**Contextualisation Matters: Aligning Social Enterprises to Nation-State Diversity**

Whether or not social enterprises (SE) contribute to a constructive development of nation-states’ social systems depends on how they are adapted to national and local traditions and circumstances. This seems to be a major challenge in research, because statistical and economistic studies often discuss, compare and attempt to transfer the same solutions to a diversity of social structures. Instead we need to approach new social initiatives in an active and open discussion in order to counteract a seemingly endless pursuit of new universalised initiatives to address social challenges. The relationship between universalism and local context can be conceptualised by the fact that there is a global moral universe of moral and egalitarian principles of humanity as a whole, but that these principles and ideals must always be negotiated in the local context (Wright 2010).

Welfare states in most European countries have gradually been limited because of a lack of public funds. This goes hand in hand with recognition that welfare states need rethinking and the realisation that uncontrolled autonomous economic markets are also not able to curb social challenges. This often promotes social enterprises as an organisational form that is able to navigate towards both development and a reformation of new welfare initiatives (Borzaga, Depedri & Tortia 2010) and as a welfare mix (Taylor 2010; Defourny 2011). Social enterprises show us that we may be heading towards new constellations where the state is not the only provider of welfare (Evers 2010). Because European social enterprises often have a large economic dependence and interaction with the public sector, a discussion of social enterprises’ role in the welfare state therefore becomes relevant. In this discussion it is equally necessary to attempt a deconstruction of discourses where social enterprise models contribute to the continued development of welfare states.

Current research within this vast and growing field often concludes that civil society initiatives like social enterprises solve social problems that welfare states have not been able to do. These sort of research results no doubt apply to a number of countries and local cases, but by directly transferring one social enterprise model from one social structure to another it is very likely that already well-functioning social systems and social mechanisms are deconstructed in favour of unperceived neo-liberalist discourses, ideologies and uncontrolled profit-oriented systems (Noys 2013). The fact that social enterprises often address social services that the public sector already takes care of, furthermore often imposes a profit motive on the public sector.

An immediate transfer of social enterprises from one context to another is often bound to fail (Seelos & Mair 2012) because socio-cultural contextualisation is often not taken into consideration. On the other hand, countries with a weak social sector may benefit from generalised social enterprise models entering the social realm because human and social values will be put on the societal agenda. Some models of social enterprises may therefore certainly be a valid scenario in countries that do not have a basic social welfare structure or a socio-economic system that supports the weakest citizens.

The same may not necessarily be said of countries with established welfare systems, which already distribute goods and take care of the weakest – although it is debatable whether these systems are currently working adequately. Several third sector solutions are not valid in these countries, and may ultimately lead to a weakening or even a dismantling of welfare societies (Amin 2009). An uncritical idealisation of social enterprise models may then be yet another case of the Emperor’s New Clothes resulting in minimising the role of the state and dismantling social democracy as a societal phenomenon [not as a political observation]. In line with this argument, the welfare state may be under deconstruction well before it has even been allowed to develop to its full potential. Keith Hart (2010) argues that it is precisely because of neoliberal bias that welfare states are being deconstructed, and not because they have proven to be ineffective.

To deconstruct welfare states beyond recognition in favour of universalised and non-contextualised models of social enterprises is therefore not the way forward for socially vulnerable and marginalised citizens, because their challenges are of a nature that in order to include them this requires locally contextualised cooperation with both private stakeholders, local communities *and* a well-functioning welfare state. What is needed may instead be simply a renewal of the public sector, where reorganisation and more efficiency is the solution. In any case, it is not wise to be bemused by new initiatives and epochal social innovations.

Social enterprises can never conclusively be the same across nation-state contexts, and it follows that universalised welfare solutions are not legitimate because the diversity of each nation-state’s historical and social traditions must be taken into account. Therefore a research agenda in the SE field is required, which to a higher degree takes into consideration non-universalised and locally contextualised factors whilst simultaneously discussing the implications and the effects social enterprises may have on a meta-societal level.

**Key words**

Social enterprises, welfare state, third sector, context, neoliberalism

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