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## MODEL OF COOPERATIVES' CONTRIBUTION TO THE SUSTAINABLE AND RURAL DEVELOPMENT

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### Abstract

*In this paper is presented the model of support to rural and sustainable development based on expanding role of agricultural cooperatives on education, promotion and support through straightening multifunctional agriculture. Idea is that agricultural cooperatives that already have some educational role activate in informal education of rural population, straightening their awareness of sustainable development problems and their role in preventing and direct blocking of environment pollution in work and life in villages. Beside promotion of pure technologies, organic production, use of alternative source of energy or waste recycling; rural population would be introduced to new developing possibilities of village tourism, national handicraft industry, folklore and other rural potentials thorough different models of informal education.*

**Key words:** *cooperatives, sustainable development, rural development, multifunctional agriculture.*

### The need of sustainable and rural development and multifunctional agriculture

Industrialized agriculture significantly contributes to the pollution and exploitation of natural resources: contemporary agro technology usage results water pollution, soil salinity and erosion, carbon dioxide emission and destroying living organisms from soil. It practically causes instability of the whole flora and fauna.

Idea of sustainable development is of great significance for all countries, regardless of level of development. Developed countries are facing problems of industrial pollution and high concentration of population in urban areas while employment in rural areas is reduced due to high automation of agriculture. Developing countries are facing

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unemployment, processes of senility and feminization in villages, weaken agriculture and threat (and often reality) that dirty technologies are only available instrument of industrial development.

Sustainable development (SD) solves many problems that excessive industrialization causes to the ecosystem. According to the World Commission on Environment and Development definition, which is the most cited definition, SD is 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'. It actually means the review of sustainability of all product life cycle phases: production, distribution, consumption and disposal. It embraces complementary movements as organic agriculture, rural development and multifunctional agriculture. The new movements, in accordance with mentioned, are emerging: *fair trade* and *eco chic*. Organic agriculture means food production through soil exploitation without its erosion and reduction its productivity, and therefore harming future generation. These movements are supported in Europe, thereby according to the Agri-Environmental programmes implemented under European Council Regulation, the agro production in concordance with defined interests is co-financed.

Rural development, emerging social cohesion, environmental protection, employment and market liberalization, has been set out among the most significant EU priorities. The Treaty of Maastricht ratified in 1993 emphasize that the rural development policy tasks are to enable farmers to stay in rural areas, participate in municipality development through job diversification and ensure rural environment preservation.

Multifunctional agriculture creates environment for stabilisation or increase of rural employment, comprehending and complementary functions of agriculture, therefore it is also called integral rural development. These occurrences appear as answer on unemployment and marginalisation of rural areas. In industrially developed countries, urban areas have concentrated number of inhabitants that migrated from rural areas through industrialisation. Increasing level of automation in agriculture imply reducing number of workers in agriculture. Uneven population, employment and consequently development create the need for rural development.

The human society overcomes industrial era along with the business paradigm shift and science and technology development (as Alvin Toffler calls it "The Third Wave"), while agriculture is losing the role of guarantor of social stability and the pillar of economic potential. Non agricultural activities have been more and more addressed as the source of income in rural areas. Even the formal European politics have recognized the importance of so-called „part time farming“. In order to solve problems like environment pollution and extreme exploitation of natural resources, but also problems of unemployment and unequal population density – countries are turning to rural development and multifunctional agriculture more often.

Developing countries are even more perspective for implementation of integrated rural development. Industrial development is not strong enough to amortize unemployment in economy. Serbia, as less developed transitional country, with weaken industry and fruitful agriculture tradition and potentials, is facing problems like all other countries on Western Balkan. With uneducated and uninformed rural inhabitants, high number of very small fields, small number of specialized agricultural producers and

high percent of farms with incomes from different industries, it represents favourable base for implementation of rural development and multifunctional agriculture. Finally, concrete actions as the necessary precondition for entering EU for the countries like Serbia are emerging, primarily with the aim of compliance with the coherent strategy of rural development for whole Europe. National strategies have to be based on mutual strategic guidelines<sup>3</sup>.

Considering the fact that the number of population in rural areas in Serbia is around 43 percent, while in Croatia is around 48, in Romania 47, Bulgaria 31, and on European level around 56 percent, we can observe that suggested model could significantly contribute solving problems of environmental pollution not only in developing countries like Serbia and its neighbour countries, but also in developed countries; and furthermore become strong cultural and social foundations of sustainability.

### **European Agriculture policy and sustainable development**

With over 56% of the population living in rural areas which cover 91% of the territory, rural development is extremely important for EU. In agricultural sector, EU strives for economic growth, technological development and employment enhancement in a sustainable way. Multifunctional agriculture is often regarded as a *European model of agriculture*, since it was appointed as the initiator and connective tissue of the rural economy by creators of Common Agricultural Policy (CAP). Politics of rural development in period 2007-2013 is focused on the improving the *competitiveness of agriculture and forestry; improving the environment and the countryside and improving the quality of life in rural areas and encouraging diversification of economic activity* (European Commission, 2007, page 1). Within this politics there is the LEADER (franc. Liason Entre Actions pour le Development d'Economie Rurale) rural development program for strengthening economic and social prosperity of rural areas through locally driven rural development initiatives and projects.

In Serbia, however, although is composed the rural development strategy plan (MPŠV, 2009), there is no concordance in rural development regulation with European one. Many strategic documents were set in, but problems have not been recognized nor are being solved, there is no systemic coordination of relevant institutions or state aid focusing.

### **The definition and the role of cooperatives in rural development**

Agriculture cooperatives represent centres of farmers where they join their potentials in order to mutually and under better conditions enter the market of agricultural products. They are powerful mean of enhancing social power of rural areas

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<sup>3</sup> Council Decision No. 2006/144 EC on Community strategic guidelines for rural development, for programming period 2007 to 2013.

even in the most developed countries. Cooperative movement in USA receive a boost and in 2002 comprehend over 3 thousand cooperatives with annual turnover of over 110 billion dollars. In Europe in 1999 there were 30 thousand agricultural cooperatives with almost 9 million of members. Sorensen (2000, page 10) emphasize that agricultural cooperatives have great influence on development of rural areas through *efficient spread of innovation and easier access to financial resources*.

Cooperatives not only to increase stability and competitiveness of farms, they also represent leverage of technological development through increase of innovation. Cooperatives have an educational role, but in less developed countries only the best ones participate in education process. Therefore, this paper pleads that those cooperatives that already have capacities and predispositions expand and intensify on educational, cohesion, incubation and development roles in developing and developed countries.

### **Support of sustainable development through increased activities of cooperatives**

Beside cooperatives that might have perspective role in development of rural areas, in Serbia there are also *regional centres* (15 of them) that create rural development network (RDN), *local governments* (with offices for helping villages) and *extension services*. RDN are facing problems such as lack of financial, technical and human resources and weak communication with local government as well as within network. Most of local government in Serbia haven't adopted strategic plans for sustainable and rural development, and offices for helping village are characterised with lack of initiative, knowledge and ideas (Hopić, 2008, page 29). Extension services are poorly developed due to lack of capacity, and lack of demand.

Since underdevelopment of rural areas is a big problem, individual efforts are not enough, particularly in Serbia and other Western Balkan countries. It is necessary to work parallel on more tracks. Single participants and institutions can contribute to prevention and solving problems, despite great significance of systemic approach. Author in this paper suggests expanding functions of cooperatives that already provide business support and education of farmers and rural inhabitants, so that they could provide additional information on sustainable development and increase level of consciousness of rural inhabitants.

Agricultural cooperatives that have extended network in Serbia can become flywheel of rural development. Target group is rural population. Cooperatives are facing challenges to educate not only their members, but population in local community, about new technologies, environmental protection, and especially about sustainable development. Cooperatives will have the role to inform, train and support rural population to engage in multifunctional sustainable agriculture and encourage economic development. This will result in expanding the role of cooperatives on education and incubation. Author suggests that cooperatives expand on following:

1. Foundation of evening schools, courses and workshops. Maintain and improve of cooperatives' business in organising specialised evening schools particularly for farmers

and rural youth.

2. Foundation of magazines for publishing information on work of cooperative, materials for education, news regarding finished and open projects, world trends and rural and sustainable development etc.

3. Foundation and updating of Internet portal with similar contents as in magazine with link to information systems of cooperative.

4. Foundation and work of call centre for providing information and advices.

5. Organising seminars, lectures and meetings on rural and sustainable development (to improve consciousness on need to protect environment and business potentials in multifunctional agriculture).

6. Organising study tours of farmers, lecturers and consultants for dissemination of knowledge and ideas.

7. Close cooperation with local educational institution, groups, institutes and universities, though exchange of information and knowledge, organising mutual actions and lectures.

8. Providing incubation support services for new projects and companies (bureaucratic, infrastructural, financial and professional support).

9. Foundation of informatics system with joint and organised data for cooperative members (regarding providers of agricultural inputs; recommended fertilisers; services of agricultural machinery; structure, sort and quality of land; weather forecast; available agricultural expert; providers of alternative energetic systems; activities and projects of competent ministry; farm structure and other statistical data).

In the first stage of this process, agricultural cooperatives would have support from government, but after achieving higher level of rural development in local surroundings they would become stronger for independent implementation of listed activities. Most of these activities are profitable (organising schools and seminars, study tours, extension service and selling of magazines). Some of these and similar activities are already conducted by different organisations in the world. The most interested are singled out.

Rural EcoCentre called ZIARNO in Poland organizes courses, projects and study visits in the field of organic agriculture, publishes it newspaper and have founded the cooperative which sells organic food and promote traditions of the region. Ziarno organizes special courses for farmers, youth and women (<http://www.ziarno.eu/>).

Ecolibri-Bionet is non-profitable organization, runs projects of environmental protection and sustainable socio-economic development of municipality in Serbia. The most interesting are following projects: educational workshops for farmers, students and pupils, under the name of *The best agricultural practice* throughout Serbia; *Return of the inhabitants to the villages of the Mountain Stara planina through traditional economy*, in 1999, and *Multiethnic education on natural resources conservation and sustainable natural resources use of the Mountain Sar planina*, in 1998; educational caravan *Djerdap without waste*, 2005, which had educational character for the representatives of local autonomy and teachers of primary schools concerning waste management in the

municipalities in Serbia (<http://www.ecolibribionet.co.rs/index.html>).

In Denmark is planed the development of environmentally-friendly heating technology based on producing briquettes from crop residues, especially maize straw and dried fibre extracted from manure. The support for knowledge diffusion through networking between farmers and researchers is planned in Netherlands. The network will operate through the internet, meetings and different publications (European Commission, 2008: 12).

## Conclusion

Simply educating citizenry to higher levels is not sufficient for creating sustainable society; it is more important to create a society that favours ecological values such as green production, recycling and renewable energy. Education for sustainability (ESD) means educational system which will reorient curriculum to address sustainable production and consumption patterns, especially secondary and tertiary education that will prepare new generations for institutionalizing green technology. ESD is a long-term process which will give results in the case of joining formal, unformal and informal education. Formal education is significant, but asks for high investments and gives long term results. Unformal and informal education is of great importance for short term results, not only in increasing the consciousness of inhabitants and change of behaviour for sustainable development, but also for concrete steps necessary for preventing further endangerment in agricultural sector. Alarming data on global pollution indicate that urgent measures are needed, such as informal education and other activities that have short term results. In this paper is presented an idea of expanding functions of agricultural cooperatives dominantly on unformal and informal education. Education would refer to topics perspective for rural areas: rural, eco and ethno tourism, healthy food, home conservation of energy, organic agriculture, agricultural products with geographic marks, processing and sale of agricultural and organic products, preserving and potentials of national handicraft, tradition, folklore, manufacture and traditional crafts, use of alternative source of energy for life and work in villages (windmills on farms and arable land, biomass energy, sun panels, recycling and compost, processing of septic material) and new agricultural strategies and technologies. Cooperatives would in such manner expand their functions on **educational, cohesion, incubation and development** role.

## Literature

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