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## **Women's Cooperatives and their Contribution to the Local Development of the North Aegean Region, Greece**

by

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### **Abstract**

In the last twenty years Greece has witnessed the emergence and establishment of women's cooperatives, a form of productive agricultural cooperatives. This paper explores their importance and their contribution to local development. Evidence is presented for an island region, the North Aegean. Personal interviews, using structured questionnaires, were conducted with the chairwomen of all the region's cooperatives in order to obtain an insight into their structure and dynamics. According to the findings of this study, women's cooperatives are characterized by substantial potential on the one hand and by serious drawbacks on the other. The economic performance of the cooperatives is satisfactory, while the use of local resources and 'know how' contribute to the development of the region. Interpersonal problems, the inability of the cooperatives' members to fully understand their new role as businesswomen and the small participation of rural women are the cooperatives' major problems. The future of the women's cooperatives is still unclear despite their 20 years of existence.

**Key words:** women's cooperatives, North Aegean, local development

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## Introduction

Rural women hold an ‘invisible’ role (Cloke and Little, 1997; Gidarakou, 1999a; O’Toole and Macgarvey, 2003; Gidarakou et al., 2000) and they are viewed as ‘other’ (Alston and Wilkinson, 1998) when compared to the dominant status of rural men. This is so because rural women are ‘*perceived as helpmates, wives, mothers, domestics and generally subservient to the dominant economic work of the men*’ (O’Toole and Macgarvey, 2003: 173). The fact that in most cases rural men own the land, control women’s labor and make agricultural decisions in patriarchal social systems (Sachs, 1996) explains the low status of farm women (Papadaki-Klavdianou and Giasemi, 1991; Birchall, 2003). Furthermore, farm women are underrepresented in farming organizations and participate less than men in shaping agricultural policy (Tsartas and Thanopoulou, 1994; Papagaroufali, 1994; Pettersen and Solbakken, 1998; Alston and Wilkinson, 1998; Koutsou, 2000; Brandth, 2002).

The restructuring of agriculture and the emergence of the services’ sector has led to the declining role of agriculture and the tertiarization of the rural economy. Moreover, the changing values and attitudes concerning women’s role in society have created opportunities and constraints for rural women (Efstratoglou, 1998). New job opportunities emerge for rural women, mainly agriculture-related activities such as agrotourism, organic agriculture and activities relating to the marketing of culture, heritage and the environment (Gidarakou, 1999b; O’Toole and Macgarvey, 2003). In Greece, such an activity is the emergence of the women’s cooperatives, a form of agricultural productive cooperatives. This paper deals with the women’s cooperatives and with their contribution to local development.

We begin by tracing the origins of the cooperation movement and women’s cooperatives of Greece in particular. Then, the area under investigation is presented in order to fully understand the peculiarities of the region (insularity, fragmentation of space, agricultural predominance), and then the research method that was followed is presented. Afterwards, the results of the survey on the women’s cooperatives in the North Aegean are presented, focusing on the potential of the cooperatives and their many shortcomings. Then, four cooperatives are analyzed in order to show the development paths of the cooperatives; the establishment of LesvoShop and its impact on the marketing of the cooperatives’ products is presented. Finally some conclusions are raised.

### **The cooperation movement and the emergence of the women's cooperatives in Greece**

The modern cooperation movement has its roots in the 1840s. The first cooperative was founded in Rochdale in the UK in 1844 (Avdelidis, 1986). Other countries in Europe and elsewhere later on adopted the ideals of cooperation. The first Greek cooperative was founded in 1900<sup>1</sup>. This was followed by a slow diffusion of the cooperative idea, mainly because of the lack of relevant legislation. The first Act of Law regarding the cooperatives appeared in 1915 and by 1922 there were 1,815 cooperatives all over Greece, most of them being '*agricultural credit cooperatives*' with a sole responsibility of distributing loan assets of the National Bank of Greece to their members. In 1935 the Pan-Hellenic Confederation of Agricultural Cooperatives' Unions was founded and after World War II there appeared to be an increase of production cooperatives and a decrease of credit ones (Venieris, 1988).

The first women's cooperative (the Women's Cooperative Guild) appeared in 1883 in the UK in order to '*link cooperative women together and to discuss subjects such as cookery, childcare and needlework*' (Birchall, 1994: 98-102) and gradually became, along with other women's cooperatives that emerged during this time, a means of enhancing the status of women in society. Today, women's cooperatives exist all over the world but they are characterized by fundamental differences. While, for instance, in Greece exist productive cooperatives, in Japan exist consumption ones<sup>2</sup>. Yet, they all have as a goal the enhancement of women's status in society, the recognition of their importance and the equality between the two genders.

The history of women's agrotouristic cooperatives in Greece dates back to 1983, although women's cooperatives can be traced as far back as the 50s<sup>3</sup> (Koutsou et al., 2003). Rather strangely the initiative for the appearance of the women's cooperatives was implemented '*from above*' and not '*from below*'

- 1 Chronologies refer to the formal cooperatives found in Greece and elsewhere. Informal 'cooperatives' include the workers of Fenwich in the UK (1761), and the company of Ambelakia in Greece (1780) among others. Nikolopoulos (1988: 386) indicates that Ambelakia should be viewed as a '*specific economic form*'; as a '*joint action*' and not as a cooperative.
- 2 For a more comprehensive analysis of the 'han' consumption cooperatives in Japan see Birchall (1994: 193-195).
- 3 The first women's cooperative was founded in 1957 in the Prefecture of Grevena. Other cooperatives of *Agricultural Handicraft and Folklore Art* followed. For a more thorough analysis of the first women's cooperatives in Greece see Papagaroufali (1989).

(Anthopoulou et al., 2000; Kazakopoulos et al., 2003). In other words it was not an endogenous movement by rural women in order to promote their interests or a 'natural' consequence of the rise of the cooperative movement in Greece during the 80s, but rather an exogenous one, as the main driving forces were the General Secretariat of Equality, the Greek Ministry of Agriculture, the Agricultural Bank of Greece, the Pan-Hellenic Confederation of Agricultural Cooperatives' Unions among others<sup>4</sup> and the techno-economic assistance which these Institutions provided. It must be noted that the, then, Greek Government of the Socialist Party confronted the creation of the women's cooperatives as an event of great importance for the empowerment of the Greek rural women. The acknowledgment and the upgrade of the socioeconomic status of the Greek women farmers with a series of legislative measures held in 1985 were also of great importance (Papadaki – Klavdianou and Giasemi, 1991; Tsartas and Thanopoulou, 1994). According to these measures '*tactical members of an agricultural cooperative can be adults, male or female*' (Law 1541/85, Article 8) and therefore women farmers participated legitimately and equally in the syndicates and cooperatives<sup>5</sup>.

In 1991 the Programs of the General Secretariat of Equality for the creation of support structures for the women's cooperatives became part of the Community Initiative NOW (Tsartas and Thanopoulou, 1994). Later on, Community Initiatives LEADER<sup>6</sup> I (1991-1993), LEADER II (1994-1999) and nowadays LEADER + (2000-2006) provided not only financial support but technical assistance (including vocational training, assistance in the marketing of products etc) as well (Braithwaite, 1996; Ministry of Agriculture, 2001; Kazakopoulos et al., 2003). Although rural women are not specifically targeted in LEADER measures, a number of projects concern them directly. However, the exact impact of LEADER measures, as far as the women's cooperatives are concerned, is difficult to measure (Kazakopoulos et al., 2003).

The idea behind the promotion of the women's cooperatives was the improvement of the women's economic and social status, and that of the rural population in general, and the promotion of women's entrepreneurship. Moreover, the cooperatives attempted to promote equality, by providing women with 'their own' incomes, to build their self-esteem and to push them 'out of

4 Other organizations include: Greek National Tourism Organization, Hellenic Organization of SMEs and Handicraft, Greek Manpower Employment Organization.

5 Yet, the *right* to participate in the syndicates and cooperatives was given to women by the Greek Constitution in 1974.

6 *Liaisons Entre Actions de Developpement de l' Economie Rural*. The LEADER Initiatives on rural development stress innovation 'from below', diversity of activities and decentralized actions.

their homes'. The response was immediate; while in 1986 there were only 4 women's cooperatives, by 2000 there were almost 100 all over Greece (Gidakou, 2002; Koutsou et al., 2003), while nowadays there are 110 (Anthopoulou et al., 2005). So, it appears that rural women embraced the idea of the women's cooperatives and the exogenous implementation alone cannot fully explain the later boost in their number during the 90s.

As far as the legal status of the women's cooperatives is concerned, the formation of the cooperatives in Greece is nowadays based on the Ministerial Decision 471/2001 of the Ministries of Interior, Public Administration and Decentralization, Economy and Finance and Agriculture on '*the conditions of support for the promotion of pluriactivity on agricultural holdings with the development of agrotouristic actions, handicraft etc*', which represents the implementation on a national level of the 'rural development' EU Council Regulation 1257/99<sup>7</sup>.

The majority of the Greek researchers (Kazakopoulos et al., 2003; Koutsou, 2000; Gidakou, 1999a; Tsartas and Thanopoulou, 1994) refer to the women's cooperatives as part of agrotourism and to their products and activities as agrotouristic. This is quite misleading. Agrotourism refers to *tourist* activities undertaken in rural areas by holders primarily employed in agriculture (Gousiou et al., 2001). Yet, only 10% of the Greek, so-called agrotouristic, women's cooperatives provide accommodation services (Kazakopoulos et al., 2003). A partial explanation can be given by the fact that under the 'agrotourism' denomination there are no requirements for the women's cooperatives to obtain a license by the health service in order to produce and sell their products. To obtain such a license is by no means an easy task for the women's cooperatives, as 'production spaces' with specific facilities and infrastructure are required. These are too expensive to build and/ or too difficult to find in the existing building structure of the rural areas.

In more detail, there are 110 women's cooperatives in Greece (Anthopoulou et al., 2005). Most of them process and produce food products, while others produce handicrafts or provide accommodation. The women's cooperatives are mainly small enterprises '*scattered in the rural space, usually located in far away and demographically weakened areas*' (Kazakopoulos et al., 2003: 42) and most of them are located in Less Favored Areas<sup>8</sup>.

7 The new Law on cooperatives (2810/2000) must also be mentioned. Preceding legislation on a national level includes Acts of Law 602/1914, 921/1979, 1257/1982 and 1541/1985. Preceding Community legislation includes Regulations 797/1985, 2088/1985 and 2328/1991 (Tsartas and Thanopoulou, 1994; Koutsou et al., 2003).

8 The EU Less Favored Areas (LFA) Scheme has as an objective the support of farmers and of the agricultural production in areas where farming is difficult due to natural

### **The North Aegean region**

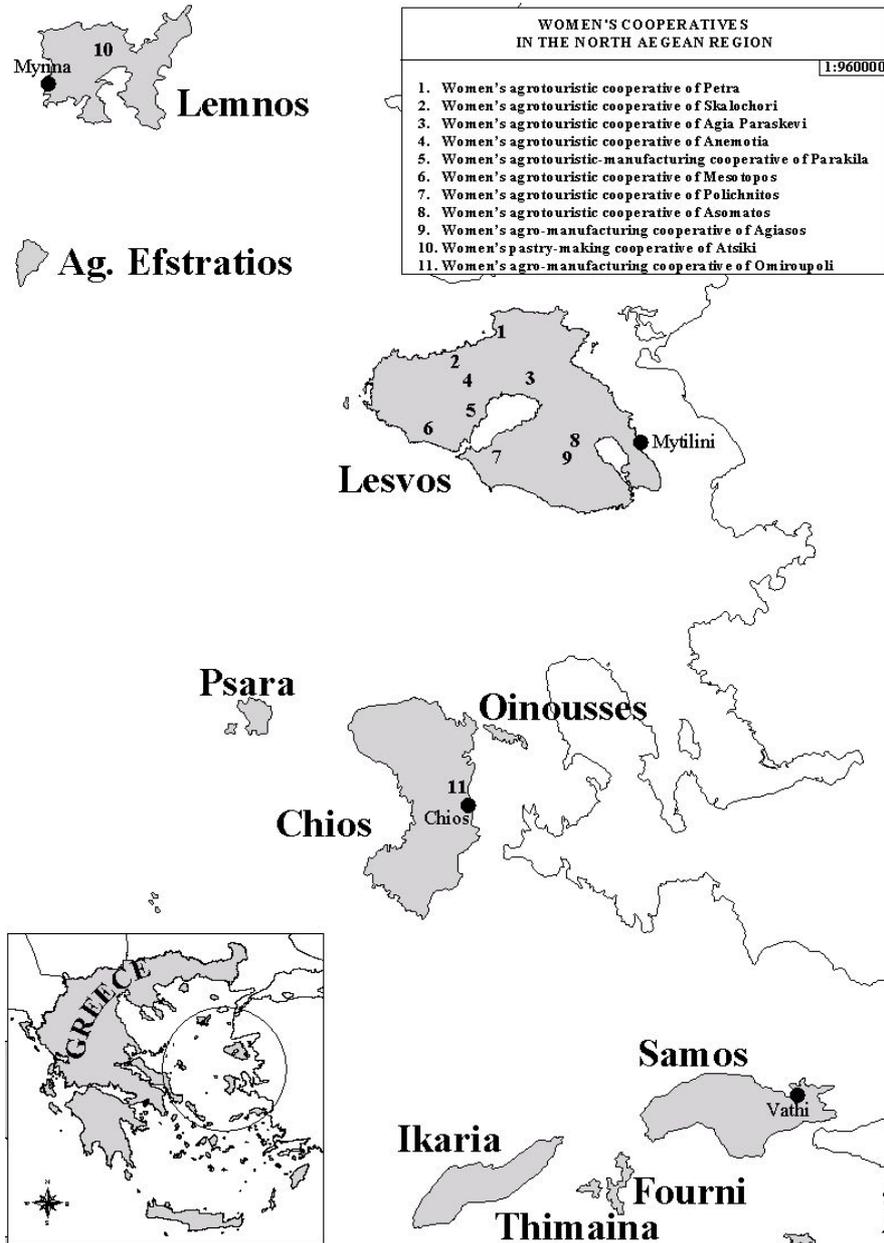
North Aegean is one of the 13 regions of Greece and one of the 4 exclusively insular ones. It is located in the northeast part of the country and it consists of 3 prefectures (Lesvos, Samos, Chios). The region is highly fragmented into a number of large and small islands (Figure 1), which comprise an area of 3,836 Km<sup>2</sup>. Two urban centers exist (Mytilini in Lesvos island and Chios in Chios island) while there is also a number of smaller settlements (Myrina in Lemnos island, Vathi in Samos island among others).

The population of the region is 205,235<sup>9</sup> (1.8% of the country's population) and the population density is low (53.5 inh/Km<sup>2</sup> as opposed to an average of 83.1 inh/ Km<sup>2</sup> for the country). The region has experienced a population decline in the past but there was a slight increase of 1.9% during the last decade. Yet the 'quality' indicators of the population (inhabitants over 65 years of age, active population/ total population) are worse compared to the country's average (21.3%, 35% for the North Aegean and 16.7%, 42% for Greece respectively). This aging population involves mainly women as 10% of them are over 75 years old (compared to 7.5% for men) leading to their smaller representation at younger age cohorts (32% of women are younger than 30, compared to 41% for men). The strong Army presence (North Aegean is a European border region) can provide an explanation, but the fact is that the region in general and the employment in agriculture specifically, appear to be more unattractive for women than for men (similar results for other regions are demonstrated in Kazakopoulos and Gidarakou, 2003 and in Gidarakou, 2002; Gidarakou et al., 2000). This fact is shown in employment data as well. Although the overall unemployment rate of the region is slightly lower than the corresponding national rate (10.4% and 11.1% respectively), unemployment for women stands at 12.3% while for men is 9.4%. Finally, the economically non-active to the economically active ratio stands at 2.69 for women and to 0.95 for men (table 1).

handicaps, which threaten the continuation of farming and the management of space.  
For more details on LFAs see Council Directive 75/268 and Regulation 1257/99.

9 All subsequent data refer to the 2001 Census.

Figure 1: Women's cooperatives in the North Aegean region



**Table 1: Economically (in)active in the North Aegean region**

		Economically active				Economically inactive	Economically active/ inactive
		Total	Employed	Unemployed			
				Total	(%)		
Greece		4,615,470	4,102,091	513,379	11.1	5,244,123	1.13
North Aegean	<b>Total</b>	73,457	65,798	7,659	10.4	112,178	1.52
	<b>Female</b>	24,296	21,292	3,004	12.3	65,399	2.69
	<b>Male</b>	49,161	44,506	4,655	9.4	46,779	0.95

Source: NSSG: 2001 Census

The region's GDP per capita is 92% of the national average. The primary sector comprises 10% of the regional GDP as opposed to 7.8% for the whole country. The secondary sector is of less importance for the region and the tertiary sector is overdeveloped signifying the importance of tourism. The main land uses in the region are olive, mastic and citrus groves, vineyards and grazing lands. Livestock farming is also important, as there are great numbers of sheep and goats on most of the region's islands.

It must also be noted that there are great physical handicaps (fragmented space, distance from the Greek mainland, mountainous relief) throughout the region. As a result, the primary sector is very problematic and the whole region is characterized as Less Favored Area.

## Research method

In order to get an insight into the structure and dynamics of the region's women's cooperatives, interviews were conducted with the chairwomen of all the cooperatives (11 interviews in total, nine on Lesbos, one on Lemnos and one on Chios). Structured questionnaires that dealt with the socio-economic profile of the chairwomen, the form of the cooperatives, their products and production chains, their facilities, and the problems they face, were used. The interviews were conducted during June – September 2002<sup>10</sup>. This first round of research provided most of the data used here, but key data on products' prices and added value in the production chains were missing. Therefore, a second round of

10 This part of the survey was part of the research program NAIAS (North Aegean Innovative Actions Support) which was financed by the EU and the Greek Ministry of Economy and Finance.

research was conducted with 9 interviews (all on Lesbos with the cooperatives' chairwomen during June – July 2003<sup>11</sup>). In order to compare prices with retail stores and record which local actors benefit most by the trade of the cooperatives' products, two more interviews were conducted in this round with owners of unspecialized stores that sell the cooperatives' products in the city of Mytilini on Lesbos island.

### **Women's cooperatives in the North Aegean: potential and drawbacks**

11 of the cooperatives are located in the North Aegean region, although two of them are nowadays practically inactive. Most of them are found in the island of Lesbos (9), while the others are located in Lemnos (1) and Chios (1) (Figure 1). There are no women's cooperatives in the other two 'large' islands (Samos and Ikaria) of the region and in the five 'small' ones. Two of the cooperatives were among the four 'initiators', which were established during the years 1983-1986 (table 2), while the others were founded during 1997-2001. The cooperatives have an average of 28 members (but also an average of only 12 active members), while the corresponding average of the whole country's cooperatives is 30 (Gidarakou, 2002). Therefore only a small part of the cooperatives' members plays an active role mainly due to lack of time, lack of interest and interpersonal problems.

The cooperatives' chairwomen<sup>12</sup> are between 35 and 56 years old (average 46.8 years) married (except one), with an average of four household members. All of them (except one) are residents in the places where the cooperatives are located. Their educational level is rather high (10.2 years) partly signifying the chairwomen's higher social and administrative status among other members. Nearly half of them have some other occupation too, while the rest work for the cooperatives on a full time basis. Of those who have other occupations, half work seasonally in agricultural activities and the rest work in other sectors.

Assistance from outside agencies varies significantly. The 'initiators' were funded by the General Secretariat of Equality, the Agricultural Bank of Greece, the Ministry of Agriculture and other agencies. Vocational training was also given to their members. All other cooperatives were mainly funded by the

11 The rest of the results of the second round of research have been published elsewhere (Zacharaki et al., 2003).

12 Conclusions on the profile of the collectivity cannot be drawn; data is rather indicative.

**Table 2: Women's cooperatives in the North Aegean (2003)**

	<b>Island</b>	<b>Cooperative's Name</b>	<b>Total members</b>	<b>Active members</b>	<b>Year of establishment</b>
1	Lesvos	Women's agrotouristic cooperative of Petra	5	5	1983
2	Lemnos	Women's pastry-making cooperative of Atsiki	30*	15*	1986
3	Lesvos	Women's agrotouristic cooperative of Polichnitos	31	6	1997
4	Lesvos	Women's agrotouristic cooperative of Mesotopos	25	20	1998
5	Lesvos	Women's agrotouristic cooperative of Asomatos	20	10	1998
6	Lesvos	Women's agrotouristic cooperative of Anemotia	22	10	2000
7	Lesvos	Women's agrotouristic cooperative of Skalochori	49	15	2000
8	Chios	Women's agro-manufacturing cooperative of Omiroupoli	25*	7*	2000
9	Lesvos	Women's agrotouristic cooperative of Agia Paraskevi	12	12	2001
10	Lesvos	Women's agrotouristic-manufacturing cooperative of Parakila	17	8	2001
11	Lesvos	Women's agro-manufacturing cooperative of Agiasos	73	25	2001

\*2002 data

Source: Own process

Ministry of the Aegean (six cases) but also from the LEADER Initiative (one case) and the Community Structural Funds (two cases). Yet, there wasn't any training of the members or any other kind of assistance<sup>13</sup>.

The main reasons behind the cooperatives' formation, according to their chairwomen, were the increase of employment, the increase of the women's incomes and the preservation of the rural heritage (revival of traditional recipes, use of local resources). Most of the chairwomen are fairly satisfied with their participation in the cooperatives but there are also some that feel that working for the cooperative is *'not what they expected'*. When asked to clarify this point of view the answers ranged from *'we were not properly informed when setting up the cooperative about the problems we would face; there are too many organizational problems'* (chairwoman of cooperative No 7) to *'there exist problems due to the large number of members'* (chairwoman of cooperative No 11).

The cooperatives can be distinguished, as already mentioned, according to the provision of *accommodation* or/ and *products* (food products or handicrafts). Most of the cooperatives in the North Aegean are productive ones and they produce a plethora of products, which are also characterized by great diversity (table 3). The vast majority of the cooperatives provide food products, mainly pastries and sweets, while two of them also produce embroideries and one of them ceramics. One of the inactive cooperatives provided accommodation too, but as we shall see later on its form has been drastically altered.

The women's cooperatives were developed as small and medium size enterprises. This is due to the fact that their members are not employed in the cooperatives on a full time basis (employment in the cooperatives is characterized by seasonality and part-time occupation), and due to the small number of their active members. The average of the cooperatives' turnovers in 2002 was 86,433 € (two of the cooperatives did not give data on their turnovers) but the median, 58,690 €, better represents the data. Yet, safe conclusions about the economic performance of the cooperatives cannot be drawn, as there is inconsistency of data for the years 2002 and 2003 that are presented in table 4. This can be explained by the unwillingness of the cooperatives' chairwomen to give exact data for their turnovers and profits. Yet, it must be stressed that the majority of the chairwomen mentioned the continual increase of their cooperatives' turnovers and profits over the years. In order to understand fully the small size of the cooperatives it must be stressed that the two biggest private enterprises located in the region, which produce similar food products and

13 Local actors such as the Prefecture, the Municipalities and Church authorities provided buildings for the installment of the cooperatives' workshops.

**Table 3: Women’s cooperatives’ main products**

Cooperatives	Fruit preserves	Noodles	Fruiment	Pasta	Ladotyri	Cheese patties	Liqueur	Almond cakes	Jams	Herbs	Olives	Wine	Embroideries	Syrup sweets	Pickles	Restaurant	Soap	Ceramics	Catering
Petra																✓			
Atsiki	✓					✓								✓					
Polichnitos	✓	✓			✓		✓		✓	✓	✓			✓	✓				✓
Mesotopos	✓	✓		✓	✓		✓		✓	✓			✓	✓					✓
Asomatos	✓	✓		✓			✓	✓	✓	✓	✓								✓
Anemotia	✓	✓	✓	✓			✓		✓			✓							✓
Skalochori	✓		✓	✓			✓	✓	✓	✓	✓			✓					
Omiroupoli		✓	✓	✓															
Agia Paraskevi	✓	✓		✓	✓	✓				✓	✓								✓
Parakila	✓			✓			✓		✓					✓					✓
Agiasos	✓	✓					✓			✓			✓				✓	✓	

Source: Own process

therefore are the main competitors at a local level, have average turnovers of 4,750,000 € (Kizos et al., 2003).

As far as the marketing of the products is concerned, four of the cooperatives sell their products at local markets only, and 5 of them sell them at extra-local markets as well. Of these five cooperatives, four distribute only a small amount of their products to the extra-local markets (15% on average) and the remaining one the majority of its products (60%). (By extra-local markets we mean the two major Greek urban centers; Athens and Thessaloniki). The cooperatives' products are marketed in the urban centers through small, unspecialized stores. When asked about the extra-local intermediaries of their products, the representatives of the cooperatives mentioned that in some cases they are somehow 'connected' to the North Aegean region (either they have relatives in the region or themselves originate from the region) and in some other cases that they became familiar with the products as tourists in the area and thus 'created' direct links to the cooperatives.

**Table 4: Women's cooperatives turnovers and profits (€) 2002-2003**

<b>Codification of cooperatives</b>	<b>Turnovers 2002</b>	<b>Turnovers 2003</b>	<b>Profits 2002</b>	<b>Profits 2003</b>
No 1	146,730	175,000	7,330	21,130
No 2	293,400	-	-	-
No 3	-	10,000	-	1,800
No 4	58,690	117,000	-	58,500
No 5	73,360	35,200	-	8,800
No 6	29,340	23,500	10,270	11,750
No 7	58,690	74,000	29,340	4,400
No 8	35,210	-	-	-
No 9	-	44,000	-	-
No 10	41,080	58,700	6,160	29,350
No 11	23,470	23,400	4,690	11,700

*Source:* Own process

Most of the cooperatives run sales-shops located at the cooperatives' facilities. The Lemnos' cooperative has two sales-shops in the main settlement of the island, Myrina, and one in another settlement, Moudros, but none of the nine cooperatives of Lesvos run sales-shops in the main urban center of the island, Mytilini, something, which indicates different market orientations by the cooperatives. In order to promote their products in the market of Mytilini the cooperatives sell their products to small stores not necessarily specialized in this kind of product (bakeries, groceries etc.). The distribution of the products at a local level is done solely by the members of the cooperatives, using their own means of transportation.

Most of the cooperatives' chairwomen acknowledge that one of their main problems is the inadequate management and marketing of their products. This is in accordance with the findings of other studies (Kazakopoulos et al., 2003; Koutsou, 2000). It must be noted that none of the cooperatives has specialized personnel, or uses hired specialized services, to deal with organizational problems and/ or marketing of the products. The main reason behind this is the lack of proper education and entrepreneurship culture, mainly manifested as risk aversion, which is furthermore enlarged by the so-called 'syndrome of state subsidy' (Koutsou, 2000). In other words the cooperatives only perform actions that are financed or co-financed by the Greek state and EU programs. Practically, cooperatives' members contribute financially only when they pay the initial membership.

Although the chairwomen of the cooperatives recognize their inefficiency in managerial and marketing skills, they are unable to find a proper solution. The consequences are diverse in form and importance. First of all the cooperatives are unable to expand to new markets and are restricted to the geographical boundaries of their islands. Furthermore, they are unable to exploit the great *symbolic value* (Tregear, 2003) of their products, which is a prerequisite for the expansion into new markets, and for the achievement of better prices. This is partly a result of bad marketing of their products. There is no information on the labels about their production process and the origin of the materials, and no attempt whatsoever to link the products to the knowledge and 'know how' of the cooperatives' members and to their place of origin, the *terroir* (Barham, 2003). As a result the cooperatives' products are not priced as highly as they could be (see the differences in trade and retail prices, table 5). Furthermore there exist competition problems between the cooperatives and other enterprises, and between the cooperatives themselves as they produce similar products.

In order to highlight this loss of economic value and the price competition among the cooperatives we investigated the trade and retail prices of their products along with the products' prices in two unspecialized stores in the urban

**Table 5: Differences in trade and retail prices**

Coop.	product	Coop's trade price (€)	Coop's retail price (€)	Store A retail price (€)	Store B retail price (€)
No 5	Apple preserve (500 gr)	4.00	4.40	5.30	-
No 4	Apple preserve (500 gr)	3.40	3.91	-	5.95
No 5	Watermelon preserve (500 gr)	3.90	4.56	5.30	-
No 10	Watermelon preserve (500 gr)	3.50	4.50	-	5.20
No 6	Watermelon preserve (500 gr)	4.00	4.50	-	5.95
No 4	Green melon preserve (500 gr)	3.40	3.91	5.20	5.95
No 10	Green melon preserve (500 gr)	3.50	4.50	-	5.20
No 5	Grape preserve (500 gr)	3.90	4.56	5.30	-
No 4	Grape preserve (500 gr)	3.40	3.91	-	5.95
No 10	Grape preserve (500 gr)	3.50	4.50	-	5.20
No 9	Fig preserve (500 gr)	3.75	4.75	-	4.95
No 7	Grapefruit preserve (500 gr)	3.70	4.25	4.80	-
No 11	Walnut preserve (500 gr)	3.50	4.50	-	6.40
No 4	Noodles (500 gr)	4.00	4.48	-	6.00
No 10	Noodles (500 gr)	2.50	3.00	4.00	-
No 5	Strawberry liqueur (110 ml)	5.00	5.50	6.30	-
No 4	Strawberry liqueur (150 ml)	4.20	4.83	7.00	-
No 5	Pear marmalade (500 gr)	3.00	3.30	4.20	-
No 4	Strawberry marmalade (500 gr)	3.20	3.68	4.50	-
No 10	Lemon marmalade (500 gr)	2.20	2.80	4.50	-

center of Mytilini. It appears that in most cases (table 5) these unspecialized stores obtain the greatest part of the added value of the cooperatives' products. This also shows that the urban consumers are willing to pay higher prices for these products although the cooperatives are unable to exploit this tendency themselves. It must be noted though that the majority of the cooperatives' representatives do not acknowledge this loss of economic value and state that the retail and trade prices of their products are satisfactory.

When asked about the possibility of marketing their products under a common label in order to gain greater marketing power the chairwomen stated that '*times are not ripe yet*' (chairwoman of cooperative No. 4) and that '*not all cooperatives agree on such a possibility*' (chairwoman of cooperative No. 5).

The findings of our study raise important questions about the 'local character' of the women's cooperatives' products. In many cases it has been proven that extra-local resources are used as the members of the cooperatives claim that local

resources are unavailable, of lower quality or too expensive. The main reason behind this turn to extra-local markets for the availability of resources is the higher prices that the farmers of the region demand in order to sell their products (fresh fruit, etc) to the cooperatives. The recipes, the production techniques and the 'know how' are important requirements for the characterization of the products as 'traditional' and 'local', but taken literally (use of extra-local resources), not always the local character of the products is ensured.

Another very important problem is that in many cases the facilities of the cooperatives do not meet legislation requirements for public hygiene that apply to food manufacturing enterprises. Although the cooperatives, as 'agrotouristic' enterprises, are not obliged to obtain a license from the hygiene service, this is certainly a prerequisite for the production of quality products. Only four of the cooperatives have a license from the hygiene service to produce and sell their products. As a result, the remaining cooperatives exist under a semi-illegal status under the indigence of the proper authorities<sup>14</sup>. This problem derives mainly from the inability of the cooperatives' members to obtain suitable facilities. Most of the cooperatives lack the financial resources for such a task, while it must be stressed that it is rather difficult to find suitable existing buildings in the rural areas of the region. As a result unsuitable workshops are used by the members and in some cases members work in their own houses. This leads to another problem; the inability to maintain a standard level of quality for the cooperatives' products.

Other problems refer to the insular character of the region (access to markets, increased costs of transportation) and to interpersonal problems between the cooperatives' members, and between them and their husbands. It appears that in some cases not only is there no support by the members' husbands, but also they object to their wives' membership of the cooperatives as they believe that they should be at home looking after their families and that working for the cooperatives is a waste of time. Three chairwomen stated that their husbands and the local communities oppose the cooperatives' activities. As described elsewhere (Mills, 2003), Greek women working outside the family can be seen as a violation of the 'ideal' family of the housewife and the income-earning man and as a potential threat to the family's honor, especially in rural areas.

14 Women's cooperatives are entitled to produce their products as long as they supply them (served as breakfast etc.) through their *agrotouristic* activities. Under no circumstances do the cooperatives have the legitimate right to trade them to local or extra-local markets. In all islands of the region the cooperatives do not provide accommodation. Yet, they produce food products, which are marketed mainly to the local markets.

### **Greek women's cooperatives: different pathways**

What will be the future of the Greek women's cooperatives? Despite the 20 years of their history their future is still uncertain. It is not clear if the cooperatives will become successful self-sustaining entities or if they will constitute 'failures' in the rural development process. Their development pathways are better understood with the use of four case studies from the cooperatives in the North Aegean region.

#### *Women's agrotouristic cooperative of Petra: change of direction*

The cooperative of Petra in Lesbos island was among the four 'initiator' cooperatives of Greece. It was established in 1983 by 24 members. During the cooperative's establishment, women were given seminars for 23 days on issues such as the cooperative institution, tourism, home economics and administration (Papagaroufali, 1994; Birchall, 2003). By 1989 the cooperative had 34 members and 150 rooms for the provision of accommodation (Tsartas and Thanopoulou, 1994), while there also existed a restaurant. The concentrating character of the cooperatives' activities generated tensions in the members' relationships, while many members rented rooms 'outside' the cooperative for larger rewards (Papagaroufali, 1989; 1994). In the last decade interpersonal problems resulted in the gradual 'removal' of its members and nowadays the 'cooperative' exists as a family business. In fact, the provision of accommodation has ceased and only the restaurant, which is run by the members of one family, exists. Yet, this family business uses the name of the cooperative (technically the cooperative exists) despite the fact that it is practically inactive.

#### *Women's pastry-making cooperative of Atsiki: success*

The cooperative of Atsiki in Lemnos Island was also among the 'initiator' cooperatives of Greece. It was established in 1986 and nowadays has 15 members who work for the cooperative on a full time basis, while 15 more women work seasonally (during the holidays of Christmas and during summer) on a full time basis as well. The cooperatives years of experience has resulted in the expansion of the cooperative as its members have managed to deal with a number of problems that led to the breakup of other cooperatives. The cooperative of Atsiki is the most successful in the North Aegean. In economic terms it must be noted that the cooperative's revenues are more than three times the cooperatives' average. The cooperative sells its products exclusively in the island of Lemnos. During its years of existence the cooperative managed to open three sales-shops, besides the one in Atsiki, two in Myrina and one in Moudros. Furthermore the cooperative managed to purchase a truck for the better

transportation of its products and PCs for its better management. The cooperative shows great dynamism and in the near future will try to purchase a more suitable building to house its workshop (an action already being implemented and co-financed by the LEADER+ initiative) and to expand into new markets, namely the two greater Greek urban centers, Athens and Thessaloniki.

*Women's agrotouristic cooperative of Agia Paraskevi: dynamism*

The cooperative of Agia Paraskevi in Lesvos island was established in 2001 and it is considered to be a dynamic cooperative. Its 12 members work for the cooperative on a full time basis. The dynamism of the cooperative can be seen by the fact that the cooperatives' products can be found practically everywhere on the island. The cooperative also dominates the catering business. The economic performance of the cooperative is unknown as its members were unwilling to give data about their profits but it is no secret that it is one of the more successful ones in economic terms. The future plans of the cooperative include its expansion to the market of Athens and the purchase of a truck for the better transportation of its products. Time only can tell if the cooperative will follow the successful footsteps of the cooperative of Atsiki.

*Women's agro-manufacturing cooperative of Omiroupoli: failure*

The cooperative of Omiroupoli in Chios island was established in 2000 by 125 members but soon only 25 active members remained. The women of the cooperative disagreed over financial issues, so contributing to its breakup. The former chairwoman of the cooperative mentioned also that organizational problems, the lack of self-owned facilities (the building which was used as the workshop was provided by the local Church authorities) and the inability to obtain decisions in order to invest also had an impact on the disbanding of the cooperative. Yet, the former chairwoman of the cooperative recognizes that there was satisfactory demand for the products of the cooperative and she is oriented towards starting again with members of her family and other relatives. In this way, as the cooperative of Petra, the cooperative will be transformed into a family business, while still using the cooperative's name.

## **The establishment of LesvoShop**

During 2004 a new shop, which mainly trades local products, was established in the island of Lesvos in its capital Mytilini. The Prefecture of Lesvos was behind this idea and the shop is ran by the Prefecture's Development Company (AENAL). The funds needed for its establishment were raised by loans (120,000

€ in total). Products marketed through LesvoShop include the women's cooperatives products, local cheeses (Ladotyri Lesvos PDO<sup>15</sup>, Kalathaki Lemnos PDO etc), ceramics, cosmetics (extra local products) and books that deal with the island's history and culture. At first the women's cooperatives faced an economic barrier as 1,500 €/ year were required for the marketing of their products through LesvoShop. The more dynamic cooperatives complied and soon most of the Lesvos' cooperatives followed.

The effects of LesvoShop on local society were twofold: on one hand the Commerce Union opposed the backing of LesvoShop by the Prefecture<sup>16</sup>; on the other hand, the women's cooperatives realized the dynamism behind this marketing approach and nowadays four of them collaborate on the establishment of a 'similar' shop in the second major settlement of the island, Kalloni. It must be stressed though, that the cooperatives' women asked the Municipal Council to back their effort by providing a municipal store to house their activities.

Although the local authorities' backing is evident, the Traders Union opposes the 'semi-illegality' behind LesvoShop. Where will this rising conflict lead in the future is still unanswered, and although some of the cooperatives appear willing to 'become legitimate' and operate as 'proper' small industries, most of them are still unwilling to attempt such a 'giant leap' into the 'great market unknown' and face operational and legislation costs.

## **Discussion**

The Greek women's cooperatives' future is unclear as they show tremendous potential on the one hand and serious drawbacks on the other. According to the findings of our study in the North Aegean region, most of the cooperatives perform rather well on economic terms, while their contribution to the improvement of the status of rural women must also be stressed. The members of the cooperatives embrace the cooperation idea and try to utilize their skills and 'know how'. After all, working for the cooperatives is consistent with their already existing skills. Although the total number of women-members is not very big and in many cases they work for the cooperatives part-time, opportunities do exist. This can be highlighted when taking into consideration the most successful and dynamic

15 Protected Designation of Origin.

16 According to the President of the Commerce Union of Mytilini '*we do not demand anything absurd, we just want everybody to function properly. As far as the LesvoShop is concerned, we want this business to be private-owned and not backed by the people's money. If LesvoShop was a private enterprise, nobody would have said anything*' (Aiolika Nea, 2004).

cooperatives. In these cooperatives the active members work on a full time basis and make sufficient incomes. Where greater entrepreneurship and the willingness to invest exist, the possibilities of success increase. This can also be highlighted in the case of Lesvosshop and Kalloni shop.

Yet, the women's cooperatives' movement cannot be considered as a truly successful story. Interpersonal problems, between the members and between them and members of the local communities, along with the inability of rural women to fully understand their new role as businesswomen, led to the breakup and the bankruptcy of some cooperatives in the past. The same reasons lie behind the limited participation of women-members nowadays, mainly exhibited by the active/ total member ratio (see table 2). This lack of entrepreneurship and full-time working personnel exhibits amateurism and it is fair to say that most women's cooperatives cannot be yet considered 'true enterprises'.

The greatest problem of all cooperatives is the distribution and marketing of their products. The lack of necessary skills in combination with the complete absence of specialized personnel, magnified by the lack of proper support structures, has resulted in a loss in economic value, which is gained by unspecialized stores in the main urban centers of the area. Furthermore, there is inability to expand to extra-local markets, a problem which is magnified by the insular character of the region.

Although the contribution of women's cooperatives to the local development of the north aegean region is quite important, their long-term impact is still unclear. Can the cooperatives overcome these problems they face in the near future? Will their cooperative character remain or will they experience a change of their current status (agrotouristic cooperative of Petra)? Time only can tell if the cooperatives will end up as successful (pastry making cooperative of Atsiki), or unsuccessful (agro-manufacturing cooperative of Omiroupoli) examples of a truly innovative initiative.

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