

38<sup>th</sup> Congress of the  
European Regional Science Association:  
*"Europe quo vadis?"*  
**Regional Questions at the Turn of the Century"**

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**Farming Initiatives – A base in Rural Development?**

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**A b s t r a c t**

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*The Federal Institute for Less-favoured and Mountainous Areas has carried out a study on different innovative projects in rural areas which have their roots in agriculture connected with non-agricultural business. The central issues are: Which circumstances lead to the idea and innovative improvement? How is the idea implemented? Is there any support by public and private institutions (extension service, promotion)?*

*The possibilities of alternative income sources on farm units are very manifold. The wide range reaches from selling special products over cooperative trading agricultural products to different services including social services by alternative use of farm resources. Nearly every initiative made use of the existing extension services which lead to the conclusion that consulting is a decisive factor for initiatives. One of the consulting's crucial part is to act as a mediator between the administration and other public institutions on the one hand and the actors in rural areas on the other hand in order to connect the institutions of promotion with the entitled rural population.*

*The initiative was taken for various reasons, the alternative income source develops step by step and sometimes has already become an own enterprise. During innovative processes the actors' activity and commitment is accompanied with recognizing and perceiving their circumstances, chances, and the impact of certain general settings concerning their activities. With regard to changing activities it is very essential to team up with other people in order to create capable organisation structures and to give each other human support. Most of the actors working in rural initiatives have further plans for the future. At the end it was given the impression that one step is following the other and it seems as if the road is made on the move.*

## **Introduction**

Rural development does not concern agriculture only, it should rather lead to an integrated development of all economic sectors. Nevertheless farm enterprises may play a crucial role in this scope due to the manifold resources at the units which are available in order to make up for their backward economy.

As agricultural policy has failed to ensure sufficient income, some farm women and farmers try new ways in order to invent new economic bases to improve their household income. The ideas and their way of implementation are often very original, the combining of agricultural and non-agricultural activities innovative.

The Federal Institute for Less-favoured and Mountainous Areas has carried out a study on different innovative projects in rural areas which have their roots in agriculture connected with non-agricultural business. The central issues are: Which circumstances lead to the idea and innovative improvement? How is the idea implemented? Is there any support by public and private institutions (extension service, promotion)?

The aim of the project is to imply innovative processes that shall become accessible to farm units with comparable resources but also to other actors in the rural areas in order to improve their economic situation. There has been found a range of factors of performance.

Furthermore it is required to include these activities into extension services, education and training together with public promotion which is pointed out by the results of the study.

The paper is divided into following topics

### **I. Methodology and Main Questions**

### **II. Farming Initiatives<sup>1</sup>**

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|---|---|
| 1. Special Transformation and Marketing     | 2. Services   |
| 1.1 Special products                        | 2.1 Welfare centres on farms for children, old and drug-addicted people |
| 1.2 Cooperations                            | 2.2 Environment and alternative energy power (Renewable Energy)         |
| 1.3 Sheep-products marketed by cooperations | 2.3 Alternative use of farm-buildings                                   |
|   | 2.4 Other services  |

### **III. How to be innovative?**

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|----------------------------|---|
| 3.1 To take the initiative | 3.4 The importance of communication       |
| 3.2 New ways of learning   | 3.5 Teamwork                              |
| 3.3 Persisting motivation  | 3.6 Extension services and intermediaries |

### **IV. A Base in Rural Development ?**

## **I. Methodology and Main Questions**

It is generally known that the prices for agricultural products are steadily declining and many farms are given up all over Europe every year. As a result, pluriactivity, in particular, the combination with an off-farm work in farm households with different unit sizes is spread all over Western Europe (Arkleton Trust 1992, Brun/Fuller 1992, Dax/Loibl/Oedl-Wieser 1995a and 1995b). Furthermore the diversity of activities which take place on farms but proceed beyond the production of milk, beef and crops, which is referred to as para-agricultural activities in literature, are very manifold.

In a research project of the Federal Institute for Mountainous and Less-favoured Areas these para-agricultural activities were examined with regard to the resources on farm holdings which can be made alternative use of in order to gain income and the referring activities. The best known of this para-agricultural activities are transformation of agricultural crops and livestock-products and their direct marketing to customers as well as other farm based activities mainly related to the tourist market, for example bed and breakfast (Arkleton Trust 1992). There are already a series of publications about these issues<sup>2</sup> as well as about the taking care of handicaps on farms<sup>3</sup>, and energy and environment in particular in terms of biomass-heating- and solar-energy-installations<sup>4</sup>.

Thus the main issue of the study was to find out further resources on farms going beyond those just mentioned which are used in different ways and which circumstances have lead to the innovative activity. It should be analysed which human, social, economic, and administrative requirements are necessary during the different phases of the implementation. What are the reasons why the initiative was created, under which conditions does it develop, which stones must be removed on the way of initiating and proceeding and how to overcome impediments.

In the case of cooperations the attention was focused on requirements with regard to the team-work. Which circumstances make team-work possible and what determinates provide for a long-term commitment? On the whole there should be given an overview on the variety of income-alternatives on farms as well as a general outlook on circumstances that should be taken into consideration in terms of innovative initiatives. In this study it is not claimed to cover the entire range or possible para-agricultural activities.

The decisive factor in the selection of the single initiatives which should be examined, were the variation between seven groups, which were built in advance. In addition they have to be spread all over Austria<sup>5</sup>. Furthermore there have been examined three initiatives in Germany.

## II. The Initiatives

The seven groups have already been built before the implementation of the survey in order to give an overview of the manifold possibilities in terms of income combinations on farms. It is not surprising that the initiatives mostly belong to more than one group. Decisive factor in order to divide the selected initiatives was the achieved innovation. For instance a farm woman who organises seminars on baking farmers' bread and arranging wild flowers in a former horse stable was contributed to the group „alternative use of farm buildings“ although the biggest part of her and her husbands income is achieved through selling dairy products from sheep. In the following the examined initiatives will be presented according to the seven groups.

### 1. Special transformation and marketing

The group "Special transformation and marketing" deals with the issue of marketing of agricultural transformed products under various aspects. In this category not the conventional examples of direct marketing should be described, but models be found which transform special products out of agricultural crops and livestock as well as out of forestry products (1.1). The range of market diversificated products includes transformation-products out of wool and wood, catering services with farm-own products as well as the production of cosmetics from whey<sup>6</sup>, plant-oils and herbs. Furthermore this category includes cooperations like enterprises, associations, and cooperatives dealing with jointly marketing of more or less transformed agricultural products (1.2). Central issue was the requirements of team-work. In consideration of the importance of the cooperative marketing of sheep-products (dairy, lamb, wool) for the future it was presented as an own category (1.3).

#### 1.1 Special products

Under *Special products* two units have been described that produce cosmetics from goats' milk (Sanoll's goats' milk-cosmetics) resp. from mare's<sup>7</sup>-milk (Hehle's mare's milk-cosmetics) and sale them directly and through retail market.

1.1.1 The family *Sanoll*, who lives in Tyrol, is no farm family, but put a step into agriculture and retired from farming after the cosmetic business succeeded. Their access to

agriculture was marketing *goats' milk*, cheese, kids' meat and other products at the farmers market in Innsbruck. When they began to produce goats' cheese there was a lot of whey that was first sold as refreshing drink. Talking to the customers they got the information that in former times whey was used as a cleaning water for the face and a cleanser. After some experiments they succeeded in their first products. In the meantime they market more than 40 different *cosmetic-products* as shower-gel, shampoo, soaps, body milk, different creams etc. The single raw-material comes from organic farmers. Beside the couple there is also a hired labour force employed.

1.1.2 The family *Hehle*, who lives in Vorarlberg, the western federal land at the border to Switzerland, began the reorganisation of their farm from cow to *mare's milk-production* of uncomfortable events not further mentioned. The circumstances remained unfavourable after the readjustment. Alternative medicine considers mare's milk as a medicine, which is used in a sanatorium for patients suffering from lungs' illnesses, after operations of the intestines as well as a diet for babies and premature birth<sup>8</sup>. Due to the medicine-law in Austria only products which has been proved as a medicine are allowed to be market as a medicine. This is very important with respects to advertising. Something that is not proved as a medicine is not allowed to be advertised with words like „helps when you have no appetite“ or „against inflammation“. Thus it is important to market this kind of products by personal advisory which is given in retail drugstores, and retail markets which sell exclusively organic food and products (Naturkostladen). The mare's milk-cosmetic-products are produced by a druggist.

## **1.2 Cooperations**

Beside the presentation of the implementation and development, the main issue of cooperations was to describe factors of influence of the team-work within cooperating actors. The experiences in terms of requirements for a good working cooperation are summarised under point 3.

1.2.1 Among the regional cooperations in Austria the costumer-producer-working-association *KOPRA* in Vorarlberg was examined. At first the association started with direct marketing of beef and continued with further farm products from farmers living in a disadvantaged area. In the meantime *KOPRA* is also an organic trademark and an

organic cooperative which will increase the range of products as well as the group of costumers also outside the region Vorarlberg.

1.2.2 The second example of a cooperation is the organic catering-service *Tischlein deck dich*<sup>9</sup>. At the beginning of the 90ies it was started as a pilotproject of the organic association "harvest for life Upper Austria" ("Ernte für das Leben Oberösterreich"). In the meantime there is a "Tischlein deck dich" - company or - association in nearly every federal land in Austria. In one federal land "Tischlein deck dich" is operated by a farm couple. Products which are not available are purchased from other organic farms by the company, associations and the farm holding. "Tischlein deck dich" offers seasonal and regional products in the way of cooked meals, sandwiches and different salads. The drinks are also produced by organic farmers in Austria (wine, "Most" and fruit drinks from apples, pears and different berries). There are several services added like sending invitation cards to the guests and taking them home after the party.

### **1.3 Sheep-products**

All products from sheep belong to the mere agricultural produce that still have an increasing market demand. Furthermore the sheep are with regards to their extensive way of holding especially suitable to sustainable agriculture in particular in the mountain regions of Austria (which cover about 70% of the total area). There has been no market for Austrian lamb meat up to the seventies. The demand was covered by imports from Australia and Newzealand. When the Austrian pioneers began to sell fresh and not frozen lambs of quality in particular to the restaurants and hotels in the Alps in the late seventies and beginning of the eighties, the foreign import-companies also started to deliver fresh meat from lambs. The cheap prices<sup>10</sup> are a challenge to the marketing of Austrian lambs, but the demand is still increasing so that every cooperative was optimistic about their economic future.

1.3.1 Among this kind of cooperations one of the oldest peasant cooperatives in Austria is described. The Tauernlamm-Cooperative in the federal land Salzburg was founded in 1979. When a group of 15 farmers started to market their lamb meat of quality on their own, there has been no marketing for it nor for other sheep-products like cheese, yoghurt and wool. Last year the cooperative delivered 2.000 lambs under the trademark „Tauernlamm“ within a comprehensive range of farm products. The requirements in the

scope of slaughtering are very high due to the EU-regulation considering the determination in hygienic regards. The Tauernlamm-Cooperative is planning to adapt their slaughterhouse according to the EU-regulation 1997/98. The investments will be promoted by objective 5b measures. Four people are employed, two full-time and two half-time.

1.3.2 Another pioneer among the sheep farmers is the "Josef Schett KEG<sup>11</sup>-company" in East-Tyrol. A cooperation of three farmers and one butcher began at the end of the 80ies to market lambs of quality under the market-trade "Villgrater Frischlamm" to the regional restaurants and hostelry. Since the beginning of the 90ies the production shifted to the transformation of wool to goods like mattresses, blankets, and pillows etc. as well as isolation material. According to the shifted production the trademark was renamed to "Villgrater Natur". Last year about 1.000 lambs and 100.000 tons of lambswool was processed and sold. After the opening of a branch store in Kitzbuehel in Tyrol in 1995 another branch store is opened in Vienna in 1996. The company employs 10 people from the valley.

1.3.3 On the contrary to the pioneers the "Weizer Sheep-farmers-cooperative" in Styria was founded in the beginning of 1996. This cooperation comprises about 100 farmers with just a few sheep held by hobby-sheep-holders and others with up to about 100 sheep. They have purchased together a closed-down cooperative of processing and delivering dairy products and are going to adapt the building according to their needs of processing dairy products from sheep-milk and sell lambs-meat. At the same time the cooperative wants to build a sales store and a bureau for their manager. The investment is promoted by measures of objective 5b. Already the first year about 5.000 lambs and 180.000 litres of sheep-milk, processed to cheese and yoghurt, were delivered. Four people are employed.

## **2. Services**

The second group is dealing with different services (on the contrary to the production and processing of products). Among these are social (2.1) and municipal services as well as services in the scope of energy and environment (2.2). In addition there are services in connection with the re-using of farm buildings (2.3) and other services (2.4).

## *2.1 Social services*

The taking care of children and old people, which are described under the category Social services, are presenting traditional activities of farm women. Para-agricultural businesses does not deal with the unpaid work within the family, but shall point out examples, wherein in particular farm women but also farmers as qualified persons in taking care either of children or of old people earn money through social services. In the scope of social services an according qualification is a fundamental requirement. A further example of the combination between agriculture and social services is the foundation of therapy-stations for drug-addicted people on farms. (Integrating handicaps on farms was described by Wiesinger 1991).

2.1.1 *Welfare living:* In Upper Austria 11 farm holdings have built a cooperation and want to modify agricultural buildings to apartments in purpose of renting them out to old people. The elderly will also be cared for by the farm women who will have the qualification of a taking care person for elderly people. The objective-5b-project is assisted by the district chamber for agriculture in Perg, Upper Austria.

2.1.2 The Chamber of Agriculture Vorarlberg has started a pilotproject in 1995, which makes it possible to children between six and twelve years to make holiday on a farm without their parents. The farm family should have children in a similar age so that the time for looking after the children should not require much more time than usual. Furthermore this project intends to teach children in agriculture (they have to feed animals together with farm children and learn about the work on a farm).

2.1.3 The second initiative about child-care was to arrange birthday-parties for children on a farm. Decisive factor for the idea to mediate farming to children. Now a farm woman in Borcken, Münsterland in Germany, organises once or twice a week birthday-parties for children between four and ten years from the cities in the near Ruhrgebiet. The farm woman absolved a qualification of the Chamber of Agriculture in Westphalia-Lippe and of the Association of Farm Women in Germany, which will be shortly described under Farm-women-Services (2.4 Other services).

2.1.4 In Vorarlberg an organic farmer has absolved the qualification of a Psychotherapist and



founded a therapy-station for drug-addicted people on his farm. Besides different creativity-workshops the clients are able to work in vegetable cropping and livestock husbandry ("working on a farm may have therapeutical effects"). The working capital is financed in advance by the farmer and therapist. The therapy-station is provided by these goods, and the surplus is sold on the regional market. Eight therapists are employed. There is also a cooperation with organic farmers who look after former drug-addicts on their farm. As an alternative income they get paid by the land Vorarlberg.

## ***2.2 Energy and environment***

comprise activities in the scope of alternative energy as biomass-heating- and solar-energy-installations which have been installed first by farmers. The first solar-energy- installations were invested in order to reduce the costs regarding to operating resources. Two third of about 250 biomass-heating-installations in Austria are initiated and operated by farmers mostly in cooperations. In terms of solar-energy-installations most of them are built in the meantime by non-farming inhabitants.

The importance of these installations is that they do not cause so much environmental pollution (there is no emission of damage materials at the solar energy and an adjusted CO<sub>2</sub>-balance at the biomass-heating). Furthermore the supplying of the municipality or region with "home-made" energy is significant with regards to keeping the purchasing power in the region. Partly these biomass-heating-installations became a kind of meeting place for tourists who consume something in the regional restaurants and retail stores.

In this connection a further work done by farmers is to cultivate the cultural landscape and to compost biogenous garbage, both as a municipal service. This example is briefly presented in the following.

2.2.1 A cooperation between four farmers in the region Murau in Styria is operating municipal services in the scope of cultivating the landscape and composting biogenous garbage. One of the farmers is collecting the biogenous garbage from the different private households as well as from the churchyards and several enterprises. The composting takes place at specially prepared areas which have to be authorised by a procedure with regards to the law of water. The compost is used as a natural fertiliser. The farmer is paid by the municipalities. He is planning an installation for biogas which

is generated through the process of composting and can be utilised as an energy-power.

### ***2.3 Alternative use of farm-buildings***

In this category the range of possibilities reaches from the re-building for the purpose of letting out apartments, storerooms, offices, up to farm cafes and other kinds of restaurants, inns, in Austria the famous "Heurige" etc. wherein home-made meals and drinks are served.

2.3.1 A farm woman in Upper Austria organises seminars on baking farmers' bread and arranging flowers as well as cereals in a former horse stable mostly for other farm women. The biggest part of their income is earned by processing and delivering dairy products from sheep. In the former stable for pigs and cattle they are going to have modern installations in order to process the dairy products from the milk of 120 sheep.

2.3.2 A farm couple in Germany re-built a former stable for milk-cows to a farm cafe and sales regional meals (Muensterlaender onion-beef, baked potatoes, and different soups and salads) made from their own agricultural products. In order to utilise the capacity in weak seasons the farm woman organises dinners for birthday-parties, weddings, business enterprises etc. The main income source of the farm couple is still direct marketing of several agricultural products more or less processed.

### ***2.4 Further services***

In the framework of Further services the combination of farm businesses and services in connection with an alternative income for farmers and farm women are described. This issue comprehends also municipal services like removing snow from the streets by snow-ploughs and tractors as well as cleaning drains etc. Furthermore seminars, etc. are taking place at farm houses. There is a wide range of services in the scope of catering, housekeeping, and child-care offered by farm women.

2.4.1 The Chamber of Agriculture in Westphalia-Lippe and the Association of Farm Women in Germany, organised a training-program with regards to different qualifications for farm women who want to "walk on new ways of pluriactivity for women" in 1995/96. Since March 1996 this pilotproject is implemented through the foundation of so-called

Offices for Farm-women-Services. These offices, which are led by a manageress who is also a farm woman, are a kind of turntable between the offers and the demand of customers. The offer includes a wide range of services with regards to catering, housekeeping, and child-nursery. There is an allround service for parties and family-, singles- and households of elderly people. (As an example of part-time child-nursery under 2.1.3 in this paper the organisation of birthday-parties is presented). But there is also the possibility to get qualification in so-called "days-mother" (a woman who takes care of children during the day while the real mother is at work) which fits best to young farm women who have little children on their own. The farm women arrange also tours for tourists through their region (Muensterland) and show them sightseeing regarding to folklore.

2.4.2 Telehouses and tele-offices offer the total infrastructure for so-called tele-workers who are online with their employers in a city. They also provide the inhabitants in the peripheral region with training and education programmes as well as secretary services and management consulting. The examined Tele-office Retzer Land (Lower Austria) shows that there are not only jobs created but shifted from the centres to the peripheral regions. As a result commuting and polluting of the environment (most of the commuters go by car) shall be reduced.

The Leader-II Local Action Group Oetztal in Tyrol started to establish a telecenter in 1996/97 which shall become an education and training centre as well as a communication centre in the valley. The first training-programme for farm women starts in spring 1997 and will be continued in autumn 1997. About twenty farm women will learn how to handle different computer programmes like "word" and "excel" by discussing a "virtual farm enterprise". A farm woman will learn how to write an official letter to the public administration or an information about holidays on her farm, etc. and how to do it by using the computer. This is called project-referring training and education.

### III. How to be innovative and successful?

There is a complex system of determining factors in terms of the successful implementation of initiatives. In science it is usual to describe the circumstances and requirements in a very comprehensive and difficult understanding way whereas the actors often are going to solve their problems resp. overcome impediments straight ahead without analysing the whys and the whats. Nevertheless, in science it is necessary to divide the determinants into different assemblies which cannot be delimited from each other strictly in practice. Figure 1 gives an overview how these different aspects are connected to each other.

#### 3.1 To take the initiative

Initiatives always mean changes with regards to the former activities and the previous usual circumstances. The first step is not the idea but the wish to change something or to do something new. This requires to perceive the actual situation and to assess it if it is satisfactory or not. There are different reasons for being not content with the actual circumstances, however. One of them can be that somebody does not have a job or farm activity according to his or her abilities. **Recognition** is required again in terms of discovering one's own competence.

Sometimes people have to travel around or to talk to people who are active in initiatives to recognise the need for change. Practically in all examined cases the **actors worked outside agriculture** for some time and/or **lived outside the region** for a while.

In some cases it was people from outside who provided the input of new ideas, sometimes it was the chamber, other professional extension workers like those from the OEAR, which means Austrian Association for Self-reliant Rural Development, or politically engaged people. The OEAR is the most famous non governmental institution in the scope of professionally consulting initiatives in the rural areas. One of the main principles of the concept of the OEAR's organisation is that the extension service bureaus are located in the regions and that the extension workers are participating in rural life (Oedl-Wieser 1994).

**Political engagement** is another reason and a kind of requirement that is essential in the framework of initiatives. There has to be a political background in order to become active. Political background means that the actors e.g. want to sustain agriculture in disadvantaged regions, or change to organic farming, or want to create new jobs, etc.

After realising that something has to be changed one of the most important steps is **to set targets** for results which should be achieved. This means that one has to analyse the actual situation (resources, abilities, possibilities for a partnership etc.) very carefully in order to work out the procedure of implementation **step by step**.

### **3.2 New ways of learning: creativity and experience exchange**

"The peasant human being is learning by looking at something and not by reading scientific papers" stated an actor who learned how to market sheep products by **experience exchange** and study tours to initiatives in Bavaria and Switzerland. So did other actors too, in particular, those marketing sheep products (Villgrater Natur and Weizer Sheepfarmers' Cooperative).

The cooperation KOPRA in Vorarlberg implemented the experiences of a direct marketing association in Switzerland (called KAG: Consumers' Working Association).

Most of the initiatives learned by study tours and experience exchange and are in the meantime aim for study tours of other people on their own. It was stated by some extension workers that successful initiatives behave open-hearted to interested people whereas those who are afraid of competition ("somebody could come and copy the same business") are not successful in the long run.

Most of the actors had absolved a **training outside agriculture** and took part on courses in terms of continued education. The traditional education at school is teaching to think in straight lines which avoids creativity and developing the own competence. Some of the examined actors give the impression that their creativity and the recognition of their own abilities matured step by step since they started with their working life.

### **3.3 The importance of communication**

"By talking people meet each other" is a saying in Austria. The importance of conversation, discussing and exchange of ideas was underlined in particular by the cooperations. To work together requires a good basis of communication. In some cases it was stated that it is favourable that the actors have known each other before and maybe if they share some spare time together. Joining the actors to a pub next to an official meeting makes it sometimes easier to talk about crucial things which would not be mentioned under working circumstances.

On the other hand, however, there were at least two initiatives where the impression came up that the farmer do not even talk to his wife when he is going to plan a different or additional activity. Although women work a lot they often do not claim for co-determination due to the patriarchal circumstances.

Changes causes conflicts which can just be handled if people talk about them. If there are fights among single actors which cannot be solved within the group it is suggested to start a kind of supervision with a qualified trainer.

The way of talking is not just important within a cooperation but also towards customers as well as towards people representing the official administration.

### **3.4 Persisting motivation**

By starting an initiative from outside (e.g. by extension workers) but also consulting bottom up initiatives it is very important to give rise to **quick events of success**. This could be an article in a local newspaper about the planned activities of the initiative, or the first content customers who spread the news by mouth advertising.

Beside the reason of motivation to earn more money and to be economically successful **idealistic objectives** have also to be considered. Such aims could be the production of organic food or the cooperation within a non-hierarchical team or sustainable farming etc. In particular it is important to concentrate on idealistic objectives if unfavourable circumstances afford it.

To connect commitment with being **pleased by working** for the initiative is a significant aspect in terms of persisting motivation. If the job is entirely difficult and exhausting people become busy over the time so that they are not free to do or think something else. However, to avoid to be busy at the beginning of a new activity this might not be very easy, because it is still in our mind that there is no success without hard working. Nevertheless to originate an innovative activity which fits together with one's own competence and interests causes satisfaction and pleasure nearly without intention.

### **3.5 Cooperation**

One of the most important maxims of the market system in the western world is competition. The first games children learn is to strengthen their competitiveness. The results of an

examination referring to extension work of direct market initiatives (Vogel 1994) proved that actors fail being pleased with their activity and their achievement (although they may be successful) due to the competition among the team. Cooperation is the new slogan and not longer working against each other. At first people have to learn to work together because competition as the one and only motor for activity is still in their mind.

In cooperations it is very important that every actor implements **tasks and functions according to his or her abilities**. There has to be a clear and easily understanding of the organisation regarding to the various responsibilities and duties. According to the female leading style there should be coordination rather than commanding. Most of all the assessment of different functions and tasks should be erased. Instead actors acknowledge their own and the competence of the others which can be implemented best according to the suitable roles and tasks within a team.

Decisions have to be accepted by all members of a team. This requires a high level of willingness to discuss the matters of facts and to talk frankly together. In order to be able to react rather quickly in terms of developments at the market the cooperative KOPRA installed a so called secretary managing board. According to the basic idea that a group decision is better than one made by a single person top down decision should no longer be accepted.

### **3.6 Extension services and intermediaries**

Nearly every initiative made use of the existing extension services. This comprises the agricultural pressure group (chamber of agriculture), associations referring to organic farming, as well as private extension services like the OEAR and leads to the conclusion that **consulting** is a **decisive factor** for initiatives.

First of all the function of consulting refers to the analysis of the recent situation and the available resources as well as the interests and competence of those who are looking for advice. Further aid is to be given in calculating the required investments and to assess the eligibility of financing. In this context the extension worker has to know a lot about the promotion system and other formal affairs.

One of the consulting's crucial part is to act as a **mediator** between the administration and other public institutions on the one hand and the actors in rural areas on the other hand in order to connect the institutions of promotion with the entitled rural population.

## **IV. A base of rural development ?**

The economic and social problems of rural areas are particularly complex. This requires adjustment policies, and policies to accommodate and capitalise on the diversity of economic, cultural, social, environmental, and resource bases of rural areas. Most of all intermediaries and translators of complicate public matters (laws, promotion schemes etc.) are necessary in order to connect the possibilities of the government with the creativity of the people in the countryside. Neither the pressure of action nor the financial risks implied by policies should be too high in order to canalise the activity in a productive way. In particular, regarding objective 5b-measures it was complained about the tremendous investments on the one hand and the exhausting labour on the other hand which are not compatible with the aim of mobilising economic activities in rural areas. Most of all, rural development has to be initiated by bottom up processes, nevertheless the economic development in rural areas needs public support in terms of promotion and consulting.

The possibilities of alternative income sources on farm enterprises are very manifold. The wide range reaches from selling special products over cooperative trading traditional agricultural products to different services by alternative use of farm resources. In most cases several jobs had been created, farmers and farm women are no longer just working on their farms but became managers of cooperatives or enterprises, sales managers, cooks, marketing experts, a psychotherapist, persons taking care for elderly people, who look after children (not just their own), became active members of a group who built up a tele-center etc. The integral development of rural areas needs people who recognise and perceive their context, circumstances, chances, abilities, and the impact of certain general settings concerning their activity and who are able to step out of their traditional role and cooperate with other farmers, employees, handicrafts, businessmen, politicians, etc.

In most cases the initiative was taken for various reasons, the alternative income source develops step by step and sometimes has already become an own enterprise. Actors have to be pleased with their activity for doing something they are able to. In general, farm women provide a big sensitivity for the changes in life. Thus they are often open-hearted towards readjustment and new alternative income prospects. However, they can suffer from the opposition within the farm family starting new occupations. In most cases the first impediments have to be overcome already before the activity starts.



With regards to changing activities it is very essential to team up with other people in order to create capable organisation structures and to give each other human support. People with different professional background have different ideas which have to be compatible in order to manage a common development.

Most of the actors working in rural initiatives have further plans for the future. As soon as the first ideas have been implemented successfully it is developed a new one. At the end it was given the impression that one step is following the other and it seems as if the road is made on the move.

## **Acknowledgement**

I want to thank Josef Krammer for having the idea which led to this project. Further I want to thank my colleagues Michael Groier, Georg Wiesinger and Josef Hoppichler for discussing central issues as well as Gisela Zechner for her interesting contributions concerning the issue as well as for her support in terms of project management. Last but not least I thank my colleague Thomas Dax who assisted me in structuring my ideas and always showed me another point of view by his original arguments.

## **Appendix**

Figure 1: The System of General Settings and the Factors of Performance of Initiatives

## **Notes**

<sup>1</sup> The examined initiatives are divided into seven groups which may be overlapping each other. The first three groups referring to production, the four later to services.

<sup>2</sup> Glatz/Scheer 1981, ÖBV (Hg.) 1988, Hebertshuber Martin 1989, Regenermel, Schmid (Hg.) 1989, Wirthgen/Maurer 1992, Die Bergbauern (Mountain farmers), No. January 1992 und February 1992, Gfrerer et al. 1996, Josef Willi (ed.): Heft 2-3 1996 as well es several brochures of the Landes-Landwirtschaftskammern and the Federal Ministry for Agriculture and Forestry.

<sup>3</sup> Georg Wiesinger 1991

<sup>4</sup> Waldert 1992, Perzi 1994, Greisinger 1995, Graf 1996

<sup>5</sup> Austria is a federal state with nine Laender: Burgenland, Carinthia, Lower Austria, Salzburg, Styria, Tyrol, Upper Austria, Vienna, Vorarlberg

<sup>6</sup> liquid obtained by processing cheese

<sup>7</sup> female horse

<sup>8</sup> Mare's milk is very similar to human mother-milk with regards to the relation between fat, protein and lactose.

<sup>9</sup> "Set the Table" is the title of a very famous fairy-tale in Austria.

<sup>10</sup> A farmer in Salzburg gets about 1.000,- Austrian Schillings per lamb, whereas a farmer in Newzealand is content with 250,- Austrian Schillings.

<sup>11</sup> German: KommanditErwerbsGesellschaft, that means Limited Commercial Partnership

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Figure 1: The system of general settings and the factors of performance of initiatives

- general setting
- ⊕ factors of performance

