The Current Situation and Legal Framework of Social Enterprise in Different Countries

**Introduction:**
With the development of society, it is not only bringing the scientific and technological progress, and high quality of life for us, but the social issues also following. These problems are including environmental pollution, unemployment, employee rights, and social welfare. The power of the government cannot solve the problems alone. The social enterprise is a qualified helper to relieve government pressure. A social enterprise is an organisation that applies commercial strategies to maximise improvements in financial, social and environmental well-being. It also includes the maximising social impact and profits for stakeholders. There is many different types form of social enterprise. The legal framework is not only empowerment to social enterprises, but also establishes the boundaries for them. Thus, the legal environment is the great importance for development of social enterprise.

**South America:**
The main form of social enterprise in Latin America is the Solidarity Economy. The solidarity economy is the most dynamic coping mean for social crisis, unemployment and social exclusion. Economic crises after 2000 intensified the socio-economic problems. The Brazilian Forum on Solidarity Economy in 2003 marked the increased strength of the solidarity economy. In addition, according to government statistics, as of 2005, there were higher than 1.2 million employees worked in 15,000 social enterprises. In Venezuela, government initiative and government legislation as the two-pronged approach to encourage the co-operatives. The Argentine government also recognises that the development of solidarity economy cannot be without the state participation. Thence, the Mano a la Obra Program which initiated in 2001 was a particularly significant policy. Bohmer (2009) summarised that the development of social enterprise led to substantial improvement both in social indicators and economic development, such as the growth of economy, the reduced of income gap, and the improved of water and sanitation.

**North America:**
In Canada, the social enterprises had been described the combination of nonprofit and voluntary organisations and enterprises which produce goods and provide services. The Canadian government was through a policy which was named Community Economic Development (CED), to advance the social enterprises in provincial and territorial governments. There are approximately 9,000 co-operatives, 1,000 credit unions, and 125 mutual associations across the country. Moreover, the total assets of those social enterprise were more than $225 billion. In the United States, social enterprises had been delimited directly address social need nonprofit organisations which through the goods and services, or employ the disadvantaged people. The American nonprofits have already become the highly entrepreneurial organisations, which can respond to the new society pressure by actively and creatively methods. In addition, Mendell (2010) stated that there are greater than 1.5 million social enterprises which have $780 billion in revenues in the US.

**Africa:**
In Africa, the contribution of government was very little, and foreign actors played the important role. In addition, these foreign aid also had significant influence on government policies. In particular, the World Bank and International Monetary Fund were the biggest foreign aid for Africa, they invested a huge number of funds to accelerate market-oriented reforms. Crystal (2009) explained that the social enterprises, such as civil society organisations, nonprofits, and volunteer organisation, made the contribution on economic development, environmental protection, and social exclusion in Africa. The FATE Foundation is the emblematic organisation that applies commercial strategies to maximise improvements in financial, social and environmental well-being. It also includes the maximising social impact and profits for stakeholders.

**Asia:**
Relative to other areas, the development of social enterprise in Asia is relatively late. Shahnaz (2009) listed that the successful social enterprises in Asia were including BRAC, Gramene Bank, Self-Employed Women’s Association of India (SEWA), and the Population And Community Development Association (PDA). In addition, the majority of social enterprise in Asia are small-to-mid-sized. The Gramene Bank is a part of the world’s most mature and recognised micro-finance programs. Major customer base of Gramene Bank is the poor people of Bangladesh. The BRAC, which is the largest non-governmental development organisation in the world, had more than 125,000 employees, and the working were primarily. Moreover, the SEWA is a trade union created in 1972, and its core concept is self-employed women. Social enterprises in Thailand have also the rapid development, the PDA is a successful social enterprise which works on a range of social missions in Thailand. Japan is a well-known ageing country, and then various social enterprises also focus on elderly people.

**Australia:**
The social enterprise in Australia has various forms, which include independent schools, cooperatives, community services, and community clubs. Barraket et al. (2010) also narrated that there were more than 20,000 social enterprises in Australia in 2005, and in 2006-07, social enterprises employed nearly 890,000 people.

**Europe:**
The principal forms of social enterprises in Europe were including co-operatives, mutual societies, associations and foundations. The major contributions of social enterprises are job creation, economic growth, competitiveness and the creation of social capital. However, there is always an unbalanced development between the member states of the EU. With the rough comparison, acceptance of social enterprises in Western Europe is higher than Eastern Europe. Moreover, governments actively encouraged the created of co-operatives. Poon (2011) listed the timeline of created the co-operatives, such as Portugal created “social solidarity cooperatives” in 1998; Italy created “social cooperatives” in 1991; Greece created “social cooperatives with limited liability” in 1990; Spain created “social initiative cooperatives” in 1999; and UK created the “community interest company” in 2004. In addition, in many nations, the social enterprise already has been recognised in law. On the contrary, in Eastern Europe, the state’s roles was not critical in the development of social enterprise. The economic derailment and high unemployment led to the government lack of ability to address the socio-economic issues.

**Reference:**