Historical Perspectives on Social Business Enterprises: Looking Backward to Move Forward

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Background

It has long been established that social businesses are distinctively different from charitable and non-profit organisations, as well as from the traditional for-profit ones. The primary differentiating factor is social businesses’ aim to make profit towards financial viability as the means to a higher ultimate end: to produce work for social and environmental concerns. In this context, social business enterprises “as double bottom line organizations…strive to achieve social and financial outcomes” (Sepulveda, 2015, p. 848). An initial academic discussion on social enterprise as a legitimately owned and run business venture, which would be monetarily self-sufficient to pursue social and environmental objectives, was put forward by Freer Spreckley (1981) in the UK in 1978. However, the global social business research community is yet to agree on a universal definition and classification of social business enterprises, which is imperative for the progress of this field. In fact,

“[…] after more than a decade of research the debate over social enterprise definitions and classifications continues. EMES network in Europe argues that there is an ideal type of social enterprise to which all ventures should aspire. The spectrum approach emphasizes the trade-off between pure profit-making and social impact, locating organizations on this continuum. The Schumpeterians take innovation as its central focus, arguing that the disruption of the status quo is an important differentiator.” (Young and Lecy, 2014, p. 1307)
In search of an agreement in social business/entrepreneurship research to contribute to the progress of this field, it could be argued that “determining the direction of where a field is headed often requires a reflection of its founding principles, the transformation it has endured, and the driving forces that shape its existence” (Greenfield, 2017, p. 1). For example, to expand the entrepreneurship research field, numerous works are derived, based on the concepts, borrowed from preceding societies and markets and their relevant philosophy and activities (Eisenstadt, 1980; Brouwer, 2002; High, 2009; Brooks and Deffains, 2013; Neal and Williamson, 2014). Therefore, ‘moving forward by looking backward’ is not new in social science research (Nwankwo, 2013). Similarly, scholars argue that “social enterprise in the UK cannot be properly examined without an historical perspective” (Roy et al., 2014, p. 33). However, in terms of social business enterprises or social entrepreneurship, historical studies are scarce. For example, “it is not possible to detail a comprehensive history of social entrepreneurship movement and all those that have made contributions to its evolution” (Alter, 2007, p. 3). It is argued that “scientific literature on social enterprise is at an impasse” (Agafonow, 2015, p. 1038). As a consequence, looking backward on the historical perspectives of social business (or entrepreneurship) would be instrumental to unlocking the inexorable potential of this form of business/entrepreneurship aiming in parallel to contribute to the community interests and social and environmental welfare, while making profit for the social business enterprises.

The curious minds of today’s social business researchers and entrepreneurs could further be stimulated by the aforementioned social enterprising thought and practice of the primeval, medieval, pre-modern and modern societies, through a close look on how and why this term was introduced; and the underpinning factors that influence the coining of the term ‘social business’ or ‘social entrepreneurship’. The analysis of the key forces that collectively stimulate a social enterprising culture from the historical viewpoints, and the underpinning learning approach would be imperative to familiarise with the traditional social entrepreneurship school of thought. Latter, the insights could relate on how those key social business/entrepreneurship forces were devised, exploited and amplified in the ancient/primeval, medieval, pre-modern and modern societies, such as in the ancient Mesopotamia, ancient Greece, Inca society, ancient China, ancient India and other previous societies and economies.
Following this background, a further exploration would be beneficial, especially on how those social enterprising forces and factors were nurtured and further developed, throughout human socio-economic development; how those forces and factors were enforced in modern societies, especially to coin the term ‘social business’ or ‘social entrepreneurship’; and, finally, how those forces and factors impel to organisations to transform into today’s postmodern social enterprises, in order to deal with the contemporary social and environmental issues, without sacrificing the profit motive of the entrepreneurs. A scorching example of the benefits of such ’looking backward to move forward’ for the progress of the social entrepreneurship school of thought and its practice is the notion of “micro-finance”.

Micro-financing as a means of ‘banking for poor’ has received greater attention in the last decade as a social entrepreneurship concept, when Dr. Yunus, the prime explorer of this concept in the postmodern economy, won the Nobel prize in 2006 (Counts, 2008; Gebremariam, 2010). Since then, ‘microfinance’ has become one of the key issues in the contemporary social business research and practice, especially in the context of social entrepreneurship (Karlan and Valdivia, 2011; Dorado, 2013; Nega and Schneider, 2014; Washington and Chapman, 2014; Siqueira et al., 2014; Bruton et al., 2015; Moss et al., 2015). However, Seibel (2005) reported that

“the birth of microfinance in Europe dates back to tremendous increases in poverty since the 16th and 17th century. (p. 1) The case of India shows that the origins of microfinance predate those reported above in Ireland and Germany by more than two and perhaps even three millenniums.” (p. 6)

Consequently, such historical reviews will be supportive to confront the shortcomings of debates in the contemporary social business/entrepreneurship research and practice to envision alternative concepts and frameworks from the past, like ‘micro-finance’. “This view is (also) supported by Majidov and Ghosh (2008) arguing that the historical implications in relation to the contemporary...development have often an influential role for the progress of...idea and practices” (Shams and Kaufmann, 2016, p. 1256). Based on this background, this special issue aims to enhance our understanding on how diverse historical perspectives of different social business enterprising concepts and practices could contribute to the progress of this field of social entrepreneurship, in order to proactively, profoundly and prolifically deal with the contemporary societal and ecological issues, while making profit for the social business enterprises.
Thematic areas

Civilisation flows through business evolution, much like time itself, creating kindling and feeding innovative entrepreneurial ideas across the typographical spectrum of organisations and economic contexts. Consequently, the focus of this special issue is to reflect on past economies’, markets’ and societies’ considerations; from which contemporary social enterprises and scholars shall gain a better understanding of the transitions of social enterprising thought and practice, and their underlying forces and critical factors that shape social business/entrepreneurship credibility. Additionally, this special issue is concerned with the way the entrenchment of the ‘social business/entrepreneurship’ concept and different relevant ideas from the past (similar to the micro-financing concept) transform into the modern socio-economic context, which is neither a complete not-for-profit business, nor the traditional profit-oriented business enterprises; but could make profit to remain financially viable, in order to uphold the contemporary social and environmental issues. From this perspective, and centered on the discussed research need, this special issue encourages both conceptual and empirical (quantitative, qualitative, or mixed) contributions that may address different historical ideas related to social business/entrepreneurship and their implications for the contemporary business world. Groundbreaking studies that span hypothetical boundaries and business functional areas to develop new insights on ‘the impact of the historical perspectives of social business/entrepreneurship on the present-day business environment’ are welcome to be submitted, and may be relevant – but not limited - to the following topics:

- historical contexts of social business to define and classify social business in the contemporary marketplace;
- comparative studies in social business and entrepreneurship in between different eras;
- social business/entrepreneurship in the ancient conflict regions and its impact on the reformation of the socio-economic issues in the contemporary conflict regions;
- the historical context(s) of social enterprises and cross-disciplinary research and cross-functional practice to shape the future of social business and entrepreneurship;
- the methodological issues in social business/entrepreneurship research that could be learnt from the analytical methods of the ancient societies;
- cross-cultural issues in the contemporary social business: lessons from the history;
- the past, present and the future of social business to contribute to the United Nations’ seventeen sustainable development goals (http://www.un.org/sustainabledevelopment/sustainable-development-goals/);
- the past and present of the political, economic, socio-cultural, legal and environmental aspects of social business/entrepreneurship for its further progress;
- the historical perspectives of social business/entrepreneurship for future research propositions in this research-stream;
- the historical perspectives of social business/entrepreneurship to deal with the corruption, business risks and uncertainty in the contemporary social business/entrepreneurship practices, and so forth.

Some prospective research questions of the relevant studies might include:

- what new social business/entrepreneurship models, similar to the ‘micro-finance’ model can be envisioned to contribute to the progress of the contemporary social business/entrepreneurship research and practice?
- what could be learnt from the history to sustain the competitive advantages of the contemporary social business enterprises?
- how could contemporary social business enterprises adapt the innovative solutions from the past that could contribute to cross-sector collaborative platforms?
- historical perspectives of environmental change and its implications for the United Nation’s current environmental policy and practice: what the social business can and should do?
- consumers’, organisations’, NPOs’, governments’, employees’ and other stakeholders’ attitudes to and beliefs about the future of social business/entrepreneurship: what could be learnt from the past?
- how can historical thoughts and practices reform the contemporary social business organisations to supplement or replace the conventional business thoughts and practices?

Special issue manuscript development workshops

A special issue workshop will be organised at the 11th EuroMed Academy of Business Annual Conference 2018, Valletta, Malta (September 12 – 14). A second author workshop will be organised in November 2018 at the Ural Federal University, Russia. Neither participating in these author workshops guarantees acceptance of a paper, nor participating in these workshops is a prerequisite for acceptance of a paper in this special issue.

Key dates

Manuscript submission deadline: February 28, 2019 (however, earlier submission is highly encouraged);
First comments (initial acceptance/rejection) on manuscripts: April 30, 2019;
Revision due: June 15, 2019;
Special issue will be published in late 2019 / early 2020.

Journal information and author guidelines

All Journal of Social Entrepreneurship manuscripts will undergo a double-blind peer review process. “In this journal, social entrepreneurship is defined as having four key components - sociality, innovation, market orientation, and hybridity” (Aim and Scope, 2018, np). Prospective authors are suggested to consult this perspective of social entrepreneurship in
The manuscripts should be formatted, based on the guidelines of the Journal: https://www.tandfonline.com/action/authorSubmission?journalCode=rjse20&page=instructions, and should be submitted online through https://mc.manuscriptcentral.com/rjse. Please, indicate that you are submitting to “social business history” special issue, while submitting online. Relevant inquiries are valued, and can be directed to the guest editors.

References


