

4.4.Social enterprises in the Czech Republic: context, practice and approaches (Eva Fraňková – Petra Francová – Nadia Johanisová)

Eva Fraňková Department of Environmental Studies, Faculty of Social Studies, Masaryk University, Brno, Czech Republic; +420 549493913, email: eva.slunicko@centrum.cz (corresponding author)

Petra Francová P3 – People, Planet, profit, o.p.s., Prague, Czech Republic, +420 774 496 014, email: petra.francova@p-p-p.cz

Nadia Johanisová Department of Environmental Studies, Faculty of Social Studies, Masaryk University, Brno, Czech Republic; +420 549493005, email: johaniso@fss.muni.cz

ABSTRACT

The main aim of this chapter is to describe the recent development and current practice of social enterprises in the Czech Republic. In our view, we can distinguish two lines of understanding of social enterprises (SE) in the Czech Republic: First, the institutionalized approach that is based on the European definition, and is reflected in the Czech definition and principles of SE that have been developed during the last 15 years by the Czech national SE network TESSEA. This approach is also used by the Czech government. Second, the grass-root approach that is wider, and also includes community groups and initiatives that share the main SE principles, but are not incorporated, i.e. they do not have a concrete legal form. We characterize both these types of SE in detail and give an overview and living examples of their practical functioning in the Czech Republic. We argue that these two approaches are not mutually exclusive, but rather complementary; however, as the institutional support goes almost exclusively to the first – institutionalized type of SE, we suggest that it is important to recognize also the second, grass-root type of SE that – although less "legible" for the state apparatus – is still important for innovation and social change towards more economic democracy, social justice and environmental sustainability in the future.

INTRODUCTION

After the Velvet Revolution in 1989, the social economy sector developed in the Czech Republic as a specific combination of several historical factors, above all the long-term historical tradition of the cooperative movement and mutual-type organisations dating back to the mid-19th century, and even further back, and the communist period between 1948 and 1989 that followed, truncating the "golden age" of the Czech cooperative movement during the First Republic (the 1920s and 1930s). After 1989, these historical experiences were cross-fertilized by Western intellectual traditions coming both from the U.S. and Europe, adding another dimension to developing conceptualizations of the social economy and of social enterprises in the context of the Central and Eastern European (CEE) countries, including the Czech Republic.

The concepts of social economy and social enterprise are notoriously hard to define not only within the CEE, but worldwide. Both their theoretical understanding and living practice are constantly developing (Ridley-Duff and Bull 2016, chapter 2), and are dependent on the historical and intellectual traditions and movements that the respective authors and actors draw on. For the purposes of this chapter, we understand the social economy to be equivalent to the third sector (as understood e.g. by Evers and Laville 2004), i.e. an economic sphere that

includes both social enterprises that operate - at least to some degree - in the market, and non-profit organisations, including the umbrella and enabling organisations supporting the development of the sector itself.¹¹³

The main aim of this chapter is to look at the recent context, the institutional background and the current practice of social enterprises in the Czech Republic. In our view, we can distinguish two lines of understanding of social enterprises (SE) in the Czech Republic. First, there is an *institutionalized* approach that is based on the European definition of SE, and is reflected in the Czech definition and principles of SE that have been developed during the last 10 years by the Czech national SE network TESSEA¹¹⁴, and that are also being used by Czech government officials. Second, there is a *grass-roots* approach to social enterprises that is rooted in the broader intellectual background of ecological economics (Spash 2017) and social/critical geography (Gibson-Graham et al. 2013); this approach is somewhat broader, and includes community groups and initiatives that do share the main SE principles, but are often informal, less structured, and operate partly or fully outside the market. We apply both these perspectives to the situation in the Czech republic, trying to see both the more formalized and the more community-based/informal socio-economic initiatives that operate within the economy to fulfil various economic, societal and environmental goals.

The structure of the chapter is as follows: After this Introduction (section 1), we first apply the more institutionalized approach to SE (section 2): in part 2.1 we provide information on the context of the social economy in the Czech Republic – something that can be called the “infrastructure” (Bednáriková and Francová 2011), “ecosystem” (EC 2014), “landscape” or “universe” (OECD 2016) of the social economy in the Czech Republic, while part 2.2 is a summary of the latest available information on social enterprises in the Czech republic that fulfil the institutionalized definition of SE. Second, in section 3, we argue for a broader understanding of SE to also include existing more grass-roots, non-market-oriented, often unincorporated entities, providing three case studies of the latter (3.1). Next, in part 3.2, based on the three case-studies and on our previous theoretical work, we derive five key characteristics of these entities, as a foundation for a broader perspective on (Czech) SE. In the discussion that follows (section 4) we discuss these findings in a wider context, and we summarize the main conclusions. Where our original data are used, the methodology of their collection is briefly described at the beginning of each relevant section.

SOCIAL ENTERPRISES IN THE CZECH REPUBLIC: CONTEXT AND CURRENT PRACTICE

The roots of the social economy in the Czech Republic can be traced back to the emergence of worker cooperatives, mutual type organisations, and associations in the mid-19th century. (Feierabend 1952; Bednarikova & Francova 2011; Dohnalova 2009; Kotynkova 2013; Huncova 2010; Švihlíková and Hunčová, this volume) Among others, these organisations focused on financial, consumer and production mutual aid and self-help. Within the multi-lingual and multi-national Habsburg Empire, they helped form Czech cultural and economic identity and gradually helped develop an ethos of grass-roots economic solidarity (Feierabend 1952). Their activities intensified towards the end of the century and reached their peak after the First World War. In the 1920s and 1930s, the number of associations and cooperatives

¹¹³ As theoretical underpinnings and conceptualizations of the third sector and social economy are not the main focus of this chapter, for further conceptual debates on this contested subject we refer the reader e.g. to Borzaga and Defourny (2001), Ridley-Duff and Bull (2016), or Amin (2009).

¹¹⁴ TESSEA (*Tématická síť pro rozvoj sociální ekonomiky* - Thematic Network of the Social Economy) existed in 2009 - 2015 as an informal Czech network of people active in or interested in social enterprise/the social economy. As discussed below, it was formalised as an umbrella SE group, TESSEA ČR, in 2015.

increased in all spheres including student organisations, sport clubs, associations of national minorities, housing and electricity co-operatives, etc. (Feierabend 1952, Dohnalova 2009). In 1937, there was a total of 16 670 active co-operatives registered in Czechoslovakia (Feierabend 1952, Table 30).

After the Second World War, the communist regime was established in February 1948. While some of the associations and cooperatives survived this change, their activity lost certain important elements of the social economy, above all their autonomy from the state and their democratic bottom-up structure. Many were dissolved by the state because their social mission was not in accordance with the regime. Cooperatives had to produce goods according to centralized production plans, and free elections of board members were impossible. The totalitarian regime heavily influenced the development of the Czech social economy even after its demise in 1989. Cooperatives were discredited in the eyes of the public, and the heavy-handed and top-down management of associations brought in its wake a mistrust of networking and a loss of civil culture.

According to Dohnalova (2009), this created a legacy that disadvantaged the development of social economy and entrepreneurship in several ways:

- Mistrust in associations and cooperatives because of their connection with the communist regime;
- Lack of willingness to participate in activities with a social mission;
- Underdeveloped entrepreneurial culture;
- High dependence of the third sector on the state; and
- Underdeveloped legal framework for support of third sector activities.

After the fall of the communist regime in 1989, there were efforts to revive the autonomous cooperative sector. These efforts concentrated especially on credit cooperatives, but the inadequate legislation at the time led to their collapse at the end of the 1990s and to their discreditation the eyes of the public.

Interest in defining the social economy and its actors has been apparent since the early 2000s. In 2002, as the first post-communist country, Czechoslovakia¹¹⁵ hosted a conference devoted to the social economy. As a result, a declaration was signed to support the '*creation of suitable social framework in the Czech Republic and other countries*' from Eastern and Central Europe (Dohnalova 2009). However, this conference still had a very limited attendance from the Czech Republic due to low awareness of the social economy concept at the time.

The social economy in the Czech Republic: definitions and legal aspects

In 2009, the Thematic Network of the Social Economy (TESSEA) was established as a broad platform bringing together various stakeholders in the social economy field. By 2010 it developed a definition of social enterprise that has been accepted by a broad range of stakeholders in the Czech Republic, including the Ministry of Labour and Social Affairs (MoLSA), Agency for Social Integration, Association of Czech and Moravian Co-operatives and others. TESSEA published the first version of the definition in 2010, and a revision in 2011 (Bednarikova & Francova 2011).

The TESSEA publication defines the broader concepts of social economy and social entrepreneurship thus (quoted from Bednarikova & Francova 2011):

¹¹⁵ The Czech Republic emerged in 2003 from a federation of Czech and Slovaks - Czechoslovakia, which had existed as an independent country, emancipated from the Habsburg Empire, since 1918 (with the exception of a period of occupation by Germany in 1939 - 1945).

"Social Economy as a sum of activities undertaken by social economy entities, the purpose of which is to increase local employment or to fulfil other requirements and objectives of the community in the field of economic, social, cultural and environmental development.

Social economy entities as social enterprises plus financial, consulting and training institutions that support social entrepreneurship as well as non-governmental non-profit organisations that carry out economic activities in order to secure work for their clients or gain additional financing for their mission. Social economy entities share common values, which are the fulfilment of a publicly beneficial objective, democratic decision-making, supporting citizens' initiatives, independence from public or private institutions, a different way of using profits, taking into account environmental considerations, and prioritising local needs and local resources.

Social entrepreneurship as entrepreneurial activities benefiting society and the environment. Social entrepreneurship plays an important role in local development and often creates jobs for the disabled or the socially or culturally disadvantaged. The majority of profits are used for the further development of the social enterprise. Achieving profit is equally important for social enterprises as increasing public benefit."

Within the context of these broader definitions, a more detailed definition of social enterprise has been elaborated by TESSEA. Social enterprise is here defined as a "social-entrepreneurial entity", i.e. a legal person established under private law or a part of such a legal person or a natural person (i.e. an individual entrepreneur) respecting the principles of a social enterprise. Social enterprises pursue a publicly beneficial objective that is formulated in their founding documents. They are formed and developed on the basis of the concept of the triple bottom line - economic, social and environmental. Concrete characteristics are specified for these three areas as summarized in Table 1.1 (last updated by TESSEA in 2014).

Table 1.1.TESSEA principles of a social enterprise (SE)

PRINCIPLES OF SOCIAL ENTERPRISES	Social benefit	Economic benefit	Environmental and local benefit
Characteristics (those in italics are not compulsory)	1a) Performance of an activity benefiting society or a specific group of (disadvantaged) people. 1b) Employees and members participate in the enterprise's strategic decision-making.	2a) Any profits used preferentially to develop the social enterprise and/or to achieve publicly beneficial goals. 2b) Independence (autonomy) from external founders in decision-making and management. 2c) At least a minimum proportion of total revenues and growth thereof accounted for by revenues from sales of goods and services. 2d) Ability to manage economic risks. 2e) <i>Asset lock.</i> 2f) <i>Performance of systematic economic activity.</i> 2g) <i>Trend towards paid work.</i>	3a) <i>Preferential satisfaction of the local community's needs and local demand.</i> 3b) <i>Preferential use of local resources.</i> 3c) Consideration for environmental aspects of both production and consumption. 3d) Social enterprise cooperates with important stakeholders.
General definition: 0a) Publicly beneficial objective is formulated in the founding documents and fulfilled by the means of specific activities.			

Source: TESSEA (2017)

Given the importance of work integration social enterprises (WISE) in Czech circumstances, TESSEA also provides a definition aimed specifically at this type of social enterprise. This definition differs from the general definition mainly by a more restricted specification of the social benefit and of target groups. For WISE characteristics according to TESSEA see Table 1.2.

Table 1.2. TESSEA principles of a work integration social enterprise (WISE)

PRINCIPLES OF SOCIAL ENTERPRISES	Social benefit	Economic benefit	Environmental and local benefit
<p>Characteristics (those in italics are not compulsory)</p> <p>General definition: 0a) Publicly beneficial objective of employment and social inclusion of people disadvantaged at the labour market is formulated in the founding documents and fulfilled by means of specific activities.</p>	<p>1a) Employment and social inclusion of people disadvantaged on the labour market.</p> <p>1b) Employees and members participate in the enterprise's strategic decision-making.</p> <p><i>1c) Emphasis on the development of work competences of disadvantaged people.</i></p>	<p>2a) Any profits used preferentially to develop the social enterprise and/or to achieve publicly beneficial goals.</p> <p>2b) Independence (autonomy) from external founders in decision-making and management.</p> <p>2c) At least a minimum proportion of total revenues and growth thereof accounted for by revenues from sales of goods and services.</p> <p>2d) Ability to manage economic risks.</p> <p><i>2e) Asset lock.</i></p>	<p><i>3a) Preferential satisfaction of the local community's needs and local demand.</i></p> <p><i>3b) Preferential use of local resources.</i></p> <p>3c) Consideration for environmental aspects of both production and consumption.</p> <p>3d) Social enterprise cooperates with important stakeholders.</p>

Source: TESSEA (2017)

The principles and characteristics of SE and WISE as developed in the Czech Republic by TESSEA (Tables 1.1 and 1.2) are to a large extent compatible with the EU operational definition of SE – for their more detailed comparison see EC (2014: 16-19). The most obvious difference is the explicit inclusion of environmental and local benefit principles in the Czech definition. These are not part of the EU definition. For further discussion of this point see sections 3.1 and 4 in this chapter.

TESSEA has also developed a set of indicators that provide measurable characteristics to identify social enterprises. These include, among others, the following criteria:

- Both a social enterprise and a WISE must derive at least 30% of income from its own economic activity;
- Both a social enterprise and a WISE must reinvest at least 51% of profit into development of the social enterprise and /or into implementation of socially beneficial aims;
- Social enterprises must employ at least 10% of paid employees involved in its operations and activities;
- In a WISE, at least 30% of employees must be from groups disadvantaged on the labour market. In this case, an employee is defined as a person with an equivalent of a standard employment contract of at least 0.3.

The work on the indicators continued in an ESF (European Social Fund) project administered by MoLSA aimed at piloting and modifying both the WISE and the social enterprise indicators. They were adapted according to experience on the ground and according to the

MoLSA funding priorities. Their recent version is available as part of the current (2017) MoLSA project call (ESF 2017).

Crucially, these outputs have already been linked to funding opportunities for social enterprises. MoLSA approved the TESSEA definitions and indicators in 2010 and used them when defining social enterprises in its grant calls. This helped to spread the notion of social entrepreneurship - all of the applicants needed to openly accept the social enterprise principles to be eligible for support. In 2016 MoLSA developed a modified set of principles for an "environmental social enterprise", and MoLSA's ESF project proposal calls in 2017 also support the development of environmental social enterprises. Similarly, the Česká Spořitelna bank used the TESSEA definition of social enterprise in its pilot project providing microloans for social enterprises (Bednarikova & Francova 2011).

Other important actors have also approved this definition. The Agency for Social Inclusion (a governmental institution) has been trying to spread the knowledge of social enterprises among municipalities and encourage socially conscious public procurement. However, most municipalities have low awareness of this issue and do not tend to include criteria that would favour social enterprises.

The most debated part of the TESSEA definitions relates to the inclusion of employees in strategic decision making of the enterprise. The debate focuses mainly on the extent to which people with health and social disadvantages can (and want to) participate in more complex strategic decisions regarding the enterprise.

Another point of controversy is related to independence in decision-making. There has been a long-lasting discussion about the scope of municipal involvement in social entrepreneurship. In the Czech Republic, the independence of social enterprises from external founders in terms of their decision-making and management was set up in accordance with the EMES¹¹⁶ definition as one of the core indicators in the definition of social enterprise developed by TESSEA in 2011. After long discussions, the independence indicator was implemented by TESSEA in accordance with EU legislation as follows: Independence is understood as autonomy in governance and management.). MoLSA has accepted the recommendations of TESSEA to preserve the independence of social enterprises in the sense of not allowing municipalities to have a majority stake as founders/owners.

However, there is neither a specific governmental body responsible for monitoring of compliance with the SE characteristics, nor there are any labels and certification systems aimed directly at social enterprises in the Czech Republic.

As there is no overarching policy framework nor legal definition of social enterprise, the TESSEA indicators and definitions have served as guidance when identifying social enterprises.. However, a white paper on the law on social entrepreneurship that was drafted by the Office of the Government together with MoLSA and the Ministry of Industry and Trade was passed by the Government in May 2017. This proposed legislation document defines social enterprises, and aims at establishing a register as well as an interdepartmental body that would monitor the sector and propose strategies and policies. It should be a simple law that would cover all the legal forms of social enterprises and define the characteristics that a social enterprise must fulfil. The characteristics are based on the TESSEA definitions and principles. As of 2017 the government, with its mandate ending soon, has no time to shepherd the law through the whole legislative process. The paragraph version will be prepared and it is hoped that it may come into force under the next government.

Also, under the new Civil Code that has recently (2014) come into practice, some legal forms continue without change, while others need to adapt to the new regulatory provisions. Some

¹¹⁶ EMES is an influential European research network for social enterprise and the social economy. (EMES 2017)

legal forms have been discontinued, namely the public benefit organisation (*obecně prospěšná společnost*), which had been popular with social enterprises in the past. On the other hand, new legal forms have been introduced. A new legal form, the "social cooperative", was added to the Business Corporations Act n. 90/2012 in January 2014.

A social cooperative is defined as a "cooperative which continuously carries out activities for public benefit, aimed at supporting social cohesion in order to ensure labour and social integration of disadvantaged groups into the society, preferably by meeting the needs and using the resources local to the registered office and sphere of activities of the social cooperative, particularly in the areas of job creation, social services and health care, education, housing and sustainable development." (Business Corporation Act 2017). Social cooperatives are limited to the purpose of enabling social and employment integration of deprived persons into the society. Social cooperatives must also prioritise fulfilling local needs and use of local resources according to the seat or location of operation of the cooperative.

The social cooperative:

- Has to specify its social mission and rules of profit distribution in its statutes;
- Cannot transfer or mortgage its assets unless the counterpart is another social cooperative (asset lock);
- Can redistribute a maximum of 33% of profit among its members;
- Provides each member with one vote at member meetings (democratic principle).

Thus, this legal form matches the European Operational Definition of a SE in several important points (see EC 2014: 5-6 for details). However, there is a lack of experience with this new legal form in the Czech Republic, as well as a lack of data. Another disadvantage is that in effect, it is limited to WISEs.

Non-profit entities (NGOs) can also undertake economic activity in the Czech Republic. However, carrying out such an activity may result in the enterprise not being considered eligible for the tax incentives normally available to non-profit legal entities. The new Civil Code specifies the purpose of each form of NGOs separately (association, institute, foundation and endowment fund). It allows NGOs to engage in economic activities as a secondary activity and the main purpose of the legal entity must be different from its for-profit purpose. This means that economic activities should serve to finance the main activities of the organisation as enshrined in its statute. If any profit is made, it may not be distributed to private persons. A Czech non-profit entity can also establish and run a company to undertake commercial activities.

In parallel to official policy and governmental strategies, three networks of social enterprises exist in the Czech Republic. The TESSEA ČR national network was established as a legal entity in 2015 as a successor to the previous unincorporated Thematic Network for Social Economy (TESSEA), founded in 2009. The former TESSEA's activities focussed mainly on raising awareness, developing definitions, disseminating information, lobbying and communicating with policymakers. The TESSEA ČR association has taken over these activities and extends them; as of 2017 it has 52 members.

Besides, there are two regional networks, both in Moravia. The Cluster of Social Innovations and Enterprises (SINEC) in Northern Moravia comprises 49 social enterprises as of 2017. Its main goal is to make the voice of its members heard when dealing with important stakeholders, such as regional authorities. The second regional organisation, the Chamber of Social Enterprises, is based in South Moravia. Its aim is to provide support to social enterprises, stimulate their co-operation, and promote activities for their development. It currently (2017) has 42 members.

Czech social enterprises in practice: who they are and what do they do?

There is a national database of social enterprises run by P3 – People, Planet, Profit, o.p.s. available at www.ceske-socialni-podnikani.cz/cz/adresar-socialnich-podniku. It is often seen as the main source of information about social enterprises in the Czech Republic, although in reality there exist other social enterprises that are not in the database for various reasons. Some of them may not be aware of the concept and the fact that they fulfil the SE/WISE principles, some of them are not interested in having the label of a social enterprise as it does not provide any advantages in their view, and may even harm their image in some cases (such as being a suspicious organisation that may not produce quality goods or services). According to some estimates, there may be some 60-100 enterprises that would fulfil the TESSEA criteria of a social enterprise but are not in the P3 database. A classification of social enterprises in the database was made according to the region, field of activity, target group of disadvantaged employees and social utility. The basic criterion was that the social enterprises adhere to the TESSEA principles, however, nobody controls the fulfilment of these principles in practice. Social enterprises are entered into the database via on-line registration with their own consent. When P3 finds out about social enterprises that are not registered, they are offered the opportunity to enter the database; in the event of a social enterprise closing down, their name is deleted. There were 213 social enterprises registered in July 2017.

P3 – People, Planet, Profit, o.p.s. carried out several surveys among social enterprises registered in the database. The last available data are from 2015 when 151 managers of social enterprises were interviewed by phone. According to the survey, the most common field of their activity was "gardening, cleaning services and real estate maintenance" (24%). The second position (20%) was occupied by "other activities", followed by "retail" with 18%. 30% of the social enterprise activities in the survey were connected with food (15% with food production and 15% with restaurants and cafés, etc.).

A large majority of the respondents in this last survey indicated that they were in fact part of a WISE. Of the total number of interviewed social enterprises, 64% employed people with disabilities. This may be because of tradition and the relatively clearly defined financial instruments and status of this kind of disadvantage compared to other types. The second place (38%) was occupied by the long-term unemployed, followed by 15% of "others" (e.g. asylum seekers, migrants, people over fifty years of age). Among employees with disabilities, 50% were physically disabled, 28% were mentally ill and 24% mentally disabled.

22% of the social enterprises interviewed were located in Prague, followed by Usti nad Labem Region and South Moravian Region with 11% and the Central Bohemia Region with 10%. By legal form, 48% were limited liability companies, 25% public benefit organisations, 9% associations, 7% were self-employed (according to the Trading Act) and 6% were cooperatives. 79% of the social enterprises had their own legal entity and 19% of them were a part of a bigger organisation.

Social enterprise managers were interviewed also about main problem areas. Most frequently mentioned was lack of time (74%), followed by problems with finance (63%) and problems with business and contracts (55%). They were also asked what kind of help they would welcome. 68% of them would opt for grants, 64% would welcome subsidies on employment of disadvantaged workers, 43% were interested in information/training and only 24% mentioned loans. In comparison to the 2014 survey there was a profound rise of the need of subsidies on employment of disadvantaged workers (43%). It can be seen from the results that social entrepreneurs are worried about their dependence on public resources but they are not able to avoid them. 65% of the interviewed social enterprises were supported by EU grants to develop their social enterprise and they are gradually learning how to function without them. There is a growing need for government support for the employment of disadvantaged

workers that would compensate their higher costs. The survey detected a significant growth of problems related to business activities. This can be also be interpreted as social entrepreneurs having a growing awareness about the business environment and learning how to operate better on the market.

A MORE GRASS-ROOTS APPROACH TO SOCIAL ENTERPRISES: CHARACTERISTICS AND EXAMPLES

Although it might seem from the previous section that there is a broad consensus on the definition and principles of SE throughout Europe, this “official” discourse of social economy and social enterprise as espoused e.g. by the EMES network and the European Union (European Commission, 2014) is only one – albeit the most prolific and influential – of possible framings of the phenomenon. Once we broaden our perspective into the fields of ecological economics, (critical) social geography, community economies and the like, the concept of social economy and social enterprise becomes much more diverse, and much more contested. In these fields, the SE sector has been variously described, including – beside the “traditional” social enterprise (Borzaga and Defourny, 2001) – community enterprise (Douthwaite, 1996:341), community economies, diverse economies (Gibson-Graham et al., 2013), alternative economic spaces (Leysholn et al., 2003), and eco-social enterprise (Johanisova and Fraňková, 2013). The whole field of social economy is sometimes, especially in the context of South European countries (Spain, Italy, Greece), described as “social *and solidarity* economy” (d’Alisa et al., 2015:154-155; Lewis and Conaty, 2012:30-32; Johanisová and Vilkelhoferová, in prep.), which expands the concept to include broader strands of intellectual inspiration and more diverse on-the-ground entities, including e.g. the eco-community and neo-rural movement, anarchist/squatter social projects, autonomous recuperated workplaces, or informal solidarity purchase networks (see Sitrin 2012 and Grasseni 2013 for detailed accounts of the two latter).

A weakness of some of the „official“ literature on SE is a lack of critical engagement with mainstream economic concepts, and with environmental concerns and limits. Although this is slowly changing, the literature linking environmental issues with social enterprise remains sparse. Kothari (2009) has repeatedly argued that an ecologically centred vision calls for multi-faceted support of surviving nonindustrial livelihoods, rather than for enhancing industrialised production modes, and has been active in documenting existing alternative economic spaces in India (<http://kalpavriksh.org/index.php/alternatives>). Lewis and Conaty (2012) have linked (eco-)social enterprise with combating climate change and progressing to a steady-state economy (Czech 2017). Johanisova and Fraňková (2013) discuss the possible environmental dimensions of social enterprises, including their financial and organisational governance structure, which arguably makes them less vulnerable to the growth imperative. Jackson and Victor (2013, Chapter 4) look at community enterprises. By and large, however, in view of the rapid expansion of the movement (see e.g. the website of RIPESS, The Intercontinental Network for the Promotion of Social Solidarity Economy, <http://www.ripess.org/>), we may agree with Dash (2014:6) that what we have here is a “practice in search of a theory”. Especially a theory linking social enterprises with the wider social ecological economics discourse (Spash 2017).

While defining social enterprise is an ongoing process (Ridley-Duff and Bull 2016: chapter 2), most definitions focus on three aspects: (i) democratic governance structures and stakeholder governance involvement, (ii) an explicit public benefit aim, and (iii) some restrictions on profit/surplus distribution (Borzaga and Defourny, 2001; European Commission, 2014). In contrast to this omittance of any environmental dimension of social enterprises, in the case of the Czech principles (as we have seen in section 2.1), an explicit

environmental and local dimension is involved in both the general SE and WISE characteristics, and a specific type SE, an "environmental social enterprise", has been recognised recently by state authorities as eligible for public funding. Still, this public recognition and potential funding is limited to legally incorporated entities that fulfil the official criteria of SE/WISE as defined by the public bodies. As we argue further in the following sections (3.1 and 3.2), this approach leaves aside and renders invisible a whole realm of other community-based initiatives that fulfil the social enterprise ethos but do not have, for various reasons, a formal legal structure. In the rest of section 3 we give concrete examples, and provide more general characteristics of such "other" social enterprises, that we label "grass-root (eco) social enterprise".

Three real-life examples of Czech grass-root (eco-)social enterprises

Information in this section is based mainly on interviews that took place in 2014 as part of a project on mapping of alternative economic initiatives in the Czech Republic that two of the authors (EF and NJ were part of).¹¹⁷ This data was complemented and updated based on secondary resources (websites, articles) as cited in the following text. The three selected initiatives – the Organic Pantry (a local food initiative), the Bud'SOB initiative (a networking and Local Exchange Trading System initiative) and the Kněžice municipality (a village aiming at energy self-sufficiency) cover three very important areas of human needs and related economic activities; as argued e.g. by Richard Douthwaite (1996), food, finance and energy are the most crucial areas where more self-sufficiency and resilience should be achieved by local communities. Beside the two informal initiatives (Organic Pantry and Bud'SOB), we've included also one municipal project as an example of a grass-roots initiative. Although it has a formal legal structure (a limited liability company with 100% ownership by the municipality), this type of organisation, like the unincorporated initiatives above, is also not clearly established as a social enterprise within current official definitions.¹¹⁸

Organic Pantry in Tišnov

Since 2013, an informal group of people living in and around the small town of Tišnov (about 9,000 inhabitants, South Moravian region) has been running a community "pantry", the Biospižirna or Organic Pantry"; from an initial 10-15 members it has grown to around 50. Its main aim is to provide access to organic, local, seasonal and healthy food with minimum wastage and at affordable prices to its members. Each member (an individual or a family) pays a yearly fee, and pre-pays credit that is used to buy products (in bulk amounts and thus at wholesale prices) for the "pantry". Mostly, these are products pre-ordered by the members via an electronic system, some of the most common items (lentils, grains, nuts, etc.) are available

¹¹⁷ The research project "Forms and norms of alternative economic practices in the Czech Republic" ran between 2014 and 2016, and was supported by the Czech Science Foundation. More than 50 interviews with representatives of alternative economic initiatives in the Czech Republic were made within the project; for more information on these initiatives see the web <http://alternativniekonomiky.fss.muni.cz/> (2017-07-30, only in Czech), for scientific outputs of the project, see <https://www.muni.cz/en/research/projects/27063> (2017-07-30).

¹¹⁸ Municipal social enterprises might be defined in the proposed legislation on social enterprises as a specific type of SE in the Czech Republic, however, probably only a limited ownership involvement of the municipalities will be allowed; also within the EU definition, the principle of democratic decision-making and independence of SE on external bodies is interpreted as independence on public administration including municipalities, too. Although it might be that the municipal SE becomes influenced and potentially confined by local political interests, we argue that at least in the case of small municipalities its potential for ensuring services for the public benefit is significant.

continuously. There are about 10 administrators who manage the ordering, administration of the electronic system, financial transfers, and physical distribution of the food, which takes place once a week. Not only dry food articles, but also eggs, meat, fresh vegetables etc. are available, according to season and members' demand. The suppliers are chosen according to pre-agreed criteria of being preferably both local and organic (certified or not), but also non-local "health food" items and food for people with special dietary needs (e.g. lactose or gluten-free) are included; in some cases the members are not only consumers but also suppliers themselves (when e.g. baking bread, growing vegetables, producing jams etc.). The storage and distribution space is provided for free by one of the member families. All the activities are based on voluntary work, and there is no profit generated by the initiative; the yearly fees are used to cover additional running costs and necessary small investments. Recently (2017), there has been a move towards a more formalized legal structure, and attempts to generate enough income to cover a part-time paid job for the main administrative work.

Bud'SOB initiative in South Bohemia

*Bud'SOB*¹¹⁹ is an informal initiative to facilitate meeting of people and to connect various initiatives around local self-sufficiency and alternative lifestyles in South Bohemia. Its main aim is to strengthen local communities and self-sufficiency, especially in terms of food, services, energy and others. There is a core group of about 20 people, and several associated local groups in different parts of South Bohemia, but all the activities are open to participation of public. Since 2012, a web site (www.budsob.cz) is in operation to connect local activists and inform about shared topics and real-life examples of alternatives to the mainstream. Also, a Local Exchange Trading System (LETS) has been in operation since then, enabling exchange of local goods and services without using the official currency (CZK), but rather an alternative electronic currency called SOB. About 70 people are actively using the LETS scheme, exchanging food, home-made goods, working time and experience with the main aims of supporting cooperation and creativity of people in the community based on direct personal relations. Bud'SOB also organises public events, lectures and debates. All the activities are based on voluntary work, and the group does not own any official assets – a community meeting space in České Budějovice (regional capital, about 90,000 inhabitants) is provided by one of the core group members.

Kněžice – an energy self-sufficient municipality

As a result of a strategic planning session in 2000, some of the long-term aims of the Kněžice municipality (about 500 inhabitants, Central Bohemia) have been defined as increasing its energy self-sufficiency, closing local material and energy loops, as well as keeping financial flows more localized within the municipal area. Several village-level projects have been put into practice since that time, including a small-scale municipality-owned plant to produce pellets (pellet fuels from compressed organic matter, mostly agricultural by-products), municipality-owned social housing for senior citizens, and above all a municipal CHP¹²⁰ biogas plant to produce both electricity and heat for village households. The biogas is produced from a combination of agricultural biomass (mostly straw and wood by-products) and biodegradable waste (domestic sewage, domestic organic waste, restaurant leftovers etc.).

¹¹⁹ The name is an abbreviation of "Be self-sufficient" (*Bud' soběstačný*)

¹²⁰ Combined Heat and Power (CHP), or cogeneration is the use of heat engine or power plant to generate electricity and useful heat at the same time.

Most of the biomass is local, coming from resources up to 30 kilometres from the village, including a forest area rented by the municipality. By making use of the domestic sewage, the village solved its long-term problem of a lacking sewer system and central sewerage plant. Since 2006, the biogas plant is delivering electricity from renewable resources into the grid, and heat for central heating and water heating for more than 90% of the village households, providing them with a very comfortable source of heat at a favourable price.¹²¹ A limited liability company owned by the municipality was set up to ensure the operation of the biogas plant. The major part of the initial investment (120 million CZK in total, i.e. about 3,76 mil. Euros) was covered by an EU operational project grant and The State Environmental Fund of the Czech Republic, complemented with a conventional bank loan (15 mil. CZK). The municipality-owned company generates employment for 5 local inhabitants. Until now (2017), all its income has been used to cover operational costs of the plant, and to repay the bank loan with the vision to generate a moderate income for the municipality budget once the loan is fully repaid; however, still with the main aim to keep providing heat at the affordable price to the village inhabitants.¹²²

Five characteristics defining a grass-root (eco)social enterprise

Based on our previous research (Johanisová 2005, Johanisová et al. 2013, Johanisová and Fraňková 2013, Johanisová and Fraňková 2017) that cover a broad range of (eco-)social enterprises both in the Czech Republic and abroad (and also their theoretical reflections), and on the three examples introduced in the previous section (3.1) that illustrate some of their grass-roots, mostly informal variants as practised in the Czech Republic, we suggest five key characteristics of (eco) social enterprises. These characteristics partly overlap with the institutional definition and principles of SE and WISE as introduced in section 2, and summarized in Tables 1.1 and 1.2. However, there are at least two differences, as argued further. Namely, we identify the five following key characteristics of eco-social enterprises: (1) other-than-profit goals, (2) using profits to replenish nature and community, (3) democratic and localised ownership and governance patterns, (4) rootedness in place and time, and (5) non-market production, exchange or provisioning patterns. In the rest of this section, we explain in more detail (a) what are the main differences between the institutionalized and the grass-root approach to (eco-)social enterprises, and (b) what the five characteristics mean and how they translate into practice of eco-social enterprises based on the three examples given in section 3.1.

(a) We argue that whereas the grass-roots approach is by no means in direct opposition to the institutionalized definition and principles of social enterprise (both the general SE and WISE) as defined in section 2, there are at least two important differences. First, the institutionalized approach, on the one hand, includes only organisations with a formal legal structure, i.e. those with a certain distinguished legal form as defined by law, and thus those who are recognized by the state (its authorities, ministries, municipalities etc.). The grass-roots approach, on the other hand, includes (but does not require) informal initiatives, i.e. various community groups and initiatives that are not incorporated. This may not mean they lack any organisational structure, or that their activities are not long-term and systemic, just that for various reasons

¹²¹ In 2013/2014, the price was 265 CZK/GJ of heat, in comparison to the usual price between 500 and 600 CZK/GJ from comparable municipal heating plants, and to the lowest available price for individual household heating of about 280 – 300 CZK/GJ using low-quality, environmentally problematic fuels such as lignite. (Johanisová et al. 2014)

¹²² For more information, see the web of the Kněžice municipality, www.obec-knezice.cz (2017-07-28), and Johanisová et al. (2014), both in Czech only.

they do not have a concrete legal form. Thus, in the first place, the grass-roots approach covers a broader range of initiatives.

The second difference is related to, and is a kind of extension of the first one: The organisations with formal a legal structure are more "legible" and understandable, but also more apt to be constrained or even co-opted by the state; their incorporated status allows them to draw support from public budgets (grants, payments for social services, public procurement, etc.), however, it also brings the need to follow legal rules that might limit, and sometimes even violate their values and aims. A typical example might be the hygiene rules limiting the distribution and use of informally produced (albeit often environmentally beneficial and good quality) food that cannot be officially distributed to public, nor used e.g. in school kitchens, at summer camps etc.; or, more generally, the administrative requirements that consume an organisation's resources (such as time or finance) that could be otherwise invested in direct activities towards the organisations' main aims. In other words, formally recognized existence brings opportunities, but also duties towards the state that shape the possibilities for action – often brings more financial resources to scale up the organisation's activities, but also raises the need to cover administration costs, and limits the scope of activities that are formally possible. Thus, although this does not follow from the definition, often the grass-roots approach includes (also) the more radical initiatives that are pioneering approaches and creating spaces alternative to the mainstream market-based capitalist system (Gibson-Graham 2013), in the sense of a broader understanding of the social economy and social enterprise as outlined at the beginning of section 3.¹²³

(b) Regarding the five key characteristics of grass-roots (eco)social enterprises, we further explain their meaning below. As already noted, they are based not only on the three examples given in section 3.1 but also on our previous extensive research of social enterprises and alternative economic initiatives.

(1) **Other-than-profit goals.** From the more traditional perspective (Borzaga and Defourny, 2001; European Commission, 2014), social enterprises are seen as complements to mainstream enterprises, mitigating poverty and inequality and contributing to employment and growth. The mainstream main goal of economic activity – to generate profit – is seen in this perspective as a legitimate one, but as one that should be balanced with other, publically beneficial (social, cultural, environmental or other) goals. This perspective can be characterized as “not-only-for profit”; for example, according to the TESSEA guidelines discussed in section 2.1., more than 50% of the profit has to be reinvested back into the enterprise, or be channelled to support publicly beneficial goals defined in the statute of the enterprise. This means, in other words, that up to 50% of the potential profit can be distributed to owners and/or members of the enterprise.

In the case of the three exemplars of grass-roots social enterprises given in section 3.1, the non-profit aspect of economic activity goes even further, and can be characterized as “other-than-profit”. This means not only that profit is not seen as the main goal, and its distribution is somewhat limited, but is not perceived as a goal at all. Especially in the case of the Organic Pantry and the Bud'SOB initiative, there is an explicit aim of fulfilling members' needs and creating community relations. In both these initiatives, until recently based solely on

¹²³ In other publications (Johanisová and Fraňková 2013, 2017) we explicitly distinguish a mainstream vs. a radical approach to (eco-)social enterprises, putting more emphasis on this transforming potential of the more radical initiatives. In this chapter we depict the institutionalized vs. grass-roots character of social enterprises as the main distinction, as in the Czech Republic, the fact of being or not being formally incorporated plays an important role – in terms of public support, pending legislation on social enterprises etc. As we argue above, even if these two characteristics (radical ethos and grass-root/informal structure) does not always go hand in hand, they are often interconnected.

voluntary work, there is a trend to design a scheme that would enable the initiative to create (at least part-time) employment opportunities for some members. However, this trend is directed towards generating a small surplus over and above covering the very basic running costs of the initiative, not to generate profit that would be, even if only partially, distributed to members.

(2) **Using profit/surplus to replenish Nature and community.** As we have seen in the previous point, the issue of generating profit is not very relevant for the grass-root initiatives we've introduced here, and if any surplus is generated, there is the priority to improve the services and develop the activities that fulfil the main aims of the initiative. The profit/surplus generation is probably most relevant for the Kněžice municipality where the economic activities are, besides providing affordable services for the village inhabitants, and after repaying the loan needed for the initial investment, aimed also at generating income for the municipality budget. However, even if a surplus is generated in the future in this case, it cannot be even partially distributed to individuals but will become part of the municipal budget that, by definition, should serve the benefits of the village community. Of course, for other eco-social enterprises the issue of profit or surplus generation may be more relevant, and that is why we have kept this characteristic here; based on other living examples of grass-root social enterprises, they might e.g. decide to use the surplus (or part of it) to support the start-up of other eco-social enterprises, or to cross-subsidise their own activities that would otherwise be financially unviable (Johanisova, 2005; Cameron, 2015).

Regarding the aims of the initiatives, with all the three examples it is apparent that there is not one main goal of their activities, but a combination of environmental, social, local economic and other concerns the organisation is trying to address. Thus, whereas with the institutionalized social enterprises there is the distinction between different types of social enterprises (the "general" SE, implicitly assuming mainly social goals, the WISE focused specifically on work integration of disadvantaged groups, the environmental SE recently defined as a separate type of SE), with the grass-roots initiatives such a distinction is usually impossible as they do not "specialize" in one type of problem but (very naturally) combine various aims (e.g. environmental concerns, community building and social relations, social inclusion, strengthening local economic relations based on cooperation instead of competition etc.). That is why we speak in this section about (eco)social enterprises as one entity, not distinguishing among their specific types.

(3) **Democratic and localised ownership and governance patterns.** An important dimension of eco-social enterprises is an emphasis on democratic governance structures. If the organisation is incorporated, depending on the concrete legal form, this can take the form of a board of directors elected by members on a one-member-one-vote principle, or of a self-perpetuating board of trustees, not elected directly by members, but rather chosen to represent different stakeholders. However, with the informal grass-root initiatives, such formalized structures mostly do not exist. As follows from the interviews, democratic and participative decision-making processes are very common, and kind of matter-of course part of their activities, thus, often it is not seen as necessary to formalize the procedures into some form of written rules. Also, as the number and composition of the most active members of the initiatives often change with time, any fixed decision-making structures appointed for the longer-term are not practical.

(4) **Rootedness in place and time.** All the grass-root initiatives in the case studies have a strong and long-term commitment to their local area, and often the strengthening of local connections is one of their main explicit goals. An aspect of the localised character of many

eco-social enterprises with a strong environmental dimension is economic localisation. Douthwaite (1996) has termed this “short-circuiting”, while the degrowth movement speaks of “re-localisation” (see also Fraňková and Johanisova 2012). The idea of shortening links between producers and consumers in order to tread more lightly upon the Earth, and to rebuild local communities, lies behind many eco-social enterprise projects, especially those focused on food, e.g. the Organic Pantry and the Bud’SOB initiative.

(5) Non-market production, exchange or provisioning patterns. Grass-roots eco-social enterprises step out of the market logic through their commitment to other-than-profit goals and limits on profit distribution. However, many go further and operate in the non-market and even non-monetised economy. Examples of the latter would include the Bud’SOB initiative and especially their LETS scheme, an alternative exchange system explicitly based on different principles and values than the official monetary system using the national currency. Also, all the initiatives use some non-market resources, such as voluntary work, physical spaces provided free by its members, and other goods provided by members without remuneration (e.g. tools, seeds, knowledge etc.), often in extensive amounts (elsewhere we have defined such resources as non-market capitals, see Johanisova et al. 2013). Whereas with the institutionalized SE, even if they sometimes also use voluntary work and other forms of non-market resources, there is the notion that most of the operations should be “professionalized” in the sense of paid monetized relations (see also the characteristic 2g) Trend towards paid work in Table 1.1), for the grass-roots initiatives, voluntary work and other non-market resources/capitals constitute the basis of their operations.

DISCUSSION AND CONCLUSIONS

Using the Czech Republic as an example, and written by authors with varying perspectives on the subject, this chapter has attempted to meld two approaches to thinking about social enterprise and the social economy more generally: On the one hand the more mainstream, official approach, backed by EU and EMES definitions and articulated in preparatory legal documents, and, on the other hand, a more radical/grassroots approach, growing out of a more critical stance towards the status quo. As we elaborate elsewhere (Johanisova and Fraňková 2013), this critical stance is fuelled by concerns about a dysfunctional economic system with uneven and severe environmental and social repercussions around the world.

In such a more radical perspective, we are joined by authors like Gibson-Graham et al. (2013) and Graham and Cornwell (2009), who rather than looking at detailed definitions, suggest that the realm of “the economy” needs to be expanded to include activities that may otherwise fall below the radar screen (MacGillivray et al. 2001 use this term to describe the fate of British unincorporated micro-social enterprises), and may be ignored by policymakers and researchers, because they do not comply with detailed definitions and benchmarks. To truly see economic alternatives to the status quo, Graham and Cornwell (2009:46) even go so far as to suggest that we try to view “the economy” as an “unstructured space of diversity, no longer colonized by the master signifier of capitalism”. In section 3 of this chapter, we have thus tried to expand the concept of (eco)social enterprise in the Czech Republic by describing and analyzing economic entities that, while they are obviously economic alternatives to both state and market, and even comply with part of official definitions of SE, would definitely fall below the radar screen: they have no official legal structure, they operate outside the market, sometimes their goals cannot be neatly pigeonholed, and in one case the entity is owned by an (albeit very small) municipality, which again does not comply with official definitions.

There is obviously a tension here, since on the one hand policymakers need clear definitions of what is and what is not a social enterprise to disburse funding or legislate other supportive

measures for social enterprises, on the other hand such definitions and regulations can sometimes be unduly restrictive. This is especially a danger in post-communist countries, where the authentic co-operative movement was truncated under communism and the resulting lack of continuity has sometimes led to precocious legislative interventions, which by legitimising only certain forms of social enterprise (e.g. WISE) have contributed to a lack of recognition for many other *de facto* social enterprise entities (EC 2016).

We are glad to say that this is not the case in the Czech Republic, where the TESSEA network has not only defined WISE and SE separately, but, as discussed above, the Czech definition includes environmental and localisation clauses not present in the EU definition. Still, the official Czech definitions assume that SE are essentially incorporated business entities aiming to operate in a market environment. This leaves the grassroots SE out in the cold, which is why we suggest the looser and more inclusive set of SE characteristics elaborated in section 3.2. In addition, the EU project proposal calls for WISEs mediated by the Czech government in the last years have left an impression in the public mind that SE equals WISE. This is illustrated by the P3 SE database mentioned in section 2.2, where the majority of registered SE are WISE. This is unfortunate and was one reason for our research of the broader spectrum of Czech eco-social enterprises, which have for various reasons remained in the shadow, and from which our three exemplars were taken.

As regards future developments in the political sphere, MoLSA (the Ministry of Labour and Social Affairs) is expected to develop a strategy on social enterprise in the Czech Republic by the end of 2017. It will be the first such a strategy ever, and it might lead to better coordination of the development of the social enterprise sector. Also, if the law on social enterprises is passed, it is expected to have a very strong influence on the future development of social enterprises in the Czech Republic.

It is hard to predict the concrete consequences of these institutional changes. They will probably lead to further strengthening of support for the institutionalized type of SE that are able to fulfil certain administrative and legal demands defined by the ministries, resulting in a stronger influence of the state apparatus on the SE sector. Such institutional recognition and wider support might push the grass-roots SE even further into the shadow. On the other hand, it might also lead to a strengthening and scaling-up of part of the SE sector that might lead, in the end, to its wider autonomy.

In any case, a re-framing and broadening of the understanding of social enterprise to include grass roots, non-incorporated entities operating outside the market, and even outside the monetized economy, might help researchers in the Czech Republic and elsewhere in the post-communist world really see which below-radar economic alternatives actually exist in their countries. This might also entail looking for strengths rather than weaknesses handed down from the past (such as people's rootedness in place and strong subsistence skills in some regions) as well as possible specific replicators of the social economy, including small municipalities which, in the Czech Republic, as opposed to countries like the U.K., have the advantage of being (democratically governed) legal persons able to employ staff, own assets, and work for the public benefit of its citizens (Johanisova 2005).

To summarize, the main aim of this chapter was to describe the recent development and current practice of social enterprises in the Czech Republic. We defined two lines of understanding of social enterprises (SE) in the Czech Republic: 1. The institutionalized approach that is based on the European definition, and is reflected in the Czech definition and principles of SE that have developed during the last 15 years within a Czech SE national platform TESSEA, and that have been used also by the Czech state officials; and 2. The grass-root approach that is wider, and includes also community groups and initiatives that do share the main SE principles, but are not incorporated, i.e. they do not have a concrete legal form. We characterized both these types of SE in detail and gave an overview and living examples

of their practical functioning in the Czech Republic. We suggest that these two approaches of conceptualization of social enterprise are not mutually exclusive, but rather complementary. However, as institutional support goes almost exclusively to the first – institutionalized type of SE, we argue that it is important to keep recognizing also the second, grass-root type of SE that – although less legible for the state apparatus – is still important for innovation and social change towards more economic democracy, social justice and environmental sustainability in the future.

ACKNOWLEDGEMENTS

Work on this chapter was supported by the Czech Science Foundation, project no. GA14-33094S “Forms and norms of alternative economic practices in the Czech Republic”. Several passages in this chapter first appeared in earlier texts by two of the authors focused on conceptualizing (eco)social enterprise (Johanisova and Fraňková 2013, Johanisova and Fraňková 2017), in which the suggested five key characteristics of "grassroots" SE in this chapter were developed. In the first part of this chapter, we draw on and update data first published in a report on Czech social enterprises for the European Commission (EC 2014), authored by Petra Francová.

REFERENCES

- Amin, A., (Ed.). (2009). *The Social Economy: International Perspectives on Economic Solidarity*. London: Zed Books
- Bednarikova, D., & Francova, P. (2011). *Study of the Infrastructure of the Social Economy in the Czech Republic*. TESSEA. http://www.socialeconomy.eu.org/IMG/pdf/study_social_enterprise_tessea_en.pdf. Accessed 15 July 2017
- Borzaga, C. and Defourny, J. (2001). *The Emergence of Social Enterprise*. Abingdon: Routledge.
- Business Corporations Act, Part VI, Chapter 3, Section 758. In Czech: <http://www.podnikatel.cz/zakony/zakon-o-obchodnich-spolecnostech-a-druzstvech-zakon-o-obchodnich-korporacich/f4592132/>; In English: <http://www.cak.cz/assets/pro-advokaty/mezinarodni-vztahy/business-corporations-act.pdf> Accessed 15 July 2017
- Cameron, J. (2015). Enterprise Innovation and Economic Diversity in Community Supported Agriculture: Sustaining the Agricultural Commons. In Roelvink, G., K. St. Martin and J. K. Gibson-Graham (eds.). *Making Other Worlds Possible: Performing Diverse Economies* (pp. 53–71). Minneapolis: Minnesota University Press.
- Czech, B. (2017). The steady state economy. Chapter 45. In Spash, C. L. (Ed.). *Routledge Handbook of Ecological Economics. Nature and Society*. London, New York: Routledge - Taylor & Francis Group.
- D’Alisa, G., Demaria, F., Kallis, G. (2015). *Degrowth: A Vocabulary for a New Era*. Abingdon: Routledge.
- Dash, A. (2014). *Towards an Epistemological Foundation for Social and Solidarity Economy*. Occasional Paper 3. United Nations Research Institute for Social Development.
- Dohnalová, M. (2009). *Sociální ekonomika-vybrané otázky*. Praha: VÚPSV.
- Douthwaite, R. (1996). *Short circuit: strengthening local economies for security in an unstable world*. Dublin: Lilliput Press
- EMES. (2017). EMES – Research Network for Social Enterprise. <http://emes.net/> Accessed 2017-11-01.

- ESF. (2017). European Social Fund CZ, Operational Program Employment, call no. 129, Annex 2.
<https://www.esfcr.cz/documents/21802/6529653/p%C5%99%C3%ADloha+%C4%8D.+2+sada+rozpozn%C3%A1vac%C3%ADch+znak%C5%AF+integra%C4%8Dn%C3%ADho+soci%C3%A1ln%C3%ADho+podniku.pdf/afc25e0d-1f3d-485c-944b-2a7a77c7cfbc?t=1497275618057> Accessed 2017-11-02.
- EC. (2014). A map of social enterprises and their eco-systems in Europe - Country Report: Czech Republic. European Commission.
<http://ec.europa.eu/social/keyDocuments.jsp?pager.offset=0&langId=en&mode=advancedSubmit&type=0&advSearchKey=socententryrepts&orderBy=docOrder>. Accessed 30 July 2017
- EC. (2016). Social Enterprises and their Ecosystems: Developments in Europe. European Commission, DG Employment.
<http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=2649> Accessed 7 November 2017
- Evers, A. and Laville, J.-L. (2004). Defining the Third Sector in Europe. P. 11 - 42 in: Evers, A. and Laville, J.-L. *The Third Sector in Europe*. Cheltenham, UK: Edward Elgar
- Feierabend, L. (1952). *Agricultural Cooperatives in Czechoslovakia*. New York: Mid-European Studies Center. (Czech translation in 2007: *Zemědělské družstevnictví do roku 1952*. Volary: Stehlík)
- Frankova, E. and Johanisova, N. (2012). Economic localization revisited. *Environmental Policy and Governance* (22), 307–321.
- Gibson-Graham, J. K., Cameron, J., & Healy, S. (2013). *Take back the economy: An ethical guide for transforming our communities*. University of Minnesota Press.
- Graham, J. and Cornwell J. (2009). Building community economies in Massachusetts: An emerging model of economic development? In: Amin, A. *The Social Economy: International Perspectives on Economic Solidarity*. London: Zed Books, pp. 37 – 65.
- Grasseni, C. (2013). *Beyond Alternative Food Networks: Italy's Solidarity Purchase Groups*. London: Bloomsbury.
- Huncova, M. (2010). *Success of the Czech workers' co-operatives: Fiction, mistake, or reality?*. ICA European Research Conference Co-operatives contribution to a plural economy
- Jackson, T. and Victor, P. (2013). *Green Economy at Community Scale*. Report for Metcalf Foundation, Canada.
- Johanisová, N. *Living in the Cracks: A Look at Rural Social Enterprises in Britain and the Czech Republic*. Dublin: Feasta, 2005. 133 s. ISBN 1 903998 52 2.
- Johanisová, N., Crabtree, T., Fraňková, E. (2013). Social enterprises and non-market capitals: a path to degrowth? *Journal of Cleaner Production*, ELSEVIER, 38, 7-16. doi:10.1016/j.jclepro.2012.01.004.
- Johanisová, N., & Fraňková, E. (2013). Eco-social enterprises in practice and theory—A radical versus mainstream view. *ECO-WISE-Social Enterprises as Sustainable Actors: Concepts, Performances, Impacts*. 110-129.
- Johanisová, N., Fraňková, E., Fousková, N., Kutáček, S., (Eds.). (2014). Komunitní modely financování: Sborník ze semináře Otevřený prostor 2014, ekocentrum Jezírko. Brno: Katedra environmentálních studií - Masarykova univerzita, Trast pro ekonomiku a společnost. <http://www.thinktank.cz/dok/sborniky-ze-seminare-otevreny-prostor/sbornik-ze-seminare-komunitni-modely-financovani-2014/> Accessed 15 July 2017

- Johanisová, N., & Fraňková, E. (2017). Eco-social enterprises. Chapter 49. In Spash, C. L., *Routledge handbook of ecological economics: Nature and society*, pp 507-516. Abingdon: Routledge
- Johanisová, N., Vinkelhoferová, M. (in preparation). Social Solidarity Economy. In Kothari, A., Demaria, F., Escobar, A., Salleh, A., Acosta, A. *The Post Development Dictionary: From False Solutions to Radical Alternatives to Development*
- Kothari, A. (2009). A sympathetic critique of the Badhuri-Patkar model. *Economic and Political Weekly* 19 (12), 77–78.
- Kotynkova, M. (2013). *Koncept sociální ekonomiky v kontextu české společnosti. In: Determinanty sociálního rozvoja: Sociální ekonomika ako priestor podpory európskeho občianstva*. Banská Bystrica: Univerzita Mateja Bela, pp 1-8
- Lewis, M., & Conaty, P. (2012). *The Resilience Imperative: Cooperative transitions to a steady-state economy*. Gabriola Island, Canada: New Society Publishers
- Leysholn, A., Lee, R., Williams, C.C. (2003). *Alternative Economic Spaces*. London: Sage.
- OECD. (2016). *Boosting social entrepreneurship and social enterprise creation: Unlocking the potential of social enterprises in the Czech Republic*. Local Economic and Employment Development (LEED) Programme of the Organisation for Economic Co-operation and Development (OECD) & the Ministry of Labour and Social Affairs, Czech Republic.
<http://www.oecd.org/cfe/leed/Czech%20Republic%20Report%20%2006.03.17-FINAL.pdf>. Accessed 30 July 2017
- MacGillivray, A., Conaty, P., Wadhams, C. (2001). *Low-flying heroes: Micro-social enterprise below the radar screen*. London: New Economics Foundation
- Ridley-Duff, R. and Bull, M. (2016). *Understanding Social Enterprise: Theory and Practice*. Los Angeles: Sage
- Sitrin, M.A. (2012). *Everyday Revolutions: Horizontalism and Autonomy in Argentina*. London_ Zed Books
- Spash, C. L. (2017). Social Ecological Economics. Chapter 1. In Spash, C. L. (Ed.). *Routledge Handbook of Ecological Economics, Nature and Society*. London, New York: Routledge - Taylor & Francis Group.
- TESSEA. (2017). Definition and principles of social enterprise (only in Czech) <http://tessea.cz/tessea-o-nas/definice-a-principy-socialniho-podnikani> and http://tessea.cz/images/pdf/prehled_indikatoru_integracni_SP_2014.pdf Accessed 30 July 2017