

## **Special Issue: Social Capital and Rural Governance in Central and Eastern Europe**

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### **EDITORIAL**

The papers in this special edition were conducted as part of the project on Integrated Development of Agricultural and Rural Institutions (IDARI) funded under the EU 5<sup>th</sup> Framework Programme. One element of the project analysed social capital, governance and rural institutional innovation, using frameworks and methodologies from new institutional economic theory. Given this backdrop, the papers in this issue focus on the processes of achieving cooperation, with the aim to understand the success or failure of cooperative strategies in the governance of rural Central and Eastern Europe (CEE). In the preceding 15 years, the CEE countries were subjected to immense transformation, as they changed from socialist organization to market dominated economies, alongside the introduction of democratic processes. This resulted in an overhaul of institutions, both formal (defined through legislation) and informal (defined as socialised rules and codes of conduct on an individual level). There is an interplay between actors operating within formal and informal institutions, and the papers delineate between those operating in the State sector, in the market and in self ascribed communities. The first paper in this issue presents the theoretical frame, within which the local case studies were undertaken in CEE countries. It posits social capital theory within a game theoretic framework, and argues that social capital is a useful construct to analyse cooperation and trust in CEE rural space. However, this analysis should be done on a micro level, and the case studies achieve this objective. The first two empirical papers by Matczak and Kluvánková-Oravská and Chobotová are comparable as they both explore cooperation and newly forming governance in a national park in Poland and Slovakia respectively. Both papers explore network governance, which is cited as a viable solution for the governance of common pool resources. The third case study by Forgács explores how leadership affects social capital, a topic up to now overlooked in the literature. This paper looks at the situation of agricultural cooperatives, and their transformation during the transition period. Production cooperatives were not only functional from an economic perspective, but also were important as a social network. The fourth case study also examines producer groups; Banaszak's study investigates the nature of collective action from a governance perspective in Poland. The final paper by Murray, Beckmann and Hurrelmann discusses the findings from these case studies in light of policy intervention in rural CEE. This paper reflects on the rationale and implications of extending the European formulation of rural development policy to the newly acceded CEE countries.

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