Preface

The roots of the formal study of social enterprise trace back at least to the early 1980s; 1983 was a watershed year. Ed Skloot wrote an article for the *Harvard Business Review* on whether nonprofits should go into business, Estelle James wrote her seminal paper on how nonprofits generate surpluses on some products and services in order to cross-subsidize other preferred but loss-making services, and the Rockefeller Brothers Fund supported the publication of a monograph by James Crimmins and Mary Keil that documented the widespread commercial practices of nonprofit organizations in the United States. Since then the subject has become more complex as various other manifestations of so-called social enterprise emerged. In the 1990s, Greg Dees argued that the social enterprise phenomenon was really a spectrum of ventures reflecting some combination of profitmaking and social mission. In this same period, Cyril Chang and Howard Tuckman ferreted out the reasons that nonprofit organizations seek to generate and retain financial surpluses. And in Europe, towards the end of the twentieth century and into the current millennium, researchers such as Carlo Borzaga and Jacques Defourny began to study social enterprise as a strategy for governments to privatize their social welfare efforts by establishing so-called WISEs (Work Integration Social Enterprises), which allowed governments to employ marginalized and challenged populations of workers who could not otherwise succeed in the private labor market. The latter organizations generally took the form of cooperatives as well as nonprofits. Meanwhile, back in the United States, the social enterprise notion was expanding to include so-called socially responsible and sustainable for-profit businesses, with new legal forms such as L3Cs (low-profit limited liability companies) and benefit corporations, as well as the establishment of conventional corporations such as Newman’s Own and Ben and Jerry’s, which were totally or largely devoted to achieving profits and allocating them to social purposes. Policymakers in the United Kingdom were similarly inventive with new forms, especially CICs (community interest companies), which offered a unique combination of nonprofit and for-profit characteristics in order to attract investors but ensure primary attention to social mission. Legal scholars such as Cassady “Cass” Brewer and Dana Brakman Reiser hopped aboard these
By the early 2000s, social enterprise was a popular topic of discussion and research among scholars across the world. Many models began to emerge, most portraying social enterprise as a relatively homogeneous phenomenon adhering to certain common principles of limited profit, social purpose, and democratic governance. Some scholars, however (including authors in this book), were frustrated by this conception; at first, we threw up our hands at the complexity and diversity of social enterprise, exclaiming “It’s just a zoo!” This did not endear us to many of our fellow scholars looking for a starker delineation of what a social enterprise is or should be. But as we began to mull over this expression of frustration, we realized its value as a metaphor for what was really going on under the rubric of social enterprise. It was not just one thing, but took many different forms with the common theme that some mix of social purpose and market success was sought. Within that broad theme there could be many different types of social enterprise, all legitimate in some way, one not necessarily better than another, and differentially adapted to different circumstances – nicely captured by the idea of a zoo with different animals and habitats. That is the genesis of this book.

Having explored the idea with papers at scholarly conferences including EMES International Research Network, ISTR (the International Society for Third-Sector Research) and ARNOVA (the Association for Research on Nonprofit Organizations and Voluntary Action), we decided it was time for us to write this book, to put the zoo paradigm on the table and to invite researchers, policymakers, and students to exploit it to good purpose in their own work.

We are indebted to several parties for their encouragement and support along the way. To Edward Elgar Publishing and editor Alan Sturmer for having the confidence in our proposal; to the Ewing Marion Kauffman Foundation for a grant that supported two authors’ meetings; and to the Interuniversity Attraction Pole on Social Enterprise (IAP-SOCENT) funded by the Belgian State-Federal Science Policy Office, which allowed the Centre d’Economie Sociale HEC-Management School, University of Liège to partner with the Nonprofit Studies Program of the Andrew Young School of Policy Studies at Georgia State University and help finance summer stipends and travel to conferences where we could present and discuss our research.

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Dennis R. Young
Elizabeth A.M. Searing
Cassady V. Brewer
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REFERENCES


