

Women's Cooperatives in Greece: An On-going Story of Battles, Successes and Problems*

by

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Abstract

Women's cooperatives are the most original type of cooperatives in Greece in terms of planning, organization and management, aimed at increasing their family income and upgrading their social status. In most cases, national or European Union projects financed the cooperatives. The aim of this article is to examine the women's cooperatives and identify the factors that exhorted farm-women to join them, the effects of such a decision on their lives, as well as the problems they faced during their operation. Forty out of seventy-one cooperatives were examined by means of a structured questionnaire in February 2000. The results indicate that the participation of farm-women in these cooperatives provided them a source of income and gave them independence, power of control and self-esteem. However, efforts must be made in order that their members consider them as enterprises that can operate, survive and develop in a competitive environment.

Key words: Women's cooperatives; women's agrotourist cooperatives; farm-women; Greece.

Introduction

In the context of endogenous development, which begins in the social space in which it takes place and is based on local resources (Daoutopoulos, 1995) farm-women obtained an important role. Women were a significant labor force in reserve, and had

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skills in promoting and mobilizing the endogenous resources, supporting the initiatives aimed to preserve and promote the cultural heritage and traditional culture, and increasing heterogeneity in rural areas (Gidakou, 1999). New employment opportunities were created in various fields for rural women. Their main features were time flexibility and part-time work (Schauer, 1993; Little and Austin, 1996; Bock, 1999).

The fact that farm-women undertook extra-agricultural activities was an emerging phenomenon in Europe (Ventura, 1994; Bock 1994; Gidakou, 1999). The main fields of activity were: 1) agrotourism; 2) the handicraft/home handicraft production and trade of cultural products; and 3) the production and trade of products of alternative forms of agriculture. A common characteristic of these activities was that they were all part of the housewife's duties and were familiar to farm-women (Garcia-Ramon *et al.*, 1995, Iakovidou, 2002). At the same time, women participate in the manufacture of a diversified agrotourist product, which could create new opportunities of employment in the countryside, increase their income and have a multiplying impact on the mobilization of other sectors of the local economy and society.

Empirical research carried out in Greece (Iakovidou and Turner, 1995; Iakovidou, 1997; Gidakou, 1999; Gidakou *et al.*, 2000; Iakovidou, 2002) showed that the farm-women who were involved in extra-agricultural activities preferred working in a team or a community because in this way they felt stronger. Most probably, this was due to their personal constraint and to the fact that they had to take on responsibilities. However, the main cause was the provisions of the rural policy about women's awareness of employment (Gidakou, 1999). In Greece, for example, the agents involved in the promotion of rural tourism urged women, mostly through funding, to establish new cooperatives or participate in existing ones rather than to establish personal units (Iakovidou 1992; Tsartas and Thanopoulou, 1994; Gidakou, 1999). Besides, farm-women's presence and participation in collective units and mainly in mixed cooperatives was relatively limited, mostly because of women's perception of the role of the two sexes (Tsartas and Thanopoulou, 1994).

The aim of this paper is to examine the women's cooperatives and identify the factors that exhorted Greek rural women to join them, the effects of such a decision on their lives as well as the problems that they faced during their operation. Forty out of seventy-one cooperatives were examined by means of a well-structured questionnaire in February 2000.

Women's Cooperatives in Greece

The history of women's cooperatives in Greece dates back from the 1950s and began with an initiative of the Ministry of Agriculture (the first women's cooperative was founded in 1957 in the region of Grevena). Women's cooperatives aimed at increasing their family income and upgrading their social status. Nevertheless, they did not succeed in making their presence felt because the priorities of the agricultural policy, at

the time, were the increase of productivity and the modernization of traditional agriculture. From the 1950s until the 1980s some cooperatives suspended business and new ones were set-up. By the mid-1980s, there were only about 10 left (Gidarakou, 1999).

In the mid-1980s, thanks to the European Union's awareness of matters of equality between the two sexes in the rural areas, farm-women were mobilized through vocational training. The saturation of the existing tourist model, the increased raise of awareness of the population on environmental issues and the natural beauties of the countryside created very favorable prospects for extra-agricultural activities on rural tourism. The first women's cooperatives of the country were established thanks to an initiative of the General Secretariat of Equality of the Ministry of the Interior, Public Administration and Decentralization.¹

The first cooperative was set-up in 1983 and started operating some time later. In the following year (1984), no cooperative was established, while in 1985 there was an "outbreak", since six women's cooperatives were established by the Equality Council (predecessor of the General Secretariat of Equality) and the Ministry of Agriculture. Another two were established in 1986 and a third one in 1987. Then followed 3 years of inertia while, from 1991 onwards, new cooperatives were gradually established. In the two last years (2000 and 2001), there has been an "outbreak" of new cooperatives, which amount to 28. These new cooperatives were established with the help of other bodies, such as the Prefecture and Local Self-Government and the Local Action Group, which hoped that women's cooperatives would give a solution to the pressing problem of female unemployment and would keep the young girls in the countryside. The total number of the cooperatives reached 99 by the end of 2001.

The ideology of the new cooperatives does not differ significantly from that of the old ones. It consists of the fact that these cooperatives are not considered as cooperative businesses in a country with a long tradition in mass, organized tourism, but rather as tools for changing the farm-women's status and promoting their collective action (Tsartas and Thanopoulou, 1994).

Besides, their aim, as it was mentioned by Laiou-Antoniou (1985), was "to ensure the economic self-reliance of Greek farm-women as a first step towards their social liberalization". Emphasis was therefore laid on women's economic self-reliance rather than to the creation of a second source of income for rural families, and the promotion of local characteristics, which are the main aims of agrotourism.

The initiative of the Equality Council consisting of promoting purely women's cooperatives was based on the following conclusions (Iakovidou, 1992):

1. The participation rate of farm-women in socio-economic institutions (cooperatives, associations etc) was low;
2. It was easier for women to participate in women's cooperatives than in mixed ones;

¹ This is the authority responsible for promoting and guaranteeing the legal and substantial equality of opportunities and the equal treatment of men and women in "all sectors of economic and social life".

3. In spite of their active participation in agricultural activities, women did not have a personal income.

Then, mainly in the early 1990s, many agents (Ministry of Agriculture, Development Agencies) took advantage of the European Union programs to raise awareness of the farm-women and urge them to establish purely agrotourist and agroindustrial cooperatives, specialized in the production of a wide range of traditional and cultural products. However, in most cases, the efforts of these agents were limited to organizing training seminars for women or providing assistance during the establishment of a cooperative and did not foresee further support and promotion. Besides, if we examine the evolution of women's agrotourist and agroindustrial cooperatives, we see that these agents' attitude towards them was very often ambiguous and variable. More specifically, because of the policy priorities of these agents, the results of their interventions were not widely felt. And because of the change in its leadership, the Equality Council sometimes showed a great interest in women's cooperatives and sometimes it ignored them. The policy of the Ministry of Agriculture (which was expressed mainly through the Division of Agricultural Domestic Economy) also had to deal with the change of point of view of its successive leaderships. The transformation of the Division of Agricultural Domestic Economy into a Department, which is underway, even symbolically, is indicative of this situation. The Regional, Prefecture and Local authorities can also implement a similar policy aiming at supporting women's cooperatives. In this case the local character, the "outcry" that may arise against their negative attitude, and the need for support that will guarantee their reelection, do not let the authorities to ignore them. However, in any case the choice of mobilizing women by means of cooperatives was successful because, on an individual basis, a woman's participation in a cooperative implied less responsibility, smaller investment and, thus, lower economic and personal risk than the establishment of a personal enterprise. Therefore, women's mobilization was easier.

Initially, women's cooperatives in our country were, both in theory and practice, modern and strong elements in the creation of new structures in the rural areas. Then, the local development institutions went through a period of economic and social stagnation, which was mostly due to the lack of support from the competent agents and especially those launching the agrotourist programs in our country. The State agents considered this type of cooperatives, within the framework of short term programs, more as an opportunity to receive European Union funds rather than an element of local development. In addition, while, initially, some of them fully supported the cooperatives, then they withdrew their support completely, unexpectedly and at an inopportune time while the structures required for ensuring the self-reliance had not yet been established (Giagou and Apostolopoulos, 1996).

The cooperatives that survived and were developed owed their success to one or more of the following factors:

- They had a nucleus of women, who were particularly active and had leading skills (Ayios Germanos, Petra, Ayios Antonios, Poroia);
- There was a local agent that encouraged and supported their efforts actively

(Tyhero, Nea Zihni);

- They used the bottom-up approach for their establishment.

Although most of the cooperatives were funded by national or EU programs, very few of them managed to overcome their problems and the state subsidy “syndrome” and to promote their activities in a way that would enable them to finance them (Tsartas and Thanopoulou, 1994).

Today, there are 99 women's cooperatives. Most of them were established as agricultural cooperatives with special ends according to the Law on Agricultural Cooperatives (L.1257/82 and especially L.1541/85), while others operate according to the legal regime governing the Urban Cooperatives (L.1667/86, as modified by Art. 27 of L.2166/93). In March 2000, the new Law on Cooperatives (L.2810/2000), who provides for the establishment and operation of the Agricultural Cooperatives, was laid down.

The agricultural cooperative form was chosen by most women because of the tax incentives it offered and the support provided by the Ministry of Agriculture, the Panhellenic Federation of Agricultural Cooperatives (PASEGES) and, from 1999 by the Union of Agrotourist, Handicraft and Home handicraft Cooperatives. The form of the urban cooperative was chosen either because of women's lack of information or because the establishment process of an agricultural cooperative, as provided for by the previous Law on Cooperatives, was longer (it required the consent of PASEGES and the Ministry of Agriculture). The counter-incentive for the small communities was the number of members required for the creation of a cooperative (20 members and exceptionally 15). The new Law on Agricultural Cooperatives put an end to these problems because the agrotourist and agroindustrial cooperatives were classed as agricultural activities and the minimum number of members was set to 7.

Most of the cooperatives were founded during the 1990s due to the European Union and national programs that were implemented after the 1990s (LEADER², National Organisation of Employment, etc.).

According to the data of the General Secretariat of Equality, Ministry of Agriculture and other bodies, 28 out of the 71 cooperatives that reported their field of activity, worked in the production of traditional foodstuffs (conserves, jams, frumenty, pasta, etc.). Eight of them worked in the production of traditional foodstuffs as well as the manufacture of handicrafts, 11 provided accommodation services, 3 catering, 13 worked in the manufacture of traditional garments and carpet manufacturing, and the rest in other fields of activity (pottery, floriculture, restaurants, etc.).

As far as their geographical distribution is concerned, 19 were situated in Macedonia, 16 in Thessaly, 15 on the Aegean islands, 12 in Crete, 11 in Thrace, 10 in Epirus, 10 in the rest Sterea and Euboea, and 3 in the Peloponnese, Ionian islands and the Region of the capital. The Prefecture of Magnesia and Lesvos, had the highest concentration of women's cooperatives (10 in each Prefecture) followed by the Prefecture of Evros (8), Heraklion (7), Euboea (6), Florina (5) and Chania (5). It is worth noting that in 16 Prefectures of the country there are no women's cooperatives.

² LEADER (1991-to date) is an initiative of the European Union aiming at rural development.

The main results of the fieldwork

The members of the 40 cooperatives, which participated in the research carried out in February 2000, amounted to 1,184. Therefore, there was a small difference compared to the 1,190 founding members. The average number of members per cooperative was 30, with a maximum of 120 and a minimum of 15 members. Most of the cooperatives had 15-30 members, according to the Law in force at the time of their establishment and set the minimum number of members to 20 (and exceptionally 15). Only three of them exceeded by far the average number of members. Precisely, the cooperative of Tihero in Evros, which had 120 members, the one of Kissamos in Chania, also with 120 members and the one of Zagora in Pelion with 90 members. Given that recently the number of the members of the cooperatives has decreased while the number of the cooperatives has increased, we presume that neither does this form of enterprises go through a crisis nor has it lost its renown.

Some of the following data concerning the problems, expectations and relations of the cooperatives with the local society and agents help us examine this presumption.

Out of the 40 cooperatives surveyed, the first one was set-up in 1983, followed by other six set-up by the end of the 1980s. The remaining 38 were set-up in the 1990s while 22 of them from 1999 to 2001. Among the 40 cooperatives, 31 (69 percent) were established according to the Law on Agricultural Cooperatives, while 14 (31 percent) according to the legal regime governing the urban cooperatives. 28 of them produce traditional food products (while at the same time 8 of them also produce handicraft products), 7 produce handicraft products and 5 are purely agrotourist cooperatives and rent guest houses or rooms belonging to their members thus providing accommodation and breakfast to the visitors. If we add to this last category the 6 cooperatives that did not participate in the research but do provide accommodation to visitors, we draw the conclusion that the purely agrotourist cooperatives have a total capacity of 300 rooms and 650 beds in total. It must be stressed that these cooperatives are scattered throughout the country, going from the north of the country to the centre and the Greek islands.

The rather high cost of investment required for the agrotourist accommodation, the high maintenance and operation costs and the policy of the competent bodies on the new licences apparently discourage cooperatives to work in this field. Therefore, most of the women's cooperatives do what their members know better, that is production of food and/or handicraft products, which does not require big investments.

As for the agroindustrial cooperatives, we see that the production of handicraft or home handicraft products usually takes place in the houses of the members rather than in laboratories, which causes problems related to the quantity and quality of the products. Certainly, laboratories are not always necessary (*e.g.*, in the case of handwoven products), but in the case of the cooperatives that produce food products, the lack of laboratories makes it impossible to ensure quality control, homogeneity of the products, stable quality, and thus the promotion of the products. Nevertheless, things

have been changing recently since more and more cooperatives have been setting-up laboratories (*e.g.*, Cooperatives of Zagora, Nea Zihni, etc.)

Among the food products, the conserves and jams hold the first place and are followed by the aromatic plants and herbs and different kinds of pasta. Women were familiar with the production of such products and turned it into a bread-winning job. However, in their effort to satisfy the needs of the consumers for low-calorie products while preserving the traditional methods of production (preservatives free), women's cooperatives faced various problems related to the preservation and quality of their products.

With regard to the labor force of the cooperatives, the research revealed that most cooperatives covered their needs with their members. Only 7 of them employed permanent staff (usually a secretary) and 4 assigned their account books to accountants. None of them employed qualified employees that would be in charge of their organization, management and marketing, even though they recognized the need for a better organization and a more effective promotion of their products. The main reason for the lack of qualified personnel was the limited financial resources of the cooperatives.

The problems facing the women are related to the production, organization and management of their cooperatives, promotion and advertising of their products and services, and capital raising.

As far as the production problems are concerned, according to more than half of the cooperatives (21), these are due to the lack of laboratories, warehouses, mechanical equipment and knowledge in production matters, quality control and insurance, as well as to maintenance problems.

According to 22 cooperatives, their most serious organizational and management problems are due to the misallocation of duties among the members and the lack of a secretary and a qualified accountant – tax consultant. It is a common belief that the allocation of duties among the members may lead to clashes and conflicts among them. Besides, many accountants – tax consultants who work for cooperatives, are not familiar with the tax regime governing the agricultural cooperatives, which affects them reversibly, as they cannot take advantage of it. A more detailed analysis of the answers indicated that all cooperatives face organizational problems regardless of their years of existence, and that the agroindustrial cooperatives face more problems than the agrotourist ones.

However, the problem facing 70 percent of the cooperatives is related to the marketing of products and services. The incapacity of the cooperatives to promote and advertise their products and services is a serious problem and may be due to the low capital and the lack of specialized knowledge required, rather than to the fact that women downgrade this factor.

The fact that the market of the cooperatives is limited is indicative of this problem. Most often, the cooperatives sell their products within their facilities. In very few cases the shops of the area or the nearest urban centre agree to promote the products of the cooperatives or to sell them wholesale to merchants who standardize and dis-

tribute them. This is not only due to the inexistent, insufficient or ineffective promotion policy or the incapacity of the cooperatives to find new markets, but also to the low production rate. Yet 26 out of the 40 cooperatives that participated in the research answered that they can increase their production with their existing equipment and members provided that there is an increase of the demand. However, 55 percent of them stated that they are in no position to widen their market, not only because they do not have the adequate personnel, but also because they do not have the necessary experience in finding new markets.

Anyway, most of the cooperatives do make efforts to advertise their products that are usually sponsored by local agents.

Thirty out of 40 cooperatives stated that they advertise their products by means of brochures or through the local media, while 25 of them participate in national or local exhibitions where they distribute their brochures. The insufficiency of capital and a lack of market planning make it very difficult for them to launch a regular advertising campaign, which would anyway require a higher capacity to increase the production in order to respond to a potential increase of the demand. It must be stressed that women's cooperatives are also present on the Internet, thanks to initiatives of public or private agents.

Given the low cooperative shares and the small number of members, the total capital available can only cover few activities. Even though many cooperatives have received financial aid from various local, national and EU agents, very few made good use of it. According to the same research, 44 percent of the cooperatives took advantage of EU programs (Integrated Mediterranean Programs, LEADER, etc.), while 50 percent of them resorted to national ones (National Organization of Employment, Ministry of Labour). In many cases, the available capital could not even cover the participation costs of such programs. On the other hand, the research showed that only 6 percent of the cooperatives resorted to loans from financial institutions. Women's negative attitude towards loans shows either that they lack business spirit or that they are uncertain about this business activity.

It is obvious that the low capital resources of most cooperatives and the cautious attitude of their members towards loans make it difficult for them to plan future activities and/or improve their operation.

Very often, the aforementioned problems cause clashes and conflicts among the members of the cooperatives, which, in turn, result in malfunctions. 17 cooperatives admitted having faced similar problems and believed that, in many cases, this is what led their members to indifference and inertia. It must be stressed, however, that many women-members are fully aware of these problems and try to find solutions. They believe that training can be of great help in solving these problems. More than half of them (56 percent) were trained in the last three years but, very often, their training programs were too vague and fell short of their expectations and real needs. They said that they would rather be trained in other fields: 31 of them would like to be trained in organizational matters, 27 in management, 27 in marketing, 22 in production methods, 19 in standardization, and 14 in packaging methods. These answers

express, to a great extent, their worry about the current organization and management of their cooperatives, and their fear of being in contact with the market. However, women believe that they need training even in production matters, which they know better than anyone else. More specifically, they believe that they need training in quality and maintenance matters. Furthermore, they do not feel ready enough to face the aforesaid problems, which, according to them, are the reason for the malfunction of their cooperatives.

Conclusions

Most likely, women's cooperatives in Greece are a business model that inspires farm-women, Prefectural and Local Self-government and other bodies involved in the development of the countryside. These bodies consider women's cooperatives as a tool for promoting local development and presenting to the female rural population new employment challenges that exist mainly in the agrotourist and agroindustrial sector.

The collective business initiatives undertaken by farm-women and the evolution of women's cooperatives, in the last few years, are indicative of high dynamism. However, the problems that have arisen during the operation of these cooperatives lead to the conclusion that great efforts are necessary in order that women consider these cooperatives as businesses that can operate, survive and grow in a competitive environment. In an economic background with highly competitive conditions, the cooperatives must operate as businesses. This implies a business spirit, which, in practice, means search for new development potential. The lack of business spirit that characterizes the members of the cooperatives may be due to their lack of experience and knowledge or to the fact that, very often, cooperatives are their second occupation. Therefore, women do not spend enough time and money on them. Besides, the fact that many cooperatives were established thanks to the funds of national or European Union programs shows that it is very difficult for them to overcome the state subsidy "syndrome" and undertake dynamically the promotion of their activities, that would enable the cooperatives to finance them.

Consequently, cooperatives must, on the one hand, offer products or services that meet the high standards set by the particularly demanding consumers and, on the other, compete with a highly competitive market. Still, most women are not ready for this. Most of the many training seminars held by public or private institutions took place before the establishment of the cooperatives and confined themselves to informing women, local societies and agents about agrotourism and the cooperative movement. As a result, they did not provide women the necessary knowledge on the management of the cooperatives and other technical issues related to the production and distribution of their products. Moreover, in very few cases, training programs for women were organized after the establishment of the cooperatives. As a result, women now face serious problems and are in no position to satisfy the needs of the market.

Apart from the financial problems and lack of know-how, women's cooperatives face another problem related to the distribution of their products. That is why women must focus on finding favorable measures that will facilitate the entrance of their cooperatives to the domestic and foreign market. Nevertheless, women alone cannot satisfy the requirements implying special knowledge as well as planning and technical skills. On the other hand, cooperatives alone cannot hire qualified personnel to achieve their goals. Therefore, it is necessary to establish an institutional or assistance service. In this context, it is suggested to create the "Connection Network". It will provide an assistance and support body, which will launch a common advertising campaign, create a distribution and sales system, offer to women on-going training on specific technical, organisational and management issues, promote and standardize "best practice models", establish exhibition centres in the large urban centres, etc.

Of course, the fact that women work in the production of local products or in the hospitality field does not create new work positions. However, to run an agrotourist unit (whether a cooperative or not), apart from the knowledge of the production methods, women need other knowledge and skills in such fields as management, marketing, etc. This combination of skills creates in the rural space a new profession which to date was totally unknown to women. Yet, turning this occupation into a profession does not only require good knowledge of the production methods, good will and high-quality products but also capital and skills that most women in the countryside lack. That is where, most likely, lies their incapacity to overcome the problems they face already at the beginning of operation of their cooperatives.

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