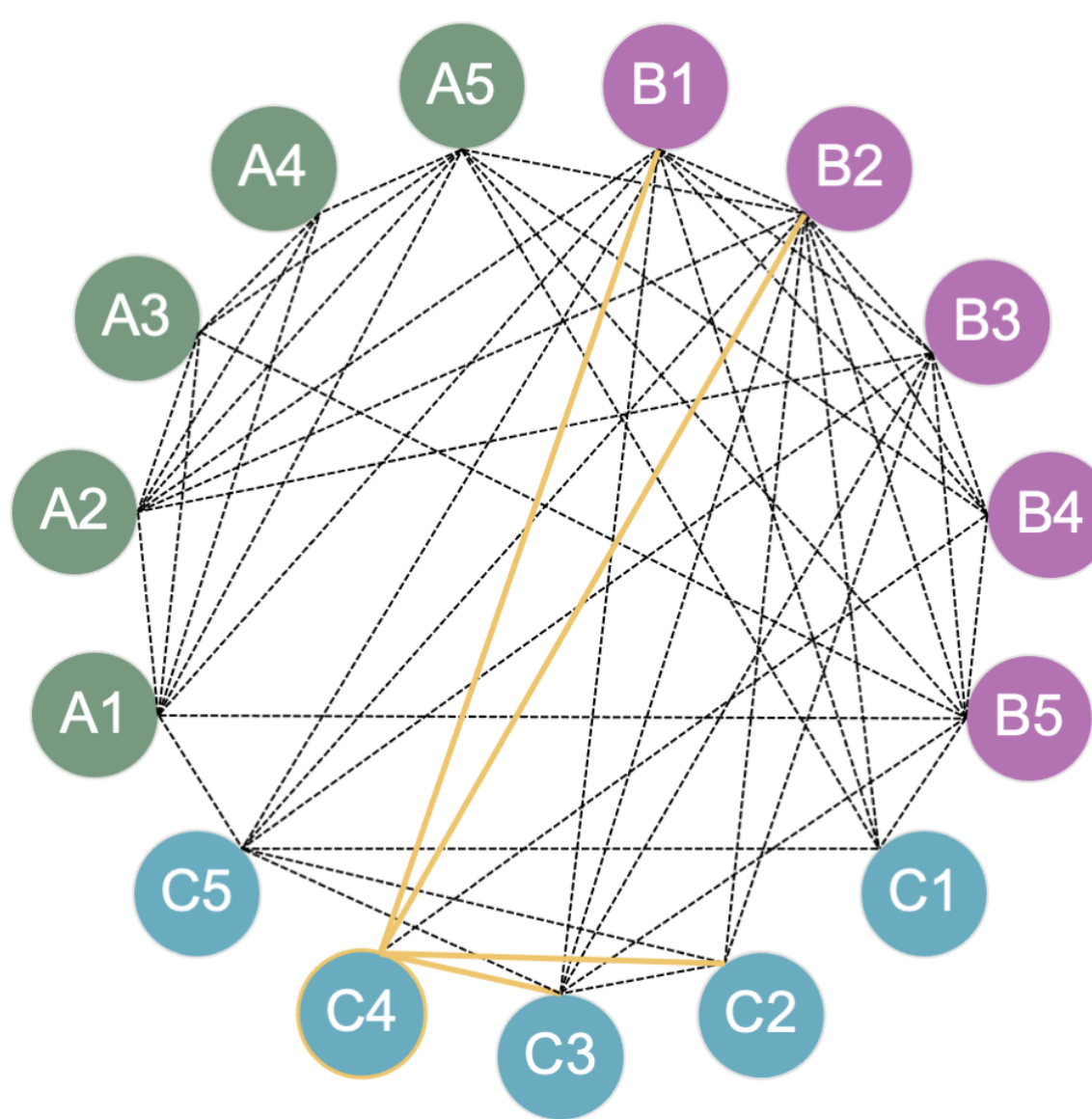


Governance of mitigation strategies for systemic risks

Motivation & Innovation

Companies that are organised with their supplier relationships in Global Production Networks (GPN) do have risk management structures in place (e.g., Chang et al., 2015). However, the governance of supplier structures is primarily focused on issues of cost and price. Issues of resilience and risk mitigation are subordinated to this (Schwabe, 2020). As a result, many companies need to prepare for unforeseen crises and sudden regime shifts (Oh & Oetzel, 2022). This also applies to companies in intensive agriculture in Europe, as fattening farms for pigs, e.g., have become dependent on importing feed from overseas (Franz et al., 2018). If harvests are poor this can impact the availability and prices of inputs. The factors that determine the ability of companies in agri-food networks to respond preventively to systemic risks have not yet been investigated. The project contributes to a better understanding of how to deal with systemic risks in GPN and shows how companies can make their supply relationships and corporate governance more resilient.

Linkages



- C4 builds on results of B1 and C3a
- C4 uses conceptual advancements of risk in the GPN approach developed in B2
- Close cooperation with C2 and C3b will allow a better understanding of the influence of state governance on corporate mitigation strategies

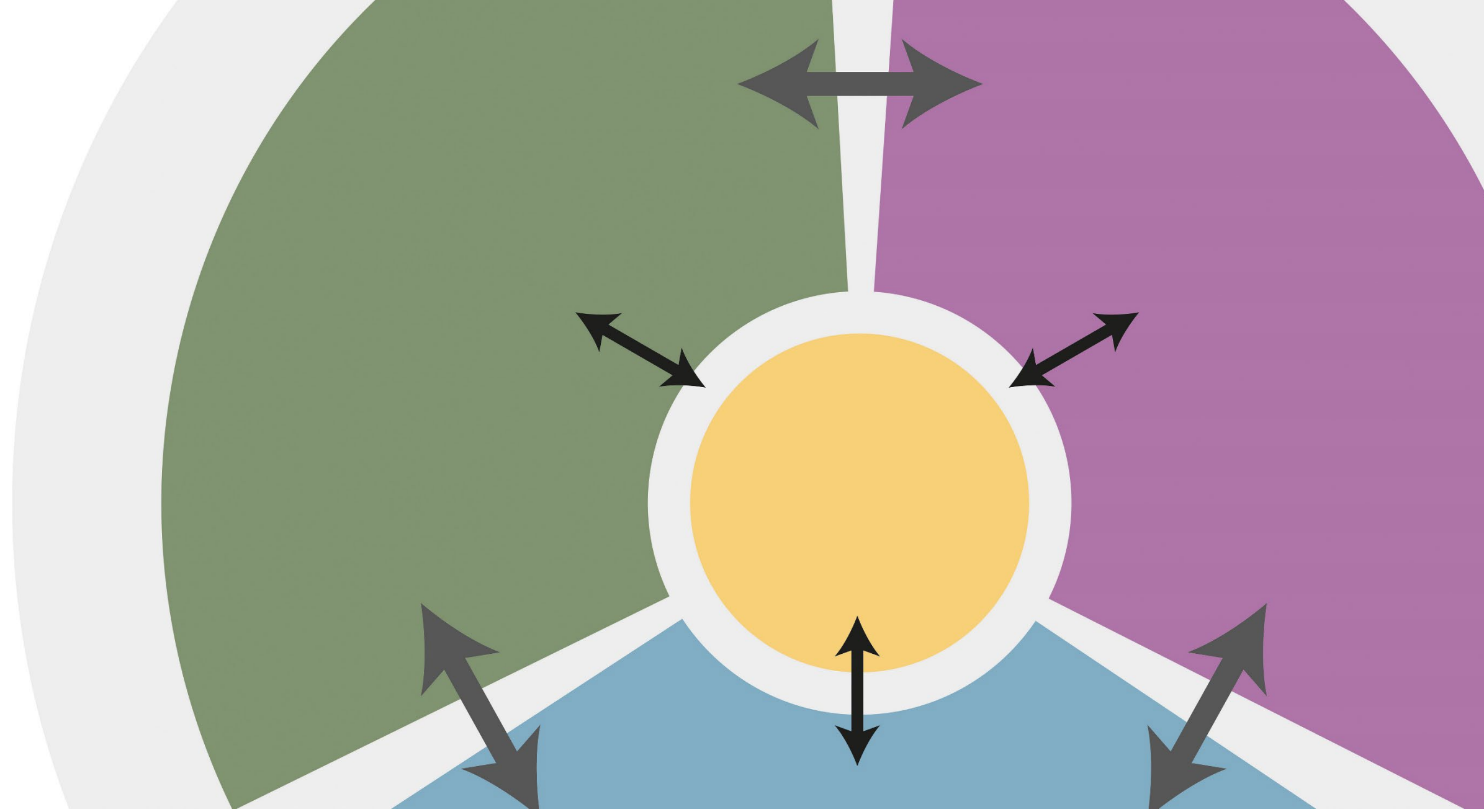
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C4. Governance

Objectives

- To identify factors that determine the ability of companies to respond to systemic risks through a resilient design of supply relationships and governance
- To answer the question which types of risk mitigation strategies companies pursue and how they induce spatial reconfigurations of the respective GPN will be considered

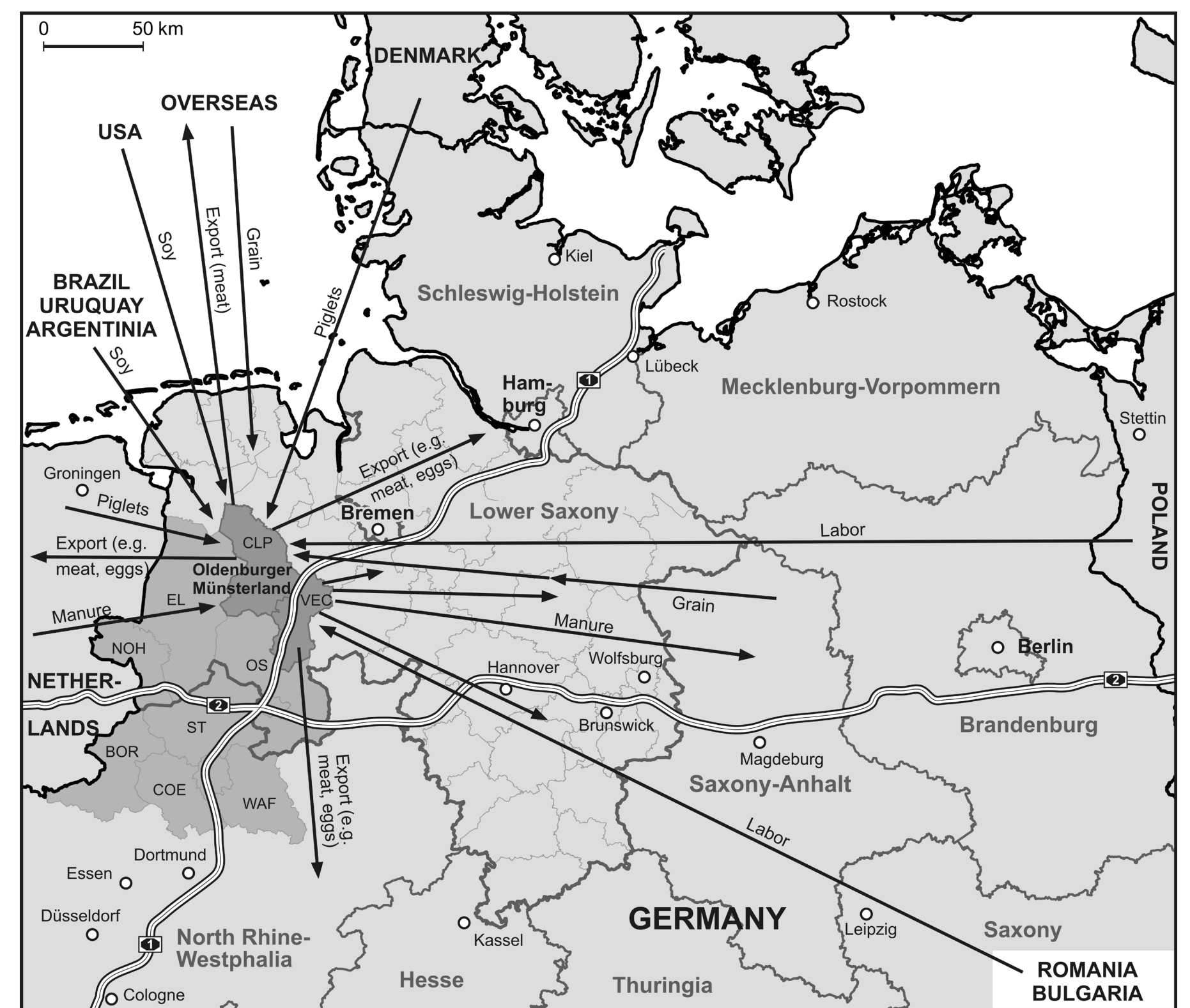


Figure 1. The Oldenburger Münsterland as an example for the strong embeddedness of agriculture in a GPN (Franz et al., 2018, p. 206).

Scientific Design

A transdisciplinary risk governance perspective is adopted, allowing social decision-making practices to be considered alongside organisational processes. The project combines qualitative interviews with farmers, input supply chain actors, and experts. Different forms of intensive agriculture in Germany and Argentina are chosen as case studies.

Principal Investigator

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- Geographische Handelsforschung
- Globalisierungsforschung
- Ländliche Entwicklung
- Nachhaltigkeitstransition

