State and Social Solidarity Economy: Friends or foes? The potential for co-construction of public policies for Social Solidarity Economy in Greece

ABSTRACT

This paper focuses on the relations between state and Social Solidarity Economy (SSE) practices regarding the case of Law 4430/2016 on Social and Solidarity Economy actors in Greece. This legal framework was introduced at a time when a new wave of cooperativism had already emerged in crisis-ridden Greece and a party of the radical left with strong affiliations with social movements was elected to power. In this context, it is interesting to explore the potential for a new trajectory in state and SSE interactions through the analytical perspective of the co-construction of public policies. The results presented in this paper are based on a research project funded by the Heinrich Boell Foundation Thessaloniki Office. The research design is based on mixed methods: a content analysis of the contributions implemented by relevant stakeholders during informal and formal consultation processes and the analysis of data from semi-structured interviews with selected networks and support organizations for SSE in Greece.

Key words: Social and Solidarity Economy, public policies, co-construction, legal framework

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Κοινωνική και Αλληλέγγυα Οικονομία και κράτος: φίλοι ή εχθροί;
Η δυνατότητα συν-διαμόρφωσης δημόσιων πολιτικών για την Κοινωνική και Αλληλέγγυα Οικονομία στην Ελλάδα

ΠΕΡΙΛΗΨΗ

Το παρόν άρθρο αναφέρεται στη σχέση μεταξύ του κράτους και της Κοινωνικής Αλληλέγγυας Οικονομίας (ΚΑΟ) επικεντρώνοντας στην περίπτωσή του νόμου 4430/2016 για τους Φορείς ΚΑΟ στην Ελλάδα. Αυτό το νομικό πλαίσιο εισήχθη σε μια εποχή που ένα νέο κύμα συνεργατισμού είχε εμφανιστεί στην Ελλάδα της κρίσης, ενώ ένα κόμμα της ριζοσπαστικής αριστεράς με ισχυρές σχέσεις με κοινωνικά κινήματα είχε την πρωτοβουλία για να σχηματίσει κυβέρνηση. Σε αυτό το πλαίσιο, διερευνήσαμε τις δυνατότητες μιας νέας πορείας στην αλληλεπίδραση κράτους και ΚΑΟ μέσα από το πρίσμα της συν-διαμόρφωσης δημόσιων πολιτικών. Τα αποτελέσματα που παρουσιάζονται σε αυτό το άρθρο βασίζονται σε ένα ερευνητικό έργο που χρηματοδοτήθηκε από το Ίδρυμα Χάινριχ Μπελ Γραφείο Θεσσαλονίκης. Το ερευνητικό σχέδιο βασίζεται σε μικτές μεθόδους: στην ανάλυση περιεχομένου των παρεμβάσεων δικτύων και υποστηρικτικών οργανώσεων κατά τη διάρκεια των διαδικασιών διαβούλευσης, και την ανάλυση των αποτελεσμάτων ημι-δομημένων συνεντεύξεων με επιλεγμένα δίκτυα και φορείς στήριξης της ΚΑΟ στην Ελλάδα.

Λέξεις κλειδιά: Κοινωνική και Αλληλέγγυα Οικονομία, δημόσιες πολιτικές, συν-διαμόρφωση, θεσμικό πλαίσιο

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INTRODUCTION
Emerging practices within the broader field of Social Solidarity Economy during the period of the crisis in Greece have renewed the academic and research interest. Most approaches emphasized the link between these new practices and new forms of political action. In sum, new social solidarity and alternative economic practices stem from a reconfiguration of political action and in turn affect changes on the course of future political action.

In this paper, we shed light on the relations between practices of social solidarity economy and the state concerning the legal framework and in particular Law 4430/2016 titled Social and Solidarity Economy and the development of its actors. The introduction of this legal framework allows us to revisit the issue of the interaction between the field of SSE practices and the state through the legal recognition of these practices as well as the potential for and limitations of a co-construction of public policies for the development of the field. As such, the research question about the institutionalization of SSE practices is twofold.

First, the relations between SSE entities and the state are broadly under-researched particularly in the case of Greece. This is mainly due to an overemphasis on the informal status of certain practices, their innovative character, and their strong association with new forms of political action. However, contributions stemming from international institutions and organizations highlight the importance of an enabling institutional environment for the flourishing of SSE. More importantly, a strand of contributions on state-SSE relations highlights the potential of a fruitful interaction through the co-construction of public policies. Public policies constructed in this way are expected to confront the challenges of current societies by endorsing the positive aspects of both poles of the equation: namely the universal interest expressed by state planning with the innovative flexibility expressed by active citizen involvement. Numerous reasons lie behind this position such as the inherent pluralism of this universe of practices, the inability of public agencies to get to know the reality in the field, and the hybrid features of the economic activities and organizational models adopted by SSE entities. In this paper, we explore to what extent the co-construction analytical framework helps to elucidate the process leading to the introduction of the legal framework on SSE in Greece.

Second, various contributions have highlighted in the past the delayed modernization of the Greek society, the partitocracy, the paternalistic Greek state, and
the dominance of a clientelistic political party system on civic life shrinking the space for a vibrant civil society (Mavrogordatos, 1988; Mouzelis, 1986; Mouzelis, 1995; Mouzelis and Pagoulatos, 2002; Tsoukalas, 1986; Sotiropoulos, 2014; Huliaras, 2015). This narrative has also been at play when analyzing the traditional agricultural cooperative sector seen mainly as the result of a top-down process of governmental initiative with a strong dependency on public funding along party lines. The trajectory of the crisis, with the proliferation of bottom-up solidarity practices in conjunction with the coming to power of a left-wing party with a high priority agenda on the support of and organic links with SSE practices, allows us to explore a potential reconfiguration of SSE and state interaction.

This paper is structured as follows. In the first section, we revisit the relevant literature on state-SSE relations as manifested in different regions and levels (national, regional, local) with special focus on the framework of the co-construction of public policies for SSE. In the second section, we present the design and methodology of the research project. In the third section, we present and analyze the results related to the main actors involved in the consultation process and the assessment of the consultation process itself. In the fourth section, we assess the outcome of the consultation process, Law 4430/2016. In the final section, we present some final remarks regarding the future of SSE public policies in Greece.

1. THE STATE AND SOCIAL SOLIDARITY ECONOMY: A RELATIVELY UNDISCOVERED AREA OF INQUIRY

The relations between the state and SSE in Greece are fairly understudied. Most researchers downgrade the role of the state and focus on the processes at the grass-root level. Petropoulou (2013) highlights the political aspirations of certain practices that constitute a new form of political action, i.e. working utopias, beyond the state apparatus. Daskalaki et al. (2018) focus their exploration on the role of values in one type of SSE, the grassroots exchange networks in crisis-stricken Greece. Zaimakis (2018) sheds light on the meaning, motives, worldviews, and values of the members of SSE ventures. Arampatzi (2018) shows how solidarity initiatives and networks acted as a survival means in the face of a social reproduction crisis for vulnerable social groups and, at the same time, opened up spaces for political struggle against austerity to unfold. Furthermore, Arampatzi interrogates the formation of a social/solidarity economy as an alternative platform for re-instituting socio-economic
relations in an era of austerity. Papadaki and Kalogeraki (2018) investigate the relation between the economic recession and the recent expansion of SSE initiatives and explore the Greek SSE sector as an economic alternative that promotes collective action and new social movements. Daskalaki and Kokkinidis (2017) focus on the practices through which solidarity initiatives constitute new resistance socio-spatialities. Kavoulakos (2018) investigates the relationship between social movements and SSE.

In the few contributions exploring the relations between the state and SSE practices, the focus is on the perception of the state by the participants of SSE ventures (Rakopoulos, 2015) or on the role of the state in the integration of SSE to the mainstream policy (Kotronaki and Christou, 2019). Adam and Teloni (2015) explore how changes in health policy affect the emergence, institutionalization and expected future of Solidarity Clinics in Greece.

The lack of focus on the role of the state is not a particularity of the Greek research agenda on SSE. It holds for international literature as well. Jonas (2010) argues that there is still much work to be done in understanding the relations between alternative social structures, power relations, and institutions. As a result, he claims that there is a need for linking issues of an alternative economy to state and progressive politics. SSE’s appeal to researchers is largely due to the creativity, innovation, and prefigurative politics at the grassroots level. Historically, some parts of SSE have developed against the state or by neglecting state policies. Especially so in the case of informal ventures, this is largely justified because of their lack of institutionalization. However, we should keep in mind that state policies still determine what is formal and what is informal. Informal ventures may constitute an important part of the solidarity economy and sometimes with radical inclinations, but another equally important part strives for institutional recognition to ensure sustainability and further diffusion. Therefore, the discussion about the relation between the state and SSE is inevitable.

Up to now, this topic is mainly addressed in policy reports and recommendations of international organizations (GECES, 2016; UNRISD, 2016) where a win-win scenario is constructed. On the one hand, the state aims to a relatively low-cost social policy for the treatment of social problems such as the integration of marginalized social groups, the reduction of unemployment, the provision of social services, etc. On the other hand, SSE gains recognition and
funding through public policies. This approach is based, among other things, on the assumption that the level of development of SSE is directly correlated to the support provided at the institutional level through policy, programming, and funding (Adeler, 2009; Tremblay, 2010). This approach shows that the state and SSE could potentially be considered as friends and collaborators (Downing and Charron, 2010; Utting, 2014; Tremblay, 2010). These policy recommendations also criticize top-down policies for a lack of collaborative culture. As a counter-strategy, the idea of co-construction is proposed as the most effective way to create an enabling institutional environment for the development of SSE (Vaillancourt, 2009).

Vaillancourt distinguishes three types of co-construction: democratic/solidarity-based, neoliberal, and corporatist. In particular, he defends a democratic and solidarity-based model for the co-construction of public policies differentiated by both neoliberal and corporatist models. The neoliberal model envisages the co-design of public policies between the state and socioeconomic elites. Examples of this model include Public-Private Partnerships and the deregulation of major social welfare functions through the creation of quasi-markets. The corporatist model in turn involves “sectoral socio-economic summits” with the participation of “stakeholders from political society, the labour market, and civil society. But these relations are deployed along lines that remain associated with unequal representation” (Vaillancourt, 2009, p. 13). In contrast, democratic co-construction presupposes: a) a state participating in the process while acknowledging the power of the final decision, b) a state transformed into a partner towards market and civil society actors in clear demarcation with anti-capitalist anti-market strategies, c) a dialectic synthesis of differing views based on a fruitful combination of the best aspects of representative and participatory democracy, and d) a partnership between the state and the social economy which does not translate into a preferential treatment of SSE actors but allows them to express their voice while retaining their autonomy vis-à-vis the state.

To some extent, the idea of co-construction comes from the positive developmental trajectory of the social economy in Quebec, which has served as a model for other parts of Canada and other parts of the world. One of the main pillars of this model was the favorable institutional and political environment (Mendell, 2009). The design and implementation of policies for the social economy were not initiated “from above” but were the result of a twenty-five-year convergence between social movements, local activists, and workers' movements, working with the local
and central government to design and implement policies. It is worth noting that two factors played an important role in this process. First, the positive attitude of the state and the local government towards SSE has been enduring, not a temporary solution to address the economic crisis emerging during the 90s in the area. Second, the formation of the Chamber for Social Economy (Chantier de l’Économie Sociale/CES) played a key role. CES acted as an intermediate network of representatives of the social economy, organizations interested in local and regional development, and community action groups. It was an autonomous non-profit organization even though it received funding from the government. Its political role was very important as the collective representative body of all social economy actors vis-à-vis the state. As such, it has contributed to the formation of laws, monitoring, and evaluation tools reflecting the principles of the social economy through the development of an innovative institutional framework.

Apart from Canada, the idea of the co-construction of public policies has also played a key role in the region of Latin America. First of all, SSE achieved constitutional status in three Latin American countries – Bolivia, Ecuador & Venezuela – and its recognition was gradually expanding to other countries of the region reflecting its growing importance at the socio-economic and political levels (Caruana and Srnc, 2013). Coraggio (2014) has largely documented the co-construction of public policies in the case of Brazil with/and for SSE. First, SSE emerged in the discourse of many ministries under the leadership of Lula da Silva deploying a multiplicity of narratives even through the National Secretary for Solidarity Economy (SENAES) was formed within the auspices of the Ministry of Labour. Second, the Brazilian Forum of Solidarity Economy (FBES) acted as an intermediate space with the inclusion of SSE enterprises, support organizations, and public officials. Third, a consultation mechanism was established with the National Council for Solidarity Economy, which was also multi-stakeholder in its composition along the lines of FBES. Fourth, effective and extensive consultation was also taking place at the regional and local levels.

A radical variant of the co-construction model is the approach of new municipalism bringing together social movements, citizens’ platforms, and radical local authorities in various cities around the world (Sánchez-Hernández and Glückler, 2019; Augustin, 2020; Blanco et al., 2020; Thomson, 2020). This approach prioritizes the local to the central political level for effecting transformative public policies. The
main rationale is that the central political level is highly articulated with entrenched socio-economic interests. As a result, social movements find it difficult to conquer this arena without making serious compromises in the basic tenets of their agenda and risking their popular legitimacy. New municipalism, especially in Spain and Italy, addresses the need for institutionalization through an opening up of the political process to social movements both in the design and in the implementation of public policies supporting Social Solidarity Economy and the Commons.

The co-construction model has been subjected to critical appraisal even by scholars with a supportive stance. For example, concerning the case of Brazil presented above, Coraggio (2014) has already detected the challenge of bureaucratization of the SSE movement through participation in the National Secretary for Solidarity Economy (SENAES) and the volatility of co-constructed policies because of electoral changes. In a broader perspective, Utting (2016) highlights the risk of isomorphism because of the close collaboration between state and SSE: “SSE entities may assume some of the characteristics of the mainstream actors and institutions with which they associate. This may be in terms of organizational characteristics or the agenda of change” (Utting 2016). Even at the local level where co-construction processes may be more easily accommodated, relevant research in the Netherlands (Michels and De Graaf, 2017) has shown that citizen participation in open democratic processes is mainly restricted to the input of ideas and suggestions. Of course, this is also the outcome of the organizational design of the whole process because the impact of citizens’ participation is different depending on the type of the process (deliberative fora, surveys, referenda, and participatory policy-making projects).

On another front, Dinerstein (2017) is critical of the extent to which co-construction enables SSE practices to fulfill their potential, given that a) co-construction faces the risk of becoming a buzzword, b) the state in the current socio-economic order is not a neutral arena where conflicting views may be contested with democratic deliberation, but a building block of the existing socio-economic order, c) there is a prefigurative aspect in many emerging SSE practices easily lost in translation when these practices become institutionalized within the existing socio-economic order and d) state regulations tend always to restrict SSE by determining what is legal and what illegal, while SSE entities are always open to explore new ways.
Does this mean that state and SSE are foes? The relations between SSE and the state are inherently contradictory in multiple respects. The major tension rises between necessity and incompatibility. Significant parts of SSE require institutionalization. A supportive political and institutional environment is not a necessary and sufficient condition for the development of SSE even though it could be an enabling factor for its development. More importantly, the institutional framework, no matter how democratically shaped, cannot safeguard and sustain the principles and values of SSE. The inherent hierarchical and bureaucratic logic of the state apparatus is at odds with the open spirit, creativity, values, and principles that make SSE an alternative to the mainstream economy.

Moving beyond this unsolvable contradiction, the position of this paper is that to the extent that state regulation is necessary, it would better be the result of democratic co-construction. However, this is not easily achievable. It presupposes subjects (state and SSE actors) with clear intentions, ability, political awareness, and readiness, and carefully designed, long-lasting consultation processes. The relevant literature denotes the following factors as prerequisites on behalf of the state: a) high priority agenda for the support of SSE (Mendell and Alain, 2013), b) intergovernmental coordination (Tremblay, 2010) or as Mendel and Alain (2013) phrase it “breaking down inter-ministerial or inter-departmental barriers within government”, c) understanding and recognition of the diversity of SSE (Guy and Heneberry, 2010; Mendel and Alain, 2013), and the development of a collaborative culture with SSE actors (Mendell and Alain, 2013). On behalf of SSE actors, the following factors are considered significant for democratic co-construction: a) the formation and recognition of an inclusive group as representative of all segments of the SSE (Downing and Charron, 2010; Guy and Heneberry, 2010; Heneberry and Laforest, 2011; Mendell and Alain, 2013; Rivera and Lemaitre, 2017), the development of a collaborative approach with the government (Heneberry and Laforest, 2011; Mendel and Alain, 2013), and a common awareness among diverse SSE initiatives that they form ensemble a political subject able to represent their views vis a vis the state (Heneberry and Laforest, 2011).

Respectively, democratic co-construction is dependent on the existence of certain features in the consultation process. A pre-existing collaborative culture between the state and the civil society (Heneberry and Laforest, 2011), as this entails a path dependency conducive to democratic co-construction. Irrespective of the
historical legacy, it is necessary “to create new policy spaces and new spaces for dialogue, negotiation and collaboration” (Mendel & Alain 2013). It is also significant that the consultation process begins as a bottom-up initiative. Vaillancourt and Theriault (2008, p. 17) emphasize that the initiation of the whole process should come from “a demand expressed by social movements before it became a government initiative”. This means, among other things, that the need for institutional support of SSE must be recognized and prioritized from the field (Amyot et al., 2010). As Fonteneau, et al (2011) explain “for successful public policy to emerge, government must play a role in supporting and allowing social economy actors to define their priorities and to negotiate the nature and the scope of government interventions in the field of the social economy”. This, in turn, entails that the government acknowledges that it does not have a precise knowledge of the needs and aspirations of SSE actors. Consultation also follows an agreement between the government and the field on a clear definition of SSE (Mendell and Alain, 2013). There must be enough time within the consultation process for everyone to express (Guy and Heneberry, 2010). By design, the consultation process must include all types and forms of SSE representing varying geographical areas and contexts (Mendell and Alain, 2013; Calvo and Morales, 2013).

2. RESEARCH METHODOLOGY
The empirical results presented in this paper are based on a research project funded by Heinrich Boell Foundation Thessaloniki Office within its thematic focus on public policies for Social Solidarity Economy. This research project was conducted in 2017-2018 and aimed to identify, analyze, and assess the contributions implemented within the consultation process as well as the main provisions of Law 4430/2016. The specific legal framework was selected for mainly three reasons. First, this law intended to become a framework law for all Social Solidarity Economy Actors in Greece. Hence, it intended to define the field, enforce certain values and principles, and safeguard their fulfillment through specific sanctions. Second, the law was adopted in late October 2016 after the electoral victory of SYRIZA (Coalition of the Radical Left) which placed a high priority on Social Solidarity Economy in the overall party campaign. Third, this law came after the climax of a new wave of cooperativism in Greece in the context of the crisis. As such, the adoption of this legal framework by the Greek parliament was seen as an opportunity to explore state-SSE
relations during the consultation process and analyze the main provisions of the legal framework as a result of this process.

The overall research project adopted a gradual methodological approach. In the first stage, we explored framework laws for Social (and) Solidarity Economy already instituted in other European countries (France, Portugal, Spain, and Luxemburg) after the eruption of the crisis. Based on the examination of these framework laws, we constructed axes for the analysis of both interventions and provisions of the new legal framework in Greece. In the second stage, we classified relevant legal documents and publicly available contributions during all phases of the consultation process along these axes of analysis as well as by the organizational type of the actor involved. By rounds of consultation, we refer to the input provided by SSE actors before the elaboration of the draft law during the round of informal consultation initiated by the competent Ministry of Labour, all comments submitted during the formal consultation process in the official portal of the Greek government (369 comments), public statements of international organizations and members of the research community, the minutes of the meetings of the Standing Committee of Social Affairs of the Greek parliament and the two rounds of the parliamentary consultation. In the third stage, we implemented content analysis on the classified material and identified themes for further exploration through semi-structured interviews with a selected list of potential interviewees. The selection was based on a) the extent of their involvement in the consultation process and b) their representativeness of the various organizational types. In this stage, we completed 12 interviews during the period of July-August 2017. The interviews lasted from 30 to 90 minutes and were transcribed verbatim. The interview guide addressed the following thematic areas: a) the preparedness and strategy of the interlocutors in the consultation process, b) the expectations and experiences of/with the consultation process, and c) the overall assessment of the framework law along the axes of analysis elaborated within the research project. The empirical results presented in this paper are based on the content analysis of the interviews implemented with 4 support organizations and 4 SSE networks.

By support organizations, we denote entities that mainly offer support services to other SSE initiatives regardless of their legal status (semi-public, private) and their internal operational model (democratic or hierarchical). In particular, we interviewed representatives of the Development Agency of Karditsa (Karditsa), the non-profit
In terms of networks, we interviewed members of the Network of Social Cooperative Enterprises of Central Macedonia, the Network of Social Cooperative Enterprises of Eastern Macedonia-Thrace, the Regional Mechanism of Social Cooperative Enterprises of Attica, and the Social Entrepreneurship Forum. The first 3 networks are formal whereas the latter is informal and comprises both initiatives and accredited scholars in the field.

These actors were selected because they have taken part in the consultation process, have strong affiliations with SSE initiatives in the field, they are aware of the diverse realities, and as such are in a better position to reflect on general trends and expectations. Given the focus of this paper on the potential for co-construction of SSE public policies in Greece, we present mainly the results related to the preparedness and strategy of the interlocutors as well as their expectations of and experiences with the consultation process and their evaluation of the new legal framework.

Having sketched the methodology of the research project, we have to be explicit with the following limitations. First, there is an inherent bias in the selection of interviewees since the actors more involved in the consultation process, are normally more institutionalized to the exclusion of informal and likely more radical variants within the field. Second, and especially concerning networks, a single member interviewed cannot be automatically considered as representative of the views expressed by all members. This should be kept in mind as it is often the case with the research in the field of Social Solidarity Economy to equate singular voices with collective structures. In reality and given the nascent character of networks and support organizations, different views are often found within the same entity. As we will see later in the presentation of empirical results, this divergence of views often extends to the level of an isolated initiative, let alone an entire network.

3. THE ACTORS AND THE CONSULTATION PROCESS CONCERNING THE LEGAL FRAMEWORK ON SOCIAL SOLIDARITY ECONOMY IN GREECE

According to factors the identified as crucial for the initiation of a co-construction process in the preceding analysis, we will first discuss the preparedness and strategy of the interlocutors, namely the networks and the support organizations of SSE as well
as the competent authorities in charge of the design both of the proposed legal framework and the consultation process.

a. The SSE field in Greece: a historical legacy of weakness, the trigger factor of the crisis and a lack of collective representation

Despite significant variation within the relevant bibliography, most scholars seem to agree with the relative underdevelopment of the third sector in Greece before the crisis. This position holds in the literature for all the troubled concepts including civil society, third sector, social economy, the non-profit sector, voluntary sector (Panagiotidou, 1999; Chrysakis et al., 2002; Sklias and Houliares, 2002; Kousis, 2003; Polyzoidis, 2006; Sotiropoulos, 2014; Huliaras, 2015). However, after the eruption of the crisis, a new wave of solidarity and cooperative practices emerged. In the relevant literature, these practices are associated with various facets of the after 2008 economic, social, and political reality in Greece (Adam, 2016; Andritsos and Velegrakis, 2014; Arabatzi, 2017; Bekridaki and Broumas, 2016; Broumas et al., 2018; Daskalaki and Kokkinidis, 2017; Daskalaki et al., 2018; Kantzara, 2014; Kavoulakos, 2018; Kavoulakos and Gritzas, 2015; Loukakis, 2018; Papadaki and Kalogeraki, 2018; Petropoulou, 2013; Rakopoulos, 2015): the eruption of the crisis and the accentuation of structural unemployment, poverty and social exclusion, the neoliberal management of the crisis, the imposition of austerity measures, the collective response along solidarity lines to unmet social needs, the role of new values as mechanisms for the formation of new subjectivities and practices, the spatial diffusion of such practices through networking, the legitimacy crisis of the state and the gradual withdrawal of large segments of the populace from their traditional affiliations with the main political parties, the accentuated de-legitimization of traditional trade unionism, the transition from a more passive to a more active political behavior, the evolution of the Squares’ Movement into a hub of decentralized neighborhood assemblies starting up solidarity initiatives.

These newly emerging practices did not develop channels of communication and synergies with traditional social economy. Agricultural cooperatives were largely discredited because of their strong dependence on state funding and their function along major political party lines. The degeneration of these traditional social economy actors can be detected in the dissolution of established networks such as the Panhellenic Confederation of Unions of Agricultural Cooperatives - PASEGES. In parallel, the condensed historical time of the new wave of cooperativism did not allow
for the consolidation of representative networks with the exception for a few mainly regional networks of Social Cooperative Enterprises (i.e. Network of Social Cooperatives of Central Macedonia and Coordination of Social Cooperative Enterprises of Athens).

As such, the proposal for a new legal framework found the field rather unprepared concerning a coherent strategy and concrete demands. According to the input provided by interviewed members, the selected networks did not initiate a common consultation to agree on some basic advocacy lines. Even within the various regional networks of Social Cooperative Enterprises, it was difficult to discern a coherent strategy and view given that most of the members were absorbed in addressing their everyday survival problems.

Also, the participating stakeholders held rather low expectations from the consultation process with most of them expressing a rather awkward stance. They expressed a lack of previous experience and preparation as well as of knowledge concerning the consultation process and the potential to express views affecting the design of public policies, let alone playing an assertive role. Indicatively: “we did not have any prior consultation experience” (Dock), “we did not know what to expect” (Regional Mechanism of Attica SCEs), “we did not know if our position had any weight” (Network of Eastern Macedonia-Thrace).

Despite the lack of articulated demands, they aspired to their inclusion in the consultation process: “we wanted to be heard” (Cooperation Initiative for the Social and Solidarity Economy, Regional Mechanism of Attica SCEs). They wished for a democratic co-construction while being unaware of and/or reluctant to engage with the central policy-making process: “we wanted a face-to-face consultation at the local level in accordance with the spirit of SSE” (Network of SCEs of Central Macedonia). Certain actors expressed a quest from the government to promote the self-organization and collective representation of the field. For example, a member of the Social Entrepreneurship Forum expected the government “to provide a framework which will strengthen SSE through a self-organized bottom-up logic, which means to strengthen the principles, institutions and values coming from the field for the latter to create its own institutions”.

As far as expectations from the new law are concerned, we detected divergent views among the interviewed stakeholders. Some of them had rather low expectations mainly confined to practical matters such as the resolution of everyday problems, the
clarification of grey zones in the previous legal framework (Regional Mechanism of Attica SCEs), and the design of incentives or at least the removal of barriers for SSE actors (Coordination of Social Cooperative Enterprises of Athens). Another strand expressed the need to safeguard SSE from entities and logics foreign to the principles and values of SSE practices (Dock, Network of SCEs of Central Macedonia).

Consensus exists about the harmonization and unification of cooperative legislation in Greece (Network of SCEs of Central Macedonia, KAPA Network, Cooperation Initiative for the Social and Solidarity Economy, Development Agency of Karditsa). The unification of cooperative legislation is expected to eventually facilitate osmosis and the development of synergies among the various types of cooperatives. The Social Entrepreneurship Forum expressed once more the need for a flexible legal framework leaving the room for SSE entities to define in common their principles, values, and monitoring procedures.

b. Political institutions shaping public policies for SSE in Greece: a tale of incoherent policy-making

What mainly characterizes legislative processes in Greece towards traditional cooperatives is institutional incoherence manifested in the fragmented cooperative legislation (Douvitsa, 2019). Except for the first cooperative law addressing all types of cooperatives (1915), all subsequent cooperative laws address a specific subset and delineate different competent ministries and supervisory bodies. The result of this legislative process is the proliferation of cooperative laws with divergent provisions in terms of fundamental operational aspects (i.e. number of founding members, establishment procedures, distribution of surplus and profits, dissolution) not reflecting divergent needs in the field but simply the institutional fragmentation at the governmental and public administration levels. It is indicative to note that before the introduction of the legal framework on SSE in Greece, the following cooperative laws were in force: a) law on agricultural cooperatives, b) law on forest cooperative organizations, and c) law on civil cooperatives for all cooperatives not active in the agricultural economy. Also, special laws were further introduced to address specific types of civil cooperatives: credit cooperatives and social cooperatives of limited liability (addressing the socio-economic inclusion only of persons with mental health problems). Another distinctive feature of the Greek legislative culture is the frequent amendments of cooperative legislation.
This institutional fragmentation did not facilitate the design of a coherent, transversal public policy for SSE in Greece and blocked the political vision of a unified sector. Each ministry worked in a silo without much needed intergovernmental coordination, let alone the inclusion of public administrative bodies in charge of policy implementation. Moreover, the tradition of frequent legislative amendments within the timeframe of each governmental service created an unstable context for cooperatives to function. The picture gets further complicated if we add other types of legal entities (i.e. associations, nonprofit civil companies) that are traditionally adopted by SSE initiatives in Greece and follow their entirely different provisions. As a result, the government did not act as a singular actor towards the field and did not in turn facilitate the collective representation of SSE entities in their plurality.

The first time the term Social Economy was explicitly addressed was Law 4019/2011 on Social Economy, Social Entrepreneurship, and other provisions. This law was coupled with a Strategic Plan for the Development of the Social Entrepreneurship Sector in Greece (February 2013). This strategic plan linked social economy, unemployment and social inclusion with a sole focus on social enterprises. In this way, social enterprises were mainly seen as a tool for the (re-)integration into the labour market of those facing the strongest barriers and as an alternative to state provision of social services (Adam, 2016).

The eruption of the crisis was accompanied by a change in electoral dynamics and the emergence of the Coalition of the Radical Left (SYRIZA) with Social Solidarity Economy being one of the main strategic priorities. It is useful to summarize the basic tenets of SYRIZA strategy in this area:

First, explicit support for Social and Solidarity Economy (SSE) to highlight linkages with social movements and solidarity structures developed in the context of crisis-ridden Greece. Some SYRIZA party members were actively involved in many solidarity initiatives while the party decided to found a hub for the promotion of cooperation among these practices.¹ As such, many party members had a strong sense of belonging to the sector and knowing first-hand the needs of the various initiatives.

¹We are referring to the Hub Solidarity for All, https://www.solidarity4all.gr/. This hub was funded by the voluntary commitment of some SYRIZA affiliated members of the parliament who devoted part of their salaries towards this end.
This, as will be seen in the following, had, as a result, a rather selective view of who should participate in the consultation process and a rather ambivalent view towards the openness of the consultation process.

Second, the treatment of SSE as an alternative to the dominant economic paradigm and/or a strategy for economic recovery and not as an auxiliary sector linked only with social policy objectives. In this framework, the party supported the diffusion of SSE practices to all sectors of economic activity so that these initiatives could contribute with a significant share of GDP and put in use productive forces remaining idle in the context of the crisis and its neoliberal management. Moreover, there was a partial at least understanding and recognition of the plurality of types and legal forms adopted by initiatives.

After the electoral victory in January 2015, the coalition government formed insisted on the priority agenda attributed to Social and Solidarity Economy. Right from scratch, the quest for a New National Strategy and an enabling legal framework for SSE practices were identified as the main building blocks of the newly formed government. After the referendum and the eventual signing of a new Memorandum between the government and the international lenders, SSE remained a significant priority albeit in the framework of the so-called parallel program for mainly two reasons: a) the need to restore trust with social movements at the grass-root level and b) the availability of space for manoeuvre given that this policy field was not explicitly affected by the conditions imposed by the new Memorandum.

The condensed political time leading to the formation of the new government did not allow for the specification of concrete steps towards this strategy nor for consensus building among SYRIZA party members on a common vision, even at the level of elected representatives. As a result, SYRIZA members of the parliament were not always in alignment with the programmatic declarations and governmental strategy in the field. They supported SSE but through deploying a multiplicity of narratives including the fight against structural unemployment and social exclusion, economic recovery in order to restore growth to pre-crisis levels, and socio-economic transformation (Adam et al., 2018). Therefore, the strategy was clear for the competent Ministry of Labour but not widespread among ministries with overlapping

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2 The parallel program refers to measures and reforms which are not subject to the limitations posed by the new Memorandum signed by the Greek government and the international lenders. Available in Greek at [http://www.avgi.gr](http://www.avgi.gr) (accessed October 2018).
and relevant mandates (Ministry of Economy and Development, Ministry of Rural Development and Food). Hence, it was difficult to detect committed representatives from each competent Ministry able to articulate a common vision.

c. The consultation processes: the top-down tradition and a brief prelude of a half-hearted co-construction process

As already mentioned, the institutionalization of cooperatives was top-down. The government instrumentalized cooperatives to satisfy certain public objectives. This was the case even with the first cooperative law dating back to 1915. The government took the initiative to modernize and commercialize the agricultural sector without the existence of a vibrant cooperative movement with a mature social demand (Patronis, 2015, pp. 166-167).

More recently, the European Union and other international organizations continued the top-down institutionalization of civil society and social economy actors. For example, the proliferation of NGOs in the 1990s is attributed to the inclusion of Greece in the Development Assistance Committee and the availability of associated funds (Afouxenidis, 2006). In terms of social enterprises, the drive mainly stems from the European Union (Adam, 2009). Whereas pioneering Work Integration Social Enterprises developed in continental Europe in the 1970s and 1980s as a response to accentuated social problems (long-term structural unemployment and social exclusion) by “social workers, associative militants, representatives of more traditional third sector organisations, sometimes with the excluded workers themselves” (Laville, Lemaitre and Nyssens, 2006, p. 279), attempts towards the creation of similar initiatives in Greece can mainly be attributed to Structural Funds (and most notably the European Social Fund).

Therefore, the initiative for drafting the first law explicitly referring to social economy and social entrepreneurship was taken in 2011 from the Ministry of Labour, Social Security and Solidarity following an increased interaction with the European Commission.

The change of government in 2015 and the arrival of a radical left-wing government for the first time in Greece did not radically change this top-down inclination. The initiative for the new law for SSE lied exclusively on the government. The Ministry of Labour defined largely the agenda, the priorities, and the consultation process, while the field of SSE restricted itself to partial recommendations and critical comments, mostly following than leading the whole process. This is in part due to the
degeneration of established networks of traditional cooperatives (i.e. the Panhellenic Confederation of Unions of Agricultural Cooperatives - PASEGES) and the nascent state of the emerging new networks (i.e. Network of Social Cooperatives of Central Macedonia and Coordination of Social Cooperative Enterprises of Athens).

By design, the consultation process involved an informal and a formal phase. The informal phase began not as an open process but with an invitation of the Ministry of Labour to selected initiatives and networks to submit their proposals for the modification of the existing legal framework (Law 4019/2011) according to pre-identified axes (improvement of cooperative identity, ceilings on non-member employees, social insurance coverage of members, employees and volunteers, the definition of social criteria and social impact, registration and monitoring procedures, funding and establishment of the envisaged Social Economy Fund). Based on this initial feedback, a first draft of the structure and the main provisions were prepared. This draft was further subjected to another round of informal consultations leading to the draft law. The Ministry also organized open informative sessions in various cities in order to facilitate interaction with the field.

Despite initial intentions to foresee enough time for SSE initiatives and networks to submit their theses, the draft Law was subjected to comments within the formal consultation process on the official website of the government for only 13 days and during the summer month of July. However, to some degree, the comments submitted both on the web-portal and during the parliamentary sessions were taken into consideration and many amendments were made. The new Law was voted by all political parties except for the Communist Party and the neo-Nazis (Golden Dawn), clearly for different reasons.

The formal consultation procedure was criticized by almost all interviewed stakeholders. They argued that the time devoted toward this end was limited. This limitation was considered in some cases as the main reason behind the inability to organize internal consultation and eventually form collective views and demands. Certain stakeholders also criticized the informal consultation process for being exclusionary and question the criteria according to which the invitations were made (Regional Mechanism of Attica SCEs, KAPA Network). The member of Social Entrepreneurship Forum found the whole process top-down: “it is one thing to implement a public information session or to ask someone to submit their views in the electronic forum, and another thing to initiate a consultation process were in-depth
and exhaustive discussions are held in order to construct a perspective through
dialogue, confrontation and synthesis”. It is interesting to note, however, that many
stakeholders consider that their views were heard and some of their remarks were
taken into consideration.

4. AN OVERALL ASSESSMENT OF THE NEW LAW
As already described, the initiative for the consultation leading to the new legal
framework for SSE in Greece rested on the part of the government, which defined the
priorities and organized the consultation process. The informal part of the consultation
process was remarkably lengthy even though certain actors complained about not
being included in the process. The formal part of the consultation was brief and
during the summer month of July which did not enable the timely submission of
remarks and suggestions for improvement. It is important to note that no instituted
spaces for interaction existed in Greece to facilitate an extensive consultation process.

On behalf of the field of SSE, initiatives and networks entered the whole
process unprepared, without a collective representation body able to articulate a
common vision and specific demands. The government was committed to promoting
SSE as a priority agenda. This commitment is self-evidently positive but can also
hinder co-construction when strong positions lead to a lack of collaborative culture in
practice. In addition, this firm commitment was mostly expressed by the competent
Ministry of Labour and was not transversal at the intergovernmental level and/or in
alignment with the party. Hence, we do identify the intention for the co-construction
of public policy, but this intention was not materialized all the way through given the
conditions of both interlocutors and the lack of intermediate interaction spaces.

Not surprisingly, no consensus exists concerning the assessment of the new
Law. Based on the interviews we conducted, we could detect two main poles.

The first pole was in agreement with the overall direction of the Law but was
concerned with the emergence of problems during its application. As vividly
expressed by the member of the Coordination of SCEs of Athens: “The Law paves the
way for Social Solidarity Economy but this way is full of thorns, not yet visible”. The
representative of the Network of Social Cooperative Enterprises of Central Macedonia
was in a similar direction: “We are in general content…The negative aspects will
come to the fore during the application of the law”.

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The second pole expresses a fundamental disagreement as the new legal framework did not unite the field of Social Solidarity Economy by setting criteria for the formal recognition of SSE actors, which in practice exclude the legal forms adopted by traditional SSE entities (Development Agency of Karditsa, Cooperation Initiative for the Social and Solidarity Economy). As stated by the representative of the Development Agency of Karditsa: “from the overall ecosystem of Social Solidarity Economy entities in Karditsa, only two enterprises can be included according to the definition of the Law as Social Solidarity Economy actors”. Hence, this group demanded the modification of the new legal framework in order to include all types of cooperatives and social enterprises in the definition of SSE actors. A segment of this pole was rather dismissive of the Law on similar grounds and stated more vividly the need for the unification of the cooperative legislation as a first step and then the redrafting of a new SSE legal framework based on the recommendations of international organizations such as the ILO (KAPA network).

Apart from the general direction of the Law, the interviewed stakeholders did not share common expectations from the Law concerning enabling the multiplication and development of SSE actors. Some stakeholders considered that they would not face significant challenges in the legal recognition of the entities where they participated (PROSKALO, KAPA Network). Other stakeholders felt hesitant to express definite expectations without the experience of law application (Network of Social Cooperative Enterprises of Central Macedonia). And the third subset held negative expectations given that the new legal framework seemed to) favor small-sized entities to the cost of accredited and large cooperatives (Development Agency of Karditsa) or did not allow for the necessary flexibility necessary for the hybrid nature of SSE practices (Dock, Forum of Social Entrepreneurship).

It is interesting to note that based on the research data, the Law is simultaneously criticized for being both too inclusive and arbitrarily exclusive. The Law hinders the inclusion of agricultural cooperatives (a traditional SSE actor in Greece) (Development Agency of Karditsa and Cooperation Initiative for the Social and Solidarity Economy) while it excludes cooperative banks. Other interventions highlighted that the new law erroneously leaves ample room for the inclusion of for-profit private companies.

Another line of divergence concerned the work relations envisioned for Social Cooperative Enterprises and Worker Cooperatives. In both cases, Law 4430/2016
specifies thresholds for non-member employees (40% of total employees and 25% of members respectively). The field was once again split concerning these provisions, with some in agreement with the overall direction towards self-management while others raised objections regarding the temporal and irregular employment needs and/or the unwillingness of certain employees to be involved as members. This in practice revealed a divergence between more radical and more pragmatic initiatives.

In general, the Law introduced by the government based on the Coalition of the Radical Left is normative in safeguarding certain principles and values for Social Solidarity Economy reflecting to an extent the radical aspirations expressed by initiatives affiliated with new social movements in crisis-ridden Greece. However, this legal development had to build on a slippery road given the legacy of institutional fragmentation concerning SSE legislation in Greece (i.e. cooperative legislation). As a result, the Law does not unite in practice the disparate legal entities under the common label of SSE because the criteria posed by the law do not align with the diverse provisions already instituted for traditional social economy actors in Greece (Adam, 2019).

In addition, the specificity of certain provisions poses strong difficulties for the daily practice of SSE actors in Greece. The most notable example is the provision according to which 25% of the turnover (above a certain threshold) should cover salary costs. This provision intends to safeguard against informal labour in SSE enterprises. However, this provision does not take into account the diversity of economic sectors where SSE actors operate with varying profit margins (i.e. this percentage of salary cost is unattainable in commercial activities with a high variable cost). More importantly, the Law does not specify how the numerous restrictions imposed on SSE actors will be effectively monitored by the relevant state agencies given their limited resources and capacity.

Even more troubling are the provisions for future consultation from the perspective of co-constructing effective public policies. The Law envisages only one mechanism for interaction between SSE and the state: the National Committee. The specified members include all relevant Ministers, heads of formal public institutions (presidents of the union of regional and local authorities, Rectors’ Committee), representatives of accredited social partners (General Confederation of Greek Labour, General Confederation of Persons with Disability), the representative of one research body (National Center of Social Research), one representative from the Panhellenic
Federation of Social Cooperatives of Limited Liability and one representative from each Union of SSE Actors. These Unions are specified in the same Law as collective representative bodies comprising at least 10 SSE actors without prerequisites of sectoral and/or geographical representativeness. Based on that, it seems that the National Committee is rather inflexible and hardly operational while no other intermediate space is instituted for a fruitful interaction at the regional, let alone the local level.

PRELIMINARY REMARKS ABOUT THE FUTURE OF SSE PUBLIC POLICIES IN GREECE

The introduction of a new legal framework for Social Solidarity Economy in Greece could have been the momentum for a new trajectory in the construction of public policies for the field. The new wave of cooperativism within the framework of the crisis as well as the coming to power of a political party with strong affiliations with social movements and a high priority agenda on the promotion of the sector created expectations for a fruitful collaboration.

However, the condensed historical time, the unpreparedness of the new actors, and the lack of instituted intermediate spaces, did not allow for an effective co-construction of public policies despite the good initial intentions on both sides. For institutional innovations to take place and be sustainable, a process of trial and error is more than necessary. And it seems that despite their divergent views, various SSE actors seemed to acknowledge that the competent authorities were largely open and accessible even after the introduction of the new legal framework.

Unfortunately, this story of incomplete co-construction may have easily been a missed momentum. As already documented even in countries where institutional innovations were introduced (i.e. Latin America), they were vulnerable to electoral changes. In the case of Greece, it seems that this unfinished step will not be walked through given the electoral change and the coming to power of a party that does not have a high stake with SSE. But maybe it is in the best interest of SSE to rely on its own premises in the future.
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