

**REPUBLIC OF TURKEY
MINISTRY OF CUSTOMS AND TRADE
General Directorate of Cooperative**

**WOMEN'S COOPERATIVES IN SOCIAL AND
ECONOMIC DEVELOPMENT**

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Abstract

Cooperatives offer a balancing enterprise model in terms of giving a place and voice in the system to various economic actors, by reducing weaknesses of free market economies. As a social cooperative, women's cooperatives are extremely preferred organizational forms through including solidarist relations among members and enabling income-generating activities.

Therefore, the first section of the article studies the women employment and the role of cooperatives in women employment. According to the Turkish Statistical Institute data of 2013, employment participation rate of women in Turkey is 30,8%. Considering the women's situation in employment, more women participation in economy is regarded necessary. Women's cooperatives which are constituted by economically weak people, are also important for employment and struggle against poverty.

The second section studies policies of the national and international institutions and the reinforcements for women's cooperatives. Women's cooperatives receive educational and financing supports from national and international institutions and various NGOs. Besides, the United Nations Development Programme (UNDP) pays particular attention on reinforcing women and their participation in development process. UNDP aims to support the activities about women entrepreneurship, improve the infrastructures of the institutions and ensure sustainability.

Women's cooperatives show similarities to social cooperatives that provide public services in some European countries. These practices are quite beneficial in terms of securing sustainable income for cooperatives. Therefore, the third section is about the examples of social and economic women's cooperatives in Turkey.

Women's cooperatives were first established in early 2000's and have been taking an active role in social development and creating solutions. In this respect, women's cooperatives contribute to social and economic development of their regions. Since the women's cooperatives involve both production and management, women have the opportunity of working, producing, generating an income and contributing to improvement of social capital.

Introduction

Cooperatives offer a balancing enterprise model in terms of giving a place and voice in the system to various economic actors, by reducing weaknesses of free market economies. As a social cooperative, Women Initiated Production and Enterprise Cooperatives (Women's Cooperatives) are extremely preferred organizational forms through including solidarist relations among members and enabling income-generating activities. According to the Turkish Statistical Institute data of 2013, employment participation rate of women in Turkey is %30,8. Considering the women's situation in employment, more women participation in economy is regarded necessary. Women's cooperatives which are constituted by economically weak people, are also important for employment and struggle against poverty.

Women participation in work force is a major issue regardless of the market in modern global economy. The U shaped relationship between economic development and women's participation in labor force is significant for dynamic markets like Turkey (Verick, 2014). Turkey's figures show up close to the mid-point of the U shape distribution, which suggest that Turkey has a high-middle income level as a country, which has a low Female Labor Force Participation (FLFP). Being closely related with economic growth, FLFP can be considered as a major contributor as well as an indicator, for the future of the subject market.

This paper mainly focuses on women's cooperatives and their present and potential impact on FLFP. Reasons of low FLFP, women's cooperatives' role in improving the market in this regard are discussed in this paper. Information on both national and international support organizations is provided, and successful examples are available in latter parts of the paper. Reasons for women to shy away from joining the labor force, and how women's cooperatives offer solutions are also included in paper. The perceived problems and possible solutions are discussed in a causal manner.

Women employment and the role of cooperatives in women employment

Female Labor Force Participation (FLFP), among many other indicators, can be shown as one of the major market indicators in terms of both employment rate, and the structure of the labor market. Being the focal point of the paper, it is essential to take FLFP under consideration before making any conclusions on how "women's cooperatives" are related in Turkish labor market.

Comparing Turkish FLFP with OECD countries may provide useful insights on how Turkey compares to its perceived competitors in terms of level of social development. Figure 1 shows the FLFP rates of 19 selected OECD countries between 2000 and 2013 according to

the World Bank data. The data is modeled from ILO estimations for each country that shows FLFP that are above age 15, and are economically active, as percentage to total female population in each market. As shown in the figure, selected countries are clustered in two main groups. Turkey, the leader of the group that is below OECD average, ranks 10th in the selected scale. As of 2013, Turkish FLFP was estimated 29.6% by the World Bank, whereas OECD average was 37%.

Despite falling behind the average, Turkey has shown a persistent increase in FLFP since 2004, which took the FLFP percentage 23% (historic low) up by 5 percent in 9 years. (see figure 2) These numbers also show that Turkey is steadily closing the gap with the mean average of selected countries. In 2013, the gap fell as low as 8%, which was 12% in 2004. Even though closing the gap by 4% in 9 years is an encouraging factor in FLFP, the numbers also suggest that there is still an extensive effort to be performed by Turkey solidify the positive change shown in recent years. However, underreporting is common, so data on women's participation rates do not accurately reflect women's work (Verick, 2014). Especially in agricultural sector, it is common for women to work as seasonal workers, which are generally uninsured and undeclared in Turkey, so it is difficult to reflect the real numbers of female labor force participation. Besides the numerical data, two social phenomena can be shown as a supplement of the increasing FLFP rate in Turkey. First, Turkish labor market is becoming more and more "tolerant" towards female labor, comparing to late 1990's (World Bank Report No 48508 – TR, 2009). Second, the numbers indicate that a higher education level results in higher FLFP for every age group in Turkey (see figure 3). Furthermore, the percentage of women graduated from a high school or a higher educational institution is increased to 20% in 2006, which was 16.6% in 2000 (Dayıođlu and Kırdar, 2009).

Despite the positive facts, there are still obstacles to cope with in order to attract women in active labor force. One of the most important problems might be shown as the payment inequality between genders. The table below shows the average annual wages of men and women for different levels of education.

LEVEL OF EDUCATION	MALE ANNUAL PAYMENT	FEMALE ANNUAL PAYMENT	GAP (%)
PRIMARY AND BELOW	12,597	10,519	16.5
PRIMARY AND SECONDARY SCHOOL	12,571	10,470	16.7
HIGH SCHOOL	15,531	13,969	10.1
VOCATIONAL HIGH SCHOOL	19,442	15,647	19.5
HIGHER EDUCATION	33,574	28,184	16.1

Table 1: Gender pays by education level in Turkey (2010/annual average gross wage, TL)

Source: TurkStat Structure of Earnings Survey 2010

As the table suggests, regardless of educational level, women earn less with their male equals at each level. Moreover, as shown in Table 2, the situation is not any better for women when numbers are analyzed for occupational groups.

OCCUPATION	MALE	FEMALE	PAY GAP (%)
MANAGERS	43,073	46,201	-7.3
PROFESSIONALS	34,549	27,861	19.4
TECHNICIANS	22,536	20,865	7.4
CLERICAL SUPPORT WORKERS	19,383	18,203	6.1
SERVICE AND SALES WORKERS	13,167	12,188	7.4
CRAFT AND RELATED TRADES	15,586	13,004	16.6
PLANT AND MACHINE OPERATORS	13,851	10,518	24.1
ELEMENTARY OCCUPANTS	12,449	10,713	13.9

Table 2: Gender pays by occupation in Turkey (2010/annual average gross wage, TL)

Source: TurkStat Structure of Earnings Survey 2010

To sum up the two tables provided above, it can be said that women earn less regardless of their education, and/or occupation, unless they are managers. In addition to the pay inequality, there are other factors that prevent and/or discourage women from working at all. Table 3 shows the major reasons for women for not working full time.

REASONS	PERCENTAGE
Child care	6%
Elderly care	0.6%
Child and elderly care	2.3%
In Education	2.4%
Health problems or disability	2.7%
Personal or family related	5.7%
Cannot find full time job	4.4%
Nature of the job	75.5%

Table 3: Reasons for not working full time (Women, 2012)
Source: TurkStat Labor Force Statistics and TEPAV calculations (2012)

As the figures suggest, there are social reasons for women as well as pay inequality that discourage them from joining the labor force. The most significant reasons for women for not having a full time job can be seen as “the nature of the job”, “family related issues”, and “not being able to find a job”. Summing up those indicators, it can be said that women would have been more likely to join the work force as a positive contributor, if they had the chance to pick the jobs that fit them by nature.

The insights extracted from the tables provided above may lead to a conclusion that supports the idea of importance of women’s cooperatives, where women can pick the jobs they see fit without the jobs clashing their family values (where applicable). Also, having their own jobs via cooperatives, “cannot find full time job” obstacle could be managed too. Academic studies on the subject field also support these conclusions. It is seen that women have made a positive impact for their families, communities, and nations through cooperative organizations. It is found that women organizing into collective enterprises such as cooperatives, they provide a supportive environment for other women to contribute socially, and financially (Jones et al, 2012). Women’s cooperatives, in this sense, do not only support women to overcome the obstacles that discourage them from working, but they also provide a significant positive contribution for the markets they operate in.

Women’s cooperatives in Turkey have been rapidly developing since 2010 (Özdemir, 2012). The potential of women’s cooperatives is not ignored by Turkish government, and a positive shift has started in 2011, led by the repealed Ministry of Industry and Trade¹

¹<http://www.bloomberght.com/haberler/haber/895915-kadin-kooperatiflerine-kamu-destegi>

“Women’s Environment Cultural and Business Cooperative Sample Articles of Association” treaty came into action with a formal notice by the Ministry. The treaty enable women’s cooperatives benefit from various grant programs of related stake holders, such as the EU, Development Agencies, ISKUR (Turkish Employment Organization) and KOSGEB(Small and Medium Enterprises Development Organization). Currently, the title of the articles of assocaiation for women’s cooperatives have been revised as “Women Initiated Production and Enterprise Cooperatives” and as a requirement, all of the cooperative partners should be women.

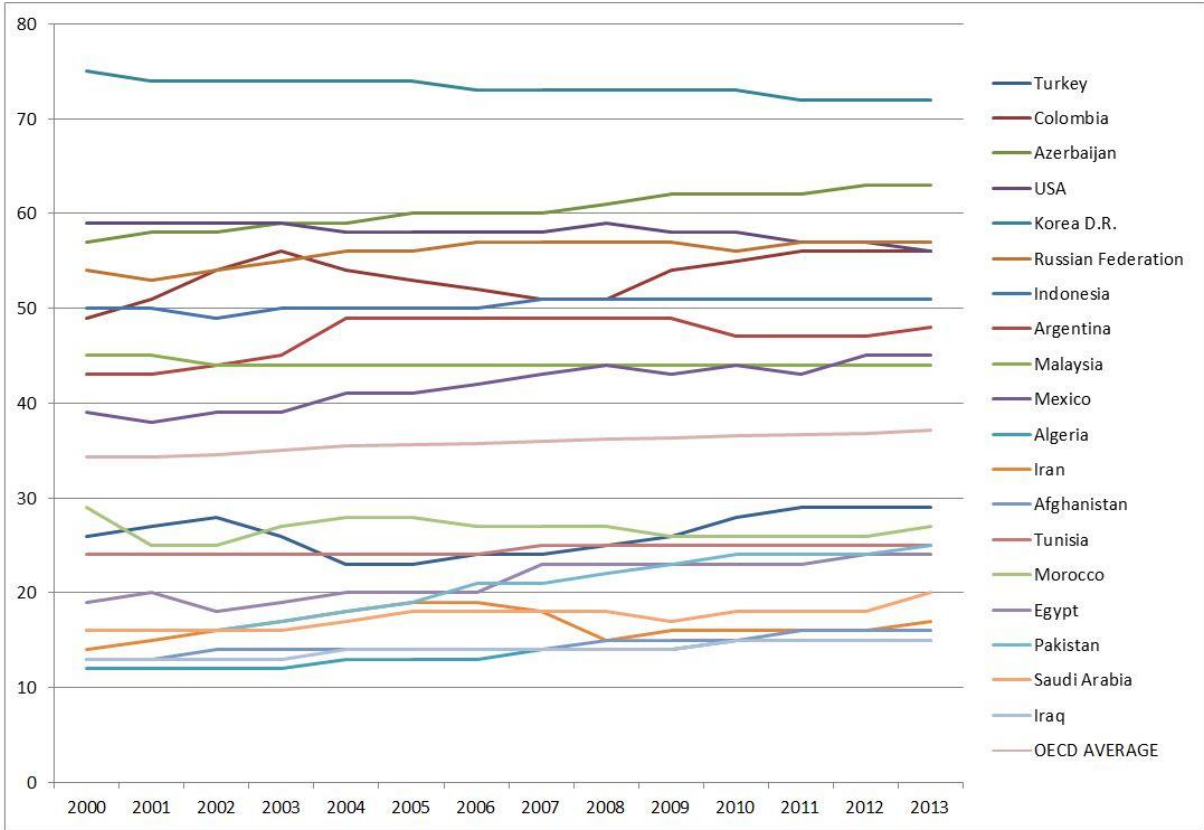


Figure 1: FLEP of selected OECD countries (2000-2013)

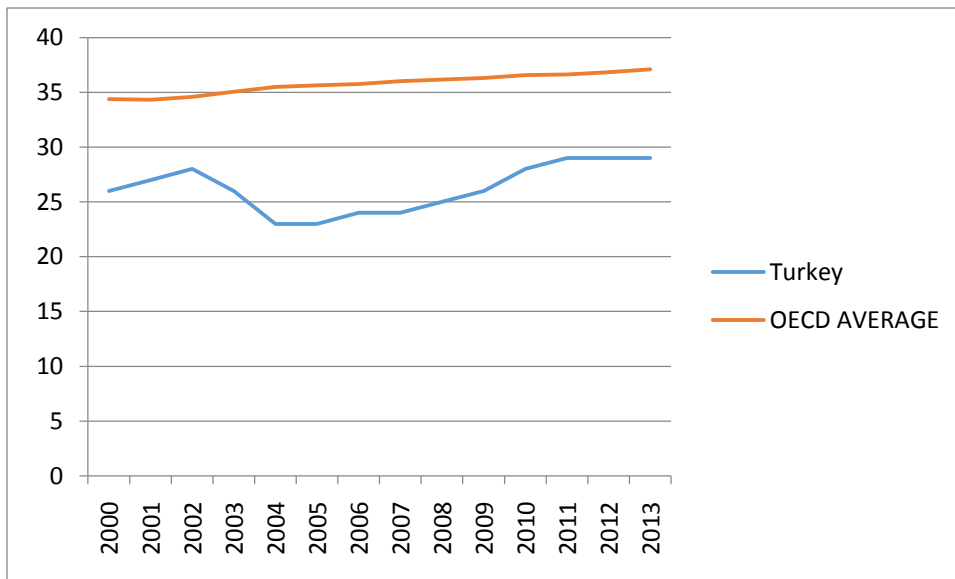
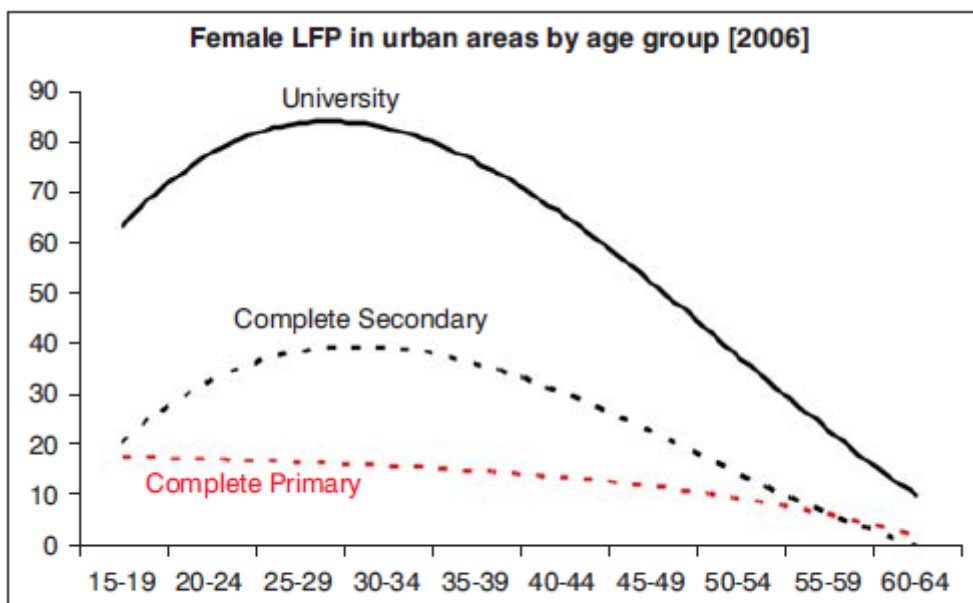


Figure 2: Turkey versus OECD average FLFP (2000-2013)



Source: Processed from Aran and others (2009).

Figure 3: FLFP and educational level relationship

Policies of the national and international institutions and the reinforcements for women’s cooperatives

Women’s cooperatives receive educational and financing supports from national and international institutions and various NGOs. As a former example of these support

programmes, The World Bank has carried out Civil Society Fund and Social Risk Mitigation Programmes. The target groups of these supports were NGOs and individuals or groups which does not have any social security or sufficient income. And the programmes have aimed income generation, employment and activities for providing social services by defraying the costs of human resources, travels, purchase of services and equipments and publications. As a part of the pre-accession aid programmes of the European Union also have targeted NGOs to reinforce social society and participatory democracy.

Current reinforcement programmes and projects involve fund raising and educational and capacity building supports. Women Friendly Cities United Nations Joint Programme runs activities with non-profit organisations to support gender mainstreaming. Besides, the United Nations Development Programme (UNDP) pays particular attention on reinforcing women and their participation in development process. UNDP aims to support the activities about women entrepreneurship, improve the infrastructures of the institutions and ensure sustainability. As part of IPA IV Programme, the EU runs reinforcement programmes to increase activities for increasing employment of disadvantaged groups, create basic and professional skills, develop new learning methods, enable the access to education, raise awareness and networking.

In national frame, there are several training programmes such as applied entrepreneurship trainings by KOSGEB, vocational and on-the-job trainings by ISKUR, non-formal education programs by the Ministry of National Education, and Civil Society Facility Programme by The EU Delegation to Turkey. Likewise, on regional basis 26 Development Agencies in Turkey provide direct support for the activities that directed to regional necessities, such as research, purchase of goods and services, trainings, awareness raising activities and visibility by funding human resources, travel, purchase of services and equipment, office costs and publication.

Ministry of Customs and Trade General Directorate of Cooperative prepared Cooperative Development Strategy and Action Plan 2012-2016 which also concerns women's cooperatives with its strategy and activity targets to increase organization capacity and the cooperation among the cooperatives. According to strategy and activity target 3.7 "works will be made to enable the women to organize under the proof of cooperatives, with the aim of improving their entrepreneurial ability and their participation in the economy as actors." Within this target, in cooperation with the other related institutions -such as Ministry of Family and Social Policies, Ministry of Food Agriculture and Livestock, Ministry of National Education, Ministry of Development, KOSGEB, ISKUR and other related NGOs- works have

been carrying out to enable the women to organize under more cooperatives and thus to increase their welfare levels. As part of the target 3.7, between 2012-2016, it is aimed to establish at least 20 women's cooperatives by the entrepreneurs. Besides, General Directorate of Cooperative has conducted Women's Cooperatives Promotion and Capacity Building Project which includes training programmes on cooperatives, production, marketing and entrepreneurship for women's cooperatives, women entrepreneurs and producers' cooperative initiatives in the light of Strategy and Action Plan.

The successful examples of women's cooperatives in Turkey

As a grassroots movement, Women Initiated Production and Enterprise Cooperatives have founded according to demands of women entrepreneurs. As can be seen in Table 3, women face with difficulties to find full time job, and 90,1% of them are based on child and elderly care, personal or family related problems and nature of the job. Women initiated cooperatives suggest them a solution to establish their own business which are suitable to their personal and family dynamics. Women initiated cooperatives mostly work in the fields of holding a course of handicraft, producing and marketing of traditional food products, running a restaurant, education and care services for handicapped people, pre-school education, child and elderly care and handicraft production and marketing such as traditional clothes, ornaments, jewels, souvenirs, silverwork or pastry.

Some of the successful women's cooperatives in Turkey (economically and socially sustainable, actively in business and growing cooperatives are meant with the term of "successful women's cooperatives"):

- Union of Mediterranean Women, Culture and Enterprise Cooperatives
- Union of Simurg Women Initiative, Production and Enterprise Cooperatives
- Nal-Etik Cooperative (Nallıhan Tourism, Handicrafts, Culture, Nature, Science, Education, Research, Implementation, Production, Marketing, Employment, Business and Development Cooperative): Producing jewelry and ornaments with the traditional point lace technic.
- Amesia Working Bees Women Initiative, Production and Enterprise Cooperative: Producing traditional food products and handicrafts under the brand of 'Amesia'.
- Balçova Women, Environment, Culture and Enterprise Cooperative: The cooperative was founded with Women Friendly Cities United Nations Joint Programme's support and works on food production.

- BİKAD-KOOP (Biga Women, Environment, Culture and Enterprise Cooperative): Providing catering and diner services, pre-school education and producing pastry. They also organise vocational courses and trainings for their partners, and run social and cultural activities.
- Avanos Women Initiative Cooperative: They run touristic diner and also a chinaware workshop.

In addition to above mentioned cooperatives, there are many other successful women cooperatives, especially in Aegean, Mediterranean and Marmara Regions. Most of these women's cooperatives are founded in rural areas and contribute to the economy and publicity of their region. They also have an important role in promoting their regional products in a large scale and handing their traditional values down from generation to generation. Some of the women's cooperatives provide their economical sustainability by producing and marketing in a large scale, attending various fairs, and even selling their products to municipalities in line with their requirements of environment and urban planning. These kind of activities are quite efficient for women's cooperatives to provide sustainable income. The number of the existing women's cooperatives is over 100, and they work in various areas such as retail society, management, handicrafts, production and marketing, supply and delivery, women initiative production and enterprise.

When we consider their composition, working fields, social and economic influences they create, women's cooperatives in Turkey share similarities with social cooperatives in some European countries. Collaterally, women's cooperatives serve to socially and economically disadvantageous groups, and in addition to producing and marketing a product, they are also active in elderly and child care, training, vocational courses, care and education services for handicapped people. Likewise, there are many other examples of successful women's cooperatives from different geographies and cultures, such as India, Iran, Nigeria, Thailand, Israel.

Conclusion

Women's cooperatives were first established in early 2000's and have been taking an active role in social development and creating solutions. According to their articles of association, the objectives of the women's cooperatives are protecting economic benefits of its partners and providing them a healthy and improved environment to live by meeting the social, economical and cultural requirements of them, supporting the enterprises and marketing needs of economic activities such as goods and service production, improving the

production skills. In this respect, women's cooperatives contribute to social and economic development of their regions. Since the women's cooperatives involve both production and management, women have the opportunity of working, producing, generating an income and contributing to improvement of social capital.

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