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Barriers to Cooperative Ventures in Rural Georgia: Feisty Farmers

Much has been made about the collapse of agriculture in Georgia. From the overgrown tea plantations surrounding <u>Zugdidi</u> to the sere fields that used to be replete with apples in <u>Gori</u>, one encounters fallow land wherever one goes.

The international community and increasingly the Georgian government itself have been asking how successful agricultural ventures can be increased throughout Georgia. Sergo Baramidze, a CRRC fellow, set out to investigate barriers hindering the development of cooperatives and other forms of business partnerships in the rural areas of West Georgia.

Baramidze found that in rural communities of Georgia, peasants and small-scale farmers tend to be self-reliant and not interested in forms of cooperation, such as agricultural or credit cooperatives. For instance, only 5% of the credit unions developed through the World Bank attained a modicum of success.

The researcher highlighted five main barriers hindering co-op developments in rural areas of Georgia: 1) peasants and small-scale farmers are unfamiliar with the benefits of cooperation; 2) farmers are not educated about the principles of community resource management; 3) there is no concrete plan for the development of small farm cooperative markets in rural communities; 4) villagers distrust each other too much to cooperate; 5) a lack of financing exists for agricultural development.

In order to improve co-op development in rural areas, Baramidze suggests developing cooperative management training materials based on recommendations developed by the <u>Food and Agricultural Organization (FAO)</u> and Credit Agricole and adopting them to the local Georgian environment taking into consideration aspects of Georgian cooperative heritage – soviet farms (*kolkhoz*) and Georgian co-ops that existed before the Soviet revolutions in 1917 and 1921 – that may still be useful in contemporary Georgia. Moreover, Baramidze suggests incorporating the best types of social interactions of communities existing in rural Georgia's day-to-day life into the business cooperation. For example, Baramidze believes that practices developed from Georgian eating and drinking culture such as the unique method of delegation of toasts to other members of table (*alaverdi*) could be transferred into the business life of rural communities.

The idea of using traditional practices and incorporating them into modern democratic traditions is an exercise most certainly worth further consideration.