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## Type and role of social capital in post-transition European economies

### Introduction

In the European countries undergoing transition a model of standard institutions of a market economy, mostly borrowed from Western European and North American experience, was imposed on a pre-existing background of cultures and informal institutions. This background was both different from the one existing in the countries the institutional pattern was borrowed from, and differentiated between the countries undergoing transition themselves. The importance of the legacies of the past was at the beginning underestimated. They were given importance only a dozen years later, when differences in economic performance were revealed. This subject was tackled by Hodgson in his paper presented at EAEPE Conference in Bremen (and then published in the Journal of Economic Issues) a hypothesis was advanced on the relevance of belonging to Western Christendom (of a catholic or protestant type) for macroeconomic performance [Hodgson, 2006].

My proposal is more micro-economic and focuses on the behaviour of economic agents. I start from the assumption, that not only competition and individual effort is necessary for collective results, but also a possibly smooth cooperation between the agents. There is some evidence, that cooperation is deficient in post-transition countries. Then my hypothesis is that this deficiency is related to the level and type of social capital. Bearing in mind lack of agreement on the definition of social capital, I define it as a (partly) altruistic attitude

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of individuals to their potential partners in relations. It influences the type and quality of functioning of networks of agents, be it social or economic. At the level of its cooperative outcome it is embedded in inherited social culture, and influenced by the formal institutions in force in a given society, and is interrelated with informal institutions. According to the type of network it is based on, it may of a bonding type (if networks are closed, restricted to the same social group) or bridging (if linking agents from different groups).

The type of social capital also influences the functioning of economic agents, bonding capital, internally strengthening a firm, and bridging – linking participants from different firms. Both types of social capital have their virtues and deficiencies. Bonding capital assures coherence, but may be blamed for its elitist attitude, bridging has the advantage of openness, but implies the risk of disloyalty to one's group of origin. Thus any of them may have different economic consequences.

In previously centrally planned economies some level of social capital, in principle bonding (limited to the circle of family, friends, of the life-long workplace), existed before transition. The horizontal ties were weak, deliberately stifled by ideological paternalism and control. With transition, formal institutions and the "propaganda of individual success" boosted entrepreneurial tendencies, but also some predatory attitudes. Clearly, incentives to develop bridging social capital and a cooperative culture were missing.

Nevertheless, for modern growth, especially in the era of New Economy, based on technological progress, cooperation and thus a sufficient degree of bridging social capital is a *sine qua non* condition.

The aim of this paper is to identify what is the predominant level and type of social capital existing in post-transition European economies. The research is based on the European Social Survey for 2006. The profiles of social attitudes underlying agents' propensity to cooperate and in particular in the bonding and bridging form in this group of countries as compared to more mature market economies is analysed. As an outcome differences are identified as to the propensity to develop bridging cooperation existing both between established market economies and the post-transition ones and within the group of post-transition European economies.

The paper is organised as follows. In the first section the discussion is provided on the definition of social capital (and in particular on the level at which it may be identified – be it individual or collective), on its measurement, and on its determinants and consequences. In the next section the problem of social capital in post-transition economies is exposed. Here also some evidence on deficiencies of cooperation is supplied (in the case of Poland). The following section describes the data and methodology on which the research is based. The results of research are then provided and the final section concludes.

## What social capital is, where it resides, what it produces

### What is social capital?

The definitions of social capital employed by different authors are surprisingly different.

In the manual of the World Bank aiming at defining social capital and providing the tool for its measurement one may find a very broad definition: “social capital... as institutions, relationships, attitudes, and values that govern interactions among people and contribute to economic and social development” [Understanding, 2002, p. 2]. Then are distinguished the elements of “structural social capital” (networks, associations, institutions, rules and procedures), and of “cognitive social capital” (attitudes, norms of behaviour, shared values, reciprocity and trust). It is further indicated, that social capital may be analysed as micro, meso, and macro level phenomena (at macro level it is assimilated to institutional and political environment).

It is clear that such a broad definition meets the needs of the World Bank in looking for the intangible factors explaining the differentiated development progress achieved by different nations. Nevertheless, such a broad definition clearly overlaps with at least the notions of institutions and culture. Thus it does not clearly delimitate social capital as stand-alone asset and disables the analysis of its outcomes and interrelations with other categories (such as culture and institutions). The authors themselves restrained their definition to the ends of measurement, where they propose only the indicators of membership in local associations and networks, indicators of trust and adherence to norms, and indicators of collective actions. They declare also, that all the three indicators are only the proxies of social capital [Understanding, 2002, p. 43-44].

The definition of Pierre Bourdieu is based on the features of an individual. His basic definition (from Bourdieu, 1986) focuses on the individual: “Social capital is an attribute of an individual in a social context. One can acquire social capital through purposeful actions and can transform social capital into conventional economic gains. The ability to do so, however, depends on the nature of the social obligations, connections, and networks available to you” (after [Sobel, 2002, p. 139]). In the definition from a later book he treats social capital as (different) resources activated by networks of relations and producing higher returns on investment. Literally, the definition is the following: “social capital is the totality of resources (financial capital and also information etc.) activated through a more or less extended, more or less mobilizable network of relations which procures a competitive advantage by providing higher returns on investment” [Bourdieu, 2005, p. 194-15].

Robert Putnam defines social capital as norms of reciprocity and networks of civic engagement [1995, p. 258]. They are properties of a society, not of single individuals. Norms of reciprocity embody short-term altruism, but also long-term care for own interests. The environment in which these norms may be used are networks of horizontal linkage, enabling communication and flow

of information about reputation. These networks may work out common gains. Enforcement mechanisms in these networks are based on informal norms, social ostracism and care for reputation. Putnam underlines the outcome of social capital in terms of productivity. He explains dynamic relations and path dependency in shaping social networks. Trust is a necessary condition of the functioning of informal networks and cooperation enables its reproduction and proliferation (for example by reputation). Distrust is also reproduced and may disable cooperation.

In Polish literature social capital was defined in a similar manner as "networks of relations between the agents built on reciprocity and trust, that enable common actions and provide for added value for individuals and for the groups they are coming from" [Kostro, 2005, p. 4].

Francis Fukuyama uses a much narrower definition: "Social capital is an instantiated informal norm that promotes cooperation between two or more individuals [Fukuyama, 2000, p. 3]. In his view trust, networks, civil society do not constitute social capital itself, while all of them are associated with it.

The most restrictive definition is provided by Robison et al. [2002]. The authors claim that all the existing definitions do not focus on social capital itself, but on its possible users, the relations in which it resides, and what it produces. Putting aside all those elements, they give the following definition: "Social capital is a person's or group's sympathy toward another person or group, that may produce a potential benefit, advantage, and preferential treatment for another person or group of persons beyond that expected in an exchange relationship". This definition focuses on some personal or social attitude exceeding simple self-interest and treats it as an asset potentially producing a positive outcome for another person or group<sup>1</sup>.

Taking as a basis this last definition and, after Fukuyama, focusing on cooperation as the final outcome, I will define social capital for the ends of this text as a personal attitude towards person(s) or groups that is partly or temporarily altruistic (meaning that one does not await an instantaneous payoff to the benefits or advantages granted to another person or group). An individual altruistic person according to this definition does not disregard his own interests and looks forward to some reciprocity. This attitude is used in social relations and only in those circumstances it may bring about any effects.

### **Where does the social capital reside?**

The authors strongly disagree on whether social capital is an attribute of an individual (private good) used in interpersonal relations and potentially through social structures (in particular networks), or if it is a public good (so a property of social structures, e.g. networks themselves). The first opinion is the one of Bourdieu (who treated social capital as a property of an individual, made use of within social structures), or of Fukuyama (a norm, instantiated

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<sup>1</sup> The same article also contains an interesting discussion on whether social capital is actually capital; I will not develop this subject here

in concrete relations). On the other hand, social capital is treated as a public good by Coleman (a quality of social structure and networks). Putnam's earlier definitions rely on networks as the locus of social capital, while in his later work [2000] both the quality of public and private good are allowed for.

Undeniably, social capital can not be made use of without social relationship. Nevertheless, taking social structures as its only locus and in particular equating the definition of social capital with its positive outcome leads to circular argumentation. Thus it is useful to distinguish the features coming to being at the level of an individual from those created at the level of relations and social structures of a higher order (bearing in mind that the behaviour of a social structure is not equal to the simple sum of the behaviour of individuals).

In this text social capital will be perceived as a private good defined at the level of an individual. Its outcome at the level of network or society will be qualified rather as cooperation forms.

### **How is social capital measured?**

Measuring social capital is far from simple. The principal difficulty stems from vagueness of definition. As the authors differ in defining what social capital is and where it resides, their approach to measuring is differentiated also. The other difficulty is the very problem of measurement (does the quantitative variable correspond to the qualitative characteristics?) and their availability.

Putnam proposes an indicator of the quality of civic community with the following components [Putnam, 1995, p. 133-148]:

- the number of local associations (sports-wise and cultural),
- popularity of reading newspapers,
- participation in referenda,
- preferential voting (indication of particular candidates, and not only of the parties).

He also underlines the importance of trust, without however trying to measure it. As a matter of fact, only the first component may be treated as some measure of social capital (at the level of social structures, the other three are relevant rather to the level of political culture).

Fukuyama [2000, p. 9-12] modified Putnam's proposal, adding to the membership of associations the degree of their cohesion, and also the radius of trust and distrust connected to those associations. He pointed out that social capital defined as an attitude may be addressed to larger or narrower scope of partners. Fukuyama defined it as "radius of trust" (p. 4), that may be for example limited to close family or other immediate social environments, or on the contrary may cover wider social groups. The width of this "radius of trust" is often related to the intensity of contacts (and probability of immediate reciprocity). Thus social ties may be close and strong, or else distant and weak.

The proposed formula thus became:

$$SC = \Sigma ((1/r_n) r_p c_n)_{1..t}$$

Where:

- $r_n$  = radius of distrust
- $r_p$  = radius of trust
- $c$  = degree of cohesion
- $t$  = number of associations.

The World Bank developed a Social Capital Assessment Tool (SOCAT) covering a number of quantitative characteristics calculated on a basis of the questionnaire [Understanding, 2002, p. 41-57]. The following characteristics were distinguished:

- Membership in local associations and networks (density of membership, incidence of household membership, internal diversity of organisations, participation in decision-making within the organisations)
- Trust and adherence to norms (solidarity, trust and cooperation, conflict and conflict resolution)
- Collective actions (extent and willingness to participate) – as an output indicator.

These indicators were completed by qualitative information (from community and organisational profile interviews).

### Where does social capital come from?

Having distinguished social capital at the level of an individual and its outcome at the social level, we are in a better position to distinguish its sources at different levels.

If an individual is perceived as a *tabula rasa*, without any particular social attitudes, he may acquire social capital as a partly altruistic attitude by social interaction. In a theoretical framework of iterated prisoner's dilemma game, the strategy of returning the received strategy (cooperation for cooperation, defection for defection) leads to cooperative outcome, in which every player sacrifices a part of his individual gain. Learning of cooperation has been also found in empirical research on community interactions [Fukuyama, 2000, p. 13].

But an individual is not a *tabula rasa*. He is born and brought up in a society and thus is being taught values, habits and norms the society worked out previously<sup>2</sup>. Those norms regulate also the relation of an individual to the other members of a society. As an outcome of generations of social learning, the norms of respect of the others, honesty, reciprocity, are inherited by the children. Norms of altruism and respect for others are also strongly<sup>3</sup> underlined by the major religious systems (Fukuyama, 2000, p.14). Thus existing informal institutions and cultural context shape to some degree social capital of the individuals. For example, it was found that protestant populations

<sup>2</sup> I will not discuss here if some of those norms are of natural order.

<sup>3</sup> Even too strongly: the second commandment of Christ requiring "to love one's neighbour" was often interpreted as extreme, impracticable, altruism, and only recently it was repositioned taking into account its second part ("as yourself").

reveal higher levels of trust than catholic, orthodox or muslim ones [Knack and Keefer, 1997]. Taking into account the slow pace of change of informal norms, some authors underline the importance of path dependency in creating and preserving social capital.

On the other hand, it was found that different faster evolving society-level characteristics influence on trust which is one of proxies of social capital. These are for example income inequality and ethnic polarisation, income per capita and education rates. As to the impact of formal institutions, the general opinion is that the high quality of political institutions and checks on executive power increases trust. More precisely, the universal, non-discriminatory governance rules promote interpersonal trust, while the selective ones undermine it [Rothstein, 2004]. But the relation between social capital and political institutions may also hold the other way round. Putnam [1995] claims that it is social capital, and more precisely civic engagement that influences the quality of political institutions. He explains differences in the state of civil society in contemporary Italy by the centuries old tradition of cooperation.

The question is to what degree social capital as attitudes of the individuals is homogenous within the same cultural and institutional framework. There are at least two reasons for differentiation. One is increasing cultural opening. Modern societies are no more closed, people may look into the heritage of the other cultures and opt for the norms they find adequate (if only the formal norms do not prohibit them). The other reason of differentiation is individual experience and learning from social interactions.

Some global cultural trend towards individualism should be also taken into account [Putnam, 2000]. This obviously impacts on the attitudes towards the others and with respect to cooperation with them.

The decisive factor making social capital provide different outcomes in everyday situations is to whom partial altruistic attitude is addressed. The cultural norms usually differentiate potential recipients of altruism. Close family is basically the most favoured. In the traditional societies the clear difference is made between the members of the somehow delimited group (extended family, personal friends, tribe, neighbourhood), and the strangers. Making difference between people close and strangers may even lead to two-tier moral systems with visibly lower standards of honesty towards the latter. This difference in treatment was at the origin of Fukuyama's concept of the "radius of trust".

Besides cultural explanation of the width of the "radius of trust", the individual experience may also contribute. Under assumption of incomplete information trust is being shaped by learning common interests with the others through repeated interactions with them. Also using social capital in interactions strengthens relations themselves. When one grants a favour, he has to maintain the relation to receive the favour in return [Sobel, 2002, p. 150].

The width of the "radius of trust" is also enhanced by the quality of institutional environment and of its enforcement. If one may be sure that opportunism of any member of the society, no matter if personally known or not, would be restrained due to formal or informal norms, he is more prone to extend

trust. The importance of institutional environment in its quality of mutual monitoring for trusting behaviour has been confirmed by empirical research and experiments [Sobel, 2002, p. 149].

Social capital may deliver more pronounced results when employed through social structures. There may be particular social structures dedicated for channelling and fostering individual social capital in order to address it either to insiders or to outsiders. The examples of the former are different clubs and associations (for enhancing social life of the members), networks serving common interests, in some sense mafias, and of the latter – charity or public interest organisations. At this level existing institutions very strongly influence the coming to being and functioning of those channelling structures. They may enable or disable their existence (for example, lobbyist organisations may be illegal, in some totalitarian systems any associations are prohibited).

The shape of institutional system may also be the source of creation of social structures as substitutes for deficiently enforced institutions. "Amoral familism" of Italian South was explained as a substitute for legal protection of property rights [Putnam, 1995, p. 276-283]. Relational contracts necessary to substitute quasi-inexistent legal enforcement in post-communist countries is the other [Sobel, 2002, p. 149]. In many cases the same outcomes may be obtained by different structural solutions. The example of a shopkeeper acting as an informal custodian for apartment keys, and then replaced by the formal service of a doorman studied by Jacobs [Sobel, 2002, p. 147] enlightens about the role institutions may have in the choice of social structures.

It is one of the reasons why the different social structures embodying social capital have their life span. A widely known example is the decline of associations as an element of American style of life deplored by Putnam in his famous book *Bowling alone* [2000]. It may be caused by cultural change (individualism), but as well it may be due to new technological opportunities and changing conditions of life. Extensive use of telephone (in particular mobile, making everyone available at any moment) and of Internet reveals both propensity to develop contacts and to change the form under which they are carried out [Sobel, 2002, p. 140-143]. Efficiency of social actions organised through SMS or Internet messages prove of importance of this medium in making use of social capital.

### **What does social capital produce?**

Social capital is recognised as one of the factors of development [Knack and Keefer, 1997]. If defined as stemming from partly altruistic attitude, it may enable to transgress narrow and/or immediate individual interests in social interactions. It may thus provide for:

- limiting negative consequences of the conflict between individual (or between individual and collective) interests in interactions,
- promoting synergies stemming from shared interests.

As to the first outcome, it reduces opportunism and conflict [Fukuyama, 2000, p. 6]. As opportunism is recognised as a major source of transaction costs,

the outcome would be reduction of those costs [Williamson, 1998]. Awareness of a high level of social capital in a given community would bring about reduction of both ex-ante transaction costs (of search of the partners, negotiations, contract formulation) and of ex-post ones (of solving conflicts). Under a sufficient degree of honesty, shared values and common informal norms, some reactions may be foreseen as automatic or easy to agree upon without a need to formalise. This is of particular importance in long-term transactions and/or those under high uncertainty where complete contracts can not be applied. Tacit agreements may be used in different transactions, in the framework of companies, between the companies, or else between agents and groups implied in less formal instances of coordination. In those different circumstances it will bring about less complete contracts, or their substitution by informal agreements, or completion of contracts by informal rules of behaviour.

Besides avoided costs, different positive gains may emerge from a high level of social capital. The study of the World Bank indicates that social capital (in broad sense, also at the level of networks and society as a whole) favours flow of information at low cost [Understanding, 2002, p. 8-9]. This information may concern reputation of the individuals, that is a crucial condition for sustaining trust, but also information on actual or potential subjects of transactions. According to selfish interests, information should be hidden or even manipulated. But even if information has an intrinsic value and is sometimes a property (under intellectual property rights – for example in research), there is usually an informal information exchange between research communities that enables progress.

The other positive outcome of social capital, according to World Bank study, is enhancement in reaching collective decisions. This is crucial for governing common resources in mostly horizontally organised structures (neighbourhoods, associations, networks). Social networks may also efficiently complement formal enforcement by the courts [Woodruff, 2004].

Social capital was found important also for companies, even if they are mostly governed by hierarchies. Nevertheless a company is also a network of human relations, with more or less predatory or altruistic attitudes, with more or less shared values and interests. It is underlined that social capital within a firm revealing itself by corporate cohesion and synergy of interests enhances motivation of employees and thus efficiency of the firm [Osterloh, Frey and Frost, 2001].

The example of the firms indicates that social capital may be applied in more or less localised relations. As indicated above, trust may have wider or narrower radius. Similarly, Putnam defined two types of social capital (in our definition: of cooperation forms) according to the social distance of agents involved: bonding type (usually limited to a narrow group) and bridging one (linking agents from different groups). The first is typical for traditional societies, based on the structure of extended families, but also plays a substantial role in contemporary firms. It stabilises the group, reduces opportunism, and promotes emotional involvement. It may nevertheless lead to exclusion of strangers and to rigid and immobile functioning.

Bridging social capital, passing by the boundaries of existing groups, may produce broader social outcomes and in particular enables sharing information. A firm may see building external contacts by its employees as a thread of disloyalty, but it may also find a way to rip profits on external information received by this way.

Some authors advance a hypothesis that to different circumstances (types of groups, their objectives, the organisation of intergroup relations by law or by the market) correspond different optimal proportions of bonding and bridging social capital [Putnam, 2000], [Łopaciuk-Gonczaryk, 2008, p. 45-46].

### **Social capital problem of post-transition economies**

Till 1989 the post-transition economies have passed through a 50 years long period when particular formal norms were shaping social structures and also promoting or hampering opportunities to learn attitudes. In particular, the economy was governed according to centralisation principle, thus promoting vertical relations to the detriment of horizontal ones. Of course, horizontal relations between the enterprises existed but (with the exception, and only to some degree, of the tiny private sector) they were influenced by the omnipresent public administration. This created particular relations: clientism and paternalism, both based on calculation rather than trust. Paternalism concerned also the employees of enterprises, having access to a range of social services (medical, housing, childcare, vacations).

The society was under omnipotent control of public administration. It was aiming at reducing criminality, but also at prohibiting emergence of organised political opposition. As a consequence, all social organisations: trade unions, professional organisations, cooperatives, were highly infiltrated by the State and thus "verticalised" with respect to type of relations. Spontaneous creation of social structures and networks was unwelcome. Thus those structures were mostly informal (or even underground, as opposition movements) and of very limited scale. The opportunities of learning relational attitudes were limited to the environments either vertically governed (as workplace), or of limited scale (family, close neighbourhood, circle of close friends). There was no room for developing "weak ties" culture.

Transition radically changed institutional framework. Organisation of the economy shifted from vertical to horizontal, based on relations and contracts between enterprises privatised or created already as private. Public administration to a substantial degree withdrew from direct control.

Changes in the structure of the economy destroyed numerous elements on which the functioning of the economy relied: stability of employment, free of charge social services, relative security against crime. People acquired economic and political liberty and were subject to extensive promotion of success in financial terms. Promotion of horizontal relations and development of the culture of partial altruism were lagging behind.

The surveys prove that the degree of satisfaction with life in post-transition economies has fallen down [Easterlin, 2008]. This was particularly the

case during the recession period following initial institutional changes and privatisation. But also the satisfaction with life did not recover at the pace of economic recovery that followed. The citizens of post-transition economies were particularly dissatisfied with their work, health, social services and security conditions. This was obviously an outcome of dismantling of the previous paternalist and vertically controlled system. On the other hand, they were increasingly satisfied with their material well-being, as a tangible outcome of recovery and development of market economy. Nevertheless, according to the same source of information (World Values Survey) there was also some evidence about deterioration of satisfaction with family life and neighbourhood. This could be only indirectly influenced by economic conditions (like pressure of unemployment, forced moving to the places where life seemed easier, for example from cities to natal villages). The deficiencies of family and local life could also prove of weak personal underpinnings of social relations (under-developed altruistic attitude).

At the beginning of the transition the role of social capital for the performance of the economy was undervalued. In the standard model of a market economy the private ownership of companies and the rules of the market were perceived as sufficient for efficiency. Only after a couple of years was it discovered that, while formal institutions can be quickly introduced, the adjustment of human minds and the behaviour of companies takes much more time and may be distorted by an excessive attachment to the rules of the previous system [Murrell, 2005]. Thus it was underlined that an essential problem of transition is the emergence of new informal rules capable of supporting the market, building trust and promoting respect for business obligations. These rules are closely related to social capita.

A review article by Raiser [2008] reports on the evidence of weak levels both of civic engagement and of social trust in transition economies. The lower level of social capital was found to matter in explaining different transition outcomes of those countries, the evidence being strong in the case of civic engagement and of trust in the legal system. Evidence is also quoted for the impact of positive relationship between firms belonging to the networks on their easier survival of the disorganisation in early transition. Engagement in inter-firm networks and reliance on reputable information was also found to enhance trust between firms, but only in a sound legal environment.

It was found also that feed-back may exist between trust in political institutions and economic performance, thus the success of transition may boost trust. Contrary to the hypothesis of Putnam, only a weak link was found between civic engagement and improved political governance in different countries.

There is also some evidence about underdevelopment of horizontal ties between SME in Poland. Loyal cooperation is particularly important in the long-term strategies, and it is of extreme value to small businesses which are ill-equipped to perform all functions by themselves. The survey of SME in Poland proved of lack of interest of those companies in cooperation. Their attitude was rather aiming at preserving their independence and keeping their assets and information for themselves [Raport, 2002].

The cooperation difficulties were found a hindrance to innovations in small firms. Since the technology development is expensive and is mostly beyond reach of the small company, it is crucial to cooperate with other businesses, the R&D establishments in particular. That said, these are precisely the Polish small companies that are parties to all but a handful cooperation agreements. Between 2002 and 2004, 6.4% small, and 20% medium sized Polish companies have had cooperation agreements closed with their business partners. In the European Union on the other hand already between 1994 and 1996 8.4% small and 16% medium-sized companies collaborated while doing their business. In Poland 45% large corporations and 50% of their EU peers were parties to cooperation agreements. Cooperation schemes were more frequent in the companies implementing innovations, which evidences its importance [Wojnicka, Klimczak 2006].

A survey based on a detailed questionnaire fulfilled on 90 representative SME in one of Polish regions proved that those firms develop strong relationships with their customers and suppliers, but their cooperation is limited to selling/purchasing functions and aims only at stabilisation of the position of the company [Starnawska, 2006]. The stable relations with customers and suppliers reveal high degree of interpersonal trust (that one may see through frequency of oral agreements). Even if they have some relations within the branch (with their competitors), the SME do not undertake any deeper form of cooperation (common marketing undertakings, pooling resources, making use of economies of scale). They do not see any advantage in those common actions. It was found also that the networks of personal relations of the managers/owners of SME are of limited size and are based on "strong" ties (family, close friends) rather than on "weak" ones. Those networks are usually not made use of neither for developing business (except in the phase of entering the market, by use of personal recommendations) nor even for acquiring information (in principle SME managers rely on Internet). Entrepreneurs exhibit both reticence to broaden their "weak ties" network and to use professional associations for developing business. As reasons of such a situation weakness of government initiatives to support clusters was indicated, but also rooted in history mentality of businesspeople (individualism, self-sufficiency, refusal to depend on the others).

## **Data and methodology**

The data used to assess the level and type of social capital in different European countries come from the European Social Survey. This survey is biennial, starting from 2002. It is a broad survey, covering the topics like media use, social and political trust, political interests and participation, socio-economic orientations, governance, moral, political and social values, social exclusion, national, ethnic and religious allegiances, well-being, health and security, demographic and socio-economics. The questionnaire consists of a basic module of

approximately 120 question and several rotating modules. I used the data from the last, third round of the survey, conducted in late 2006 and early 2007.

This round covered 23 European countries (Austria, Belgium, Bulgaria, Switzerland, Cyprus, Germany, Denmark, Estonia, Spain, Finland, France, United Kingdom, Hungary, Ireland, the Netherlands, Norway, Poland, Portugal, Russia, Sweden, Slovenia, Slovakia, Ukraine). Out of them 9 were the European Union new Member States, and 8 (except Cyprus) were post-socialist countries. In every country 1000-3000 interviews were fulfilled (from 995 in Cyprus to 2916 in Germany).

Out of all the variables I have chosen those indicating to some degree the level and type of social capital. The chosen groups of questions are:

- I. Relating to general altruism and hope for reciprocity
  - if I help someone I expect some help in return
  - important to help people and care for others well-being
- II. Relating to general trust in society
  - most people can be trusted or you can not be too careful,
  - most people try to take advantage of you, or try to be fair,
  - most of the time people helpful or mostly looking out for themselves,
  - feel people treat you unfairly,
  - feel people treat you with respect,
- III. Degree of participation in non-political associations
  - worked in another organisation or association in last 12 months,
  - help or attend activities organised in local area,
  - involved in work in voluntary or charitable organisations,
  - member of trade union or similar organisation (currently)
- IV. Relating to "weak" (distant) ties
  - feel close to the people in local area,
  - important to understand different people,
  - help others not counting family/work/voluntary organisations,
  - signed petition last 12 months,
- V. Relating to "strong (close) ties
  - how often socially met with friends, relatives or colleagues,
  - anyone to discuss intimate and personal matters with,
  - how much time spent with immediate family is enjoyable,
  - important to be loyal to friends and devote to people close.

Additional data made use of concerned the general socio-political attitude of the interviewed:

- voted last national election,
- trust in the legal system,
- important to care for nature and environment.

Selected variables cover all the three areas indicated in the study of the World Bank (membership in local organisations and networks, trust, collective actions).

In the original questionnaire the interviewees had usually choice between some degrees of variable (usually from 0 to 9, or very much like me, like

me,...), or some frequency (e.g. several times a month, once a week), or just a binary yes – no (plus refusal, does not apply). For this research all the values of variables were transformed into scalars by some aggregation of frequencies of alternatives (for example: up to 5, at least once a week). The values of transformed variables are indicated in the table in Annex 1.

On those values the correlations between the results for the countries were calculated (Annex 2). They were used to build clusters of similar countries.

As in the previous 2 waves of the survey the set of countries was covered was not the same, and in particular the representatives of the group of post-transition countries were not the same, I have not undertaken any dynamic comparisons.

## Results

The correlations enable clear distinction of the following clusters:

I – Austria, Belgium, Germany, United Kingdom, France, Ireland, the Netherlands; coefficients of correlation are at the level of 0,94-0,96

II – highly correlated group: Bulgaria, Poland, Hungary, Estonia, Ukraine, Russia, Slovakia, Portugal (correlations 0,96-0,98), and a slightly less correlated: Cyprus, Spain, Slovenia.

III – Denmark, Finland, Sweden, Norway (correlations 0,90-0,92).

It is interesting to see that besides the typical post-transition countries in the cluster II also the other countries found their place. It was the case of Portugal, Cyprus and Spain. Thus not only the socialist past was of importance for the attitudes of citizens, but also undeniably the long period of non-democratic ruling, the level of income and probably some cultural particularities.

The mean values of variables for the clusters are exhibited below.

**Table 1**  
**Values of social capital characteristic, by country**

Question	Cluster I			Cluster II			Cluster III		
	Mean	St.dev	Coef. var.	Mean	St.dev.	Coef. var.	Mean	St.dev.	Coef. var.
If I help someone I expect some help in return – agree strongly, agree	17,29	7,88	0,46	29,07	12,83	0,44	27,85	8,65	0,31
Important to help people and care for others well-being-much like me, like me	65,06	6,27	0,10	63,60	14,41	0,23	55,94	10,12	0,18
You can not be too careful – people can not be trusted (up to 5)	54,75	9,93	0,18	68,97	8,17	0,12	26,54	5,06	0,19
Most people try to take advantage of me – up to 5	41,21	6,98	0,17	61,92	6,21	0,10	21,67	4,23	0,20

cont. table 1

Question	Cluster I			Cluster II			Cluster III		
	Mean	St.dev	Coef. var.	Mean	St.dev.	Coef. var.	Mean	St.dev.	Coef. var.
People mostly look out for themselves – up to 5	55,81	9,91	0,18	74,69	5,10	0,07	39,34	1,43	0,04
Do not feel people treat you unfairly – up to 3	88,55	2,91	0,03	85,79	4,40	0,05	91,68	2,11	0,02
Do not feel people treat you with respect – up to 3	18,45	4,83	0,26	22,36	8,57	0,38	9,70	6,23	0,64
Worked in another organisation or association in last 12 months	18,00	6,45	0,36	6,19	4,65	0,75	28,25	3,77	0,13
Help or attend activities in local area, at least very 3 months in last 12 months	25,90	5,49	0,21	11,92	5,82	0,49	22,66	10,90	0,48
Involved in work for voluntary or charitable organisations, at least once every 3 months in last 12 months	27,71	5,98	0,22	8,85	5,30	0,60	23,69	7,69	0,32
Member of trade union or similar – currently	16,39	7,90	0,48	10,74	5,08	0,47	52,23	8,81	0,17
Feel close to the people in the local area – much like me, like me	54,81	6,56	0,12	59,30	10,24	0,17	57,36	9,67	0,17
Important to understand different people – much like me, like me	62,99	6,94	0,11	58,93	11,58	0,20	52,12	7,86	0,15
Help others not counting family/work/voluntary organisations, at least once every 3 months	51,56	7,10	0,14	30,21	12,72	0,42	59,33	7,03	0,12
Signed petition last 12 months	29,12	7,31	0,25	11,07	7,13	0,64	37,29	5,02	0,13
Socially met with friends, relatives or colleagues at most once a week %	50,16	8,08	0,16	55,64	15,09	0,27	45,25	7,19	0,16
Anyone to discuss intimate and personal matters with – yes	91,25	3,26	0,04	87,11	4,03	0,05	91,94	0,73	0,01
All the time spent with immediate family is enjoyable	37,87	6,63	0,17	47,98	6,38	0,13	34,00	8,08	0,24
Important to be loyal to friend and devote to people close – much like me, like me	80,70	7,78	0,10	75,48	10,82	0,14	72,35	12,63	0,17
Voted last national election Yes	71,06	8,84	0,12	69,19	10,25	0,15	81,18	5,83	0,07
No trust in the legal system – up to 5	48,59	9,86	0,20	66,15	13,02	0,20	25,68	8,66	0,34
Important to care for nature and environment – much like me, like me	70,64	5,98	0,08	70,75	8,06	0,11	59,00	11,92	0,20

As may be seen from the table, variables connected with general trust in society (second group of questions) have systematically the best values for the cluster III, medium – for cluster I, and the worst – for cluster II.

The variables the closest connected to altruistic attitudes has, on the contrary, the highest value for cluster I, followed by II and then by III. The same holds for question relating to comprehension of different people. On the contrary, the question on expectation of some help in return ranks the highest for cluster II, followed by III and then I. Nevertheless, the formulation of the question could be misunderstood: it is not clear if the expected help should be instantaneous and given by the same person or perceived in more “general” terms (in the future, from different people).

As to propensity for “weak ties”, the image is mixed. As to the most meaningful question on help to strangers its value is very high for cluster III, a bit lower for cluster I, and very low for cluster II. According to the question on understanding different people, the value for cluster I dominates over those for cluster II and then III. As to the question on feeling close to people in local area the results are similar for all the clusters. By the way, as to effective participation in local activities, clusters I and III overcome cluster II.

Cluster II is the most family-oriented, and has high propensity for “close” social contacts. Those contacts are, surprisingly, providing less opportunities for intimate discussions. May be we could qualify those close ties as superficial.

As to all the variables measuring involvement in organisations of general social interest, both I and III cluster highly dominate cluster II (it may be partly explained by lack of organisations of this type in the history of those countries). Ordering is similar as to signing petitions. As to trade-unionisation, it is very high in cluster III, and very low both in I and II.

Thus the post-transition countries (constituting the majority of cluster II) exhibit:

- in general, low general trust in society,
- in particular, low orientation towards wider social ties,
- medium declared altruism,
- high preference for close social relations.

Cluster I is characterised by higher altruism, medium trust, higher propensity to “weak” ties and to associations. Cluster III reveals less altruism, but high trust, high propensity to “weak” ties together with lower propensity to “close” ties.

As to explanatory variables describing trust in legal system and political participation (voting), their best levels exhibit cluster III, followed by I. In cluster II especially trust in law is very low.

Such a configuration of results clearly indicates that economies belonging to cluster II may be more ready to develop the structures embodying “bonding” cooperation. On the contrary, they may be deficient when weak ties and “bridging” forms of cooperation are concerned.

As to the similarities and differences between the countries from the cluster II, the most visible differences are between the group of Central and European

countries except Slovenia, but with Portugal, and the rest of the cluster (Slovenia, Spain, Cyprus). The second group reveals much higher propensity to develop „weak” ties, and not necessarily at the expense of close ties (they are very strong in Spain and Slovenia). This subgroup is characterised by higher trust indicators (except Cyprus), high altruistic tendencies, and also high involvement in association. Undeniably, longer practice of market economy and of democratic society was at the origin of those features.

At the other end are Russia, Bulgaria and Ukraine, with low trust indicators, low altruistic attitudes, weak associative life (except trade unions), weak propensity to develop „weak” ties, and also close ties. It seems that for those societies both short functioning of market economy and of democratic society was at the origin of those features.

The other countries (Estonia, Hungary, Poland, Slovakia and Portugal) exhibit mixed image of individual characteristics.

It is of interest also to distinguish the countries belonging to the cluster II that do or do not reveal similarity to any other societies outside the cluster.

First of all, Bulgaria, Hungary, Portugal, Russia, Slovakia and Ukraine do not have correlation indicators exceeding 0,9 with any other external country. It means that they constitute a “kernel” of the cluster very different from the other countries.

On the contrary, Spain, Cyprus and Slovenia have high values of correlation indicators with some countries outside the cluster. In the case of Spain, the degree of correlation (0,9341 with Belgium, 0,9265 with France, 0,9103 with the United Kingdom, 0,9099 with Ireland) allow to qualify it as a border case between the cluster I and cluster II. In particular, higher degree of trust and engagement in associations together with higher importance of “weak” ties place Spain closer to cluster I. Similar is the case of Slovenia, where historical reasons undeniably contributed to higher correlation with the features of Austria (0,9102) and Germany (0,9173). Cyprus on its turn reveals some similarity to France (0,9155) and Belgium (0,9306). This similarity is based mostly on the tendency to altruism and to “weak” ties while general trust remains low. Two other countries of the cluster II reveal some similarity to the countries belonging to the other clusters. It is Estonia (correlation 0,9160 with France, 0,9054 with Ireland and 0,9041 with Austria) and to a lesser degree Poland (correlation 0,9062 with France).

## Conclusions

The quantitative research proved that the societies of Eastern and Central Europe constitute a relatively homogenous group from the point of view of level and type of still lower social capital. They distinguish themselves from the other European societies by the low level of social trust, low propensity to ties with wider society and high preference for “close” social ties. This confirms findings reported by Raiser [2008] as to the lower level of social

capital in the post-transition economies. Nevertheless, the level and configuration of the features connected with social capital are different from country to country. It was also found that the group of post-transition economies is similar from this point of view to some Southern European countries (Spain, Portugal and Cyprus).

Some hypothetical factors explaining the low level of social capital in post-socialist and some South European countries may be pointed out:

- All those countries passed through several decades of totalitarism (except Cyprus, itself a victim of a war). During this period social activity outside the party-State system was prohibited or seriously limited. Thus the citizens of those countries were for a lengthy period unable to develop spontaneously "weak" horizontal ties and associations serving social needs. This may thus confirm the hypothesis of Putnam on the learning effect of associations on generalised trust.
- The differentiation within the group points to the importance of the length of the period of democracy and of a market economy (e.g. examples of Spain and Cyprus, less similar to the cluster). It may confirm the generalised thesis of Raiser [2008] as to the positive effect of the success of economic and political development on the features of social capital.
- The impact of cultural affinities is shown by a very strong similarity between Russia, Ukraine, Bulgaria and Slovakia. The different historical and cultural backgrounds of Estonia and Poland contributed to their slightly lower similarity to this group.
- Some particularity of the features of Estonia (a country of protestant culture) points at another common feature potentially influencing the level and type of social capital. Namely, all the countries of this group belong to catholic or orthodox tradition, relying much more on vertical authority than the protestant current. It could be one of the factors differentiating this group from cluster III (totally protestant) and I (partly protestant). This would confirm the thesis of Knack and Keefer [1997] on the impact of religious inheritance on the features of social capital.
- The factor contributing to lower level of social capital may be also the state of formal institutions in this group of countries. The lack of trust in their legal systems revealed for those countries reveals their deficiency and may adversely affect attitudes to cooperation. This would confirm the thesis of Rothstein [2004] on the impact of the quality of the political system on social capital.

The lower level of social capital in post-transition countries may be also stem from their level of development (income level, education) and from the changes the societies of those countries have undergone during transition (income inequality, strong preference for individual success).

The above indicated common configuration of features may create an obstacle for interpersonal and interfirm cooperation in post-transition economies. It may impact in particular on cooperation between SMEs where personal attitudes and contacts have more importance. Due to the features of social capital, it may lead to more "bonding" than "bridging" forms of cooperation.

The features of social capital of a society may be of particularly high importance during the period of lower confidence, as for example during the current financial crisis. If, due to the low level of propensity to "weak" (distant) social ties networks between firms are underdeveloped, reputation can not be channelled and thus the risk-aversion stemming from the difficult economic situation may be even more amplified as compared to more trusting and better network-equipped societies.

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## THE TYPE AND ROLE OF SOCIAL CAPITAL IN POST-TRANSITION EUROPEAN ECONOMIES

### Summary

Social capital is widely seen as an important factor behind economic development. It facilitates ties between businesses and reduces transaction costs. It also creates an innovation-friendly environment. But research reports also list some negative aspects of social capital, such as the creation of divisions within society and the uncontrolled emergence of various self-interest groups, and, in extreme cases, mafia-type organizations. Another problem is that the very concept of social capital has not been clearly defined in research reports, according to the author.

Lissowska sets out to determine if post-socialist countries differ from other economies in the way they use social capital. She starts out by defining social capital as a partially altruistic approach of an individual toward other people.

The study is based on data for 23 European countries collected during a European Social Survey in 2006. This body of data makes the author conclude that post-socialist countries have distinct features as far as social capital is concerned, such as a low level of social confidence and a tendency to maintain "close" rather than "remote" social ties. However, other countries such as Portugal, Cyprus and, less markedly, Spain, display similar features, Lissowska notes. These features may result from these countries' totalitarian past when social ties were more difficult to establish and maintain than today. They also stem from historic cultural factors such as insufficiently developed civil-society traditions in some of these countries, poor quality of government and law enforcement, religious traditions and new social trends such as people's drive to succeed economically.

**Keywords:** social capital, post-transition economies, informal institutions, social ties

**Annex 1**

Question/Country	AT	BE	BG	CH	CY	DE
If I help someone I expect some help in return – agree strongly, agree	35,43	15,46	30,43	10,31	9,55	19,31
Important to help people and care for others well-being-much like me, like me	59,58	72,19	58,93	71,73	83,72	66,43
You can not be too careful – people can not be trusted (up to 5)	56,92	57,68	79,86	45,57	71,56	63,24
Most people try to take advantage of me – up to 5	47,03	43,72	66,14	30,43	64,32	45,92
People mostly look out for themselves – up to 5	53,22	66,57	82,57	48,95	77,09	62,93
Do not feel people treat you unfairly – up to 3	83,45	89,15	78	92,24	88,64	86,25
Do not feel people treat you with respect – up to 3	20,62	20,13	27,5	8,7	20	19,1
Worked in another organisation or association in last 12 months	24,32	25,81	0,86	13,25	8,44	20,13
Help or attend activities in local area, at least very 3 months in last 12 months	30,98	23,08	5,36	29,55	10,55	21,78
Involved in work for voluntary or charitable organisations, at least once every 3 months in last 12 months	29,44	20,24	1,79	35,98	9,75	32,92
Member of trade union or similar – currently	18,63	32,48	5,21	11,86	16,78	9,47
Feel close to the people in the local area – much like me, like me	57,38	56,51	62,36	60,59	58,39	59,71
Important to understand different people – much like me, like me	54,43	63,63	46,93	77,33	73,07	64,64
Help others not counting family/work/voluntary organisations, at least once every 3 months	51,5	49,33	21,64	60,31	34,77	64,44
Signed petition last 12 months	20,42	30,31	5,14	35,64	10,55	28,19
Socially met with friends, relatives or colleagues at most once a week %	45,99	47,72	56	44,73	69,75	63,1
Anyone to discuss intimate and personal matters with – yes	86,61	89,43	81,57	96,29	87,34	94,44
All the time spent with immediate family is enjoyable	31,27	36,21	45,57	35,98	42,11	33,06
Important to be loyal to friends and devote to people close -much like me, like me	83,66	88,77	75,64	90,08	89,05	85,73
Voted last national election – yes	77,17	80,53	66,21	52,66	87,34	72,77
No trust in the legal system – up to 5	38,84	56,4	79	34,26	41,51	48,01
Important to care for nature and environment – much like me, like me	65,24	75,58	68,14	83,2	66,43	68,59

**Annex 1 cont.**

Question/Country	DK	EE	ES	FI	FR	UK
If I help someone I expect some help in return – agree strongly, agree	34,75	27,36	20,2	17,41	11,98	13,83
Important to help people and care for others well-being-much like me, like me	70,1	48,38	82,36	50,74	55,09	70,8
You can not be too careful – people can not be trusted (up to 5)	22,66	54,71	58,05	27,27	71,05	52,21
Most people try to take advantage of me – up to 5	17,41	49,37	54,8	21,57	45,12	44,07
People mostly look out for themselves – up to 5	38,14	66,38	72,01	41,4	71,2	47,79
Do not feel people treat you unfairly – up to 3	92,89	89,45	90,99	92,88	87,61	87,68
Do not feel people treat you with respect – up to 3	5,58	22,68	11,41	18,93	19,89	25,69
Worked in another organisation or association in last 12 months	25,25	4,48	14,29	33,76	14,9	8,94
Help or attend activities in local area, at least very 3 months in last 12 months	31,36	11,54	18,44	10,44	26,64	28,95
Involved in work for voluntary or charitable organisations, at least once every 3months in last 12 months	25,65	5,74	15,88	19,57	23,97	22,51
Member of trade union or similar – currently	61,99	7,12	8,48	50,11	6,55	15,58
Feel close to the people in the local area – much like me, like me	48,57	45,42	68,34	51,74	52,52	42,02
Important to understand different people – much like me, like me	60,13	59,13	73,45	55,85	62,54	65
Help others not counting family/work/voluntary organisations, at least once every 3 months	67,51	26,1	30,92	50,53	49,14	45,15
Signed petition last 12 months	35,81	6,53	22,71	31,91	33,13	40,85
Socially met with friends, relatives or colleagues at most once a week %	44,52	59,79	41,42	53,11	50,05	49,71
Anyone to discuss intimate and personal matters with – yes	91,56	84,31	93,23	91,09	87,87	91,52
All the time spent with immediate family is enjoyable	38,94	42,25	59,06	22,2	48,29	41,65
Important to be loyal to friends and devote to people close -much like me, like me	90,9	76,2	88,81	68,72	75,58	80,24
Voted last national election – yes	88,44	51,29	70,95	75,26	67,12	68,42
No trust in the legal system – up to 5	16,61	53,33	55,7	21,36	59,01	56,06
Important to care for nature and environment – much like me, like me	74,62	74,75	81,98	61,71	69,03	68,5

**Annex 1 cont.**

Question/Country	HU	IE	NL	NO	PL	PT
If I help someone I expect some help in return – agree strongly, agree	20,2	17,78	14,24	24,06	24,35	16,9
Important to help people and care for others well-being-much like me, like me	82,36	63,11	61,57	55,89	61,24	58,1
You can not be too careful – people can not be trusted (up to 5)	58,05	52,06	39,23	22,8	76,06	71,5
Most people try to take advantage of me – up to 5	54,8	43,67	29,7	20,23	64,79	66
People mostly look out for themselves – up to 5	72,01	43,39	52,41	38,74	82,57	75,5
Do not feel people treat you unfairly – up to 3	90,99	91,56	90,42	92,4	85,71	87,7
Do not feel people treat you with respect – up to 3	11,41	16,5	16,99	6,34	25,22	12,7
Worked in another organisation or association in last 12 months	14,29	12,33	24,3	27,14	4,47	3,69
Help or attend activities in local area, at least very 3 months in last 12 months	18,44	30,89	15,3	32,34	7,26	6,21
Involved in work for voluntary or charitable organisations, at least once every 3 months in last 12 months	15,88	23,11	33,51	33,54	3,83	8,96
Member of trade union or similar – currently	8,48	18,56	18	41,2	5,69	5,9
Feel close to the people in the local area – much like me, like me	68,34	60,61	49,13	70,4	63,51	65,8
Important to understand different people – much like me, like me	73,45	56,72	59,66	50,63	63,39	49,8
Help others not counting family/work/voluntary organisations, at least once every 3 months	30,92	45	47,59	58,23	28,65	14,7
Signed petition last 12 months	22,71	23,61	20,8	37,49	5,52	4,82
Socially met with friends, relatives or colleagues at most once a week %	41,42	60,89	39,12	35,89	71,88	22,2
Anyone to discuss intimate and personal matters with – yes	93,23	91	92,85	92,46	88,55	88,7
All the time spent with immediate family is enjoyable	59,06	45,72	30,81	35,37	51,6	51,2
Important to be loyal to friends and devote to people close – much like me, like me	88,81	68,22	73,32	67,09	79,66	66,6
Voted last national election – yes	70,95	71,28	78,56	77,94	61,65	72,6
No trust in the legal system – up to 5	55,7	56,83	39,28	28,23	77,57	69,6
Important to care for nature and environment – much like me, like me	81,98	65,5	69,45	51,71	74,9	57,1

**Annex 1 cont.**

Question/Country	RU	SE	SI	SK	UA
If I help someone I expect some help in return – agree strongly, agree	45,42	35,18	42,75	31,77	50,8
Important to help people and care for others well-being-much like me, like me	48,79	47,02	74,12	54,08	47,5
You can not be too careful – people can not be trusted (up to 5)	73,41	33,42	71,68	71,57	72,23
Most people try to take advantage of me – up to 5	61,02	27,45	63,89	67,55	68,38
People mostly look out for themselves – up to 5	74,44	39,08	68,29	73,9	76,77
Do not feel people treat you unfairly – up to 3	80,8	88,53	86,38	84,37	80,67
Do not feel people treat you with respect – up to 3	25,24	7,94	20,87	39,81	29,12
Worked in another organisation or association in last 12 months	4,76	26,83	2,44	8,44	1,9
Help or attend activities in local area, at least very 3 months in last 12 months	7,92	16,5	23,44	12,34	9,59
Involved in work for voluntary or charitable organisations, at least once every 3months in last 12 months	4,8	15,98	17,21	6,12	7,34
Member of trade union or similar – currently	15,55	55,63	16,73	9,74	18,43
Feel close to the people in the local area – much like me, like me	39,64	58,74	57,32	72,08	51,05
Important to understand different people – much like me, like me	46,61	41,88	66,94	45,87	49,6
Help others not counting family/work/voluntary organisations, at least once every 3 months	20,97	61,03	63,89	34,6	25,17
Signed petition last 12 months	6,73	43,95	13,82	18,12	5,09
Socially met with friends, relatives or colleagues at most once a week %	62,62	47,48	67,55	54,53	64,89
Anyone to discuss intimate and personal matters with – yes	85,27	92,63	89,77	84,31	81,97
All the time spent with immediate family is enjoyable	43,25	39,49	46,75	43,26	43,66
Important to be loyal to friends and devote to people close – much like me, like me	69,59	62,69	76,42	60,87	58,59
Voted last national election – yes	61,26	83,08	69,38	64,95	84,57
No trust in the legal system – up to 5	70,33	36,53	68,63	71,63	84,72
Important to care for nature and environment – much like me, like me	71,6	47,95	75,41	60,76	65,23

**Annex 2**

	AT	BE	BG	CH	CY	DE	DK	EE	ES
AT	1,0000								
BE	0,9402	1,0000							
BG	0,8300	0,8200	1,0000						
CH	0,9166	0,9283	0,6662	1,0000					
CY	0,8835	0,9306	0,9308	0,8220	1,0000				
DE	0,9570	0,9430	0,8175	0,9416	0,9104	1,0000			
DK	0,7531	0,7955	0,4088	0,8253	0,5925	0,7106	1,0000		
EE	0,9041	0,8932	0,9417	0,7990	0,9463	0,8921	0,6022	1,0000	
ES	0,9036	0,9341	0,8867	0,8823	0,9414	0,8934	0,6588	0,9193	1,0000
FI	0,7905	0,8560	0,5376	0,8269	0,6948	0,7907	0,9005	0,7140	0,6983
FR	0,9084	0,9278	0,8706	0,8956	0,9155	0,9497	0,6137	0,9190	0,9265
GB	0,9046	0,9383	0,7705	0,9439	0,8906	0,9286	0,7528	0,8787	0,9103
HU	0,8719	0,8419	0,9652	0,7248	0,9363	0,8592	0,5154	0,9611	0,8797
IE	0,9276	0,9187	0,8073	0,9213	0,8976	0,9354	0,7503	0,9054	0,9099
NL	0,9357	0,9498	0,7206	0,9566	0,8444	0,9385	0,8230	0,8504	0,8883
NO	0,7904	0,8007	0,4547	0,8705	0,5935	0,7589	0,9170	0,6191	0,7080
PL	0,8542	0,8582	0,9832	0,7349	0,9640	0,8682	0,4787	0,9722	0,9125
PT	0,8470	0,8507	0,9449	0,7316	0,8984	0,8076	0,4773	0,9038	0,9360
RU	0,8183	0,7892	0,9645	0,6299	0,8927	0,7881	0,4510	0,9536	0,8322
SE	0,7437	0,7773	0,5073	0,7592	0,5978	0,7186	0,9023	0,6476	0,6530
SI	0,9102	0,8715	0,9073	0,8147	0,9319	0,9173	0,6198	0,9331	0,8891
SK	0,8241	0,8040	0,9729	0,6705	0,8945	0,8175	0,4061	0,9232	0,8601
UA	0,7773	0,7344	0,9602	0,5776	0,8662	0,7488	0,3859	0,9294	0,7986

	FI	FR	GB	HU	IE	NL	NO	PL	PT
AT									
BE									
BG									
CH									
CY									
DE									
DK									
EE									
ES									
FI	1,0000								
FR	0,7048	1,0000							
GB	0,7888	0,9297	1,0000						

HU	0,6552	0,8606	0,8036	1,0000					
IE	0,8150	0,9191	0,9424	0,8804	1,0000				
NL	0,8917	0,8934	0,9221	0,7729	0,9202	1,0000			
NO	0,9034	0,6866	0,7619	0,5664	0,8180	0,8753	1,0000		
PL	0,6138	0,9062	0,8224	0,9763	0,8656	0,7770	0,5170	1,0000	
PT	0,5804	0,8892	0,7990	0,8971	0,8318	0,7893	0,5771	0,9264	1,0000
RU	0,5726	0,8343	0,7591	0,9523	0,7930	0,7110	0,4454	0,9568	0,8909
SE	0,9240	0,6580	0,7229	0,6141	0,7824	0,7981	0,9171	0,5577	0,5675
SI	0,6595	0,8971	0,8656	0,9244	0,9024	0,8206	0,6181	0,9336	0,8589
SK	0,5787	0,8654	0,7713	0,9552	0,8278	0,7323	0,5109	0,9581	0,9344
UA	0,5250	0,7933	0,7003	0,9520	0,7658	0,6602	0,4110	0,9484	0,8837

	RU	SE	SI	SK	UA
AT					
BE					
BG					
CH					
CY					
DE					
DK					
EE					
ES					
FI					
FR					
GB					
HU					
IE					
NL					
NO					
PL					
PT					
RU	1,0000				
SE	0,5511	1,0000			
SI	0,9026	0,6510	1,0000		
SK	0,9283	0,5620	0,8939	1,0000	
UA	0,9855	0,5177	0,8975	0,9434	1,0000