The Causal Nexus between Social Capital and Local Development in Mountain Rural Greece

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“How does the nature of social capital affect the quality of local development in two mountain rural areas in Greece?”
Research objectives

✓ to measure the available stock of social capital and to evaluate the nature of local development in two Greek mountainous areas

✓ to reveal and interpret the relationship between their level of socio-economic development and the available stock of social capital
Research hypothesis

‘the nature of local development within a small rural area will be influenced by the nature of the existent stock of social capital in the area’
Theoretical framework

What is Social Capital?

“social capital refers to features of social organisation and social life such as networks, norms and trust that facilitate co-ordination and co-operation for mutual benefit. Social capital enhances the benefits of investment in physical and human capital”

(Putnam, 1993)
The Relationship between Social Capital and Civil Society

Social capital
Civic participation & social networks
Formal Social capital

- Participation in civil society
- Membership of social clubs & voluntary organizations
- Generalized (social) trust

Informal social capital

- Social networks
  - Frequency of contact with friends, colleagues and with neighbours
  - Social support

Civil society
A network of formal and informal groups
Formal civil society

- Formal institutionalised organizations
  - Membership in political parties, labour unions & non-governmental organizations

Informal civil society

- Informal groups
  - Informal collectivities
  - Networks or circles of neighbours
  - Self help groups
  - Small social movements focusing on local issues

(Pichler & Wallace, 2007; Sotiropoulos, 2004)
Group & networks

Trust & solidarity

Collective action & cooperation

Information & communication

Social cohesion

& inclusion

Empowerment &

political action

?

?

?

World Bank, 2003; Grootaert & Van Bastelaer, 2002a,b; Ibanez et al, 2002; Grootaert, 2001; Narayan & Cassidy, 2001; Narayan & Pritchett, 1999;
Research Design & Methodology

The Study Areas

Two Greek Mountainous Rural Areas

Zagori & Pilion
Data: collection & nature

- **Quantitative data**
  - **Questionnaire survey to inhabitants**
    - consisted of 318 individuals aged 15 years and over
    - 194 of whom were resident in the Prefecture of Magnesia,
      and 124 resident in the Prefecture of Ioannina

- **Qualitative data**
  - **Semi-structured interviews** to inhabitants and local institutions from each area (46 in-depth, semi-structured interviews) with selective participants and key informants
    (31 in the area of Pilion and 15 in the Zagori area)
  - **Secondary assessment of the local based bibliography**
    (local newspapers, journals, official local and research reports, regional documents)
Quantitative data: questionnaire survey to inhabitants

(continued)

Local development questionnaire: contained 13 closed-type questions

Human development
- Life expectancy
- Rate of high school attendance

Social quality
- Health services efficiency
- Gender equality (women’s integration into the labour market, women’s involvement in local politics)
- Labour precariousness
- Public school infrastructures

The state of health of rural ecosystems
- Efficiency of public transports services and of water softening systems
Data analysis

- Descriptive statistics
- Exploratory factor analysis
- Confirmatory factor analysis
Data Analysis (continued)

Identify:

- which items were empirically related to social capital & local development (and which ones were not)
- the elements of social capital (factors)
- a good set of items for future use in measuring social capital & local development in other mountain rural communities
- the causal relationship between the nature of social capital and the quality of local development
### Empirical results

#### Sample profile

<table>
<thead>
<tr>
<th>Sociodemographic variables</th>
<th>Pilion</th>
<th>Zagori</th>
</tr>
</thead>
<tbody>
<tr>
<td>N=194</td>
<td></td>
<td>N=124</td>
</tr>
<tr>
<td>Sex</td>
<td>60 % (female)</td>
<td>62 % (male)</td>
</tr>
<tr>
<td>Individuals’ age</td>
<td>16 to 73 years old</td>
<td>23 to 82 years old</td>
</tr>
<tr>
<td>Primary School</td>
<td>29 %</td>
<td>27%</td>
</tr>
<tr>
<td>Marital status</td>
<td>70,6% (married)</td>
<td>51,6% (unmarried)</td>
</tr>
</tbody>
</table>
Exploratory factor analysis results
<table>
<thead>
<tr>
<th>Variables</th>
<th>Kaiser Meyer Olkin=0.80</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘I think that there are many differences (in wealth, income, social status e.t.c.) between people living in my village/neighborhood’</td>
<td>‘I feel that there is a strong feeling of reciprocity and solidarity between the citizens in my local community’</td>
</tr>
<tr>
<td>‘I trust my neighbors’</td>
<td>‘I can influence decisions affecting the quality of life in my local area’</td>
</tr>
<tr>
<td>‘I think most people in this village/neighbourhood are willing to help if you need it’</td>
<td>‘I have the power to take decisions which can change/improve my life’</td>
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<tr>
<td>‘I trust local government officials’</td>
<td>‘I believe that the relationship with my relatives is very important for my life’</td>
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</tbody>
</table>
Feeling of isolation and existence of important differences between the citizens

Social trust (trust neighbours and key service providers)

Social trust (trust fellow villagers)

Institutional trust (trust local government and local government officials)

Reciprocity and solidarity (fellow villagers)

Empowerment (control over institutions and processes directly affecting their well-being)

Informal (family) social networks

The efficiency of public health & public transports services

Life expectancy and health of natural environment

Exploratory factor analysis results
7 social capital & 2 local development factors

(67.1%) (51.8%)
## Social capital scores for case study areas

<table>
<thead>
<tr>
<th>Case study areas</th>
<th>Sample size</th>
<th>Cohesion</th>
<th>TrustNghs</th>
<th>Trust Fvils</th>
<th>Trust Loc. Gov</th>
<th>Reciprocity</th>
<th>Family networks</th>
<th>Empowerment</th>
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<tbody>
<tr>
<td>PILION</td>
<td>194</td>
<td>3.31</td>
<td>3.52</td>
<td>2.81</td>
<td>3.08</td>
<td>3.76</td>
<td>4.18</td>
<td>3.72</td>
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<tr>
<td>Makrinitisa</td>
<td>22</td>
<td>3.23</td>
<td>3.00</td>
<td>2.55</td>
<td>3.04</td>
<td>3.72</td>
<td>3.45</td>
<td>4.13</td>
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<tr>
<td>Portaria</td>
<td>33</td>
<td>3.79</td>
<td>3.94</td>
<td>2.88</td>
<td>3.84</td>
<td>4.24</td>
<td>4.57</td>
<td>3.67</td>
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<tr>
<td>Zagora</td>
<td>38</td>
<td>3.21</td>
<td>3.26</td>
<td>2.87</td>
<td>2.62</td>
<td>3.84</td>
<td>4.28</td>
<td>3.68</td>
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<tr>
<td>Moriesio</td>
<td>40</td>
<td>3.23</td>
<td>3.74</td>
<td>3.21</td>
<td>3.61</td>
<td>3.87</td>
<td>4.38</td>
<td>3.79</td>
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<tr>
<td>Milies</td>
<td>29</td>
<td>3.07</td>
<td>3.48</td>
<td>2.62</td>
<td>2.55</td>
<td>3.44</td>
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<tr>
<td>Argalasti</td>
<td>32</td>
<td>3.31</td>
<td>3.50</td>
<td>2.53</td>
<td>2.25</td>
<td>3.40</td>
<td>4.06</td>
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<tr>
<td>ZAGORI</td>
<td>124</td>
<td>2.39</td>
<td>3.72</td>
<td>3.26</td>
<td>3.06</td>
<td>4.00</td>
<td>4.06</td>
<td>3.67</td>
</tr>
<tr>
<td>Papigo</td>
<td>31</td>
<td>2.68</td>
<td>3.77</td>
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<td>2.97</td>
<td>4.24</td>
<td>3.64</td>
<td>3.77</td>
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<tr>
<td>Anatoliko Zagori</td>
<td>31</td>
<td>3.10</td>
<td>3.97</td>
<td>2.53</td>
<td>3.48</td>
<td>4.06</td>
<td>3.80</td>
<td>3.55</td>
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<tr>
<td>Kentriko Zagori</td>
<td>29</td>
<td>2.59</td>
<td>3.17</td>
<td>2.97</td>
<td>2.62</td>
<td>4.03</td>
<td>4.48</td>
<td>3.51</td>
</tr>
<tr>
<td>Tymfi</td>
<td>33</td>
<td>3.30</td>
<td>3.91</td>
<td>3.21</td>
<td>3.03</td>
<td>3.87</td>
<td>4.33</td>
<td>3.81</td>
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<tr>
<td>Total sample</td>
<td>318</td>
<td>3.16</td>
<td>3.60</td>
<td>2.98</td>
<td>3.06</td>
<td>3.86</td>
<td>4.13</td>
<td>3.70</td>
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</table>
Confirmatory factor analysis results
Path diagram of the second-order factor model
Path diagram of the main social capital and local development dimensions
### Correlation Matrix of Independent Variables

<table>
<thead>
<tr>
<th></th>
<th>Cohesion</th>
<th>TrustNgh</th>
<th>TrustFVi</th>
<th>TrustLGo</th>
<th>Reciproc</th>
<th>Snetwork</th>
<th>Empowerm</th>
<th>SocInfru</th>
<th>EnvQuali</th>
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<td>SocInfru</td>
<td>-0.04</td>
<td>0.05</td>
<td>0.05</td>
<td>-0.03</td>
<td>-0.12</td>
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<td></td>
<td>(0.13)</td>
<td>(0.06)</td>
<td>(0.06)</td>
<td>(0.05)</td>
<td>(0.05)</td>
<td>(0.06)</td>
<td>(0.05)</td>
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<td></td>
<td>-0.33</td>
<td>0.85</td>
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<td>-0.74</td>
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<td>EnvQuali</td>
<td>0.29</td>
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<td>-0.02</td>
<td>0.11</td>
<td>0.16</td>
<td>-0.01</td>
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<td></td>
<td>(0.11)</td>
<td>(0.06)</td>
<td>(0.07)</td>
<td>(0.05)</td>
<td>(0.06)</td>
<td>(0.06)</td>
<td>(0.05)</td>
<td>(0.06)</td>
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<td></td>
<td>2.64</td>
<td>-1.19</td>
<td>-0.29</td>
<td>2.00</td>
<td>2.91</td>
<td>-0.18</td>
<td>3.48</td>
<td>-10.62</td>
<td></td>
</tr>
</tbody>
</table>
Concluding remarks

- Where is the *surprise*? What’s new?
Concluding remarks (continued)

- Low levels of bridging social capital and strong familial ties

- Weak inter-community connections

- ‘Closed’ communities with few significant bridging links to others in a position to assist them
“…..the negative relationship between bonding social capital and economic development proves to be biunique: not only strong family ties may hamper human development, but they also deteriorate themselves with higher levels of development”

Sabatini (2006)
“…the loyalty to family over and above all else creates a situation in which people ‘maximize the material, short-run advantage of the nuclear family; and assume that all others will do likewise’ argued that amoral familism can thus be reinforced by situations of underdevelopment”

Banfield (1958)
Concluding remarks

“…in countries where family or informal social capital predominate to a much greater extent it may be more difficult to establish a vibrant civil society of the kind described by Putnam because the culture does not allow it”

Pichler & Wallace (2007)
Conclusions

‘there has never been a more important time to increase social capital in rural areas’ (Alston, 2002)

fostering high levels of social capital joins the development of physical and human capital as well as a range of other initiatives, as key ingredients for a successful local economy
Thanks