

Social Innovation and the Social Economy in Greece

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Social innovation and social economy in Greece are relatively new concepts mainly associated to what is known as 'Solidarity Economy'. While in other European countries discussions related to social innovation have taken place for almost 30 years now, in Greece, organised forms of social ventures are apparent for only about 10 years, though in an experimental stage. Although a definition given by the state refers to social economy as all economic and business activities undertaken by entities aiming at the collective economic and social benefits and safeguarding the collective interests of the members of those social ventures (1) .

This alternative to capitalistic economy gained interest and entered the political agenda very recently. It was only in September 2011 when a law for Social Economy and Social Entrepreneurship passed by the parliament and the distinct legal form of Co-operative Social Enterprises was created. Before that time, the lack of institutional framework created serious problems in the development of the sector. Apart from bureaucracy, the lack of business know-how and staff training, the difficulty of networking, marketing products and services and limited access to funding have hindered the development of such initiatives in Greece (2). Hence, the social ventures were held captive by government funding and depended on the "sensitivity" or "good faith" of the private sector and individuals.

The cause behind the increased attention on social innovations in Greece seems to be the financial crisis and the high demand in products and services, which neither government nor mainstream businesses can provide. Harsh austerity measures implemented by the Greek government, rising unemployment rates, cuts in wages, pensions and social spending resulting in a growing number of people living under the poverty level has created the urgent need to develop alternative solutions.

Historically, the Greek society has been through several economic recessions beginning from World War I, World War II, the Civil War and Military Junta. The way for people to overcome these financial and social downturns was always through solidarity and collegiality. This spirit is very evident in the current crisis as well, justifying the term 'Solidarity Economy' that is widely used when referring to social economy. Within the last couple of years, many social ventures have been developed from bottom-up to create local or national exchange markets based on virtual currencies, co-ops, fair trade unions, social health clinics, social schools and many more.

However, research on social innovation is held up due to the lack of a national register documenting the actual number and range of social ventures' activities. The decision for the establishment of a General Register for Social Economy was very recent, in early February 2012, and so far we can only have an estimation of the size and complexity of the field.

A recent study on entrepreneurship, foresees that social entrepreneurship will contribute both to employment and innovation (3). It is also considered important for the socio-economic integration of socially excluded groups and for the strengthening of alternative forms of local development. Therefore, it is very positive that social economy is now included in the national policy agenda; and hopefully instead of becoming the substitute for the dismantling of the welfare state, it will actively support inclusive alternative structures.

1 <http://www.taxheaven.gr/laws/law/index/law/374>

2 <http://government.gov.gr/2012/02/07/26231/>

3 <http://www.ekt.gr/content/display?prnbr=82276>