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ADVANCED EXPERIENCES OF SOCIAL ENTREPRENEURSHIP IN DEVELOPED COUNTRIES

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Abstract

This article theoretically studies the state of development of social entrepreneurship and its importance in the national economy. Furthermore, quantitative analyzes of the state of development of this sphere in the world, forms of state registration of social entrepreneurship in foreign countries, including Italy, France, Germany, and Great Britain, sources of income, and directions of activity are demonstrated. Having studied the tested and advanced practices of developed countries, we can be sure that even their social policy programs are unable to solve social issues such as improving the activities of the third sector and increasing social services and social responsibility in the field of entrepreneurship. In that case, social entrepreneurship emerges as an auxiliary force of the country's social policy.

Keywords. Social entrepreneurship, cooperatives, labor integration projects, non-profit organization, volunteers, mixed social cooperatives, social associations, limited liability company, social and solidarity economy, socio-economic indicators, democratic welfare, social innovation.

ПЕРЕДОВОЙ ОПЫТ СОЦИАЛЬНОГО ПРЕДПРИНИМАТЕЛЬСТВА В РАЗВИТЫХ СТРАНАХ

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Аннотация

В данной статье теоретически исследуется состояние развития социального предпринимательства и его значение в национальной экономике. Кроме того, продемонстрирован количественный анализ состояния развития этой сферы в мире, форм государственной регистрации социального предпринимательства, источников доходов и направлений деятельности в зарубежных странах, в том числе в Италии, Франции, Германии и Великобритании. Изучив проверенный и передовой опыт развитых стран, можно убедиться, что даже их программы социальной политики не в состоянии решить такие социальные вопросы, как совершенствование деятельности третьего сектора и повышение социальных услуг и социальной ответственности в сфере предпринимательства. В этом случае социальное предпринимательство выступает как вспомогательная сила социальной политики страны.

Ключевые слова. Социальное предпринимательство, кооперативы, трудовые интеграционные проекты, некоммерческая организация, волонтеры, смешанные социальные кооперативы, общественные объединения, общество с ограниченной ответственностью, социальная и солидарная экономика, социально-экономические показатели, демократическое благосостояние, социальные инновации.

RIVOJLANGAN DAVLATLARDA IJTIMOYIY TADBIRKORLIK TAJRIBASI

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Urganch davlat universiteti tayansh doktoranti. O'zbekiston

Annotatsiya

Ushbu maqolada ijtimoiy tadbirkorlikning rivojlanish holati va uning milliy iqtisodiyotdagi ahamiyati nazariy jihatdan o'rganilgan. Shuningdek, ushbu sohaning global rivojlanish holati, xorijiy davlatlar, jumladan, Italiya, Fransiya, Germaniya, Buyuk Britaniyada ijtimoiy tadbirkorlikni davlat ro'yxatidan o'tkazish shakllari, daromad manbalari, faoliyat yo'nalishlarining miqdoriy tahlillari keltirilgan. Rivojlangan mamlakatlarning sinovdan o'tgan va ilg'or tajribasini o'rganar ekanmiz, ularning ijtimoiy siyosat dasturlari ham uchinchi 119ector faoliyatini takomillashtirish, tadbirkorlik sohasida ijtimoiy xizmatlar va ijtimoiy mas'uliyatni oshirish kabi ijtimoiy masalalarni hal eta olmasligiga amin bo'lamiz. Bunday holatda ijtimoiy tadbirkorlik mamlakat ijtimoiy siyosatining yordamchi kuchi sifatida namoyon bo'ladi.

Kalit so'zlar. Ijtimoiy tadbirkorlik, kooperativlar, mehnat integratsiyasi loyihalari, notijorat tashkilot, ko'ngillilar, aralash ijtimoiy kooperativlar, ijtimoiy birlashmalar, mas'uliyati cheklangan jamiyatlar, ijtimoiy va hamjihatlik iqtisodiyoti, ijtimoiy-iqtisodiy ko'rsatkichlar, demokratik farovonlik, ijtimoiy innovatsiyalar.

Introduction

In the conditions of globalization and the impact of the pandemic on the world economy, the importance of social entrepreneurship in increasing the position of «human capital» in society and ensuring the well-being of people is increasing. Especially, during the Covid-19 pandemic, it serves as prominent means of implementing social protection programs for the population. This can be comprehended through the importance of this type of innovative entrepreneurship focused on the social sphere in the implementation of the social policy of the states, the reduction of inequality in the income of the population, and its role in solving social problems. Presently, in several countries, the cooperation of the public sector and business structures is directed towards eliminating unemployment, social inequality, conflicts, ethnic conflicts, gender discrimination, poverty and other problems in sectors with low efficiency [1]. In such conditions, there is an increasing interest in studying the role of social entrepreneurship as one of the forms of business organization, as well as in-depth analysis of researches related to stimulating the mechanisms of its development in the global economic practice of entrepreneurship.

This concept is new for Uzbekistan, and our economy is at the first stage of the formation of a clear mechanism for increasing the social responsibility of enterprises. Although there are no entrepreneurs in our country who are registered as «social entrepreneurs» or «social enterprises», there are entrepreneurs who contribute to the solution of social problems (education, health care, infrastructure) objects serve for the welfare of the people. The lack of a clear legislative system for the development of social entrepreneurship in our country, the lack of full development of organizational and economic mechanisms, requires conducting a lot of research in this field, developing the issues of applying the world's best practices in the country. The study of world experiences serves as a basis for the formation of the mechanism of social entrepreneurship in the country.

Literature review

Muhammad Yunus, one of the greatest representatives of the field of social entrepreneurship and social business, and the founder of Grameen Bank, explains the increasing importance of this field during the pandemic as follows: “Before COVID-19 struck, the global economy was like a high-speed train heading for self-destruction. The pandemic has stopped the train and given us an opportunity to redirect the tracks with social businesses in the lead” [2]. According to the analysis of scientists conducting research in this field, social entrepreneurs are currently working to overcome market failures caused by crises and to demonstrate more sustainable models for building a green economy. Social entrepreneurs are engaged in the following activities:

1. Providing products and services to the society in need of help during the pandemic crisis;
2. Providing jobs and social security in order to reduce income inequality;
3. Development of innovative solutions to eliminate social and environmental problems that are difficult to solve within the framework of state policy;
4. Implementation of sustainable development programs, encouraging the restoration of inclusive, green economy and markets within these programs;
5. Creation of agencies supporting social movements among communities and expansion of their powers. For example, according to the Schwab Foundation 2020 report, in 20 years, by financing the ideas of more than 400 of its leading social innovators, encouraging social inclusion and environmental protection actions, 622 in more than 190 countries has improved the lives of over a million people. It has also contributed to sustainability and improved access to health, sanitation, education and energy [2].

In the process of studying the history of the development of social entrepreneurship, we can see that it is not a new phenomenon. The types of activities related to social entrepreneurship date back to the beginning of the 19th century. Research on social entrepreneurship began to appear only in the 1970s, but by this time such organizations were very active in various fields and were considered the main lever of the state’s social policy. The process of the global development of the scientific and practical importance of social entrepreneurship dates back to the early 90s of the 20th centuries. Since this period, this concept has been recognized as an innovative approach of individuals to solve serious social problems arising in their society [3].

The development of social entrepreneurship and support of the social economy is one of the main directions of EU policy in solving social problems. We can cite the activity of the Economic and Social Council of the Republic of Bulgaria as an example. In Bulgaria, social enterprises operate in various fields, the main types of activities are the provision of social services, employment of the disabled, mediation in the occupation of the unemployed, provision of health services, activities in the field of education, etc. [4].

Summarizing the American and European experiences of social entrepreneurship and approaches based on the empirical research data of Russian scientists [5] shows that social entrepreneurship is at an early stage in the field of scientific research. During their researches, foreign scientists offer several methods aimed at solving social problems. In particular, the establishment of Regional Business Incubators dealing with the issue of employing ex-convicts [6], increasing the activity of non-governmental organizations in the health sector, establishing charity hospitals and ensuring its financial stability (especially the Indian experience [7]) several proposals of scientific and practical importance can be a clear example of this. In addition, for some countries of the world suffering from socio-economic

conflicts as a result of wars and ethnic conflicts, social entrepreneurship remains a source of socio-economic stability [8].

Research methodology

Analysis and synthesis, induction and deduction, statistical and empirical analysis methods were used to clarify the scientific content of the article.

Analysis and results

According to the report of Thomson Reuters Foundation, one of the largest organizations engaged in research in the field of social entrepreneurship, in 2019 the following 10 countries are recognized as the countries with the most effective conditions for the development of social entrepreneurship (Figure 1).



Figures 1. Countries with favorable conditions for the development of social entrepreneurship (ranked according to the level of development) ¹

In the countries listed above, the development mechanism of social entrepreneurship is fully formed, that is, the state support, the involvement of qualified personnel, the efficiency of the labor payment system, and the high level of investment attractiveness made it possible to increase the potential of social entrepreneurship. From this information, we can be sure that social entrepreneurship is internationalized as a result of applying innovative principles of entrepreneurship and solving social problems through positive scale effect. Now, we will analyze advanced foreign experiences in social entrepreneurship in individual regions.

Western European countries. The first periods of the establishment of social enterprises in the form of cooperatives in European countries correspond to 1820-1830 years. In 1844, a social cooperative based on several principles was established by English weavers from Rochdale. In the 1960s and 1980s, social cooperatives achieved a number of successes in Great Britain and Germany. Later, this practice spread to Italy, France, Switzerland, Belgium and Scandinavian countries. By the end of the 19th century, there were more than 2 million volunteers in social cooperation throughout Europe.

In the early stages of the development of social entrepreneurship in Europe, one of the first enterprises of Work Integration (Work Integration Social Enterprises) appeared, which were created as organizations for employing disabled people. Ten years later, with traditional social policies limited and countries' external debts increasing, the civil society launched a labor integration project to employ the long-term unemployed, as well as the low-skilled or people in need of social protection.

At the end of the 80s of the 20th centuries, active measures aimed at integrating the unemployed into the labor market were developed in Europe through vocational training programs, subsidizing job creation, etc. [9]. At the beginning of the 21st century, the Belgian government established quasi-market advertising services in order to create permanent jobs for low-skilled domestic workers, who were mainly provided informally. The advantage of such vouchers is that anyone who wants to provide services at home can buy a voucher and get tax benefits. Thus, households as customers hire workers not directly, but through service providers.

Italy. The concept of social entrepreneurship and social enterprise is not a new concept for Italy. This activity is being studied by researchers based on various criteria and characteristics. In particular, theoretical frameworks, job quality and job satisfaction, network strategies, and the impact of the recent financial crisis have been used in the analysis of the national economy, including the economic importance of social entrepreneurship, over the past two decades. In Italy, social enterprises operate mainly in the form of social cooperatives. In recent years, the activity of volunteers and donors in the social sphere makes it possible to create new jobs and engage in commercial activities. The emergence and evolution of social entrepreneurship in Italy can be studied in 4 stages:

- i. The stage of the emergence of social problems that cannot be solved by the Italian socio-economic policy (the 1970s);
- ii. The emergence of examples of the first social enterprise experiences on the initiative of citizens (1980s);
- iii. The stage of formation of the legislative system defining the position of the Italian welfare system participant (1990s);
- iv. The stage of emergence and development of traditional forms of non-governmental non-profit organizations (NGOs) in social enterprises (from the 2000s to now).

Over the years, social entrepreneurship has manifested itself in various forms. In particular, an economic crisis occurs in Italy during the 1970s. This, in turn, affects the standard of living of the population, that is, the increase in the level of unemployment, addiction to drugs, the rise of hunger and poverty shows that the Italian social protection system is not perfect at that time, it is not able to solve these problems. proves that it is not. It was for these reasons that the first civil societies were founded, called «institutions of welfare or charity» (Istituzioni di Assistenza e Beneficienza, or IPAB). Later, such organizations are expanded by a team of volunteers and operate in various social spheres. Their activity is also strengthened by legislation. For example, the first legislative action was initiated in 1988 by the Constitutional Court amending Law No. 6972 of 1890 on the organization of the IPAB. According to him, limiting the state monopoly in the provision of social services and ensuring the independence of actions serving the well-being of all citizens were protected by the law. One of the most important laws is the Law on Management of Voluntary Organizations (Law No. 266) and Social Cooperatives (Law No. 381) adopted in 1991 [10].

Laws like these served to discourage social enterprises in Italy. Before talking about Italian social enterprises, we will mention the definition given by the EMES International Research Network to the concept of «social enterprise» in the 1990s. According to this, a **social enterprise** is a private legal entity that operates independently of the government and carries out production activities regardless of the form of ownership [11].

This definition served as a programming standard in the formation of the legal system of social entrepreneurship in many European countries. Also, the indicators recognized in

the definition of EMES made it possible to divide social enterprises in Italy into the following 4 groups:

1. Social cooperatives (regulated by Law No. 381 of 1991);
2. Social enterprises in the form of associations;
3. Social enterprises in the form of foundations or religious institutions;
4. Social enterprises in the form of a limited liability company (by Legislative Decree No. 155 of 2006).

According to Article 1 of Italian Law No. 381, adopted in 1991, «social cooperatives» means cooperatives that aim to realize the common interests of society, human stimulation and social integration of citizens. Accordingly, they specialize in performing 2 different tasks: (a) management of social, health and educational services; (b) to carry out any activity to employ the disadvantaged strata of society.

There are four types of organizations belonging to the social cooperatives sector. The first type consists of organizations that only perform the activities described in paragraph (a), and therefore are called «A-type social cooperatives». The second type includes cooperatives that only carry out the activities specified in paragraph (b), that is, they are engaged in employing former drug addicts and alcoholics, convicts and ex-convicts, or persons with physical, mental and mental disabilities. Underprivileged persons in this form of social cooperatives should make up at least 30 per cent of the total number of workers, and their employment should be the main goal of social cooperatives. These cooperatives are called «Type B social cooperatives». The third type includes social cooperatives that perform the activities specified in clauses (a) and (b). Therefore, they are called «mixed social cooperatives». The last category consists of consortia of social cooperatives [10].

Regulation of social enterprise and its legal framework. Several organizations serve to regulate the social economic activities of social enterprises in Italy. Key players in such organizations include national and local politicians, researchers and educators, financial intermediaries and networks of social enterprises (Table 1).

Table 1.

The main organizations that regulate the activities of social enterprises in Italy²

Type of institution/Organisation	Actors
<i>Policy makers</i>	<ul style="list-style-type: none"> > Ministry for Labour and Social Policies > National Council of the Third Sector (chaired by the Ministry of Labour and Social Policies) > Regional authorities > Local authorities
<i>Research institutes & observatories</i>	<ul style="list-style-type: none"> > Network of Research Institutes on Social Enterprises (IRIS Network) > European Research Institute on Cooperative and Social Enterprises (Euricse) > Italian Association for the Promotion of the Culture of Co-operation and of Nonprofit (AICCON) > Research Centre of the Italian Union of Chambers of Commerce, Industry, Handicraft and Agriculture – (Centro Studi Unioncamere) > Centro Studi Legacoop > TIREZIA (Technology Innovation and Research for Social ImpAct) > National Institute of Statistics (ISTAT, Industry and Services Census)

Type of institution/Organisation	Actors
	> UBI Banca Observatory (Osservatorio UBI Banca su Finanza e Terzo Settore)
Networks	> Representative bodies (e.g., Federsolidrietà, Legacoopsociali, Forum of the Third Sector) > National, regional and local consortia (Consorzio nazionale Idee in Rete; Consorzio InConcerto, Gruppo Cooperativo Gino Mattarelli-CGM, Con.Solida, Sol.Co consorzio di imprese sociali siciliane) > Networks running entrepreneurial activities and social enterprise incubators (e.g., Impact Hub, FabriQ, Make a Cube3, SocialFare)
Financial intermediaries	> Traditional banks (e.g., Unicredit, UBI Banca) > Banks with a social orientation (e.g., Banca Etica, Cooperative Credit Banks-BCC) > Specialised banks (e.g., Banca Prossima) > Innovative instruments for social finance (e.g., Oltre Venture, UBI Banca social bonds)

In Italy, the formation of the legal system for the regulation of social entrepreneurship dates back to the 80s of the 20th centuries. From that time to the present, Italian legislation on social entrepreneurship has gone through several stages of development. (Table 2).

Table 2

Legal evolution of social enterprise in Italy³

Year	Type of legal act	Description – main aim
1988	Constitutional Court ruling 396	Established unconstitutionality of Law 6972/1890 (Crispi Law) providing that welfare activities had to be organized exclusively by public entities.
1991	Law 381 (on social cooperatives).	Acknowledged a new cooperative form explicitly aimed at pursuing the general interest of the community (A-type provides social, health and educational services; B-type integrates vulnerable persons into work).
1991-2000	Law 266/1991 on Voluntary Organisations, Legislative Decree 460/1997 on ONLUS, Law 383/200 on Social Promotion Associations.	Progressive recognition of the potential of associations and foundations to run economic activities that are consistent with their institutional activities.
2005-2006	Law 118/2005 and Legislative Decree 155/2006 (on SEs).	Allowed the establishment of SEs under a plurality of legal forms (association, foundation, cooperative, shareholder company) and enlarged the set of activities of SEs. Introduced a total distribution constraint and asset lock.
2012-2013	Legislative Decree 179/2012 and Decree of the Ministry of Economic Development of 6 March 2013	Established that mutual aid societies must register in the SE section at the Companies Register.
2016	Law 106/2016 (Reform of the Third Sector, SE and Universal Civil Service).	Re-launched the SE by introducing a new qualification. Established its non-profit purpose and placed the social enterprise within the third sector.
2017	Legislative Decree 112/2017 (revision of the previous legislation on SEs).	Repealed Legislative Decree 155/2006 and introduced a new discipline, which provides for partial distribution constraint, more inclusive

		governance, enlargement of the sectors of activity and exemption from corporate tax on retained profits.
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From the above analysis, it can be concluded that social entrepreneurship is a complex process for the Italian economy, in various forms (social cooperatives, social associations, limited liability companies) and specialization (providing social services that ensure the well-being of society, creation of jobs for the underprivileged, etc.) is being manifested. But they all have one thing in common: they serve to ensure social well-being and reduce income inequality.

France. The concept of social entrepreneurship is an activity that causes less discussion in France than in other countries. Instead, the concept of social and solidarity economy (SSE) is used. This concept is important for the French economy, and 10% of the employed work in this sector. The law adopted in 2014 created an organizational basis for its institutionalization. Under this law, several socio-economic criteria were established, including the redistribution and reinvestment of profits into the social sphere, democratic governance, and the blocking of forced ownership. Therefore, it includes all associations, cooperatives, mutual organizations and foundations. These commercial enterprises may be designated by state authorities (prefectures) as «enterprise solidaire d’utilité sociale or ESUS». Thus, it is not easy to describe the situation in France regarding social enterprises.

The main implication of this is that social enterprise, originally conceptualized in the international research network EMES [12], is very rare in France because it does not correspond to a sustainable approach. It has different forms, and its general features are embodied between three poles (Figure 2).

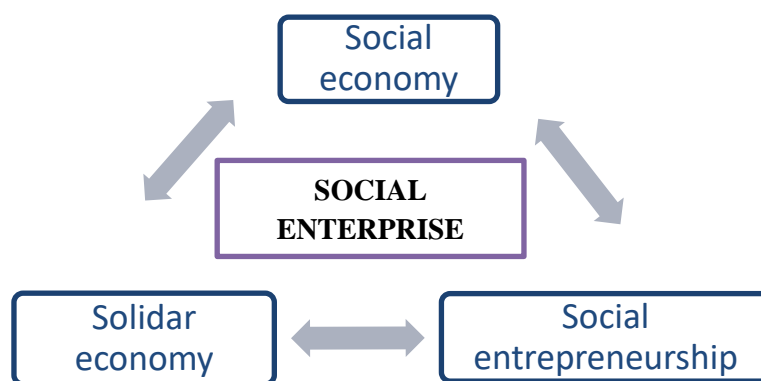


Figure 2. Social Entrepreneurship in France: At the Crossroads of Three Poles⁴

If we study the history of the development of this concept in France, we can see that it is characterized by the synergetic relationship between the market and the government between 1945 and 1975. By the 1970s, such a relationship caused several ambiguities. In particular, the political aspects of the solidary economy and the economic dynamics of social entrepreneurship caused interruptions in this field until the 70s and 80s of the XX century. The negative impact of the financial crisis in the first decade of the 19th century on society and the adoption of the law on social and solidarity economy in July 2014 led to increased

⁴Fraisse, L., Gardin, L., Laville, J.-L., Petrella, F. & Richez-Battesti, N. (2016) "Social Enterprise in France: At the Crossroads of the Social Economy, Solidarity Economy and Social Entrepreneurship?", No. 34, p 5.

scientific and public attention to the concept of «social entrepreneurship» presented in this legal document [13].

Models of social entrepreneurship. The conceptual approach of the EMES research network is used to assess socio-economic activities as «social entrepreneurship» in France. This is based on several indicators (Table 4).

Table 4

The system of indicators that evaluates the socioeconomic activity of social enterprises⁵

GROUP		INDICATORS	
A.	Economic indicators of social enterprises	i	Continuous activity in the production of goods and (or) realization of services;
		ii	A considerable level of economic risk (riskiness);
		iii	Availability of a minimum wage job;
B.	Social and inclusive indicators of social enterprises	iv	A clear purpose that benefits society;
		v	Citizens' initiative;
		vi	Limitations on Profit Sharing;
C.	Indicators representing the management structure of social enterprises	vii	High level of autonomy;
		viii	Decision-making rights not based on capital ownership;
		ix	Participatory nature of the activity.

In this context, researchers have proposed to distinguish and describe three models or ideal types of social entrepreneurship in contemporary France. The first two models can be seen as the result of the initiatives of French social and solidarity economists. The first model emphasizes the expansion of governance to stakeholders, which leads to new legal forms, in particular, the legal form of collective interest cooperatives and territorial cooperation. The participants of the second model operate within the framework of «collective action», but in this case, it corresponds to such situations as budget restrictions, limits of material aid funds and increased competition. Many organizations adopt a business model that leads to issues of growth and collaboration. The third model is explained by the emergence of social-purpose commercial enterprises in accordance with the pole of social entrepreneurship described above [13].

Germany. Social enterprises based on the German experience have been successfully operating for the past ten years. In Germany, social enterprises mainly include non-profit and commercial enterprises oriented towards social goals. From the research and observations, it can be understood that the modern social enterprises of Germany are currently mainly engaged in the elimination of environmental and ecological problems [14]. In Germany, the state's support of social entrepreneurship is significant. For example, we can say that in the coalition programs of political parties in 2018-2021, the main focus is on social entrepreneurship. However, there are still few social programs in the country.

The COVID-19 pandemic has affected all sectors, including social enterprises, to varying degrees depending on their organizational and financial structure. Some organizations have faced difficulties in achieving social impact due to limited access to their target groups or the impact of the pandemic on the sectors on which their activities depend

⁵ Defourny, J. & Nyssens, M. (2012) "The EMES approach of social enterprise in a comparative perspective", EMES Working Papers, No. 12/03, Liege: EMES International Research Network. Available HTTP: http://emes.net/content/uploads/publications/EMES-WP-12-03_Defourny-Nyssens.pdf

(e.g., tourism and primary education). On the other hand, the negative impact of the pandemic was felt less as other organizations adapted their work to the new conditions and accelerated the digitization efforts that had started earlier.

German social enterprises have their traditions, that is, traditions based on philanthropy, labor integration, mutual motivation in helping, and business principles that determine the status of social enterprises in society. The appeal to social entrepreneurship, especially after the Second World War, began based on the criteria of «democratic welfare». Social enterprises operating in Germany are mainly divided into 8 types. Each of them differs according to its organizational structure, management methods and types of social activities (Table 5).

Table 5

Types and directions of activity of German social enterprises⁶

	TYPES OF SOCIAL ENTERPRISE	DIRECTIONS OF ACTIVITY
1.	Traditional associations	Services, education, culture, housing, integration, etc.
2.	Social protection organizations (charitable funds)	Health care, care of children, youth, elderly, disabled and others.
3.	Applicable organizations	Services, education, culture, housing, integration, etc.
4.	Cooperatives	Savings and financing (indirect social aspect), affordable housing, ethical consumption, healthy food, rural and neighborhood initiatives, renewable energy, care services and more.
5.	Inclusive enterprises	Employment of disabled people
6.	Other social enterprises based on labour integration	Retraining and upskilling of laid-off workers or newcomers to the labor market
7.	New-style social enterprises	Services, education, culture, ecology, social integration, local economic development, neighborhood initiatives, etc.
8.	Neighbourhood and community enterprises	Neighborhood initiatives, local economic development, social integration

According to the results of the research and social survey, the sources of income of these enterprises are mainly state grants, subsidies and donations, which make up 20-30% of the total income on average (Table 6).

Table 6

Sources of income for German social enterprises⁷

Types of income	Associations	Limited Liability Company	Cooperatives	Funds
State grants and subsidies	29%	21%	4%	20%
Regulated service charges (social codes of quasi-markets (Sozialgesetzbuch, SGB))	38%	55%	17%	9%
Donations, sponsorship	13%	3%	<1%	6%
Own income (sales, membership fees, investment income)	19%	19%	77%	64%
Others	1%	2%	2%	1%
General	100%	100%	100%	100%

⁶ Social enterprises and their ecosystems in Europe. Updated country report: Germany (2019). Pp 15-64. file:///C:/Users/user/Downloads/SocialenterprisesandtheirecosystemsinEurope.UpdatedcountryreportGermany.pdf

⁷ There

According to the report of the Federal Ministry of Economic Affairs and Energy (Bundesministerium für Wirtschaft und Energie (BMWi) [15]), social entrepreneurship in Germany is in the following situation:

- Although social enterprises are considered leaders, they are still stuck between the social and economic systems;
- Inadequate support for social innovations;
- Germany exhibits many forms of social enterprises, so this sector needs more extensive systematization;
- Social enterprises are able and suitable to play a greater role in public procurement and tenders;
- Social enterprises and business incubation centers at universities provide complementary services, but insufficient support is provided in this area;
- Social enterprises need less cash capital than traditional enterprises, but more «patient» capital, and regular capital markets do not adequately meet this need;
- State support for entrepreneurship and economic development does not meet the requirements of social enterprises, etc.

The United Kingdom. Social entrepreneurship is an activity that offers alternative solutions to the country's social and environmental problems through traditional commercial approaches. This approach is unique to the United Kingdom, and interest in this field is growing year by year. The concept of social enterprise has been used in the United Kingdom since 1970. The traditions of modern social entrepreneurship are manifested in the culture of charity, democratic management, cooperative activity and socially responsible business. In the 90s of the 19th centuries, social entrepreneurship efforts intensified within the framework of various social programs, a new legal system, and state programs that included investment funds. Since 2010, attention has increased to social investment funds and social enterprises that have emerged separately from the public sector. Social enterprises operate in various forms in the United Kingdom. The most common type is Charitable Limited Liability Companies. Also, social co-operatives and the Community Interest Company, introduced by legislation in 2004, are the most common type of social enterprise in the United Kingdom. According to statistics [16], there are approximately 30,800 social enterprises, of which 19,500 are Charitable Organizations with Limited Liability, 7,000 are active Public Interest Companies, and 4,300 are social cooperatives.

If we analyze the conceptual basis of the concept of social enterprise, we can observe that the approach of the United Kingdom mainly includes inclusive features and differs in each region of the region. According to his approach, any organization focused on the social sphere can be a social enterprise. However, the Scottish Network of Social Enterprise (SENSCOT) Code of Conduct [17] outlines several elements of social enterprises:

1. A social enterprise is a business activity that trades in the market and sells goods and services, but the main purpose of which is to achieve social and/or environmental benefits;
2. Regardless of its legal form, the constitution of a social enterprise includes a requirement to reinvest profits into the business or its interested society and not to distribute them among owners/shareholders/investors;
3. The Constitution always requires that after the dissolution of a social enterprise, its assets should be reinvested in another organization with similar goals and objectives;
4. Social enterprises differ from charity and volunteer organizations by striving for financial independence through trade;

5. Social enterprises are separate from the state sector and cannot be a subsidiary of a state body.

Quantitative analysis. In the United Kingdom, social entrepreneurs are engaged in various economic activities. In particular, they can manage restaurants, organize additional training courses, produce sweets, and provide various medical and tourist services. About one in five social enterprises in London are active in education and skills development. Share of London social enterprises in the health and social services sector is lower than the UK average (Table 7).

Table 7

Types of commercial activities of social enterprises, 2021⁸

Principal trading activities	Social enterprises in UK (%)	Social enterprises in London (%)
Education and skill development	15 %	19 %
Creative industries – performing arts, music, film and television, book/magazine publishing, advertising, web, design, print, digital marketing.	9 %	12 %
Business support/consultancy	7 %	7 %
Retail	10 %	7 %
Health care	10 %	6 %
Employment and careers services	3 %	6 %

Most social enterprises are increasing various sources of income to reduce their financial dependence on donations and grants. Research shows that 75% of the income of 74% of social enterprises operating in the country mainly corresponds to trading activities. Social entrepreneurs are active in various sectors of the United Kingdom and are looking for different ways to limit financial dependency. In the future, along with the growth in this field, there will be environmental and economic crises, emergency situations, changes in ethnic processes related to youth, and other similar problems.

Conclusion

In general, we can say that we should develop the social entrepreneurship of our country and improve our national strategic concept, making extensive use of such advanced experiences of foreign countries. It is considered one of the most important issues of the country’s socialized market economy to determine its purpose, main tasks and priorities in this concept, and to develop a mechanism of social entrepreneurship based on the rich generosity, humanitarianism, selflessness and moral qualities of our people.

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