

WILLINGNESS TO INVEST IN AGRICULTURAL COOPERATIVES: EVIDENCE FROM GREECE

by

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Abstract

This paper uses logistic regression to analyze the characteristics that determine Greek farmers' willingness to invest in agricultural cooperatives. The data are from a field survey of 235 Greek farmers – members of agricultural cooperatives in Thessaly and Western Macedonia regions. Although Greek farmers are commonly members of agricultural cooperatives, the majority are inactive. Therefore, it is important to identify motives that can increase farmers' commitment to the cooperative. In this paper, investment in cooperatives, which is vital for their sustainability, is assumed as an indicator of farmers' commitment to the cooperative. The regression results demonstrate that education, urban residence, participation in the cooperative's administrative procedures, as well as the farmers' perceptions of possible future strategies and previous managerial failures can positively affect members' decision to invest in the cooperative, confirming three of our initial hypotheses. On the other hand, the hypotheses that the existence of a successor in the farm and large farm size positively affect farmers' willingness to invest in the cooperative were rejected.

Keywords: agricultural cooperatives, investment willingness, strategic management, logistic regression analysis, Greece