



## NATIONAL PROFILES OF WORK INTEGRATION SOCIAL ENTERPRISES : GERMANY

Andreas SCHULZ

WP no. 03/05

This paper is part of a larger research project entitled "L'entreprise sociale : lutte contre l'exclusion par l'insertion économique et sociale" (ELEXIES). This project is run jointly by the European Network of Social Integration Enterprises (ENSIE), the European Confederation of Workers' Co-operatives, Social Co-operatives and Participative Enterprises (CECOP) and the EMES European Research Network.

The ELEXIES project is financed by the European Commission (DG Employment and Social Affairs) in the framework of the "Preparatory Action to Combat and Prevent Social Exclusion".

The part of the project in which this paper takes place is co-ordinated by Eric BIDEF (Centre d'Economie Sociale, University of Liège, Belgium) and Roger SPEAR (Co-ops Research Unit, Open University, Milton Keynes, UK).



## The "ELEXIES" Project

This project is specifically concerned with the different types of social enterprise for integration, also known as work integration social enterprise (WISE) in 12 EU countries. Its aim is to identify and describe their main characteristics as social enterprises, the type of work integration they provide, their numbers, and how they have developed and are supported. The ultimate goal of the project is to build a database accessible on internet.

The study is conducted using the EMES Network definition of social enterprise as a common reference point and guideline for determining the social enterprises to be included in the study. The EMES definition distinguishes, on the one hand, between criteria that are more economic and, on the other hand, indicators that are predominantly social.<sup>1</sup>

*Four factors have been applied to corroborate the economic and entrepreneurial nature of the initiatives.*

### **a) A continuous activity producing goods and/or selling services**

Social enterprises, unlike the traditional non-profit organisations, are normally not engaged in advisory activities as a major goal or in the redistribution of financial flows (as, for example, grant-giving foundations). Instead they are directly involved in the production of goods and the provision of services to people on a continuous basis. The provision of services represents, therefore, the reason, or one of the main reasons, for the existence of social enterprises.

### **b) A high degree of autonomy**

Social enterprises are voluntarily created by a group of people and are governed by them in the framework of an autonomous project. Although they may depend on public subsidies, public authorities or other organisations (federations, private firms, etc.) do not manage them, directly or indirectly. They also have the right of participation and to terminate the project.

### **c) A significant level of economic risk**

Those who establish a social enterprise assume totally or partly the risk of the initiative. Unlike most public institutions, their financial viability depends on the efforts of their members and workers to secure adequate resources.

### **d) A minimum amount of paid work**

As in the case of most traditional non-profit associations, social enterprises may also combine monetary and non-monetary resources, voluntary and paid workers. However, the activity carried out in social enterprises requires a minimum level of paid workers.

---

<sup>1</sup> See C. Borzaga & J. Defourny (2001), *The Emergence of Social Enterprise*, London, Routledge, pp.16-18.

*To encapsulate the social dimensions of the initiative, five indicators have been selected:*

**i) An initiative launched by a group of citizens**

Social enterprises are the result of collective dynamics involving people belonging to a community or to a group that shares a certain need or aim. They must maintain this dimension in one form or another.

**ii) A decision-making power not based on capital ownership**

This generally means the principle of "one member, one vote" or at least a voting power not distributed according to capital shares on the governing body which has the ultimate decision-making rights. The owners of the capital are obviously important, but the decision-making rights are shared with the other stakeholders.

**iii) A participatory nature, which involves the persons affected by the activity**

Representation and participation of customers, stakeholder orientation and a democratic management style are important characteristics of social enterprises. In many cases, one of the aims of social enterprises is to further democracy at local level through economic activity.

**iv) Limited profit distribution**

Social enterprises not only include organisations that are characterised by a total non-distribution constraint, but also organisations like co-operatives in some countries, which may distribute profits only to a limited extent, thus avoiding a profit-maximising behaviour.

**v) An explicit aim to benefit the community**

- One of the principal aims of social enterprises is to serve the community or a specific group of people. To the same end, a feature of social enterprises is their desire to promote a sense of responsibility at local level.
- The database of work integration social enterprise has been produced for each country. Due to different circumstances in each country (especially legislative frameworks) there have been slightly varied approaches to mapping the sector. Researchers have generally made a great effort to ensure that the most interesting and progressive initiatives are represented. There are certain types of social enterprise which have their own legislative framework, and which are *exclusively* concerned with work integration. The second type, concerns those social enterprise which are exclusively engaged in work integration, but though they are recognisable as a distinctive type, they do not enjoy a complete and specific legal recognition, and thus generally operate under a range of different legal forms also used by organisations out of the field of work integration. Other types of social enterprise do not have their own specific legislation, and only a proportion of that type will be engaged with work integration. Researchers have made particularly strong efforts to ensure that the first two categories are included, but lack of data has meant that some of the latter category may be missing.

# National Profiles of Work Integration Social Enterprises: Germany

**Andreas SCHULZ**

## **Introduction**

For some decades now, unemployment has proved to be the most important social problem in German society. Discussions about its origins evoke changes in the economic structure, an unequal distribution of work and income, a mismatch between available and required skills, and also the consequences the process of reunification had on East German industries. Recent hopes in an economic upswing and a change of social and economic policies were disappointed during 2001 and 2002. Recently, unemployment has increased again.

Like in other Western countries, the risk to lose one's job or to remain unemployed for a longer time is not the same for all categories of workers. While new industries are looking for skilled personnel, especially in the service sector, low-skilled people have little chance to find a job. The rate of long-term unemployment has been increasing during the last ten years. In 2001, more than 35% of the unemployed had been jobless for more than one year (this is the official definition of long-term unemployment given by the German Federal Labour Office). Among the long-term unemployed, youngsters without formal qualification, elder people, and workers with disabilities or problems of health form the "hard core". Thus, Germany does not only have to cope with unemployment as such. Many people are lacking basic preconditions to take part in the labour market or experience a growing social distance to the ordinary labour force. Like elsewhere in the Western world, there is a risk of social exclusion, going along with a tendency of gentrification and spatial segregation. It is in this context that a new agenda of work integration has emerged in Germany.

In Germany, two institutions are responsible for labour market and social policy measures against unemployment:

- the Federal Labour Office is financed by insurance payments and additional funding from the federal level. It addresses people who have already lost their job, and it emphasises the particular responsibility of employers as well as employees in this field. The Federal Labour Office is still running mainly passive policies, paying labour market insurance, but it also finances projects that aim at the qualification, employment and placement of unemployed people (active or "activating" policy);
- local municipalities administer and finance social assistance for unemployed people. This means that they have to provide a minimum subsistence income to all citizens in need – especially to those who run out of insurance payments.

In the last years local municipalities changed their focus to a more active policy. They can use social assistance in order to finance time limited jobs.

German labour market policies changed basically in the last two decades, evolving:

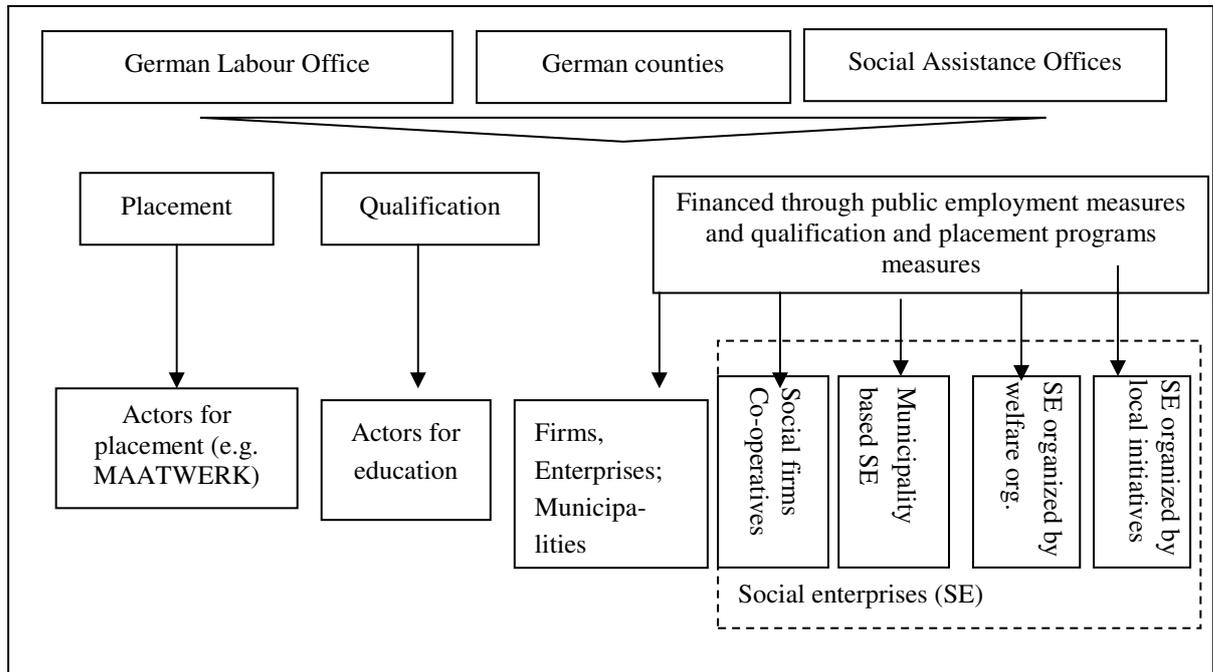
- from financing unemployment to active labour market policy (e.g. publicly financed employment, qualification, placement);
- from publicly financed employment towards supporting projects aiming at the placement of unemployed people on the regular labour market;
- towards more emphasis on preventative labour market policy as well as on the reduction of frictional and short-term unemployment;
- towards a strengthening of municipal employment policy.

Simultaneously, organisations that are part of the big welfare associations or that represent purely local initiatives in civil society have increased their labour market and employment policy activities for low qualified unemployed persons.

While the former trends - which reduce the traditional focus on the long-term unemployed and the creation of time-limited, publicly financed employment - limit the room for activities and orientations of social enterprises (hereinafter referred to as "SE"), the latter trend supports their development. For the last two years the impact of public labour market policies has been defined by the results of placement measures rather than by the advantages of publicly financed employment. There is currently an increasing trend, in the official labour market policy, not to focus anymore on the stimulation of additional branches (like services or local economies) and social services for the long term unemployed (like psychological and social help).

The different labour market policy instruments have given rise to different types of organisations, with different target groups and partners. Some of these non-governmental organisations have specialised on specific roles and tasks related to specific labour market policy instruments. Some organisations deal solely with the placement of the unemployed; others have only qualification activities; and others still carry out only employment projects. However, many social enterprises are not part of this trend; they have a multiplicity of tasks, carrying out projects aiming at the creation of new and additional (time limited) employment, at the qualification of the participants in the projects and at their subsequent employment in the open labour market (see Illustration 1).

**Illustration 1: Instruments and organisations of active labour market policy in Germany**



The landscape of the social enterprises sector in Germany can be sketched as follows.

There is an enormous variety of organisations that interact with the public authorities in matters of labour market policy and occupational integration; and outside the commercial sector clear lines between the public and the third sector are difficult to draw. Besides commercial social enterprises, it makes sense to differentiate between municipality owned/related SEs, SEs belonging to one of the big welfare associations and local SEs.

Many social enterprises follow a clearly laid down dominant aim: social integration enterprises with declining subsidies are social firms or co-operatives set up by unemployed people to create their own job; municipality owned social enterprises mainly aim at the integration of the local long-term unemployed; social enterprises organised by welfare organisations aim at reducing poverty and social exclusion; and social enterprises set up by local initiatives share these objectives, but they also aim at bettering local cultural and social services, integrating migrants, or providing other services of special local importance. However, beside these central goals, social enterprises also have additional goals, that vary as well from one category to another: social integration enterprises depending on declining subsidies are eager to increase their competitiveness; municipally owned social enterprises aim at reducing local long-term unemployment in order to reduce the municipal social assistance expenditures; and social enterprises set up by welfare organizations and initiatives aim at other particular effects, depending on the problem area they are working in. Despite differences in the number of goals and their hierarchy, it can thus be stated that social enterprises all have a multi-goal structure.

The following identification sheets illustrate the four types of social integration enterprises active in the field of labour market policy in Germany identified on the basis of the EMES criteria: municipality owned social enterprises, social enterprises organised by welfare organisations, social enterprises organised by small and local initiatives, and social integration enterprises with declining subsidies (social firms, on the one hand, and co-operatives depending on individual labour market subsidies, on the other hand).

# **Municipality owned social enterprises**

## **1. Brief historical description**

Municipality owned social enterprises are based on the Social Assistance Act (*Bundessozialhilfegesetz*), which promotes the integration of social assistance recipients in the first labour market. The first municipality owned social enterprises were established in the 1980s. One of the factors accounting for their creation and the rapid increase in their number is the fact that they enjoy greater independency than the local labour market projects that the municipalities organized themselves until then: social enterprises are subject only to a minimal degree of control by the local parliament, they have an autonomous budget and their strategic and operative planning is easier than that of projects run directly by the municipalities.

Municipality owned social enterprises mainly aim at the social and occupational integration of the local long-term unemployed through special employment measures, thus reducing the part of unemployment expenditures which municipalities have charge of in the form of social assistance.

## **2. Key features**

### **2.1. Legal form(s) and structure of ownership**

The most common legal forms are those of a public limited company (*gemeinnützige Gesellschaft mit beschränkter Haftung*, or gGmbH) or a registered association (*eingetragener Verein*, or e.V.).

### **2.2. Pursued goals**

The main goal is the integration of social assistance recipients in the first labour market through work and qualification. Therefore municipality owned social enterprises provide training and/or occupational measures. Furthermore they pursue different special goals like e.g. the integration of women or environmental goals.

### **2.3. Type of jobs provided**

The staff (director, administration, technical assistance) of the municipality owned social enterprises are employed full-time and for an unlimited period. The workers hired in the framework of employment measures work full- or part-time, but their contracts are always time-limited (one or two years). The jobs are publicly financed.

### **2.4. Weight of training**

Municipality owned social enterprise usually do not provide vocational training, but they organise part-time training courses for people working on the framework of occupational measures. The worker who completes these courses can obtain a certificate, though often the courses are only considered as part of the occupational

training and do not lead to a confirmed examination. The employees have the opportunity to participate in specialized courses, e.g. for obtaining a driver's license, but on the whole, training mainly occurs "on-the-job", in the course of the employment period.

## **2.5. Types of employed workers**

The municipality owned social enterprises employ long-term unemployed people getting social assistance. In Germany, as already mentioned, the long-term unemployed are defined as persons who have been looking for a job for at least 12 months. This category comprises mostly workers over 55 years, handicapped people and workers without vocational training. Most participants in the measures of these SE have lost their labour market insurance and are not more clients by the Federal Labour Office. Municipality owned SEs are therefore aimed at long-term unemployed people getting social assistance; the employed workers are clients of the municipalities.

## **2.6. Types of resources**

Municipality owned social enterprises depend on public subsidies (e.g. municipality resources, resources from the Federal Labour Office and from the European Social Fund). They often rely on mixed public resources from different measures and programs. The organizations also rely on market resources, e.g. from sales, but the importance of trading in the resources of the enterprise can vary, from one case to another, between 20 and 0%. There can also be non-market, non-monetary resources in the form of social capital (e.g. networks, corporate citizenship, sponsoring, provision of locations for practical work in companies).

## **2.7. Links with public policies**

Municipality owned social enterprises are strongly coupled with local policies focusing on the work integration of social assistance recipients and on the reduction of their number.

## **2.8. Basic data**

No data are available as to the number of municipality owned social enterprises, their number of employees and their turnover. In any case, municipality owned social enterprises have been established in many German cities and are widely spread. The number of employees depends on the number of unemployed people getting social assistance in the city.

# **3. Relation to the EMES socio-economic criteria**

## **3.1. A continuous activity producing goods and/or selling services**

Municipality owned social enterprises are continuously producing goods and/or selling services. However, it has to be mentioned that their fields of activities are somehow restricted, since these enterprises must produce a public good, the activities

chosen must be additional (i.e. it is forbidden for these enterprises to act as a competitor to mainstream companies) and they have to imply some kind of public benefit. Fields of activities are therefore mostly related to the environment and to the provision of services.

### **3.2. A high degree of autonomy**

Municipality owned social enterprises have been developed as more autonomous instruments of municipal policies against long-term unemployment. Compared to labour market projects directly run by the municipalities, they represent an increase of autonomy in strategic planning, financial affairs, use of different kinds of employment measures and organisation of projects. However, these social enterprises remain closely linked with the goals pursued by the municipalities.

As far as the relation to the municipalities is concerned, various solutions exist. One variant is that the members of the board of directors are also members of the municipality; in this case, the directors are employed by the municipality. Another variant is that the directors are employed by the social enterprise itself. But in all the existing variants the municipality owned social enterprise is a hundred per cent daughter of the municipality.

### **3.3. A significant level of economic risk**

These social enterprises are financed by taxes, and the amount of public resources is fixed. Therefore, the level of economic risk depends on the support and on the good will of the municipalities. A municipality owned social enterprise can thus become insolvent. On the other hand, the economic risk linked to market resources from sales is low.

### **3.4. A minimum amount of paid work**

The staff are financed by the social enterprise or by the municipality. The salaries of the workers hired in the framework of employment measures are publicly financed. Volunteering does not play a significant role.

### **3.5. An explicit aim to benefit the community**

Municipality owned social enterprise aim at benefiting the community by producing "additional" and public goods and services. The principle of additionality means that it is forbidden for these enterprises to act as competitors to companies. Their fields of activities include, for example, garden and landscape conservation, labelling or waste management. A further benefit is the political benefit which can be produced if the social enterprise participates in testing new programs or in expertises.

### **3.6. An initiative launched by a group of citizens**

Municipality owned social enterprises are launched by the municipalities.

### **3.7. A decision-making power not based on capital ownership**

The decision-making power is based on public resources by the municipalities.

### **3.8. A participatory nature involving the persons affected by the activity**

In Germany, different laws regulate the participation of employees. The forms and structures of this participation depend on the size of the organization. If an organization employs more than 7 workers the law prescribes the creation of a worker council. Consequently, in all municipality owned social enterprises with more than 7 workers a worker council can be found. However, a practical problem arises from the fact that the workers hired in the framework of employment measures only stay for a short period of time in the organizations, which results in limited possibilities for participation in the worker council; consequently, only the staff is participating in the worker council.

### **3.9. A limited profit distribution**

Municipality owned social enterprises are non-profit organizations. The profit distribution to individual persons is thus forbidden by law. Possible profits are reinvested in buildings, equipment and projects.

## **4. The supporting umbrella structures**

Some municipality owned social enterprises are members of the National Organization of Employment and Qualification Companies (*Bundesarbeitsgemeinschaft Arbeit*, or BAG Arbeit).

There is no empirical information about the workers' relations to trade unions. However, given the high degree of organization of trade unions in the municipalities, it can be assumed that many workers and participants in these social enterprises are members of a trade union or join one after being hired by the social enterprise.

## **5. The innovative features**

Municipality owned social enterprises are established for the purpose of actively reducing the number of social assistance recipients and trying to place them in the first labour market.

# **Social enterprises organized by welfare organizations**

## **1. Brief historical description**

In Germany, there traditionally exist six big welfare organizations (Caritas, Diakonie, Deutscher Paritätischer Wohlfahrtsverband, AWO, DRK, and the Jewish Welfare Association). These organizations are traditionally focusing on measures and services against poverty, but since the 1980s, they have also launched labour market projects. In a first step, they concentrated on youth unemployment. Today, they develop more and more projects aiming at the active reduction of long-term unemployment. However, although all these welfare organizations (with the exception of the Jewish Welfare Association) pursue labour market projects, there are significant differences in the extent of their labour market policy activities; for instance, Diakonie and the Deutscher Paritätischer Wohlfahrtsverband have a longer tradition of organizing labour market projects than Caritas. It must be noted that the primary aim of social enterprises organized by welfare organizations is the fight against poverty and social exclusion.

## **2. Key features**

### **2.1. Legal form(s) and structure of ownership**

The most common legal forms are those of a public limited company (*gemeinnützige Gesellschaft mit beschränkter Haftung*, or gGmbH) or a registered association (*eingetragener Verein*, or e.V.).

### **2.2. Pursued goals**

The main goal of social enterprises organised by welfare organisations is the reduction of poverty and social exclusion. Another goal, with regard to labour market projects, can be the setting-up of a new service; the local welfare organization tests the social service using labour market measures. However, this kind of goal is not considered as very important.

### **2.3. Types of jobs provided**

The workers hired in the framework of employment measures work full- or part-time, but always for a limited period of time only (one or two years). The jobs are publicly financed. Beside these jobs, social enterprises organised by welfare organisations provide unlimited jobs for the staff (managing director, social worker, technical assistants). These jobs are full- or part-time and depend on the resources of the social enterprise.

### **2.4. Weight of training**

Training measures have a special importance for people who do not have a vocational training qualification or who have been trained for an occupation which is not needed

in the region. It has to be noted that pure vocational training is not really common in social enterprises organized by welfare organizations; part-time training courses for people working in the framework of occupational measures are more widespread. In some cases, the worker who completes these training courses receives a certificate, but more often the training is considered as simply being part of the occupational measures. The employees usually have the possibility to participate in specialized courses, e.g. to obtain a driver's license.

## **2.5. Types of employed workers**

Social enterprises organized by welfare organizations employ youth unemployed, long-term unemployed and unemployed people living on social assistance or who are confronted with poverty in other ways. In Germany, as already mentioned, the long-term unemployed are defined as people who have been out of job for more than 12 months and who are registered by the Federal Labour Office. These long-term unemployed are mostly workers over 55 years, handicapped people and workers without vocational training.

## **2.6. Types of resources**

Social enterprises organized by welfare organizations depend mostly on public subsidies and grants. They often use mixed public resources from different measures and programs. The organizations also gain some resources from e.g. sales, but in a smaller proportion, which varies from one enterprise to another. They also use non-market, non-monetary resources in the form of social capital (e.g. networks, corporate citizenship, sponsoring, places for practical work in companies).

## **2.7. Links with public policies**

Social enterprises organized by welfare organizations aim at the integration of welfare recipients into the first labour market. The welfare organizations are linked with local, regional and federal public policies in the social and labour market fields because of their importance as social partners of the German state.

## **2.8. Basic data**

No data are available as to the number of social enterprises organized by welfare organizations, the number of their employees and their turnover. The spreading of these social enterprises differs depending on the kind of welfare organizations they belong to. Caritas, for example, counted about 400 - 500 social enterprises in 1999. It can be assumed that the other welfare organizations (except for the Jewish Welfare Association) have many more social enterprises.

# **3. The relation to the EMES socio-economic criteria**

## **3.1. A continuous activity producing goods and/or selling services**

The social enterprises which are organized by welfare organizations are continuously producing goods and/or selling services. However, their fields of activities are

somehow restricted in that their activities have to be simultaneously economically viable and additional (i.e. it is forbidden for these enterprises to compete with mainstream enterprises) and they have to imply some kind of public benefit. Fields of activities are therefore mostly related to the environment and to the provision of services. Since these social enterprises do not organize any pure vocational training measures and their workers are always engaged in occupational activities, they continuously produce goods and sell services.

### **3.2. A high degree of autonomy**

Social enterprises organized by welfare organizations depend on subsidies from the municipalities or the Federal Labour Office or on programs run by other labour market authorities. Therefore their degree of autonomy is rather low. A second factor also accounts for this low degree of autonomy: the fact that these social enterprises are part of ideologically shaped welfare organizations. The AWO has a social democratic background, Diakonie has a protestant background and Caritas has a catholic ideological basis.

The board of directors of these social enterprises is mainly composed of the managers and other important actors of the respective welfare organizations

### **3.3. A significant level of economic risk**

The level of economic risk is fixed by the welfare organizations. The social enterprises depend on the support, and thus the good will, of the welfare organizations, especially within the first years of their existence. If social enterprises experience economic losses and if they do not get sufficient support, they can become insolvent.

### **3.4. A minimum amount of paid work**

The salaries of the workers hired within the framework of employment measures are publicly financed; the staff are financed both by public subsidies and by the welfare organizations. Volunteer work does not play a significant role within social enterprises organised by welfare organisations, but these enterprises are generally closely linked to external volunteering action through their relations with local corporations.

### **3.5. An explicit aim to benefit the community**

On the one hand, the pursued goal is the integration of people who are confronted with poverty. On the other hand, social enterprises organized by welfare organizations aim at providing a benefit to the community through the production of additional and public goods and services. As already mentioned, the principle of additionality means that it is forbidden for social enterprises to act as competitors to companies. A further benefit of social enterprises is a socio-political one which relates to the fact that social enterprises are participating in testing new programs as well as in making expertises. Furthermore, social enterprises organized by welfare organizations also benefit the community due to the norms and values they represent.

### **3.6. An initiative launched by a group of citizens**

The social enterprise is launched by a local welfare organization. Social enterprises which are members of the Deutscher Paritätischer Wohlfahrtsverband constitute an exception: they were originally launched by private people or groups of private people and later became members of this welfare organization.

### **3.7. A decision-making power that is not based on capital ownership**

The decision-making power is based on capital ownership by the welfare organization that supports the social enterprise.

### **3.8. A participatory nature involving the persons affected by the activity**

In Germany, there are different laws regulating the participation of employees. The form and structure of this participation depend on the size of the organization. As already mentioned, social enterprises which employ more than 7 workers must have a worker council. The worker council is a special employee participation structure with special information and participation rights. Practical problems arise because the workers hired in the framework of employment measures only stay for a short term period in the organizations and the possibilities for them to actively participate – through their vote - in the worker council or the participatory group are limited. Beside these representation structures, social enterprises organized by welfare organizations have a board of directors and are controlled by the general assembly of the welfare organization.

### **3.9. A limited profit distribution**

Social enterprises organized by welfare organizations are non-profit organizations; the profit distribution to individual persons is thus limited by law. Possible surpluses are reinvested in buildings, equipment and other social projects inside the welfare organization.

## **4. The supporting umbrella structures**

The primary supporting structure is the welfare organization, which gives advice with regard to setting-up the enterprise and with regard to broader questions of development. Some social enterprises are members of the National Organization of Employment and Qualification Companies (*Bundesarbeitsgemeinschaft Arbeit*, or BAG Arbeit). Some welfare organisations have founded a special supporting network for their social enterprises, like the organization "Integration through employment" (*Integration durch Arbeit*, or IDA) inside Caritas.

There is no information available about the workers' relation to the trade unions.

## **5. The innovative features**

Social enterprises organised by welfare organizations are good examples of the combination of socio-political and labour market policies with the aim of the amount of people with poverty problems due to (long-term) unemployment. The advantage of these social enterprises consists in the fact that they provide social services for their participants.

# **Social enterprises organized by small and local initiatives**

## **1. Brief historical description**

Germany has a long tradition of associations and local initiatives by citizens. Many people participate in one or more associations or commit themselves to purposes of public interest. The number of initiatives has been increasing especially in the 1980s. These initiatives designed and carried out new actions, complementary or in opposition to state policies. Local initiatives pursue socio-political goals, e.g. through projects against social exclusion, and they are likewise concerned with aims such as bettering local cultural and social services, integrating migrants, or providing other services of special local importance. Initiatives also aim at other particular effects, depending on the problem area they are working in.

## **2. Key features**

### **2.1. Legal form(s) and structure of ownership**

The most common legal form is that of a registered association (*eingetragener Verein*). But there are also initiatives which have no registered legal form. In general, the structure of ownership is private.

### **2.2. Pursued goals**

The primarily pursued goal is the reduction of poverty, social exclusion and various effects linked hereto, depending on the problem area in which the social enterprise is working. In particular, the initiatives pursue goals defined by private persons or by groups of private persons.

### **2.3. Types of jobs provided**

The workers hired in the framework of employment measures work full- or part-time, but always for a limited period (one or two years). Their salaries are publicly financed. Volunteer work has a special importance in these social enterprises. Beside the jobs organized for the participants within the framework of employment measures, these social enterprises, in contrast to the other types of social enterprises studied in the present identification sheets, do not provide unlimited jobs for the staff (managing directors, social workers, technical assistants); staff work can be full- or part-time, but it can also take the form of voluntary work because these jobs depend on the limited resources of the social enterprise.

### **2.4. Weight of training**

Training measures have a special importance for people who do not have a vocational training qualification or who have been trained for an occupation which is not needed in the region. Pure vocational training is not very common in the social enterprises organized by local initiatives; part-time training courses for people who are working

in the framework of occupational measures are more widespread. The worker who completes these courses sometimes gets a certificate, but more often the training is simply considered as being part of the occupational training process, and no confirmed examination is provided for.

## **2.5. Type of employed workers**

Social enterprises organized by local initiatives employ all kinds of unemployed people. Because the initiatives' field of activities is broad, the measures are targeted at large groups of persons. There is currently no detailed information about the type of employed workers.

## **2.6. Types of resources**

Social enterprises organized by local initiatives depend mostly on public subsidies and grants. They often use mixed public resources from different measures and programs. The organizations only have limited access to market resources, e.g. from sales; this varies depending on their field of activity.

## **2.7. Links with public policies**

The initiatives are linked with local, regional and federal public policies in the social, cultural and labour market fields.

## **2.8. Basic data**

No data are available as to the number of social enterprises organized by local initiatives, the number of their employees and their turnover. The prevalence of these social enterprises differs from one region to another and it depends on the kind of initiative they attend to, as well as on the size of the initiative.

# **3. The relation to the EMES socio-economic criteria**

## **3.1. A continuous activity producing goods and/or selling services**

Social enterprises organized by local initiatives are continuously producing goods and/or selling services, provided that this is one of their goals. The initiatives which act in the field of culture or sport neither produce goods nor sell services. The activities of social enterprises organized by local initiatives have to be additional (i.e. it is forbidden for social enterprises to act as competitors of mainstream enterprises) and to contribute to the public good.

## **3.2. A high degree of autonomy**

Social enterprises organized by local initiatives depend on subsidies from the municipalities or the Federal Labour Office or from programs by other labour market authorities. Therefore, their degree of autonomy is rather low. Some enterprises are also using the possibilities to finance some jobs through membership fees or

sponsoring. In this case the degree of autonomy is higher than that of a social enterprise which is publicly financed in the usual way.

The board of directors is composed of the members of the local initiative's executive board.

### **3.3. A significant level of economic risk**

The level of economic risk is high, because many local initiatives have a low amount of share capital. Due to the small size of the local initiatives, the risk to go bankrupt is higher than for other types of social enterprises.

### **3.4. A minimum amount of paid work**

The salaries of the workers hired in the framework of employment measures are either publicly financed or financed by the members of the local initiative. In some local initiatives the staff are employed regularly. Volunteer work and voluntary action play an important role.

### **3.5. An explicit aim to benefit the community**

On the one hand, the pursued goal is the integration of people which are confronted with poverty. On the other hand, social enterprises organized by local initiatives aim at benefiting the community with respect to social and cultural purposes, sports and other civic areas. A further benefit of this kind of social enterprises is the socio-political benefit linked to the SE's participation in testing new programs or in the preparation of expertises.

### **3.6. An initiative launched by a group of citizens**

These social enterprises are launched by groups of citizens.

### **3.7. A decision-making power not based on capital ownership**

The decision-making power is not based on capital ownership but on the principle of "one person, one vote".

### **3.8. A participatory nature involving the persons affected by the activity**

In Germany, there are different laws regulating the participation of employees. The form and structure of this participation depend on the size of the organizations. If the social enterprise organized by a local initiative employs more than 7 workers, a worker council has to be established, as provided for by the law, but most social enterprises of this type do not reach this size.

Local initiatives have an executive board and a general assembly which controls the social enterprise according to the principle of "one person, one vote".

### **3.9. A limited profit distribution**

Social enterprises organised by local initiatives are non-profit organizations. The profit distribution to individual persons is thus limited by law. Possible profits are reinvested in buildings, equipment and projects.

## **4. The supporting umbrella structures**

Some social enterprises are members of the National Organization of Employment and Qualification Companies (*Bundesarbeitsgemeinschaft Arbeit*, or BAG Arbeit) and the welfare organisation "Paritätischer Wohlfahrtsverband". Some initiatives are also members of socio-political or occupational associations.

There is no information about workers' relation to trade unions.

## **5. The innovative features**

Social enterprises organised by local initiatives are a good example of the combination of civil and labour market policies with the aim of reducing the amount of people with poverty problems linked to (long-term) unemployment. The advantages of these social enterprises are their special linkages to democratic and grass roots services.

# Social integration enterprises with declining subsidies

## 1. Brief historical description

"Social integration enterprises with declining subsidies" are characterised by their relatively strong isomorphism; many social enterprises of this kind evolve from non-profit organizations towards market organizations. From their creation, these initiatives aim at achieving competitiveness in the first labour market. They consider their belonging to the non-profit sector as a temporary status, their aim being to become fully-fledged market organisations able to ensure the permanent integration of their workers in the mainstream labour market.

This category comprises two organizational forms, distinguished by the kind of public support they receive:

- social firms, which are social enterprises depending on special labour market programs at the counties (*Länder*) level. The first *counties* programs for financing social firms were initiated in the 1980s in Lower Saxony. After the reunification, other counties also established a labour market program to promote social firms. The labour market programs of the counties are complementary to the federal labour policy and European employment programs;
- co-operatives active in the fields of labour market policy and integration and depending on individual labour market subsidies. These co-operatives get no institutional subsidies for the occupation of unemployed people; only the individuals themselves get financial support, mostly in the framework of the Federal Labour Market Act (*Sozialgesetzbuch III*). As far as public financial support is concerned, their situation is thus different from that of social firms, which receive institutional and individual subsidies.

Both types of social integration enterprises with declining subsidies combine labour market and structural policies. They are characterized by the setting-up of a firm by/for unemployed people and are eager to increase their competitiveness (they get decreasing subsidies).

## 2. Key features

### 2.1. Legal form(s) and structure of ownership

Most social enterprises of the first type (social firms) are incorporated companies (*Gesellschaft mit beschränkter Haftung*, or GmbH); social enterprises of the second type, as abovementioned, are co-operatives.

### 2.2. Pursued goals

These social integration enterprises were established with the purpose of integrating unemployed people through the creation of working places in the first labour market. Consequently, the companies set up produce goods or/and services for the market;

these production activities serve as an instrument for the pursued goal of integration of unemployed people. The programs are aimed at the occupation of unemployed people, not at providing training measures or publicly financed employment.

### **2.3. Types of jobs provided**

The employees engaged in the integration process work full- or part-time, but for an unlimited period. In the first years of existence, the jobs are partly publicly financed. The subsidies are decreasing over the time.

### **2.4. Weight of training**

Training measures similar to those organised in other types of work-integration social enterprises do not exist in the social integration enterprises studied in this identification sheet. In the course of their activities the employees are qualifying themselves through on-the-job training. Nevertheless they have the possibility to participate in specialized courses (in bookkeeping, time management, driving license, etc.) which are organized by the umbrella organization NETZ. These training courses are of an occupational nature.

### **2.5. Types of employed workers**

Social integration enterprises are supported in return for their contribution to the integration of unemployed people in the labour market. In Germany, as already mentioned several times, long-term unemployed are defined as people who have been out of job for more than 12 months and who are registered by the Federal Labour Office. These long-term unemployed are mostly workers over 55 years, handicapped people and workers without vocational training.

The integration of these groups is the main goal of social firms (the organizations supported by the German counties). The counties have fixed this goal in special programs for disadvantaged people. Therefore, beside the workers, there must be a significant number of people with special labour market problems, i.e. lack of or less formal qualification, health problems, elder people.

Co-operatives can select their workers autonomously. If they integrate disadvantaged people the co-operatives can use subsidies e.g. by the Federal Labour Office. While county programs only grant subsidies to social firms that employ workers belonging to disadvantaged labour market groups (e.g. long-term unemployed people), these restrictions do not apply to co-operatives; however, it is considered as a "good practice" that a significant number of co-operatives employ disadvantaged labour market groups on the basis of the regulation of the Federal Labour Market Act.

### **2.6. Types of resources**

In their start-up period, social firms receive public subsidies (resources from counties programs). As far as co-operatives are concerned, one could consider that they use subsidies from the Federal Labour Office, although in reality this support is granted to the individual workers. But the subsidies received both by social firms and (indirectly) by co-operatives are decreasing over time; consequently, social integration enterprises

increasingly depend on other forms of resources. Market resources (which are mostly monetary resources) have to be increased through the sale of products and/or the provision of services. There can also be non-market, non-monetary resources in the form of social capital (e.g. networks, corporate citizenship, sponsoring). Some social integration enterprises of this category also provide possibilities for voluntary work.

## **2.7. Links with public policies**

Social firms are established by labour market programs in certain German counties and the occupation of unemployed people through co-operatives is based on employment measures (e.g. of the Federal Labour Office alone or in a combination with other labour market programs). After the initial period, during which these social enterprises receive public subsidies in one form or another, no special links with public policies persist.

## **2.8. Basic data**

No data are available as to the number of social firms based on counties programs, their number of employees and their turnover, but they are not very widespread. There is a higher number of co-operatives active in the field of labour market integration: some 6,000 – 7,000 social integration enterprises of this kind are financed by measures of the Federal Labour Office. However, the number of employees is not very high because most of these enterprises are small and medium-sized firms.

Although no significant quantitative information is available about the development of the number of social firms, some assumptions are possible regarding their number:

- under the assumption that the resources available from public programs in the German counties are stable and limited, it can be expected that the number of new social firms created each year will remain stable;
- because of the described isomorphism of these organizations, which become - after the initial period, during which they receive financial support - pure market firms, it can also be assumed that the total number of social firms will remain stable as well.

The evolution of the number of co-operatives is not so directly linked to public subsidies because they can also use other sources of income. However, as already noted, they may depend to some extent on the subsidies granted to their workers by the Federal Labour Office. But this source of income is relatively insecure, because of the fluctuations in the financial resources of the Office. As a matter of fact, the amount of resources available for active labour market policies depends on labour market insurance contributions. In times of low unemployment rates and high employment rates, many employees contribute to the labour market insurance, and the amount of resources available for active labour market measures is high. Conversely, when unemployment increases, less people contribute to the insurance, and the monetary resources are lower, but the Federal Labour Office needs more monetary resources for active labour market expenditures. This has an impact on the possibilities of the Federal Labour Office to support co-operatives employing unemployed people, and those co-operatives relying only on subsidies of the Federal Labour Office could be strongly affected by such dynamics.

### **3. The relation to the EMES socio-economic criteria**

#### **3.1. A continuous activity producing goods and/or selling services**

Social integration enterprises with decreasing subsidies have to be continuously producing goods and/or selling services, since they aim at becoming independent from public subsidies.

#### **3.2. A high degree of autonomy**

When a social firm is set up with the support of counties programs, the county ministry of labour or other related county ministries (or a consultant engaged by one of these ministries) have a significant influence on the choice of the goods or services which will be produced by the social firm. But in the first year after their setting up, the social firms are nearly independent. The managers can autonomously decide on the use of the enterprise's revenues. Capital owners are represented on the board of directors. The decisions in co-operatives can be based on capital. But on the other hand also democratic decisions of the members have an important dimension.

#### **3.3. A significant level of economic risk**

During the phase in which social integration enterprises are publicly financed the level of economic risk is relatively low. However, the increasing importance of market resources over time represents a particular challenge. Social firms, in particular, have to act more and more over time as market organizations and to take their share of the normal economic risk.

#### **3.4. A minimum amount of paid work**

Because they have to increasingly integrate in the first labour market, these social integration enterprises have a significant amount of paid work. There are some examples of volunteering.

#### **3.5. An explicit aim to benefit the community**

The main goal of these social enterprises is the integration of the (long-term) unemployed which, in itself, has a positive effect for the community. In addition, these social integration enterprises benefit the community in two ways: firstly, they represent good practices and one could hope that other persons will be motivated by their example to set up small or medium-sized firms; secondly, in an economic way, these firms meet demands for goods and/or services needed in the community (such as fair trading, car-sharing, apartment moves, district stores or farms).

#### **3.6. An initiative launched by a group of citizens**

Social firms and co-operatives are launched by private persons, former long-term unemployed people, private entrepreneurs, local companies and/or trade unions.

### **3.7. A decision-making power that is not based on capital ownership**

In social firms, decision-making power is based on capital ownership. During the first years, it is also partly held by public authorities. After the initial period of public financing, social firms become traditional market organizations.

In co-operatives the decision-making power is based on capital ownership by the workers who are members of the co-operative.

### **3.8. A participatory nature involving the persons affected by the activity**

In Germany, there are different laws regulating the participation of employees. Social firms are often too small for the establishment of a worker council (compulsory, as abovementioned, for organisations employing more than seven workers). The participation of the workers who have the formal status of long-term unemployed is thus usually only informal. Co-operatives are run according to the "one person, one vote" principle, thus ensuring participation by the co-operative members.

### **3.9. A limited profit distribution**

In these social integration enterprises the profit distribution is limited by statutes. In the public support period the profit distribution in these social enterprises is limited to 50% of the profit.

## **4. The supporting umbrella structures**

The primary supporting structure is an advising organization which is asked by the county ministry to support the SE and which gives advice with respect to the process of setting up, financial affairs and questions of development. These social integration enterprises are also members of branch- and vocational-orientated associations. For example, social firms which are acknowledged by "LaBibb", in Lower Saxony (*Landesberatungsgesellschaft*), or by other welfare organizations, can benefit from advice from these during the first years after their setting-up. Established social firms are sometimes also linked to other regional companies, which guarantees them continuity in their production and sales. There is a large umbrella organization for co-operatives, called NETZ, but most co-operatives do not belong to this umbrella organization.

There is no empirical information about workers' relations to trade unions. Although many of these social integration enterprises are initiated by trade unions, there are no institutional connections to the trade unions.

## **5. The innovative features**

Social firms and co-operatives active in the field of labour market integration are good examples of the combination of labour market and structural aims. These social enterprises, as already mentioned, have a strong trend to isomorphism, evolving from intermediary organisations to pure market enterprises, with the result that the workers are transferred from the second to the first labour market.

## Bibliography

- ANHEIER, H. K., PRILLER, E., SEIBEL, W. and ZIMMER, A. (1998), *Der Dritte Sektor in Deutschland. Organisationen zwischen Staat und Markt im gesellschaftlichen Wandel*, 2. Aufl., Berlin.
- BIRKHÖLZER, K. and LORENZ, G. (2001), "Germany: Work Integration through Employment and Training Companies in Berlin and its Surrounding Regions" in SPEAR, R., DEFOURNY, J., FAVREAU, L. and LAVILLE, J.L. (Eds), *Tackling Social Exclusion in Europe*, Ashgate, Aldershot 2001, pp. 145-179.
- BIRKHÖLZER, K. (2001a), "Das Dritte System als innovative Kraft. Versuch einer Funktionsbestimmung" in HOß, D. and SCHRICK, G. (2002), *Die Region. Experimentierfeld gesellschaftlicher Innovation*. Verlag Westfälisches Dampfboot, Münster, pp. 16-30.
- BODE, I. (1999), "Von bewegt bis flexibel: Zur Entwicklung von Arbeitsverhältnissen im Dritten Sektor" in *Zeitschrift für Sozialreform*, (45) 11/12, pp. 920-940.
- BODE, I. and BROSE, H.-G. (2001), "Intersystemische Organisationen im Spannungsfeld funktionaler Differenzierung" in TACKE, V. (Ed.), *Organisationen und Gesellschaftliche Differenzierung*, Opladen: Westdeutscher Verlag, pp. 112-140.
- BODE, I. and GRAF, A. (2000), "Im Trend, aber auf eigenen Wegen. Arbeit und Organisation im Dritten Sektor" in BROSE, H.-G. (Hg.), *Die Reorganisation der Arbeitsgesellschaft*, Frankfurt/New York: Campus, pp. 139-172.
- COHEN, J. L. and ARATO, A. (1995), *Civil Society and Political Theory*, Cambridge (Ma), MIT Press.
- DEML, J. (2000), "Regionen im Umbruch. Lokale Arbeitsmarktpolitik im europäischen Vergleich. Regionalstudie Deutschland / Bremen" in PRIGGE, R., BUCHEGGER, R. and MAGNUSSON, L. (Eds), *Strategien regionaler Beschäftigungsförderung. Schweden, Österreich und Deutschland im Vergleich*, Frankfurt/New York, Campus, pp. 233-349.
- EVERS, A., RAUCH, U. and STITZ, U. (2002), *Von öffentlichen Einrichtungen zu sozialen Unternehmen. Hybride Organisationsformen im Bereich sozialer Dienstleistungen*, Berlin, Sigma Verlag.
- FELS, G., HEINZE, R. G., PFARR, H., SCHMID, G. and STREECK, W. (2000), *Aktivierung der Arbeitsmarktpolitik*. Thesen der Benchmarking-Gruppe des Bündnisses für Arbeit, Ausbildung und Wettbewerbsfähigkeit, (Online-Version), Berlin.
- RABE, B. (2000), *Wirkungen aktiver Arbeitsmarktpolitik. Evaluierungsergebnisse für Deutschland, Schweden, Dänemark und die Niederland, Gutachten im Auftrag des Bundeskanzleramtes für die Benchmarking-Gruppe des Bündnisses für Arbeit, Ausbildung und Wettbewerbsfähigkeit*, WZB discussion paper, FS I 00-208, Berlin.
- SCHMID, A. and SCHULZ, A. (2000), *Beschäftigungsförderung und Arbeitsmarktpolitik. Der Beitrag der Caritas*, Freiburg, Lambertus.
- SCHMID, G. (2002), *Wege in eine neue Vollbeschäftigung. Übergangsarbeitsmärkte und aktivierende Arbeitsmarktpolitik*, Frankfurt a. M. / New York.
- WALWEI, U. and WERNER, H. (1997), *Beschäftigungsinitiativen in Deutschland, Länderbericht*, Nürnberg, IAB-Werkstattbericht Nr. 02/1997.
- ZIMMER, A. (1999), "Corporatism Revisited - The Legacy of History and the German Nonprofit-Sector" In *Voluntas*, (10) 1, pp. 37-49.



## EMES NETWORK PUBLICATION LIST

### *Books*

- Laville, J.-L. & Cattani, A.D. (eds) (2005) *Dictionnaire de l'autre économie*, Paris: Desclée de Brouwer, 564p.
- Borzaga, C. & Spear, R. (eds) (2004) *Trends and Challenges for Co-operatives and Social Enterprises in Developed and Transition Countries*, Trento: Edizioni31, 280p.
- Evers, A. & Laville, J.-L. (eds) (2004) *The Third Sector in Europe*, Cheltenham: Edward Elgar, 288p.
- Borzaga, C. & Defourny, J. (eds) (2001) *The Emergence of Social Enterprise*, London: Routledge, 386p.
- Spear, R., Defourny, J., Favreau, L. & Laville, J.-L. (eds) (2001) *Tackling Social Exclusion in Europe. The Contribution of the Social Economy*, Aldershot: Ashgate, 359p.

### *EMES Working Papers relating to the "PERSE" Project*

- Aiken, M. & Spear, R. (2005) "Work Integration Social Enterprises in the United Kingdom", *Working Papers Series*, no. 05/01, Liège: EMES European Research Network.
- Bode, I., Evers, A. & Schulz, A. (2002) "Work Integration Social Enterprises in Germany", *Working Papers Series*, no. 02/04, Liège: EMES European Research Network.
- Borzaga, C. & Loss, M. (2002) "Work Integration Social Enterprises in Italy", *Working Papers Series*, no. 02/02, Liège: EMES European Research Network.
- Davister, C., Defourny, J. & Grégoire, O. (2003) "Les entreprises sociales d'insertion dans l'Union européenne. Un aperçu général", *Working Papers Series*, no. 03/11, Liège: EMES European Research Network.
- Davister, C., Defourny, J. & Grégoire, O. (2004) "Work Integration Social Enterprises in the European Union: An Overview of Existing Models", *Working Papers Series*, no. 04/04, Liège: EMES European Research Network.
- Eme, B. & Gardin, L. (2002) "Les entreprises sociales d'insertion par le travail en France", *Working Papers Series*, no. 02/01, Liège: EMES European Research Network.
- Hulgård, L. & Bisballe, T. (2004) "Work Integration Social Enterprises in Denmark", *Working Papers Series*, no. 04/08, Liège: EMES European Research Network.

- Nyssens, M. & Grégoire, O. (2002) "Les entreprises sociales d'insertion par l'économie en Belgique", *Working Papers Series*, no. 02/03, Liège: EMES European Research Network.
- O'Hara, P. & O'Shaughnessy, M. (2004) "Work Integration Social Enterprises in Ireland", *Working Papers Series*, no. 04/03, Liège: EMES European Research Network.
- Pättiniemi, P. (2004) "Work Integration Social Enterprises in Finland", *Working Papers Series*, no. 04/07, Liège: EMES European Research Network.
- Perista, H. & Nogueira, S. (2004) "Work Integration Social Enterprises in Portugal", *Working Papers Series*, no. 04/06, Liège: EMES European Research Network.
- Stryjan, Y. (2004) "Work Integration Social Enterprises in Sweden", *Working Papers Series*, no. 04/02, Liège: EMES European Research Network.
- Vidal, I. & Claver, N. (2004) "Work Integration Social Enterprises in Spain", *EMES Working Papers Series*, no. 04/05, Liège: EMES European Research Network.

<i>EMES Working Papers relating to the "ELEXIES" Project</i>
--

- Delaunois, P. (2003) "Profils nationaux des entreprises sociales d'insertion : Luxembourg", *Working Papers Series*, no. 03/02, Liège: EMES European Research Network.
- Delaunois, P. (2003) "National Profiles of Work Integration Social Enterprises: Luxembourg", *Working Papers Series*, no. 03/07, Liège: EMES European Research Network.
- Eme, B. & Gardin, L. (2002) "Les structures d'insertion par l'économie en France", *Working Papers Series*, no. 02/07, Liège: EMES European Research Network.
- Eme, B. & Gardin L. (2003) "National Profiles of Work Integration Social Enterprises: France", *Working Papers Series*, no. 03/09, Liège: EMES European Research Network.
- Grégoire, O. (2003) "Profils Nationaux des Entreprises Sociales d'Insertion : Belgique", *Working Papers Series*, no. 03/03, Liège: EMES European Research Network.
- Grégoire, O. (2003) "National Profiles of Work Integration Social Enterprises: Belgium", *Working Papers Series*, no. 03/08, Liège: EMES European Research Network.
- Gruber, C. (2003) "National Profiles of Work Integration Social Enterprises: Austria", *Working Papers Series*, no. 03/06, Liège: EMES European Research Network.
- Loss, M. (2003) "National Profiles of Work Integration Social Enterprises: Italy", *Working Papers Series*, no. 03/04, Liège: EMES European Research Network.
- O'Shaughnessy, M. (2002) "Social Integration Enterprises in Ireland", *Working Papers Series*, no. 02/05, Liège: EMES European Research Network.

- Pättiniemi, P. & Immonen, N. (2002) "National Profiles of Work Integration Social Enterprises: Finland", *Working Papers Series*, no. 02/10, Liège: EMES European Research Network.
- Perista, H. & Nogueira, S. (2002) "National Profiles of Work Integration Social Enterprises: Portugal", *Working Papers Series*, no. 02/09, Liège: EMES European Research Network.
- Schulz, A. (2003) "National Profiles of Work Integration Social Enterprises: Germany", *Working Papers Series*, no. 03/05, Liège: EMES European Research Network.
- Spear, R. (2002) "National Profiles of Work Integration Social Enterprises: United Kingdom", *Working Papers Series*, no. 02/06, Liège: EMES European Research Network.
- Spear, R. & Bidet, E. (2003) "The Role of Social Enterprise in European Labour Markets", *Working Papers Series*, no. 03/10, Liège: EMES European Research Network.
- Spear, R. & Bidet, E. (2003) "Le rôle des entreprises sociales dans les marchés européens de l'emploi", *Working Papers Series*, no. 04/01, Liège: EMES European Research Network.
- Stryjan, Y. & Laurelii, E. (2002) "National Profiles of Work Integration Social Enterprises: Sweden", *Working Papers Series*, no. 02/08, Liège: EMES European Research Network.
- Vidal Martinez, I. & Valls Jubany, C. (2003) "National Profiles of Work Integration Social Enterprises: Spain", *Working Papers Series*, no. 03/01, Liège: EMES European Research Network.