The Snowball Of Social Entrepreneurship. From Myth To Reality

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In the last decade, researchers and academics have been writing about the “emerging” concept of Social Entrepreneurship and Social Enterprises. But, is it really an emerging concept?

It is true that these concepts have gained a lot of popularity in recent years for several reasons such as the increment of people in risk of a social exclusion situation (due to the social and economic crisis), the different legal forms in Social Enterprises among the countries, or the restrictions of employment policies in some countries. But, are we moving forward on the concept, or are we facing the same problems as Normon (1991) described twenty years ago (when they had a good deal of ambiguity concerning just what business ethics could or could not be)?

We are concerned that Social Entrepreneurship concept (and Social Enterprise concept) doesn’t gain the legitimacy that deserves (Mair and Martí, 2005). Because, despite all the literature and research concerning this topic in the last years (Borzaga and Defourny, 2001; Vidal and Valls, 2003; Spear and Bidet, 2005; Vidal and Claver, 2006; Nyssens, 2006; Defourny and Nyssens, 2006; Johnson y Spear 2006; Defourny and Nyssens, 2008; Defourny and Nyssens, 2012), there is still a problem to define “Social Entrepreneurship” (Hemingway, 2005; Light, 2009; Hulgård, 2010).

Based on Teasdale’s work (2011) we have analyzed the problem of Social Entrepreneurship boundaries. Nowadays everybody wants to be social; everybody wants its part of the cake, either for conviction or opportunism. So we have isolated four scenarios with two options in each one: limitation of Social Economy’ enterprises versus no limitation, and a positive reaction versus a negative reaction. Throughout the paper we will analyse thoroughly these four scenarios to see if we are living in a snowball where day by day it gets bigger and all kinds of enterprise have a place inside (with its consequences) or not.

This paper will follow a theoretical approach. We will study the main literature concerning the Social Entrepreneurship concept and its characteristics, as well as the two main models or schools of thought that the huge development of these concepts is bringing to us: the European (based on Social Economy’ enterprises with a productive model that seek to ensure social welfare throughout society) and the Anglo-Saxon (more focused on the enterprise resolving social problems regardless of whether it is a venture capitalist or an NGO). So, depending on which model is taken into account, we will find a more or less restricted typology.

Then, the paper will offer an explanation for the four scenarios. If it is possible to gain legitimacy or all companies can have a place in the concept. If there’s no limitation, they can grow in number or it could end on a vague and degraded concept. The impact of Social Economy’s contribution remains controversial, since some studies have linked social enterprises with Social Economy whereas others have not. Study the boundaries of the Social Entrepreneurship concept is essential to clear this idea, in order to continue and enhance the concept.