by the Kaiser Criterion, we continue our analysis, but if they are not equal, we use one of the two methods mentioned above to select the number of factors. (Neli, 20017, 445) and (Markela, Llukan, and Klodiana, 2013,3) and (Alvin, 2002, 426) and (John, 2015, 270). Table 5-b shows that none of the variables have complex structure problems. So we don't need to remove anything else.

#### 3.4.1. Kaiser Criterion

The most common way to base the eigenvalues is the Kaiser criterion, which only includes factors with an eigenvalue greater than one. What is the difference between the cause to ensure protection from one cause? The most commonly used factor is the Kaiser criterion, which states that factors should remain if the eigenvalue is greater than or equal to one another. Content analysis extraction, such as PCA, where the difference is calculated, each item has one unit of difference. If a component can explain 100% of the variance of all items, then the eigenvalue of that component is equal to the total number of items. The reason for the Kaiser criterion is that the component has an Eigen value greater than one for more differences. These suggestions are accessible to the components of the elements of a cause or effect. However, this is only true if each item makes a difference. It explains that the Kaiser Criterion is only used when the PCA is the total difference for excluded factors. (Alvin, 2002, 396) and (Amy, John, Jennifer, Schuyler, Gray, and Shelley, 2013,7).

### : Explain the general differences between the main components for pre- and pos

Total Variance Explained									
Component	Initial (Eigen Value) s			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
<b>1</b>	4.889	37.610	37.610	4.889	37.610	37.610	3.421	26.316	15.430
<b>2</b>	1.898	14.597	52.207	1.898	14.597	52.207	3.160	24.309	23.563
<b>3</b>	1.745	13.423	65.630	1.745	13.423	65.630	3.151	24.239	42.926
<b>4</b>	1.567	12.057	77.687	1.567	12.057	77.687	3.337	23.670	53.870

Source: Researcher preparation based on questionnaire.

Table 4 shows the difference rates for the first explanation with all factors together, and only to before and after the rotation of factors. The results show that the top Four most common factors explain the overall difference (53.870%), which is quite reasonable. After the rotation, this order is not included, but the explanation for each of the four reasons is included. In particular, the lines are arranged in order to reduce the difference between them after the rotation. (Alvin, 2002, 389) and (Chatfield and Collins, 1980, 286) and (Richard and Dean, 2007, 454).

#### 3.4.2. principal components of rotation:

Table 5 shows the relationship between the variables and their role in explaining the variables in the rotation before and after the removal of causes. Table (5-a) is the report of the load before rotation and the first component with the highest loading for all variables, at the same time as Table (5-b) Refers to the report of the load (case) after rotation.

Table (5): Summary factors by principal components before and after rotation

A Component Matrix				
	Component			
	1	2	3	4
X4	.687		-.497	.405
X6	.668		-.460	.405
X1	.667	-.150	-.282	-.561
X2	.666	-.167	-.190	-.489
X5	.634		-.397	.491
X3	.621	-.125	-.244	-.614
X9	.612	.592	.379	
X10	.603	-.399	.490	.141
X7	.591	.632	.287	
X11	.576	-.484	.470	.154
X12	.575	-.516	.453	.134
X8	.564	.643	.249	

B Rotated Component Matrix				
	Component			
	1	2	3	4
X4	.941			
X5	.913			
X6	.904			
X9		.927		
X7		.915		
X8		.897		
X12			.914	
X11			.910	
X10			.873	
X3				.945
X1				.931
X2				.829

Source: Researcher preparation based on questionnaire

Table 5 shows the relationship between the variables and their role in explaining the variables in the rotation before and after the removal of causes. Table (5-a) shows the load report before rotation and the first component with the highest loading for its types {X8, X12, X11, X7, X10, X9, X3, X3, X5, X2, X1, X6, X4}, At the same time, Table 5-b shows the report of the load after rotation.

According to this study of the relationship between numbers for Chinese variables (categories), the aim of factor analysis is to find the structure of anomalies for community composed of the number (p) of the variable and a large number of sample sizes. This involves reducing the number of variables to fewer variables called factors. In general, PCA was used to find factors with Varimax rotation using SPSS.

Note for the **first component** that is most important to explain the cause of the deterioration of the food industry (26.32%) of the overall variance explains a set of variables that affect the phenomenon such as Low border's tax on imported products (X4) and Deterioration of agricultural factories during the spread of the Corona virus (X6) and Inability of the village population to use advanced technology in production process (X1) respectively.

The **second component** explains (24.31%) of the overall variance which consists of a set of variables affecting the phenomenon such as Lack of domestic production for factories (X2) and Deterioration of domestic products and low of special transportation to transport Agricultural products to factories (X5) and Lack of agricultural incentives for farmers, which leads to higher costs of crops (X3) respectively

The **third component** (24.30%) explains the overall variance, which consists of a number of variables that affect the phenomenon such as Awareness of local consumers about using local products (X9), High cost of products after production Process (X10) and low of worker's skill and high wages (X7) One after another.

The **fourth component** (23.67%) explains the overall variance, which consists of a number of variables that affect the phenomenon such as The existence of political problems makes it impossible to collect the products of all cities (X11), Cheap imported products compared to domestic products (X12) and Poor internal marketing system (X8) respectively.

### 3.5. Supply and analysis of the reasons:

In this section, we will explain and analyze the factors that affected the unemployment of those who responded to the survey form. For this purpose, we rely on Table 5, which lists the factors that have a real impact and according to their relative importance. Ranking them according to their relative importance will help us understand how much they affect the collapse of the food industry.

In Table 5, we note that some factors, although their values are higher, are ranked lower. The reason for this is that the factors under component (1) are more influential than those under component (2) ..... etc.

### **1. Low border's tax on imported products (X4)**

The existence of taxes has emerged with the need of countries for financial resources, whether domestic taxes are collected from local people, or foreign taxes, which began with the creation of borders between countries, which is one of the good reasons that countries rely on It is important to protect local products and their prices.

### **2. Deterioration of agricultural factories during the spread of the Corona virus (X6)**

Another important factor that has had a direct impact on the collapse of food industries was the outbreak of the coronavirus, which had a direct impact on this collapse It's always been on it. According to our survey and the opinion of project owners, the coronavirus in Kurdistan has a complete impact on the collapse of agricultural projects.

### **3. Inability of the village population to use advanced technology in production process (X1)**

The availability of technology has a significant impact on productivity, which increases productivity encourages the development of food industrial projects, and the financial inability of rural residents is a major reason that prevents rural residents from providing advanced agricultural technology The ability of villagers to provide these facilities.

### **4. Lack of domestic production for factories (X2)**

Agro-industrial factories need continuous production processes in order to continue production equally, and one of the most influential factors is the low domestic production that does not encourage factory owners to rely on domestic production, often relying on production Imports create problems that may take time and increase prices. The same problem is felt in Kurdistan.

### **5. Deterioration of domestic products and low of special transportation to transport Agricultural products to factories (X5)**

Many agricultural products are perishable and have low shelf life because they are naturally free from chemicals. On the other hand, the lack of special transportation facilities to transport products to factories is another reason that makes it difficult to supply products as raw materials factories.

### **6. Lack of agricultural incentives for farmers, which leads to higher costs of crops (X3)**

One of the most important factors in providing raw materials to factories is to encourage farmers, whether in cash such as financial assistance (either on loan or as an incentive) or through financial incentives (such as fertilizers or agricultural equipment). ) or spiritual such as providing guidance on how to produce, pack and market the products, which increases the cost of production and reduces the amount of productivity.

### **7. Awareness of local consumers about using local factory's products (X9)**

Another important factor that affects the progress of food industrial projects is to encourage local consumers to use their local products, which encourages local producers to continue and increase productivity, which results in reduced costs and this project will continue for a long time.

### **8. High cost of products after production Process (X10)**

High costs of production factors such as raw materials, energy used, high labor wages and high taxes on manufacturing factories are the main reasons for increasing the cost of these factories, which causes the financial capacity and productivity of these factories to decrease or face collapse.

### **9. low of worker's skill and high wages (X7)**

The availability of skilled workers has a direct impact on increasing profitability by improving productivity, improving the production process, all of which encourages the supply of raw materials for these factories to survive and grow, and on the other hand skilled workers are currently opportunities It provides farmers with the use of new technologies.

### **10. The existence of political problems makes it impossible to collect the products of all cities (X11)**

Political problems are another problem that affects the collection of farmers' produce for use as a resource in factories, which means that there are obstacles to the transfer of produce from one city to another and makes it impossible to collect the produce of all cities

### **11. Cheap imported products compared to domestic products (X12)**

The cheapness of imported products compared to domestic products is another common factor that has a direct impact on domestic productivity. There is no doubt that competition between imported products and domestic products creates a big problem due to low production costs and agricultural incentives It is an imported product.

## 12. Poor internal marketing system (X8)

The last reason that is not given much attention in many developing countries as well as in Kurdistan is the poor domestic marketing system and lack of propaganda to encourage the use of domestic products, which makes food industrial products have more impact on attracting domestic consumers

### CHAPTER FOUR

### CONCLUSIONS AND RECOMMENDATIONS

Here we present the most important results of our research in the light of the questions of our research and our own reading:

1. My research is based on the answers of the factory owners who responded to the survey, most of them are older and have many years of experience and work in this field, most of them have more than twenty years of work and skills (75.94%). This is a good reason to make the research more credible and accurate.
2. I came to the conclusion that if the most important reason for the collapse of the food industries is the lack or absence of taxes on imported agricultural products, which ranked first in my research. Therefore, one of the proposals is to impose and increase taxes on agricultural products during the crop season to increase the demand for domestic products, especially the demand for use as raw materials and use in the food industry.
3. Another important factor that has had a direct impact on the collapse of the food industry was the outbreak of the coronavirus, which had a direct impact on this collapse, especially after 2019 resurfaced dangerously. Therefore, we recommend that the food industry be reopened after the virus is under control and its impact has subsided.
4. Many villagers and farmers are still financially poor and cannot afford to buy and use new technology in production, which increases the time and cost of production in the long run. Therefore, we propose to provide long-term loans and agricultural equipment at incentive prices and long-term installments so that farmers can repay the loans and the price of these equipments according to their financial ability.
5. One of the most effective factors is the lack of domestic production, which does not encourage factory owners to rely on domestic production. To overcome this factor, attention should be paid to agricultural development and increase the amount of production through the production of columns such as plastic houses and increase production through the application of natural fertilizers.
6. Premature spoilage of products and low shelf life, as well as lack of special transportation means to transport agricultural products to factories. Therefore, we recommend the construction and installation of refrigerators, freezers and appropriate transportation facilities for these agricultural products that will increase the chances of survival and use in the food industry.
7. Lack of government agricultural incentives for the agricultural sector in all aspects related to agriculture from seeds to marketing of products. Therefore, it is better for the government to provide financial assistance to farmers to further develop production, such as some money, providing fertilizers, seeds, irrigation systems and others.
8. High cost of factors of production such as raw materials, energy used, high labor wages and high taxes on manufacturing factories. Therefore, we propose to provide energy to factories at half the price, especially food industrial factories and remove taxes on these factories so that they can sell their products at cheap prices and be able to compete with imported products.
9. Policy guidance to farmers to determine the production of a crop according to the nature of the area where the farmer is farming, whether it is a cold or hot area or a mountainous or plain area. Therefore, it is necessary to classify the distribution of crops into areas such as plains to be used for grain production and cold areas to produce crops that require that climate.
10. Poor domestic marketing system and lack of propaganda to encourage the use of domestic products make food industrial products uncompetitive. Therefore, the government should create a tripartite market for these products, so that part of the products are for domestic consumption and a large part for the food industry and the rest is exported.

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