

HAROKOPIO UNIVERSITY

Department of Geography

Postgraduate Studies Programme

‘Applied Geography and Spatial Planning’

Stream B: European Policies, Planning and Spatial Development

**Governing the Social Economy: towards Socially Innovative
Strategies for Local Development in Rural Areas.
The case of Robola Wine Cooperative in Cephalonia**

Master Thesis of Georgia Tseva

Athens, July 2015

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Supervisor: Pavlos Marinos Delladetsima

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Acknowledgments

This study is finished at a fundamental time for the trajectory of Greece in European space. Entailing a personal struggle it stands as taking a path at a crossroads in between watching real politics or trying to contribute in research and make a connection out of it.

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ABBREVIATIONS

ALMOLIN Alternative Model for Local innovation

ANEKI Development Company of Cephalonia and Ithaca

CAP Common Agricultural Policy

EDOAO National Interprofessional Organisation for Vineyards and Wine
(New Wines of Greece)

EU European Union

GESASE General Confederation of Agricultural Organisations of Greece

HEI Higher Education Institution

NGO Non Governmental Organisation

OPEKEPE Payment and Control Agency for Guidance and Guarantee
Community Aid

PASEGES All Greek Confederation of Unions of Agricultural
Cooperatives

PDO Protected Designation of Origin

SE Social Economy

SI Social Innovation

SINGOCOM Social Innovation, Governance and Community Building

SYDASE Confederation of Agricultural Organisations of Greece

TEI Technological Education Institution

UAC Union of Agricultural Cooperatives of Cephalonia

Abstract

The aim of this study is to research socially innovative strategies in the Social Economy sector towards the goal of an alternative paradigm in local development. It is focused on the role of cooperatives as innovative actors in the field. The study starts with a critical literature review on the relation of SE with socially innovative strategies towards the goals of satisfaction of needs and changes in social relations. It then focuses on the role of governance as an important framework of innovation in this respect. In this context, it deals with methodological issues on how to approach such strategies. The second part of the study researches the relevance of the presence of older forms of SE in rural areas in Greece in the context of economic crisis. It focuses primarily on the case study the Agro-industrial Robola Cooperative of Cephalonia. Including historical, contextual, legal and cultural aspects it identifies the role of practitioners today in transforming the governance of older agro-industrial cooperatives through social innovation in order to adapt to the challenges brought upon local rural communities today.

Key words: social economy, social innovation, governance, local development, economic crisis, Robola Cooperative, Cephalonia

Περίληψη

Στόχος της παρούσας μελέτης είναι η έρευνα κοινωνικά καινοτόμων στρατηγικών στο πεδίο της Κοινωνικής Οικονομίας προς το στόχο ενός εναλλακτικού παραδείγματος για τοπική ανάπτυξη. Η μελέτη επικεντρώνεται στο ρόλο των συνεταιρισμών ως καινοτόμων δρώντων σε αυτό το πλαίσιο. Η μελέτη ξεκινά με μια κριτική επισκόπηση της βιβλιογραφίας για τη σχέση της Κοινωνικής Οικονομίας με κοινωνικά καινοτόμες στρατηγικές αναφορικά με την κάλυψη αναγκών και την αλλαγή στις κοινωνικές σχέσεις. Κατά συνέπεια, προσεγγίζει και μεθοδολογικά ζητήματα μελέτης αυτών των στρατηγικών. Το δεύτερο μέρος της μελέτης ερευνά την παρουσία παραδοσιακών μορφών Κοινωνικής Οικονομίας στις περιοχές της υπαίθρου στην Ελλάδα στο πλαίσιο της οικονομικής κρίσης. Στόχος αυτού του μέρους είναι κυρίως η ανάλυση της δράσης του Αγροτοβιομηχανικού Συνεταιρισμού Ρομπόλας Κεφαλληνίας. Λαμβάνοντας υπόψη ιστορικές, τοπικές, νομικές και πολιτισμικές πτυχές επιχειρεί να αναλύσει το ρόλο των κοινωνικών δρώντων σήμερα να αλλάξουν τη διακυβέρνηση των παλαιότερων αγροτικών συνεταιρισμών στην Ελλάδα μέσω πρακτικών Κοινωνικής Καινοτομίας και με στόχο να αντιδράσουν ή/και προσαρμοστούν στις προκλήσεις που αντιμετωπίζουν οι τοπικές κοινωνίες της υπαίθρου.

Λέξεις κλειδιά: κοινωνική οικονομία, κοινωνική καινοτομία, διακυβέρνηση, τοπική ανάπτυξη, οικονομική κρίση, Αγροτοβιομηχανικός συνεταιρισμός Κεφαλληνίας.

INTRODUCTION

In recent years there is a re-emergence of the Social Economy (SE) as a theoretical concept and a field of social practices and public debates. Related to situations of social and spatial exclusion, poverty and inequalities this re-emergence is the result of the welfare crisis and market failures.

Cooperatives as forms of SE have become paradigms to the solution of these problems promoting solidarity and reciprocity. Despite this, historical development trajectories can eliminate the possibility of creating relevant initiatives while in other cases can distort their ethical and practical role fragmenting social and spatial dynamics in times of emergent needs alienation such as economic crises.

The aim of the study is to contribute to the theoretical discussion and research on the role of the governance of SE towards an alternative paradigm on local development. In particular it seeks to identify the relation between theoretical and practice oriented aspects of the term, socially innovative practices in the micro and macro scale and their contribution to the local community and to focus especially on the role of agro-industrial cooperatives in the Greek context. Therefore it seeks to provide a conceptualization analysis of the concept of Social Innovation and to find insights of the changing role of older cooperatives towards a socially integrating character.

In this respect, it deals with two groups of research questions. The first one is related to the context the cooperative is developing its strategies and more specifically to: which multiscalar, political, economic and cultural forces that produce social exclusion hold the potential for social change; What is the role of economic crisis in the role of new and older cooperatives and their goals including issues of rurality. The second group is related to the cooperative's role and actions: In response to what problems and in what way satisfaction of needs, resources allocation and production are organized in relation to the cooperative and what are the cultural aspects; Which practices can be considered as innovative and in which scale, how do they contribute to the SE and how social capital and governance processes are mobilized; How these practices are translated to develop local development imaginaries in rural areas.

The study begins with a theoretical exploration of the concepts of Social Economy and Local Development. As emergent from this exploration it mainly

focuses on the importance of Social Innovation as a theoretical framework for developing new strategies for Local Development and transforming the meaning of Social Economy. The role of Governance in this process as well as the importance of rural areas in the contemporary social and economic processes is explored as well. Based on the understanding that both Social Economy and Social Innovation as terms are path dependent and context specific the study moves forward to the analysis of the development of Social Economy and specifically of agricultural cooperatives in the Greek context. What is more, an analysis of the main dynamics and barriers for local development of the island of Cephalonia is attempted. Finally, in the last chapter there is the analysis of the Robola Cooperative case study thus the relevance of socially innovative practices in the field of Social Economy that can promote alternative local development strategies together with processes of inclusion or hindering of the relevant initiatives.

Our hypothesis is that agriculture cooperatives as part of the social economy and especially the ones related with local products have an important social capital that can be enhanced for changing their path dependency and thus for creating new hybrids for the promotion of socially inclusive local strategies and new spaces of interaction. Despite this, they face important problems closely related to the governance as a framework for development of an interprofessional network of the local actors.

In accordance to the Alternative Models for Local Innovation (ALMOLIN)¹ analytical framework followed in this study, the methodology applied goes as follows: apart from the critical literature review as defined there is a content analysis of the legislation and policy documents to investigate the role of governance framework to SI initiatives, a content analysis of the local press in order to grasp the most important dynamics and problems of the local community as well as the presence of the Robola cooperative in it, a content analysis of the cooperative charter, a network analysis to search the organizational and institutional networks of the Robola cooperative and qualitative semi structured interviews: two on the Robola cooperative and one interview in the municipality of Cephalonia as well three interviews in the honey cooperative of Cephalonia for studying how other cooperatives understand the role of

¹ European Social Innovation Research, Social Innovation, Governance and Community Building (Singocom), <http://siresearch.eu/social-innovation/project/singocom> [date of access: 01/04/2015], see also Moulaert et al. 2005.

agricultural cooperatives as well as how they evaluate the activity of the Robola cooperative. In addition, empirical observation of the role of the product of Robola wine in everyday life of the island (mainly in local businesses) is attempted. Unfortunately, as half of the pursuing of this Master thesis took part in the KuLeven in the context of an exchange programme for the attendance of the European Module in Spatial Planning Programme for the study of the Social Innovation approach, the availability for taking more interviews in local actors was limited. Still, the study gives useful insights for the relevant networks that need to be further explored on this matter.

According to the aforementioned, the study is structured as follows.

I. Theoretical Exploration

1. Defining Social Economy (SE)

1.1 Conceptualization across different political, historical, philosophical and spatial trajectories

Social economy is a multidimensional field of study with a long trajectory in philosophy and social practice embedded in historical, institutional and local contexts (Moulaert & Ailenei, 2005). As subjected to a particular form of economic relations, it is focused on the organization of production, distribution and exchange of goods and services. At the same time, the analysis of SE is embedded not only to economic classification but to an institutional problematic as well (Levi & Davis, 2008).

The conceptualization of SE has been the ongoing result of the 19th and 20th centuries theory of social movements and the cooperative experience formation across Europe with the particular repertoires of practice (Tilly 1995 cited in Martinelli, 2010). It has been used in academic literature for around 150 years. Today, it is a combination of different visions of economic organization together with promising solutions in contemporary problems (Nasioulas, 2012).

SE as a broad concept includes enterprises from cooperatives movement (categorized as traditional and social), mutual benefit and insurance societies, foundations and other types of the non-profit sector with common organizational and governance principles (Defourny, 2010 cited in Fraisse, 2013). These different organizations are regulated in different ways, including forms as the cooperative, the mutual, the association and the foundation or even the charity in relation to the different welfare models following Espring-Andersen's typology (Defourny & Nyssens, 2013b) all over Europe. What is more, they have set up their own representative organizations to interact with public authorities (Borzaga et al, 2014). What is challenging in the SE field is that these categories are not clear types in practice. As we will see when focusing on the local development perspective, many interrelations in between organizational forms are observed while the interaction with

the public and the private sector in contemporary complex societies have created many hybrids formation that still belong to the SE family.

SE is related to a wide family of initiatives and organizational forms with different characteristics not just in Europe but all over the world. Nowadays it is very important sector; other than it represents a huge sector of employees and activities it has come out as the answer to the emergence of new needs and the growth of inequalities in the contemporary social and economic world (Borzaga et al, 2014). In order to grasp the multidimensional character of it we need to take into consideration in the first place the history of practices in relation to the SE as well as the conceptual history related to it. Moulaert and Ailenei (2005) have provided us with a cohesive analysis of the concept's historical trajectory including the ancient and medieval times. French Revolution was an important milestone though: that is when social groups picked up the torch and translated it into the demand for political equity. Despite this, the demand for material equity appeared only in 19th century creating the conditions for a differentiated economic organization. What fostered this change was the Industrial Revolution, the poverty and exploitation conditions it created as well as the liberal philosophies and the actions taken against the workers associations at that time. Until then, SE was oriented towards the defense of the weakest part of the population e.g. workers. Different theories and ideas contributed to the theorizing of these initiatives including utopian socialism, Christian socialism and liberal movements for social help (Moulaert & Ailenei, 2005). It has been argued that in some cases the institutionalization of particular ideas took the form of moralizing norms and a philanthropic character for the disadvantaged (Amin et al, 2002).

The character of SE initiatives and the theoretical debates around their role in a historical perspective, the institutionalization of the concept as well as the focus on the European space is related to the philosophical work around the concept as well as its academic recognition. The first introduction to the SE concept was in 1830 by the French economist Charles Dunoyer. Many contributions were formed since then with the most important those of Auguste Ott and Frédéric Le Play who defined 'économie social' as "the study of the situation of the working class and of its relations with other classes" (Topalov, 1999 cited in Moulaert & Ailenei, 2005), Charles Gide who gave the concept a social justice approach (Moulaert & Ailenei, 2005) towards a more human organization of life (Nasioulas, 2012) and Leon Walras who defined the SE as distribution of wealth in terms of regulation of the market taking into consideration

social justice as well (Moulaert & Ailenei, 2005). Still, this conceptualization does not apply only to solidarity economy since according to Desroche (1983) SE might include the philanthropic economy of private assistances well as public services too. The 19th century conceptualization of SE includes a legal recognition of mutual support companies, cooperatives and associations (Moulaert & Ailenei, 2005). In addition, it represents a turn to a human and moral economic activity and a critical view of traditional political economy (Nasioulas, 2012).

The philosophical stances on socioeconomic relations and their functioning are very important too including the understanding of exclusion processes. In the liberal tradition social economy is closely related to the non material aspects of political economy while in the socialist tradition it is more related to the alienation of the workers (Nasioulas, 2012; Jessop, 2000). Moulaert & Nussbaumer (2005) provide us with a contemporary coherent analysis of the contribution of institutionalism theories and economic sociology in the theorizing of socioeconomic relations towards a broad understanding of the term of SE and its governance focusing on what it is at stake. Their argument is that, despite their weaknesses, both theories have contributed to the understanding of the role of the various logics of the institutional dynamics in a context specific analysis.

In the European space we can identify four large families in relation to the SE: the Rhineland (Belgium, France, Germany), focused on welfare with different levels of state intervention, is identified as the "corporatist" group for there exist non-profit private organizations, mainly financed and regulated by public bodies that play an important role in the provision of social services and a strong orientation in the cooperative form with solidarity principles especially in the French case; the Nordic (Finland, Norway, Sweden) with SE representing a contribution to a fair welfare system and with a relation to Denmark case in which there are cases of innovative SE towards regional development. Here exists a significant tradition of a co-operative movement, with, inter alia, workers or farmers cooperatives despite the nodal role of the welfare state; the Mediterranean which is actually related to the recent developments in cooperatives in Italy with Spain, Portugal and Greece having problematic trajectories mainly due to the role of agriculture in the national economy and the role of family as the main welfare safe net but with a proliferation of social economy initiatives with an organizational and orientation change since the 1980s and after the economic crisis of 2008; the Anglo-Saxon system which is more oriented to

local social economy, community practice and voluntary sector where the existence of NGOs is focused in charity rather than community organizations with United Kingdom being a distinctive model: quasi-market mechanisms to increase efficiency in service provision are used under the umbrella of the new public management (Amin et al, 2002; Defourny & Nyssens, 2013b; Levesque, 2013; Moulaert & Ailenei, 2005). Of course this typology is general; it does not include historic and spatial trajectories or specifies the different forms of SE. What is more, it is representative of the turn in the nature of the social economy during the 1980s with the creation of distinctive social enterprises with basic aims employment and provision of social services. It is useful though for the understanding of the conceptualisation of SE as it unfolds in the following pages as well as in the case study. Furthermore, it can contribute to the understanding of the development of SE outside the European pace e.g. the role of voluntary and non profit organization in the US history with respect to individualism as a philosophical term in social organization (Defourny & Nyssens, 2013b). Here lies again the importance of the context specificity. In the UK case for example the non-profit and not-for-profit terms should be distinguished with the second type to include some share on profit reminding us the cooperative sector in the continental Europe. This is related to the importance of the role of the Industrial Revolution as the third sector in Europe was related to the “crisis of work and society” (Moulaert & Ailenei, 2005).

According to literature (Moulaert & Ailenei, 2005; Nasioulas, 2012) SE is related mostly with periods of socioeconomic crisis when needs are alienated and cannot be fulfilled. In this respect, and in continuance to the main historical milestones of the development of the concept and the related strategies three main historical periods can be identified. The first one in reference to the 1840s when competitive regulation was enhanced and craftsmen organization were then created as a reaction to the social, human and professional risks of that time; the second one in reference to the end of the 19th century when agricultural cooperatives and savings cooperatives were created to protect small producers as a response to the crisis of the heavy accumulation in agriculture and the heavy investments; the third one in reference to the economic crisis of 1929-1932 as the result of the crisis of competitive regulation with consumption cooperatives on food and housing created then (Defourny & Nyssens, 2013b).

More recent developments relate SE initiatives with crisis phenomena as well. The reaction against the crisis of mass production connected to the fordist paradigm, the oil crises and the rising of new economies and new technologies globally (Amin et al. 2002) as well as the overburdening of the welfare state with many national inefficiencies attributed created a movement towards an alternative vision of localities. In most Western European countries, third sector organizations - such as non-profit organizations, co-operatives and mutual societies - were already playing a significant role in the provision of services well before the Second World War. Their importance became greater in the 1950s, with some emblematic initiatives set up to combat housing and poverty problems. Many of these organizations were inspired by a (Christian) charitable tradition, but another stream of inspiration stressed participation and mutual aid principles (Nasioulas, 2012). The positive assessment of the small scale per se was related to the creation of a number of initiatives mostly work cooperatives and services organizations as well as civil society movements in the 1970s (Moulaert & Ailenei, 2005). Inspired by the movement of the late 1960s their demands included more democracy and equality in all spheres of life through the instruments of advocacy and provision of services (Nasioulas, 2012). This change questioned the relevant model of citizenship with collective rights and representative democracy (Amin et al., 2002). In the 1980s there was a proliferation of such initiatives mostly related to public debt, structural unemployment and welfare provision, the realization of the need of more active integration policies and emergent types of exclusion (Defourny & Nyssens, 2013b).

The situation has changed significantly in the 1990s onwards. SE initiatives are not just a small response in distinction to the state incapability but anticipated to create a solidarity economy with new networks in response to new needs (Moulaert & Ailenei, 2005). Setting this context we assume that different contextual factors on how each country or community faced these crises has an impact on how the SE organizations' action took place in relevance to their philosophical orientation. EU agenda and national legislation has played an important though often fragmented (Moulaert et al., 2013) role onwards the definition of SE and social enterprises with stating the benefit of a community as an objective (Nasioulas, 2012) referring to the concept of governance. Despite this, such a generic understanding creates new barriers in the development of particular initiatives.

Social exclusion of course is not a monolithic term. It encompasses not only the situation of exclusion thus a situation of economic deprivation but the process that has led to this situation (Amin et al, 2002). In this respect, it can be related to welfare and work in many fields. Social exclusion might be related to consumption, production, political engagement and social interaction as these are themes where lack of capabilities is of great interest.

1.2 Towards a concrete definition of SE and its forms

The effort to conceptualize is quite recent despite the aforementioned long trajectory. According to this trajectory a first understanding would be that SE includes a social orientation of the relevant initiatives as well as modes of participation and democratic governance including stakeholders' ownership. This orientation is closely related to community interests and localities as well (Borzaga et al., 2014), since it has an economic potential: it includes initiatives which aim to satisfy social and economic needs of local communities (Molloy, 1999 cited in Amin et al. 2002). As a result, it is emerging from the articulation between the local and the global and thus the new needs arising from that (Nasioulas & Tsobanoglou, 2006).

SE is conceptually and in practice related to the third sector. Third sector is differentiated from the public or the private one; it is related to initiatives with characteristics such as: formal and informal elements at the level of organization (market, state, volunteering, self-help and the domestic economy), market and nonmarket-oriented production and valorization of goods and services, monetary and non-monetary resources at the level of funding (Moulaert & Ailenei, 2005). The third sector is often used in misappropriation with the term of SE. Both terms along with solidarity economy are related to the voluntary, non profit and cooperative sector. In this respect SE can be defined as "practices and forms of mobilizing economic resources towards the satisfaction of human needs that belong neither to for profit enterprises nor to the institutions of the state" including the voluntary, the non-profit and the cooperative synergies across the above goal (Moulaert & Ailenei, 2005).

As it has been argued, concrete norms are related to the specific content of each community, locality and territory. Over the years, third sector has been institutionalized from an alternative paradigm to a democratization and legitimization of the market relations developing more socially oriented characteristics. The above consideration generates the need of a classification towards certain principles between

the third sector in order to grasp its relation to the market and the public sector respectively; the social economy in general; the solidarity focused initiatives thus forms of cooperative organization. According to Moulaert and Ailenei (2005) this classification can be organized towards five principles namely: institutional, historical and political dimensions; property and control relations; type of 'core' agent; market orientation; model of co-operation, social bond or organizational model. According to this classification, SE in general is related to the historical context above in this sense with state regulation, social objectives of firms, who most of the times operate in the market but with a co-operative, associative and mutual aid logic. It has a range from non strict associative forms to solidarity economy networks as bottom up initiatives, synergies between the market and the state with a hybrid organizational form. This does not mean neither that SE is identified with the third sector nor that SE is thematically oriented only into welfare provision even in its most radical forms. Subsequently, despite the fact that it primarily answers to new needs the exclusion characteristics can take various forms beyond a subordination of the failure of large scale policies (Amin et al, 2002). In this respect, shared principles and instruments are gaining more attention in development policy making and planning (Moulaert & Ailenei, 2005).

As a result, the SE sector might include social enterprises, social cooperatives, unions, mutual aid and development funds, civil society organizations and any other form of economically active schemes that have a nonprofit character, are independent from the state and have as basic principles reciprocity, cooperation and trust; are thus emerging for civil society. In this respect, SE is closely related to social capital since the latter is referring to social relations, networks and the aforementioned principles mobilized by a community towards a goal (Nasioulas & Tsobanoglou, 2006).

Recent development on theory of SE is focused on the study of Social Enterprise. Social Enterprises are defined as a specific formation sit in the SE sector with such a market orientation that is related to social goals by bringing back profits to the society and by having an open management. The term first appeared in Italy in 1990 as the result of the aforementioned historical turnover with a specific law on social cooperatives but with a welfare orientation. Since then, new characteristics are developed following an innovative character (Defourny and Nyssens, 2008). Still, when focusing on a specific case study a number of issues should be taken into

account in order to understand such interrelations: the content of activity, the organization, the scale, the definition of the social goal as well as the local community that it is related to, with the influence of public policies and finance market. SE can include organizations such as cooperatives that do not belong to the third sector normally, might have relation to the market, their solidarity aspect is not that strong or radical, they are not related anymore to a direct response to emergent needs that might have been covered eventually but to the sustainability of a community. On the other hand an organization that functions as a social enterprise might be registered as cooperative, foundation, benefit and insurance society etc. for a number of different reasons including the legislation (Borzaga et al., 2014; Defourny, 2010). Thus, in a broad sense, SE is the umbrella concept of the relevant socio-economic processes, the social enterprise is the organisational form and arrangements like cooperatives are particular formations in relation to contextual characteristics, historical trajectories, path dependency and their relation to social movements. SE is composed of people-centered organizations and enterprises based on democracy and solidarity and the valorization of social, cultural and environmental resources. These civic values transcend the logic of profit-seeking interests. The fields of the social economy are the social and democratic and participative enterprises, qualitative employment, social inclusion, local development and social protection (Lukkarinen, 2005) under the regulation of common organizational and governance principles (Defourny, 2010). SE is more explicitly defined by those organizations which share certain specific principles or operational features: solidarity, mutual assistance, membership open to all, democratic management, people based decision-making and distribution of surpluses which depend on the activity carried out by each person irrespective of the capital invested (Chaves and Monzón, 2000 cited in Igual & Vidal, 2002). Voluntary cooperation and reciprocity are thus very important elements (Moulaert & Nussbaumer, 2005).

The definition of needs can be related to a different development trajectory where unused economic capital is readdressed with respect to social relations (Nasioulas & Tsobanoglou, 2006). In this respect more traditional forms of SE are included in the analysis. Their relevance to recent developments derives from their ability to contribute to the solution of exclusion processes with a changing dynamic by having a social service character or by undertaking other activities related to the local community.

Operational definitions of SE are more focused on needs and production rather than allocation and profit distribution. Usually a SE initiative might not include profit distribution while co-operatives in general have this principle. But this again is subject to contextual characteristics and the new needs identification rising issues of problems and fragmentation. For example profit distribution might be related to the commercial sector and be excluded from the SE definition especially in the US context. This brings us to the importance of agency in order for organizational and institutional aspects to be defined (Moulaert & Nussbaumer, 2005) as well as for the role of social capacity (Amin et al, 2002). Still, this does not mean that issues of ethics and up level support should be taken for granted. By comparing historical procedures to practice lessons we can identify changing patterns and the reasons behind them as well as the effect of real politics (Swyngedouw, 2005).

In its historical perspective, SE is subject to a two sides understanding concerning its importance. On the one hand there is a more positive view which promotes an alternative paradigm based on community dynamics enhanced by social engagement in the sectors of work and welfare. On the other hand, there is a social justice view as a response to the danger of the erosion of the welfare state and the need for short term solutions (Amin et al, 2002). Indicators of social enterprises dynamics are included in an economic dimension: continuous activity producing goods, level of economic risk, minimum amount of paid work, system of needs satisfaction and redistribution; a social dimension: benefit for the community, result of collective mobilization, limited profit distribution; a governance dimension, high degree of autonomy, decision making not based on capital ownership, property and control relations, participatory nature of the role of producers and consumers in decision making and management, model of cooperation, institutionalisation processes, type of core agents (Defourny and Nyssens, 2012; Moulaert & Nussbaumer, 2005) as embedded in the context of cooperative movement creating instruments for transformation.

As a result, barriers in analyzing SE are related to these dimensions and in particular can include financing, the involvement of the private sector or public budget, the legal context, the relation of informal economy, the agreement upon product and services in relation to the needs, the solutions proposed, the realization and implementation of joint action, possible lack of skills of the stakeholders

involved, organizational issues (Grefe, 2007) as well as the specific relation to a locality or territory.

According to Moulaert & Nussbaumer (2005) such a categorization of SE dimensions is related to an essentialist definition that leads to a categorization of phenomena in relation to the organisation of economic functions. Although important, it does not take into consideration the articulation of norms into the particular formations of SE. A holistic definition is proposed instead that reconstructs theoretical explanations through agency practices. It takes into consideration context specificity and the institutional aspect which is of great importance. This holistic approach contributes to how phenomena originate and develop especially in terms of the development of institutions that have enabled social economy or have led to the reproduction of behavioural principles. Thus, social economy can take various forms according to the contextual factors that have to be empirically established. In addition, it considers institutions as context for development and building blocks and the relevance to culture as form of communication and collective behavior and its principles to the production of meaning. In this respect, it is related to the materialization of the indicators among different themes and contexts and its scope is to define the whole SE in a particular locality (Moulaert & Nussbaumer, 2005). While it is beyond the scope of this research to analyze the articulation of SE forms in a particular locality, this view is important. Since focusing on a particular formation of SE, it contributes to the analysis of its interconnection and dynamics for setting up strategies and changing patterns in the governance of SE at the local level. This approach, which we follow during our analysis, is more an institutional problematic than an economic classification (Levi & Davis, 2008) and it is a combination of the essentialist and holistic view (Moulaert & Nussbaumer, 2005) as attempted in order to unblur the complexities deriving from SE initiatives. Therefore, considering the focus of our analysis, we need to define the particularities of cooperatives as specific forms of enterprises, thus organizations with an economic and entrepreneurial behaviour, a primary social aim and a participatory governance structure (Defourny and Nyssens, 2013b).

Social goals, a not-for-profit character and the allocation of the residual portion of the surplus to their members, according, and in proportion, to their transactions with the cooperative are among the most important characteristics of the cooperatives together with a more social character that orients the activity of the cooperative in a

general interest (in terms of the nature of the cooperative, its size and the thematic orientation of the activity: social and healthcare services, the integration of disadvantaged persons through employment). This social character gives priority to the social cooperatives as the organizational and principle formation in relation to this general interest with entrepreneurial dynamics, new legislation framework and focus on community integration in a thematic approach of shared needs (Defourny & Nyssens, 2013b; Fici, 2009). It recreates the characteristics of social cooperatives as such: the production and allocation of good and services of general interest, non public authority existence, multi-stakeholder membership, substantial representation of workers members and limited distribution of surplus to avoid maximization of profit. This definition of cooperatives gives priority to new creation of cooperatives (Defourny & Nyssens, 2013b) especially in relation to local development dynamics.

In this context, new co-operative initiatives with the characteristic example of Italy, as analyzed above, were formed in distinction to older cooperatives and especially producers cooperatives who often represented a reaction by “skilled artisans who sought to preserve their trades and remain masters of their work, instead of becoming locked into wage-earning”(Defourny & Nyssens, 2013b) and thus oriented in member’s interests with distinctive organizational forms in the status of membership (paid workers, volunteers and other supporting members, etc.) (Defourny and Nyssens, 2013b). More essentialist views take into consideration the re-emergence of basic, material and non material needs as given. The missing point here is the consideration of the many ways the local specificities are related with the general interest and promote social capital with reference to situations of social exclusion. Of course such a pattern might put into danger the benefits from a more radical perception of the social that corresponds in extreme cases of poverty and alienation and the need for a strong theoretization behind policy patterns in this respect.

Subsequently, there is a dual nature of cooperatives in reference to their economic-social features as well as a character of unconventionality in their practice (Levi & Davis, 2008). Cooperatives are "blended value" in their effort to really balance and better integrate economic and social purposes and strategies (Emerson, 2006 cited in Defourny & Nyssens, 2013b). What characterizes the social cooperatives is that they do not subordinate the economic benefit to the social. By these means, an association devoid of an entrepreneurial content or an enterprise

devoid of a specific non-economic priority would take us away from the idea of cooperation (Levi & Davis, 2008). Still, the above principle of promoting accumulation and distribution in different terms might be related to a changing character of a former traditional cooperative including it in the social enterprise discussion even in cases where it is of large size or social assistance and employment are not the primary aims but come as positive side effects.

Agriculture cooperatives have been an important feature of this long trajectory with most important form that of credit cooperatives especially in Germany in the 19th century, marketing and supply cooperatives rather than production solving structural problems at the agriculture sector such as the problems of small producers, production cost and lack of capital (Nasioulas, 2012). Theorization and governance principles of these cooperatives have led to their separation from the latest development of SE since the 1990s. Tendency towards a higher scale concentration of the cooperatives, the stakeholders arrangement as well as the turn to market have created issues of democratic organization and equality principle and located many of them to a traditional space of SE and cooperatives today (Defourny & Nyssens, 2013b). Despite this, recent developments on agriculture cooperatives, their relation to the cover of emerging needs in urban and rural areas as well as their role in promoting local products as they benefit the whole community creates common path of analysis with social cooperatives. Our aim though is not to identify the whole range of agriculture cooperatives in the latest development path of SE but rather to search for changing patterns in one of them in an interdisciplinary and transdisciplinary (practice oriented) analysis which serve the common interest of the local community. Therefore we shall proceed to the changing patterns of the concept of local development.

2. Social Economy and Local Development

2.1 Alternative visions of local development

As supported for SE, local development is also a contradictory and multidimensional term with a long ideological, historical and political trajectory. The term is closely related to the initiatives created during the 1970s macroeconomic crisis as a reaction to the jobs loss and social exclusion (Grefe, 2007). Local development conceptualization created in the 1980s with the development of services for the socially excluded incorporating political reflections thus the crisis of the welfare state as well as the new global and regional integration processes (European Commission, 2010). This conceptualization was representative of a turn to less central tools but at the same time it was public sector driven with participation of local and private actors in a selective inwards investment (Grefe, 2007).

Since the 1990s there has been a proliferation of more positive approach views with relevance to developing answers to decline in term of competitiveness (Cochrane, 2010) incorporating models of local governance with vertical and horizontal co-ordination (Grefe, 2007). What has been evident was the need not only for descriptive or policy oriented analysis but for an integrated creation of local development models (Moulaert & Delvaing, 1994). Subsequently, in the context of the globalized world with the diversification of global processes and the limited theorization of the concept of globalization (Moulaert, 2000) the need for knowledge intensive and competitive environment with new governance networks and agency as well as quality changes towards sustainability became dominant in political and academic discourse. International trade and capital mobility with flexible organization of production and the dominance of multinational enterprises have changed the actors that control and benefit from these flows with respect to the management of exchange and control of property and property rights (Moulaert & Mehmood, 2011).

With the development of technology, local characteristics and physical distance were seen as less important factors in development trajectories (Ascani et al., 2012). Uneven growth patterns together with globalization forces created new inequalities and macroeconomic vulnerability by delocalizing economic practices and make nation states more dependent to global capital. At the same time, this process changed local social and economic dynamics with the dependence in particular sector

(Hadjimihalis, 1987). These inequalities are the result of a non catholic delocalization: global capital is still based on local specificities since externalities are introduced into local communities with which they integrate orientating them to particular and sometimes eliminating economic activities (Jessop, 2000; Martinelli, 2010). Thus, with these developments the meaning of development, resources management and the interrelation of social and economic factors became at stake giving importance to the concept of well being understood not only as economic in principle (Pike et al., 2006).

Development is not an a-spatial process; whether based in exogenous or endogenous forces it is imposed by the local characteristics. Thus conceptualizing local development is a complicated task: it requires the conceptualization of the role of relations, orientation of actors and processes and a thematic analysis in relation to a place. Besides, places are the subjects of constructing different meaning upon what a local problem is (Orum & Chen, 2003) or integrating different social groups (Massey, 1995) in this respect. The assets embedded in localities can be imagined and used in different terms as efforts to attract more capital and labour. In addition, according to Jessop et Sum (2013) who use insights from the French regulation approach, neo-Gramscian state theory, and critical discourse analysis, economy is an inclusive concept too, that is to say includes the integration of socially embedded, socially regularized, and strategically selective institutions, organizations, social forces, and activities organized around (or at least involved in) the self-valorization of capital in and through regulation.

Indigenous approaches have been developed to explain the role of local assets and dynamics in the development process. In this sense, instead of being considered as a linear process that is in neoclassical theories (Ascani, et al., 2012) local development is about inwards local initiatives that use local potential with the creation of new networks; decentralized vertical cooperation between tiers of government and horizontal cooperation between the public and the private become key conditions of economic activity. An important contribution in this analysis is the existence of a latent dynamic. Here the role of barriers is of great importance; barriers can include insufficient access to capital, limited local and regional markets as well as cultural traditions weakly disposed to entrepreneurialism, fragmented business formation and further education and learning (Pike et al., 2006) together with the existence of local dynamics. A focus on these barriers can unlock these dynamics and contribute to a sustainable development process.

Taking into consideration the object of the development process, the ethical orientation is crucial. Quality of life becomes the aim of the development process with social, economic, territorial particularities creating the added value in this respect. The quantitative aspect of local development is gaining more and more the interest of academics and policies as a way to build upon the development of territories. Different visions of local development, path dependency and historical legacies are taken into consideration in order to identify the content of quality. Subsequently, the research of quality attributes to the focus on the protagonists (SINGOCOM Network, 2005) either in the production or in the governance processes. In our case, fostering the role of cooperatives with transitional characteristics in a specific territory is seen as new development strategy that can unlock latent dynamics putting forward new capacities.

The indigenous approaches are inspired from transition models and their focus on bottom up growing in the development process (Pike et al., 2006). Most importantly they include an institutionalist approach hence the importance of the role of institutions for local growth and the embeddedness of social action and relations in it to the construction of social reality and building trust (Sunley, 2000 cited in Pike et al., 2006; Berger & Luckmann, [1966] 2003). This model is based on the old institutionalism (Polanyi & Veblen cited in Pike et al., 2006) as well as the new economic sociology theories (Pike et al, 2006). Social economy initiatives in their various forms can be characterized as embedded in the institutionalized world by reproducing social relations and/or creating patterns of change. A new vision of collectivity and management of assets can be expressed by development initiatives since they create new patterns of managing local dynamics e.g. skills and resources that in relation to the institutionalized world empower people, create new networks and put pressure for new policies that deal with deprivation issues (Amin et al., 2002). This vision is related to the existence of a void minority and its non mainstream value orientation and cultural expression (Buckingham et al., 2010).

Depending on the cases and taking into consideration the complexity of the contemporary world their existence can be easily identified or not in their place specificity. Community economic development is representative of an alternative paradigm that include third sector initiatives that foster development through skills of the local people, use of the local resources as well as local ownership (Amin et al., 2002) despite the limitations. Tacit knowledge and other than physical proximity is of

great importance in this sense and more importantly its relation to the spatial (Ascani, et al., 2012).

As an alternative to top-down approaches local development is seen as the broader concept for economy, housing, education, local democracy and so on, all of issues integrated in territorial social dynamics (Moulaert et al., 2005). Indigenous approaches can be limited and harmful sometimes in cases when the endogenous aspect is taken as such as to cover exogenous growth targets (Pike et al., 2006). Instead, a multidimensional approach needs to be applied since local development is the focus of different processes as developing local assets, improving quality of life and emerging people in participation processes enhancing new projects (European Commission, 2010). This different focus includes a rediscovery of social needs and the emergence of new economic arrangement in solving relevant conflicts in which regulation theory can be vital (Moulaert, 2000). A study of socio-economic history, cultural traditions, political governance and local socialization processes is embedded in this focus (Moulaert, 2000).

In this context, local development can be characterized as a strategy towards three dimensions (not always together): *inputs* that are related to the area, place, community (sub-regional), social organization (agency) and its relation to the local dynamics, drawbacks; *outputs* thus the processes of economic organization, access, quality of living conditions, human resources and local value; *outcomes* such as collective goods, development, strategy, effectiveness, strategy, legitimacy, empowerment, inclusion, democratic governance, well being and so on (European Commission, 2014). Jobs, services, infrastructure (including knowledge), R&D, facility investment distribution of goods (Lorendahl, 1996) can create economic stimulus (Merrett & Walzer, 2004). As localities share different trajectories, organization of space development agendas and social relations are important in the way that this stimulus is produced and expressed (Moulaert & Mehmood, 2011). For this reason methodologies as such have been developed in order to bridge all actors and imaginaries towards creation of leverage from these characteristics (Moulaert, 2000).

In this sense, local economic development is defined as a local response to crisis in the globalised environment when there is no adequate response by the state. Creating patterns such as forms of place promotion, endogenous development strategies, entrepreneurialism, and community-based interventions are considered as

the alternative option. Local actors enhancing capacity or creating links with other spatial arrangements changing the spatiotemporal fix (Jessop, 2009) are the protagonists of this change enhancing local strategies, institutions building, inward investment, labour enforcement, skills creation and sustainability (Rodriguez-Pose & Tijmstra, 2005). Building trust appears as a bonding mechanism of these strategies (Grefe, 2007).

The concept of innovation plays a crucial role in this respect. Innovation is seen as an interactive process in which institutions play an important role as drivers of change. Technological change has oriented the focus of innovative practices in managing non material assets and knowledge in which the society needs to adapt (Moulaert & Delvainquire, 1994). As noted above, this process despite based on external knowledge is crucially subject to local institutional dynamics or weaknesses (Ascani, et al., 2012). What is more, innovation is not subordinated into a simplistic technological approach as a linear process (Hamdouch, 2009; Rodrigues & Melo, 2013) but it is rather a complicate process in between education units, local expertise and skills, local production systems, international national regional institutions, service networks, emerging economic sectors, urbanization patterns and hinterlands, transport logistics infrastructure, regional market niches and cultural patterns (Moulaert, 2000). This process is seen as endogenous thus as the reconstruction of local capacities and a focus on the supply side (Pike et al., 2006). In this respect, innovation has been characterized as second order innovation as it questions the conventional paradigm of productivity based on a valorization principle (Knickel et al., 2009).

In addition, recent developments on Social Innovation theory have moved the interest to the social embeddedness of the relation of material and non material assets towards the satisfaction of local needs. In this respect, a new methodology is introduced where common roots and national specificities, social reproduction, governance and reproduction, tensions between local initiatives and the central state, new images of economic organization and its processual character are articulated in a common methodology for the understanding of the specific innovation content (Moulaert, 2000). This is defined as a process of co-determination of the activities and the technologies that enhance the potential of a locality (Moulaert & Delvainquire, 1994). As we will analyze later in reference to SE, SI in this respect is the conceptual approach that is fostering local development in terms that it enhances the satisfaction

of needs and the creation of new relations in neighborhoods and territories (Moulaert et al., 2012). Social innovation becomes the two dimensional term that relates the satisfaction of needs to changes in social relations concerning agency in informal or governmental networks and changes in SE (Moulaert et al., 2005). The theoretical turn to SI is connected to the need for local development strategies that take into consideration socio-economic issues, local history, policies and behavioral paths (Moulaert & Delvainquire, 1994). Thus, pluralism and the hybridization of organizational constructions that are related to these strategies is an asset (Fontan et al., 2004 cited in Oosterlynck et al., 2013).

Revisited modes of regulation become of great importance in the sense that they are related not only to functionalism, economic rationality and formality thus networks, capital, interest groups, institutional frameworks and economic structural dynamics but are coming closer to the concept of local governance taking into consideration structural dynamics and historical specificity, new production models and their coexistence with old, result of new regulations and agency as defined in institutional dynamics including processes of social reproduction, multiscalarity and power relations (Moulaert, 2000) as well as the setting of public policy goals (Knickel et al., 2009). In relation to SE the support of local development institutions capable of offering consistent and quality support to local social enterprise development instead of a private firm for efficiency reasons is relevant. This includes taking into consideration simpler enterprises, informal/illegal, isolated, low/no technology formations, pretty trade-based microenterprises and one-person self employment ventures rather than isolating them arguing that they provide for no stability and no beneficial results (UNRISD, 2013)

The concept of spatialized community becomes the object of change over the meaning of citizenship and rights (Moulaert et al., 2010). In this sense, communities can play an important role as subjects of the alternative local development vision (Moulaert, 2000). Setting from the beginning the limitation of this imaginary that is to say the dynamics of local interests the aforementioned initiatives can create new patterns of local development without the need of becoming a global successful paradigm. Despite this, there is always the danger of creating fragmented communities as a transformation created new power relations and maybe new inequalities, especially when the transformation is related to changes in participation and networking (Swyngedouw, 2005) as contested to civil rights in a localized

character (Amin et al., 2002). Decentralization strategies as well as a new governance in which local government has an important role is triggered with policies designed in respect to local specificities and in managing production and allocation strategies (Ascani, et al., 2012). Of course this decentralization might have a negative role because of differences in power and capital in between different territories as well as divergences in governance proximity, regional strategies and indicators and mediators of development (Ascani, et al., 2012). In addition, many times it is combined with orthodox approaches as pure economic growth, large scale physical planning projects, deregulation of real estate and labour markets (Moulaert, 2000) not as an alternative strategy but as way of the state to move its responsibilities due to incapability and without a holistic strategy.

2.2 The relevance of rural areas

Studies on SE and local development dealing with exclusion issues are more focused on the urban areas as a sight of problems and hindering dynamics especially in the context of economic crisis and as places of growth (Ascani, et al., 2012). Nevertheless, rural areas are a very interesting field of study. Exclusion processes are evident due to the failure of the agro-industrial paradigm. What is more, development policies applied in specific localities though they have mobilized important assets and capital have been fragmented in dealing with situations of risk. A turn to endogenous development is evident in rural areas through the creation of new spaces of consumption or new food chains (Papadopoulos, 2004). In this respect SE initiatives are related to the optimization of local resources, welfare provisions, promotion of quality local products, return of benefits to the local community by changing institutionalization processes. Promotion of the local economy as innovative initiative, development production activities, meeting local needs with potential new jobs, a turn to cooperative economy management and governance and sociocultural mobilization are among the thematic links between rurality, innovation and local development (Moulaert, 2000). The rural can therefore be considered as an important space for social innovation combining agricultural policies with rural development goals subjectifying rural groups and taking territorial based rather than sector based measures (Knickel et al. 2009).

Despite the fact that political interference, lack of assets, power of corporation and national fiscal crises might fragment this dynamic building trust can be the core

phenomenon that makes social enterprises and especially cooperatives driving forces of the aforementioned changes. Cooperatives as an organisation form have room for involvement of community-led grassroots, integrated approaches in services, job creation and inclusion (Khumalo, 2014). Promoting social capital and sociocultural factors embedded in economic activity signifies the role of SE to tackle social capital for local development as it creates and reinforce networks, transform the economic capital and enhance voluntarism facilitating local development as a core issue for what is next (Evans & Syrett, 2007).

Local food production has arisen as the main sector of endogenous development vision. It represents a new relationship between producers, consumers and the local community by creating new networks and governance patterns. It is seen as an alternative of flexible demand driven value change (Fonte, 2010) as well as a combination of agricultural with rural development policies (Knickel et al., 2009). Values of equity, justice and holistic sustainability as well as the role of knowledge and certification are drivers of this alternative vision. Spatial embeddedness is evident; this new vision is mostly applied to less favored areas where local characteristics are related to social exclusion. The role of food is important since it is evident in all sectors of everyday life (Wiskerke, 2009).

SE initiatives can be characterized as important actors in terms of addressing local needs in promotion of this new vision bridging gaps in between the institutionalized and informal worlds including marginalized groups. The way to do this is by promoting strategies for access to resources and political participation. SE thus functions as an input of social organization in the discussion of evaluating performance of local economy by broadening the issue of efficiency with taking into consideration the non for profit initiatives (alternative economy). Local development can be achieved in terms of improving living conditions and enforcing the social, cultural and physical infrastructure related to the local economy (Moulaert, 2000). In this respect social enterprises can be created or reinvent themselves in support of needs, common projects, networking and redefining what is needed and to be shared towards a vision of social justice or even of a community economy (Gibson-Gramam & Roelvink: 2009) as a strategy towards the harmonization of the various economic functions (Knickel et al., 2009). This development enhances qualitative employment, growth of social capital, reinforced democracy, and partnership between local

authorities and social economy actors, new enterprises at the local level and civic participation (Lukkarinen, 2005).

Generalizing again to grasp the connection in areas with need to redevelopment and nourished dynamics of growth, community well-being including rural communities in danger, leading activities and their relation to social reproduction, educational system and labour market are of great importance in relevance to the SE as well. But then again new domains have arisen considering the spaces in which agents take initiatives for local development as well as their nature and network, areas, strategies, instruments (Moulaert, 2000). In rural areas this can be related to the redefining of places as places of production and not leisure as part of regaining trust, creation of new values (Grefe, 2007), enforcing the role of social context (trust, affiliation, participation, social capital) in relation to the economic, environmental, cultural and institutional contexts and mediating the local-global relation by mobilizing local and non local resources with a community orientation (Eversole et al., 2013). The resources/assets mobilized are thus not only related to employment per se giving space for a broader interpretation of economic development. This broader interpretation, though, is not a monolithic approach: during the last years a combination of endogenous and exogenous approaches have been developed for the analysis of rural areas development as a response to the paradigm of modernization focusing on the networks in between different actors and scales (van der Ploeg et al, 2000 cited in Papadopoulos, 2004).

The food issue is dealing with environmental issues, organization of the local economies, income and lifestyle. Therefore culturally accepted forms of organization should be interrelated. Local dynamics and their social expression are very important. Reality has shown that dynamics can be either inactive when they stay informal or fragmented when their interrelation to the institutionalized world is not in favour of local empowerment and quality. Cooperatives can help in improving services in particular access including resources like water, communication, technologies, credit for the fighting of the alienation of the farmers (FAO, 2012), gender equality, lifelong learning, food security, reduction of poverty and global enabling towards all three goals of sustainability (economic, environmental and social) (ILO, 2015). In addition, they can enable knowledge through institutionalization processes concerning their relation as bodies of formal and tacit knowledge to R&D strategies and educational units (Delladetsima, 2011). Local products and in particular the wine sector – even

though dependent in context specificity as for its consideration in the food sector- has been analyzed as a sector where there niches of change can be cultivated considering the change in roles and identities in between case specific actors that lead to the creation of new networks and forms (Brunori & Rossi, 2000) as for the characterization of a new terroir (Papadopoulos, 2010).

Institutionalized practices and policy orientations for example PDO (Protected Designation of Origin Label) orients quality with social goals that is to secure producers income with a legalized framework supporting quality check and justice. Critiques have been developed concerning the relation of these processes to the organization of the global economic capital as well as the managing of this framework (Papadopoulos, 2004). Labeling PDO product do not mean automatically that local development is achieved; that is to say that localities are socially embedded and therefore new arrangements in terms of agency should be made for policy instruments to be effective (Pike et al., 2006). Labeling strategies are thus a wider issue rather than supporting only the producers' income. As a result, they can engage local potentials with reference to knowledge, research and networking, local communities and governments and inward innovative practices thus issues related to research and development in a trust environment (Delladetsima, 2011).

In this sense, there are strong potentialities of agricultural cooperatives as an organizational form to contribute to different strategies for local development by developing a strong social character that moves them forward to another perception of their role other than the traditional as a means of a new way to evaluate contribution to the community. This situation can be defined as a gap between a trajectory and a living situation (Delladetsima, 2011) that is a turning point that separates them from a view of caring liberalism as well that neglect social and economic reality (Jessop et al., 2013).

Farm cooperatives make an obvious contribution to the development of rural communities by generating jobs and enabling farmers to remain in their villages. In most cases, farm cooperatives are located in places where no capitalist enterprise would operate, so the cooperative is the only option for these communities to maintain a certain quality of life (Igual & Vidal, 2002) promoting a multifunctionality agenda (Papadopoulos, 2004). The means to achieve this is through social innovation in governance (organisational and institutional) in a specific context.

3. Catching the ‘social’: Social innovation (SI) as a means of transformation

3.1 The concept of SI and its relevance to SE

The concept of Social Innovation has been given recognition for its influential role in academia and policy making as a theoretical concept and a tool for analysis in several research projects, funding programmes as well as agenda driven policies and everyday life practices. Social and institutional economics, regional and local development theory, political science, institutional and urban sociology, planning and geography are dealing with the concept. The concept has gain high usage from the institutional field with important examples the US Whitehouse Office for Social Innovation and Civic Participation through the creation of the National Secretariat for Solidarity Economy in Brazil and in the European Commission’s Innovation policy programmes (Moulaert et al., 2013; Van Dick & Van den Broeck, 2013) as well as independent organizations such as the Young Foundation. Though interdisciplinary in its scope, being able to contribute in many fields reflecting social organization, socioeconomic development and governance and focusing in its interrelations it is often used as a buzzword and a trend in terms of improvements of human life, especially with the emerging social problems, risks and periods of crisis all over the world today (Pol & Ville, 2008: 5).

Still, the concept is of important value because it is changing the way that innovation is perceived in relation to human development. Theoretical insights from Weber and Schumpeter to Chambon, David & Devey have been used to support this argument (Moulaert et al., 2013). What is more, the technologic bias in economic literature and innovation policy, the technocratic approach to urban planning, the new public management approach as well as the positive role of local development initiatives have increased the need to focus on the SI study and research (Moulaert et al. 2005).

SI can be defined as new ideas (products, services and models) that meet social needs and create new social relationships by empowering people in fields that traditional policy making has lost its capacity. The starting point of the importance of theorizing SI is the fact that the existent technological, economic, policy and governance innovative strategies have created polarizations in the social world thus

they have not been distributed equally. What is more, the privatization of banks, the deregulation of markets and the expense of the satisfaction of human needs as well as the consumerism elitism has shown the need for rearrangement in the governance processes (Moulaert et al, 2013). Definition of SI is related to the philosophical analysis of the social movements, the way that living experiences are expressed as well as the theoretical debate on the concept (Moulaert et al., 2005; Cooperatives Europe, 2012).

SI is closely related to a specific community. The definition of SI is related to policy and management discourse side by side to the practical lessons from practitioners in social enterprises in an interdisciplinary and transdisciplinary context (Moulaert, 2000; Moulaert et al., 2005; Moulaert et al, 2013). This means that the concept is related not only to particular actions in relation to the particular needs but to the mobilization-participation processes (Moulaert, 2013). In this respect, the processual character of socially innovative strategies is really important in terms that it is indicative of the relation between these strategies and changes in governance.

Research on SI has shown that socially innovative initiatives can be related to the promotion of inclusion into different spheres of society and mainly labour market, education system and socio-cultural life in addition to issues of political participation (Moulaert et al., 2005). It can then be relevant to the revalorisation of assets with more diversity-based, future oriented community development approach, in order to cover needs with an aspiration of the future and as a response to a disintegration situation. Social relations have the main role here because they contribute to changes in governance through change in the production and allocation of goods and services with the creation of bottom linked initiatives and institutions. They next correlate these needs satisfaction with participation in decision making and embeddedness of demands into wider social movements. (Moulaert, 2010). Here lies the first link between SI and SE.

As implied in the previous chapter, taking into consideration the multiplicity of sites that social innovation can take place we can define two categories. The first one is related to an institutional aspect thus the social relations and the governance issues while the other one is related to social economy thus the satisfaction of various needs in local communities. Institutional innovation in both categories has an important role per se as it enables production and allocation initiatives to be embedded in the local and not to be alienated. As a result, it embodies the change in

decision making and participation in relation to the specific social dynamics. It entails a modernist view in the way a need is defined by including provisions such as education, health and good governance. The content of these provisions is related with how the particular needs are evaluated in the specific local context and how democratic values are embedded in it (Moulaert, 2011).

Subsequently, an alternative definition has been proposed stating that SI is representative of grassroots initiatives based on the satisfaction of basic human needs, the empowerment of excluded social groups and communities for accessing social and citizen rights, and social changes in power relationships as well as transformations of governance practices (Moulaert et al., 2013). In relation to SE, socially innovative dynamic it can be seen not just as evolutions of the SE sector but as a transformation of the third sector under ideas like new quality of products, new methods of organization and production, new production factors, mobilization of volunteers, formation into a new type of cooperative, new governance networks, targetting new people by changing ownership and distribution processes (Defourny & Nyssens, 2012) and opening spaces and new way of risk management (Oosterlynck et al., 2013). Of course SE is not identified on SI or the opposite. In addition, the concept of improvements in the quality of life should be defined in terms of theoretical approach, contextuality and desirability (Moulaert & Nussbaumer, 2005) despite these commonalities such as shared societal goals, community interest, new governance structures in times of crisis are shared (Defourny & Nyssens, 2013b; Fraisse, 2013). SI cannot be subordinated to one theme either due to the variety of initiatives that it can be related to: responsible consumption and fair trade, microcredit and social finance, care and personal services for elderly people, early childhood and inter-generational mutual aids, community and work integration social enterprises, micro and small enterprise creation and development, especially among the unemployed, migrants, women, but also car- sharing and mobility assistance, eco- building, social housing and access to city centre accommodation for young people and temporary workers, local exchange systems and complementary currencies, renewable energy production and energy efficiency supports, community supported agriculture and organic foods distribution, waste recycling and reuse, development cooperation including the older organizations such as cooperatives and their transformation and ethical tourism initiatives, collaborative web and free software, and platforms for cultural creation and exchange between artists and residents (Fraisse, 2013).

With respect to our case the reemergence of the concept of SE and its relation to the new needs is useful. Besides this, it is important to relate it to the philosophical lines drawn in the expression of relevant needs, the issue of scale (community) in the past as well as the role of the state in it. The re-emergence of the SI thus is closely related to the weakness of the welfare state as it has been expressed with product and process dimensions arising (Moulaert et al., 2005) during the 1980s and it is related to the way that new SE form emerged back then. In the field of Social Economy it is representative of a new role of these terms: needs satisfaction in relation to socioeconomic development. The definition of the SI though lies in between the needs satisfaction aspect and the institutionalization thus the interrelation of the two dimension where it can be found. What is more, we are dealing with the different spatial scales of these processes (Moulaert & Nussbaumer, 2005). As a result, the local context plays an important role giving orientation to the multiplicity of the content of the socially innovative practices (Moulaert & Nussbaumer, 2005) as stated above. SI thus represents the endogenous responses to social and economic problems and is explanatory of the new hybrid form of SE today.

Innovation in this sense is understood as redefinition of the division between the public, the private and the third sector (Moulaert & Ailenei, 2005). The multidimensional character of the SE initiatives as well as the relation between theoretical considerations and practice lessons leads us to the importance of SI in it. Social innovation as a concept about changes in social relations and new modes of satisfying needs can be explanatory not only of the re-organisation between the market, the public and the private sector but of the ethics orientation and social relations re-interpretation in new contexts. It is, however, a process closely related to governance (Moulaert & Ailenei, 2005; Defourny & Nyssens, 2013) especially if we want to analyse particular organizational aspects. Social Enterprises are innovative in the sense that they try to put a different commercial dimension to the general interest served promoting community development (Borzaga, 2014) by building a social capacity (Amin et al, 2002).

While a number of theories and paradigms can be mobilized in order to conceptualize SE, as analyzed above, the literature suggests that an institutionalist approach is more relevant to the understanding of contextual and historical factors that shape norms, culture and strategies related to human and economic development but without excluding more abstract categories of analysis (Moulaert & Nussbaumer,

2005). Institutional innovation analysis thus is a part of the analysis of SI in SE. The need for such an analysis derives from the will of SE initiatives in terms of grounding in community dynamics and sustaining their role according to the needs issue (Moulaert & Nussbaumer, 2005).

This theoretical framework leads us to the understanding of SI in SE as innovation in social capital and its mobilization in relation to other types of capital towards an SE strategy. SI in SE is related to how social justice can be brought back in the economy redistribution of wealth, allocation of systems and their political governance, solidarity and reciprocity relations, satisfaction of alienated individual and collective needs, the role of the public, private and third sector in operating and governing the social economy and global governance as an alternative for Keynesianism (Moulaert & Ailenei, 2005). These aspects though interrelated have been studied little in relation to the linkages in between them. SI lies in this respect in the instruments used in specific case studies and it is closely related to governance by raising inclusion and voice to groups (Moulaert et al, 2011).

SE as defined above is related to SI in terms that it contributes to the strengthening of the linkage between economic strategies and social policies by raising consciousness, promoting vocational training and answering to local needs (Moulaert & Delvaing, 1994). This linkage can reassure that the local community together with building infrastructure becomes ethically and practically the driver of the innovation and development in direct or mediated forms (Evans & Syrett, 2007). Socially innovative initiatives in SE can contribute in bonding the social and economic dimensions, create new production processes, new knowledge and information creating new jobs and services as well as create trust and social capital by linking different actors by requalification and reintegration of people who have been marginalised on the labour market and can change situations where labour is imported at high cost. Furthermore, they can contribute to the economic rehabilitation of disadvantaged urban neighbourhoods. What is more, they can promote viable alternatives to the touristic development that has consequences for the local landscape and for the employment of the local people as it has created processes of speculation for short economic benefits or in the revitalisation of deserted rural areas. SI can produce meaning for the relevant needs of a specific locality and change the way of covering them by contrasting to top down models, situations of loss integration in the community, promotion of profitability, economic oriented quality of goods and

services, problematic integration between producer and consumer and environmental degradation. It can create a new shared destiny for the localities whereas multiple stakeholders needs, demands and strategies are valuable for the creation of externalities (Defourny & Nyssens, 2013b; Greffe, 1997).

3.2 Mobilizing the ‘social’: Governance as the building block

As it has been evident, governance is a very important concept on the definition of SI initiatives in SE and the interrelation of institutionalization practices that change local development strategies as part of social relations (Moulaert, 2009). Its importance derives from the danger of paternalization of the initiatives in communicating community’s and society’s interests in a hybrid social and economic environment (Moulaert et al., 2005) or a sending away responsibilities to the local strategy in times of fiscal crisis (Gualini, 2005). As a general dimension of SI, governance can be defined as the new institutional arrangements and their context-governing mechanism on the orientation of creating solidarity social systems (Lévesque, 2013). Furthermore, it can be considered as the change concerning “ideal types of social order” in governing by the state, the market and the civil society as the result of collective discussion, decisions and actions (Gualini, 2005) from the construction of the problem to the shared place of meaning that lead to the possible solutions (Swyngedouw, 2005).

Socioeconomic governance can be defined as the social relations which govern the functional organization of an (socio) economy or some of its components. Theoretical insights from institutionalism and economic sociology have been used (Moulaert & Nussbaumer, 2005) towards the understanding of how these components are organized. They include the understanding of an ‘economic co-operation form’ that takes into consideration power relations, the institutional interpretations on firms, principles of allocation and forms of democratic organization. What is more, they show the importance of context specificity for understanding these processes through their analytical weaknesses.

This consideration drives the analysis of socially innovative SE to be grounded in community dynamics with the creation of new arrangements in succeeding shared objectives (Moulaert & Ailenei, 2005). Social innovation thus is embodied in the dimension of governance as the capability of new initiatives and new

institutions and practices to promote democratic governance taking into consideration the locality dynamics in reference to training and education, labour market, employment and local production (Moulaert, 2000) and their articulation with external forces (Moulaert et al., 2005) with the existence of a context to promote socially innovative practices (Moulaert et al., 2013). Governance in this sense, is the reordering of action and institution building defined as an active governance reproduced through community empowerment and institutional dynamics (Moulaert, 2009). In relation to SE, it embodies new networks in local economy towards a more associative and networking form horizontally and vertically. As a result, a new multilevel governance model is proposed (Moulaert & Nussbaumer, 2005). This definition is close to the endogenous approach on development dynamics thus the construction of an institutional opportunity structure (Gualini, 2005). The analysis includes both formal and informal networks in order to grasp the role of public relations to the formation of local government and to avoid 'selective social closure' (Moulaert et al., 2007).

Embedded in path dependency, this process is at stake in relation to the interest of material and non material needs. Institutionalization processes in a positive context, the existence of dynamics for change, processes and new arrangements in this sense but most of all the dynamic perception of the context as not only enabling new initiatives but reconstructing itself become concrete in the case study. The ways to achieve this is by analyzing how initiatives in the SE are launched, set agendas and how institutional dynamics are promoted or hampered. Thus the organizational (business) capacity building is seen as the first necessary step (McLeod). This analysis contributes to the understanding of the reordering of relationships between market, state and society in connection to the SI aims (Gonzalez & Healey, 2005). The socio-economic identity can be explained in this contextuality by a return to local politics by redefining how the local is assessed (Gualini, 2005) including models of Social Region that is territorial decentralization, transparency, democratization and reduction of the democratic layers (Moulaert, 2009).

Subsequently, the focus needs to be turned into the relationships of actors. The definition of socially innovative governance in SE in this respect is related to issues of governance and more specifically democratic forms of production and allocation. Consequently, the definition of SE is closely related to the definition of its governance (Moulaert & Nussbaumer, 2005). This consideration takes into account economic

organization, social organizational principles, ethical values, up-scaling and it can contribute to a more territorial vision when the structure of SE in a specific territory is studied as a whole (Moulaert, 2000). Governance innovation thus is characterized as radical coming from the socio-political movements (Swyngedouw, 2009) but still it includes an institutional dynamic context related to the importance of governance capacity.

Since governance can be identified as socioeconomic governance explaining modes of governing the “functional organization of an (socio) economy” (Moulaert & Nussbaumer, 2005) including processes of favouring and hindering (Oosterlynck et al, 2013) and SE thus is “the part or the coexisting economy that organizes economic functions according to principles of democratic cooperation and reciprocity guaranteeing a high level of equality and distribution and organizing redistribution when needed in order to satisfy basic needs, in a sustainable (ecological, social justice and governance) way” (Moulaert & Nussbaumer, 2005) organizational and institutional dimensions in the relation between third sector, private organisations and public sector are all three important in focusing on context specificities. Relevant dimensions might be those of economic functions, social organization principles including the allocation of resources and the different political, ethical or conventional behavioural norms. Market coordination is not excluded from this definition as long as voluntary cooperation and reciprocity in exchange are ensured (Moulaert & Nussbaumer, 2005). The definition of SE as analysed above includes the number and identity of the related actors as well as their networks in the local level (Moulaert & Nussbaumer, 2005). As a result governance in its contextual approach includes indicators such as the existence of not only fiscal support but assessment tools, advice, training, projects etc. towards the SI aims in the micro and the macro level. An example could be a contribution of the social enterprise profit to the co-op development (McLeod). Institutions are considered as subjects of the contextual dynamic, as forms, rules and as spaces of practice with their ethical purpose. Value embeddedness derives from the inclusiveness of the social actors in their grassroots forms and in relation to what is at stake (Ramstad, 1986 quoted in Moulaert & Nussbaumer, 2005). SI as present in the SE and its governance is related to the holistic approach of its essence thus the performative role of social practices (Moulaert et al, 2013) to the creation of a stable environment based in trust (McLeod). Despite this, it is argued that cooperatives should not wait from state planning but

take in active role in planning partnership for its strategic orientation in the long run (McLeod) creating bottom linked paths of governance (Moulaert et al., 2013).

To understand this argument in practice it is useful to pose the following context specificity argument. Social enterprises were pioneers in promoting the integration of excluded persons through a productive activity. A historical perspective shows that they have contributed to the development of new public schemes and legal frameworks with the contribution of participatory schemes, which in turn became channels for social innovation (Defourny and Nyssens, 2013b). This process is indicative of the dynamic contextual character of governance in creating relevant tools and being supported and guaranteed by them contributing to the inclusion of social groups in the local economy. This is referring to collective mechanisms building in reference to a social mission including capital and trust in the field of quasi-collective goods as added to the institutional framework (Defourny & Nyssens, 2013b). As it has been analyzed, the social of cooperatives as well as the innovative character are related exactly to this consideration that identifying the social mission is not subordinated in one theme.

When studying the governance of the whole SE in a specific locality to grasp SI elements that is to say the content of social goals, as they have been defined above, the analysis of all the networks between them as well as their relation to the historical, institutional and territorial context and behavioral models of cooperation with the way they are mobilized, in a non normative character, become the focus of the research (Moulaert & Nussbaumer, 2005). In this respect, the way that the characteristics (identities, histories, capital) of an area can be transformed into social innovative spaces where social innovation meet sustainability and development in durability and impact terms (Mehmood and Parra, 2013) is of great importance. This is related to the arrangements made to produce 'structured coherence' and ensure dynamic complementarity at the micro-level: interconnecting productive organizations (or SE networks in our case); meso-level: territorial socio-political networks towards the interconnection of a multiplicity of actors and mobilization of capital; macro-level: the wider societal function in the capitalist economy as social capital and institutional building and the relation to the micro- and meso- level; and meta-level: the ongoing transformative nature of these processes (Jessop, 2009). This means also that it is crucial to focus on the particular cultural aspect as a relation to cultural shift (Gonzalez & Healey, 2005) to examine possible changes in the economic functions

through the role of institutions as well as the interscalar relations that affect these changes. Considering these, there is the need to analyze exactly the historical processes that led to specific behavioral norms (through the change of ethical stances and community imaginaries and modes of organizations in their social and political aspects).

These characteristics defined as social capital most of all in situations of fragmented local development can be useful in order to establish the role of the socially innovative character in the study of a so-called traditional cooperative in a specific context that is to say the construction of what is the social in a cooperative as constructed socially and applied in policy strategies. By attempting this, we can learn not only from the so called good practices or successful examples with a strong orientation in enhancing civic participation for urgent problem solving but from situations or initiatives that are related to the SE but as examples of a previous paradigm they are not being considered. Moreover, we can add a building block to the study of the SE in its territorial specificity. More explicitly, we are referring to ways of transforming more traditional cooperatives thus the agricultural into cooperative like social enterprises or even social cooperatives (Defourny & Nyssens, 2013b). In addition they can contribute into fighting analytical ambiguity (Moulaert, 2009) in between interdisciplinary approaches and the relevance of SI concept with the dynamics of cooperative organization of the economy.

Regarding the need for analysis that takes into consideration context specificities and path dependency it is possible for us to learn through a critical analysis of their role in the large SE field and the way it has been developed in Greece. As speaking of SI mainly applied to the role of governance in transforming their nature e.g. co-operative regulation can be used as a framework for the way that SE initiatives can contribute to changes in governance systems in terms of capital mobilization in a hybrid way, combining the market, personal development and public interest (Defourny & Nyssens, 2013a). Besides, any new approach to governance must go through a slow process of hybridization in order for the social dynamics to be uncovered (Levesque, 2013). This consideration helps us to identify the specific moments of a socially innovative strategy namely; reaction, re-organization and culture (Gonzalez & Healey, 2005) for local development.

3.3 Methodological framework

With the aforementioned argument as a basis we are searching for local social innovation in dynamics or in the articulation of actors in respect to the SE context. For this reason the ALMOLIN methodological framework (SINGOCOM, 2005; Moulaert, 2010) is very useful for analyzing the innovative character of the existence or not of the above characteristics in terms of temporality/spatiality (Moulaert et al., 2005: 1986) by the following steps: explain local dynamics, analyze the exclusion-inclusion processes and focus on the case study by analyzing its dynamics and socially innovative content. The different themes of the ALMOLIN are in particular: processes of exclusion and inclusion; mobilization, empowerment and power relations; the dialectics between the satisfaction of human needs, the mobilization of resources for the local social economy and the organizational as well as institutional dynamics of civil society; visions and movements; path and context dependency; re-ordering of domains of action and institution building between civil society, state and market sectors and territorial specificity (Moulaert et al., 2005; SINGOCOM, 2005). This methodology serves the scope of showing the SI as embedded in the social relations that the social enterprise is mobilizing in support to its thematic identity. To do so we search for the foundation of SE and in our case of a specific form in relation to dimensions related to the local governance such as Territory, population and development/planning; Satisfaction of human needs—strategies to meet them; Resources for local social economy— human, organizational, financial; Organizational and institutional dynamics—civil society; Local authorities and state; Culture and identity; models of social innovation; Constraints on development; Relations with ‘outside world’— spatial scales (Moulaert et al., 2005).

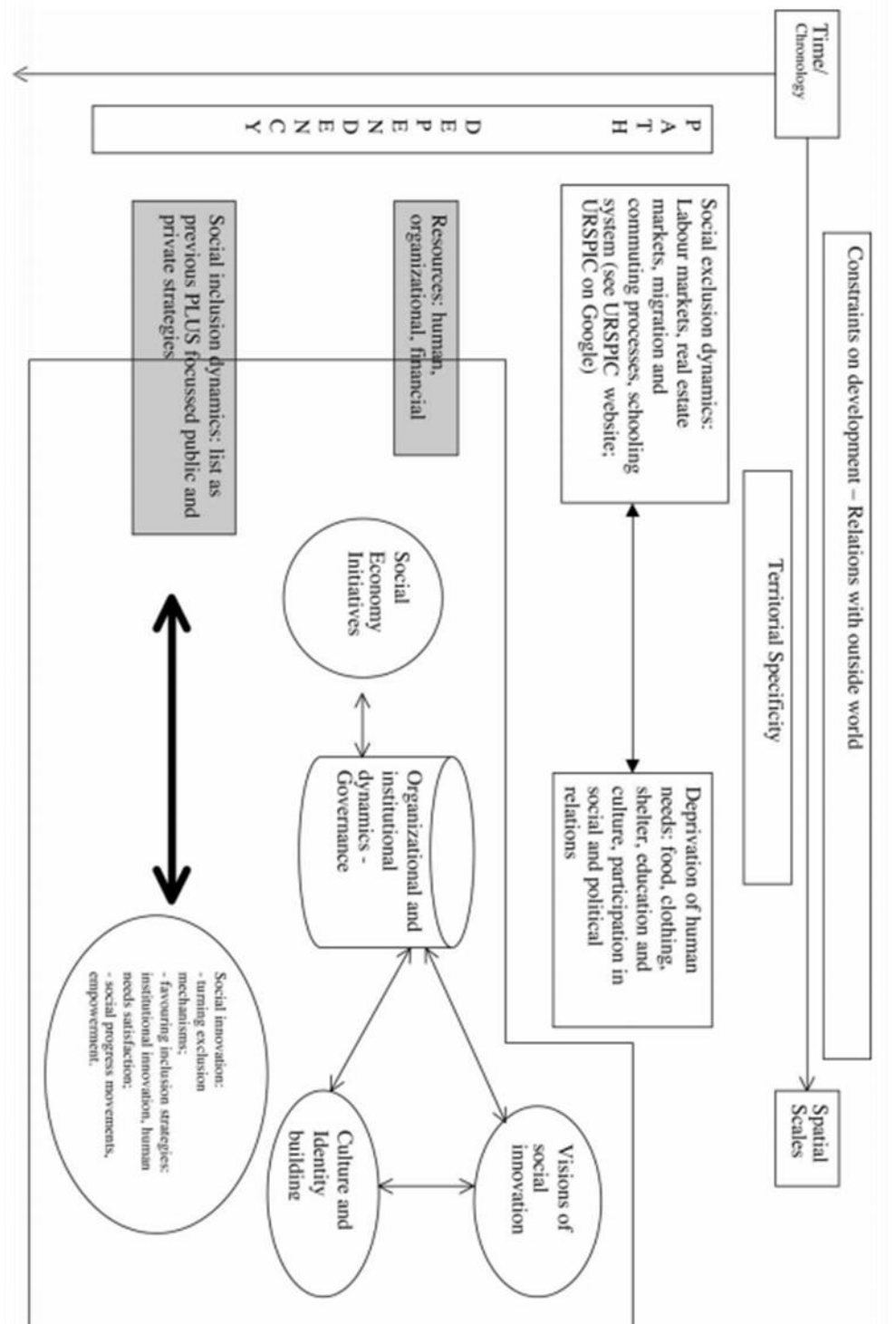


Figure 3 Dynamics of Social Inclusion and Exclusion and SI, Source: Moulaert et al. (2005).

II. Case study Analysis

4. In between Path Dependency and the Dynamics for Transformation

4.1 Historical Transformation of SE in Greece

While Greece has an individual but long standing history regarding the cooperative movement the emergence of the term SE is relatively new and mostly related to the social enterprises created as a response to the fiscal crisis. Therefore, there is a conceptual gap; in public agenda SE is mostly referring to social enterprises in urban space in a cooperative or not form disregarding the European conceptual tradition (Nasioulas, 2012), the complexity of the third sector as well as any possible dynamic of older cooperative forms in Greece.

4.1.1 Agriculture Cooperatives

Cooperative social schemes have been evident since the classical times while they helped the social reproduction in the Greek population during the Ottoman empire with agriculture, maritime and other character activities always related to the local life of its participants or even nomadic organization of life. In rural Greece since the 18th century there was a proliferation of organizations promoting local production. The Greek cooperative movement history has been developed in the basis of agriculture activity due to the importance of the rural population and dominated by state control for years. The first institutional development on the field was the Law 602/1914 which was the first recognition of the cooperative initiatives. Nevertheless, this legislation was promoted for the State to organize the agricultural policy by eliminating the independence of these cooperatives (Patronis, 2001 cited in Nasioulas, 2012).

The expansion of the Greek state after WWI and the demise of the Asia Minor with the population exchange in 1922 intensified the need for organizing agricultural reform. An important development was then the creation of the Agriculture Bank (1929) and new compulsory cooperative formed by the State that increased the State regulation in times of crisis with benefit provision (Nasioulas, 2012). In the meantime, PASEGES (All-Greek Confederation of Unions of Agricultural Cooperatives) was established (1935) with a coordinating and advisory role. Due to the unstable political climate, the large number of agricultural crises, the destruction of

the agricultural activity during the WWII and the need for stability, agricultural cooperatives were based on clientelistic networks in order to reassure their viability. This situation led to cooperation networks in several fields of production, process and marketing (Nasioulas, 2012).

After the restoration of democracy in 1974 and while the economic activity had been continuing during the dictatorship, cooperatives mobilized these clientelistic networks in order to survive. The cooperative movement has been connecting to a top down trajectory ever since (Papadopoulos & Patronis, 1997). These clientelistic networks were enhanced by the 1985 reform (1541/1985) which introduced politically driven party list in the participation model in reference to the cooperatives union and thus enhanced the intervention of the state. What was the result of it can be summarized in the low productive activity of the cooperatives, the large amount of non viable investments and the relaxation of Agricultural Bank supervision. This can be characterized as “the new politization of the rural” (Maranzidis, 1995 cited in Louloudis & Maraveyas, 1997) thus the political agenda of PASOK with great reference in the vote of the farmers and the wider populist agenda of the party in supporting the “un-privileged” (Louloudis & Maraveyas, 1997). In fact, PASOK policies did make structural reforms towards an autonomous movement (Mavrogordatos, 1988) but allowed structuring from the top as an attempt to homogenize the cooperative sector (Patronis, 2002).

Cooperated family exploitation was supported as the most profitable model at that time (Louloudis & Maraveyas, 1997). As a result, the state centric logic and the reactions to it instead of restructuring the system reinforced the dependent character of the cooperatives. Thus the cooperative movement representation at the national level had been politically fragmented in between the PASEGES, GESASE and SYDASE². This can explain not only the political dependency but the divided structuring of the cooperative sector in between opposing political forces (Mavrogordatos, 1988). Even when there was a political will for structural changes most of the times with the EU pressure, reactions to it were based on the role of the

² It is important that today, under the burden of fiscal crisis these organisations had been under investigation for their economic activities until recently. Today GESASE and SYDASE have been closed up while the latest legislation on agriculture cooperative (see below) states PASEGES as the national organisation for the coordination of the agriculture activity. What is more, there was an initiative from representatives of the Hellenic Parliament for the cut of funding PASEGES and instead giving the money to poor families in rural areas having many children, http://www.express.gr/news/politics/766104oz_20150225766104.php3 [date of access 01/06/2015].

cooperatives as mediators of social policy resulting to a fragmented modernization process. Overall, the cooperative movement had been top-down structured as a way to serve the unions interests (Papadopoulos & Patronis, 1997). During the 1990s, the cooperatives were left alone in the market to face competition, liberalization and deregulation of markets in an environment whereas the large globalized agroindustrial sector is worsening the already mentioned structural problems of the cooperative movement. In addition, it was evident back then that a strategy towards the scaling up of the cooperatives was not enough to solve these structural problems.

According to Papadopoulos & Patronis (1997) that time was seen as the time for a critical assessment of cooperative's role and a reorganisation of their functioning. This reorganization was related to the level of the organization in the level of firm (size, specialized personnel, concrete benefits, self-financing) with respect to the historical trajectory of cooperative movement in Greece by contributing to the conceptualization of the cooperative movement, a re-institutionalization of it with new organizational principles and levels of organization, a enhanced role rather than being just mediators between the producers and the state as well as a change in agriculture production through new goals and actors interests.

Despite the fact that political representation and participation in policy making processes was institutionalized, the aforementioned need for change was reasonable; this movement was not independent at all (Louloudis & Maraveyas, 1997) with cooperatives acting like a "decentralized state service" (Mavrogordatos, 1988). This confusion had been put in practice as well; there existed around 8.200 individual land holdings, 7.200 cooperatives, 120 unions and 19 central unions (Kazis, 2005). Individual ownership is seen as the determent factor for the aforementioned fragmentation and the historical creation of food crisis not letting local production deficiencies corrected by imports to cover needs. The integration of Greece in EU has reproduced this structure with European funds used not productively. What is more, a large number of owners is registered to a cooperative without working in the primary sector including double registrations (Kazis, 2005). Cooperative structure is organized vertically with provincial unions and organization in the national level (Kazis, 2005). Political affiliation and non livability are seen as characteristics of the cooperative structure (Mavrogordatos, 1988; Louloudis & Maraveyas, 1997) restricting the participation of the members in electing representatives (Louloudis & Maraveyas, 1997). What is more, restricted cooperation, solidarity and interaction between the

farmers members is evident due to this situation; cooperatives and their unions was seen most of the times as arenas for political and personal strategies not related to lobbying for community dynamics but functioning as mediators with the banking system (writing off debt, credit, subsidies allocation, loan schemes) without really contributing to the viability of the agriculture sector or productivity (Kokkinidis, 2010; Papadopoulos & Patronis, 1997). We should take into consideration as well the way the integration with EU in agriculture policy (CAP) was implemented mainly with the support of particular products and unfavouring mountainous areas and structural reforms (Louloudis & Maraveyas, 1997).

Moving forward now, agriculture cooperatives scope is defined as the support of agricultural income, development of agricultural production and support of the life in the countryside (Law 921/1979; Law 2169/1993; Law 2181/1994; Law 2538/1997; Law 2810/2000, court Registry, PASEGES) (Nasioulas, 2012). In particular, an Agricultural Cooperative Organisation (ACO) is defined as the “the autonomous, independent association of persons, which is formed voluntarily and aims, with the mutual aid of its members, at their economical, social, cultural development and advance, through a jointly-owned and democratically-controlled enterprise” and an agrarian activity (Kazis, 2005). According to this legislation, members of a cooperative can be adults that have activity related to the aims of the cooperative while each member has an obligatory share (Kazis, 2005). Agricultural cooperatives might have differentiated forms but in Greece they can be characterized as defensive due to the ownership and organizational characteristics and as a result they do not innovate in terms of new products and networks (Sergaki & Iliopoulos, 2010). Therefore the cooperative sector has been criticized for its functioning (Louloudis and Maraveyas, 1997).

Law 2810/2000 and its amendments 4015/2011 and 4277/2014 were introduced in terms of the need for changing the pattern of political dependency as expressed above. The creation of a registry, non taxation of surplus as well as the confirmation of which cooperatives are operating and the reinforcement of their changing character were in between the main aims of this Law introduction. In this context, Law 4015/2011 was seen as a change for the re-organisation of agriculture activity in the context of the cooperative ideal (Panagos, 2012). The Law stated the creation of a Registry, the regulation for cooperatives that do not operate or have large debts, the character of changing primary organizations into Agriculture Cooperatives and the regulation for

the creation of producers groups under the concept of Collective Agriculture cooperatives as well as regulation for assessment, funding, the functional role of PASEGES towards the improvement of quality and the opening of new market democracy. The spirit of the Law was focused on the relation of the agricultural cooperatives with market reality and sustainability of production. Despite this context, the cooperatives' changing character seems to be eliminated in the level that cooperatives will act. Regulation for the assessment of the work of cooperatives and cases of merger of two or more cooperatives or a collaboration has been proved to be too hard to be evaluated. Law 4277/2014 reintroduced the term "Agricultural Cooperative Organisation" of the Law 2810/2000 in the place of "Collective Agriculture Organisation" (three level of cooperative movement) for distinguishing the role of Agricultural cooperatives and Agricultural Enterprise Synergies. Still, according to the legislator, besides some basic regulation in respect to the creation, organization and function, cooperatives have freedom to organize their activities in their charter for meeting their needs and aims and use of their funding (Klimi & Papageorgiou, 2010). While this can be considered as positive due to the multifunctionality as defined above it poses important barriers for the development of some cooperatives in terms of access. At the same time, assessment is problematic due to the closure of the Agriculture Bank and to the non data processing, non internal control, regulation for cooperation between only agricultural cooperatives and their unions and problematic institutionalization of control bodies from the Ministry of Agriculture.

4.1.2 Other forms of cooperatives

Other forms of cooperatives exist in the Greek society with more or less fragmented characteristics. To begin with, unions such as sports ones have used associational forms in order to avoid taxes creating a boost in black economy transactions. A second fragmentation is expressed in the way that SE sector has been developed in Greece is apparent. The institutional gaps in the registration of cooperatives have been allowing the exploitation of the SE framework for short term profit logic. Civil cooperatives on the other hand have mainly been established by state employees, especially civil servants and military personnel, as direct sign of their financial stability access and clientelistic connections to the political authority. Cooperatives of consumers or vocational ones are relatively new (1980) and have

some promising activity. The division between categories of cooperatives was only passed in 1979 with Law 921/1979 on Agriculture Cooperatives that enhanced their autonomy (replaced by 1257/1982 and 1541/1985) and Law 1167/1986 that enhanced the establishment of cooperatives out of the agriculture sector namely; productive, consumer, logistics, banking, transport, tourism. These laws were under the logic of a democratization of production. An important change was made in the 1999 when work related cooperatives in any sector for vulnerable groups (Limited Liability social Cooperatives) were legally established.

Despite the presence of cooperatives in Greece or due to their contextual characteristics it was not before the economic crisis that an effort for SE legislation was introduced including other forms of social enterprises. Law 4019/2011 is the first legislation that came as a response to the new organizational schemes and start ups for fighting social exclusion and poverty in the context of crisis. It introduces new forms of Social Entrepreneurship such as the Social Cooperative Enterprise. What is more, this Law represents the first introduction of the concept of SE in Greek legislation. According to this Law, SE is defined as the number of economic, entrepreneurial, social activities taken by entities towards the common good or the serving of wider social interests. This definition is oriented towards serving development, economic and social initiatives of a local, regional or wider character mainly referring to social services, environmental causes and local products promotion for fighting exclusion of the physically, socially and economically vulnerable. In this respect, social cooperative enterprises are recognized as a form of SE civil cooperative with social goal and commercial character. The Law identifies three categories of organisation: firstly the social cooperative enterprises towards the inclusion of vulnerable people; secondly social cooperative enterprises towards the provision of welfare services and specifically social care; thirdly social cooperative enterprises towards the production and provision of services for the local community. This category includes cultural, environmental, ecological, educational, mutual benefit, promotion of local products and the preservation of traditional activities and occupation and it is related to the local and regional development as well as social cohesion strategy. A further improvement in this context is the providence for the creation of a Register with all the enterprises records including the Social Cooperative enterprises of Law 4019/2011 and the Limited Liability Social Enterprises of Law 2716/1999 on the one hand and certain civil cooperatives of the Law 1667/1986 on the other in two sections. The

Register as well as the planning and policy strategies for SE are subject to General Secretariat of Community Resources Management of the Ministry of Employment and Social Security. Important is also the fact that subject to income tax are only the profits distributed and not the ones used for job creation and still only subject on tax level 1. In organizational terms this new form functions in practice as a civil cooperative.

According to Nasioulas (2012) this is a restrictive perception of the SE since the term is not mentioned again besides the registry name and the Law title. So, despite this development, the law does not include a conceptual definition of the SE and it is not inclusive of previously institutionalized cooperatives with changing dynamics (Nasioulas, 2012). The Law does not seem to incorporate the legislation framework mentioned above. It is suggested that Women's Cooperatives 1541/1985 and Civil Cooperatives of Law 1167/1986 can be beneficiaries of Law 4019/2011 as long as they meet the related criteria (Nasioulas, 2012). Despite this, the positive developments of the Law as an effort to take into consideration the context of the crisis is not related to a more long term approach and policy in the field especially in the third dimension that is the collective production purpose of a collaboration in between different actors with respect to the different thematic dimensions of the Law.

Dependence on European funds (programmes, policies and strategies for Local Development incorporating principles of SE) that even before the crisis related such synergies to the creation of jobs and fighting exclusion with the support of National Plans for Employment and Social Inclusion (Sakellariopoulos & Oikonomou, 2006) have created important opportunities. In the dimension of collective production of course development of employment is included in the provision of services. Despite this, there seems to be a per se translation of benefits in the number of new employment positions. In relevance with this Law the absence of the conceptualization of SE in National Plans does not improve the relation between society, local government with other stakeholders and the governance of SE with the use of local capital. The Law tries to combine the long trajectory of the cooperative form in Greece with the new emerging needs that crisis created but it does not introduce a conceptualization of SE that is related to cooperative development trajectory in an inclusive way and thus remains vague in its scope. Law 4019/2011 is not introducing innovative structural reforms but a new thematic approach on the cooperative movement as a guiding principle of local development. The Introduction

of Social Cooperative Enterprise is important but fragmented as their operation is based on Law 1667/1986. The most important issue is that except from the social cooperatives with an integration purpose participation of Local Administration Organizations and Public Law Juridical Entities is not allowed.

On the other hand, the recent development in the agriculture cooperatives legislation is seen as adequate but it does not take into consideration the multiple stakeholders related in agriculture production as well as the multifunctional character of contemporary rural environment and the need for new policies as expressed in the CAP revaluation report 2020 strategy (European Commission, 2014).

Although there has been many important solidarity actions and organizations in the space of SE that has resulted in the improvement of many exclusion situations and the covering of new basic reemerging needs (food and employment), the fear of the creation of a divided SE in Greece is expressed: the enterprises subject to the 4019/2011 will receive more benefits and funding opportunities for their sectoral activities benefited for their 'new' presence. At the same time the Law cannot be the basis for the introduction of a change in the clientelistic logic of the development of these enterprises (Nasioulas, 2012). The creation of a Social Economy Fund and a Fund of Entrepreneurship and Development as well as a new framework for social contracts is related to this feared spite the fact that it has not been implemented yet.

4.1.3 Instruments towards the development of a new strategy

In this context, SE legislation and planning in Greece is not inclusive and adaptive (Nasioulas, 2012) but retains a sectoral character (Kazis, 2005) leading to a thematic-organizational misappropriation. Today's fiscal crisis has given further evidence on the limitation of this structure; the change in political forces is representative of the fragmentation that this situation has created towards new policies on the sector creating a form of path dependency and a danger of revisiting a populist political agenda for the sake of the unprotected as a reactive strategy to the former path dependency. It has been argued (European Commission, 2012) that what is needed is the development of a strategy that incorporates these issues and obstacles towards the creation of an overall strategy. This strategy will deal with the problems of the Greek context as the context of crisis, the focus only on the cooperative form of SE, the fragmentation of bottom up initiatives, limited understanding of the concept of SE and social entrepreneurship, lack of good practices, lack of financial support in start-up

and developing social enterprises, difficult access to capital, complicated access to public markets, absence of platforms for exchange between different stakeholders for creating synergies, limited integration with examples from other countries, lack of strategic and coherent and organized efforts of national, regional and local authorities including the lack of an national action plan on SE (European Commission, 2012).

The most relevant strategic goals that are introduced in this respect are: recognizing milestones for achievements of social enterprises; room for experimentation to find out what can be considered as a good practice through regionally adapted pilot actions (taking into consideration accountability, transparency and collaboration towards a collective purpose); focus on priority actions for emergent needs especially with reference to the crisis; focus on the whole range of SE activities; support in all business life cycle; creation and transformation patters with focus on the organizational form including their independence from the public sector; reinforcing partnerships and synergies, quality assurance, assessment and feedback between stakeholders and their actions related to SI. All together, they can create an ecosystem for the functioning, funding and good governance of the SE sector (European Comission, 2012). Enabling this development is related to different goals and instruments namely: creation of a SE ecosystem by supporting the supply side (development and their advancement to SE pacts, establishment of a nation-wide support centre as well as in the regional and local level, establishment of a SE Observatory, introduction of a comprehensive regulatory framework); direct financial support (taxation, Social entrepreneurship bursaries, microfinance grant and loans, employment opportunities, public grants for start-ups including the development of innovative products and services); indirect access to finance (microfinance strategies and good governance through partnerships); good governance (legal and administrative support, monitoring, funding schemes (collaboration between different ministries, integrated and simplified legislation framework, measures to boost transparency, organization of the dialogue through SE representative institutions); public sector capacity building (enhancing knowledge, learning, capacity building and skills in public bodies); transnational cooperation (building trust in a transnational body for coordination, access to information (European Commission, 2012). It is understood thus that action should be related to the micro- level by supporting initiatives, the meso- level by enhancing their representation and macro- level by the creation of a supportive governance framework (Cooperatives Europe, 2012).

Strategic actions of the EU have already made clear the necessity of re-approaching the relationship between employment and local development policies whereas SE has a strategic role of great importance. The argument is that can this multifunctionality environment can be further developed by making SE actors crucial actors in providing new products and services (Patronis, 2004). Despite this, understanding of the inefficiencies in the Greek case strategies on SE or even strategies for a common framework on cooperatives exclude agriculture activity (Cooperatives Europe, 2012), or lack of elaboration when this is mentioned in relation to the issue of quality (European Commission, 2012). What is more, this strategy is not inclusive of the role of local products as mentioned in the development dimension of the Law 4019/2011. More evidence will be given in relation to the policies, planning in the strategic and operational level and multiplicity of stakeholder as well as the interpretation of the social in relation to the case study for the creation of such a strategy. We do not suggest of course the substitution of agriculture cooperatives with the social cooperatives because of the importance of the agriculture sector in Greece and because of the fact that a social oriented activity is sometimes into the periphery of SE (Patronis, 2004). What we are trying to do is to find the range of social activities of agriculture cooperatives and whether this character can change the structural deficiencies of the past setting their “reinvention” (Parnell, 2000) in terms of goals and ways to meet them. Agricultural cooperatives in Greece are representative of existing social networks and knowledge that can be transformed in dynamic synergies by leveraging their added value, their economic and social aims relation and possibilities of new types of production with different goals e.g. services, new sectors, new actors, support of new local institutions for the promotion of employment and local development (Patronis, 2004).

4.2 The island of Cephalonia

4.2.1 Main Characteristics

The island of Cephalonia is located in the Periphery of Ionian Islands in West Greece, it is the sixth largest island (781 km²/ 254 km coastline) and it constitutes a peripheral unit and the only municipality in the region (Kallikratis 2011). It is located across the Patraikos bay in the south of the island of Leykada and in the north of the island of Zakynthos. The Ionian Islands periphery belongs administratively to the Decentralized Administration (central institution) of “Peloponnese-W. Greece and

Ionian Islands” based in the agglomeration of Patras with redefined and extended powers since 2010. Cephalonia is the biggest island in the region with 38,000 inhabitants. The sit of administration is Argostoli where the one third of the population is inhabited. Two thirds of the population live in urban areas. In total, the population of the island is 35.801 (2011 Census). The population of the island is slightly reduced from 2001 when it was 36.404 following the case for the prefecture of the Ionian islands and the whole country. The population has its largest age group between the 25-39 while it maintains young population mainly in the urban areas and in the sector of services. GPD of the island was 657 million euros in 2012 with a decreasing trend since 2008. The island of Cephalonia is facing a raising trend in unemployemend³ following the trend of the Ionian islands with 26,6% being unemployed (ELSTAT, January 2015) and for reasons mainly related to seasonal employment and fiscal crisis. The island retains a 61,82% of population that is economically active.

Apart from Argostoli the island has three main towns Lixouri (second town) Sami and Poros (the last two operating mostly as port entries).The island is rich in its geomorphology with many differences alongside: a complex coastal line that constitutes a limited sea partition; high mountains and plain areas that constitute a vertical partition; green and dry lands; highly distinct self-contained geographical areas; distinctive geological formation; caves; mild climate. The highest mountain in the island is Aenos that is designated as protected park area and located in the center of the island. Forestry is rare on the island despite that Cephalonia has the highest timber output in the region. The island has a distinctive fauna as well. In terms of culture it has a longstanding history with roots from the ancient times as archaeological findings indicate since it had been under the Venetian, the French and the British rule respectively before it was annexed to the Greek state in 1864. The island has experienced many earthquakes with the 1954 one being the more momentous in terms that it changed the demographic, social and economic structure of the island as well as its infrastructure and introduced innovative management of the rigid restructuring that was needed. Even in 2014 Cephalonia was affected by an earthquake disaster that together with the central state inefficiencies and the action of local networks for help showed the need for a different planning approach.

³ “The issue of unemployment in Cephalonia” http://www.kefalonitikanea.gr/2015/03/blog-post_597.html [date of access: 01/06/2015].

The primary economic activities in terms of tradition and GDP are animal breeding, agriculture (mainly grapes, wine, honey, olive oil and figs), fishery, constructions and tourism (since the 1980s). Agriculture represents the 9,07 of the island GDP. Oil production has been very important for the local economy due to the production activities during the Venetian rule. Despite the 1953 earthquake and the destruction of many oil presses operating so far, olive oil production retains its longstanding tradition in the local economy. Especially grapes production cover the 2,74% of the agricultural activities representing 9.068 acres of cultivated land, 2000 kilos of grapes production per year from which 79% of must is used for wine production. Despite this, vineyards cultivation has been decreased 15% during the last years. The island has a long standing wine making tradition related to the Robola wine, a distinctive product which is related to the mountainous soil of vineyards are located at the foot of Aenos mountain.

Most areas on the island are mountainous and as a result unsuitable for agriculture activities. Due to this, main characteristics of the productive activity are small agricultural holdings, small scale of industrialization of production and pressing tourism activities. What is more, primary production activities are pressured by the residential development activities. In addition, enterprises are more oriented to the provision of services followed by production and then processing activities. Up until the 1970s the island retained a maritime economy character as well stipulation a more open “local” character in employment and still has a presence in the local economy. Despite these, the mountainous character of the soil gives a distinctive character to the local production. At the same time, there are several small scale activities related to local quality products with certification and a developing number of agro-touristic facilities.

The island relies on a well developed transport road network, but not well served by public transport. It has four (4) ports connecting it with mainland Greece and abroad (Italy, cruise ships) and an international airport. In addition, it has two hospitals (Argostoli and Lixouri) and health care installations and welfare infrastructures. The educational infrastructure of the island other than the primary and secondary education installations that cover the entire spectrum of villages and towns, also include a two HEIs Technological Schools (TEI) and a Maritime School (for mercantile officers and engineers).

4.2.2 Policy and Planning analysis: Dynamics and Barriers for Local Development

In an effort to group the main characteristics of the island in relation to the dimension of environment and quality of life, culture and economic activity as well as social organization we can argue that the island has certain dynamics and barriers for development. More specifically, the dynamics are related to: the development trajectory of the island and mainly the ability of developing further the tourism and its supplementary activities, the services agriculture, the fish-farming, the transport, the maritime sectors and the extraction industry (calcium carbonate); the Cultural, Archaeological, Environmental, Local Economy and Human Resources Assets and the Economic Capital related to them especially since it is evident that the island attracts many investments, that tourism activities have not lead to a non reversed physical degradation of the island and that there are many quality local products that can be further developed and leveraged for local development; the possibility of combining the aforementioned two sectors; the existence of important local institutions related to cultural, sports and educational activities; the role of the Technological Educational Institute; the existence of functional transport to access the island; the starting of new social synergies towards social solidarity based on grassroots activities as well as the local institutions; the access to funding and research programmes for the future development of the island; the ability of the island to sustain young people; a trend of mobility towards the island mainly connected to second and third sector activities (Duquenne & Kaklamani, 2009).

On the other hand there are many barriers that put difficulties in the utilization of the aforementioned point. Thematically there are in some point of common roots showing that barriers are somehow considered as constraints: limitation in changing consolidating patterns and at the same time opportunities for change making the island a closed and open system at the same time. More specifically these are: mass uncontrolled tourism and the dependence of local economy; problems in infrastructure mainly due to the fact that they have been developed to serve the tourism sector including issues of quality or because of the high cost maintenance or aesthetic issues; scarcity of economic resources; overdrawing of natural resources; vulnerability of the natural landscape because of infrastructure building e.g. building at the side of the road or in the coastline latitude (linear development); no flexibility in alternative activities that can be further related to tourism and make it more socially responsible;

employment in the first sector leak; the overwhelming growth of the construction sector. In addition there are barriers related to the economic crisis and its consequences such as abolishment of welfare provisions, unemployment, rise in taxation. Despite the promising initiatives, issues such as lack of social partnership culture; low environmental susceptibility by the local communities; clientelistic local administrations; transitional competences and resources- jurisdictions of local institutions due to recent reforms and the overall weak planning tradition can be considered as barriers of great importance as well. Overall, this situation has led to SI initiatives undermined by planning and policy making that together with the conceptualization of constraints leads us to the argument that there is a locked dynamic by top down actions and outdoor investments. What is more, there is a misconceptual understanding in the assessment of the situation especially in reference to the problems deriving from the tourism sector (Apostolatos, 2009; Delladetsima, 2014; Municipality of Cephalonia, 2012).

The management of these barriers is always related to four important characteristics: the fact that there is a differentiated geomorphological landscape that the island is a seismic zone; the fire vulnerability; the limited carrying capacity of it as an island; the recovery paradigm followed by a competitiveness strategy mostly in a situation to attract many foreign tourists burdening the dynamics of the local economy. In relation to this it should be stated that due to the crisis the island is in a transitional stage in terms of competences and economic resources. It is evident though that the origin of these problems is not tourism per se but the development strategies related to it (Apostolatos, 2009; Municipality of Cephalonia, 2012; Delladetsima, 2014).

4.2.3 The SI relevance

Cephalonia is an area where many local initiatives that have been taking place of a SI character that are undermined by formal planning-developmental policies and/or have not managed to shape an integral programming rationale. These local initiatives are arising mostly from local institutions and governance actors while that have a more long standing presence in the area such as: the Theater and Cinema Friends, the Women's Group, Association of Reduced Mobility People, Society of Historical and Popular Studies, Agricultural cooperative Perahoriou, Agricultural cooperative Platritia, Agro-industrial cooperative for Robola Wine, Citizens

Movement-Dialogos-Interaction and Agency for the Protection of Mount Aenos while they transform their character (Delladetsima, 2014). At the same time, new more solidarity oriented actions but not closely related to the social capital of the island like the Social Cooperative Rota that had been created failed in meeting their aims⁴. In this respect it is important to focus on one more ‘traditional’ local actor to grasp this dynamic context in between existing social networks and their innovative transformation.

⁴ The Social Cooperative Rota was created as a civil cooperative and then came under the Law 2716/1999 for engaging persons with problems of mental health into the labor market with the collaboration of local actors (mainly the Municipal Company of Argostoli for Social Development) and health institutions with activities related to health services and the creation of two enterprises: one local café and one wine bar managed by the members for the promotion of local products as well as alternative agriculture activities. http://www.enallaktikos.gr/kg15el_koispe-twn-melwn-rota-_a2237.html, http://ec.europa.eu/employment_social/ECDB/equal/jsp/dpComplete_1070.htm [date of access 01/06/2015]. Despite this innovative agenda the cooperative was driven into bankruptcy with employees not being paid for their work and the municipality refusing any relation with this development as for the company being assimilated with its greater entity after Kallikratis).

5. The changing role of the Agriculture Cooperatives

As we have analyzed so far agriculture cooperatives are mentioned in the bibliography as part of the SE in terms of organization but as a failed paradigm in terms of both organization and means to achieve its goals. An approach towards a social role of the cooperatives today includes strategic Initiatives like the the EQUAL programme that are important in terms of reducing exclusion of vulnerable people but do not intend to introduce the development of the third sector as a whole. At the same time innovations like the Fund after the Law 4019/11 could have not been implemented (OKE, 2013), while there are sectoral barriers that exclude or discourage certain forms of SE from having a social perspective. Cooperatives role is a crossed boundaries one and multifunctionality of rural areas is a space where this can be researched. As it has been argued by the WLO cooperatives are extremely important because they combine social and economic goals, are oriented in the local identity, have a wide social network and retain the tradition of participation in the localities (Patronis, 2004). In this respect, what seems that has to be reinvented is that social character of the cooperatives. As a result, we are studying the social character of the Robola cooperative and its role in local development through SI strategies in its governance.

Apart from the multifunctionality characteristic there is one point that should be mentioned as well: Greece has a longstanding history of vine growing and wine making and has faced a big transformation during the last years with the modernization of the wine industry and the increasing quality and quantity of the products, the institutionalization and the research (Papadopoulos, 2010). Wine making is representative of the existence of an important local capital that by itself includes social characteristics; it is thus related to the role of local products in development.

5.1 The vineyard zone of Robola and the Robola Cooperative

The vineyard zone of Robola covers 49.000 acres of land in South Central Cephalonia. The vineyards are situated in the communities of Omala (under the municipal unity of Omala including the Aghios Gerasimos community), Daygata, Troiannata, Dilinata and Faraklata (under the municipal unity of Argostoli) in a height of 50 meters and over and above the central road Argostoli-Poros in the communities

of Vlahata and Mousata (under the municipal unity of Leivathos) villages with different local identities as it is common in Greece (Makris, 2009) but with common a cultural identity and relationships.

<u>Name</u>	<u>Population (2011)</u>
Peripheral Unity of Cephalonia	35801
Municipality of Cephalonia	35.801
Argostoli Municipal Unity	13.237
Argostoli	9.749
Daygata	66
Dilinata	496
Troianata	223
Faraklata	1.058
Leivathos Municipal Unity	5.745
Vlahata	582
Mousata	318
Omala Municipal Unity	840

Table 2 Population Of Municipal Unities in the Robola Zone, Source: Census (2011).

It has been argued that the island is of great geomorphology for the production of wine due to the microclimate of the mountainous and semi-mountainous (180-700 meters height) with inclination, infertile lands and calcium carbonate that Robola has adapted, even though these areas do not foster high return per acres (Apostolatou, 2009)⁵. In addition while the surrounding retains a unique physical beauty (e.g. forest) since Omala plateau is situated at the slopes of Aenos the northern areas of the zone even more suitable for production of good quality are not appropriated due to several reasons related to the cost of production. This situation has led to the danger of drying lands.

Robola Zone of Cephalonia is the only area in Greece that is characterized as Designated area of origin zone (Ministry of Agriculture) while the wine is labeled as protected designation of origin (PDO) (PD 15/28/12/82 and MD 329453/4711 GG

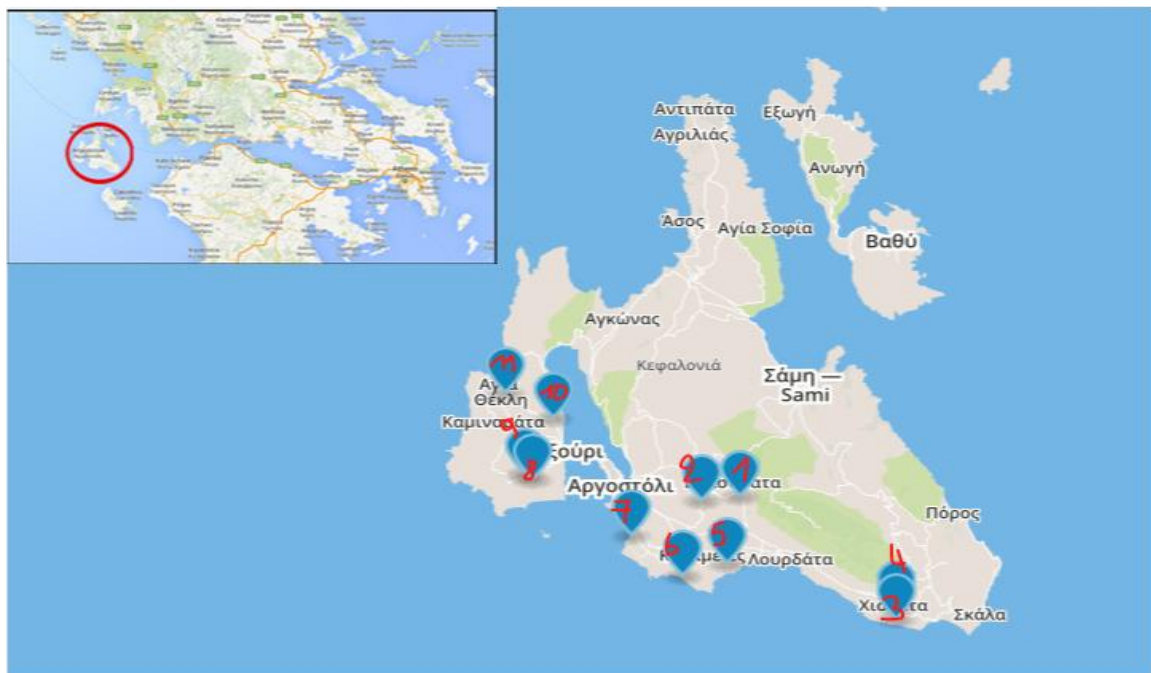
⁵ This is a characteristic pointed out for the production all over the island in everyday life. Although considered as infertile the island is characteristic for high quality products such as legume that their cultivation has been abandoned due to low production and income derived by it. It is argued that alternative methods have been used to reinvent these products in other islands like Zakynthos through innovative strategies but this is not the case for Cephalonia. What is more Robola was named by the Italians as “Vino di Sasso” that means wine of the rocky areas.

720/B/30-09-82) cultivation and production methods. The Robola wine is of well known reputation since the 16th century while its production is a constituent part of the local culture, everyday life and the economy of the island. An example of it is the annual Robola festivity organized by the cultural Association Mermigas at Fragata. Robola production represents the 25% of wine production in the island in an overall 79% of vineyards for wine production. It is interesting that wineries in all over the island are entitled to produce Robola as long as the vineyards are situated in the zone. The character of the area is known for a few other types of wine under the label of protected geographical indication. The island has zones for the production of two other types of wine (Muscat and Mavrodaphne) but their production and bottling has not been developed. What is more, other local varieties have the potential to be developed (Slopes of Aenos, Mantzavinata, Metaxata).

Agriculture activities are common with the rest of the island while the island is famous for other PDO products like the cheese together with other products and recipes. At the same time, the aforementioned area of the island has been developing as an alternative tourist attraction for the existence of the Robola cooperative facility, the monastery of St. Gerassimo and the surrounding ecosystem which is designated as a NATURA area.

The agricultural exploitations are in average 5,9 acres each disseminated in the area. 250 acres of the exploited land are cultivated by members of the cooperative and that represents the 85% of the production. It is understood that property is small as well as split into many parts where usually owners have the tiles for more that one exploitation. Land is characterized by terraces while cropping of the exploitations are in rectangle or square form. What is more, the newer exploitations are in linear form with distance of 2-2,2 meters. The pruning is deep-drawn, a method that helps to the protection of vineyards in mountainous areas from the wind or in a linear form that is better for the increase of the production, protection from the sun and it is adequate for the limited use of machineries in case needed. For the production of organic wine organic or traditional fertilizers are used and some traditional techniques. The landscape is characterized by local roads and terraces, local techniques of infrastructure that are of great importance for the production and representative of the local identity especially considering the role of the Robola Cooperative. There are 11 wineries on the island that all except one produce Robola. Apart from the cooperative,

most of them are small scale family businesses with a long history and good quality of the products.



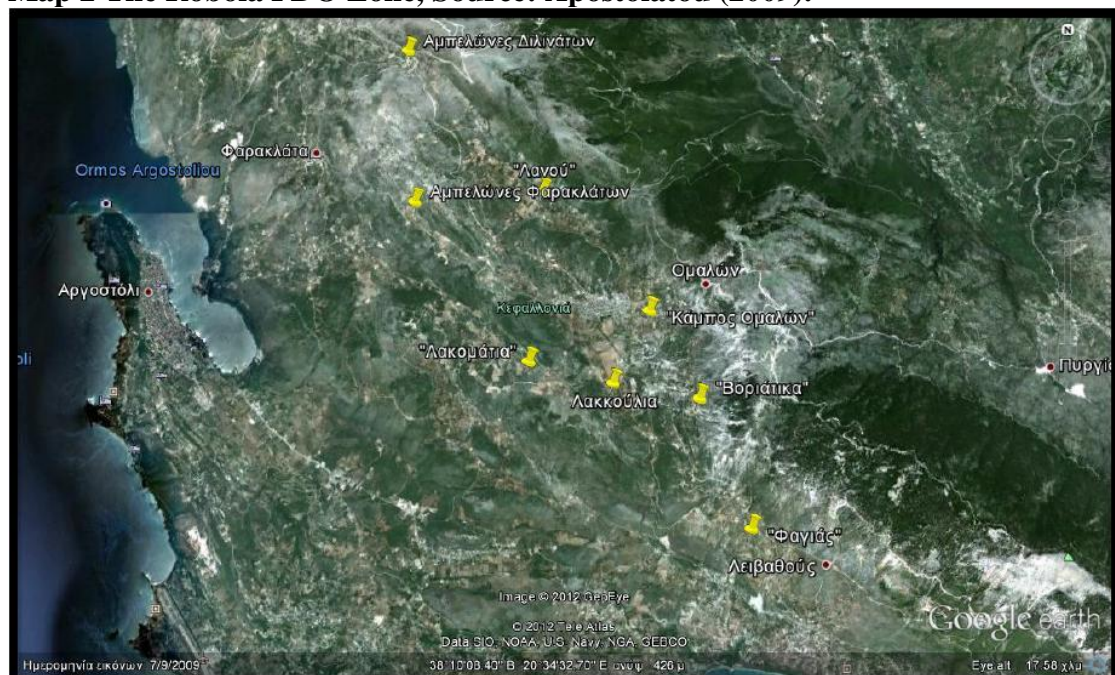
Map 1 The Island of Cephalonia and its wineries (author).

Winery	Robola Wine Production
1. Robola Cooperative	Yes
2. Hristoforatos Winery	Yes
3. Metaxas Wine Estate	Yes
4. Melissinos Winery	Yes
5. Divino Winery	Yes
6. Sarris	Yes
7. Gentilini	Yes
8. Vitoratos Winery	Yes
9. Foivos Domain	No
10. Sklavos Domain	Yes
11. Haritatos Winery	Yes

Table 2 Cephalonia's Wineries and Robola Production (author)



Map 2 The Robola PDO Zone, Source: Apostolatos (2009).



Map 3 Centers of vineyard cultivation in the Robola Zone, Source: Apostolatos (2009).

Robola wine Cooperative was founded in 1982 as a response to the need to protect and highlight the dynamic of Cephalonian vineyard. The Cooperative was founded by the growers of the Robola Zone near the Omala Area 650 m. west of the St. Gerasimo Monastery and it is the largest winery of the island. The cooperative started bottling and marketing in 1983 while it acquired its own winery in 1987. The winery has been technologically improved since 2005. The cooperative has as members around 300 growers mainly from the Omala area while its staff has cultural bonds with the local community. The vineyards belong to the families of the members. The cooperative's growers cultivate around 1000 acres planted that have been planted in between 1900-2012 while the older vineyard today are of age 25 years. Most vines are self rooted with rich genetic differentiation belonging to the family of Robola. Cropping of the exploitations are in rectangle form while the harvest is only labor-intensive. The cooperative produces 85% of the Robola production which correspond to 500 t. of wine or 560 bottles. The vine harvest lasts from August 15 and for about three weeks and the produced wine has about 12,5 degrees alcohol.

A significant percentage of the growers have agriculture activity as a second occupation due to the property rights. Its role is important because of the property characteristic as well as for its relation to the local community for the informal network in between the members and their families as well. The aim of the cooperative is the spreading of the Robola variety as a quality product in Greece and abroad as well as the conservation and the increase of the product's high quality. Furthermore, it is the development of organic production, the improvement of the vineyards and giving motives to new producers in the area. Since 1999, 10% of the production is organic. In general, the cooperative tries to use the most physical methods possible. What is more, one of its aims it is the conservation and development of more local varieties and the bottling of its variety.

The cooperative has seven permanent employees at that time in the positions of bottling, production, sales, exhibition etc. and twelve seasonal and it is estimated that it provides 600.000 to 900.000 income for each members and employees and 1.000.000 for the local community without taking into consideration the provision of services that cannot be financially estimated.

The winery covers an area of 2.000 m² and has spaces of winemaking area, space tanks, the bottling, the showroom and in the cellar. The winery is built according to the local architecture with local material (stones and wood). The cooperative bottles three labels of the Robola variety (traditional, organic, San Gerasimo), the Brillante White (40% Robola, 30% Muscat, 30% Tsaousi), the Slopes of Aenos, the Brillante Rose (40% Robola, 20% Muscat, 20% Mavrodaphne, 20% Tsaousi) and the Linos Red, Melambus and Glykororos. The Robola, the Organic Robola and the San Gerassimo have been awarded several times. It has a local shop in Argostoli, it trades in the rest of the country despite the fact that it has not acquired its own network and it exports the Robola label in Canada, Italy, Germany Switzerland, France, Sweden, Netherlands and the Uk. During the last years, it has participated in funding programme for exporting in China and USA with a successful result.

In 2006 the cooperative finished upgrading the equipment (self-cooling tanks, two presses, automatic bottling, biological waste management). In addition with funding by the LEADER+ programme it regenerated the surrounding area which was used as a dumb space. In the context of attracting tourism, the cooperative has created the Robola museum and a showroom that are situated in the zone. There, visitors can be informed for the history of the variety. The upgrading of the equipment is a continuous strategic goal for the cooperative.

The cooperative is active in research and in the creation of new innovative products. The collaboration with a research programme for the management of waste is indicative of this fact. Over the years, the cooperative has mobilized local socioeconomic capital related to its production. It has used the local knowledge of the growers as well as the technical knowledge produced in the Ionian Technical University. The active role of one agronomist in the cooperative has been proved as valuable. With the cooperative's action, there have been initiatives like the creation of vineyards records, the creation of an experimental vineyard, to see the behavior of Robola as well as its biotype and its variation with relation to different production needs, international summer schools (2012-2014) in several related fields, research upon organic production for a 100% achievement of the PDO, sharing information considering not only the production but the consumption of the product as well as external activities like gardening of local flowers like orchids and the improvement of the landscape in relation to the land and the infrastructure. The cooperative has combined the local knowledge with external technological knowledge in terms of

appliances and local architecture facilities. Furthermore, it has received European funding mostly related to the reorganization of the vineyards and production, the machinery and the waste management as well as the infrastructure of the cooperative (reception spaces) and the promotion of the product abroad. Still, there is a continuous search for more funding in relation to the long term research approach on biotypes. Technology and formal knowledge is thus used for the physical characteristic of the variety to be designated. This achievement understood innovations as the utilization of local heritage with the use of new technologies towards a place in the market as for to cover new consumption needs as innovation is understood as modernization of the equipment (Anthopoulou, 2004). Lately its growers have applied for the funding the OPEKEPE (Payment and Control Agency for Guidance and Guarantee Community Aid).

The cooperative is subjected towards a double orientation: on the one hand as a 1st level organization (Law 4015/2011) it tries to work as a successful enterprise in order to fulfill its members needs even in a competitive and multifunctional environment. In order to achieve this it makes use of all the range of production, alteration and selling the products. It is working on to the construction, supply and trade of selling agriculture equipment. Furthermore, it provides services for its members.

On the other hand, having a strong local identity and belonging to the cooperative heritage and having a democratic function through its actions it tries to become a successful paradigm for other agriculture cooperatives that belong in the wine making production as well as to network different actors towards local development goals. It is argued that a positive economic result for their production, the quality of the product as well as for the local community is established through the cooperation between its members and their collective action. Membership that is based on the argument that the cultivation of these vineyards is very special and needs experience and the local knowledge heritage does not exclude the cooperative to work for the wider good of the locality⁶.

⁶ Selected sources: Interviews in the Robola cooperative as explained in the Introduction, Charter of the Robola Cooperative, Local press: <http://kefalonianmantata.gr/articles/view/3933>, <http://kefalonianmantata.gr/articles/view/3933>, <http://www.kefalonias.gr/2014/12/robola-kefalonias-o-dieuthintis-tou-sinetairismou-kostas-mpazigos-sta-nea-tis-kefalonias-kai-stin-erak/>, <http://www.kefalonias.gr/2013/10/sinetairismos-paragongon-rompolas-mia->

5.2 Catching and mobilizing the ‘social’ again: in search for social Innovative practices

Coming from the context of the development of the cooperatives in Greece as analyzed above and having to deal with the context of fiscal crisis that has put into second fate development projects it does not meet all of its aims. By focusing on its social characteristics it can be argued that it is SI in its scope. Having a flexible agenda to the needs of the present it tries to improve not only its equipment but to mobilize its members and the local capital for the improvement of economic and research purposes. It is therefore important as we referred in the methodological part to analyze the exclusion and inclusion dynamics of the cooperative in relation to its context and access for searching its SI role in creating a framework for an integrated strategy⁷.

5.2.1 Reasons for the changing role of the cooperative

The Cooperative history is closely related to the path dependency of the island as analyzed above. Robola Cooperative was created as a way for growers to ensure their income and protect the vineyards of the island. It was therefore a response to protect a vulnerable agricultural community after the decline of the Robola trade and the success of other varieties (mainly Assyrtiko) all over the country during the 1980s. As a result, it was created to give a solution to the dependence of growers to the private wineries as well as to stabilize the production of Robola variety. Indicative of this is the fact that according to the charter the participation in the cooperative is free with a limitation of 10 years staying a member. Therefore, it has been argued that all members decide to participate since they understand that they are benefited from their membership. The cooperative can take actions – and has done it in many cases so far - for new occupation positions or become a way of ensuring an income for persons who have the wine production as a second occupation. It is indicative that the assurance of the growers income it is changing content and thus the ways to fulfill the growers needs become different. Whereas other cooperatives mainly in the wine sector

success-story/,Robola Cooperative Website: <http://www.robola.gr/>, Other online Sources: <https://www.youtube.com/watch?v=FDYGO4a9CIQ>,<http://www.athinorama.gr/umami/wine/articles/?id=2004602>.

⁷ Sources: Interview as explained in the Introduction.

(Papadopoulos, 2004) are oriented to lower quality product arguing that reasons like the fact that the cooperative has to buy the grapes of the growers no matter the quality or because of the low price growers do not care about higher quality of the product do not let them implement another strategy, the Robola cooperative keeps the principle of paying in high price the growers recognizing the specificities of the wine production in the area, the limitation of the PDO designation (800 kilos per acre) and understanding that the quality of the product is very relevant for the success of the product in the market.

Furthermore, the cooperative has a new dynamic role today. It is seen as a response to a new vulnerability conditions namely: a reaction to fiscal crisis and the reduction of rural development programmes, quality of life in rural areas, learning initiatives for new members in combination with the promotion of cultural and agrotouristic activities. In this context, it is seen as a way of raising consciousness for the unused local capital and therefore as an organization that promotes the older (assurance of income) and newer needs (knowledge, management of the environment, lost interest for cooperation in the context of crisis, need for leadership, protection of the PDO etc.) of the producers and the local community. It is characteristic that during the interviews in the cooperatives it was supported that through raising consciousness the grower will come closer to the cooperative and its changing vision as this being the real meaning of the cooperative.

In high relevance with the conceptualization of new needs it is the fact that the cooperative is seen as a reaction to the political institutional gaps that do not let initiatives for sustaining and modernization of cooperatives grow. According to both cooperatives members, traditional policy making has lost its capacity. They argue that so far the networks that allow solutions in specific problems have been informal because of personal contacts. The cooperative functions as an instrument for the bundling of not only natural but human resources in a time that it has lost its mainstream role. This fact is related with a new understanding of the social role as revaluation of local networks. At the same time, it is recognized as a good paradigm that can mobilize other cooperatives or organizations in the island towards an integrated view of development in the sense that it combines economy, culture and governance issues. The cooperative is mainly focused on the local community thus the villages near the Robola zone. Despite this, it tries to mobilize greater territorial networks and the processes of developing strategies for rural development.

5.2.2 Inspired by

The cooperative was created in its organizational form with the philosophical stance of cooperation in a specific locality. Furthermore, it is embedded in the wider movement of agriculture and cooperative's development. Its value orientation includes the satisfaction of needs of its members, the promotion of the local product as well as the preservation of local identity. Equity, justice and holistic sustainability as well as the role of knowledge and certification are in between its driving principles. Issues related to the governance of the cooperative are very important as well. As a cooperative it has a democratic management: the general assembly that is the main instrument for deciding the main issues of the cooperative. The general assembly is convened once a year or in emergent cases under the judgment of the directors' board that represents legally the cooperative and makes decisions based on the Law, the charter and the decisions of the Assembly or any other collective representative body. In addition there is a board of supervisors that checks issues concerning the activity of the board of directors.

5.2.3 How?

In the first place, the way that the cooperative is trying to meet its goals is through the instruments of the cooperative as an organization. Through formal meetings it is trying to rebuild bonds with the local producers members or not. In addition, it is trying to rebuild bonds with the local community through economic and educational activities with cultural programmes and events. Of high importance is the fact that is that it tries to create formal patterns of cooperation in distinction to the informal ones, using as basis local capital and mutual understanding. It is trying thus to create bottom linked patterns for the issues that the local community and the members have and to build connection between production and other activities. What is more, it is trying to remain a successful enterprise in economic terms, to produce a very good quality wine in a fair price and to ask pressure on political power. In this respect, there is the effort to harmonize different economic functions as it is production and leisure, create new modes of communication and rebuild trust between the community.

5.2.4 Constraints

We use the term constraints here as it has been discussed so far: problems and opportunities of change. A number of these are closely related to the issues that the

island of Cephalonia is facing. Coming from the fiscal crisis, the focus on urban sight for fighting crisis and the choice to promote even more the development trajectory of the island (mass tourism), the earthquake vulnerability, the low planning tradition and the undermining of alternative activities, the lack of strategic synergies in between the Ionian islands as well as the low environmental susceptibility of the local communities and the fragmented access and public transportation in the island since many ship itineraries with the rest of Greece have been stopped and most of the local bus routes operate twice a day, the cooperative has a difficult environment to develop its changing role. In addition, the merger of two departments of the TEI but most importantly the change of the one department into “Food Technology” is an important barrier too since it does not allow important research initiatives to continue.

This situation is even burdened from legislation and political factors: is even burdened by the fragmented role of cooperative model in Greece. An important constraint in this sense is the representation of the cooperative and its link to upper scale organizations. The cooperative according to the law has one member in PASEGES but it does not evaluate its role as beneficial while there is a reference to the fact that there is no trust in PASEGES anymore. What is more, after the abrogation of intermediate cooperatives the foreign Union of Cooperatives of Cephalonia has been transformed into United Agricultural Cooperative of Cephalonia and Ithaca, Robola Cooperative has no basis for cooperation due to issues concerning their past cooperation which was characterized as unsuccessful⁸. In addition the bankruptcy of the development company in the island is considered as a gap for information access.

Furthermore there are organizational constraints that in the first place are related to legislation in combination with the trajectory of Social Enterprises Development in the island. As we have presented legislation on agriculture cooperatives do not include a social role while the recent legislation on SE is inclusive of local products strategies in a fragmented way. Regulation on the agriculture cooperatives has let them with a freedom for their strategies which in practice it is very tricky. In relation to the scale of the cooperative, this freedom can be seen as an opportunity or as a sustainability problem. Another problem is that even though the

⁸ The situation with the United Agriculture cooperative is fragmented towards the possibility of cooperation with other cooperatives too. For example in the case of honey cooperative the United Cooperative is accused for lack of transparency concerning the managements of economic capital of the smaller cooperatives that belonged to it and for the management of European funds.

cooperative has made provision for a mutual fund the cooperative has not been able to adopt yet an innovative model of distribution of profit. What is more, after Kallikratis it has been very difficult for the cooperative to communicate with the local government. It is argued that the local government does not take into consideration or evaluate the local needs. In relation to that, the new operational plan of the municipality even though it evaluates the role of the local products as important it does not include an analysis or particular strategy for their development. According to the municipality this strategic option is chosen due to the fact that local development policy is dependent on the European co-funded programmes for development which are mostly related to tourism and infrastructure, without searching for new funding opportunities in the space of rural development and research. The operational plan take into consideration the role of local products and the need for creating new dynamic agriculture centers but there is no elaboration on how this can be achieved by the municipality. Furthermore, according to the interviewer in the municipality there is no evaluation for need of alternative social strategies in relation to local product while there has never been such a case.

What is more, there are many issues concerning the everyday life issues of the cooperative functioning and information for which the local government is considered as responsible. It is argued that before Kallikratis, the cooperative could promote more easily its demands and there was a bigger level of trust. Despite the fact that not all demands were proceeded, there was mutual understanding and a level of communication.

On the other hand, according to the municipality there are no innovative strategies or in relation to the agriculture or any initiatives related to an alternative agrotourism that can be supported. This is supported by the fact that the municipality does not recognize any exclusionary processes that puts local communities into vulnerability. This brings us back to the issue of informal networks in between the community and the problem of clientelism. After Kallikratis there seems that some of them still exist but not as the basis for creating a formal fair network. What is more, the new municipality entities are being evaluated as able to mediate this gap. According to the municipality interviewer, in case there is such a demand the municipality can discuss it. Despite this there is a problem of evaluating positively the role of a multi-sectoral cooperation in this respect. As a result, even if there is a level of political will, organizations that try to mobilize formal networks to proceed their

demand fail. It is characteristic that even in cases of serious issues there are cases municipality do not respond at all⁹. In this sense, they do not expect any help considering in management issues in promoting alternative strategies for example although they pursue it.

Moreover, there are important barriers in relation to the cost of production, the low prices of the grapes in the rest of Greece, the high quality of other varieties and the fact that the local market has been sated or covered considering the Robola supply. Even sometimes, local enterprises prefer to buy and sell wine from other regions as it is cheaper. Related to the cost of production is the issue of the ageing vineyards as well as the ageing population working there despite the fact that it can be considered as a second occupation or alternative or new occupation for young or older newcomers. Small property and the regulation for lower performance of the vineyards can be considered as barriers too. Finally, it is mentioned that communication with cultural organization or especially with the Agency for the Protection of Aenos because of a different understanding of the environmental susceptibility of the wider area between production and other organizations.

5.2.5 Socially Innovative Content

We have referred to the relationship between SE and SI as a way of opening new spaces in many fields and as way for making third sector more social in its contextual characteristics. The socially innovative content of the cooperative is thus related to the governance of the production process thus the mobilization of resources and networks. Access in services, life-long learning, new knowledge patterns are thus in between the innovative strategies that lead to the recognition of the blended value of the product.

As analyzed above the first aim of the cooperative is to ensure and improve the income of its members, influencing the market needs considering the wine sector as well as the reduction of production and trade costs. In terms of innovative activities, it tries to have a functional equipment for the use of its members. Based on this it is not just an organizational entity but a space where the members can be

⁹ Two characteristic examples that were given during the interviews in the Robola cooperative were the following: the fact that the cooperative has asked by paper to discuss the possibility of the reduction of the municipal tax because it does not use any public lighting or public spaces and has not received any respond and the fact that the strips for certifying the PDO are every year late and as a result the bottling and the trading are running late too. On the other hand, from the honey cooperative point of view it was mentioned that the municipality was helpful in finding space for their facilities. But then again the issue of personal contacts was mentioned.

educated for production and trade methods by specific legal means. The education can include cooperation education. The importance of the promotion of the quality of the product is a topic of main importance for the cooperative. For meeting these goals it applies for external funding from which it has benefited as well as it tries to be a healthy enterprise an effort that is successful so far for gaining the trust of its members, the community and the market. For this reason it tries to improve the cultivating, the quality of the final product, to organize the agricultural work during the year, to organize the production, to ensure and help with the absorption of the grapes, the provision of technical support, and to research upon other varieties. It is evident that its first goal is to work for its members and the quality of the product. The important thing is that even though the goal of financial support exists in terms of credit it is not evaluated as the first one. An important innovation in this sense is the goal of the creation of a mutual fund to help the members financially considering the unstable external economic environment. The last years it is evident that the previous model of subsidies is not functioning if they are not used properly and without a level of control.

It is supported that GPO labeling is very important but sometimes per se it is not enough for the promotion of a local quality product. In this respect, there is the consideration that in order to improve the quality of the product there are some parameters that have to be taken. First of all, the cooperative has strategies for protecting the environment via consulting its members for the cultivation processes and via waste management. In addition, it implements strategies for infrastructure development all over the zone with new roads and installation respecting the local architecture. In addition, it has contributed to the improvement of the surrounding space via a European fund and created a space for tourism and meeting thus helping in the creation of new spaces of interaction. A part of the cooperative's activity is non members to get involved to the production and the product by supplying them with their house economy activities (tools, education in home wine making).

Furthermore, the cooperative tries to maintain population in the area by maintaining activity and creating new employment positions in the cooperative not only for growers but in the second stage of production etc. It is important that people who have a property in the zone thus a relation to the community have an advantage for working in the cooperative. Through that the cooperative is trying to create new ways of sustaining the property in the area. In addition, it is launching new activities

mainly educational, cultural and research. More specifically, it tries to train its members and to consult other organizations in the island in relation to the agriculture production and organization. Furthermore, the cooperative tries to implement innovative forms of collective management and cultivation of unused land in the zone for the members or other people to co-manage or buy towards the improvement of the production and a strategy for attracting new growers. In this sense, it tries to create model agriculture exploitations in relation to research of new products.

Another strategy of the cooperative is that it launches new business strategies for job creation among members or people with a relation to local community. It tries to open to new markets (national or international) by promoting the one variety bottling. At the same time, it tries to mobilize unused physical resources, the knowledge of the local people and combine these identities. Therefore, by working with the TEI it applies strategies for reconnection between tacit and formal knowledge. What is more, it tries to create zone of creativity by buying new property in the zone and using it for research purposes.

In terms of the alternative touristic development, it provides a free tour in the facilities of the cooperative that together with their development it can be seen a basis for cooperation with other wineries. In this respect, it tries to find spaces of cooperation with the other wineries in the area and new synergies for touristic offices and international markets for the promotion of the product. In relation to governance its efforts include actions for collaboration with other production or consumption cooperatives, legal entities, foundations, the local government and enterprises towards the creation of alternative economic activities like agro-tourism.

Therefore the cooperative is oriented towards not just the production of the product and the reassurance of its members but for the promotion of a local quality product that is environmental and social in its scope by giving new opportunities for employment and trying to promote new governance networks for meeting its needs as well as for promoting the local community identity. Based on this activity it can be differentiated from older or other cooperatives in terms that it retains an open but democratic character.

Most importantly the cooperative looks for new modes of articulated cooperation with the public sector. Therefore and despite the shutting down of the development agency in the island it tries to cooperate with the development agency in Zakynthos creating a new articulation of spatial scale under the confidence that the

development agencies when there are not dependent to the public sector are instruments of great value. In addition it tries to create new sectoral spaces by communicating with cultural organizations or other cooperatives for creating new added value partnerships that can press for a change in local strategic plans and sectoral and territorial activities to development. It understands the multifunctionality of the rural and uses the local product in everyday life as well as a way to enhance new networks based on the wine production¹⁰.

Overall the cooperative has a continuous activity of producing goods and a dynamic presence of providing related services, a significant level of economic risk its activity by its choice to protect the price of the grapes and to sell the wine at a reasonable price as well as for its choice to promote other varieties and a changing agenda in the profit sharing. In its social dimension it is closely related to the community while it has a strategy of benefiting it, a collective character in terms of management resources and allocation with innovative strategies of profit distribution. Finally, it is autonomous in its action trying to separate its position for the role of other cooperative in the island and trying to form new synergies. Although decision making is still based on property there new ways covering needs of the growers and to regain their interest.

As a result the strategy of the cooperative illustrates a “neo-endogenous” approach, (a mix of exogenous and endogenous factors wherein local level characteristics and actors must interact with external or global forces). The role of cooperative can be seen as a way to enhance, the strengths and capacity of local economy in its interaction with other markets or political institutions and create new forms of education and research as well as hybrids of organization and communication bridging gap of cooperation. Since many of these strategies face problems of implementation or are still limited it can be argued that the cooperative has a SI dynamic locked that has the ability of creating new opportunity structures.

¹⁰ Wine making itself is considered as a special product in relation to local knowledge and capital not only in the area studied (Papadopoulos, 2004).

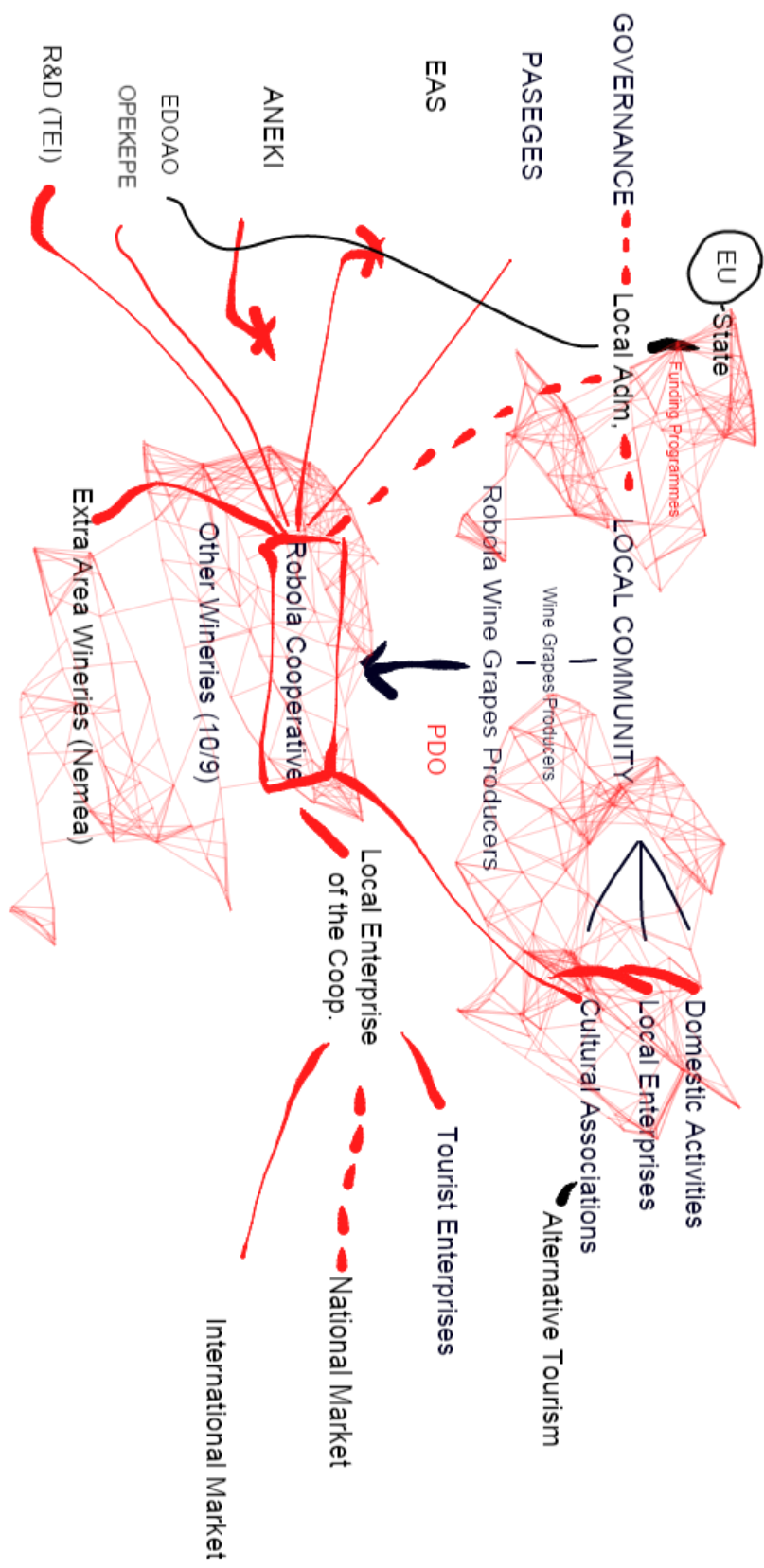


Figure 4 Networks of the Robola Cooperative (author)

CONCLUSION: towards a new Empowerment of local communities

This study used a combination of essentialist and holistic approach to grasp changing patterns in the field of SE and in particular in the role of agriculture cooperatives in Greece today. SE was analyzed as a blended value sector in its relation to local development that can be enhanced through SI actions that have arisen as an alternative answer both theoretically and practically to new situations of exclusion and vulnerability. At the same time, through the analysis of the theoretical framework and the contextuality and path dependency (in accordance to the ALMOLIN framework) of the case study; namely the historical transformation of SE in Greece and the contextual characteristics of Cephalonia's development trajectory, it was supported that agriculture cooperatives have a latent dynamic based on the existence of previous social networks that can be used through SI initiatives and dynamics for the creation of new regulation and governance networks in local rural communities. This fact was mainly related with the role of revaluation of local products and especially of wine as mediator of knowledge and sustainability strategies.

More specifically, the strategy of the Robola cooperative was analyzed as oriented towards three characteristics. The first one is the personal emancipation of the growers by involving them in the search for new ways of production, research as well as in the decision making processes. This can be characterized as the reaction process to the status of vulnerability as well as the covering of new needs. The second one is the new identity building that takes into consideration the local characteristics. It exists as a local building through common projects and festivals that help in creating public consensus for an alternative role of local organization and a reorganization in social relations. This can be perceived as the way of the cooperative to relate its changing strategy through the access in the governance system. Thirdly, a new politization of the local communities thus forming new ways to organize the local economy that can be institutionalized creating a new opportunity or capacity structure and a new culture.

Despite this it was evident that such strategies cannot be solution to everything or a paradigm as they are related to specific characteristics of the area that many times hold up the aforementioned potentials and especially in situations of crisis. It is of

great importance that the fostering of these initiatives is very difficult in practice since the barriers presented have put many problems in the action of the cooperative. What is more, during the interviews in the cooperatives there was a problem of specifying strategies into particular actions and translating them into objective results while in the interview in the municipality recognition of this potential was not recognized. Despite this, there was highlighted the need for searching new ways of communication and partnership for linking agricultural and rural development policies, transcending the barriers as well as empowering local cultural groups where the meaning of the SI can find its precise implementation.

Based on this consideration such strategies can contribute to the turn of making use of less developed characteristics and creating new initiatives for managing a new development strategy based on existing solidarity networks, local products or organizations as agriculture cooperative in this scope. Together with further research on the whole SE and its governance in a particular locality, networks can be mapped more extensively towards activating cooperation and creating SI governance networks with more evident-based results.

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INDEX

INTERVIEW GUIDE

Semi-structured interviews: relative freedom of the interviewee, simple questions, reintroduction on the themes of the interview but without directing him/her, interview structured from the general (action of the organization) to the particular (socially innovative practices and strategy for synergies).

Cooperatives

The aim of the interview is to grasp recent information about the topic and the actors involved, to get feedback on the evaluation of their action and to gain knowledge for their strategy.

Themes:

1. Information about the history and organisation of the cooperative as well as its main aims.
2. Problems that the cooperative's action is responding to (production, protection of the product, attracting newcomers, benefit for the local community and in what sense, provision of services, new employment, protection of the environment, attracting investments, enforcement of the social capital, economic crisis).
3. Evaluation of the organisational model of the cooperative and its functioning (making decisions, if new ideas, initiatives and demands exist, of what kind they are and how they are proceeded, possible weaknesses that can be improved, instrument for change).
4. Evaluation of the institutional governance model (relations with other actors and their aim, possible relations and synergies, initiatives under that scope, especially relations with the municipality, evaluation of support, existing problems, instruments for change and their contribution to the local community).

B. Municipality

The aim of the interview is to search how problems related to the development path are evaluated, the role of new demands related to the character of rural areas and how the initiatives from the cooperatives are accessed in relation to the strategic planning of the municipality.

Themes:

1. Dynamics and constraints, responsibilities of the municipality and relation to the central state.
2. Needs and main strategic goals with the role of SE (generally and in particular agricultural cooperatives), the role of rurality and the role of local products.
3. Existence of new initiatives from the cooperatives, in what field and scope.
4. Response of the municipality in such initiatives, problems and new instruments and their contribution to the local community.

