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SOCIAL ECONOMY & SOCIAL ENTERPRISES
Institutional issues, impact, and historical resilience

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The present special issue is interdisciplinary with studies on social economy and social economy actors such as social enterprises and community interest companies. What triggered our decision for this call was the recognition that as social problems advance, and the COVID-19 pandemic puts additional strain on the national economies after the prolonged recession of the previous decade, social economy actors are becoming more essential to fill the incapacity of the state-led institutions, to foster resilience and enable communities to recover from the effects of various shocks.

Social economy is the expression of a social, political and cultural movement aimed at the promotion of production and exchange activities governed by participatory practices, self-organization, democracy, ethics, transparency and social responsibility. It relies on the conscious participation of employees organized within work collectives in order to promote their political autonomy, through principles of government and managerial practices based on equality, reciprocity and solidarity among members.

The ability of social economy to have an impact on sustainable development at local and national level depends on factors traced both at the macro and the micro level.

At the *macro-level*, historical developments, as well as the legal environment and enablers such as financial support mechanisms, training and spaces for meaningful stakeholder dialogue are responsible for the creation of a favorable ecosystem that can sustain the development of social economy and social enterprises. At the *micro-leve*l, social enterprises are inserted in the flow of market exchanges which exert a permanent pressure on their particular characteristics. Moreover, they are not free from contradictions and internal conflicts. These tensions acquire a crucial dimension when one considers the development of social enterprises further than in peripheral sectors of the market sphere, often neglected by private capital. In this sense, social enterprises are challenged to couple logics from social welfare and conventional business. In other words, they strangle to accommodate their social mission statements with daily business practices and sustainability, while avoiding mission drift. Governance issues need to be also solved.

The papers incorporated in this special issue highlight the aforementioned macro and micro level challenges and provide insightful ideas and recommendations for further action.

Lambropoulos proposes a conceptual paper which explicates an original definition of "social enterprise" deriving from the Marxian – Engelsian variant of the Classical Political Economy. He proposes an alternative definition for the social enterprise conceptualizing the "social" as an end product of a process that is the "socialization of capital". Contrary to the dominant view in the literature which advocates the hybrid nature of social enterprises (i.e., blending rationales deriving from market, civil society and government), Lambropoulos puts forward an original claim that a social enterprise is that one belonging to all citizens except those working to them as wagers. The author argues that only under these conditions, the private property is replaced by social co-property. Accordingly, the management type of social enterprises is that of societal co-management.

Amova employs a qualitative method approach to investigate the main features and challenges underpinning the development of the enterprises of the social and solidarity economy in Bulgaria in the post-socialist period. More specifically, the author combines data from 21 semi-structure interviews, official documents, opinions and conference proceedings to identify current issues and challenges associated to the particular organizations. Interestingly, the results point out that social enterprises in Bulgaria miss a genuine organizational model, and mainly heritage operational principles from cooperatives and nonprofits. They also depend heavily on external donors and Bulgarian NPO umbrella organizations for their survival and growth.

In the 2020 report, the Organization for Economic Cooperation and Development (OECD) recognized social enterprises as key players for the economic growth and sustainable development, in the decade ahead. This places relevant educational programs at the center for enhancing the broad understanding, management, and leadership of social enterprises. So far, much of the research evidence on the provision of business-related education and training across Europe is on typical profit-making organizations and to a lesser degree on nonprofits. **Corvo, Pastore, Manti, Sotiropoulou et al.,** attempted to systematically map the content and characteristics of education and training programs focusing on the sustainability and growth of social enterprises, located in four countries (i.e., Italy, Greece, Ireland, Slovenia) using descriptive and qualitative data. The authors report great diversity in the current content offers and teaching methods among the four countries. They also underline that when comes to education of to social enterprises, the concepts of sustainability and growth are interrelated with the important notion of social impact. In these countries, the challenge ahead for their educational institutions is to prepare tailored educational curricular and teaching methods which effectively empower social entrepreneurs on how to bring to market competitive products and services, scale up and to manage accountability, while producing substantial social capital and protecting the social mission of these enterprises.

The cooperative credit institutions have beset by various issues which relate to their governance, regulations and structure. **Marinova** adopts an inclusive approach to study the establishment and evolution of cooperative financial institutions and particularly, agricultural credit cooperatives and rural popular banks in two countries: Bulgaria and Romania. The analysis spreads among various historical periods including Ottoman, capitalist, socialist and post-socialist/capitalist eras. Besides others, the paper demonstrates how the institutions were transformed from inclusive to extracted collective entities. The public policies and institutional trajectories of the two countries, which have been mainly determined by the state have played a critical role to the transformation of the agricultural credit cooperatives.

While the direction of the causality between financial development and economic growth is not yet conclusive in the relevant literature, more recent evidence shows that when financial institutions allocate resources to promising projects and exert consistent control afterwards, this may produce economic growth at a national level. **Dourtmes and Andrikopoulos** explore the above relationship focusing on social banking institutions and their effect on the economic growth of 31 countries. The authors analyze data for the period from 2014 to 2018. Their results place to the literature interesting evidence showing that the development and the growth of the social banks can product beneficial results for the economic growth of lower-income countries. They also emphasize that social banks of developing countries when apply "…strict selectivity criteria in their fund allocation and provide consistent transparency in the interest margin" can benefit the national economy which usually have limited access to regular funding and at the same time create social and environmental benefits.

Most research focusing on bankruptcy events has centered on profit-making organizations, using qualitative and quantitates databases, **Jace and Maroudas** explore, for the first time, differences in the bankruptcy events between social enterprise and profit-making businesses, using financial parameters. Drawing on data from a previous study by Jace *et. al*. (2020), this research is based on a sample of bankrupt SE's located in three European countries (i.e., Italy, Belgium and Serbia). This sample is contrasted with a similar sample of bankrupt non-SEs located in the same three countries. The findings showed that sales growth is particularly important for SEs' sustainability, whereas in the case of non-SEs, the leverage aspect is more important for the survival of the organizations.

Finally, **Nenovsky** presents the book by Marinova, entitled "Economie sociale et solidaire dans les pays des Balkans - Bulgarie, Roumanie, Serbie: quels enseignements", (2021, L'Harmattan, Paris, 174 pages). This work presents the condensing of the authors' knowledge out of many years of research on the challenges of the social and solidarity economy (SSE) in Bulgaria, Romania and Serbia. The author combines the historical aspect of SSE development with the dynamics of multiple exogenous and endogenous determinants which have influence the formation of the sector in the particular countries.