

SOCIAL ENTREPRENEUR AND ITS CONNECTION TO THE MODERNISATION OF THE SOCIETY

INTRODUCTION

In this article, I would like to support a discussion about a deeper understanding of the concept of social entrepreneurship in the context of its development in European countries during the last few decades which is closely connected to the modernisation of society and some of its consequences. Therefore, I will first very briefly introduce the history of the concept and I will then focus on the modernisation of society and the changes it has brought to an individual, families, communities and the welfare state. I will argue that the concept of social entrepreneurship as it is being perceived and has been developing during the last decades might be connected to the modernisation of society in two possible ways which I would like to describe in this article.

HISTORY OF THE CONCEPT

Although the modern concept of social entrepreneurship has been developing during the last decades, the socio-economic way of thinking and solving problems has its origin in ancient times with the thoughts of Plato, Aristotle or Seneca. The beginning of social economy and the cooperative movement themselves is connected to the social philosophy which emerged in the 19th century. The basis of social entrepreneurship was created approximately 160 years ago and the cooperative in Rochdale (established in 1844) is considered to be the first social enterprise.

Since the 1990s the transformation of European welfare states has been ongoing. At this time the modern concept of social entrepreneurship has become a more and more frequently discussed topic in relation to increasing interest in unconventional business. In 1991, Italy introduced and passed Act No. 381/1991 which gives special legal status to social cooperatives. Gradually, new forms of social economy entities that are part of the third sector have been estab-

lished. There have also been changes inside some of the traditional social economy entities that had been established before (Dohnalová, Průša et al. 2011).

EMES (research network of established university research centres and individual researchers which was established in 1996) was the first organisation which explored new trends in the area of social economy and proposed a new definition of a third sector entity – the social enterprise (Dohnalová, Průša et al. 2011). However, “social entrepreneurship” as a term has actively been associated with social economy” after the year 2000 (Bednáriková, Francová 2011).

I argue that the modern concept of social entrepreneurship is connected to the modernisation of society as it is trying to face some of the social problems that are considered to be consequences of that modernisation, and as it is a concept, that it is reflecting some of the characteristics of this phenomenon as well. In the following text I will briefly introduce those characteristics and why I think that they are closely connected to social entrepreneurship.

CHARACTERISTICS OF THE MODERNISATION OF SOCIETY

The modernisation of society is a phenomenon that has brought changes to society, not only during the transition from traditional to modern society, but also after this transition, as an important factor for the development of modern society. In European countries modernisation is connected to the emergence of new or relatively new social problems. According to Giddens (2004), the process of modernisation should not be seen only in a negative way, but the fact is that it brings a whole new set of problems and situations that society has never experienced before or to such an extent. Some authors and sociologists are trying to define these problems and to describe the ongoing processes that are causing them.

Zygmunt Bauman (2002) focuses on the society of the liquid phase of modernisation, which, according to the author, occurred after the solid “Fordist” phase. The author describes the notion of modernisation as a process that is characterised by its compulsiveness, obsessiveness, instability, unstopplability and is devouring, ineradicable and has an unquenchable thirst for “creative destruction”. Bauman argues that the most significant characteristics of the modernisation of society are emancipation, individuality, changes in the perception of time and space, a different conception of work, and changes in the importance of the community.

Czech sociologist Jan Keller (2007) claims that the most important characteristics of modernisation of society are individualisation, the changing

nature of work, a higher level of generalisation of relationships, the functional differentiation of the society, the high level of rationalisation of the society and new social risks.

Ulrich Beck (2004) considers risk as the most important feature of modern society, and even speaks directly about a “risk society”. Among the other phenomena characteristic for modern society, which Beck is addressing, belongs individualisation, a change in the nature of work, changes in gender, the generalisation of science and politics, and the threat of terrorism.

Last but not least, Gøsta Esping-Andersen (2002) is an author who reflects demographical and social changes related to the modernisation of society, such as the changes in gender which are closely connected to changes in the perception and structure of families, changes in the labour market, the process of individualisation or an increasing occurrence and intensity of social risks.

The sociologists mentioned thus coincide on several concepts that are characteristic for contemporary society. These include individualisation, changing perceptions of the work, the new importance of risk and uncertainty. These processes led to new conditions for individuals, families, organisations and the state, leading to the transfer of wealth and risk (wealth is moving up, risks down) (Keller 2011), towards the mastery of all subsystems of society by the economy (Bauman 2002). In my opinion, the risks, individualisation and changing nature of work also represent the most important processes (connected to the modernisation of the society) that are relevant for the concept of social entrepreneurship, as this concept might be directly connected to modernisation itself. In order to develop this idea I will briefly introduce the processes and connections to the history and development of the concept of social entrepreneurship.

INDIVIDUALISATION

Individualisation can be described, for example, as a process of transformation *within modernism, in which people are freed from social forms of industrial society – which represent classes, social strata, gender status of men and women – like during the “reformation” were they freed from worldly dominion of the Church in society* (Beck 2004: 115). According to Bauman (2002), individualisation is a process in which human identity is being turned from something that had been “set” into a “task” in which the responsibility for reaching the goal of this task, and for the consequences of its fulfilment are shifted towards its actors. This author also argues that the individualisa-

tion stands for a freedom which however brings many risks as well. Ulrich Beck (2004) introduces seven theses about the individualisation and in one of them he points out a similar aspect of individualisation like I have mentioned above – an individual is more and more often blamed for social problems which were caused by the system and they are even forced to deal with those problems individually. Beck is among the authors who describe skills that are necessary for individuals to live in a risky modern society. According to him those are *the ability to anticipate and endure dangers, to deal with them biographically and politically* (Beck 2004: 101).

Individualisation is one of the most significant characteristics of the modernisation of society that are reflected in the concept of social entrepreneurship and especially in work integration social enterprises or social firms whose main goal is to provide jobs to people who are disadvantaged in the labour market. In these organisations we can often identify an idea about the responsibility of an individual for their behaviour, their problems and the actual solving of those problems (although these are very often caused by the system and not by the individual and although the individual has only limited options to solve the problems on his own). Principles of individualisation are probably most reflected in solving unemployment through work rehabilitation which provides jobs only for a certain period of time. Here, an individual has an opportunity to level up his job competencies and increase his competitiveness in the labour market. However, in my opinion this is meaningful only in a case where the organisation also helps to access another job that would follow after the work rehabilitation (for example through cooperation with other employers from the market). Of course, social policy measures also play an important role. If the opportunities of the participation in the open labour market are low, the probability of integration into major society through work (*if we consider work as a means of integration into major society*) might be low as well.

CHANGES IN THE NATURE OF WORK

Changes in the nature of work represent an important characteristic of modernisation of society which has many consequences, especially due to the fact that work plays a significant role in the subsistence of every individual these days. Work is the central concept of every man's life since his childhood until his old age and it serves to measure someone's abilities, economic and social status. However, as Beck (2004) points out, work has lost its former security and protection functions in modern society. The idea of a "uni-

fied form of lifetime day job" is no longer accepted in this society and flexibilisation of three supporting pillars of labour – the labour law, workplace and working hours – has been an ongoing process during the last decades. According to Bauman (2002), the flexibilisation of work has an influence on the types of employment that are being preferred the most often, such as employment without any signed contract or employment with only short-term or open contracts.

The criteria that an individual must meet in order to integrate into the labour market have been changing as well. In connection to those changes, Ulrich Beck (2004) reflects an increasing dependence on education. This has led to the creation of new internal differentiation and social hierarchy. Since the 1980s, however, a situation occurs where education and diplomas are requested, although they do not ensure a position in the labour market. In the foreground are other characteristics that an individual must possess to be able to ensure their material existence (such as behaviour, connections, communication skills, etc.). A higher level of education thus becomes a prerequisite for an individual to even get a chance to apply for a position in the labour market, even though there is no guarantee that they will succeed.

In my opinion, changes in the nature of work are significantly reflected in social enterprises providing work rehabilitation or jobs for people who are disadvantaged in the labour market. The concept of social entrepreneurship itself reacts on increasing unemployment, on the demand for a higher level of education and job competencies, especially by the creation of jobs for people who are disadvantaged in the labour market or by providing work rehabilitation (whose goal is to improve education, work competencies and the competitiveness of an individual in the open labour market).

Changes in the nature of work are closely related to the increasing role of risks in today's society. According to Esping-Andersen *groups that once could count on security, like the standard manufacturing worker, now face major job risks. Similarly, young families with children are increasingly vulnerable* (Esping-Andersen 2002: 8). However, the same author also points out that new social risks affect not only those groups mentioned, but a large part of society.

RISKS

As I have mentioned above, risks play an important role in postindustrial society. Jan Keller (2011) focuses on social risks that threaten a large part of the population, especially the middle class, and that consist not only of the "classic" social risks (such as poverty or social vulnerability), but also of those

which Keller calls the "new" social risks (for example an increasing occurrence of unpredictability or the absence of efficient insurance). The "classic" social risks were primarily associated with the fact that some people could not find work and thus could not participate in insurance systems. These risks had a relatively fixed position within the framework of social stratification. New social risks cause a situation where, due to the failure of the insurance systems of a welfare state and due to the changes in the labour market, many people are not able to insure themselves with private agencies. Unlike the old social risks that were linked to relatively permanent positions in the framework of social stratification, the *new social risks may affect members of different social classes in specific stages of their lives* (Keller 2011: 42).

Also Ulrich Beck (2004) claims that risk represents a very important characteristic of modern society. Although it is not a new phenomenon, the difference between risks in traditional and modern society lies in its extent, because those that appear in today's society have a global character and modern causes. Beck not only defines risks associated with situations of social threat (under which today are not only people from the poorer classes, but also rich and powerful ones) but another five theses concerning the areas in which risks are present as well, such as the market where risks are more and more frequently present and exploited. However, the author points out that threats in the market are not only perceived as threats, but as market opportunities as well.

Social entrepreneurship as a concept is closely related to the idea of risk. Social enterprises must conduct market risks which might be even more striking than in the case of regular for-profit entrepreneurship (especially because of the special conditions of the employment of people who are disadvantaged in the labour market). Those risks might be partly compensated by some public resources that are not accessible (or not to such an extent) to "regular" for-profit business. However, this makes social enterprises in a way of vulnerable, just as any other organisation in the social sphere that is dependent (or partly dependent) on the support of the welfare state at a time when the European welfare state is experiencing its crisis. For example, the existence of organisations providing social services operating on other than purely market principles might be endangered because some of those services might be considered as "insufficiently competitive" on the market (Vanický, Truhlářová 2008). However, in my opinion here lies the potential for social entrepreneurship as it applies the economic paradigm to a certain degree (and so it is not strictly opposing neoliberal thoughts of competitiveness, effectiveness, efficiency etc.) and because it might represent a space where social and economic goals together play the role of "coworkers" and not "competitors".

I argue that social entrepreneurship might also contribute to an attempt to reduce some of the negative consequences of the modernisation of society. Social entrepreneurship is trying to cope with increasing inequalities and the number of people threatened by poverty and exclusion by activities aimed at the social integration of those people, by integration of excluded localities or communities and by the suppression of various forms of discrimination. Work integration social enterprises or social firms promote the idea that the integration of an individual can be achieved through employment, which corresponds to the significant importance of work within the human life cycle. However, as I have already mentioned, if social enterprise does not provide long-term jobs (and only focuses for example on work rehabilitation), it should help to ensure that the employee will have an opportunity to get another job (for example at a partner organization) after the end of the current contract. Policy measures should support the creation of new jobs and the effort of social enterprises to ensure the subsequent employment of their employees (after the end of the current contract).

In postindustrial society, bonds of primary sociability (relationships with relatives, friends etc.) have been weakened, together with the increasing instability of families in general (Keller 2007). Social entrepreneurship might help people to strengthen these bonds. For example, social enterprises that provide jobs to those who are disadvantaged in the labour market usually also provide psychosocial support to them which might be focused not only on the problems connected to employment but on solving personal problems as well. This support, together with the provision of a job itself, might help employees improve their relationships with family members or friends (and other people from their surroundings) to solve some of their personal problems or to fulfill their needs.

The development of European societies and welfare states in the last decades is closely related to the increasing inability to meet the demand for social services, help and support in certain areas. Social entrepreneurship might play an important role since it is located on the border between the non-profit and private for-profit sector and since it is able to meet some of the needs of individuals, communities and welfare states and to provide the demanded services or products. In this society, where the economy has a strong influence on every subsystem, the ability to partly (and in few cases completely) produce capital, that is needed for the development or maintaining of some of the activities of an social enterprise connected to its social objectives, is highly appreciated (and in recent years also supported by a number of measures).

To summarise, I claim that social entrepreneurship as a concept that has been developing during the last decades is connected to the modernisation of the society and this connection might be perceived in two possible ways. The first one sees social entrepreneurship as a concept that is supposed to reduce some of the negative consequences of the modernisation of society, and the second one sees it as a concept that is reflecting some of the characteristics of modernisation such as individualisation, increasing the importance of risks, changes in the nature of work (but also other characteristics – for example increasing the tendency to rationalise the social sphere, the dissemination of economics as a paradigm, the colonisation of public space, etc.). Social entrepreneurship represents any idea that is trying to combine social and economic principles and objectives together in order to face new challenges that have emerged. However, it is important to remember that in the practice of social entrepreneurship these two seemingly incompatible areas must always be equally balanced, otherwise it would not follow the principles and main idea of the concept anymore and would tend to become just a “regular business” or a “regular nonprofit (or rather “not-for-profit”) activity”. In my opinion, to achieve this balance it is important to realise the context of the development of this concept and all the consequences it has for the practice of social enterprises and for the people from target groups which those organisations are focused on. If so, social entrepreneurship might help individuals, families and communities to face some of the problems which cannot probably be completely eliminated, but which we can try to at least reduce.

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Summary

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Key words: social entrepreneurship, modernization of society, changes