
THE ROLE OF HANDICRAFT COOPERATION IN ROMANIA'S ECONOMIC DEVELOPMENT AND GROWTH

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Abstract

In this article, the authors have focused and studied aspects that relate to craft co-operation from the beginning to the present. In this respect, there are consistent references to the genesis and origin of handicraft co-operation in Romania. Thus, it is appreciated that the germs of craft cooperatives have deep roots in the socio-economic structure. Since ancient times, Romania's present territories have been rich in natural resources, and in history it has been the question of capitalizing on these riches (resources) that the Romanian principalities first, then the Romanian state resulting from the union of January 24, 1859, and elected, the centralized Romanian state after the Great Union of December 1, 1918, tried to capitalize on them. The big industry in Romania has developed more slowly than in the other European countries. Villages and towns, the settlements in the first instance, were in the form of concentrations, besides rivers or in areas that allowed for easy circulation. We can not confuse the small handicraft with craftsmanship co-operation in its later essence, but we must point out that the beginnings of the development of the Romanian industry, the activities of goods exchange and especially the capitalization of the local resources that existed constituted the incipient core of development co-operation, along with the development of the industry. The small craftsmen who have valorized the forestry and mineral resources, have developed the Romanian culture and art, handicraft, have developed a number of necessary services for the population, later perfected, and thus have created production cores based on the use of local resources by specialists, all local, developing this association, which later turned into cooperatives. The tradition of handicraft is old. A series of issues that emerged from the analysis of the evolution of the craft cooperatives over time reveals that over time the cooperative movement in the field of crafts evolved, developed and aligned with the European current which also followed the same course in other countries. In time, a series of ideas emerged about craft cooperatives that have revealed that this area has developed without interruption and thus has been able to go through significant stages in the evolution and improvement of this system. The authors focus on presenting the evolution of Romanian handicraft cooperatives in certain stages, well-placed in time. In this respect, the first stage of the pioneering handicraft co-

operation is the period until 1918 when the present territories of Romania were divided, but the handicraft cooperative under the influence of the evolution from the outside, under the influence of the improvement of the activities and of the specialization in the fields they had the population in different areas of Romania have developed. We can also talk about some works that appeared during this period and that revealed the real evolution and consolidation of the handicraft co-operation. A significant number of activities remain the flagship of the craft cooperative system, they have improved and the results have been adequate. The handicraft co-operation, besides the actual activity, also had a social role, in the sense that it attracted a series of craftsmen, then craftsmen, specializing in this craft activity. A significant number of jobs have been created with the formation of craft cooperatives, thus ensuring living conditions and income, and contributing to an important part in the formation of the middle class. Over time, in Romania, as in other European countries, some of them with a developed handicraft co-operation continued to exist, to improve and to achieve better results. Between 1918 and the Second World War we can talk about an active evolution of co-operation. History shows that resources existed at this time, but the conditions were not precisely the level at which Romania's economic activity could have reached. Certainly there were plenty of possibilities, but the lack of financial resources somehow broke down the development of handicraft cooperatives. Nevertheless, in the interwar period, based on the archive data we have available, it results that handicraft has continued to develop, to improve and to include a series of activities and even domains that have remained until nowadays specific to the cooperative system craft. In the meantime, a legislative, safe, legal framework has emerged that has evolved and normalized the organization and functioning of the cooperative craft system. Within the framework of Romania's macroeconomic management, since then, the problem has been created to create the most suitable framework for capitalizing on the human potential, locally available in the villages, but especially in the cities, for capitalizing on natural resources, for jobs, for producing of goods and services needed by the population. And under the current circumstances, there are certain activities that can only be carried out in the craft cooperative system. After the Second World War, starting with 1946, within the centralized system of the Romanian economy, the cooperative continued to develop. Despite the fact that certain aspects of centralized management have hindered the development of handicraft, we have the certainty and we can say with precision that even during this period the handicraft co-operation has been strengthened, developed and made a special contribution to employment, to capitalizing on local resources, in the production of productions, which in time have not been appreciated only in our country but also abroad. From the handicraft activity until 1989,

a series of activities resulted in products, small furniture, carpets, handicrafts, ready-made clothes, products of a different nature that proved to be appreciated outside, in which context the handicraft co-operation has also developed a rather important export activity. The production of carpets, the production of other products with Romanian specifics, were exported, and there was also a specialized foreign trade enterprise, which realized the exportation of the Romanian products. During the period 1946-1989, the craft cooperative had a high share in the value of the products and services made, in the formation of the gross domestic product. Also, the persons included in the craft cooperative, increased in number, benefiting from adequate income and social conditions. After 1989, handicraft, despite the fact that there was no well-established macroeconomic strategy from the beginning, continued to develop. In this respect, the legislative framework has been modified in order to encourage and support the development of handicraft co-operation in Romania. Market economy conditions have worked but this has not always had the expected effect. A cavalcade of legislative acts appeared, changed, perpetuated, but the craft cooperative continued its course. Meanwhile, UCECOM's work has grown steadily, with development concerns, creating the material, human and financial premises to further consolidate and to have a profitable situation in the coming years. The authors also concentrate on analyzing the evolution of co-operation over the last four years, pointing out that from a more difficult moment that resulted in 2008-2012, a deeper activity, better dimensioned, which had the effect of stopping decreases and creating conditions for relaunching handicraft. Two aspects, the human aspect, respectively the number of cooperative members, but especially the workers in this field of handicraft co-operation, and the results in goods and services obtained during this period, would be compared. The authors point out that the effects of a better organization, management of the craft cooperative activity provide the premise that in the coming period this activity will be further improved.

Keywords: *handicraft cooperatives, economic structure, UCECOM, labor force, cooperative society*

JEL classification: J21, J34, P13

Introduction

In this article, the authors, based on the study on the emergence, development and development of the handicraft co-operation, emphasize that this type of co-operation has very old roots in Romania. The authors analyze sequentially, from time to time, from the beginnings until 1918, the interwar period, the period of the economized economy from 1946 to 1989, and then the evolution of the handicraft after 1990. Based on data from the study of the

archives, other works of some people who have been involved in the study and evolution of handicraft co-operation, the authors have emphasized the progressive evolution of this kind of co-operation, which has gained better results. It is stated that during the centralized economy, where the handicraft cooperative, despite certain limits of the management system specific to the period, achieved good results. The human resources are analyzed through the constant increase of the number of craftsmen co-workers, of the results materialized in goods and services specific to this important activity, eventually materializing the high value of the production resulting from the craft activity, which contributed to the increase of the product gross domestic product in Romania. The data show that an increasing number of cooperative and / or salaried cooperative members have had jobs, earned income, perfected and consolidated and structured a system of handicraft cooperatives in our country. Attention is also paid to the period after 1990, when the free market was imposed, the craft cooperative has tightened the ranks, strengthened on the specific fields and continued to obtain positive results. The authors also focus on specific moments of the evolution of handicraft co-operation in our country, highlighting the role of personalities that contributed both to the development of the cooperative doctrine, but also to the principles that underlie the co-operation in general and the handicraft in particular. The study underlying this article reveals the positive evolution of the handicraft cooperative in our country, even under the conditions of the free market. A series of concrete aspects have been brought to light that have led to the structuring, consolidation and positive evolution of the craft cooperative system. Within the archel there are presented the main fields (micro-domains) in which the handicraft co-operation has strengthened and specialized by offering goods and services especially needed for local communities. It is also pointed out that a number of craft products take the path to export to other European countries and not only. The evolution of handicraft co-operation also has a cultural role through the exports made based on the handicraft of some artisans who produce in this frame. Thus, the production of handmade carpets, crafts, small furniture and other products specific to Romanian folk traditions and customs are highly appreciated abroad. The article also emphasizes the presentation of the perspective of the evolution of the cooperative craftsmen activity starting from the fact that during the last 5-6 years we witness a process of reviving the organization and consolidation of the craft cooperative system on the territory of Romania. The legislative framework that has been adopted concerns the possibility of supporting the development of craft cooperatives. Also, local, natural, financial resources give the perspective of a growing activity in this field. A particular feature of the handicraft cooperative is the fact that the specifics of the vocational, lyceum schools and of a university,

UCECOM has proposed and achieved positive results in the training of the cadres in the assurance of people with a tendency towards the handicraft, being from this point of view net superior to the other sectors of co-operation in our country. In Europe cooperative banks (cooperatives) are fairly well represented in the national banking system of the respective countries. And the cooperative craftmanship system in Romania has set up a bank that still exists today, and through transformations it operates, with the premise of intensifying banking activity in the coming period. Also in this article will be presented the aspects of the legislative framework on the basis of which there is appreciation that the craft cooperative system will be revived in the following period.

Literature review

Anghelache (2018) analyzed the role of co-operation in economic and social development at a global level and conducted a study on the evolution of this system in Romania. Anghelache and Anghel (2017) emphasized the national structure of Romanian co-operation, on organizational and territorial aspects. Backer (2017) pointed out that the purpose of the cooperative schools was and is to strengthen the cooperative economy. Birchall and Hammond-Ketilson (2009) demonstrated that the cooperative society model survives the financial crisis, being a form of sustainable enterprise that maintains the livelihoods of the communities in which it operates. Birchall and Simmons (2004) analyzed the members' motivation to be part of cooperative societies. Bontems and Fulton (2009) presented aspects related to the organizational structure of cooperatives. Borgen (2004) proposed rethinking incentive measures applied in cooperative organizations. Borzaga, Bodini, Carini, Depedri, Galera ., and Salvatori (2014) studied the economic and social impact of cooperatives in local economies. Crucero (2014) presented ideas on the emergence and development of the cooperative system. Chloupková (2002) analyzed the core features of cooperatives, identifying the premises for a successful cooperation development. Hansen, Morrow and Batista (2002) investigated the effects of trust between cooperating members on the one hand and between co-operating members and the management team on the other hand. Levi and Davis (2008) analyzed the role of cooperatives in the social economy. A similar theme was debated by Lotti, Mensing and Valenti (2006) who considered that a viable solution for the development of the economic system was cooperatives. Mazzarol, Soutar and Limnios (2012) proposed a loyalty model for cooperative members, highlighting the importance of affective engagement and cooperative identification as key variables of mediation. McCain (2007) analyzed the relationship between co-operation and effort, as well as the relationship between reciprocity and mutual supervision in cooperatives. Novkovic (2008,

2006) and Spear (2002) have shown the advantages of cooperatives on the market in terms of their cooperative values and principles. Roelants, Dovgan, Eum and Terrasi (2012) analyzed how cooperatives respond to the crisis and its consequences. Torres Pérez (2016) addressed aspects related to the place of cooperatives between state control and the collaborative economy. Vieta and Lionais (2005) studied the impact of cooperatives for community development.

Research methodology, data, results and discussions

• Some aspects of the genesis of co-operation in the world

Co-operation is not a new term, nor a new actovotate, it has its origins in forms of socio-economic organization in the world from ancient times. The cooperative system has evolved and developed unceasingly in all the states of the world and especially in developed ones.

In this context, we note that co-operatives currently offer over 100 million jobs around the world, 20% more than multinationals. In Canada, 4 out of 10 Canadians are members of at least one cooperative and cooperatives have over 155,000 employees. In the Quebec region of Canada, about 70% of the population is a cooperative member. Cooperatives producing maple sugar in Canada hold 35% of world production. 23 million French citizens (about 38% of the population) are co-operating members. 75% of agricultural producers are members of a cooperative. The cooperative movement's turnover is 181 trillion euros, cooperatives holding 60% of banks, 40% of agricultural and food production and 25% of retail sales. In terms of jobs, 21,000 co-operatives provide over 1 million jobs representing 3.5% of the active population. 1 out of 4 people (about 20 million people) is a member of a cooperative in Germany and 440,000 people are employed in 8106 cooperatives. In Japan, one in three families is a member of a cooperative. In 2007, consumer cooperatives had a turnover of US \$ 34.048 trillion, accounting for 5.9% of the market share of food. In India, ca. 239 million people are co-operating members. In New Zealand, 40% of the adult population is a member of cooperatives and mutualities. Cooperatives produce 22% of GDP, accounting for 95% of the dairy market, 70% of the meat market, 62% of the grocery market, 75% of the pharmaceutical market, 70% of the agricultural chemical fertilizer market. Spain had 15% of the cooperative member population (in 2008). In 2007, the cooperative provided jobs for 21.6% of the labor market. Argentina has 12,670 cooperative societies with more than 9.3 million members (23.5% of the country's population) and offers over 233,000 jobs. Italy had about 1 million employees in 2005 in 70,400 cooperative societies. 4 out of 10 people are members of cooperatives in the US. 30,000 co-operatives hold \$ 3 trillion in subscribed capital, generate revenue over \$ 500 billion and \$ 25 billion in

salaries and provide over 2 million jobs. In rural areas there are more than 900 cooperatives specializing in electricity generation that supplies electricity to over 42 million inhabitants, accounting for 42% of US distribution lines.

• The emergence and development of the cooperative concept in Romania

The cooperative ideas entered Romania in the first half of the nineteenth century. There are known the concerns of many personalities to promote associationist ideas.

Valuable contributions to the theoretical foundation of the revolutionary development program of the country, including associationist principles, have had great personalities such as N. Balcescu, S. Bănuțiu, A. Iancu, E. Murgu, A. D. Xenopol and others.

Theodor Diamant (1810-1841), the initiator of the Skaeni-Prahova falcons in 1835, who started from the idea that „the struggle is now between those who have and those who do not” and stressed the need to remove the society that did not provide the classes from the bottom even the right to a decent minimum of living (food, housing, clothing and access to work that is not harmful to their health).

Spiru Haret (1851 - 1912), a mathematician, sociologist, teacher, minister in several cabinets, was one of the promoters of the Romanian vocational education, initiator of arts and crafts schools.

Petre S. Aurelian (1833-1909), economist, fought for the implementation of co-operation in the economic life of Romania, under the impetus of the notable results obtained in the Western countries by the cooperative production societies. Prioritize production associations. For his exceptional merits in the Romanian economic culture, with vocation in the field of co-operation, Petre S. Aurelian was a member of the Romanian Academy, remaining in the honorable book of the center of research activity in Romania.

Dimitrie C. Butculescu (1866-1907), aimed to determine the craftsmen and workers to organizations of an economic nature. It played a special role in promoting association ideas among craftsmen of all categories. We can say that it is due to the beginning of the cooperative associations of craftsmen, this way of organizing the production permanently and then, developing continuously.

An important moment in the development of the cooperative activity in the Old Kingdom was the appearance in May 1887 of the „Code of Commerce”. After the entry into force of the Commercial Code, a number of cooperative societies appeared due to the guarantee they gave to associated members in obtaining income and the prospect of working in the interest of those involved in these cooperatives. Numerically, cooperative associations

far outperform those in the previous phase.

On March 29, 1903, the „Law of Folk People’s Banks and their Central House” was adopted, which influenced the emergence of new forms of cooperative association. Concretely, at this point, there was a rapprochement between credit cooperatives and craftsmen (craftsmen), in the sense that, in the context of the banking system being quite limited (the capital was, in high proportions, foreign, interest was other forms of co-operatives have been supported, credit offering financial sources more accessible to producers.

On December 20, 1909, the Law was passed, which also provided for the establishment of production cooperatives.

In the twentieth century, a number of personalities, including IG Duca, Ion Mihalache, Ion N. Angelescu, Vintilă Bratianu, A.G. Galan, Gh. Tashka, contributed to the consolidation and development of the cooperative activity. Virgil N. Madgearu, in his turn, was concerned about defining the cooperative society, which he defined as „cooperatives, as economic associations of labor, unlike joint stock companies that are capital associations.” Professor Gromoslav Mladenatz has been actively involved in the development of cooperative activity in Romania during the period between the two world wars. In the interwar period, Romania’s economy was in a delicate situation. It was the question of rebuilding the economy after the First World War, the employment that had become difficult to achieve because of the agrarian character of the economy and the lack of financial resources and technological capital. There is already the impetus of the positive evolution of the cooperative societies, the fastest way to consolidate the existing ones and the emergence of such new organizations that united the craftsmen (craftsmen).

• **Legislative framework on the foundation of craft cooperatives**

The evolution of craft co-operative legislation has followed a course that has intensified over time. However, economic, social and political conditions have led to a sinuous evolution of co-operation. The legislation of those years reflects the state’s concern for cooperative activity. Summing up, let us mention, in chronological order, the main normative acts regarding the cooperative system, in general, and the handicraft co-operation, in particular, which were promulgated at that time are the following:

- on January 3, 1919 - Decree - Law for the establishment of the Central Cash Cooperative and Landowners’ Villagers;
- on February 9, 1919 - Decree - Law on the Establishment of Urban People’s Cooperatives;
- on 30 April 1920 - Law on the organization of the Ministry of Labor and Social Welfare (as amended on June 12, 1920), in paragraph 4, art. 20-27

presents the organization of the City Cooperative Department and the City Co-operation Council;

- March 14, 1923 - Law for the unification of co-operation;
- on July 12, 1928 - the Code of Co-operation;
- March 28, 1929 - Law on the Organization of Co-operation;
- Regulation for the implementation of the law on the organization of the co-operation of 28 March 1929, as amended and supplemented by the Laws of 4 April 1930 and 7 April 1933;

- on July 27, 1933 - Law no. 149 for organizing co-operation;
- in 1935 the Law for the organization of cooperatives (amended in 23.VI.1938, 20.I.1939, 18.X.1940 and 22.II.1941) appeared, this being the most complete normative act in the field, which had as the consolidation of the cooperative system, especially of the craftsman.

After 1944, in the years of the centralized economy, the craft cooperative was carrying out its activity without having a precise identity regulated by law.

It was only in 1949, on 2 April, that Decree no. 133, for the organization of co-operation, which abrogates the 1935 law and subsequent amendments. The Decree provided for the organization of cooperatives for craft production and others.

• Stages and milestones of the craft cooperative development

Specifically, the beginnings of handicraft in Romania date back to 1879 when the first organization of this kind was established - „Shoemakers' Society” (Bucharest). Handicraft cooperatives were predominant in the urban and rural areas where there were craftsmen and resources, especially natural.

Cooperative activity grew rapidly, so at the beginning of 1950 there were 568 cooperatives with 63,000 members.

During the communist era, the co-operative co-operative produced 11% of GDP.

We can appreciate that during the communist period the number of members increased artificially due to the benefits they could gain by entering this system.

In Communism, the craft cooperative system had a monopoly in the urban environment in the provision of certain local services such as repairs, services, but also the production of handicrafts, clothing, household goods and others.

During the years 1949-1989, the handicraft co-operative managed to attract in its work an increasing number of craftsmen. They have benefited from professional conditions of organizing productive activity, earning

gains, including a better standard of living than that provided by state-owned enterprises.

Handicraft co-operation was the only alternative to the centralized economy. As a magnifying order, the handicraft cooperative owned the entire cosmetics and hairdressing market in the urban area, the entire home repair market, a large part of the automotive repair market, 50% of the handmade carpets production, 60% of the globe production, handicraft market, manual carpet production and market, and much more.

After the fall of the communist regime, UCECOM (the Central Union of Crafts Cooperatives) is the organization representing the handicraft cooperative. It organized in the first years after 1989 the first bank with Romanian private capital - MINBANK, which later became ATEBANK in the period of inflation growth (1993-1996). UCECOM owns 25% of the bank's shares so it can negotiate advantageous lending conditions for its members. At present, craft cooperatives own about 99% of the cosmetics and hairdressing market, 95% of the small repair market or 85% of the auto repair market.

The number of craft cooperatives registered an increase between 1989 and 1998, followed by a slight decrease between 1999 and 2004. After the law 1/2005, their number increased. Regarding the number of cooperative members, we see a decline, after 1990, due to the lack of legislation supporting this form of organization of qualified specialists in various professions. There is an increasing trend of concentration of craft cooperatives from the perspective of the number of employees. Cooperative Hygiene is ranked among the top 5 craft cooperatives as a number of employees. Most craft cooperatives have 54.7% of the manufacturing industry, followed by other services - 16.5% and trade - 10.4%.

The cooperative system implies democratic governance, autonomy and independence of the cooperative community, fair distribution of benefits, cultivating honesty, pluralism and education in the spirit of human solidarity.

The activity of handicraft co-operation after 1989 takes place in a new context determined by the reform process and, in particular, by the market economy option. Decree-Law no. 66 of February 8, 1990 on the organization and operation of craft cooperatives legislated the role and place of handicraft cooperatives in the national economy, real independence and autonomy.

In summary, we stated that before 1989, 40 cooperatives have UCECOM profiled crafts, plus 80 other cooperative departments, employing 50,000 people, of which 75% were women. A quarter of working at home, almost exclusively women who were especially knotted and woven carpets, hand embroidery, fabric Crafts. The selection accounted for 45% of total exports of UCECOM on Western currencies. It is mainly exported to the US and UK, Italy, France, Sweden, Germany, Greece.

The Crafts Cooperative Council has acted to include craft cooperative organizations in the category of small and medium-sized enterprises, which benefit from national facilities.

Please note that Law no. 1/2005 regulates the general framework for the organization and functioning of cooperative craft enterprises.

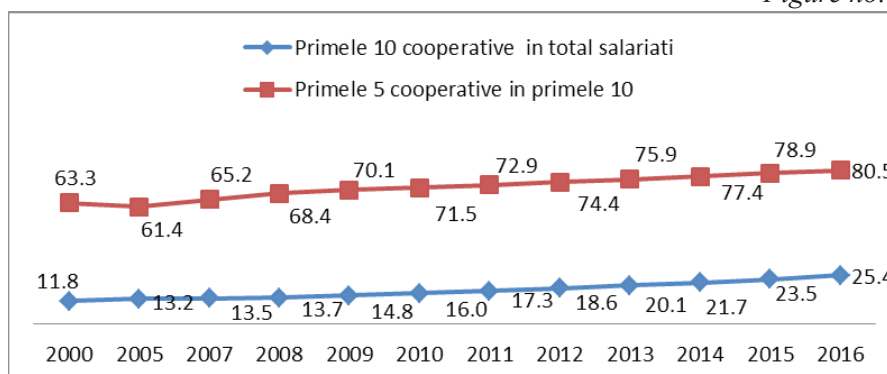
• **Highlights of the evolution of handicraft co-operation under free market conditions**

In the period after December 1989, the cooperative system took a new form and consolidated on new bases. Thus, in the period 2000-2008, before the onset of the economic and financial crisis, there was a momentum, after which there was a slight decline, as a result of the economic and financial crisis, which affected the world economy during 2008-2011. The passenger effect is felt, but with careful measures of better organization and efficient activity, the craft cooperative is recovering.

In the field of craft cooperatives, the share, according to the number of employees, reflects an increase, as shown in figure no. 1. This means a process of relaunching craft cooperatives after the aforementioned economic and financial crisis.

The evolution of the cooperative cooperatives share by number of employees

Figure no. 1



In the structure of UCECOM, 506 co-operative entities (craft cooperative societies, county unions and associations of craft cooperative societies) are associated, amounting to about 16,000 people, over 87% having double quality - associated with work and capital respectively cooperating members and workers in their own cooperatives.

Craft cooperative units operate in almost all urban centers of the country, covering the entire economic sphere (about 2440 units, out of which over 300 production units, about 1780 service units, over 360 commercial units).

Craft cooperative societies differentiate themselves from the rest of the small and medium-sized group of companies through their long experience, stable organizational structure and high flexibility of productive units (5-450 persons), easily adaptable to various types of activity. At the same time, it must be stressed that the workforce is well qualified, with a working environment conducive to the development of cooperation and economic cooperation. There are also production and commercial spaces available for the development of economic activities specific to craft cooperatives in all regions of the country.

At present, craft cooperative societies carry out a wide range of activities, among which:

- production of industrial and consumer goods, respectively:
 - textile and knitwear: garments, knitwear, protective clothing, hand-woven and knotted carpets; sports items etc .;
 - leather footwear, work footwear and protection, leather goods - handbags, purses, belts, belts etc .;
 - wooden products: small furniture, sculpted furniture, brewery sets, toys, „sewing boxes” etc .;
 - folk art and handicrafts: tablecloths, embroidery, scarves, wipes, tapestries, painted wooden icons, folk dolls, etc .;
 - metal products: work benches, tools and accessories, garden furniture, tool boxes, etc;
- Intra-Community deliveries and exports, with an annual average volume of about € 21 million, made in 13 countries (mainly intra-community deliveries), with the largest shares in Italy, Germany, England, France, Portugal and others;
- performs a high volume of services for the population and third parties: personal hygiene and human aesthetics, repair of household appliances and other durable goods, car maintenance and repairs, etc .;
- The commercial activity is realized in the sale of a wide range of retail and wholesale goods through its own units, as well as through other commercial companies;
- cooperative craft units carry out a broad economic cooperation activity with internal partners, with the possibility of cooperation also externally;
- the craft cooperative system carries out an intense and beneficial training activity:

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- at university level, there is the „ARTIFEX” University of Economics in Bucharest, with two faculties, namely: Finance and Accounting and Management-Marketing. Artifex University enrolls approximately 1,500 students and master students annually. The founder of this university is the National Technical-Scientific and Social-Cultural Foundation -ARTIFEX- of the Commerce Cooperative, which is also founded by UCECOM;
 - at the pre-university level, the „Spiru Haret” Foundation has 11 schools: a College in Bucharest and high schools in Arad, Baia Mare, Braila, Breaza, Cluj, Constanta, Craiova, Iasi, Ploiesti, Timisoara - approx. 3,500 students).
 - The handicraft cooperative provides tourist services and spa treatment within the hotel units located in the Eforie Nord, Mamaia, Covasna and Sovata resorts, where UCECOM owns 99% of the share capital.
 - From the study of the bibliography and the concrete activity carried out, we find the main traits characterizing the Romanian handicraft cooperative, which define it as an important component of the Romanian civil society. In this sense, we will limit ourselves to highlighting the main features, namely:
 - craft cooperative societies are economic agents capable of generating profits and providing new jobs every year, at a time when the lack of investment at national level leads to an increase in the unemployment rate;
 - handicraft co-operation is one of the few segments of the national economy that, in an organized manner, provides stable jobs for several hundred people with disabilities, giving them the chance of decent work by creating products of low complexity in special units organized and protected;
 - folk art and artistic crafts represent a means of promoting Romania in the world through products that incorporate the specific tradition and the national creative genius, the craftsmen cooperating effectively contributing to the continuation of the Romanian traditions, appreciated both in the country and abroad;
 - the socio-educational field is a very important component of the cooperative craft sector. Thus, the pre-university and cooperative economic co-operative economics of handicraft co-operation aims to promote the cooperative principles, as well as the growing international and national affirmation of this economic and social sector.
 - UCECOM is also active internationally, taking into account the fact that European society is in the process of transformation and this process

can not be conceived without taking into account the cooperative component within each European nation. Europe is concerned to strengthen its unity in diversity, and an element of this diversity is co-operation in its various forms of manifestation. In this context, in the field of handicraft cooperatives the following are considered:

- encouraging and supporting a continuous investment process in craft cooperative societies, with a view to achieving further progress and higher profitability;
- stepping up the exchange of experience and documentation, both externally and internally;
- more active involvement in accessing operational programs funded from structural and cohesion funds or other internal and external sources. Also, the process of accessing European funds aimed at strengthening and developing the craft cooperative activity will continue;
- developing active programs for training, assistance and advice to associate members.

Handicraft co-operation (UCECOM) is associated internally with the Chamber of Commerce and Industry of Romania (CCIR) and the National Association of Exporters and Importers in Romania (ANEIR). UCECOM is also associated internationally with the International Co-operative Alliance (ACI); Cooperatives Europe; The International Organization of Production, Industrial, Handicraft and Service Cooperatives (CICOPA); European Confederation of Production Cooperatives; Social Cooperatives and Societies and Participatory Societies (CECOP) and the Balkan Bureau for Middle Class Support.

The period after the economic and financial crisis experienced a slight rebound in the value of the total production of craft cooperatives, a process that recovered after 2012, with preconditions for the next period.

Comparing the value of the retail trade and the investment process, we can see that both had the same upward trend until the 2008-2011 crisis, then a reduction during the economic and financial crisis, after which the positive evolution was resumed.

As regards the external activity of delivery of craft products, mainly in the countries of the European Union, we are seeing increasing concern, as there is the prospect that many products, in quantities and competitive prices, will cross Romania's borders. The European Union market is sufficiently attractive, with good possibilities, especially under the „free movement of goods and services” directive, which has transformed exports into direct, tax-free sales.

The current state of handicraft co-operation highlights the prospect of a positive trend in the coming period. In this context, the Congress of Handicrafts Cooperatives will establish measures that will lead to the development of the handicraft cooperative activity, which will make better use of the progress achieved so far.

Conclusion

In the analysis, on the basis of the undertaken study, the authors emphasized the evolution of the craft cooperative system in Romania in time. A first conclusion is that, over time, in the beginning, the craft cooperative was one of the first to form the embryo around which crafts cooperatives specialized in certain fields of goods and services production were established, while running concurrently to consolidation and development. A second conclusion is that Romania has sufficient material resources and that the craft cooperative system has sufficient financial resources for this structural activity to gain increasing importance in the economic activity. Referring to the evolution of handicraft in Romania we conclude that a large number of jobs (co-workers and employees) are created on the system of craft cooperatives. Also, the organizational structure is achieving better results, the evolution of the last four years revealing a positive perspective on the implementation of specific plans and projects. Handicraft co-operation in Romania is well structured in a territorial profile, being properly organized, through UCECOM's unitary management, with an appropriate management that can make better use of financial and material resources. In the craft cooperatives it results that this activity can develop and can contribute to the creation of the middle class. Another conclusion that emerges from the study carried out in this article is that the cooperative activity in the field of crafts will remain an old guild with new and continuous activity, attracting a larger number of people to the specialized activity in the fields that are specific to this genre of activity organized in cooperatives. The activity in handicraft co-operation is perfect, and in this respect we can exemplify the improvements and developments that have taken place over the last four years and which have ensured a more rigorous implementation of the principles of craft co-operation, of improving this activity, will also result in higher results based on the strategy that will be continued in the coming years. A final conclusion is that the activity of cooperative handicraft in our country will have to be more present on the European Union market with products already specific, according to Romanian traditions and customs. Under European Union directives they can become classified and represent Romania better on the common market, hence also a positive influence for the popularization of the Romanian traditions and customs embodied in the handicraft cooperative activity.

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