

## Chapter 7

# FROM POPULAR MOVEMENTS TO SOCIAL BUSINESSES

## SOCIAL ENTREPRENEURSHIP AS DISCURSIVE EUROPEANIZATION

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In recent years the concept of social entrepreneurship has gained strong recognition globally and is often viewed as a new policy paradigm whereby welfare delivery transcends traditional boundaries between the market, the state, and the family (Defourny and Nyssens 2008; Nicholls 2010; Nyssens 2006; Santos 2012). Although the understanding of social entrepreneurship varies between different cultural and national contexts, it is frequently conceptualized as social innovation processes undertaken by social entrepreneurs, which can refer to a broad range of activities from voluntary activism to corporate social responsibility in the for-profit sector (Defourny and Nyssens 2008; Gawell 2014; Kerlin 2006; Nicholls 2010). Despite a lack of clarity surrounding the phenomenon and its definition (Defourny, Hulgård, and Pestoff 2014a; Gawell 2014), social entrepreneurship is generally seen as a homogenous entity based on the premise that the application of business logics to third-sector<sup>1</sup> organizations will bring the benefits of the market to consumers of welfare services and thereby solve contemporary welfare challenges (Defourny and Nyssens 2010; Kerlin 2006; Nicholls 2010).

In this chapter the concepts of social economy and social enterprise, both of which originated and spread from vital vocabularies in European Union (EU) social policies, are examined as cases of discursive Europeanization in a Swedish setting. The interaction of EU discourse and Swedish domestic

discourse on the topic of social business is analyzed. The analysis focuses on the preexisting frames at the national and EU levels that have been used to elaborate social enterprise as a potential new and legitimate performer on the Swedish welfare landscape. In examining what kinds of resonances various discourses on the social economy sector have created, and how they have changed over time, I discuss and analyze the implications of social businesses as cases of discursive Europeanization in a Swedish setting in a wider institutional context.

### **An Emerging Social Entrepreneurship Paradigm**

The increased interest of civil society actors as entrepreneurial welfare providers—or an emerging social entrepreneurship paradigm—is today emphasized in the policy arena of the European Union (EU), and in this context it is often talked of in terms of the social economy sector (see, e.g., EESC 2012). The term “social economy” was officially adopted in EU policies in 1989. As a concept, however, the term has a long history emphasizing social relations in human economies (Laville 2014; Polyani 1977; Trägårdh 2000). However, as a particular sphere of economic activity arising in civil society, the concept has gained increased recognition in the political discourse of recent years (Amin, Cameron, and Hudson 2002), and this is how it will be addressed in this chapter. Defourny and Develtere (2009) note that the concept of social economy, unlike the term “nonprofit,” highlights the democratic processes in civil society organizations (CSOs) while allowing for profit distribution to the members of associations. They further argue that these specific characteristics have helped the notion of social economy to gain increased recognition from national and supranational authorities such as the EU.

Over the past few years the social economy sector has enjoyed increased political and legal recognition through the promotion of EU initiatives such as the Social Business Initiative, the European Foundation Statute, and the Social Entrepreneurship Funds. Whether the rising social entrepreneurship paradigm will lead to a greater opportunity for civil society and social economy actors to provide a more participative and pluralistic welfare, or instead result in unregulated welfare privatization, is today a highly contested subject (see e.g., cf. Anheier 2005; Clark and Johansson 2017; Defouny, Hulgård, and Pestoff 2014b; Laville 2014; Levitt 2013; Pestoff 2009). In similar discussions, the notions of new public governance (Osborne 2009) or coproduction (Pestoff 2012)—implying a provision of welfare services based on public–private networks—are often used to emphasize the necessity of state intervention and regulation in social

entrepreneurship initiatives (Defourny, Hulgård, and Pestoff 2014a; Pestoff 2012).

### *Social Entrepreneurship and the Swedish Welfare State*

Viewed in terms of Europeanization, emerging EU policies on social entrepreneurship might offer new political opportunities for CSOs to act on in domestic settings (Marks and McAdam 1996; Olsson et al. 2009). In Sweden, however, the idea of social entrepreneurship challenges institutionalized ways of understanding civil society because the sector's democratic function—as opposed to its economic or entrepreneurial facets—has traditionally been in focus. In the dominating Swedish discourse on civil society, the notion of popular movements has been used to describe the sector. In contrast to the European emphasis on service production and employment, issues of membership and representativeness are usually emphasized in the Swedish context (Hvenmark and Wijkström 2004; Olsson et al. 2009; Wijkström and Zimmer 2011). Thus clashes between the ideological and normative base of the EU project and the Swedish welfare state might challenge or pose a threat to the Swedish model and its view of the ideal relationships among the state, the individual, and civil society (Trägårdh 2007). Because welfare delivery has traditionally been framed as a public responsibility within the Nordic welfare system, space for service-producing CSOs has usually been limited (Esping-Andersen 1990; Salamon and Anheier 1998). However, as the Swedish welfare state underwent changes during the 1990s toward marketization and privatizations, a parallel shift from voice to service is today reflected in official civil society policies in Sweden (Lundström and Svedberg 1998; Lundström and Wijkström 2012). For example, in 2010 civil society was referred to for the first time in a Swedish government bill as “entrepreneurial” (Swedish Government 2009). The very same year the Ministry of Enterprise (Swedish Government 2010) launched the Action Plan on Work Integration Social Enterprise. Similar actions illustrate how Swedish civil society today is increasingly framed in entrepreneurial terms in official policies, similar to the policies emerging at the European level. However, it must be emphasized that no official or general definition of the concepts of social entrepreneurship or social enterprise exist in Sweden today.

### **Analytical Framework and Empirical Data**

Jacobsson (2004) speaks of the common use of language, vocabulary, and cognitive frameworks in the EU as Euro-discourse, serving the purpose of

generating shared problem definitions in order to more easily frame common policy prescriptions and interventions within the EU. As described in chapter 1 which elaborates on the joint theoretical framework of this anthology, in processes of Europeanization civil society actors can be viewed both as active agents and as objects of structural constraints. Because ideas and projects initiated at the European level often leave a space for negotiation, civil society actors can actively take part in the creation, negotiation, editing, and translation of discourse into national settings (Mörth 2003). In this context, the concept of norm entrepreneur is relevant because it highlights the agency not only to translate, but also to diffuse and mobilize support for certain beliefs—for example as social entrepreneurship—in a national context (DiMaggio and Powell 1991; Börzel and Risse 2003). In processes of Europeanization, social entrepreneurs can simultaneously be understood as constrained by and/or as reproducing certain predominant domestically constructed narratives of civil society (Potter and Wetherell 1987). In this sense they are analytically understood as agents constrained by structural limits (Mörth 2003).

Central to the social constructivist approach adopted in this chapter, the analysis of social businesses discourse deconstructs how frames and demarcations change within—and between—different contexts and arenas where social businesses are described, at a policy level and among civil society actors. The analytical framework used brings attention to rhetorical variations that occur in discourse of social business, and what kinds of discursive negotiations and/or struggles this reveals (Laclau and Mouffe 2001). In the analysis the notion of frames of interpretation is used to describe smaller or locally constructed narratives of social business reflected in the talk conducted by civil society actors, while the concept of discourse signals inflections with wider institutional implications (Potter and Wetherell 1987). How different entities are categorized in diverse contexts by different actors, how varying practices of categorization influence the understanding of specific objects, as for example the social enterprise, and what kind of account practices are used to construct certain objects as trustworthy are of further analytical interest (Lakoff 1987; Potter 1996).

There are three main sources of empirical material used within this study. First, text documents from the Swedish state policy arena, where the phenomena of social enterprises and social economy are discussed. The policy texts consist of commission reports, government bills, and other Swedish government publications published between 1998 and 2014. Second, retrospective interviews with twelve Swedish key agents on social entrepreneurship that influence domestic policies for social enterprises. Third, texts consisting of debate articles and referral responses to political proposals to social enterprise matters published by Swedish Civil Society

Organizations (CSOs) are used. The retrospective interviews were conducted with key agents who took on the role of consultation at the domestic level. These agents represent organizations such as the Swedish Association of Local Authorities and Regions, Coompanion, and the former Cooperative Institute. Retrospective interviews were also conducted with key agents from CSOs who run well-established social enterprises or umbrella organizations of social enterprises in Sweden, including the organizations Basta, Famna (The Swedish Association for Non-Profit Health and Social Service Providers), and Skoopi. Key agents who represent state-organizations involved in supporting and impacting social enterprises and national policies on social entrepreneurship, such as the Swedish Agency for Economic and Regional Growth, and the Swedish Public Employment Service, were also interviewed. All interviews were conducted during 2013 and 2014. The analytical emphasis of the chapter focuses on the public documents. Because the interviews mainly had a retrospective perspective, the central frames of interpretations and narratives appearing in the interviews are summarized rather than subjected to a transparent text analysis.

### **The Talk of Social Business in the EU**

The embracing of the concept of social economy within the EU can be seen as a starting point of an emerging European social entrepreneurship policy paradigm, which became official in 1989 when the European Commission (EC) adopted a *Communication on Business in the Social Economy Sector* (EC 1989). As implementation of the economic and monetary union during the 1990s increased the economic interdependence among the EU member states, labor market and social policies gradually came to be defined as areas of common concern. In this transition the broad participation of civil society actors was encouraged (see, e.g., Hodson and Maher 2001; Jacobsson 2004). During the 1990s a specific political interest in finding new solutions to employment issues also emerged within the EU, which for example was reflected in the white paper “Growth, Competitiveness, Employment” (CEC 1993). This emerging interest in employment issues outlines the start not only of a shared European employment policy but also the framing of a common European employment discourse, where the notion of social economy came to be positioned as central in the emerging discourse (Sciarra 2000; Jacobsson 2004). The focus on an inclusive labor market, reflected in the adoption of the European Employment Strategy (EES) in 1997, stressing the need to increase the involvement of vulnerable groups in the labor market, further exemplifies how social economy actors were—and still today very much are—regarded as vital agents in European efforts for social cohesion.

As previously mentioned, the social economy sector has been subjected to increased political and legal attention within the EU. When the EC in 2011 launched the Social Business Initiative (EC 2011) in order to support the development of social enterprises, yet another step in demarcating a social entrepreneurship policy paradigm was taken. However, previous attention to the concept of social enterprise—as a specific entrepreneurial part of the social economy—was already paid, among others, by the European Research Network of Social Enterprises, whose EU-wide studies on the phenomenon in the early 2000s (Nyssens 2006; Defourny and Nyssens 2008) were financed by EU research funds. Yet through the Social Business Initiative the term “social enterprise” made a definite entrance into EU policies and has—as shall be seen in the analysis in this chapter—proven to be important for the framing—or reframing—of the discourse of social enterprise as it has emerged in Swedish policies.

### *EU Policies on Social Enterprises—and Swedish Translations*

Looking into the policy arena of the EU, I identify several variations in the framing of social enterprises. In the Social Business Initiative, the EC (2011:682, p. 6) recognizes a range of definitions used across Europe and states that social entrepreneurship—when defined—does not necessarily have to mean exactly the same thing from one country to another. The EC (2011:682, 4) further states that it itself “does not seek to provide a standard definition which would apply to everyone and lead to a regulatory straitjacket.” However, in the Social Business Initiative the term “social enterprise” is used to cover the following types of business (EC 2011, 2–3):

- those for which social or societal objective of the common good is the reason for the commercial activity, often in the form of a high level of social innovation
- those where profits are mainly reinvested with a view to achieving this social objective
- and where the method of organization or ownership system reflects their mission, using democratic or participatory principles or focusing on social justice

Thus,

- businesses providing social services and/or goods and services to vulnerable persons

- businesses with a method of production of goods and services with a social objective but whose activity might be outside the realm of the provision of social goods or services

As a part of the Social Business Initiative, a study to map the boundaries of social enterprise activities in the member states was initiated in 2013 (EU 2014). A growing interest and convergence in views across Europe regarding the defining characteristics of a social enterprise was found in the study, and Sweden was portrayed as one of the European countries in which a broad variety of support schemes specifically designed for social enterprises had been initiated. However, important variations in the use of social enterprise were identified within the member states. One of the issues was regarding the Swedish definition and understanding of social enterprise (EU 2014, 3): “In a few countries (Finland, Lithuania, Poland, Slovakia, and Sweden), the notion of social enterprise as articulated in national laws and/or policy documents narrowly focuses on work integration social enterprises (WISEs). This restricted definition excludes enterprises pursuing societal missions such as provision of social and educational services, the environment, well-being for all, or solidarity with developing countries.”

Thus, the Swedish conception of social enterprise, although supported by national regulations (cf. Swedish Government 2010), appears to be narrower in scope than in most other European countries in only comprising the concept of work integration social enterprises, while in several other countries social enterprises are recognized as aiming at a much broader social economy. However, according both to the mapping report (EC 2014) and to Defourny and Nyssens (2010), work-integration social enterprises, delivering work-integrative activities to disadvantaged groups, is the most common form of social enterprises in Europe. Accordingly, work-integration social enterprises are framed in EU-related documents as the narrowest organizational form of social entrepreneurship and as only encompassing work-integration activities, while social enterprises in general are understood as organizations comprising a wider scope of social activities and ambitions, such as long-term care for the elderly and persons with disabilities, early education and child care, social housing, and so on.

### *The Swedish Editing of the Social Economy*

Both in the Social Business Initiative (EC 2011) and the EU report mapping European social enterprises (EC 2014), the term “social economy” is spoken of in a taken-for-granted manner, which implies that the concept of social economy is regarded as clear and convergent in the EU policy arena.

In Swedish state policy documents, however, this is not the case. In several public reports published in recent years, where central issues concerning social enterprises are discussed, the term “social economy” is not even mentioned (i.e., Ministry of Health and Social Affairs 2014; Swedish Government 2014a; Swedish National Board of Health and Welfare 2002, 2004). When the concept does appear, it is always followed by a definition or explanation (Swedish Government 2007b, 2009, 2013; Överenskommelsen 2009), such as the following example (Swedish Government 2009, 29, authors’ translation): “The term social economy usually refers to organized economic activities which primarily have social purposes, are based on democratic values, and are organizationally independent of the public sector. Such activities are conducted primarily in associations, mutuals, non-profit associations, foundations, or cooperatives. The activities are of general utility or benefit for their members, and their primary purpose is not to obtain a return on capital.” In either leaving out or—when mentioned—always adding a description, the concept of social economy emerges as less taken for granted in Swedish policies than in EU policy documents, where it is referred to as traditional. Although the Swedish government in 1998, three years after Sweden joined the EU, adopted an official definition of social economy (Swedish Government 1998), the use of the term has proved somewhat difficult. For instance, a predilection for categorizing the social economy as synonymous with popular movements is visible in official policies, such as in the Swedish Government Official Reports series paper “Movements in Our Time” (Swedish Government 2007b). Here, the term “social economy” is repeatedly used in tandem with the concept of popular movements. Because popular movements generally have connotations with democratic gains and being the voice of civil society, rather than providing a service delivery function (Hvenmark and Wijkström 2004; Wijkström and Zimmer 2011), to categorize social economy as a part of—or something synonymous with—popular movements risks obscuring the role of economic activities in social economy initiatives.

However, increased political interest in the participation of third-sector actors in welfare provision has been reflected in Swedish policies in recent years (see, e.g., Swedish Government 2009, 2014b). The process of generating a dialogue between the state and the Swedish voluntary sector, a dialogue that was initiated in 2007 and reached a formal agreement in 2008 (Överenskommelsen 2009), illustrates how actors of the third sector—mainly referred to as civil society organizations in today’s Swedish policy discourse—are framed as important welfare agents, both in their role as welfare producers and as democratic multipliers. The government bill on “A Policy for the Civil Society,” adopted in 2010, further underlines this political ambition (Swedish Government 2009). Here, for the first time in a



formal policy context, social economy is talked of as “the entrepreneurship of civil society.” This way of describing the social economy reflects two discursive shifts in regard to the prior Swedish talk outlined above. First, the official naming of the third sector has changed from popular movements to civil society, which mirrors an ongoing political negotiation taking place in recent years regarding the role of this sector in the Swedish welfare state—a debate where the sector’s role as a provider or subcontractor of welfare goods is emphasized. Second, the social economy is no longer categorized as something synonymous—or in tandem—with popular movements in general. Rather, it is framed as a particular and entrepreneurial part of them, and the specific entrepreneurial feature of the social economy is thus emphasized. Along with this categorization, an accumulation of terms used in describing similar initiatives has now emerged, including the terms “societal entrepreneurship,” “value-based enterprising,” “associational entrepreneurship,” “social enterprises,” and so on (cf. Swedish Government 2009). Consequently, the talk of entrepreneurship of civil society seems on the one hand to reflect recognition of the Swedish civil society as entrepreneurial. On the other hand, the term “social economy” emerges as somehow displaced by other concepts, which implies a difficulty for the notion of social economy in gaining discursive ground in Swedish policies.

Considering the discourse of social economy and social enterprise sketched at the EU level, and the differing features indicated regarding the Swedish framing of these concepts, two main characteristics appear. First, the Swedish understanding of social enterprise differs from the mainstream European one, because work-integration social enterprises mainly stand out as the recognized form of such businesses in Swedish policies. Second, although recognized, the notion of social economy has not really been able to gain a definite foothold in Sweden. Instead, it appears to be overridden by other, and apparently more easily adopted, concepts.

### *The Talk among Civil Society Actors*

Despite the lack of success in becoming a taken-for-granted concept in the Swedish policy arena, the notion of social economy is often mentioned in the interviews conducted with Swedish key agents on social enterprise. In the interviews the concept of social economy is often used in contexts where the EU’s structural funds are mentioned, and thus Sweden’s entrance to the EU: “Perhaps the most important thing I did was that I, in cooperation with others, got the concept of social economy to be included in the first Structural Fund programs when Sweden joined the EU. . . . I was involved in all three investigations reviewing how the Structural Funds were to be

used . . . and they did not know what the social economy was.” In this quotation, the interviewee positions herself not only as an active agent, but also as a norm entrepreneur in the process of recognizing and adopting the concept of social economy in the Swedish setting. Thus, not just the entrance to the EU, but also the Swedish European Social Fund (ESF) Council, a government agency under the Ministry of Labour responsible for managing the Social Funds in Sweden, are here categorized as central to creating new possibilities and openings for social economy actors in Sweden.

Similar frames of interpretation are narrated in other interviews. At stake in these narratives is the process of framing a new set of actors—the social economy—as legitimate in Swedish welfare policy accounts. The account practices used to construct social economy actors as trustworthy agents are partly elaborated toward the Euro-discourse at use in ESF contexts, where the notion of social economy is positioned as central. At least to some extent the regional partnerships established within the Swedish ESF Council, where the social economy is recognized and included as a partner, are used to articulate the importance of the social economy sector in gaining a formal say in a domestic context. Hence, both of these aspects are recurrently framed by the key agents as important in reshaping civil society’s possibilities to affect national policies concerning the ESF (cf. Jacobsson 2004; Karlberg and Jacobsson 2015).

At this juncture, through statements referring to processes taking place in the late 1990s or early 2000s, key agents representing the sphere of work-integration social enterprises as well as other civil society initiatives are elaborating on narratives on the social economy. Thus, a wide framing of the social economy in terms of the overall civil society is visible in these narratives, which reflects the initial Swedish policy discourse of the social economy as more or less synonymous with popular movements in general.

### *A Narrower Framing*

Looking into the talk conducted—both in interviews and in public documents—it is obvious that the use of the term “social economy” has declined over time in narratives delineating a wider understanding of social entrepreneurship. However, the concept is simultaneously situated as vital to the discourse of social enterprise emerging in Sweden. This is evident in the interviews conducted with the key agents representing the sphere of work-integration social enterprises. These agents depart from a talk of the social economy as the base point for their work.

In addition to the EQUAL Community Initiative, which was funded by ESF in the early 2000s and targeted labor market exclusion, Swedish

national labor market policies directed to disadvantaged individuals emerge as a dominant financial support structure for the growth and creation of work-integration social enterprises in Sweden. As a turning point for the general recognition of the term “social enterprise” in Sweden, the formation of the National Thematic Group on Social Entrepreneurship (NTG socialt företagande) is pinpointed as central in several interviews. This was an initiative put together by the Swedish ESF Council and financed by funds from the Swedish EQUAL program between 2005 and 2007 in an attempt to have an impact on Swedish policies on social enterprises. In initiating, selecting, and inviting suitable projects representing social enterprises to make a joint National Thematic Group on Social Entrepreneurship, the ESF Council is in several interviews positioned as a central and powerful agent for deciding how the discourse on social enterprise is framed in Sweden. For instance, an interviewee described the work conducted and the aim of the national thematic group as follows:

What I believe is one of the most important activities, after all, is the National Thematic Group “NTG social entrepreneurship” in EQUAL. It was there that social enterprise became synonymous with work-integration social enterprises, and that was when the social enterprises came to include only the social work cooperatives, really. In order to be able to come forward at all politically on this, the politically smart ones among us understood that you had to limit the concept in order for the government to make an action plan on social enterprises. Because that was the goal of our work, it was to provide a basis for the government’s action plan on social enterprises. And from a political perspective, rather than adopting the whole spectrum of social enterprises, the emphasis must be on the labor market and economic policies, and just these issues. It became quite technical.

In this narrative, the political space available for social enterprises is identified as the work-integration space. On the one hand, in managing to edit a discourse on social enterprise that has been adopted by the Ministry of Enterprise in the effort to support the development of work-integration social enterprises in Sweden, the National Thematic Group on Social Entrepreneurship here stands out as an active norm entrepreneur. On the other hand, the frames used in translating social enterprise into a Swedish setting are evidently limited by national labor market regulations and by the guidelines of the ESF. About 80 percent of all Swedish work-integration social enterprises are today receiving support from the National Employment Agency. The most common form of support is wage subsidies (*lönebidrag*), which are intended to offset an individual’s impaired capacity to work (Tillväxtanalys 2011). Because work-integration social enterprises are mainly using already existing subsidies that are available in Swedish labor market policies, rather than seeking to have an impact on civil society policies

in general, the National Thematic Group on Social Entrepreneurship is in this respect also to be understood as an agent under structural constraints (Mörth 2003).

### **Social Businesses as Added Value**

Through the reinforcement of the European social entrepreneurship policy paradigm—reflected in the adoption of the Social Business Initiative in 2011—new framings of social enterprise appeared in Sweden. As a vital part of the Social Business Initiative, the need to change national procurement policies in order to take sufficient account of the specific characteristics of social enterprises was stressed. This was also echoed in Swedish policies. For example, the Swedish Government Official Report “Favourable Deals—a strategy for sustainable public procurement” (Swedish Government 2013) delineates public procurement as central to the possibility to make more political space available for Swedish CSOs acting as welfare deliverers. In the same report, a new way of framing social enterprise in a Swedish policy context appears. Rather than referring to the narrower understanding of work-integration social enterprises, the wider European understanding of social enterprise is now used. Hence, while the notion of social business is introduced in the Euro-discourse on social entrepreneurship, an understanding of social enterprises in its wider European sense is making an entrance in the Swedish policy room. Rather than the ESF and its focus on labor market inclusion, the Social Business Initiative (EC 2011)—and its focus on EU directives on procurement (The European Parliament and the Council of the European Union 2014)—is now used to negotiate the ongoing Swedish policy discourse of civil society in entrepreneurial terms.

### *Diversity and Added Value*

In the process of increasingly framing civil society as an entrepreneurial force in welfare dealings, the term “value-based” entered into discourse. This is reflected, for instance, in the government publication “Roadmap to Public Procurement” (Swedish Government 2014c, 15): “Value-based organizations”—social enterprises, cooperatives, associations, foundations, and non-profit organizations—represent an important resource in the community in actively contributing to diversity. Above all, they contribute to the development of quality in welfare service and the adaptation to users’ needs and preferences. Moreover, several of these organizations contribute with an important voice for community groups that otherwise might

find it difficult to be heard.” Here, the concept of value-based emerges as an overall collective term for entrepreneurial civil society actors, in a similar way as the notion of social economy in the discourse framed at the EU level. Furthermore, social enterprises now seem to be understood as a wider phenomenon than just work-integration initiatives. In drawing on a discourse of diversity and added value in regard to civil society, a tendency to conceptualize this sector as unique and indispensable in welfare accounts is reflected, and the sector’s double role of voice and service is emphasized. In similar framings of civil society, the increased numbers of private providers of welfare services are generally outlined as something positive. In contemporary Swedish policy contexts, a plurality of providers is hence assumed to enhance both quality and efficiency in welfare delivery.

### *Business as Usual*

In the process of increasingly framing civil society as entrepreneurial, the sector is continuously subjected to dichotomizations when portrayed in official policies (cf. Lakoff 1987). For example, both in European and Swedish policy documents social enterprises—now understood in a wider sense—are often categorized in tandem with the private sector and for-profit businesses. This is reflected in the publication “Roadmap to Public Procurement” published in 2014 by the Swedish Ministry of Health and Social Affairs (Swedish Government 2014c, 3): “Private companies and non-profit organizations contribute with new solutions that improve the public sector’s ability to meet society’s various challenges.” Here, the business and civil society spheres are described as one and as a similar force in the sense of acting as contributors to a plurality of welfare solutions. In this way, the added value of civil society is not specifically articulated. Rather, it is the nonpublic facet of private welfare providers that is in focus. CSOs are thus implicitly talked of and categorized like any other business.

Furthermore, a distinction between public and private is often made, such as in the government directives of an investigation on ownership assignments regarding what kinds of demands are feasible to put on private welfare providers (Swedish Government 2012, 2): “The lack of quality in elderly care, both publicly and privately operated, has been discussed.” Here the dichotomization of public versus private is explicitly delineated, implying civil society actors as either nonexistent or as being a part of the private sector. The framing of civil society actors in business terms is also found in texts published by Swedish CSOs, such as in a review on the national implementation of the new EU directives on public procurement, published by Famna, a national federation of CSOs delivering health and welfare services:

“Value-based [nonprofit] organizations share the positive effects of several of the directive’s proposals with many small and medium-sized enterprises” (Famna 2013, 3).

The overall tendency to categorize welfare providers either as public or private, and to categorize nonpublic service providers as businesses, thus frames a dichotomization where the nonprofit angle tends to be left out; organizations delivering welfare services are either talked of as businesses or as part of the public sector. Thus many CSOs express concerns in taking part in procurements because the stipulated requirements usually do not match the added value of the services they perform (Famna 2013, 2): “Basically, value-based organizations are non-commercial actors who need to fit into a commercial system. It is urgent to find solutions in order for value-based organizations to be present and competitive without hampering their added value and capacity for innovation. In order for value-based health and welfare care to grow, legislation that is open to more flexible solutions than at present is required.” The specificity of CSOs operating as a business is underlined here, drawing on the discourse of diversity and added value, which is also delineated in Swedish civil society policies. A somewhat contradictory identity emerges in the talk of civil society actors as noncommercial entities that are still categorized in traditional commercial terms as aiming to be competitive and to be part of a sector focused on growth.

Because EU directives on public procurement and the talk of social enterprises are framed as central in emerging discourses on welfare solutions, the national federation forum (The National Forum for Voluntary Organizations), which organizes voluntary nonprofit organizations, also emphasizes the risk of being overlooked as civil society agents (Forum 2014a):

When Forum developed the concept of “value-based public partnership”<sup>2</sup> five years ago, it was precisely this question of identity that we had in mind. The kinds of activities we pursue are not suitable to be procured in a commercial-based market. The cheapest first [principle by which the cheapest provider of service gets the contract] does not apply to organizations whose main objectives are the very idea of social change.... Value-based public partnership is thus not only an important method for public authorities to take the responsibility that we demand from them, but also for the non-profit competence to be taken seriously.

Here, it is the civil society identity that is positioned as threatened by the emerging social entrepreneurship paradigm. In referring to the importance that “public authorities take the responsibility that we demand from them,” ideas in line with governance modes as emphasized by concepts such as new public governance (Osborne 2009) or coproduction (Pestoff 2012) are used as accounts to counteract the pitfalls of commercial-based markets

where the cheapest first applies, and which is positioned as threatening to CSOs and their competence. Yet, in another publication reviewing an EU-initiated conference on social enterprise held in Strasbourg in 2014, representatives of Forum expressed the narrow Swedish interpretation of social enterprise as unfortunate (Forum 2014b):

The Swedish interpretation of social enterprise only enables public action, assistance, and funding to focus on the work-integration part of social entrepreneurship. The other parts are invisible to the Swedish public. This limited interpretation was also reflected in the Swedish participants attending this conference. Some actors from social enterprises and some people from organizations supporting WISEs were present. Hence, the Swedish public was quite invisible. . . . Because the political leadership of Europe now says that this is the sector that they want to invest in, building a future Europe, I believe that the limited Swedish public interest is troublesome. And boring!

On the one hand, the emerging social entrepreneurship paradigm is positioned in the illustrated examples as threatening to make the civil society aspect of nonprofits' work invisible. On the other hand, the narrow focus of social enterprises in Swedish policies is emphasized as making the dealings of social entrepreneurial initiatives invisible. Hence, a somewhat contradictory approach to the notion of social enterprise and social entrepreneurship currently appears among Swedish civil society actors, both wanting to be—and to be identified as—social businesses, and first and foremost not wanting to be made invisible in their identity as civil society agents. From a policy perspective, a similar paradox occurs in contemporary framings of social enterprise. On the one hand, civil society is increasingly categorized as entrepreneurial and as indispensable in welfare accounts. On the other hand, civil society's added value tends to be made invisible since it is subjected to a discourse of the for-profit sphere when talked of as social businesses.

## Conclusions

Clear influences of Euro-discourse can be traced in the Swedish comprehension and use of social business-related terms because neither the concept of social economy nor the term “social enterprise” were really in use in Sweden before the country entered the EU (cf. Jacobsson 2004). Simultaneously, a taken-for-granted European understanding of these terms has not readily occurred in Sweden. Rather, a path dependency on historical ways of understanding both the domestic civil society sector and the traditional welfare state is seen in the discursive negotiations taking place (cf. Trägårdh 2007).

As cases of discursive Europeanization, the concepts of social economy and social enterprise also take different, but still kindred, routes into Swedish policy settings. In both cases, actors of Swedish civil society can be identified as active norm entrepreneurs in editing and adopting the terms into Swedish policies. When the Swedish government adopted an official definition of the concept of social economy (Swedish Government 1998), this process was clearly narrated as having been accomplished through the active involvement of the interviewed key agents. Likewise, the Action Plan on Work Integration Social Enterprises, adopted by the Ministry of Enterprise in 2010, was preceded by active lobbying by the National Thematic Group on Social Entrepreneurship, an initiative hosted by the Swedish ESF Council and financed with EQUAL funds.

However, the frames used in translating the term “social enterprise” into a Swedish setting were evidently accomplished by existing opportunities in national labor market regulations. In this respect, the public discourse that was framed was narrower in scope than in most other European countries, and the impact of a Euro-discourse is thus to be understood as under structural constraints by national policies and institutional understandings (Mörth 2003). The same goes for the term “social economy,” where national institutional constraints have contributed to—in this case—a wider understanding of the concept compared to the understanding in most other European countries. In both cases the entrepreneurial and economic parts of the original concepts seem to be unrecognized in the Swedish translations. Analytically, this can be understood as the economic activities and grounds at this time—that is, the late 1990s and early 2000s, not really being part of the prevailing discourse on Swedish civil society. It was simply not a trustworthy way of speaking of this sector, and thus it could not be included in discourse.

In 2010 Swedish civil society was for the first time positioned, and recognized, as entrepreneurial in a government bill (Swedish Government 2009). In 2014 the concept of social enterprise was also delineated as having a possibly wider understanding than just work integration in Swedish public policies (Swedish Government 2013). Thus, when it comes to social entrepreneurship and the agency attributed to civil society actors, the discursive possibilities available in Sweden have changed over time. This also affects the view of civil society and the general positioning of CSO actors in Sweden. But again, the framings are constrained by institutional ideas of civil society—or maybe this time the business sphere. That is, in the transition toward increasingly framing civil society as entrepreneurial, an overall tendency to categorize welfare providers either as public or private is visualized in the discourse. Similar dichotomizations support an understanding of entrepreneurial CSOs as businesses first and foremost. Consequently, the importance of the added value of the sector tends to be downplayed.



The concluding paradox of the Euro-discourse on social business framed in Sweden is consequently that although an emerging social entrepreneurship paradigm is visible in the political agenda, civil society is constantly made invisible through dichotomies in the talk of social entrepreneurs. Previously, the overall popular movement identity of Swedish civil society overshadowed its entrepreneurial or economic agency. Today the same sector tends to be overshadowed by logics adopted by for-profit businesses. In both cases, clear processes of discursive Europeanization are visualized, while structural and institutional features at the domestic level limit the possible understandings that are framed (cf. Marks and McAdam 1996; Olsson et al. 2009; Trägårdh 2007).

That boundaries between civil society initiatives and the market tend to be blurred in social entrepreneurship policies is also a matter vividly discussed in contemporary third-sector research. Generally, greater state responsibility in the policymaking of this area is requested (cf. Anheier 2005; Clark and Johansson 2017; Defouny, Hulgård, and Pestoff 2014b; Laville 2014; Levitt 2013). One way this has been discussed is in terms of new public governance, which implies various forms of coproductions between the private and the public sectors as a way to regulate the outcome in welfare terms (Osborne 2009; Pestoff 2009, 2012). But in order for coproduction to take place, a clear recognition of and interest in implementing real changes regarding the role of CSOs in welfare delivery is needed. Considering the Swedish discourses on social entrepreneurship analyzed in this chapter, where the positioning of the social entrepreneur—independently of which discourse we look at—is constantly put in the discursive shadow and thus is made invisible, such recognition has apparently not yet been attained.

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## Notes

1. Both in political and scientific contexts, various terminologies, such as the “third sector,” the “voluntary sphere,” and the “nonprofit sector” are today in use to describe civil society. In this chapter I will principally use the term “civil society” in referring to this sphere. However, because the concept of the third sector is often used in

European research literature on the social economy and social enterprise, and in this context more or less is used synonymously with the concept of civil society, I will alternate my use of this terminology in order to vary the language.

2. The term “value-based public partnership” is today in use in Sweden to emphasize welfare delivery or services based on partnerships or networks between CSOs and the public sector.

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