

Lineage of Western Social Enterprise Theory and Japan's State of Introduction

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Abstract

Social Enterprise is a concept resulting from the conflict and intermingling of two ideologies: the ideology of public interest/non-commerciality (which pursues social aims) and the ideology of commerciality (which seeks to maximize capital). One reason for the recent global attention that social enterprises have been receiving can be attributed to the growing nebulosity of the lines between a for-profit company and a not-for-profit company (Tsukamoto, 2008). With social contribution strategies such as philanthropy and corporate social responsibility, participation by for-profit enterprises in the public interest and non-profit sectors has been growing stronger in the efforts of the for-profit enterprises to tackle social problems and create social value (Tsukamoto, 2008). New marketing strategies are being introduced to the repertoire of those already used by for-profit enterprises. These strategies differ from the previous customer-oriented marketing strategies. These strategies are social marketing and cause-related marketing (CRM).¹ However, Non-profit organizations that wish to escape their reliance on grants and public subsidies have been emerging. These organizations wish to “commercialize” with the aim to obtain revenue in the market. In advanced countries with growing non-profit sectors, this blurring of the lines between commercial gain and non-commercial gain that has resulted in active research into social enterprise and the rise of social enterprise is evident. However, the definition of social enterprises varies depending on the country and the region. It is well known that the definition differs from the British/American concept and how it is viewed in Europe. In Britain/America, the idea is based on the commercialization of non-profit organizations. However, in Europe, the social enterprise can

be given as an example in the context of the welfare state and restructuring of the third sector. As Fujii (2013) states, “it is a political word,” and Japan is no exception. As the government moves to restructure the third sector, the concept changes depending on one’s stance on enterprise and administration, and the concept has not been unified into one established theory. Thus, in this paper, I would like to outline the historical matters and conceptual framework of the brand of American social enterprise centered on America, where marketization is key, and the restructuring of the third sector in Europe. My aim is to define the Japanese Social Enterprise as it relates to these two contexts.

1. The Research Approach of Social Enterprise in America

1.1 Context of the Emergence of American Social Welfare Theory

Social Enterprises in America is considered to fit on a spectrum. Organizations on this spectrum, be they for profit or not-for-profit, conduct socially valuable projects and activities. Research in this area has been lively since the 1980s.² The background factors are the change in the social economic climate surrounding non-profit organizations and the resulting organizational changes. The post-Reagan administration’s promotion of privatization is also to blame. Reagan strived for a “small government” and aimed to cut social welfare spending through the aggressive introduction of market principles. More than anything, budget cuts to social services, including welfare because of budgetary austerities, had a great impact on the fiscal structure of non-profit organizations (NPOs). Cost cutting measures by the federal government exacerbated conflicts among NPOs vying for donations and grants as substitutionary finances. This pressure compelled the commercialization of NPOs. To continue their existing projects, more and more of them began to participate in profit-making ventures such as selling goods and services.

Skloot (1988) gives the following reasons for the commercialization of non-profit organizations:

- Strict finances/reduction in capital given to them by the government
- The exacerbation of conflicts surrounding donation money
- A national propensity to support enterprises
- Response of the NPO to a change in environment which can be characterized by tendencies to accept a stable coexistence between commercial exploits and charity among NPOs

1.2 Social Enterprise Theory

The commercialization of NPOs is not deemed as simply a change to a for-profit organization; it can bring about changes in management also (Weisbrod, 1998). For example, some are also of the opinion that there is no need to find value in business activities for the sole purpose of profit. Rather, special attention should be paid to the fact that some business actions can decrease the necessity of income from donations and lead to more stable, diversified financial foundations, in addition to the fact that saturation of market discipline increases the quality of enterprise and an organization's efficiency and efficacy (Dees, 1999). Utilizing the concept of "non-profit enterprise," Skloot (1988) finds that profit-making ventures for non-profit organizations can be beneficial; not only do they increase revenue, but they also contribute to the longevity of the organization through diversification of sources of capital, improve administrative capability, and improve fiscal discipline. Dees et al. (2001) present social enterprise as a strategic response on behalf of the non-profit organization in an environment of commercial tendencies and ever-blurring lines between sectors.

According to Dees et al. (2001), social enterprises behave akin to commercial entities; however, most organizations go about production while taking discretionary measures in their incorporation of commercial elements. Purely philanthropic or commercial organizations are not included. A specific example of this is DC Central Kitchen. DC Central Kitchen does not give food to the poor. The employment support program collects and prepares food that is to be disposed and sells it (the safety of the food is guaranteed). Based on the axiom of teaching a man to fish, they achieve monetization of their service by collecting and preparing food ingredients that were to be discarded, and by teaching people how to prepare these foods, they create opportunities for people to find employment in other organizations. Sales are important in funding covering these administrative costs.

Dees (2001) sought this kind of entrepreneurial leadership in NPOs, the kind that spurs the usage of sales for the administration of business and ties the goal to job opportunities in corporations. In other words, Dees asserts that "entrepreneurs in the social sector are people who link sources of capital to business performance, not only additional sources of funds" and that "not only should social entrepreneurs emphasize commercial approaches but they should also develop strategic methods based on the spectrum of

social enterprise” (Table 1). By shining a positive light on commercialization, social enterprise research has presented new approaches in the study of NPO research.

Table 1—The Spectrum of American Social Enterprise

		Purely philanthropic ←————→ Purely commercial		
Motives, Methods, Goals		Philanthropic Appeal Mission oriented Social Value	Combined Motivations Mission and Market-orientations Social and Economic Value	Appeal to Private Interests
Principal stake-holders	Beneficiaries	No payment	Combination of cheapness or payers nonprayers	Price at market rates
	Capital	Donations and grants	Combination of capital not exceeding market rates	Capital at market rates
	Labor force	Volunteer	Combination of wages below market rates or volunteers and paid staff	Salary at market rates
	Suppliers	Payment in kind	Combinations of special discounts or commodities/donations that cover all cost	Price at market rates

source: Dees 1998: 60

1.3 Tasks for Commerciality-oriented Social Enterprise Theory

Some researchers have also presented negative viewpoints of American Social Enterprise. Kerlin (2009) states that increasing commercialization of an NPO can lead to actions that deviate from their original goals, for example, the danger of eliminating many of their latent beneficiaries in the underclasses. Over long periods, there is also the danger of severing ties with the locals and private donors with whom they have established a rapport in addition to the NPO being unable to build the social capital that they originally had and finding it harder to contribute to civil society.

It is the exclusion of the poor, more than the other phenomena, which calls the *raison d’être* of the NPO into question. Spending is of great concern

when discussing enterprise via market trade. Those who do not have assets do not have purchasing powers. Such is the limit of the beneficiary. In addition, the principle of competition is at play in the market. The producer is often evaluated on merit. A person who does not have the necessary skills for a job does not find employment. The NPOs' existence of being for the public good is null if such exclusivity cannot be overcome (Fujii, 2013). Actually, such deficits in aid to the poor by NPOs are considered losses of public benefit and are used as logic in arguments that call for the revocation of preferential tax treatment for NPOs.

A marked tendency toward the systemic homogenization of non-profit organizations affects the trend of social enterprise in America. Looking back, this brands the NPO with the insignia of "market failure," much like with enterprises, which destroys the basis of its validity (Fujii, 2013). How American Social Enterprise will surmount this negative aspect is a problem to be solved in the future.

2. European Social Enterprise Approach to Research

2.1 Historical Background of Social Enterprise Theory in Europe

For Europe, Social Enterprise emerged from the trend of solidarity economies. To be precise, the solidarity economy incorporates collective relationship dynamics such as mutual aid and democratic participation. In a political sense, it strengthens ties among the people and supports democracy. Economically, it has been understood as an alternative form of economy that would overcome the bottleneck of formerly predominant forms of economic systems through a hybridization with pluralistic economies (Kitajima, 2004).

It began as a social economic idea in the 19th century; however, it only began to be truly regarded in Europe since the oil crisis in 1973. Due to the social insufficiencies that follow economic slumps such as long-term unemployment, increasing social exclusion, and inadequacies in child-care and caring for a post-advanced age civilization, several small-scale business endeavors started by the citizens began to emerge, for example, youth employment support organizations and mom-and-pop associations. Movements in the solidarity economy include various grassroots economic activities that were put into place for solidarity and not profit, such as regional currencies,

fair trade, and microcredit.

In the midst of a competitive market, social economy centered on cooperative mutual-benefit associations expanded and began to shift gradually to ventures that were more commercial. In comparison, these solidarity economies were characterized by the way they eschewed this practice and breathed new life into the definitions of solidarity and democratic participation. In an endeavor to solve the problem of social exclusion while at the same time starting to undertake interpersonal social services, the people began to create organizations that incorporated multi-stockholder ownership systems, avoiding systems where only union members who can participate glean any profit (mutual aid) for a system of public profit.

2.2 Restructuring of the Welfare State and Social Enterprise Affinity

While the European Social Enterprise did use solidarity economies as a springboard, how can we understand its political background? Of course, the definition of social enterprises differs from country to country; however, social policies, social security systems, and traditional third sectors affect all of them.

However, in broad terms, it is possible to assume that the foundation of the establishment and development of European Social Enterprise lies in the restructuring of the welfare state and the subsequent reorganization process of the third sector (Fujii, 2013). The countries of the European Union have faced a common pressure: global competition and a decreasing birthrate coupled with an aging population. However, this did not immediately lead to the dismantling of the welfare state. The conventional policies of the welfare state form an unwavering blueprint because of the welfare state's certain steadfastness (Fujii, 2013).

Even so, the welfare state was compelled to change. This change highlighted a responsibility to rights and equal opportunities to equal results. Consequently, the stimulation of the workforce emerged as an important political undertaking by the welfare state that meant a shift to an active welfare state centered on active labor market policies.

In addition, the prediction that a declining birthrate and aging population would lead to a financial crisis due to budget cuts and rationalization caused the spread of new public management, which introduced market principles to public services. In addition, this prediction also led to the permeation of

the contract culture in administrative organizations. This restructuring of the welfare state caused the public to expect the provision of services and job creation under the contract culture. One can assume that the government served to underpin the development of the social enterprise during this process of third-sector reorganization.

Thus, European Social Enterprise differs from American Social Enterprise in that the government invested much public capital into it mainly through consignment contracts. Support from the European Union also plays an important role. Not only has the European Union supported research relating to European Social Enterprise, but the European Union's social funding has also played a role in financially supporting European Social Enterprise.

It must be noted that, in Europe, the legal framework has been outfitted for Social Enterprise when compared to America, where one has not. The corporate makeup of European Social Enterprise comprises mainly cooperatives and non-profit organizations. For example, in France and Belgium, the social enterprises are established as NPOs and, in Sweden, Finland, Italy, and Spain, associations do not conform to how businesses develop. Further, they tend to be established as cooperatives in countries where the establishment of associations are not difficult (Fujii, 2013). With the enactment of the Italian Social Cooperative Law in 1991, new legal systems had cemented the social enterprise in law. Following this, the Belgian Socially Oriented Company, the Portuguese Social Solidarity Cooperative, the Grecian Limited Social Cooperative, the French Social Association, and the United Kingdom's Community Interest Company were established in 1995, 1998, 1999, 2001, and 2004, respectively.

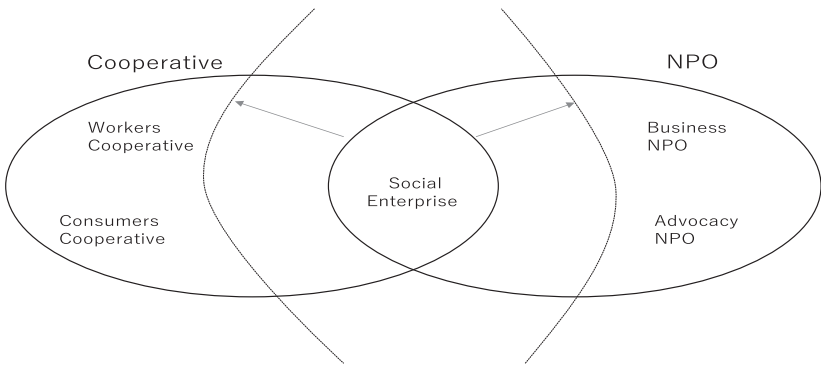
2.3 The Concept of Social Enterprise in the EMES Network

Much research has been done on European Social Enterprise, with the Emergence Des Entreprises Sociales (EMES) at the heart of such research. The EMES is an interdisciplinary network of researchers formed in 1996 in the wake of an international comparative research project on European Social Enterprise that started with the help of the European Union.

Their concept of social enterprise explicitly excludes for-profit enterprises unlike that of America. It is understood as a modern expansion of the third sector that is composed of NPOs and associations. Rather than calling it a concept radically different from the third sector, this type of social enterprise

is perceived as a subset while also being a new driving force behind the third sector.

According to Defourni, social enterprise is understood as a kind of organization at the intersection of an NPO and an association (Fig. 1). This is related to the manner in which European Social Enterprises find their basis in solidarity economies. In other words, associations that were driven previously by common profit became driven by the public interests of their local community while less enterprising NPOs became even more focused on enterprising and, as the two drew closer together, the word Social Enterprise began to be used.



Source : Defourni, J. 2001 「Introduction: From third sector to social enterprise」, Cborzaga and J. Defourni, The Emergence of Social Enterprise, Routledge, p.22

Fig. 1 Positioning of European Social Enterprise

3. The Sociality of Social Enterprise

3.1 Commonalities between American and European Social Enterprise

The above has discussed the differences in the concepts of social enterprise in Britain/America and Europe. Yonezawa (2012) characterizes social enterprise with a focus on three different criteria—source of income, outcome, and governance—and outlines three different albeit similar British/American schools of thought: revenue acquisition, social innovation, and social economics, which come from European Social Enterprise research. These are

outlined below.

- ① Revenue acquisition: This was developed around American business administration studies. It deems the expansion of income from the NPO market and the application of business administration significant in the achievement of the NPO's mission.
- ② Social innovation: This focuses on the effects of social enterprise. It highlights the significance and expects creative solutions from social entrepreneurs in solving the societal problem of social innovation. The focus is on how social change is brought about.
- ③ Social economics: This targets European Social Enterprise. Using traditional research on associations, social economics focuses on the governance of social enterprise and stresses the significance of resource diversity as it depends on social enterprise and the democratic decision-making-process in organizations.

While they are classified in this way, there is one similarity: the link between social aims and economic activity. Researchers of the social economics school emphasize the social aims embedded in social activities, much like the other three schools. In addition, the social enterprise is a hybrid entity that acts across multiple organizational styles and principles. Social enterprises are hybrids in a sense and are considered hybrid organizations.

In the schools of revenue acquisition and social innovation, it bridges both social sectors and we can see properties of both at play in a social context. According to Dees (2001), who adheres to the school of revenue acquisition, "many social enterprises cannot become purely philanthropic or purely commercial, nor should they. Most social enterprises should incorporate a productive balance of both commercial and philanthropic elements." In addition, Nicholls (2006), of the school of social innovation, finds that social entrepreneurs who launch and manage social enterprises are entities that "eclectically incorporate business, charity, as well as social movement models and reconsider solutions to community problems while providing sustainable, new value." Furthermore, according to the social economics school, the social enterprise lies at an intermediate location, at the intersection of public policy and civil society, and stresses the hybrid-ness of the social enterprise's dependence on resources and its goals.

Based on such arguments, Fujii (2013) states that the essence of social enterprise lies in its "structure and strategies that aim to innovate solutions to new problems and guarantee sustainable and autonomous administration as

it makes expert use of the powers of the community, the market (business), and systems (government) to solve social problems and change society.” In other words, it is a hybrid organization that borrows from different areas to solve problems.

3.2 The Sociality of Social Enterprise

The above has been an outline of the background context of the concept of social enterprise in America and Europe as well as a look at the conceptualization of the social enterprise. While the flow of events differs between America and Europe, it is evident that they share a link in their being hybrid organizations and linkages between social aims and economic activities. The sociality in social enterprise is what is most important here. Overlooking that point makes one unable to see the difference between the social enterprise, NPOs, and average enterprise theory, calling the significance of even discussing social enterprise into question.

The American Social Enterprise can be split into four types: the enterprising NPO, the socially oriented enterprise, the intermediate social enterprise, and the average social enterprise (Tanimoto et al., 2006). Tanimoto explains that the enterprising NPO, socially oriented enterprise, and the intermediate social enterprise are social enterprises because their goods and services are social. In other words, the social contributions of commercially oriented social enterprises can be roughly divided into three types: provision of social goods and services, involvement in social issues through economic activities, and social contribution aside from the social enterprise’s principal projects. Focusing on such a diverse social-ness and the social enterprise’s state of being for-profit but not limited to being a third-sector organization are two sides of the same coin (Hashimoto, 2012). For example, such an explanation would lead one to conclude that using enterprising efforts and technological innovation to create environmentally friendly electric cars that do not produce exhaust fumes is in the same vein. Since such production of cars in this manner is treated as a social matter on the whole, it would be desirable to study all kinds of enterprising organizations be they for-profit or not-for-profit (Hashimoto, 2015).

The social-ness of the European Social Enterprise would come from the fact that it deals with social exclusion, if we were to depend on the other kind of social enterprise. The actions of the EMES are to combat social

exclusion. Its main fields are interpersonal social services and work integration. Interpersonal social services mean providing services that are social, such as welfare, to people who find themselves excluded from society. In other words, social-ness is found in the nature of the provided services. Work integration means reintegration into society by providing opportunities for people to work, specifically people who are socially excluded and have difficulties finding employment.

In work integration social enterprise (WISE), the consumer is also given a good or service while the socially excluded individual receives support in finding employment or job training. Examples of these would be a bread shop that provides work opportunities for persons with disabilities or the Big Issue (a magazine marketer) that provides work opportunities for the homeless. The goods provided are bread and magazines, not social goods. The goods provided here are not vastly different from those provided by the average social enterprise. Therefore, the social aspect is the fact that they provide a place for people to work (Hashimoto, 2015).

In this regard, there are enterprises that not only hire persons with disabilities, but also ones that go beyond the call of duty to actively hire persons with disabilities. In this case, the good or service they provide to the consumer is another matter entirely; they are displaying their social activism by increasing opportunities for persons with disabilities to find employment. What divides the two kinds of social enterprises is the matter to which they give precedence. In other words, do they aim to provide work opportunities to the socially excluded or do they aim to provide goods and services? In the case of dependence on the European social enterprise, the difference between it and the average enterprise lies in the organizational aim or mission to which it gives precedence. For enterprising organizations that deal with work integration, the launching point of their enterprise is how they create opportunities for work.

4. Coordinates of Social Enterprise Theory in Japan

4.1 The State of Social Enterprise Adoption in Japan

The two trends in Europe intermingle in Japan, and since the end of the 1990s, they have been introduced gradually. It can be said that these imported types

of social enterprise have created a complex slew of discourse regarding social enterprise in Japan and have affected public policy as well, with their intermingling with arguments regarding concepts overlapping that of the social enterprise, such as civic organizations, community business, enterprising NPOs, workers cooperatives, and workers collectives.

Traditional civic organizations and associations are exploring a development of Japanese Social Enterprise by incorporating the trends of European Social Enterprise. For example, they are establishing unique social enterprise institutions that are based on Italian social cooperatives regarding finding work for persons with disabilities. The enterprising development of associations can be seen as the source for such actions (Kawamoto, 2015). The institutions for social enterprise are characterized by their encouragement of financial independence through employment contracts between persons with disabilities and the company and their equal wage structure that pays no attention to individual able-ness. This system is in effect in Shiga Prefecture and the prefecture and its cities are giving grants for its operation. The workers cooperatives aim to reincorporate socially those who have been excluded from society through democratic organizational processes and governance and to make reincorporation through labor opportunities their primary goal.

Other than these conventional enterprise entities that aim to follow Europe's path, some other social enterprises can be said to follow the American trend.

4.2 Social Enterprises as Important Players in the New Public Commons

The New Public Commons is a concept mentioned in the Hatoyama Cabinet's general address to the public and is a new value system in which not only individuals in the bureaucracy bear the role of supporting people, but also people from every facet of society, be it education, childcare, crime and disaster prevention, medical care, or welfare, work together. Since 2010, the New Public Commons Roundtable has been held to spread the idea of the New Public Commons and its prospects to the people, enterprises, and administrations as well as discuss the course Japan is to take and the systems and policies therein. Much discussion has been held. The following year, the Cabinet Office announced the "Guidelines on the Implementation of Supporting Enterprises for the New Public Commons." The document outlines specific measures and policies regarding the application and the institution of the funds gleaned

from the various administrative regions of Japan. Under this, the Cabinet Office defines the New Public Commons and its key players.³

The key players in the New Public Commons are citizens, NPOs, and businesses that act spontaneously and independently to work with administrations that have supported the public in the past to solve the various problems in the local community and will support the public in the future. The main targets of this support are spontaneous and independent organizations, that is, personal entities, specified non-profit corporations with vulnerable financial infrastructure, volunteer groups, public service corporations, social welfare service corporations, incorporated educational institutions, territorial organizations, and private cooperative non-profit organizations.

The government has designated the citizens, NPs, and enterprises as actors who will act to solve various local problems, but has given social work companies, Japanese-style social enterprise cooperatives, and social offices as corporate institutions in the new system in which the New Public Commons is to provide support to victims. New corporate systems related to social enterprises have been broached and debated.

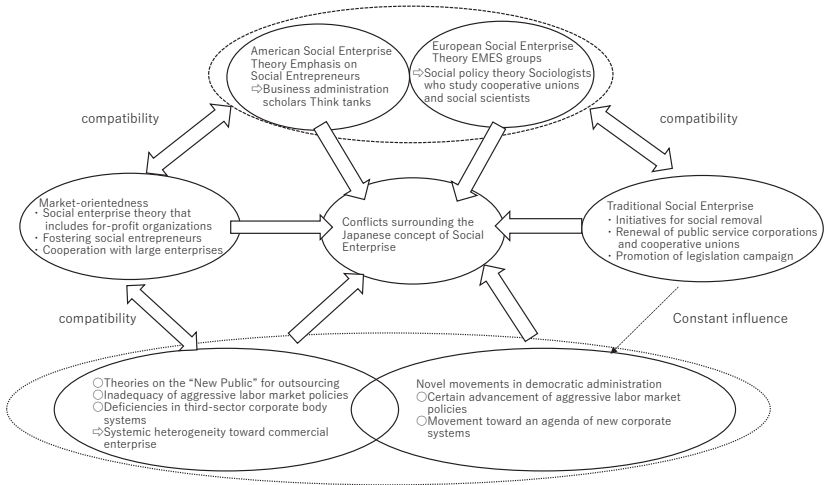
4.3 Background on the introduction of the social enterprise theory

It is implied that the political intention of the New Public Commons is based on the statement “with a declining birthrate and aging population, the Japanese government cannot continue to throw money and things at problems as it has before, nor will we choose that path.” It has also been seen that their policy is “if the New Public Commons can birth a bustling society of support, it will lead to a community of high social capital, civic happiness, and trust with low social cost.”

In other words, much like the West, Japan is facing a financial crisis. The concept of social enterprise is arising through the government's spurring of marketization and localization (where expectations are thrust on civic society) through the participation of various agents. The government fails to attempt to draft a breakthrough solution in the restructuring of social security while trying to become a welfare state.

This can also be seen in the current administration. The concept of the social enterprise is in full force with discussions on the promotion of decentralization of power, social welfare policies, aggressive labor market policies, local inclusion support systems, and payment through welfare and collective

participation. Social enterprises are defined as an extension of the debates about the Social welfare service corporations and NPOs that have been dependent on public funds increasing their financial independence and the state of the NPO and civic organizations that are supposed to achieve economic goals. In practice, the traditional Japanese Social Enterprise and the social enterprise that has grasped attention due to the New Public Commons intermingle. However, on the government side, the American model of social enterprise is being emphasized. As can be seen above, Japan's concept of social enterprise straddles the fence as the two sides fight over whether to follow the European concept of social enterprise or the American concept of social enterprise (Fig. 2).



Based on Atsushi Fujii et al. (ed.) (2013) "Fighting Social Enterprises" Keiso Shobo. Revised by author.

Fig. 2 Flowchart of Two Different Concepts of Social Enterprise

5. Conclusion

This paper discussed where Japanese Social Enterprise lies after having outlined how its origins, the contexts therein, and the issues with both of the Western theories. The social enterprise is a business entity that achieves both social and economic goals and is a concept that is political, civic, and economic.

In the midst of such conflict, how is modern Japan's development significant? Since the Social Welfare Basic Structural Reform and Community Welfare, the line that demarcates a for-profit and non-profit business is becoming vague. Reform of social welfare corporations has been underway recently as they are dependent on public funds and receive preferential tax treatment. With reconsideration of governance and reinvesting in public enterprises on the docket for discussion, the idea of even abolishing preferential tax treatment completely is being discussed. A passive intermingling is occurring; to increase longevity, businesses have dabbled in acquiring funds from the market and from donations.

Marketization and localization (a form of care system based upon civic participation) is being accelerated by the government, as can be seen with active labor policies centered on independence support, local inclusion systems, and the Ministry of Health, Labour and Welfare's all for one, one for all policy. It compels one to say that the incorporation of the social enterprise in this sort of discussion is negative.

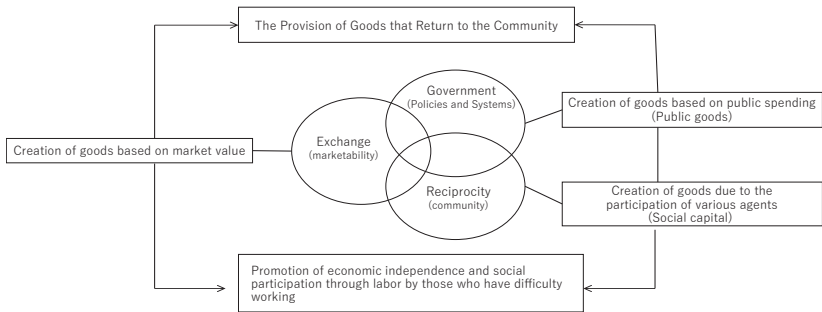
It is difficult to assess the true nature of the social enterprise in Japan due to its lack of related legislative systems; however, in practice, the two concepts are at work. A typical example in the case of Japanese work integration social enterprise are the exploits of the NPO Heart in Heart Nangun Ichiba in Ainan in Ehime Prefecture (please refer to What is Needed by All Social Enterprises Chapter 3, Minerva Shobo), where a large population outflow has made it akin to a remote region and Yosanoumi Social Welfare Service Cooperation that lies in Yosano, Kyoto Prefecture (Kawamoto (ed.), 2015).

What these have in common is that the people cannot live as citizens in their own regions, and the systemization of professional and local citizens (the source) who have stood up, unable to overlook the needs of the individuals that have been isolated. Apart from the fruits of labor, one other guiding post for Japanese Social Enterprise will be the recovery of the right to live as citizens by previous beneficiaries of welfare services while receiving the care

they need and giving back to the community through work. Still another is the adoption of the business entity that fulfills the needs of the local community as a social enterprise.

Such business entities lead to better development of support, while garnering community involvement and lead to the natural intermingling of goods through market activity and calls to administrative responsibility. Makisato (2015) stated the following regarding the systemization of social enterprise: “[it] is a reformation movement via enterprise that not only gives opportunities and public support to those who are prone to societal exclusion to contribute to society, but also combines the contributions of civic society, including nongovernment associations, enterprises.”

Social enterprise is not an option meant to be taken to increase the sustainability of policies or organizations; rather, it should be thought of as an integral way of systemization to assist people who have had their rights to live as citizens suppressed.



From Kawamoto (2013), with partial revisions

Notes

1. The Volvic company’s sales campaign/ or /PR campaign slogan “1ℓ for 10ℓ” stands out among cause-related marketing strategies. It is a sales strategy that they have widely promoted where the purchase of 1ℓ of soft drinks at regular price secures 10ℓ of fresh water for developing countries. Such cause-related marketing goes beyond philanthropic initiatives where the proceeds are donated. Elevation of profits is incorporated into the strategy. In fact, Volvic increased its overall sales due to this campaign.

2. In 1980s America, Yang and Skloot created the basis for the development of social enterprise and began to utilize the concept explicitly from the 1990s onward as the world focused on entrepreneurs, the entrepreneurial spirit, and the concept of leadership as it related to the non-profit organization.
3. Examples of this are the ETIC, an intermediate support organization that fosters social entrepreneurship and Florence that develops childcare in business entities. Florence is an innovative business entity that develops childcare facilities for sick children, which has been difficult for average childcare businesses, and has applied this method to other areas. ETIC is a representative that works in conjunction with major communications company Nihon Electric Communication to open classes on starting businesses and entrepreneurship.

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