

Social capital and cooperative schemes in Greece: A critical meta-analysis and future research agenda.

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Abstract

The social economy paradigm gains increasing attention and support through a number of policy interventions and instruments worldwide. Many developmental initiatives draw from such a background in an attempt to deal with both state and market failures and shortcomings. In principle, these initiatives are considered a most effective tool to achieving sustainable socio-economic growth. However, such initiatives cannot be considered a priori efficient or successful developmental examples. Available knowledge suggests that cooperative schemes cannot work efficiently unless they are based on a strong social capital basis. In other words, it takes the presence of strong associational bonds, trust and reciprocity among members of any cooperative entrepreneurial initiative for it to be successful in the long run. Furthermore, it is necessary that this social capital is positive (in contrast to negative or else unsocial capital) if such cooperative schemes are expected to become a leverage for achieving long run sustainable socio-economic growth for the society at large. Within this context the present study analyses the problems and prospects related to the development of cooperative enterprises in Greece. Greece is widely reported as a low social capital country in which trust and reciprocity are seriously damaged by the longstanding presence of developmental counterincentives such as widespread rent-seeking activities, political favouritism, excess statism, and increasing lack of credibility, accountability and transparency in public life. Most often than not, social capital in Greece relates to the development of bonding social networks, wherein associational membership has evolved as a means to sustain exclusive gains instead of inclusive ones. Such associational activity has resulted into the widespread failure of cooperative initiatives in Greece, a phenomenon often reported as 'a lost opportunity' or the case of 'lost growth decades'. Given that, we might argue that unless a modernisation and restructuring process is set forth the current schemes to support cooperative initiatives (under the now popular social economy agenda) will result into the mere repetition of vastly negative experiences. On the other hand, the presence of some successful cooperative schemes in Greece seems to be, among

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other factors, the outcome of a positive associational basis of trust and reciprocity among the members of local societies. To that extent the aim of the present study is to provide a critical meta-analysis of available research that sketches the cooperatives' success or failure social capital features. To do so we combine the results of a focused literature review with the insights acquired from interviews with a panel of experts who are invited to shed light in what they consider to be the crucial aspects of the long run developmental potential of cooperatives in Greece and in particular the role of the country's stock and type of social capital in such a process. Policy implications and a future research agenda in the field are proposed on the basis of these results.