

# Chapter 6: Towards an Entrepreneurial Society, or a Transformation of the Economy, or Both? (2015–2021)

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## 6.1 Introduction

This chapter will present the results for the third period identified in the empirical analysis, spanning from 2015 until 2021. 2015 marks the beginning of the third period, in which SE often appears next to other forms of entrepreneurship. Even the very first article in 2015 (A\_112) is quite exemplary for this understanding of SE, reporting on a university's programme for students interested in founding a company. SE is now often described as a 'trend' among founders and start-ups. Universities as well as policymakers and local and regional economic development agencies have gotten (more) involved in SE – and new actors have emerged in the SE field, most importantly, the *Social Entrepreneurship Netzwerk Deutschland (SEND)*, founded in 2017. Some of these actors propagate the second main strand in the third period of SE as 'more' than a form of entrepreneurship, at times linking the concept to the transformation of the economy as a whole. 2021 is the final year covered by the empirical analysis in this book, and, therefore, marks the end of the third period – but should be regarded as an 'open' end to it.

The analysis of the third period (2015–2021) is based on 238 articles. Judging from the media representation (i.e., the number of articles, as demonstrated in Chapter 3), the interest for SE increases in Germany. Arguably, this growing interest in SE also comes with a certain expansion of the SE term and concept, as I will explain throughout the chapter. As in the previous chapter (5), the findings for the third period will sometimes be compared to aspects in the first and second period. In many ways, the third period can be considered as a continuation of the second period (2009–2014), as I will address in Section 6.2. The

understanding of SE as part of the economy is further established. However, as 6.3 explains, SE now is not just any part of the economy, but more specifically, presented as part of the start-up world and next to other (commercial) forms of entrepreneurship. Not least due to some actors, who get (more) involved in SE, certain aspects of SE get institutionalised in the third period, as demonstrated in 6.4. Arguably, as more people are familiar with the SE concept, this also comes with a certain normalisation of it – and, more generally, of the idea that social and economic aims can be combined. Section 6.5 will explain that in spite of new powerful actors in the SE field, such as *SEND*, this does not lead to a unified understanding of SE. On the contrary, as interest in SE grows, there rather seems to be an expansion of the term. In 6.6, I will focus on politics and policy around SE and *SEND* in the media representation, to then in 6.7 show how some actors link SE to a specific regional economic model (of Germany or Berlin). Finally, Section 6.8 will close the chapter with concluding remarks.

## 6.2 Rooted in the Economy and Source of Meaningful Work: More Continuity than Change?

Following the chronological perspective and focusing on the three different periods, it can be argued that the shift from the first to the second period was more pronounced than the shift from the second to the third period. There is no sectoral shift, as the one identified between the first and the second period, when the main focus of SE – judging from the media representations of SE – shifted from the public and social realm to the economy. Instead, many aspects of the third period stand for continuity and some may, in fact, be seen as a continuation or further development or evolution of some of the features of the second period. This section will discuss two of these aspects: SE in the context of meaningful work and SE being understood as part of the economy.

The narratives of ‘SE as meaningful work’ and ‘SE as an attractive career option’ that developed during the second period remain important in the third period. ‘Meaningful’ work is still used as a frequent explanation for the SE phenomenon and for people seeking to become social entrepreneurs. As in the second period, different articles assume that this search for purpose or meaning in work especially concerns a specific (‘young’ or ‘new’) generation, or students in particular. Emblematic for this perspective is A\_178, titled:

‘CAREER WITH A PURPOSE’ (A\_178\_Berliner Morgenpost\_14.04.2018)

– where *Ashoka*'s Laura Haverkamp is quoted, voicing the following hypothesis:

“The younger the generation, the more people there are who seek meaning behind what they are building.” (ibid.).

According to Joana Breidenbach, head of the social enterprise *Betterplace*, this search for meaning or purpose also leads people to change careers. In A\_135 – titled

‘EMPLOYER FOR PEOPLE IN SEARCH OF MEANING’ (A\_135\_Berliner Morgenpost\_17.04.2016)

– Breidenbach explains:

“Many of our employees have previously worked in traditional commercial companies and, at some point, asked themselves the question of meaning” (ibid.).

Someone who undertook such a career change, a former banker named Strüwer, is portrayed in A\_119. The article tells his story as following:

His career took him to the major Swiss bank *Credit Suisse* in the late 1990s. (...) In 2006, he moved to the head office in Zurich: even better titles, even higher positions, even more money. Holidays in Mauritius, five-star hotels, big cars. And then the day came when Strüwer drove his SUV to work along Lake Zurich (...) and the world became brittle. The financial crisis made headlines, critics of capitalism raged out in the square, and Strüwer thought: “None of this feels real.” On the other hand, the upheavals on the financial markets and the birth of his daughter were real: two events that made Strüwer “question the meaning of my work” (A\_119\_Die Zeit\_11.06.2015).

This questioning led Strüwer to support *Ashoka* and the SE sector – and later to become a social entrepreneur himself. Now, he has finally found his purpose – as the end of the story reveals:

The old standards – titles, position, money – no longer mean anything to Strüwer. He not only works pro bono for *Ashoka*, he also supports the organisation financially. He had to find his way into the new world first. “But now,”

says Strüwer three years after leaving *Credit Suisse*, “I’ve come to the right place.” (ibid.).

While this story about the ‘reformed’ banker establishes a link to the financial crisis of 2008, overall, it was found that the crisis of 2008 is much less present in the articles of the third period (compared to the second period). The search for meaning or purpose in work and the rupture with the corporate (or traditional for-profit) world is not anymore necessarily connected to a more general ‘post-crisis’ discussion of business ethics. A few years later, the distance to the 2008 crisis seems to have widened and, to some extent, the crisis seems to have lost its relevance to still be a popular reference in the media stories. Supporting this view is, for example, the story of a former employee of *Google* and *YouTube* (Christian Sigmund) in A\_293, a few years later (February 2021). Sigmund also questions his corporate job and lifestyle, but without alluding to the financial crisis:

At the age of 25, Christian Sigmund had already arrived where many people want to be. *Google* offered him a marketing job in Dublin, he immediately moved to Ireland, where he had a lot of freedom, a good salary and fun. He later moved to the *Google* subsidiary *YouTube* in London. (...) “I had arrived in the land of milk and honey of employers,” says Sigmund. But then, four years later, something appeared that he calls a disturbing feeling. “Why am I doing this?” he wondered. “What’s the point?” He didn’t care about more people watching a *YouTube* video and *Google* accumulating more profits. He didn’t know what else to do, but he felt he was in the wrong place (A\_293\_ Die Zeit\_25.02.2021).

According to the article, Sigmund then decides to quit his job and to travel to Peru, where he is confronted with plastic waste pollution. This experience leads him to find his vocation: after coming back to Hamburg, Sigmund looks for like-minded people and together they found *Wildplastic*, a company that uses plastic waste that is collected in Haiti, India and Nigeria to create new products.

Comparing the two stories thus, while both protagonists have a rupture with the corporate world, Sigmund’s story apparently does not need the financial crisis of 2008 as a point of reference. His change of mind seems to come from within, from a ‘disturbing feeling’. Like in this example from A\_293, an explicit link to the financial crisis of 2008 or to wider discussions of busi-

ness ethics and business education or MBA degrees is widely missing from the newspaper articles. As noted in Chapter 5, the critique of business education and of the MBA in particular was a major theme during the second period. Few exceptions can be found, e.g., in A\_182, an article that, indeed, foregrounds business education and business ethics; and in A\_126, which portrays a social entrepreneur, who has completed an ‘MBA in social entrepreneurship’.<sup>1</sup> On the other hand, an implicit critique lies in this quote from A\_293: Sigmund questions working for *Google* or *YouTube* and contributing to their profit accumulation as meaningless.

As mentioned above, another aspect stands for continuity in the media representation between the second and the third period, namely the ‘sectoral’ understanding of SE as part of the economy. In the previous chapter, I have argued that the main development of the second period is that SE is increasingly understood and represented as part of the economy (and not as part of the public or social sector). This perspective prevails in the third period (2015–2021); it can be argued that, to some extent, this perspective is even consolidated and institutionalised, as I will explain later in the chapter. As always, there are several exceptions to this. For example, A\_121 places SE in the context of civil society and voluntary work, or A\_168, setting SE into relation to the welfare state. However, on the whole, the dominant sectoral understanding or placement of SE is one of SE as businesses, i.e., as part of the economy.

As explained in Chapter 5, conceiving SE as business may also lead to a more explicit focus on the organisation and to a discussion of SE as work. This sometimes includes addressing decent pay within social enterprises – an issue that remains current in the third period. A\_270, one of the few articles written by a social entrepreneur (Zarah Bruhn)<sup>2</sup> – is a remarkable example. The article is titled:

‘I’M A SOCIAL ENTREPRENEUR – AND THAT’S A STORY OF SELF-EXPLOITATION’  
(A\_270\_Frankfurter Rundschau\_28.08.2020).

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- 1 However, this is merely biographical information here. The MBA programme itself or business education, more generally, are not discussed.
  - 2 As noted in Chapter 2, Zarah Bruhn (founder of *Social Bee*) is a prominent German social entrepreneur, who in 2022 was appointed Special Envoy for Social Innovation at the *Federal Ministry of Education and Research* (BMBF 2022).

In the article, Bruhn asks the rhetorical question:

How many successful company bosses with more than 100 employees do you know who share a flat to save money for retirement? (ibid.)

and demands better working conditions for social entrepreneurs and social enterprises, including higher pay. Another article that brings awareness to this issue in the headline is A\_257, which describes social entrepreneurs as:

‘SUSTAINABLE, INNOVATIVE, BUT WITH FINANCIAL WORRIES’ (A\_257\_Berliner Morgenpost\_15.02.2020).

However, the aspects that demonstrate continuity between the second and the third period shall not lead to overlook important developments or evolutions. Above all, this concerns the evolution of the understanding of ‘SE as business and part of the economy’ into a specific kind of business, namely: ‘SE as start-up’ or ‘SE as the *founding* of a company’, as I will explore in the following section.

### 6.3 Social Entrepreneurship and the Start-Up World

In the previous section, I have explained that the understanding and placing of SE as business and as part of the economy remains the dominant perspective in the third period (2015–2021). However, it was found that the understanding of SE as business is not exactly the same as in the second period. In the third period, SE is mainly linked to a specific form or aspect of business – namely: to ‘*Gründung*’, i.e., start-ups, entrepreneurship and founding (a company).<sup>3</sup> In fact, this nuance may arguably be the main development of the third period – as a parallel or competing strand of SE as ‘more’ than entrepreneurship and linked to the transformation of the economy as a whole (which will be addressed in later sections of this chapter). In the first perspective, social enterprises are increasingly understood as start-ups, and SE as a form or subcategory of entrepreneurship. SE is presented as both an expression but also as a promotor of an entrepreneurial society, as this section is going to explore.

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3 While SE as *Gründung* can occasionally be found in the second period, this perspective fully develops in the third period.

First, the understanding of SE as start-up and the particular focus on the founding process of companies (*Gründung*) can be observed, on the one hand, in the definitions and explanations of SE. An example for this perspective on SE is provided in A\_112, where a professor of entrepreneurship explains SE as a ‘trend’ among founders:

One trend are start-ups in the field of social entrepreneurship. Their main focus is not on financial gain, but on a social purpose (A\_112\_Mittelbayerische Zeitung\_12.02.2015).

A similar description of SE is included in A\_268, quoting an employee of a regional business development agency (IGZ) in Bamberg, who claims that:

So-called social entrepreneurship, i.e., founding a company whose primary goal is not profit, has been more common in the last two to three years, reports Max Dahmer from *IGZ Bamberg* (A\_268\_Fränkischer Tag\_14.08.2020).

A\_235 explains SE as:

sustainable and socially responsible forms of start-up business (A\_235\_Frankfurter Rundschau\_12.10.2019).

These examples, therefore, follow the approach of explaining ‘SE as business/company’ that was already found in the second period. This is the most frequently used approach to explaining SE in the third period, employed 37 times – e.g., against 19 times of explaining ‘SE through the person/agent (the social entrepreneur)’. To some extent, this can be interpreted as a consolidation of the understanding of SE as part of the economy.

However, explaining ‘SE as start-up or founding a company’ (*Gründung*) should also be differentiated and highlighted as a specific form of ‘SE as business’. It places a much stronger emphasis on the activity of *starting* a business and on the initial phase and the processes related to this. In this way, this framing places an emphasis on ‘young’ companies – and possibly excludes older businesses – given that common definitions of ‘start-ups’ specify that they are under 10 years old (Kollmann et al. 2021). Furthermore, describing SE as ‘start-up’ or ‘founding’ (and not just as ‘business’) also establishes a link to the modern start-up scene that is associated with a certain type of enterprises – tech companies in particular.

To an extent, this is also reflected in the specific examples for social enterprises or social entrepreneurs that are provided in the media articles. Like in the second period, the examples in the third period (2015–2021) are mainly from fields that would mostly be regarded as belonging to the economy, instead of traditionally ‘social’ fields. Across all 238 articles of the third period, the most represented fields are ‘sustainable production and goods’ as well as ‘environmental or climate protection’ (with examples in 34 articles from each field). From the field of ‘education’, instead, 16 examples are provided. ‘Technology-based approaches’, mostly apps, are also well-represented in the third period – with 28 examples coming from this ‘field’. It may be questioned, though, whether technology should be viewed as a field, given that (in the context of SE) it is not an end in itself – i.e., technology usually comes together with another field. For example, *Ecosia* – a search engine that uses its revenues to plant trees, which is referenced in A\_196, A\_210, A\_258, A\_311, A\_349 – combines ‘technology’ and ‘environmental or climate protection’. *Mobile Retter* – an app that seeks to better coordinate rescue workers to reduce time in rescue missions (A\_210, A\_211, A\_258) – combines ‘technology’ and ‘health’. Nonetheless, the emergence of technology-based approaches in the third period is remarkable and further accentuates the proximity of SE to the tech-oriented start-up world.

Furthermore, the perspective of SE as part of the entrepreneurship and start-up world is also reinforced by the spaces and institutional contexts in which SE appears in the newspaper articles in the third period. A few examples for these contexts (often events) in which SE occurs are: the Start-up Initiative of the State of Rheinland-Pfalz (*Gründertreff der Gründungsinitiative Rheinland-Pfalz*) in A\_148, or at the *Deutsche Gründer- und Unternehmertage (deGUT)* – a yearly fair for starting up and entrepreneurship in Berlin (A\_164). A\_179 reports on a social enterprise that receives an award as ‘Saxony’s start-up of the year’ (*Sachsens Start-up des Jahres*). A\_133 introduces social entrepreneurs, who have obtained an *EXIST Business Start-up Grant*.<sup>4</sup> Several articles (A\_130, A\_163, A\_175, A\_240, A\_283) reference the German TV show *Die Höhle der Löwen* – similar to the British show *Dragons’ Den*, a reality TV format in which entrepreneurs present their business ideas to a panel of five wealthy investors – arguably, the epitome of entrepreneurship references and (pop) culture.

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4 The *EXIST* programme is funded by the federal government and has been running since 1998 (BMWK 2022a).



Overall, a considerable share of articles on SE in the third period (2015–2021) addresses this kind of events or awards for (commercial) entrepreneurship and start-ups. A pattern that I could identify is that there are often different categories (and awards) for different ‘types’ of entrepreneurship – with ‘social entrepreneurship’ being one of the different categories. For example, in A\_190 the *Kreditanstalt für Wiederaufbau* (KfW) awards a ‘special prize for social entrepreneurship’ (*Sonderpreis für Social Entrepreneurship*) at the *deGUT* fair in Berlin. A\_205 addresses a similar ‘special prize’ (*Sonderpreis ‘Social Entrepreneurship’*) at the Start-up Ideas Competition of Thuringia (*Thüringer Gründungsideenwettbewerb*); while A\_295 reports on yet another ‘special prize’ awarded by the *Frankfurt University of Applied Sciences*. Furthermore, a remarkable example is provided in A\_143, on *Ernst & Young*, who have been giving out the ‘Entrepreneur of the Year’ award for 20 years. The award has different categories: a ‘special prize’ (not further specified), industry, services and IT, consumer goods and trade, start-up and – for the first time, due to the 20th anniversary: a ‘special prize for social entrepreneurship’ (A\_143\_Eichsfelder Tageblatt\_19.11.2016).

As one of the ‘big four’ global accounting firms, *Ernst & Young* certainly is a powerful symbol for the established for-profit corporate business world. This award, therefore, establishes a link between SE and the corporate world and business elites. What is more, the ‘special prize for social entrepreneurship’, on which A\_143 reports, is given to Brigitte Mohn. The Mohn family, owners of the *Bertelsmann* media group, is one of the most wealthy and powerful in Germany (Ostermeyer 2015). This raises questions about the understanding – and the function – of SE here. When declaring the charitable engagement of a media mogul as ‘social entrepreneurship’, SE seems to become an excuse to party for the establishment – a chance to celebrating itself for charitable activities. Overall, however, such prizes are awarded by different actors, including universities, regional economic development agencies and companies. Arguably, these awards and events represent a form of institutionalisation of SE, as I will discuss in the next section (6.4).

Moreover, these events and awards usually position SE next to ‘other forms’ of entrepreneurship. SE then stands beside commercial forms of entrepreneurship and appears as part of the start-up world. What is more, SE becomes, indeed, a sub-form or type of entrepreneurship – a way of being entrepreneurial in an entrepreneurial society. In turn, SE is presented as both an expression but also as a promotor of this entrepreneurial society.

In different articles, SE is not only represented as a form of entrepreneurship (i.e., as an expression thereof), but also as a facilitator for becoming more entrepreneurial. SE can be the entry into an entrepreneurial life. A<sub>167</sub> illustrates this, portraying two students (Marvin and Brice), who are members of *Enactus*, a student initiative that promotes SE at universities across Germany (also mentioned in Chapter 2). Marvin and Brice explain their interest in SE and in *Enactus* for two reasons: they think that SE is more effective than donation-based approaches and they believe that SE allows them to learn how to become entrepreneurs:

For the two students, it is important to get involved. “Donating money is too ineffective for us, in the end you never know exactly what it will be used for.” says Marvin. “The nice thing about *Enactus* is that we donate our working hours. We develop something that pays for itself. That is meaningful development aid.” And Brice says, “It’s like watching a child grow.” You also learn an incredible amount: how to draft business plans or soft skills such as presentations. Both of them could well imagine becoming entrepreneurs after their studies (A<sub>167</sub>\_Aachener Nachrichten\_04.12.2017).

In this example thus, SE is presented as an approach to development aid – but also as a training programme for students. Students learn entrepreneurial skills via SE – and they can then apply these skills to become entrepreneurs. It is striking, however, that it does not seem to matter *what kind* of entrepreneurs they may later become: whether ‘social’ or any other type of entrepreneurs.

Another good example for this perspective on SE is offered in A<sub>175</sub>, describing a SE workshop of a *School of Entrepreneurship* (linked to regional a university of applied science). A student (Basar) is quoted on the experience:

“It was interesting to actively design something instead of just listening to others speak,” says Basar. “We gained a lot of experience and got to know the basics of entrepreneurship.” This is important, not least because three of the students are thinking about the idea of becoming self-employed one day. “Today I know what goes into a market analysis and what it means to work in a team,” says the 24-year-old student (A<sub>175</sub>\_Schwäbische Zeitung\_19.03.2018).

One of the organisers of the workshop supports this view of SE as a method to acquire entrepreneurial skills:

Start-up manager Andreas ter Woort sees the project as an example of the “successful integration and cooperation of different actors in our entrepreneurship ecosystem”, as he says. “Events like this strengthen entrepreneurial thinking.” Future managers need this not only when founding a company, but also when entering a company (ibid.).

While these programmes and workshops are mostly at universities, some articles also include examples from schools. A\_287 describes a competition that is held at schools, again, with different categories for ‘entrepreneurship’ (in this example including ‘real market’ and ‘social entrepreneurship’). The aim of the event is described as following:

In the competition, students compete against each other with business ideas, it is about independent action, creativity and entrepreneurial spirit (A\_287\_Neue Osnabrücker Zeitung\_08.12.2020).

In these various examples thus, SE serves as an entry ticket into entrepreneurship – entrepreneurship of any kind. This also comes with a blurring of the lines between SE and other forms of entrepreneurship and supporting and spreading the understanding of SE as a form of entrepreneurship – which, however, can be critically seen as a reduction of the concept (as I have argued in Chapter 1). Critically, this raises the question whether SE is not merely presented as a ‘friendly face’ next to other – commercial – ventures, ultimately, giving SE the function of a ‘social fig leaf’.

This blurring of the boundaries between SE and commercial entrepreneurship (and the for-profit corporate business world, more generally) can be observed in a few other instances. Sometimes, this is also connected to the narrative of people being in the search of ‘meaning’ or ‘meaningful work’. A\_196 introduces such a social entrepreneur (Vollmann), whose motivation to start a social enterprise is described as following:

Vollmann comes from the classic start-up scene and after his third profit-driven start-up, he wanted to do something meaningful (A\_196\_Berliner Zeitung\_14.12.2018).

A\_227 portrays a serial entrepreneur, who founded his first start-up right after finishing school. Over the years, he started another business – the third one, now, is a social enterprise in the field of education:

The heart of its founder beats for company number three. Because here, economic success is only a means to an end. The real goal of the company is to give teachers the tools they need to give the children entrusted to them the best possible support (A\_227\_Reutlinger General-Anzeiger\_13.08.2019).

While the articles draw a clear difference between SE and entrepreneurship, based on the purpose (economic success versus social goals), nonetheless, the nonchalant switching between the two domains is presented as unproblematic: after making money with commercial enterprises, entrepreneurs can be social entrepreneurs.

Furthermore, when SE is presented as a training or education programme this may also come with a shift in the aims and priorities of SE. A similar aspect has been identified in the second period: when SE becomes a 'career (option)', the aim of SE may shift precisely towards the 'career' of the social entrepreneur – at the expense of the social purpose. In the third period, some articles suggest such a shift in priorities, e.g., A\_146:

Frick (43) and von Alvensleben (47) found a niche when they came up with the idea for their company almost a year ago: founding a tailoring shop that produces collections locally and that mainly employs refugees. (...) Von Alvensleben, who has known Frick since 2007, wanted to set up a company in the field of social entrepreneurship. Frick's French friend [or partner] then suggested: "Why don't you do something with refugees?" (A\_146\_Rhein-Main Zeitung\_26.11.2016).<sup>5</sup>

The article presents Frick and von Alvensleben's desire to establish a social enterprise and to become social entrepreneurs as the starting point for their project. The idea to employ refugees only comes in later, almost like an entrepreneurial opportunity that can be seized – and one that is suggested by a third person. Arguably, the priority shifts: in favour of the idea of becoming a social entrepreneur and pursuing SE as a career. SE becomes an end in itself – and the social goals as well as the target groups are only defined later, making them seem somewhat secondary to the main purpose of being a social entrepreneur.

I argue that there is a similar risk when SE becomes an education programme. As a result, the learning outcomes of the participants (mainly univer-

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5 'Freund' in German may translate either into 'friend' or 'partner'.

sity students) could be prioritised over the social aims that SE is supposed to address. This seems particularly problematic, when the prefix ‘social’ becomes optional. As demonstrated in the examples above, SE workshops often have the purpose that their participants gain entrepreneurial skills. Entrepreneurship (regardless of the prefix ‘social’) then becomes a goal and a value in itself. Several articles suggest that in the third period (2015–2021), it seems to be widely or ‘commonly’ accepted that entrepreneurship is a (desirable) end in itself. Once more, this frequently appears in the context of (social) entrepreneurship activities at universities. In A\_144, for example, Bavaria’s State Secretary for Science Bernd Sibler (CSU) is quoted at an event at the *University of Passau*:

“Bavaria needs university graduates who dare to take the plunge into self-employment” (A\_144\_Straubinger Tagblatt\_19.11.2016).

As I have argued throughout, this conceptualisation of SE as entrepreneurship can be seen as a reduction of the SE concept and at the same time, it promotes and legitimises an entrepreneurial society (in which entrepreneurship becomes an end in itself).

On the other hand, it can be argued that SE being represented as entrepreneurship can also have ambiguous aspects to it. Arguably, SE appearing in entrepreneurship events and awards can be seen as an indication for SE finding its entry into spaces of ‘mainstream’ entrepreneurship. Going further, one might even argue that SE is ‘conquering’ (these) new spaces. Certainly, it should not be ignored that SE appearing in entrepreneurship contexts can also lead to more resources going into the field – and that it may not (only) be the entrepreneurship context that is shaping (and changing) SE, but also the other way round.

A\_190 might support this view. The article reports on a social enterprise (*Ackerdemia e.V.*) winning the ‘special prize’ for SE by the *Kreditanstalt für Wiederaufbau (KfW)* at the *deGUT* fair. *Ackerdemia* builds school gardens and promotes education for healthy food – activities that, arguably, have existed long before the ‘social entrepreneurship’ term and concept came along. In Chapter 2, I have provided a similar example, of Judy Korn, who started labelling herself ‘social entrepreneur’ when coming in contact with *Ashoka*, but continuing her previous activities as usual. Social enterprises becoming visible in entrepreneurship events may be an indication that SE projects are now ‘taken seriously’ in business contexts. Going further, it could be argued that this could be seen as

an expansion of 'the social' into economic realms, drawing resources from the economy into traditionally social fields.

A<sub>238</sub> offers another similar example, reporting on a student, who wins a start-up competition at the *University of Erfurt*. The idea of her *Sharing Living Project* is to bring students and older people together in order to provide both generations with affordable housing and for them to help each other in everyday life. Arguably, this intergenerational housing idea has existed for several decades – but it seems unlikely that any business development or start-up money would have gone into it. The initiator of the project would probably have presented their idea to a public or third sector institution – but not to businesspeople and investors. Critically, though, it would need to be questioned whether these events and awards can really lead to significant resources going into these ventures – given that prize money tends to be rather low.

#### 6.4 Institutionalisation and Normalisation of (Some Parts and Aspects of) Social Entrepreneurship

In previous sections, a few developments were mentioned that allude to a certain 'normalisation' of the idea of SE and to an 'institutionalisation' of SE – or of certain aspects of it – in the third period (2015–2021). By 'normalisation', I am referring to aspects that seem to demonstrate that the idea of SE is becoming (or is assumed to have become) more 'common sense'. This includes the (perceived) compatibility of the 'economic' and 'social' domains and logics. By 'institutionalisation', I mean that a SE field is becoming more distinctive and more established in Germany – and that it appears that more resources are going into the SE field. An example for a form of institutionalisation of SE are the different awards for 'social entrepreneurship' that are now handed out by various institutions and in different regions in Germany, as mentioned in the previous section. These awards allocate resources (prize money) to SE and create awareness for SE, arguably, introducing the concept to a broader audience. Furthermore, in Chapter 2, I have explained that the number of yearly newspaper articles is rising (see Graph 1) – which can also be interpreted as an increase in the attention for the SE concept and thus, as a form of institutionalisation. In addition, there are signs for both the normalisation and the institutionalisation of SE, which are related to actors, as I will explain in the following paragraphs.

I argue that the institutionalisation of SE is linked to the emergence and the increased presence and involvement of certain actors in the SE field. Section 6.3 already mentioned that in the third period (2015–2021) there are various awards for SE – often by universities and public institutions, in particular economic development agencies (*Wirtschaftsförderung*). This is a stark contrast to the first period (1999–2008), when this sort of awards only existed around *Ashoka* and the *Schwab Foundation* (see Chapter 4). More generally, it was found that these actors (universities and public institutions) are now more present and more important in the media representation. They participate in shaping SE – what is being understood as SE, and what others get to perceive as SE. Different universities in Germany have now integrated courses on SE. An example for this is provided even in the very first article of the third period, A\_112, publicising a ‘holiday academy’ (*Ferienakademie*) at the *Ostbayerische Technische Hochschule Regensburg (OTH)* for all interested in ‘founding a company’. The article announces:

The ‘holiday academy’ is aimed at all those interested in founding a company. (...) This year, for the first time, the winter school will be organized by the *OTH Regensburg Start-up Center*. “This is part of our activities relating to the topic of founding a company,” says Prof. Dr. Sean Patrick Saßmannshausen, who teaches business administration and entrepreneurship (...). According to Saßmannshausen, interest in start-ups is relatively stable. One trend are start-ups in the field of social entrepreneurship. Their focus is not on financial gain, but on a social purpose (A\_112\_Mittelbayerische Zeitung\_12.02.2015).

Universities are not completely new actors in the SE field. As explained in Chapter 5, business education (at business schools and universities) and its potential reform was a main theme in the second period (2009–2014). Even in the first period (1999–2008), academics or universities appeared in the news articles. However, the big difference is that SE is now (also) promoted by ordinary public German universities and universities of applied science, which make up the bulk of the German university system. For example, the institution portrayed in A\_112 (above), the *Ostbayerische Technische Hochschule Regensburg*, is a public university of applied science located in the Bavarian province. In the first and second period, instead, SE mainly occurred in the context of (international) expensive business schools and universities such as Oxford’s *Saïd* or the *European Business School* (now: *EBS Universität für Wirtschaft*

*und Recht*). Now, SE is reaching a broader spectrum of universities – a development that can be seen as a spreading out of SE, and therefore, as an institutionalisation of SE. Moreover, the media representation shows that various universities now have integrated SE into their programmes; there are seminars on SE, or educational ‘camps’ such as the one described in A\_112. There are even a few examples of degree programmes (e.g., in A\_117; A\_147; A\_217). These activities imply that resources are going into SE, that knowledge on SE is being produced and distributed, that more and more people are being confronted with the SE concept. In sum: that SE is becoming more established in Germany.

Another important group of actors in the context of the institutionalisation of SE are economic development agencies (*Wirtschaftsförderung*). Very occasionally, single institutions have already appeared in the second period – namely: the national investment and development bank *Kreditanstalt für Wiederaufbau (KfW)* (see Chapter 5). But in the third period, this group of actors is much more present – and there is also a spreading out into the surface: it is not only the *KfW* (on the national scale) that promotes and engages with SE, but also regional and local agencies. For Berlin, for example, the subtitle of the article A\_219 announces:

‘*IBB [Investitionsbank Berlin]* IS THE FIRST GERMAN DEVELOPMENT BANK TO OPEN PROGRAMMES FOR SOCIAL ENTERPRISES’ (A\_219\_Börsen-Zeitung\_22.06.2019).

The state (*Bundesland*) of Berlin, is not the only place where economic development agencies get involved in SE (and where this is represented in the analysed media articles). There are many examples in the corpus for the third period (2015–2021), also on the local level and for more remote cities, such as Giessen (in A\_269), Göttingen (A\_206), or Bamberg (A\_268). This indicates that SE is not only happening in – or being described as a phenomenon of – urban centres, but also of smaller cities across different German regions, and sometimes even of rural areas (e.g., A\_214; A\_228; A\_326).

Furthermore, this development, in particular local and regional economic development agencies becoming part of the SE field and shaping it, may also stand for the consolidation of a certain perspective on SE. Arguably, the dominant view that developed in the second period – namely: understanding SE as part of the economy – becomes consolidated in the third period. Economic development agencies contribute to the understanding of SE as part of the eco-



conomic sector and of social enterprises as business. This understanding might then be institutionalised, for example, through funding programmes for social enterprises. Universities, too, might be contributing to consolidating the perspective on SE as part of the economy. In most of the examples above, SE university programmes are rooted in the fields of business and management, in which SE is often presented as one (sub-) form of entrepreneurship. This is in line with current trends in academic literature (see Chapter 1). Both groups of actors (universities and economic development agencies) thus, not only contribute to an institutionalisation of SE as such, but also to the institutionalisation of the understanding of SE as part of the economy.

In Chapter 2, it was already anticipated that in the late 2010s and early 2020s, policymakers in Germany get more interested in SE. SE was mentioned in different coalition agreements by federal (and state) governments, and SE was debated in the *Bundestag* for the first time in 2018. Two programmes were initiated on *Bundesländer* level: ‘*Sozialinnovator*’ in Hesse and ‘*Social Economy Berlin*’. This, too, represents a form of institutionalisation of SE during the third period. However, politics and policy will be addressed in a separate section (6.6).

Furthermore, in Chapter 5 it has been addressed that there are signs for a certain ‘normalisation’ of SE, i.e., that the idea of SE is becoming (or is assumed to have become) more ‘common sense’. This development seems ongoing in the third period (2015–2021). A first indication for this is that the explanations for SE that the articles provide in the third period are often short and lacking detail. Sometimes, SE is only explained by a translation of the term into German (e.g., as “*Sozialunternehmertum*” in A\_170 or “*soziale Unternehmen*” in A\_204). In some articles, there is no explanation at all (A\_113, A\_122, A\_127, A\_133, A\_144, A\_164, A\_197, A\_219, etc.).

Moreover, the rather vague approach to explaining SE as ‘a mix or combination of two things’ that over the years seemed to have lost relevance (see Chapters 4 and 5) appears to be more present again in the third period. This approach often relies on the formula of ‘making money and doing good’ – as, for example, in A\_114:

In this model – in German: ‘*soziales Unternehmertum*’ – money should be made and good things being done at the same time (A\_114\_Süddeutsche Zeitung\_09.03.2015).

I consider this approach as vague, because it formulates the pursuit of social and financial goals, but does not engage in a deeper discussion of how these goals shall be achieved simultaneously or what this would entail. The pursuit and (co)existence of social and financial aims is mentioned rather matter-of-factly. It becomes a defining – and apparently sufficient – feature of SE. A\_276 is another example:

Doing business? Yes, of course, but in such a way that there is also a profit for society and the environment (A\_276\_Kieler Nachrichten\_17.10.2020).

Apart from the very short explanation, this quote is interesting, because it demonstrates a certain normalisation of SE that extends to the (perceived) compatibility of the ‘economic’ and ‘social’ domains and logics, more generally. The formulation ‘of course’ further accentuates the view that (apparently) there is no conflict between social and financial aims – and makes it seem not only unproblematic, but also easy to marry the two. This ‘normalisation’ may be seen as a continuation of developments during the second period, in which articles have already less often and less fundamentally questioned this compatibility from a moral standpoint (see Chapter 5).

This ‘normalisation’ may be seen as the result of wider socio-economic and political developments. The introduction of economic logics into large parts of society, including traditionally social realms (i.e., processes of economisation) is a key aspect of neoliberalism (see Chapter 1). It could be argued that as a result of neoliberalism, the combination and compatibility of financial and social logics and goals has already become more acceptable – leading to an acceptance of SE as well. SE may now be considered less irritating than it used to be – requiring less (detailed) explanation. At the same time, however, SE also facilitates this development, because it provides concrete examples for organisations and activities that join the two logics (economic and social). Arguably, speaking with Fairclough, it seems that there is an interesting dialectical relationship at hand here. SE undergoes a process of normalisation (it becomes more ‘common sense’) due to wider developments under neoliberalism. But in providing specific (and positive) examples, SE also contributes to a more general normalisation of the relationship between economic and social logics – and to legitimising it.

Another interesting aspect related to the (assumed) normalisation or compatibility of economic and social logics is that some articles link this to a spe-

cific generation – similar to the argument that it is a specific generation that seeks purpose in work. This is clearly voiced in A\_251:

Social entrepreneurship is currently one of the big trending topics (...). Because social commitment and entrepreneurship are no longer a contradiction for the younger generations. “There is more and more pragmatism coming in.” (A\_251\_Die Welt\_25.01.2020).

A\_114 offers a similar account. The article (also in a context of university programmes) establishes a direct link between the normalisation of economic and social logics and the search for meaning. The article quotes both a student with a SE project (Gelhaus) and then the course convenor (Beckmann), who helps explaining the phenomenon:

Gelhaus says: “For a long time there was voluntary social work on the one hand and business on the other. I can see that now more and more start-ups fit into the middle.” Beckmann believes that 10 or 15 years ago, such a course would hardly have been fully booked. The universities have just reacted to the demand. “Today’s generation rather asks and looks for values.” At parties, you’ll often hear the question what meaningful things you’ve already done. And no longer how much money you earn (A\_114\_Süddeutsche Zeitung\_09.03.2015).

A\_193 also puts forward the argument that it is, above all, a ‘new’ generation that sees economic and social logics as compatible – or at least that they see these as *more* compatible than previous generations. This article, though, focuses on philanthropy and investment, arguing that a ‘new’ generation of rich donors pursues different investment goals. This attitude is seen as a driving force for the SE field:

(...) there is the next generation of wealth owners who have inherited in recent years. They often pursue a new approach to investing, in which they no longer necessarily differentiate between classic philanthropy and investments that are only intended to generate returns. Their thought pattern goes more in the direction of investing their money sustainably altogether and wanting to do something good with it (A\_193\_Frankfurter Allgemeine Zeitung\_21.11.2018).

Arguably, this is an ambiguous interpretation of the SE phenomenon. Instead of a mere economisation, it is suggested here that the merging of social (including environmental) and economic logics may also be seen as a (more) holistic approach to economic activity. This strongly reminds of the idea of sustainability or sustainable development.

This perspective is voiced in A\_249, too, again with the claim that it is particularly a 'young generation' that is driving this development:

The young generation in Germany is loudly demanding ecological and sustainable action (A\_249\_Berliner Morgenpost\_16.12.2019).

Similar to this, A\_311 claims that:

The digital natives and the following *Fridays-for-Future*-generation insist even more radically on corporate responsibility than their predecessors (A\_311\_Frankfurter Allgemeine Zeitung\_28.06.2021).

## 6.5 More Actors and the Expansion of the 'Social Entrepreneurship' Term and Concept

The previous chapter demonstrated that in the third period, SE is explained less often and with less detail. This can be seen as the result of a certain 'normalisation' of the relationship between economic and social logics. This normalisation may be interpreted in different ways. On the one hand, it can be seen as part of more general economisation trends. On the other hand, it can also be understood as a more holistic approach towards economic activity. Furthermore, I have provided examples that demonstrate that explanations of SE in the third period often remain vague. Overall, the media representation of SE in the third period thus, provides various explanations and wider interpretations of the SE term, concept and phenomenon. In spite of the rise of new important actors, no uniform understanding of SE has developed in Germany. On the contrary, there seems to be an expansion or diffusion of the SE term and concept in the third period (2015–2021), as I will explore in this section.

Not all explanations of SE in the third period follow one of the seven different approaches to explaining SE that were identified in the first two peri-

ods (see Chapters 4 and 5).<sup>6</sup> While the first six approaches were able to cover nearly all explanations for SE in the first period, and expanded by the seventh approach (explaining ‘SE as business/company’), almost all explanations in the second period, this is not the case for the third period. A considerable number of explanations (about 35%) do not fit into this framework.<sup>7</sup> At the same time, a new distinct approach to explaining SE could not be identified. In addition, Section 6.4 already showed several examples for rather vague explanations of SE in the third period (2015–2021). Overall, the media representation suggests that a ‘common’ understanding of SE has not yet developed in Germany – in spite of the growing popularity of the SE term (see Chapter 2).

Quite the contrary, some findings suggest a certain expansion of the SE term and that, on occasion, the SE term is used in a rather arbitrary way. In numerous articles, the delineation between SE and other phenomena does not seem very clear – for example, differentiating SE from commercial businesses. At times, SE is merely explained as businesses that act responsibly or that take responsibility, e.g., in A\_175 where SE means that

[i]n addition to maximising profit, social responsibility should be a value (A\_175\_Schwäbische Zeitung\_19.03.2018).

Not only is ‘maximising profit’ mentioned first. The formulation that social responsibility ‘should’ be taken into account ‘in addition’, too, is quite weak and makes ‘social responsibility’ seem somewhat optional. In any case, social responsibility is placed secondary to profit. This explanation, therefore, does not make a substantial difference between SE and commercial businesses or start-ups. A similar example is provided in A\_220. Once more, this is an article that makes use of the argument that SE is particularly attractive for a specific generation – and that describes social entrepreneurs in the following way:

Young entrepreneurs increasingly want to take on social responsibility. They do not just foreground pure profit maximisation (A\_220\_Südkurier\_22.06.2019).

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- 6 The seven approaches are: SE as a mix or combination of two worlds, SE as the creation of social value, SE as the solution to social problems, SE as social change, explaining SE through the sector, explaining SE through the person (the social entrepreneur) and explaining SE as business/company.
  - 7 Still, about 65% (82 out of 126) of the explanations identified in the articles for the third period use one or more of the seven approaches.

According to this representation, SE is not ‘pure’ profit maximisation – ‘profit *maximisation*’ is nonetheless accepted. This perspective allows making profits within SE that go beyond those required out of long-term economic necessity – for example, for making investments for the future of the enterprise or to be able to provide decent salaries for the entrepreneurs and their employees. While these representations that explicitly allow profit maximisation are few, they stand in contrast to the second period, in which the delineation against profit *maximisation* was consistent across all articles. Allowing profit *maximisation*, however, bares the risk that the SE concept becomes unprecise. It foregrounds the economic over the social goals – which is a contradiction to most definitions of SE (see Chapter 1). In addition, these representations make a differentiation between SE and corporate social responsibility (CSR) – which subsumes the social goals under a ‘business case’ (Lohmeyer & Jackson 2018) – difficult, if not impossible. As a result, the SE term and concept becomes arbitrary and, ultimately, useless.

Such an arbitrary use of the SE term and concept was found in different instances. In A\_178, for example, the reader is offered an ‘either-or’-explanation with different options for what SE may be:

The term [‘social entrepreneur’] describes a type of entrepreneurs who use their economic energy to contribute to the solution of a social problem, or who follow principles such as sustainability and social responsibility in their work (A\_178\_Berliner Morgenpost\_14.04.2018).

A\_218, reporting on an event on SE, opens a discussion, using questionable examples in the subtitle of the article:

‘Is *NETFLIX* A SOCIAL ENTERPRISE? OR THE PRIVATE TAXI SERVICE *UBER*?’ (A\_218\_Landshuter Zeitung\_19.06.2019).

The first sentence of the article then focuses on *Uber*:

Companies like *Uber* want to change something in society (...) (A\_218\_Landshuter Zeitung\_19.06.2019).

The lack of delineation or even the establishing of a link between SE and for-profit platform corporations like *Uber* or *Netflix* certainly is a very arbitrary media representation of SE. The article fails to explain in which way SE is different

from these companies. This missing delineation certainly opens the door for greenwashing or ‘social-washing’ – a critique that was voiced against the early SE movement (as described in Chapter 2).

However, it must be noted that this is only one perspective. Other articles explicitly try to distinguish SE from traditional (for-profit) businesses and their CSR activities. A counterexample can be found, for example, in A\_187, where it is explained that:

While the core business of other companies that claim to do good often has little to do with charity and commitment, social value is firmly anchored in the DNA of social enterprises. Their business plans are based on striving for an environmentally friendly production chain, fair conditions for farmers or suppliers and a humane employee culture. Social start-ups want to solve social and humanitarian problems – and earn money by doing so (A\_187\_Focus\_08.09.2018).

The formula ‘earn money by doing good’ is employed here, too – suggesting that the coexistence of the two domains (social and economic) is unproblematic. However, SE is clearly differentiated from traditionally commercial businesses.

An arbitrary use and lack of delineation of the SE term that I have addressed above was also found related to social or ecological projects – not only to for-profit businesses. In 6.3 and in Chapter 2, I have addressed the fact that social or ecological projects that have already existed before, now sometimes receive the label ‘social entrepreneurship’. For example, a few decades ago, there probably were similar social enterprises to *Ackerdemia* (A\_190), a social enterprise that was mentioned earlier, with the aim of building school gardens and promoting healthy food, but these would not have been referred to as ‘social entrepreneurship’ back then. Article A\_271, for example, reports on a waste collection campaign, in which volunteers collect garbage from the coasts in the North of Germany, labelling the activity as ‘social entrepreneurship’. However, this sort of activity seems indistinguishable from other social or environmental campaigns and raises the question about the ‘economic’ or ‘entrepreneurial’ dimension. These examples thus, indicate an expansion of (the use of) the SE term and concept into a different direction as well.

The findings of the analysis show that explanations in the third period (2015–2021) are often vague and sometimes rather arbitrary. Overall, in spite of the growing popularity of the SE term and concept in Germany, there is not

yet a ‘common’ understanding of SE that is shared by large parts of society. At least, this does not extend to the media and to its representation of SE. On the contrary, there are signs for a certain expansion of the SE term – which does not only mean that the term is used more often (quantitatively), but also that it seems to be (increasingly) used to refer to different things (qualitatively).

It could be argued that this expansion is related to the fact that more actors are becoming interested and involved in SE in Germany during the third period. In Section 6.4, I have already mentioned that universities and economic development agencies as well as policymakers start to appear in the media representation of SE. Chapter 2 has provided an overview of the SE field in Germany, demonstrating that, over the years, important new actors have emerged (e.g., *Social Impact* or *Impact Hub Germany*) and established actors are starting to take notice of SE (e.g., the development bank *KfW*). More people are by now ‘speaking’ about SE. Arguably, the founding of the *Social Entrepreneurship Netzwerk Deutschland (SEND)* in 2017 marks a turning point. *SEND* quickly becomes a central player in the German SE scene, which is also reflected in the newspaper articles.

*SEND* is mentioned for the first time in December of 2018 (in A\_196) and quickly manages to gain media attention. Next to universities, which I have addressed previously in this chapter, *SEND* has an exceptionally prominent position in the media representation in the third period. On the other hand, other actors – *Ashoka* and mainly the *Schwab Foundation* – lose relevance, as Table 7 shows.

Table 7: Overview of Articles Including Selected Actors: 1999–2021

	first period (1999–2008)	second period (2009–2014)	third period (2015–2021)
total number of articles	35	76	238
articles mentioning:			
<i>Schwab Foundation</i>	13	6	1
<i>Ashoka</i>	14	13	10
universities	10	34	86
<i>SEND</i>	0	0	41



*Ashoka* and the *Schwab Foundation's* dominance had already faded in the second period (see Chapter 5). They continue to lose presence in the third period. In fact, the *Schwab Foundation* almost entirely disappears from the newspapers (appearing for the last time in A\_131).<sup>8</sup> Both the disappearance of the *Schwab Foundation* and the rise of *SEND* become even clearer when looking at the years 2015–2018 and 2019–2021 separately, as in Table 8:<sup>9</sup>

Table 8: Overview of Articles Including Selected Actors: 2015–2018 and 2019–2021

	2015–2018	2019–2021
number of articles	87	151
articles mentioning:		
<i>Schwab Foundation</i>	1	0
<i>Ashoka</i>	6	4
universities	40	46
<i>SEND</i>	1	40

As explained in Chapter 2, *SEND* quickly manages to become a prominent voice and to shape the SE field in different ways, which is also reflected in the news articles. For instance, *SEND* plays an important role in explaining or defining SE, as, for example in A\_270, where *SEND* is referenced:

According to the definition of the *Social Entrepreneurship Netzwerk Deutschland*, social enterprises are a mixture of classic start-ups and non-profit organizations (A\_270\_Frankfurter Rundschau\_28.08.2020).<sup>10</sup>

In this example, *SEND* is referenced to explain SE – and, therefore, given a certain authority over the SE field. In addition, as mentioned in Chapter 2, *SEND*

8 2012 is the last year that the *Schwab Foundation* awards the 'Social Entrepreneur of the Year' in Germany.

9 *SEND* in the corpus is mentioned for the first time only in December 2018 (in A\_196). Therefore, Table 7 separates the years before and after 2019 (i.e., before and after *SEND* has been mentioned by the newspapers).

10 It should be noted that this quote does not actually reflect the definition that *SEND* provides, which is much more detailed (see Chapter 1).

has since 2018 been publishing a yearly report (*Deutscher Social Entrepreneurship Monitor*), which aims at providing data about the German SE ecosystem for decision-makers in politics, business and civil society (SEND 2022a). This *Monitor*, too, is mentioned in several articles (e.g., in A\_196, A\_218, A\_256, A\_257, A\_267, A\_303, A\_307) and further establishes SEND's role as an authority in the field, who provides and shapes knowledge on SE in Germany. In this way, SEND contributes to what is 'commonly' understood as SE. Furthermore, some articles are either an interview (A\_249) with leading SEND figures, or a guest contribution by them (A\_327; A\_347).

Apart from its role as explainer of SE, SEND appears in a few other ways in the newspapers. One way is linked to classic lobbying activities: in these instances, SEND appears putting forward demands to support the interests of social enterprises and trying to create awareness for SE (e.g., A\_210, A\_249, A\_265, A\_293). SEND criticises the lack of political support for SE in Germany and reminds governments of their commitment to SE that had been promised in different coalition agreements (see Chapter 2). In 2020, the COVID-19 pandemic is an important topic – as SEND attempts to advocate for financial support for social enterprises affected by the crisis.<sup>11</sup> A\_260 quotes a survey conducted by SEND, stating that 85 per cent of social enterprises are facing existential threats. In A\_265, SEND's Katrin Elsemann explains that existing support programmes are not suitable for social enterprises:

“So far, the KfW loans were not able to reach our target group,” says Katrin Elsemann, Managing Director of the *Social Entrepreneurship Network Germany* (SEND). Either because they haven't been on the market for long enough or because they do not make large profits due to their social orientation. (...) Given that [social enterprises] usually only barely break even, loans that have to be repaid are often not an option (A\_265\_Süddeutsche Zeitung\_08.07.2020).

Various articles demonstrate that SEND was quickly able to gain political attention. Even the first article mentioning SEND (A\_196) reports on SEND's *Monitor* that is being presented to the public in the *Bundestag*. Being able to present SE in this context (i.e., at the national parliament) seems like a

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11 Apart from SEND, social entrepreneur Andreas Heinecke, head of *Dialog im Dunkeln*, who also appeared in previous years (see Chapters 4 and 5), is quoted in several articles. Heinecke, too, tries to raise awareness for social enterprises affected by the consequences of the pandemic.

remarkable lobbying success. A\_218 substantiates this view, attributing the appearance of the term ‘social entrepreneurship’ in the coalition agreement of 2018 (see also Chapter 2) to the work of the organisation (A\_218\_Landshuter Zeitung\_19.06.2019). *SEND* also collaborates in two official government programmes on *Bundesländer* level: the ‘*Sozialinnovator*’ in Hesse and ‘Social Economy Berlin’ (also see Chapter 2). This demonstrates that today, policy-makers and public administrations widely seem to recognise *SEND* as the representative (and ‘voice’) of the SE field.

Overall, the media representation shows that *SEND* has a quite dominant role in the (later) third period. However, this does seem to lead to the fact that *SEND*’s understanding of SE is becoming dominant as well – different than *Ashoka* and its take on SE in the first period (see Chapter 4). As this section has demonstrated, so far, no uniform understanding of SE has developed in Germany. At times, the SE term and concept appears quite vague and arbitrary – sometimes even more so than in previous years.

## 6.6 Politics of and beyond Social Entrepreneurship

In Chapter 2 and throughout this chapter, I have already argued that in the third period, SE is gaining more attention in the realm of politics. Furthermore, the previous section has explained the emergence of *SEND* as a new and important actor. At times, *SEND* also engages in topics and debates that, arguably, go beyond SE, as will be addressed in this section.

From 2019, *SEND* appears in several articles linked to a debate on so-called ‘dormant’ bank accounts – i.e., accounts of deceased people that have not been claimed for years. Following international examples, including the UK’s *Big Society Capital*, among others, *SEND* proposes to use the money of these dormant bank accounts to establish a ‘social investment’ fund for social enterprises. *SEND* has managed to position itself as a political actor at the centre of this debate and appears next to other actors, e.g., as a counterpart to the *Association of German Banks* and as an ally of the *Association for Heir Finders*, as described in A\_237:

[*SEND*] is aiming for a new legal regulation and calls for the funds from the ‘ownerless’ accounts to be invested in social funds in the future and used for charitable purposes. The idea is not new: In Great Britain, banks have been transferring the money from such accounts to funds for over ten years

if no one has claimed it after 15 years. Katrin Elsemann, Managing Director of *SEND*: “Germany is the only country among the G7 where there is no legal regulation for dealing with dormant assets.” The *SEND* network is committed to promoting social and societal innovations and sees such funds as an opportunity to further promote social entrepreneurship. (...) However, the *Association of German Banks* is critical of this (...). The *Association for Heir Finders*, on the other hand, supports the network’s demand (A\_237\_Köln Express\_17.10.2019).

This is an example of *SEND* actively trying to shape politics and policy and bringing awareness to a certain topic, i.e., engaging in political agenda setting. What is more, I argue that this engagement, strictly speaking, goes beyond the narrow field of SE.

Of course, *SEND* is suggesting that these ‘dormant’ funds should be invested in the SE sector, seeking to increase the amount of capital going into it. However, proposing an idea for where the government shall raise money seems unusual – and, arguably, goes beyond lobbying for the SE field as such. What is more, the idea of accessing these dormant bank accounts may be decoupled from the use of the funds that *SEND* envisions. This can be observed in A\_263, where this topic appears in a more general context of increasing the state’s revenues following the pandemic, which has put public households under stress:

Combating the economic consequences of the coronavirus pandemic is becoming expensive: Federal Finance Minister Olaf Scholz has budgeted 1,200 billion euros for direct aid, loans and guarantees. For this purpose, Germany is taking on new debts for the time being – if the Federal Republic wants to repay them, it will need a lot of money. The taxpayers would then have to pay for it, and with it the many average-earning private households, the wealthy and the companies. Those who obey the law. But why not look elsewhere, among criminals and tax dodgers? Six suggestions for where the finance minister could raise a lot of money (...) (A\_263\_Süddeutsche Zeitung 16./17.05.2020).

The dormant bank accounts are then proposed as one of these six policy solutions (among others, e.g., combating tax evasion or taxing forex trading). Therefore, in this example, the idea to access dormant bank accounts is introduced as a means to raise money for the state in general, but not necessarily with *SEND*’s purpose in mind, i.e., spending these funds to support SE.

There are other instances, in which *SEND* representatives make political claims that go beyond topics directly related to lobbying for social enterprises. Most notably, this was found in A\_249, in an interview with Markus Sauerhammer, chairman of the board of directors of *SEND*, who calls for a more active role of the state in ensuring that businesses would take ecological and social aspects into account. Sauerhammer explains:

The state has an enormous influence because it provides the framework. Currently, the market externalises ecological and social costs, i.e., they are not included. If we don't create a framework that includes these social and ecological issues, then many companies will continue to pretend that they are doing something about social problems (A\_249\_Berliner Morgenpost\_16.12.2019).

The interviewer then asks what this framework should look like – to what Sauerhammer responds:

The CO<sub>2</sub> tax is a building block. It is right to give climate-damaging substances a price and also to make it clear that this will become more expensive. (...) A framework on social conditions, such as the minimum wage, is just as important. However, it is important not only to look outside our own front door, but to think in terms of global value chains (ibid.).

This perspective is interesting. A CO<sub>2</sub> tax, the minimum wage (which is still a rather new instrument in Germany, having been introduced only in 2015) as well as the regulation of global value chains are all policy proposals that certainly go beyond a narrow understanding of lobbying for SE. In demanding a regulatory framework that is favourable for social enterprises, Sauerhammer ultimately proposes instruments that aim at a transformation of the economy or society as a whole. On the one hand, this regulation is aimed at establishing conditions that allow social enterprises to flourish. It should help to level the playing field for social enterprises (against) traditional commercial businesses. However, these regulations would also force traditional for-profit businesses to comply to certain social and environmental standards. In this perspective thus, SE is presented as an example that should be guiding the development for *all* businesses – what Sauerhammer calls ‘transformation aid’:

(...) the pioneering work starts on a small scale. In my view, social entrepreneurship also has a lot to do with transformation aid. These compa-

nies prove that something works and the established players are looking closely (ibid.).

Furthermore, the arguments put forward in these quotes entail a critique of commercial businesses and of the economic model. ‘Externalities’, i.e., the ecological and social costs that are caused by business activity and externalised by the market, are presented as a problem – one that SE shall help to overcome.

What is more, the *SEND* representative in the interview demands regulation and a more active role of the state. This demand by actors of the SE field is interesting – and, arguably, stands in a stark contrast to the media representation in the first period, when the state was pictured as widely incapable of effectively addressing social challenges. This should better be left to private actors, so the widespread view (see Chapter 4). Instead, the perspective shared here sees the state as a powerful and important actor – and one that is a (potential) partner of the SE movement.

In A\_327, two other *SEND* representatives address topics that go beyond a narrow understanding of lobbying for SE. In a joint guest contribution, Katrin Elsemann (managing director of *SEND*) and Laura Haverkamp (active both at *Ashoka* and *SEND*) put forward a few proposals (however, remaining a little more abstract than Sauerhammer above). They criticise the fact that large parts of society seem to assume that technology is supposed to be able to solve social problems. Instead, they propose a stronger focus on ‘social innovation’:

We will not succeed in changing nutrition if we do not change our attitude towards food. Innovation also lies in bringing children closer to nature, in creating value chains for non-standardised food, or in reviving the public commons. We will not succeed in changing mobility if we do not rethink the relationship between work and life. (...) We will not succeed in protecting the climate if we do not show routes of alternative consumption, get people excited about climate protection and protect them with new agricultural concepts (A\_327\_taz\_14.09.2021).

Furthermore, they criticise that:

As long as we only measure growth in monetary terms, we lose sight of what is being destroyed – the social and ecological costs that are passed on to the general public. And we don’t recognize the value we create for the common good (A\_327\_taz\_14.09.2021).

Similar to the example from A\_249 thus, the authors part from a critical perspective, addressing the social and environmental costs caused by business activity (externalities). SE, on the other hand, is presented as a concept that offers a more holistic view on progress and development. In addition, Elsemann and Haverkamp, too, see the role of SE as a pioneer that should serve as an example for the economy and society as a whole:

Imagine if we lived in a society where progress would be measured by the planet and people's well-being (including as many people as possible). A society that would promote added value and prevent damaging practices. In a society in which we would start and manage companies and organisations around the idea of contributing to an egalitarian, sustainable and inclusive world (A\_327\_taz\_14.09.2021).

To some extent, Elsemann and Haverkamp are promoting the idea of SE here – engaging in classic lobbying work. However, they also offer a more general vision for the economy and society. Their focus is not limited to the SE niche. Instead, they make recommendations for change in the economic system as a whole and for the logics and principles, according to which businesses should be organised.

There are other specific examples in which either *SEND* (representatives) or social entrepreneurs engage in certain political issues (which go beyond SE as such). Article A\_233 reports on the *Fridays for Future* strikes in September 2019 – and briefly quotes a *SEND* representative, who is participating in the protests. A\_283 mentions the political activism of the founders of *Einhorn*, arguably, some of the best-known social entrepreneurs in Germany, who have been involved in different public campaigns and causes. One of their political engagements was participating in a campaign with the aim to lower taxes for menstruation products (A\_283\_Sächsische Zeitung\_17.11.2020), calling out the gender discrimination related to this taxation practice.<sup>12</sup>

An interesting perspective is offered in A\_242. The article claims that entrepreneurs in general – not only social entrepreneurs – are increasingly concerned with social and environmental causes and that they would even support

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12 Before 2020, menstruation products in Germany were taxed with the regular consumption tax rate of 19% instead of the reduced rate of 7% that applies for products of basic need, such as food, etc. (Tagesschau 2019).

more regulation in these areas. The article is based on the findings of a study (the *German Start-up Monitor*), which found the following:

It was also shown (...) that 'green' and social topics are becoming increasingly important for founders: 36 percent see themselves as part of the Green Economy or of social entrepreneurship ('soziales Unternehmertum'). And when it comes to the expectations of politics, after the classics of reducing bureaucracy and support in raising capital, the third place on the wish list is a better promotion of the commitment to environmental protection and social sustainability. This point was even more important to the respondents than the expansion of broadband and 5G networks (A\_242\_Potsdamer Neueste Nachrichten\_05.11.2019).

In addition, the article tries to substantiate the claim that entrepreneurs are increasingly concerned with social and environmental issues with the voting preferences of the entrepreneurs. Among the surveyed, most entrepreneurs favour the *Green Party (Bündnis 90/Die Grünen)* with 43.6%, followed by the liberal *FDP* with 27.7% and the conservative *CDU* with 11.7% (A\_242\_Potsdamer Neueste Nachrichten\_05.11.2019). This (new) link between the German *Green Party* and entrepreneurship is an interesting hypothesis, but exploring it would certainly go beyond the scope of my research. However, when it comes to SE, the media representation in the third period, indeed, seems to suggest that the *Green Party* is the main supporter of SE (among the main political parties in Germany).

As I have mentioned throughout the chapter, policymakers start showing interest for SE in the third period – and they begin to appear in the analysed newspaper articles. In some instances, policymakers simply express their support for SE. This includes policymakers of different parties, e.g., Berlin's State Secretary for Economic Affairs (*Staatssekretär*), Christian Rickerts (who is not a party member, but was appointed by the *Green Party*) in A\_230, the Commissioner for the Digital Economy and Start-ups at the Federal Ministry of Economic Affairs, Thomas Jarzombek (*CDU*) in A\_234, or two members of the *Bundestag*, Andreas Lenz (of the *CSU*, which is the conservative *CDU*'s sister party in Bavaria) and Sabine Poschmann (of the social democratic *SPD*) in A\_258. Several politicians show support for financial aids for social enterprises during the *COVID-19* pandemic, including *Bundestag* member Dieter Janecek of the *Green Party* in A\_260, the parliamentary group of the *Green Party* in A\_261 and Rolf Mützenich of the *SPD* (in both A\_261 and A\_265).



Furthermore, policymakers appear in the newspaper articles around specific policies – most importantly around the two programmes introduced on *Bundesländer* level in 2020: ‘Sozialinnovator’ in Hesse and ‘Social Economy Berlin’ (see also Chapter 2). In A\_269, the ‘Sozialinnovator’ programme in Hesse is described as the initiative of Kaya Kinkel, a *Green* member of the state parliament (*Landtag*):

The state of Hesse has also recognised the potential of social enterprises (...). Following an initiative by state parliament member Kaya Kinkel (*Bündnis 90/Die Grünen*), the state of Hesse was the first federal state to develop a support programme tailored to social entrepreneurs. “With this funding programme, we have the opportunity to identify and promote social innovation here in Hesse,” says Kaya Kinkel (A\_269\_Giessener Anzeiger\_22.08.2020).

In A\_281, Ramona Pop, Senator of Economic Affairs of Berlin (for the *Green Party*) is quoted, announcing the ‘Social Economy Berlin’ programme (A\_281\_Potsdamer Neueste Nachrichten\_06.11.2020). Pop has also appeared earlier (in A\_257), proclaiming that some of the funding programmes of the *Investitionsbank Berlin (IBB)*, the business development bank of the state of Berlin, would be opened for social entrepreneurs.

Furthermore, several politicians appear in the corpus related to some of the proposals by *SEND* – above all, in the debate on dormant bank accounts that was addressed earlier in this section.<sup>13</sup> Once more, the earliest and most direct support seems to come from the *Green Party*. The first article (in the corpus) that addresses this topic, A\_237, reports:

The handling of dormant accounts is (...) also being discussed in politics. The Greens recently made a small enquiry [*kleine Anfrage*] on the subject. In it, the parliamentary group asked to what extent the concept of a population register, which already exists in Great Britain, could be transferred to Germany (A\_237\_Kölner Express\_17.10.2019).

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13 Two articles (A\_241 and A\_244) also briefly address part of the policy history of the dormant bank accounts. Regardless of the intentions for how to spend the funds, there had been attempts by German politicians to access these. An attempt had been made in the state parliament of North Rhine-Westphalia in 2016 by the *SPD* and the *Green Party*, as A\_241 explains. According to A\_244, it was the *SPD*’s Norbert Walter-Borjans who had a leading role in the matter – at the time, however, without success (A\_244\_Solinger Morgenpost\_09.11.2019).

A\_239 claims that *SEND*'s Markus Sauerhammer is supported by Lisa Paus of the *Green Party*. Sauerhammer is quoted, reminding the federal government of its commitment to better support SE:

“In the coalition agreement, the governing parties have agreed to give more support to social entrepreneurs and social innovations” (A\_239\_Der Tagesspiegel\_20.10.2019).

The article then brings in Paus's statement:<sup>14</sup>

The *Green* politician Paus sees it similarly. “Societally relevant projects in the areas of education, climate protection or integration often lack the appropriate funding,” she says. “Here you could create a useful addition and without burdening the federal budget.” (ibid.).

Over time, politicians of other parties join in, too. By 2020, the *FDP* also supports funding social enterprises through dormant bank accounts, as reported in A\_265 and A\_279. A\_279 mentions Lower Saxony's Finance Minister Reinhold Hilbers's (*CDU*), who supports a register for these accounts (which is a necessary first step for this policy). But the earliest and clearest support had been coming from (members of) the *Green Party*. In A\_313, *SEND* and the *Green Party* are even mentioned in the same breath, making it almost seem as if the social investment fund would be somewhat of a joint policy proposal of the two actors:

Since there is so much forgotten money in the banks in Germany, social entrepreneurs from the *Social Entrepreneurship Network Germany (SEND)* and the *Green Party*, among others, as early as in the end of 2019 called for taking the British as an example. If no one accesses an account there within 15 years, the assets are attributed to a non-profit development bank and used for social purposes (313\_Nürnberg Nachrichten\_15.07.2021).

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14 Arguably, Paus in the quote does not necessarily commit to spending the funds for the support of SE – her phrasing of the situation is more general, for example, also leaving the door open for using these funds for different (public) purposes. Nonetheless, the article is constructed in a way that signals that *SEND*'s proposal is fully supported by Paus's quote.

In the wake of the state parliament elections in Baden-Württemberg, A\_292 reports on the different election manifestos of the major political parties (*CDU*, *SPD*, *FDP*, *Green Party*, *Die Linke*), focusing on economic policy. Once more, the *Green Party* is highlighted. According to the article, the *Green Party*'s manifesto most explicitly addresses starting-up and entrepreneurship – and it is the only party that mentions a particular focus on SE (as reported in A\_292).

A\_308 establishes a link between the *Green Party* and SE at the municipal level. Andreas Eichenseher, a *Green City Council* of Bamberg, is quoted here, declaring that

A 'green' vision for Bamberg's economy is the promotion of 'Social Entrepreneurship' (A\_308\_Fränkischer Tag\_14.06.2021).

These examples suggest that SE seems to fit well into the economic policy agenda of the German *Green Party*. However, these examples are still few – and often tied to individuals, not necessarily to a systematic, large-scale policy strategy. Therefore, it would be too early to make assumptions about potential political 'alliances' at this point – and this would certainly go beyond the analysis on which this book is based.

A different example was found in A\_334: here it is a leading politician of the *FDP*, who embraces SE. In a guest contribution, Thomas Sattelberger (*FDP*), Parliamentary State Secretary (*Parlamentarischer Staatssekretär*) in the *Federal Ministry of Education and Research* proposes 10 points for Germany's future as an 'innovative nation' ("*Innovationsnation*") (A\_334\_Handelsblatt\_19.10.2021).<sup>15</sup> Sattelberger, whose ministry later also appointed social entrepreneur Zarah Bruhn as Special Envoy for Social Innovation calls for giving the German 'Social Market Economy' an update ("*Update der Sozialen Marktwirtschaft*"). He puts forward 10 policy proposals. One of the 10 points consists in more support for SE and in using funds from dormant bank accounts for this purpose. Most probably, due to the support by leading politicians of the *Green Party* and of the *FDP*, the idea of accessing dormant bank accounts also made it into the coalition agreement between *SPD*, *Green Party* and *FDP* a few months later, in December 2021 (Scheper 2021).

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15 A few months later, after the *Bundestag* election of 2021, Sattelberger became Parliamentary State Secretary (*Parlamentarischer Staatssekretär*) in the *FDP*-led *Federal Ministry of Education and Research*. Sattelberger was also quoted in Chapter 5, appearing as an 'MBA critic' and manager (before he became a politician).

This section has included a few examples of policymakers linking SE to a specific geography (Germany as a whole, or a certain region or city) as well as to a certain vision about the economy – e.g., the ‘Social Market Economy’ by Thomas Sattelberger (*FDP*), or a ‘green vision for Bamberg’s economy’ by Andreas Eichenseher (*Green Party*). These narratives that seek to embed SE as part of or as a driver of a specific regional (economic) model will be explored in the next section.

## 6.7 Social Entrepreneurship as Part of a Regional (Economic) Model?

Throughout this chapter, several aspects have been pointed out that indicate a stronger connection in the third period between SE and ‘place’, i.e., Germany as a country, or certain regions or cities. This includes the involvement of regional economic development agencies (or banks) that increasingly seek to promote SE. Different actors on the city-level, e.g., in Giessen (in A\_269), Göttingen (A\_206), or Bamberg (A\_268), now appear involved in SE. Two states (*Bundesländer*) have launched programmes to support SE: the ‘Sozialinnovator’ in Hesse and ‘Social Economy Berlin’. SE can now (also) be found at public German universities in different regions (see Section 6.4). All these are factors not only of the institutionalisation of SE, but also of a certain geographical spreading out of SE in Germany. However, I argue that this development entails much more than just place or geography. In the third period, SE is sometimes embedded in a specific local or regional (economic) development narrative and linked to the economic model of this particular place, as this section is going to explore.

In the third period (2015–2021), different actors, who seem to have noticed SE as an attractive concept for local and regional (economic) development and planning, link SE to their specific locality or region. Apparently, SE offers different actors (such as state governments) the opportunity to cast a positive light on their local and regional economy, showing that their region is relevant for SE and that they are promoting the SE idea. This was found in the analysis, most explicitly, for Berlin. For example, Senator Ramona Pop (*Green Party*) tries to create a narrative of Berlin as a SE pioneer, when announcing that certain

(funding) programmes of the *Investitionsbank Berlin (IBB)* have been opened for social entrepreneurs:<sup>16</sup>

“Berlin is a pioneer here too: among the German federal states, Berlin is the number one for companies in the social economy. I am pleased that we can now also support social entrepreneurs with their innovative ideas as part of economic development,” explained Economics Senator Ramona Pop (*Green Party*) (A\_257\_Berliner Morgenpost\_15.02.2020).

The narrative of Berlin as a particularly relevant and promising place for SE is also promoted by the chairman of the management board of the *Investitionsbank Berlin (IBB)*, Jürgen Allerkamp, in a guest contribution (A\_219):

(...) the number of companies that are not primarily profit-oriented is growing. The topic is very trendy. (...) Berlin is at the forefront. In times when the socialisation of real estate is being debated – which we as *IBB* consider wrong –, young people demonstrate every Friday for a climate-friendly future and Berlin is trying to manage the transport transition, the capital presents itself as the spearhead of a social movement (A\_219\_Börsen-Zeitung\_22.06.2019).

It is remarkable that Allerkamp connects (the funding for) SE to Berlin specifically – and he also alludes to other current topics of public interest and activism. Clearly, he presents an understanding of SE as ‘more’ than entrepreneurship and as ‘more’ than economic development. However, Allerkamp also delimits SE from other types of activism or causes, namely, from the ‘socialisation of real estate’.<sup>17</sup> It could be argued that SE is presented as a ‘proper’ or acceptable form of activism here – against more radical forms of activism, such as the ‘socialisation of real estate’.

A\_230, too, links SE to Berlin and mentions the state government’s plans to make Berlin a ‘capital for social entrepreneurs’.<sup>18</sup> The State Secretary

16 The opening of some of the *IBB*’s programmes for social enterprises was already addressed in 6.4.

17 With the ‘socialization of real estate’, Allerkamp refers to a current debate around a campaign in Berlin that seeks to force large private housing companies (*Deutsche Wohnen* and others) to sell property to the state of Berlin. Still, it is interesting that Allerkamp uses the term ‘socialisation’ and not ‘expropriation’. In this debate, the former is usually used by the supporters of the campaign and the latter by its opponents.

18 Prior to *Social Economy Berlin*, there was also a short pilot programme initiated by the Berlin Senate called *Social Innovation Capital* (SenWEB 2020).

(*Staatssekretär*) of the State Department for Economic Affairs, Christian Rickerts, presents his vision for SE in Berlin. Rickerts explains that the state government plans to make Berlin a ‘capital’ for social entrepreneurship and social innovation – and that the city can build on a long tradition to achieve this:

According to Rickerts, social entrepreneurship offers the perspective of directing entrepreneurial activity to the big questions of the time. “The purpose of the company should therefore help to prevent social injustice or global environmental destruction. In most cases, profit maximization takes second place,” explained the politician (...). Berlin already has a long tradition of social enterprises. For example, since 1992, the *Weiberwirtschaft* on Anklamer Strasse in the Mitte district has been helping women to gain a foothold as entrepreneurs in a business world that is still often dominated by men. The non-profit company *Pfefferwerk Stadtkultur* has also been one of the city’s social enterprises since 1991 and operates 17 day-care centres, among other things. “Berlin has long been a place for trying to improve the world,” Rickerts summarized (A\_230\_Berliner Morgenpost\_01.09.2019).

Apart from linking SE to Berlin as a specific place, this testament is interesting because Rickerts not only alludes to ‘social injustice’ and ‘global environmental destruction’, but also embeds SE into a more general social economy or social enterprise tradition. He refers to *Pfefferwerk Stadtkultur* and to the *Weiberwirtschaft*, which according to Birkhölzer’s (2015: 4–24) typology may be classified as a ‘socio-cultural centre’ (*Sozio-kulturelle Zentren*) and a ‘self-managed enterprise resulted of alternative and women’s movements’ (*Selbstverwaltete Alternativ- und Frauenbetriebe*) respectively, which have developed in a different historical and political context than the current SE term and movement (also see Chapter 2). However, in the article the commonalities and not the differences between the various social economy or social enterprise movements are stressed. SE is thus, presented as the continuation of an alternative economy scene and movement in Berlin. In fact, the ‘Social Economy Berlin’ programme that was introduced by the Berlin Senate one year after this article (A\_230) seems to follow this approach. It carries the ‘social economy’ term in its name and it brings actors from different (historical) social economy movements together (which I will briefly discuss in Chapter 7, as this goes beyond the analysis of the newspaper articles).

This narrative of Berlin as an important and promising place for SE, is also promoted by actors other than government, including *SEND*. The interview with Markus Sauerhammer (A\_249) discussed above even states this in the headline:

“BERLIN IS A HOTSPOT FOR SOCIAL ENTREPRENEURSHIP” (A\_249\_Berliner Morgenpost\_16.12.2019).

Sauerhammer boldly claims that:

Berlin is already the global hotspot for social entrepreneurship, although Germany as a whole fell far behind the other economically strongest nations in the world in the most recently published study ‘The Best Country to Be a Social Entrepreneur’. In Berlin, however, we suddenly have good ground. This is also due to the history of this city. Communism and capitalism met here, people from East and West live together here today and bring different perspectives to the discussion. Here, the world is not black or white. Berlin is also a digital centre, which means that there are also many people who come to this city specifically because of this transformation process. This creates a mixture for future- and solution-oriented thinking that other places do not have (ibid.).

In another article (A\_257), *SEND* repeats this claim of Berlin as the centre for SE in Germany, making use of the same ‘hotspot’ phrase again and substantiating it with findings from its yearly study: the (second) *Deutscher Social Entrepreneurship Monitor*. In addition, Sauerhammer is quoted in the article, welcoming the efforts of the state government to support SE in Berlin (A\_257\_Berliner Morgenpost\_15.02.2020).

In the analysed articles, other regions and cities appear linked to SE as well. This includes e.g., Bamberg in A\_308, Stuttgart in A\_185, or Lower Bavaria (*Niederbayern*) in A\_228 and A\_326. A\_228 also mentions that the Lower Bavaria region has received a title as ‘European Social Economy Region’ by the *European Commission* and highlights the importance of SE for regional development – in rural areas in particular. The importance of SE for rural areas is also stressed in A\_214, announcing an event discussing SE in Saxony-Anhalt.

I argue that these narratives that link SE to specific places in Germany (or to Germany itself) are remarkable and that they can be seen as more than just location or regional marketing (which is certainly also an aspect of it). To an extent, they also represent a ‘geographical shift’ as compared to other periods –

one that goes beyond portraying a few examples for SE, in order to show that SE exists in Germany (too), which was a theme that developed from the middle of the first period (see Chapter 4). Instead, in the third period, SE is now being presented as a phenomenon that has ‘genuinely’ emerged from Berlin or Germany – and that it is rooted in a particular socio-economic and political tradition. These narratives, therefore, entail more than the geographical spreading out and the institutionalisation of SE in Germany, because they also establish a link between SE and the local or regional (context-specific) economic model.

Furthermore, the value statements that are made on different economic and social models have changed over the years. In the first period (1999–2008), SE mainly appears linked to the economic and social model of the US. The German model was described as backwards and in need of reform, in order to become more like the US model (see Chapter 4). This is very different in the third period (2015–2021): the German model (or the local economy of certain places such as Berlin) is now often presented as the ‘better’ version (and vision) for economic development. The US model, on the other hand, seems to have widely lost its appeal in the media representation. The newspapers no longer present the US as a positive role model for economic and social development. Quite the contrary, the US model – and Silicon Valley in particular – is now often referred to in a negative way, as a ‘bad’ example and counterpart to the model offered by Berlin or Germany.

This change in perspective can be clearly observed in the corpus in the references to Silicon Valley, which differ considerably across the different periods. During the first period, Silicon Valley was mainly presented as a positive example – as, for example, in A\_1, where Silicon Valley also serves as a point of reference to explain SE:<sup>19</sup>

“It [SE] combines the passion for a social goal with the discipline, innovative spirit and willpower that we know from young entrepreneurs in Silicon Valley.” (A\_1\_Die Zeit\_08.04.1999).

On the other hand, the image and the judgement of Silicon Valley that is portrayed in the newspaper articles is quite different in the third period. In A\_207, a social entrepreneur is paraphrased who clearly differentiates between SE – which he considers to be a ‘Berlin’ phenomenon – and commercial entrepreneurship, which he associates with Silicon Valley:

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19 Here, the article quotes the business scholar Gregory Dees.



He [the social entrepreneur] thinks that pure capitalism is stupid. Berlin is not like Silicon Valley, but a place of the “hippie tech scene”: a community of young people who play in the big game, but with social awareness and the will to change things (A\_207\_taz.die tageszeitung\_13.04.2019).

As explained above, a link is therefore established between SE, the place and the local or regional (context-specific) economic model. A\_185 offers a similar view. The article makes a contrast between two different models: Stuttgart (which according to the article relies on SE) and, on the other hand, Silicon Valley:

(...) that is the specific start-up location in Stuttgart. Social entrepreneurship with reference to the Swabian tradition – as a clear antithesis to Silicon Valley (A\_185\_Süddeutsche Zeitung\_31.07.2018).

A\_186 focuses on Dublin, which is said to have become the ‘European Silicon Valley’. The article addresses the striking inequalities in the city, where some have high-paying jobs in the tech world and are living comfortable and cosmopolitan lives, while others struggle – a situation that has been reinforced by the financial crisis of 2008, as the article reports. A social entrepreneur, co-founder of the social enterprise *Fumbally Exchange*, is then introduced to the story, who seeks to combat the high level of inequality in Dublin:

So, she got active. With others (...) she founded the co-working space *Fumbally Exchange*. The goal: to earn money, but at the same time to support society. It is a counter-model to turbo capitalism. She calls the approach ‘social entrepreneurship’ (...). Their idea: companies not only work for their own balance sheet, but also to give something back to the community. Profits should be reinvested to promote social projects (...) (A\_186\_Süddeutsche Zeitung\_21.08.2018).

In this example thus, SE is directly and explicitly presented as an alternative (model) to the model of ‘turbo capitalism’ – which the article associates with Silicon Valley.

As I have previously mentioned, several newspaper articles establish a connection between SE and Germany’s economic and social model, more generally – i.e., beyond the level of the local or regional economy, as it was often the case in the examples above. This includes references to the German ‘Social Market Economy’ (*Soziale Marktwirtschaft*). The concept of the ‘Social Market Economy’ (SME) is complex and contested – and discussing it in detail would go

beyond the scope of the discussion here. However, it should be noted here that in public, political and media debates in Germany the ‘Social Market Economy’ does not necessarily refer to the ordoliberal economic policies or the economic theory promoted by (the early) SME thinkers – which Bonefeld (2012), among others, has summarised concisely. Instead, as Nonhoff (2006) explains, the SME mainly serves as a (vague) idea of an economy that responds to people’s needs. The ‘social’ is then understood in non-capitalised letters – similar to its meaning in the context of social entrepreneurship, which I have discussed in Section 1.2. This notion of the ‘social’, of course, may then be interpreted in many different ways (by different actors).

This being said, several articles try to establish a connection between SE and the idea of a SME. Section 6.6 has mentioned that Thomas Sattelberger in A\_334 proposes SE as an opportunity to give the Social Market Economy an ‘update’. Another example is A\_219, which was already quoted above. Allerkamp of the economic development bank *IBB* makes use of the SME *motif* here, writing:

In the anniversary year of the *Grundgesetz* [the German constitution], which formed the framework for the success story of the Social Market Economy, social entrepreneurship is a strong symbol. If we remind ourselves that property shall result in a particular obligation [to society], the Social Market Economy will continue to contribute to the well-being and prosperity of our country (A\_219\_Börsen-Zeitung\_22.06.2019).

*SEND*’s Sauerhammer in A\_249, also invokes this idea, embedding SE in the German SME tradition:

In the early days of the Social Market Economy, Germany was basically a social innovator. At that time, cooperatives came into being, as did welfare organizations and trade unions. Health insurance, accident insurance and old-age provision also date from that time (A\_249\_Berliner Morgenpost\_16.12.2019).

Thus, Sauerhammer not only establishes a link to older social economy movements (cooperatives and welfare associations) and to trade unions. He also links SE to social security provision and, therefore, to a specific welfare system.<sup>20</sup> Furthermore, the features of the German welfare system are positively

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20 This quote is also an example for what I have mentioned a few paragraphs earlier, namely that popular references to the ‘Social Market Economy’ in Germany often re-

connoted in this statement – which, once more, marks a stark contrast to the common tenor of the first period (1999–2008), when Germany’s economy and social security system both were mostly portrayed as inefficient or even deficient.

A<sub>256</sub>, too, establishes a link between the German SME and SE. The article calls for a better regulation of markets by the state. SE is introduced as an opportunity to ‘revive’ the SME tradition and as an example and source of inspiration for policy proposals. Next to SE, the article mentions the *European Green Deal*, the *Fridays for Future* strikes and the government’s plans to phase-out of coal power (A<sub>256</sub>\_Die Zeit\_13.02.2020). In this perspective, SE is presented as some sort of role model, on which the state may base on regulation and policy. This view is quite similar to the idea of SE as ‘transformation aid’ that was discussed in Section 6.6.

## 6.8 Overlaps with Other Concepts: More ‘Confusion’ and Ambiguity than Ever?

The previous section demonstrated that SE is sometimes related to other concepts. So far, I have addressed the ‘social economy’ (e.g., around the ‘Social Economy Berlin’ programme) and the idea of the ‘Social Market Economy’. In addition, in the third period, SE often stands next to ‘entrepreneurship’ – and, sometimes, SE even appears integrated or subsumed under an idea of ‘entrepreneurship’ (as I have explained throughout this chapter). Strictly speaking, the relationship between SE and other ideas, concepts or *leitmotifs* goes somewhat beyond the scope of my research. Based on Birkhölzer (2015), my empirical analysis has deliberately remained close to the ‘social entrepreneurship’ term. Nonetheless, this section should briefly mention the fact that, in the analysed articles, SE frequently appears next to other terms and concepts, which seem to have overlaps and (potential) intersections with SE. Apart from ‘entrepreneurship’, the ‘social economy’ and the ‘SME’ (which were already addressed), this includes ‘sustainability’ and ‘social innovation’, among others.

‘Sustainability’ is another important term and concept, which appears to intersect with SE on multiple occasions. Sustainability and sustainable devel-

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main vague, roughly referring to an idea of an economy that is somehow ‘more social’ than pure capitalism (also see Nonhoff 2006).

opment are, in fact, mentioned in the articles in all three periods. In the first period, already 7 of 35 articles name ‘sustainability’ or derivatives of the term. This slightly increases over time: 28 of 76 articles in the second period and 106 articles of 238 in the third period connect SE and sustainability. Perhaps, this seems little surprising, given that the language of sustainability has been integrated into policy discourse and even into everyday language since the late 1980s (Redclift 2005). Arguably, the term and concept of sustainability and sustainable development have gained popularity and relevance ever since (Brand & Wissen 2017). Right at the beginning of the third period (in 2015), the *United Nations* agreed on and introduced the historic *17 Sustainable Development Goals* (SDGs) – a significant step in the global sustainable development discourse and agenda. In the analysed articles, the SDGs, too, appear as a point of reference and in relationship with SE (e.g., in A\_176, A\_232, A\_289, A\_293, A\_314).

Another important term and concept that is linked to or that intersects with SE is ‘social innovation’ (also briefly mentioned in 6.6 and 6.7). What is more (yet, this goes beyond the analysed articles), it appears that ‘social innovation’ is being picked up by policymakers. The term and the idea of ‘social innovation’ clearly plays a role in both programmes that promote SE in Germany on the *Bundesländer* level. A short pilot programme and predecessor to ‘Social Economy Berlin’ was titled ‘Social Innovation Capital’, and the state programme in Hesse goes by the name ‘*Sozialinnovator*’. As seen in Section 6.6, leading figures of the SE scene also establish a connection between SE and social innovation. For example, Katrin Elsemann (*SEND*) and Laura Haverkamp (*SEND* and *Ashoka*) argue in A\_327 that addressing social challenges requires more than technology, and they propose a stronger focus on ‘social innovation’.

Many other terms, ideas, concepts or *leitmotifs* have been found in the corpus. Sometimes, social enterprises have also been labelled as ‘green’ (e.g., in A\_171, A\_242) or as ‘impact’ enterprises (e.g., in A\_207, A\_293, A\_296). The *European Green New Deal* was mentioned as a point of reference in Section 6.7. In both the second and third periods, there are references to *Fair Trade* (e.g., A\_70, A\_71, A\_84, A\_137, A\_293, A\_345). One article (A\_274) establishes a link to the *Plural Economics* (*Plurale Ökonomik*) debate and movement, which seeks to challenge mainstream economics education. In a few articles, there are overlaps between SE and the *Gemeinwohl-Ökonomie* (e.g., in A\_202). In Birkhölzer’s (2015) understanding, the *Gemeinwohl-Ökonomie*, which originated in Austria and is organised in the *International Federation for the Economy for the Common Good e.V.*, could also be considered a recent social economy or social enter-

prise movement with a distinct identity, shared values and organisational structures.

The list of terms and concepts that overlap or intersect with SE could be continued, but would exceed the scope of the discussion here. My main point was simply to unveil a few of these links and overlaps, which I consider relevant for two reasons. First, they show that SE is (still) contested and malleable – various meanings can be given to SE and this can (also) be achieved by linking SE to other concepts or ideas (such as ‘entrepreneurship’, ‘sustainability’ or the ‘SME’). Second, it is possible that SE may merge or even be embedded in a different (more powerful) discourse in the future. While this certainly goes beyond my analysis, I believe that it is possible that aspects of SE and other discourses could merge, or that SE could even be absorbed by another – more powerful – concept or discourse (and will explore this further in Chapter 7).

My analysis has demonstrated that despite its growing popularity, SE remains weakly institutionalised in the third period. More actors are emerging in the SE field. Universities, policymakers and regional economic development agencies have gotten (more) involved in SE. First policies to promote SE are being implemented. With the *Social Entrepreneurship Netzwerk Deutschland (SEND)*, social entrepreneurs have established a network and lobby organisation. However, this does not seem to have led to a unified or ‘common’ understanding of SE in Germany shared by large parts of society. At least, this does not extend to the media and to its representation of SE, which, on the contrary, shows a certain expansion of the SE term. Two main strands of SE were identified in the third period. SE is often understood and presented as (a form of) entrepreneurship, as a ‘trend’ among founders and as part of the start-up world. On the other hand, SE is understood as a movement that aims at transforming the economy (and society) as a whole. The processes around constructing the meaning(s) of SE are many and ambiguous, and they are ongoing. The ‘conceptual confusion’ around SE persists – perhaps, it is greater in the third period than ever before.

