

STUDY VISITS Report, Group D



15th Summer Academy
“Social Economy and Sustainable Rural Development”

Mouzaki, Karditsa, Greece, 16th to 23rd July 2016

STUDY VISITS

Day 1

Agricultural Cooperative of Pulse Growers

Formed in 2014, this cooperative currently has 15 members who produce a range of mostly legume crops from around 150 hectares of land. The cooperative has been created to process, package and market the pulses grown by members. Members have agreed that 100% of their pulse crops will be sold via the cooperative; other crops can be sold privately by members.



The company has been doing market research on packaging design and size and is in the process of agreeing a package design with a sub-contracted company and hope to have package sizes of 250 gr, 1 kg, 5 kg and 10 kg ready for sales in September 2016. In future they hope to be able to offer a full pulse husbandry service from growing through processing to sales. Their primary market is families of 4-5 (with larger packs); smaller families with cartons containing 2 smaller packages; while larger packages will be targeted at cafes, canteens and restaurants.

They would like to sell organic production, but members cannot afford the conversion costs, thus they will target the market as “natural production”

Women’s Centre of Karditsa (Not for Profit Company)

The WCK employs 12 staff including the Director, psychologist, social worker, nursery teachers and assistants. Their primary aim is in support of women, through education and protection and rehabilitation following domestic violence; support for re-entry to the work-force*,

entrepreneurship*, reconciliation of personal and professional life, nursery services providing childcare for working mothers and creative space for the personal development of children.

Children's services for vulnerable families are provided at very low cost and all materials are free. The low cost is to encourage commitment, but very poor families receive services completely free, if there are any vacancies then children from richer families are welcomed.

They are involved in many national and international European projects including

1. "Harmonization of Family and Professional Life", funded by the Ministry of Interior, through EETAA
2. DAPHNE, «Social services - in support of Roma women and children for a life free of violence», funded by the European Commission, Directorate JUSTICE
3. DAPHNE, «WE GO! Women Economic-independence & Growth Opportunity », funded by the European Commission, Directorate JUSTICE



Previous projects have included:

- "Intervention Actions of Women Centre Karditsa, the educational community, to prevent and combat violence," sponsored by the GSGE
- Topeka "Employment Opportunities for All Citizens", DP "ON", sponsored by the Ministry of Labour, Social Security and Welfare

* women who express an interest to progress to work or self-employment can receive up to 20 consultations to help them find a job or create their own company.

The majority of members of WCK are nominated by the Municipality and they feel financially vulnerable since they rely on municipal and EU funding to provide the required level of services demanded by their clients.

Mountain Club of Karditsa – EOSK (Voluntary Society)

The club is a voluntary organisation with 120 members of which about 15% are women. They are mostly involved in mountaineering, cycling and caving but also does a range of voluntary activities, some income comes from Central Government and from Municipalities.

They are focussed on the upland and mountainous areas of the prefecture and especially those communities neglected by the rest of Greek society e.g. in small communities (villages) accessible by dirt roads. These communities are characterised by isolation due to distance, geography and declining population especially of young people. Counter to this however, returnees and in-migrants are moving in to rejuvenate these villages.





To facilitate this the club make visits to isolated regions to help locate old and almost forgotten paths, clear wood for art, musical instruments, biomass and construction. They have raised animals to restock villages and small holdings in order to grow quality food products (free range, goats milk products – fermentation for sour milk).

They encourage trekking to bring income into the villages from tourists, some entrepreneurs have opened companies, there are festivals and some sell local food to bring in income. They are signposting the routes with trail markers and a route map, preparing a website to include all trails and a GPS link for location and background information downloading.

Other volunteer activities include clearing forests of undergrowth for fire prevention in partnership with the fire service, they clear garbage from public places and assist in tree planting events.

Pafsilipon Ltd. (Municipal Company)

Originally the site of a public market for animals, it was turned into a young person's green space after the war. In 1994 the area was pedestrianised and connected to the main town square and the green areas transformed. The area is now a venue for 170 civic, educational and private events/concerts and ceremonies. During Xmas 2015 they held their first xmas market in cooperation with local suppliers, shops and traders. In 2016 this will be repeated and larger in cooperation with the Chamber of Commerce.



As a public enterprise Pafsilipon Ltd. Does not have the right to appoint their own employees, these are determined by the Ministry of Interior from Athens and this does not always reflect the company's actual needs, appointments are for a maximum of 8 months and staff cannot be kept on. An alternative recruitment method is to hire a person for two months whereupon they must leave and be unemployed for 12 months before they can be rehired. This greatly restricts the company in developing and it cannot grow coherently or compete properly.

The company is supported by the town Mayor and is under municipal control; all events are provided free and beverages are sold cheaply thus they provide a public service. Many MC's are in debt but Pafsilipon Ltd. due to great efforts and planning by the management to reduce costs and staffing levels they are not currently in debt.

Day 2

Garden Creations (Social Enterprise of Trikala)

This social enterprise has 9 partners and one employee, they primarily cooperate with the municipality and private enterprises or individuals. The company was formed three years previously following a training project run by the Ministry of Employment promoting the social economy and social enterprise. Their main services are the creation of provision of and designs for green spaces and domestic garden maintenance and support.



While currently they are not taking salary out of the company they are trying to reinvest surpluses and up to 50K Euro from their own funds to procure equipment and especially the tools they need for delivery of a large new project to clean the surfaces and maintain the land surrounding solar electric panel installations, which they hope to win.

Their major challenges are in handling internal disagreements in the group and in coping with tax rises which for social enterprises have risen from almost zero when they started out to the same as for private companies.

Cooperative Bank of Thessaly (Civic Cooperative)

The vision of the bank is to become a strong regional National Cooperative Bank which centres on the activities of clients originating from the Thessaly Region. The bank's foundation is recycling savings into loans to support local entrepreneurship; any profits are returned to customers and dividends or capital gains.

The bank was founded in 1994 as a Limited Pure Credit and Development Cooperative; in 1998 following a decision of the Bank of Greece the Credit Cooperative became a Credit Institution and adopted the name it trades under today. The bank is gradually expanding from its base in Trikala to other Prefectures in Thessaly and further growth will involve opening branches in Thessaloniki and Athens to serve Thessalian business operators. Additional possibilities may arise through expansion into neighbouring regions to close the gap created by failure of local cooperative banks.

The bank offers all the usual banking services in terms of deposits, loans and insurance products for both businesses and individuals with additional services for agricultural companies; it also provides loans from the state Entrepreneurship Action Fund and special loans for large families; the disabled and new couples. SME support includes receiving and evaluating investment proposals, they see

themselves as key advisers for business development (also in terms of the wider economic development of the region) and in following up payment of subsidies to businesses.

Volunteers of Trikala (Network)

The volunteer network is established under the local municipality and headed up by the Mayor. In operational terms they are an independent group. Launched in 2014 the Volunteer Centre was established according to the election pledge of the Municipality Administration and operates according to the rules determined by the Municipality.

Within 1 month of establishment they had 80 members and at the time of our visit they can count up to 300 members. They cooperate across society in many areas and activities include: volunteering for bone marrow donation / CPR training / promotion of safe driving / environment-nutrition & health (awareness of agricultural pesticide residues in cooperation with the agricultural university) / hosting and helping refugees (2 waves of people, they were responsible for hosting, managing and providing for their needs and received best practice recognition) / school mediation seminars-training and education for teachers on how children can interact and relate together (together with the Ministry of Education: Advocate of the child) / clearing of urban and sub-urban areas-awareness raising of clearing public space / vocational guidance – pre graduation guidance and careers events / wild animals release in sub-urban areas in cooperation with animal welfare groups and to sterilise wild cats and dogs / women's self-defence courses / Easter feast of love – lunch and dinner for people in bad social and financial situations.

They also provide a “think tank” for proposals for new volunteering ideas. The profile for their members is 30-40 years old, many with full time jobs and they commonly offer 5-6 hours per week as their hobby. Most funding comes through donations “in-kind” from the community, the Municipality provides the headquarters accommodation and will also pay some costs, volunteers through characteristically pay for their own car fuel. They try to avoid economic activity / money but ask for equipment or redirect cash donations to relevant NGOs.

Their network is widely and nationally renowned for their efforts, an example of the benefits of their networking was when a local man needed a particular medication and this was sourced to another region via the Social Drug Store network.

CONCLUSIONS

In the course of the visits, Group D identified a number of themes that were raised on a regular basis and/or seemed to provide background context to understanding the experiences of the various projects that we met. These included:

A lack of clarity about social enterprise

Interpretations of what is meant by the term ‘social enterprise’ varied significantly. For example, the Women's Resource Centre stated that they were a ‘social enterprise’ because they concentrated on addressing ‘social issues’ – even though they were controlled by the municipality and effectively were not a trading enterprise as such. Indeed, none of the projects were able to clearly explain the key characteristics of a social enterprise, why they might be important, the opportunities and challenges, the values and principles i.e. what

might be considered 'the basics'. There was no clear understanding that a social enterprise is a business established to address specific social 'problems' and that they effectively operate as a tool of social change by democratising economic relationships, through empowerment of socially excluded groups and communities, and through partnership across sectors. At the same time, whilst enterprise is a means to an end, the business still needs to generate a surplus (i.e. make a profit) if it is to be sustainable. Obsessing about definitions isn't, however, particularly productive in the real world: the best test is perhaps to simply acknowledge that "If it looks like a duck, sounds like a duck and swims like a duck, it's probably a duck!"



The 'shadow' of the past

The past reputation for / experience of corruption within cooperatives was a clear 'negative drag' on current and future development. Any project that was defined as a 'cooperative' had to deal with this legacy and often struggled to overcome prejudices generated by the historic experience i.e. many people seemed 'stuck in the past'. As the great economist John Maynard Keynes said: "The difficulty lies not so much in developing new ideas as in escaping old ones." Nevertheless, there might be great benefit in trying to escape from this legacy by clearing differentiating social enterprise from what has gone before, to promote the 'new' as something distinct from the cooperatives of the past.

Culture

In Greece, the family is everything. This provides the core of an immensely strong 'social support' network but has also contributed to a civic culture where nepotism is common and volunteering is relatively rare – and arguably has stifled innovation around addressing some

social challenges. However, as we saw with a couple of projects, this seems to be changing and of course the impact of the 'modern' world and the different life experiences of younger people are slowly but surely delivering a new dynamic within the family situation.

Municipal enterprises

Municipal enterprises appear to be relatively common – and rarely successful in business terms. Bound by restrictive rules and legislation and often with unclear objectives (apart from being a tool of the local mayor), they again arguably stifle innovation by occupying space that could be filled more productively by entrepreneurial social enterprises.

Trust

Outside of the family environment, a lack of trust seems endemic. Cooperatives aren't trusted, government isn't trusted, national and local politicians aren't trusted, national and local civic administrators aren't trusted. Even neighbours aren't trusted. Legislation often seems obstructive and disruptive rather than supportive and enabling. A key challenge is to build (or re-build) trust. Perhaps this has to be the primary objective for social enterprises – to persuade people that there is a different and a better way to work together.