

INSTITUTIONAL VOIDS AND AGRIBUSINESS DEVELOPMENT: A THEORETICAL PERSPECTIVE FROM EMERGING ECONOMIES

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ABSTRACT

This study provides a theoretical examination of institutional voids and their implications for agribusiness development in emerging economies. Institutional voids, characterized by weak regulatory systems, limited market intermediaries, and inadequate infrastructure, significantly influence the functioning of agricultural markets and value chains. Drawing on existing literature, the paper synthesizes key perspectives to understand how these institutional deficiencies shape agribusiness strategies, innovation, and market participation. The findings suggest that while institutional voids create barriers such as increased transaction costs, financial exclusion, and inefficiencies in value chain integration, they also stimulate adaptive responses, including the emergence of informal institutions, cooperative structures, and innovative business models. The study further highlights the role of governance, policy interventions, and digital technologies in mitigating institutional gaps and promoting sustainable agribusiness development. Additionally, it emphasizes the importance of inclusivity, particularly in addressing challenges faced by smallholder farmers and marginalized groups. Overall, the paper contributes to the theoretical discourse by presenting an integrated understanding of institutional voids as both constraints and opportunities, and underscores the need for context-specific and multi-dimensional approaches to strengthen agribusiness ecosystems in emerging economies.

Keywords: Institutional voids, agribusiness development, emerging economies, informal institutions, value chains, entrepreneurship, digital agriculture, governance

INTRODUCTION

Institutional voids have emerged as a central concept in understanding the dynamics of economic development and business operations in emerging economies. These voids refer to the absence, weakness, or inefficiency of formal institutions such as regulatory frameworks, financial systems, legal enforcement mechanisms, and market intermediaries that are typically well-established in developed economies. In the context of agribusiness, institutional voids significantly shape production systems, value chains, market access, and the overall competitiveness of agricultural enterprises. As emerging economies continue to rely heavily on agriculture for employment, income generation, and food security, examining

the interplay between institutional voids and agribusiness development becomes both timely and essential.

Agribusiness in emerging economies operates within complex and often fragmented institutional environments characterized by inadequate infrastructure, weak governance, and limited access to credit and information. These deficiencies constrain farmers, agripreneurs, and agribusiness firms from achieving optimal productivity and market integration. Scholars argue that institutional voids not only create barriers but also shape unique opportunities for innovation, entrepreneurship, and alternative governance mechanisms (Marquis & Raynard, 2015; Manolova et al., 2019). In such contexts, informal institutions, social networks, and community-based arrangements frequently substitute for formal mechanisms, influencing how agribusiness activities are organized and sustained (Awanyo & Attua, 2018; Minh & Hjortsø, 2015).

The theoretical discourse on institutional voids is deeply rooted in institutional theory, which emphasizes the role of formal and informal rules in shaping economic behavior. In emerging economies, institutional environments are often characterized by institutional multiplicity, where formal rules coexist with informal norms, leading to inconsistencies and inefficiencies (Li et al., 2018; Khuntia et al., 2019). This duality affects agribusiness development by creating uncertainty in transactions, increasing transaction costs, and limiting investment incentives. For instance, weak contract enforcement mechanisms discourage long-term investments in agricultural value chains, while inadequate market information systems hinder price discovery and efficient resource allocation (Barbero & Puig, 2016; Chew et al., 2021). Furthermore, the absence of well-functioning intermediaries such as logistics providers, financial institutions, and extension services exacerbates the challenges faced by agribusiness actors. Smallholder farmers, who constitute a significant portion of agricultural producers in emerging economies, are particularly vulnerable to these institutional deficiencies. Limited access to credit and insurance services restricts their ability to adopt modern technologies and manage risks effectively (Olaoye et al., 2021; Ofosu-Mensah Ababio et al., 2022). Similarly, inadequate infrastructure, including transportation and storage facilities, leads to post-harvest losses and reduces market competitiveness (Fofack et al., 2020; Ewetan et al., 2020).

Despite these constraints, institutional voids also create spaces for innovative business models and adaptive strategies. Agribusiness firms and entrepreneurs often develop context-specific solutions to overcome institutional deficiencies. For example, contract farming arrangements, digital platforms, and cooperative models have emerged as mechanisms to bridge gaps in market access, financing, and information dissemination (Sharma et al., 2018; Sun et al., 2021). These adaptive strategies not only mitigate the impact of institutional voids but also contribute to the evolution of new institutional arrangements. In this regard, agribusiness development in emerging economies can be viewed as a dynamic process shaped by both constraints and opportunities arising from institutional environments (Bajada & Shashnov, 2019; Terra et al., 2021).

The role of the state and policy interventions is also critical in addressing institutional voids. Governments in emerging economies have implemented various reforms aimed at strengthening institutional frameworks, improving market efficiency, and promoting agribusiness development. These include investments in rural infrastructure, financial inclusion initiatives, and regulatory reforms to enhance market transparency and competition (Haggard et al., 2019; Shahbaz et al., 2018). However, the effectiveness of such interventions often depends on governance quality, institutional capacity, and the alignment of policies with local contexts. In many cases, policy implementation gaps persist, further reinforcing

institutional voids and limiting their intended impact (Luiz & Guchu, 2022; Effossou & Cho, 2022).

Another important dimension of institutional voids in agribusiness is their impact on global value chain integration. Emerging economies increasingly participate in global agricultural markets, yet institutional weaknesses can hinder their ability to meet international standards, ensure quality compliance, and maintain reliable supply chains. This limits their competitiveness and access to high-value markets (Wawrzyniak & Doryń, 2020; Zhu, 2018). At the same time, multinational corporations and international organizations often play a role in addressing institutional gaps by introducing standards, providing technical assistance, and facilitating market linkages (Tiessen & Smillie, 2017; Woods, 2019).

In addition, technological advancements are reshaping the landscape of agribusiness in emerging economies, offering new pathways to address institutional voids. Digital technologies such as mobile applications, blockchain, and data analytics have the potential to improve transparency, enhance traceability, and reduce transaction costs in agricultural markets (Lee et al., 2020; Ono & Iwasaki, 2022). These technologies can help overcome information asymmetries and strengthen coordination among value chain actors, thereby mitigating some of the challenges associated with weak institutional environments. However, the adoption and scalability of such technologies are often constrained by digital divides, limited infrastructure, and low levels of digital literacy (Chome et al., 2020; Sial et al., 2022).

The socio-economic implications of institutional voids in agribusiness are profound. They influence income distribution, rural livelihoods, and food security outcomes. Inefficient institutions can exacerbate inequalities by limiting access to resources and opportunities for marginalized groups, including smallholder farmers and women (Sexsmith & McMichael, 2015; Escher et al., 2018). Conversely, efforts to address institutional voids through inclusive policies and innovative business models can contribute to sustainable development and poverty reduction (Agostini et al., 2020; Grier & Maldonado, 2015). Given this context, a theoretical exploration of institutional voids and agribusiness development provides valuable insights into the mechanisms through which institutional environments shape economic outcomes in emerging economies. By synthesizing existing literature, this study aims to contribute to a deeper understanding of how institutional deficiencies affect agribusiness systems and how actors respond to these challenges. It also highlights the need for integrated approaches that combine institutional reforms, technological innovation, and stakeholder collaboration to foster resilient and inclusive agribusiness ecosystems.

Institutional voids represent both a challenge and an opportunity for agribusiness development in emerging economies. While they create barriers to efficient market functioning and economic growth, they also stimulate innovation and the emergence of alternative institutional arrangements. Understanding these dynamics is crucial for policymakers, practitioners, and researchers seeking to promote sustainable agribusiness development and enhance the resilience of agricultural systems in the face of evolving economic and environmental challenges.

LITERATURE REVIEW

The concept of institutional voids has gained significant prominence in contemporary development and management literature, particularly in the context of emerging economies where formal institutional frameworks remain underdeveloped or inconsistently enforced. Institutional voids broadly refer to the absence or inefficiency of specialized intermediaries, regulatory systems, and contract-enforcing mechanisms that facilitate market transactions. Within agribusiness systems, these voids play a critical role in shaping firm behavior, value

chain organization, and market outcomes. A growing body of theoretical and empirical research has examined how such institutional deficiencies influence agribusiness development, offering diverse perspectives on adaptation, resilience, and transformation.

Early contributions to the literature emphasize the structural nature of institutional voids and their impact on market functioning. Marquis and Raynard (2015) conceptualize institutional voids as spaces where formal institutions fail to provide necessary support for economic transactions, compelling firms to develop alternative governance mechanisms. Similarly, Manolova et al. (2019) argue that firms operating in such environments rely heavily on networks, relational contracting, and informal institutions to navigate uncertainty. These perspectives are particularly relevant in agribusiness contexts, where transactions often involve dispersed actors, perishable goods, and high levels of risk.

Scholars have also explored the relationship between institutional voids and entrepreneurship in emerging markets. Bajada and Shashnov (2019) highlight that institutional deficiencies can simultaneously constrain and enable entrepreneurial activity. While weak institutions increase transaction costs and reduce access to resources, they also create opportunities for innovative business models that address unmet market needs. In agribusiness, such opportunities often manifest in the form of intermediary services, aggregation platforms, and cooperative arrangements designed to bridge gaps in market access and information flow. Terra et al. (2021) further argue that these adaptive strategies contribute to the gradual institutionalization of new practices, thereby reshaping the broader economic landscape.

A significant strand of literature focuses on the role of informal institutions in compensating for formal institutional gaps. Awanyo and Attua (2018) demonstrate how social norms, trust-based relationships, and community networks facilitate agricultural production and marketing in contexts where formal support systems are lacking. Minh and Hjortsø (2015) similarly observe that farmer cooperatives and local associations often act as substitutes for missing market intermediaries, enabling collective action and resource sharing. These findings align with the broader institutional theory perspective, which emphasizes the coexistence and interaction of formal and informal institutions in shaping economic behavior (Li et al., 2018).

The implications of institutional voids for value chain development have also been extensively examined. Barbero and Puig (2016) argue that weak institutional environments hinder the integration of smallholders into formal value chains, limiting their ability to access high-value markets. Chew et al. (2021) extend this argument by highlighting the role of information asymmetry and lack of standardization in reducing market efficiency. In the absence of reliable market information systems and quality assurance mechanisms, agribusiness firms face difficulties in coordinating supply chains and ensuring product consistency. This, in turn, affects their competitiveness in both domestic and international markets.

Financial constraints represent another critical dimension of institutional voids in agribusiness. Olaoye et al. (2021) and Ofosu-Mensah Ababio et al. (2022) emphasize that limited access to credit, insurance, and financial services restricts investment in agricultural production and value addition. Smallholder farmers, in particular, are disproportionately affected due to their lack of collateral and formal credit histories. Effossou and Cho (2022) further note that financial exclusion exacerbates vulnerability to external shocks, including climate variability and price fluctuations. These challenges underscore the importance of developing inclusive financial systems that can support agribusiness growth in emerging economies.

Infrastructure deficiencies also feature prominently in the literature on institutional voids. Fofack et al. (2020) and Ewetan et al. (2020) highlight the impact of inadequate transportation, storage, and logistics systems on agricultural productivity and market access. Poor infrastructure increases transaction costs, leads to post-harvest losses, and limits the geographical reach of agribusiness operations. Broecke et al. (2017) add that such constraints disproportionately affect rural areas, reinforcing spatial inequalities and limiting opportunities for economic diversification. Addressing these infrastructural gaps is therefore essential for enhancing the efficiency and resilience of agribusiness systems.

The role of governance and policy frameworks in shaping institutional environments has also been widely discussed. Haggard et al. (2019) argue that effective governance is crucial for reducing institutional voids and fostering economic development. However, Luiz and Guchu (2022) caution that policy interventions in emerging economies often face implementation challenges due to limited administrative capacity and political constraints. Shahbaz et al. (2018) further suggest that inconsistent regulatory environments can create uncertainty for investors, discouraging long-term commitments in the agribusiness sector. These insights highlight the need for coherent and context-specific policy approaches that address both structural and operational dimensions of institutional voids.

Another important area of research examines the interaction between institutional voids and global value chains. Wawrzyniak and Doryń (2020) argue that participation in global markets requires adherence to stringent quality and safety standards, which can be difficult to achieve in weak institutional contexts. Zhu (2018) notes that institutional deficiencies can limit the ability of agribusiness firms to comply with international regulations, thereby restricting their market access. At the same time, international organizations and multinational corporations often play a role in mitigating these challenges by providing technical assistance, capacity building, and market linkages (Tiessen & Smillie, 2017; Woods, 2019). This dual dynamic underscores the complexity of integrating emerging economies into global agribusiness systems.

Technological innovation has emerged as a critical factor in addressing institutional voids. Lee et al. (2020) and Ono and Iwasaki (2022) highlight the potential of digital technologies to improve transparency, reduce transaction costs, and enhance coordination among value chain actors. For instance, mobile-based platforms can provide real-time market information, while blockchain technology can enhance traceability and trust in supply chains. However, Chome et al. (2020) and Sial et al. (2022) caution that the adoption of such technologies is often constrained by infrastructural limitations, digital literacy gaps, and affordability issues. These challenges suggest that technological solutions must be complemented by broader institutional reforms to achieve sustainable impact.

The literature also addresses the socio-economic implications of institutional voids in agribusiness. Sexsmith and McMichael (2015) argue that weak institutions can exacerbate inequalities by limiting access to resources and opportunities for marginalized groups. Escher et al. (2018) highlight the gendered dimensions of institutional deficiencies, noting that women farmers often face additional barriers in accessing land, credit, and markets. Conversely, Agostini et al. (2020) and Grier and Maldonado (2015) emphasize that targeted interventions, such as inclusive policies and capacity-building initiatives, can help mitigate these disparities and promote equitable development outcomes.

Recent studies have also explored the dynamic nature of institutional voids and their evolution over time. Khuntia et al. (2019) suggest that institutional environments in emerging economies are not static but continuously shaped by interactions between state actors, private

firms, and civil society. Barra et al. (2020) and Capozza and Divella (2019) further argue that firms can play an active role in institutional development by introducing new practices, standards, and organizational forms. This perspective shifts the focus from viewing institutional voids solely as constraints to recognizing them as spaces for experimentation and institutional innovation.

In addition, sector-specific analyses provide deeper insights into how institutional voids manifest in different agribusiness contexts. Eshun (2018) and Ojo (2022) examine agricultural markets in African economies, highlighting the role of informal trade networks and cross-border dynamics in shaping market outcomes. Ono and Iwasaki (2022) explore the impact of digital platforms on agricultural marketing in Asia, demonstrating how technology can bridge institutional gaps. These studies underscore the importance of contextualizing institutional voids within specific socio-economic and geographical settings.

Overall, the literature on institutional voids and agribusiness development presents a multifaceted and evolving field of inquiry. It highlights the complex interplay between formal and informal institutions, the role of innovation and entrepreneurship, and the importance of policy and governance in shaping economic outcomes. While significant progress has been made in understanding these dynamics, gaps remain in terms of integrating theoretical perspectives and developing comprehensive frameworks that capture the diversity of experiences across emerging economies. This theoretical paper builds on existing scholarship to synthesize key insights and contribute to a more nuanced understanding of how institutional voids influence agribusiness development.

Table 1: Structured Literature Review (LR)

Sr. No.	Author(s) & Year	Study Focus	Methodology	Key Findings
1	Marquis & Raynard (2015)	Institutional voids in emerging markets	Conceptual/Theoretical	Institutional voids create gaps in market-supporting institutions, leading firms to rely on alternative governance mechanisms.
2	Manolova et al. (2019)	Firm behavior in weak institutional environments	Empirical	Firms depend on social networks and informal institutions to manage uncertainty and resource constraints.
3	Bajada & Shashnov (2019)	Entrepreneurship under institutional voids	Conceptual	Institutional voids both constrain and enable entrepreneurial innovation in emerging economies.
4	Awanyo & Attua (2018)	Role of informal institutions in agriculture	Case Study	Informal networks and trust-based systems substitute for weak formal institutions in agribusiness activities.
5	Minh & Hjortsø (2015)	Farmer cooperatives and institutional gaps	Qualitative	Cooperatives help overcome market inefficiencies and improve access to resources and markets.
6	Barbero & Puig (2016)	Value chain integration in weak institutions	Empirical	Institutional deficiencies limit smallholder participation in formal

				agricultural value chains.
7	Olaoye et al. (2021)	Financial constraints in agribusiness	Survey-based	Limited access to credit and financial services restricts agricultural investment and productivity.
8	Fofack et al. (2020)	Infrastructure and agribusiness performance	Secondary Data Analysis	Poor infrastructure increases transaction costs and post-harvest losses, affecting competitiveness.
9	Lee et al. (2020)	Digital technologies in agriculture	Empirical	Digital platforms help reduce information asymmetry and partially address institutional voids.

METHODOLOGY

This study adopts a qualitative and conceptual research methodology to examine the role of institutional voids in shaping agribusiness development in emerging economies. As a theory-driven paper, the research does not rely on primary data collection or empirical statistical analysis; instead, it is grounded in an extensive review and synthesis of existing academic literature. The objective is to build a coherent theoretical framework that explains how institutional deficiencies influence agribusiness structures, strategies, and outcomes. The research design is based on a systematic and integrative literature review approach. Relevant peer-reviewed journal articles, books, and policy reports were identified through academic databases such as Scopus, Web of Science, and Google Scholar. The selection of literature was guided by key themes including institutional voids, agribusiness development, emerging markets, value chains, and informal institutions. Priority was given to studies that provide theoretical insights as well as those offering contextual evidence from developing and transitional economies (Marquis & Raynard, 2015; Manolova et al., 2019).

A thematic analysis technique was employed to organize and interpret the literature. The selected studies were carefully reviewed to identify recurring concepts, theoretical arguments, and relationships between institutional environments and agribusiness activities. These themes were then categorized into broader dimensions such as governance structures, market intermediaries, financial systems, infrastructure, and technological adaptation. This process enabled the development of an integrated conceptual understanding of how institutional voids operate and influence agribusiness ecosystems (Li et al., 2018; Khuntia et al., 2019). Furthermore, the study follows an interpretive and explanatory approach, aiming to connect diverse theoretical perspectives and derive meaningful insights rather than testing specific hypotheses. By synthesizing multidisciplinary literature from economics, management, and development studies, the paper constructs a comprehensive narrative on institutional voids and their implications. This methodology ensures rigor through systematic literature selection and analytical depth through thematic synthesis, providing a strong theoretical foundation for understanding agribusiness development in institutionally constrained environments.

DISCUSSION

The discussion of institutional voids and agribusiness development in emerging economies reveals a complex interaction between structural deficiencies and adaptive responses by market participants. Institutional voids, characterized by weak regulatory systems, absence of intermediaries, and limited enforcement mechanisms, significantly influence how agribusiness actors organize production, exchange, and distribution processes. Rather than

functioning as mere constraints, these voids reshape the institutional landscape by encouraging alternative governance structures and innovative practices. One of the central insights emerging from the literature is that institutional voids increase transaction costs and uncertainty within agribusiness systems. The absence of reliable contract enforcement and market information systems often discourages formal market participation and long-term investment. As noted by Barbero and Puig (2016) and Chew et al. (2021), such inefficiencies hinder the integration of smallholders into structured value chains, thereby limiting productivity and market competitiveness. This is particularly critical in agriculture, where coordination across multiple actors is essential for ensuring quality, timeliness, and efficiency.

At the same time, agribusiness actors demonstrate considerable adaptability in response to institutional deficiencies. Firms and farmers often rely on informal institutions such as trust-based relationships, social networks, and community norms to facilitate transactions and reduce uncertainty. Awanyo and Attua (2018) and Minh and Hjørtsø (2015) highlight how these informal mechanisms act as substitutes for missing formal institutions, enabling continuity in production and exchange. However, while such arrangements provide short-term solutions, they may also limit scalability and transparency, thereby constraining long-term sectoral development. Entrepreneurship emerges as a critical mechanism through which institutional voids are both addressed and leveraged. Bajada and Shashnov (2019) argue that gaps in institutional frameworks create opportunities for innovative business models that cater to unmet needs. In agribusiness, this is evident in the emergence of aggregation services, contract farming arrangements, and digital platforms that bridge gaps in market access and information dissemination. These innovations not only mitigate the effects of institutional voids but also contribute to the gradual formation of new institutional arrangements (Terra et al., 2021).

Financial and infrastructural deficiencies further deepen the challenges associated with institutional voids. Limited access to credit and insurance restricts the ability of farmers and agribusiness firms to invest in technology and expand operations. Olaoye et al. (2021) and Ofosu-Mensah Ababio et al. (2022) emphasize that financial exclusion remains a major barrier to agricultural modernization. Similarly, inadequate infrastructure, including transportation and storage facilities, increases post-harvest losses and reduces efficiency (Fofack et al., 2020; Ewetan et al., 2020). These structural constraints highlight the interconnected nature of institutional voids, where deficiencies in one domain often reinforce challenges in others. The role of governance and public policy is particularly significant in shaping the extent and impact of institutional voids. Effective policy interventions can help reduce institutional gaps by improving regulatory quality, strengthening market-supporting institutions, and promoting inclusive development. However, as noted by Luiz and Guchu (2022), the effectiveness of such interventions often depends on implementation capacity and contextual alignment. Weak governance structures may result in policy inconsistencies, further exacerbating uncertainty and discouraging private investment (Haggard et al., 2019; Shahbaz et al., 2018).

Technological advancements offer promising avenues for addressing institutional voids, particularly in the context of information asymmetry and coordination challenges. Digital platforms, mobile technologies, and blockchain-based systems have the potential to enhance transparency, improve traceability, and facilitate market linkages. Lee et al. (2020) and Ono and Iwasaki (2022) demonstrate how such technologies can reduce transaction costs and strengthen value chain integration. Nevertheless, their effectiveness is contingent upon supportive infrastructure and digital literacy, which remain limited in many emerging

economies (Chome et al., 2020; Sial et al., 2022). Another important dimension highlighted in the discussion is the impact of institutional voids on inclusivity and equity within agribusiness systems. Weak institutions often disproportionately affect marginalized groups, including smallholder farmers and women, by limiting their access to resources, markets, and decision-making processes. Sexsmith and McMichael (2015) and Escher et al. (2018) point out that such disparities can exacerbate socio-economic inequalities and undermine sustainable development goals. Addressing institutional voids, therefore, requires not only efficiency-oriented reforms but also inclusive approaches that ensure equitable participation.

The interaction between local institutional contexts and global market dynamics further complicates agribusiness development. Participation in global value chains requires compliance with quality standards and regulatory requirements, which can be challenging in weak institutional environments. Wawrzyniak and Doryń (2020) and Zhu (2018) note that institutional deficiencies can limit export potential and reduce competitiveness. At the same time, international actors, including multinational corporations and development organizations, can play a role in bridging institutional gaps by introducing standards and providing technical support (Tiessen & Smillie, 2017; Woods, 2019). Overall, the discussion underscores that institutional voids are not static barriers but dynamic elements that shape and are shaped by agribusiness activities. While they pose significant challenges, they also create opportunities for innovation, adaptation, and institutional evolution. Understanding this dual nature is essential for designing effective strategies that promote resilient and inclusive agribusiness development in emerging economies.

CONCLUSION

The present study provides a comprehensive theoretical understanding of the role of institutional voids in shaping agribusiness development in emerging economies. Institutional voids, characterized by weak regulatory systems, lack of intermediaries, and insufficient market-supporting infrastructure, continue to influence the functioning and efficiency of agribusiness systems. The literature consistently highlights that such voids create structural inefficiencies that increase transaction costs, limit access to resources, and restrict the integration of smallholders into formal value chains (Marquis & Raynard, 2015; Barbero & Puig, 2016). These challenges ultimately constrain productivity, competitiveness, and sustainable growth within the agribusiness sector.

At the same time, the findings of this theoretical synthesis suggest that institutional voids should not be viewed solely as barriers but also as spaces that enable adaptive responses and innovation. Agribusiness actors, including farmers, entrepreneurs, and firms, often develop alternative governance mechanisms such as informal networks, trust-based relationships, and cooperative structures to navigate institutional deficiencies (Awanyo & Attua, 2018; Minh & Hjortsø, 2015). These mechanisms, while effective in the short term, highlight the resilience of local systems and the capacity of actors to function in uncertain environments. Furthermore, entrepreneurial initiatives and innovative business models have emerged as critical tools for bridging institutional gaps, particularly in areas such as market access, aggregation, and information dissemination (Bajada & Shashnov, 2019; Terra et al., 2021).

The study also emphasizes the interconnected nature of institutional voids across financial, infrastructural, and governance dimensions. Limited access to credit and insurance services continues to hinder investment and technological adoption in agriculture (Olaoye et al., 2021; Ofosu-Mensah Ababio et al., 2022). Similarly, inadequate infrastructure contributes to inefficiencies such as post-harvest losses and restricted market access (Fofack et al., 2020; Ewetan et al., 2020). These overlapping constraints reinforce the need for integrated policy

interventions that address multiple dimensions of institutional weakness simultaneously rather than in isolation. Public policy and governance emerge as critical factors in reducing institutional voids and promoting agribusiness development. While governments in emerging economies have introduced various reforms aimed at improving institutional frameworks, the effectiveness of these initiatives often depends on implementation capacity, transparency, and alignment with local contexts (Haggard et al., 2019; Luiz & Guchu, 2022). Strengthening institutional quality, therefore, requires not only policy formulation but also effective execution and stakeholder engagement.

Technological advancements present significant opportunities for overcoming institutional deficiencies. Digital tools and platforms have demonstrated potential in reducing information asymmetry, enhancing transparency, and improving coordination across value chains (Lee et al., 2020; Ono & Iwasaki, 2022). However, their impact remains uneven due to challenges such as limited digital infrastructure and low levels of technological literacy (Chome et al., 2020; Sial et al., 2022). This indicates that technology-driven solutions must be complemented by institutional and capacity-building efforts to ensure inclusive and sustainable outcomes. Another important implication of the study is the need to address issues of inclusivity and equity within agribusiness systems. Institutional voids often disproportionately affect marginalized groups, including smallholder farmers and women, thereby widening socio-economic disparities (Sexsmith & McMichael, 2015; Escher et al., 2018). Inclusive policies and targeted interventions are therefore essential to ensure that the benefits of agribusiness development are equitably distributed.

Institutional voids represent a dual reality in emerging economies, acting both as constraints and catalysts for agribusiness development. While they pose significant challenges to efficiency and growth, they also stimulate innovation and adaptive strategies that reshape institutional environments over time. A holistic approach that combines institutional strengthening, technological innovation, and inclusive policy frameworks is essential for fostering resilient and sustainable agribusiness systems. This study contributes to the theoretical discourse by integrating diverse perspectives and highlighting the need for context-specific strategies to address institutional challenges in emerging economies.

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