

Cooperative firms and local economic growth

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In this paper, we investigate the role of cooperative firms in fostering local economic growth. We assume that the cooperative firm is a crucial player in local economic growth processes due to its peculiarity in operating within the market generating social value, which, by producing relational capital and generalized trust, supports socio-economic cohesion. In order to test our hypothesis, we structure a panel analysis on a sample of 106 Italian provinces (NUTS-3) for the period 2012-2019. The results of this analysis, robust to several issues and scenarios, suggest that the local size of the cooperative sector could be one of those factors explaining the economic performance of Italian provinces.