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Revisiting the concept of Social Enterprise in a Gulf Cooperation Council (GCC) context: a social constructionist view*

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Abstract

The United Arab Emirates are resolutely diversifying their economy away from oil dependency. A top-down commitment to include the Emirati workforce into an increasing knowledge-based economy is visible in the federal efforts undertaken to promote entrepreneurship. A federal entity dedicated to the development of SMEs acknowledged the synergistic role social enterprises could play in merging social inclusion and economic development. This entity wholly funds and incubates a non-profit establishment, acting as market intermediary for Emirati artisans.

This paper builds on the methodology and findings of a dissertation for a Master in Development Studies which aimed at providing an insight of this non-profit establishment’s potential to become a social enterprise. Given the experimental nature of the research, a pragmatic approach was followed. An iterative process underpinned the concept of social enterprise from established literature, re-visited the concept through a social constructionist lens as an emerging topic in the GCC region, and benchmarked the non-profit establishment against two selected social enterprise frameworks, based on data analysis from documents and interviews. This paper focuses on the social constructionist perspective as a method to re-visit the imported construct that is social enterprise in the UAE context, and connect it with the constructs inherent to this specific environment. This paper aspires to add to the burgeoning literature in the field of social enterprise in the GCC context, while illustrating with the example of the UAE context, the relevance of social constructionism as a universal method to investigate the concept of social enterprise in their own context.

Key words: Benchmark, culture preservation, capacity building, economic empowerment, public sector, social constructionism, social enterprise, social inclusion, United Arab Emirates.
1 Introduction

A mental representation of social enterprise can be generated from various perspectives, according to the investigator’s background and interest and the theoretical approach used to study the concept. The concept itself may acquire varying connotations contingent to a given context, the functional models of social enterprise taking place and its inherent constructs and institutions. This variation of perspectives stands as an idiosyncratic component of the concept of social enterprise, as emphasized in the different definitions proposed by western prominent schools of thoughts. Still, unanimity is reached in considering social enterprise as an organisation combining attributes from commercial businesses and philanthropic organisations. A definitional perspective can be taken either from the for-profit standpoint, defining social enterprise as “businesses that trade for social purposes” (Sepulveda, 2014), or from the non-profit standpoint adopting commercial methods to achieve their social objectives. Both stance are covered under a general “mission-driven business approach” umbrella (Defourny & Nyssens, 2012). The level at which the concept is studied, as an alternative organisational model, or as an emerging field, also adds multidimensionality to the concept. While the organisational structure of the social enterprise has been a popular research topic in recent years (Grant & Dart, Social enterprise as a socially constructed organisational identity, 2014), social enterprise as a policy field also receives increased attention (Sepulveda, 2014).

This paper reflects on the methodology and findings of a research study which took place in the United Arab Emirates (UAE) during September 2013-December 2014. The UAE is a young federation established in 1971, and a member of the Gulf Cooperation Council (GCC), which also include the states of Bahrain, Kuwait, Oman, Qatar, and Saudi Arabia.

While the study used a functionalist approach, benchmarking the attributes of a government-owned non-profit establishment against western-based criteria, a social constructionist perspective was added in order to connect the study’s findings to the highly specific UAE context. This paper focuses on this perspective and further develops it to re-visit the social enterprise concept as commonly understood in the western-based literature, in the context of the UAE, where social enterprise as an organisational form and a policy field is only starting to emerge and is under-researched.

The term social construction was introduced in the social sciences by Berger and Luckmann (The Social Construction of Reality, 1967) in their seminal book “The Social Construction of Reality: A Treatise in the Sociology of Knowledge” and can be defined as a process over time where a given society’s members make sense of their relation to each other and communicate them to other members, through the institutionalisation of their respective role. As a consequence, institutionalised roles and categories become the socially constructed “reality” of that given society. A social constructionist lens is
understood in this paper as a methodological instrument allowing to shift the focus of the social enterprise concept from an ontologically organised structure to an organisation or a field internally or externally negotiated through social constructs (Grant & Dart, Social enterprise as a socially constructed organisational identity, 2014), and hence representing the reality in a given context.

The relevance of this contribution is firmly embedded in the first topic of the conference ‘The globalization of the SE concept: from diversity to convergence’. Its line of thoughts goes also hand in hand with new or on-going international comparatives studies, such as the ICSEM project¹, which advocates a comprehensive inquiry of existing diverse concepts and models within their respective context, before building a typology of social enterprise models. This paper is articulated around the belief that the social enterprise concept is already rooted in western values, and implemented as a norm in other contexts. If the exercise aims at reaching a global consensus on methods to investigate the concept in dissimilar contexts, this paper presents a case from a peripheral context to illustrate the pertinence of using a social constructionist lens as a universal method to examine the social enterprise concept.

The ensuing structure is articulated in three divisions, and concluding comments. A short presentation of the study is provided, with an explanation of the study’s methodology and findings, and introducing the motives to adjoin a re-examination of the social enterprise concept through a social constructionist lens. Then a theoretical grounding of the social constructionist perspective is provided as well as the rationale to use it as a lens for re-visiting the social enterprise concept in the UAE context. A comprehensive overview of contextual constructs present in the UAE and believed to influence how the concept is understood, and shaped, is provided and followed by conclusive comments.

2 The research study as a departure point for this paper

As mentioned in the introduction, this paper is a reflection on the methodology and findings of a two-year research study for a Master dissertation in Development Studies which took place in the UAE. The study originated from a government-owned, non-profit establishment’s (and its owner’s) motivation to know whether it could be profiled as a social enterprise. The establishment is acting as a market intermediary for Emirati artisans. At the time of the study onset, it seemed to present attributes inherent to a perceived social enterprise profile, but there was insufficient evidence for its management to assert this assumption. The establishment as a potential social enterprise is in a specific situation where it is state-owned, but legally registered under a commercial license.

¹ The ICSEM (International Comparative Social Enterprise Models) project is carried out by the SOCENT Programme in partnership with the EMES Network.
The research design followed a pragmatic approach, as the literature review revealed that this evaluative study was the first of its kind in the UAE. For example, two existing social enterprise frameworks were selected from the literature review according to their applicability in different contexts. The two frameworks were Burkett’s Social Enterprise Business Model, and Alter’s Social Enterprise Typology. Their elements were combined in the form of 21 assessment criteria for the benchmarking exercise. A second example was the adoption of two sources within the data collection. In order to identify the establishment’s attributes and their current status, data was retrieved from documents\(^2\) and interviews\(^3\) of the establishment’s stakeholders and social enterprise experts in the region. Then key terms and their synonyms corresponding to the criteria were searched in the documents and in the interviews’ transcriptions, and qualitatively analysed in a table. The analysis was then refined in the shape of a gap analysis.

The benchmarking method followed a functionalist approach, using western-based social enterprise frameworks to assess an Emirati public establishment on the premises of its activities, organisational and structural characteristics, and its mission and vision.

The findings are the refined results from the gap analysis, and were found to be congruent with what the management of the establishment had pre-identified as strengths and weaknesses regarding its potential to become a social enterprise. This suggests that the functionalist benchmarking was mostly valid.

The main findings are summarized below:

- At an organisational level, the establishment was found to be confused with the government-owned social outreach program bearing the same name. A lack of knowledge about the structure and functionality of a social enterprise could be the cause of this confusion made by nearly all stakeholders.

- Despite this confusion, the establishment’s mission centeredness to the social program places its commercial activities in direct contribution to the impact of the social program. In the same vein, the establishment’s activities are fully integrated within the social program, reinforcing the social impact.

- The establishment is not financially sustainable, as it reverses the totality of the revenues to the artisans. There is no documentation displaying the establishment’s financial structure or evaluative tools, nor are financial elements included in its strategy. Furthermore, the establishment’s owner

\(^2\) 23 documents, in the form of reports, flyers and external presentations, consulting agency reports, internal and external proposals, official applications, articles and marketing tools, were analyzed.

\(^3\) Direct and indirect citations from informants are included in this paper for illustrative purpose.
does not request financial accountability, only some degree of social impact.
- The relation with artisans involves a very low participatory approach and decision-making processes are mainly top-down oriented.

Throughout the literature review and the interviews analysis, a rising interest displayed by public and private actors, and an intensified mediatisation around social enterprise since 2010 was revealed. It also became clear that the concept of social enterprise as a new, imported organisational structure, and as an emerging field was far from assimilated in the socio-economic ecosystem of the UAE, as highlighted by the additional findings:
- There is no legal or regulatory environment conducive for social enterprises in the UAE.
- There is no translation for the term “social enterprise” in Arabic.

As a result of this realisation, an explorative investigation of the context’s predominant influences on the growing social enterprise phenomenon was added to the functionalist benchmarking procedure. This addition followed a social constructionist approach aiming at first fathoming how these constructs or institutions specific to the UAE impacted the apparent motivation for the establishment (and its owner) to be profiled as a social enterprise, and second how they influenced the sense-making of the concept in the given context at meso (organisational) and macro (policy making) level.

This paper focuses on the second objective, using the social constructionist approach to present in details the different constructed elements influencing, positively or not, the formation of the social enterprise concept in the UAE, and to a certain extent in the GCC region.

3 The social constructionist perspective

3.1 Theoretical grounding of the social constructionist perspective

The following paragraph present a theoretical ground on which the social constructionist approach is positioned. Although she primarily sought for a methodology to study the social construction of the entrepreneurial personality, Chell (The entrepreneurial personality: a social construction, 2008) suggests an eight-dimensional positioning of social constructionism, according to four articulations inherent to social science. This approach is supported by Lindgren and Packendorff (Social constructionism and entrepreneurship, 2009) in their study of entrepreneurship as a social construction. According to Chell (The entrepreneurial personality: a social construction, 2008), social constructionism is assumed to be nominalist, anti-positivist, non-deterministic and following ideographic methods. The four articulations with the author’s assumed positioning regarding social constructionism are summed up in Figure 1 below.
Figure 1: The four articulations with assumed positioning of social constructionism

Situated in the realm of social sciences, social constructionism is concerned by the way individuals interrelate and organize themselves in repeated patterns, constructing rules, habits, or heuristics making sense for members of a given society. In turn, when these rules are endorsed by individuals belonging to this society, they become institutions inherent to this society. Social constructionism is maintaining permeable links with cognitive constructivism linked to psychology, and referring to the aptitude of the human mind to process information from the external world and act henceforth (Martin & Sugarman, 1997). As such, it is an investigation method which intrinsically is able to combines the micro level represented by an individual, member of an organisation and/or a society, the meso level represented by an organisation, and the overall context including social, economic, historical, political, cultural, religious and linguistic elements (Chell, The entrepreneurial personality: a social construction, 2008; Lindgren & Packendorff, 2009; Grant & Dart, Social enterprise as a socially constructed organisational identity, 2014).

The flexibility and multifaceted nature of the social constructionist perspective is underscored in the literature by its association with several theoretical lines, each allowing for different methodological variations. Chell (The entrepreneurial personality: a social construction, 2008) proposes to study the entrepreneur’s personality through Giddens’ structuration theory (Giddens, 1984), which resolves the seemingly conflicting dimensions of individual agency versus structural constraints. Lindgren and Packendorff (Social constructionism and entrepreneurship, 2009) propose to look at the gender theory and critical management theory in order to grasp the mains mechanisms and biases pertaining to entrepreneurship. Grant & Dart (Social enterprise as a
socially constructed organisational identity, 2014) depict social enterprise as organisation externally or internally motivated to include specific desirable social constructs as part of their identity (or avoid undesirable ones). They support their claim by orienting their analysis towards the social identity theory (SIT) and organisation ecology (OE). This paper will use the social constructionist perspective, in a plain fashion, to investigate constructs in the UAE’s context, potentially impacting the social enterprise concept.

3.2 From functionalism to social constructionism

The need for looking beyond a functionalist approach when investigating social enterprise as an organisational entity and as a field is well documented (Chell, Social Enterprise and Entrepreneurship: Towards a Convergent Theory of the Entrepreneurial Process, 2007; Grant & Dart, The Social Construction of Social Enterprise, n.d.; Sepulveda, 2014). The functionalist approach has been the theoretical backbone for social enterprise research, asserting the concept as “a distinct and novel organisation form” (Grant & Dart, Social enterprise as a socially constructed organisational identity, 2014, p. 94) and focussing on the common features of social enterprises as a distinct type of organisation. This approach ruled as the most pertinent, although the social enterprise concept as a simple set of attributes increasingly involved different meanings in western settings (Jones & Keogh, 2006). The difficulty in coining a universal definition of social enterprise is highlighted by Grassl (2012, p. 38) stating that “the case becomes even more complex if China or developing countries are added to the mix.”

The functionalist approach and social constructionism are not conflicting. Rather, in the quest of a method to broaden the concept of social enterprise, social constructionism can be seen as a complementary approach, examining the reality prevailing in a certain context (Chell, The entrepreneurial personality: a social construction, 2008), and thereafter testing the objectivity of the concept’s westernized attributes in that given context. There is a consensus in the western literature that entrepreneurship thrives when connotated with values such as “individualism, rationality, risk-taking, wealth generation, self-interest, autonomy, achievement and self-reliance and long-term orientation…” (Kayed & Hassan, 2011, p. 16), but entrepreneurship promoting methodologies based on these values tends to increasingly lose its relevance the farther from the western world they are applied (Thomas & Mueller, 2000; Lindgren & Packendorff, 2009). Criteria defining and enabling a social enterprise are constructs which have been built by western belief systems. According to Clegg et al. (Desperately Seeking Legitimacy: Organizational Identity and Emerging Industries, 2007, p. 499), “these belief systems are shared assumptions that are socially constructed: they do not exist objectively in reality but are culturally, socially and cognitively developed assumptions about reality.” These western generated assumptions are imported in other contexts to serve a socio-political
agenda which differs according to geographical and ideological considerations (Grant, Social enterprise through a critical appreciative lens, 2013). Hence, the social constructionism lens offers a platform with a dual investigation portal: Firstly it allows exploring the constructs forming the societal reality within which the social enterprise concept is situated. Secondly, it reveals the limitations of western-based, social enterprise methodology when applied in other contexts.

4 Constructs believed to influence the shaping of the emerging social enterprise concept

4.1 An overview of the UAE in 2013-2014

The UAE is a young nation established in 1971 by Sheikh Zayed bin Sultan Al Nahyan and is composed of seven emirates: Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al Quwain, Fujairah, and Ras Al Khaimah, as shown in Figure 2 below. The UAE is a member of the Gulf Cooperation Council (GCC), which also includes the states around the Arabic Gulf of Bahrain, Kuwait, Oman, Qatar, and Saudi Arabia.

![Figure 2: Maps of the UAE in the Gulf region, and of the seven emirates. (Sources: MEED 2014)](image)

The UAE is defined as a natural resource rich economy (IKED, 2010), and is ranking seventh in the largest proven reserves of both crude oil and natural gas (Elite Media, 2013). In line with the other GCC nations, the UAE economy is operated as a free market, but with most public utilities and important trades being state-owned. The UAE is resolutely diversifying its economy away from oil dependency, shifting from work-intensive to highly skilled activities (Soto & Haouas, 2012). As an example, with oil revenue reinvested into infrastructures such as “a world-class sea port, airport, and communications network as well as commercial, industrial, and residential real estate developments” (COAD, 2013,
p. 38), the oil rich Emirate of Abu Dhabi has managed a successful inversion of the proportion oil/non-oil in the GDP during the last two decades.

4.2 Identified socio-economic development imperatives

All GCC nations unanimously agree that job creation is a top priority to convert the growing number of young job seekers from a national security hazard (Forstenlechner, Madi, Selim, & Rutledge, 2012), to become “a tremendous opportunity, both as a market and as a labour force” (WEF and OECD, 2011). In a region where “entrepreneurial activities and performance rates are well below those of comparably developed regions” (OECD, 2012, p. 15), there is a stated need to promote entrepreneurship as a key solution to counter unemployment (Fisher, 2013), in addition to divert the workforce from bloated public sectors (Tanmia, 2013a) and to contribute to diversify the national economy of oil exporting economies (The World Bank, 2007).

This pressure for job creation for the national workforce through entrepreneurship, is felt by the UAE government likewise. In a country where the national population represents less than 20 per cent of the total population, and where the national unemployment was estimated at 14 per cent in 2009 (Tanmia, 2011), growing unemployment is forecasted with more than half of the Emirati population being under 24 (SCAD, 2013b). The UAE needs to empower its small, but young and growing national social capital, to become a highly skilled and independent workforce ready for an economy based on knowledge and entrepreneurial attitude. This imperative is identified in the UAE’s national visions: with the clearly stated point 1.1 in the UAE vision 2021: confident and socially responsible Emiratis (UAE Cabinet, 2010b), and the social and human resources development being one of the four key priority areas in Abu Dhabi Economic Vision 2030 (The Government of Abu Dhabi, 2009).

4.3 A social contract in transformation

Following the discovery of oil in the 1960’s, a visionary socio-economic development spurred by the leadership irreversibly changed the Emirati population’s way of life within two generations. Such sudden wealth deeply impacted traditional Emirati households and local communities’ dynamics, bringing new opportunities to their doors, but also raising challenges in how to tackle the opportunities development brought in terms of changes to local heritage, traditional social values and relations (Heard-Bey, 2004). Although governed as a federal system, the Emirates are built on traditional tribal roots, with a ruling family at the head of each Emirate. The seven rulers form the Supreme Council of Rulers which is the highest legislative authority in the UAE. In practice, since 1971, the posts of president and prime minister are respectively held by the ruling Al Nahyan (Abu Dhabi) and Al Maktoum (Dubai) families. Each tribe-ruler relation was traditionally depending on the
tribe’s status and included a specific taxation-subsidy exchange, depending on the tribe’s main resources. Tribal allegiance and political loyalties were predominant in the traditional societal fabric (Heard-Bey, 2004).

The traditional social contract, based on a system where the ruler would be available for his subjects during majlis sessions in order to care for them, in return for their loyalty and allegiance, was increasingly difficult to maintain, due to demographic pressures (Trident Press Ltd, 2006). Still, this traditional form of a public sector remained informal and evolved along with an increasingly modernising and highly performing government (WEF, 2014), redistributing its oil wealth through the delivery of one of the world’s most generous social packages and services (Forstenlechner & Rutledge, Unemployment in the Gulf: time to update the “social contract”, 2010). There is still strong expectations from the Emirati citizenry for their government to care for them in a traditional patron-client relationship (Mansour, 2008) These expectations evolved to include free education and health care, subsidized utilities, free land, no-interest loans for building homes, and subsidized wedding costs (Brown, 2007), as well as providing cheap tax-free expatriate labour under the kafala system (Forstenlechner & Rutledge, Unemployment in the Gulf: time to update the “social contract”, 2010). The endurance of this social contract is also evidenced in the nationals’ employment preferences. According to Forstenlechner and Rutledge (Unemployment in the Gulf: time to update the “social contract”, 2010, p. 41), “a job in the public sector is the key component of this social contract.” The large majority of Emiratis is employed by local and federal government entities, and the armed forces, with only seven per cent working in the private sector (Tanmia, 2011). A natural transfer of the Emirati workforce to the private sector is expected and strongly encouraged by the government to meet the increasingly knowledge-based labour market needs (Tanmia, 2013a). However this is not occurring, with two main causes identified. Firstly, private sector opportunities are shunned by the local workforce. Among the reasons invoked are a difference of 57 extra workdays per year, up to 65 per cent lower wages, and longer working hours (Tanmia, 2011, p. 6; Issa, 2013). Secondly, there seems to be a gap between the educational preparation of the young workforce and the private sector requirements regarding knowledge-based specializations (Al Attiyad, 2007, p. 14; Al Ameri, Companies need to adjust to the shift in Emirati workforce, 2014a), and in the development of soft skills and capacity building (Al Ameri, The UAE must cash in on its greatest asset: its people, 2014b).

This hybrid social contract is argued by Mansour (The Impact of Privatization on the United Arab Emirates (UAE), 2008) to contribute to remarkable stability of the traditional fabric of society, political stability and government legitimacy, but Krause (Women in Civil Society: The State, Islamism, and Networks in the UAE, 2008, p. 20) warns that with “no strict ‘work ethic’, a kind of ‘rentier mentality’ may be expected to prevail in such a society”. In their study of the
GCC labour markets, Forstenlechner and Rutledge (Unemployment in the Gulf: time to update the “social contract”, 2010) advise governments to revisit and update their social contract. As early as April 2007, addressing the need for a general paradigmatic shift in the state-citizenry relations, in his speech on the launch of the UAE government strategy 2008-2010, the prime minister and ruler of Dubai Sheikh Mohammed bin Rashid Al Maktoum (The National Media Council, 2007) stated: “The government strategy seeks to move from the concept of social welfare to social development.” This discourse is key, inaugurating a top-down endeavor to shift from a benefactor to a facilitator role, in line with the UAE vision 2021 and the Abu Dhabi Economic Vision 2030. This essential construct in full revamping is the connecting point with the high relevance of the concept of social enterprise, which is considered at policy level as a twofold remedy to empower the national population and contribute to create innovative employment solutions (Abdou, Fahmy, Greenwald, & Nelson, 2010).

Along with a top-down effort, a mentality shift on government expectations from the national population is crucial to the necessary overhaul of the social contract. In other words, the bottom-up reliance to be allocated well-remunerated public sector job, to utilize expatriate labour without any form of taxation, and to enjoy a range of generous social benefits and subsidies (Forstenlechner & Rutledge, Unemployment in the Gulf: time to update the “social contract”, 2010, pp. 38-40) should shift to the right to be offered market-adapted education (Forstenlechner & Rutledge, Unemployment in the Gulf: time to update the “social contract”, 2010), to have opportunities to develop one’s own business (COAD, 2013, p. 24), and to be active agents of change in their community (UAE Cabinet, 2010b). At present, available data about the progression of such a grassroots mind-set shift is very limited, and indicate that the concept of social enterprise has not yet been endorsed by the local population. In their first report about Emirati nationals entrepreneurial activity, El-Sokari et al. (Entrepreneurship: an Emirati Perspective, 2013) dedicated a section to social entrepreneurship, highlighting the potential impact of social enterprise in the social-economic landscape of the UAE, and conclude stating “Like mainstream entrepreneurship, promoting a social enterprise culture has to underpin the promotion of social enterprise and social entrepreneurship… To further unleash the potential of social entrepreneurship, a holistic view is required to truly drive a culture of catalyzing the role of such change-makers in achieving economic development in a truly sustainable way.” (El-Sokari, Van Horne, Huang, & Al Awad, 2013). In this section, only one Emirati-owned social enterprise is mentioned, while C3’s CEO Nocentini states that about 10 out of the 300 social entrepreneurs (including aspiring) passing through C3’s programs were Emiratis nationals (Nocentini, 2015).

4 From an email exchange with Medea Nocentini (A few stats..., (medea@consultandcoachforacause.com)(10th of June 2015))
4.4 Islam: a fundament of the society

Islam was subsequently superposed onto the tribal fabric of the society, unifying inter-tribes differences under a common religion (Heard-Bey, 2004). An interesting parallel to note is the similar role currently played by Islam as a fundamental regulator of society for the young GCC countries such as the UAE, still in search of their national identity (Baabood, 2008).

Islam is ubiquitous in every aspect of a Muslim individual’s life and a Muslim country’s public policy. The overarching role of Islam is adequately explained by Al-Suwaidi (The Mirage, 2015, p. 103) stating that “Islam as a comprehensive system of beliefs, concepts and human behaviour provides alternative political, ideological, and economic frameworks.” As such, the domination of Islam on “cultural, moral, social, economic, legal and political spheres” (Heard-Bey, 2004, p. 135) is undisputable within the Muslim environment, but tend to be overlooked by western attempts to apply development frameworks in the Middle East (Al-Suwaidi, 2015). In their thesis about Islamic entrepreneurship in Saudi Arabia, Kayed and Hassan (Islamic Entrepreneurship, 2011) pinpoint the lack of validity of established western frameworks to evaluate entrepreneurship in the Saudi context. Focusing on the dimension of culture and the realisation that western developed countries exhort developing countries to alter their culture in the name of modernity made Kayed and Hassan (Islamic Entrepreneurship, 2011, p. 17) to question: “Is there an alternative for countries that do not see in cultural transformation an option?”

One of the five pillars of Islam and also regarded as a societal institution, the charity tax (zakah or zakat) compels every Muslim to reverse 2.5 per cent of his or her wealth to the needier (Islamicity.com, 2014). The act of charity is also strongly embedded at the macro level. For instance, the UAE has given Dh2.6 billion to the world’s refugees in the past five years, with Pakistanis, Syrians and Yemenis its biggest beneficiaries (Kannan, 2014). The experience of transforming charity to a social impact is often implying a capacity building process, and combining it with business practice raises incredulity at best, and suspicion at worst, at both micro and macro levels (Informant 5, Question 5, 2013; Informant 11, Question 5, 2013; Informant 11, Question 9, 2013; Informant 17, 2013).

In order to articulate the concept of social enterprise in a way that is appealing to the UAE domestic socio-economic environment at micro and macro levels, a further connection of the concept to cultural and religious values, in addition to the national visions is necessary. Islam and the concept of social enterprise are not contradictory. Indeed, Islam encourages a business approach following an ethical line and having a social impact. In fact, Kayed and Hassan (Islamic Entrepreneurship, 2011, p. 48) insist that “the Islamic dimension imposes certain stipulations on the ‘opportunity’, the ‘process’ and the end goal of the entrepreneurial process; opportunity has to have a moral and ethical basis …
Moreover, the ultimate goal of the entrepreneurial activity, as is the case for all human activities, must be intended to pleasing The Almighty Allah.”. Therefore social enterprises might present themselves as a contribution to the long-needed answer to development imperatives, provided their agenda is understood and communicated in respect of Islamic values.

4.5 An apparent void of NGOs and civil society

An explanation for the very limited presence of NGOs in the UAE, and civil society as defined in western terms, can be traced back to the corporatist-oriented structure of institutions in the UAE. The phenomenon is also to some degree related to the above-mentioned social contract, and the deeply engrained charity constituent of Islam which as an institution provides an alternative service to the one normally bestowed by NGOs. In order to comprehend the reality of civil society in the UAE, Krause brings an alternative light on the so-called absence of civil society between the spaces occupied by the state and the private sphere. Krause (2008) first suggests taking a look at the on-going process of neoliberalist governmentality used by the government to devolve its operations to semi-private or private institutions. This goes also along with a gradual capacity-building of the citizens “who are thereby increasingly empowered to discipline themselves.” (Krause, 2008). Second, she warns against the ‘culturalist’ line of defining civil society. Civil society is a profoundly western construct. If civil society has to be investigated in a context far from the western one, one has to change the connotations set attached to the construct (Krause, 2008). Given the unifying component of Islam and the tribal structure of the national society, it would be fair to consider it as communal, along with the often tight-knit communities of different nationalities present in the UAE. As such, the search for civil society needs to embrace the specific elements of power negotiation, “interactions, networking and other structures of participation” (Krause, 2008) present in the UAE.

4.6 The absence of semantic signification in Arabic

Another influential element is the role of the Arabic language in constructing the concept of social enterprise. The language used in a context does not only describe the reality, but contributes to shape this reality. According to Chell (The entrepreneurial personality: a social construction, 2008, p. 190) “Social settings, social groups and situations enable meaning to be gleaned from the language and words that are being used… They enable us to describe, explain and contest the ‘here and now’, as well as the future; as such, we are able to reflect on and consider competing constructions. In this sense, language as discourse creates structure, rhetoric and process.” The term social enterprise does not have an equivalent in the Arabic language. According to informant 8 (Question 12, 2013), “If you translate social in Arabic, it is equal to charity. It is a bit of a challenge, because you need to translate the term in your own culture
and language, to fully understand it and embrace it, you might disagree at the end, but at least you see what it is. Social enterprise makes a lot of sense in Italian, in French, in English... If there is no translation in Arabic, we need to find a way to get some way there.” This statement is further endorsed by informant 5 (Question 9, 2013) stating “there is not even a word for social enterprise in Arabic … semantically, it doesn’t exist.”

4.7 Legal and regulatory environment

The UAE federal legal and judiciary system is based on the Islamic Shari’a and western legal frameworks (Consulate General of the United States, 2005). Although with slight inter-emirate alterations, the federation operates with a trade and business regulation exempted of income and corporate tax (Fidinvest, s.a.). Non-profit entities must be registered under the Ministry of Social Affairs with a board of 20 Emirati citizens. Only a small percentage of applications are registered. In Dubai, a law caters for non-profit, which are circumscribed in the jurisdiction of the Dubai International Financial Center (DIFC, 2012). Dubai and Abu Dhabi have each a Department of Economic Development (DED) dedicated to the registration of for-profit structures. Social enterprise as organisations falls short of both registration options in Abu Dhabi, while the compulsory and high office rental cost in Dubai’s DIFC make it unattainable for social enterprises to register there.

The concept of social enterprise is new and ground-breaking in the UAE. As organisations, social enterprises are not recognised as a legal entity of its own and thus not endorsed in the licensing system (Informant 14, 2013; Informant 11, Question 5, 2013). In the absence of a legal and regulatory system conducive to social enterprise, and in a tax-free economic environment, the few existing social enterprises in the UAE are either government-supported charities trialling the inclusion of an income-diversification strategy and motivated to identify themselves as social enterprises, or non-profit organisations legally compelled to operate under a commercial license (although without tax obligations), thus upholding strong links with the private sector (Informant 5, Question 8, 2013; Informant 14, 2013; Informant 16, 2013). This binary situation can be represented using Alter’s hybrid spectrum, on which the legally dichotomised types of social enterprise present in the UAE are superposed. This representation is provided in Figure 3 below.
A legal and regulatory status would confer the legitimacy social enterprises deserve in their contribution to the development imperatives of the UAE. According to informant 14 (Question 4, 2013) “Whenever you embark on such important social agenda, you need to have a legal framework, because the people who you reach out to, need to understand how this is benefiting them, but in a regulatory form and manner.”

4.8 Social enterprise as an imported construct by the government and by the expatriate community in the UAE

The scarcity of academic research about entrepreneurship in countries situated outside North-America or Western Europe is highlighted by Thomas and Mueller (A case for comparative entrepreneurship: assessing the relevance of culture, 2000). This void of research and inconsistencies of the existing research for the Mena context, was demonstrated in the study’s literature review and emphasized by Abdou et al. (Social Entrepreneurship in the Middle East, 2010) in their report on Social Entrepreneurship in the Middle East, where the need of a clear definition of social entrepreneurship in the Middle East was put as their first recommendation. The conceptual situation of social enterprise in the GCC region can be considered as a clean slate, with the necessity to re-define the concept’s meaning within the socio-economic, politic, religious and cultural context of the region. This point is illustrated by informant 8 (Question 6, 2013) stating that social enterprise in the region “is still a little bit of a non-story, a few reports are popping up, some like you are studying this space, in two-three years from now, we will know more, but we do not have a lot of data yet.”
As a response to empowering the national workforce with the capacity-building skills necessary for entrepreneurial activities, two public institutions were set up by the government during the last decade:

- The Emirates Foundation (EF) whose mission is to “inspire, empower and guide the youth of the UAE to ensure a sustainable future for the nation” (Emirates Foundation for Youth Development, 2013), has a portfolio of six capacity building programs addressing the needs of Social inclusion, Community engagement, Leadership and empowerment.

- Khalifa Fund for Enterprise Development (KFED) was launched by the Government of Abu Dhabi in June 2007 and prepares and leads the working population into a diversified economy by enhancing the entrepreneurial mind-set at national scale (KFED, 2013a). KFED is the owner of the establishment benchmarked in the study.

The top-down determination to bring into play a social entrepreneurship mind-set to nationals was also crystallized in 2013 and 2014 by a series of unprecedented events.

- In October 2013, KFED organised the first forum for entrepreneurship in Abu Dhabi (KFED, 2013b).
- In November 2013, EF followed with its first Annual Philanthropy Summit (Emirates Foundation for Youth Development, 2013). This summit brought out the topic of social enterprise and realised a difficult challenge in making a first attempt to define the concept in relation with the promotion of entrepreneurship and venture philanthropy in the UAE context.

- In March 2014, KFED hosted the 10th annual meeting of the International Network for Small and Medium-sized Enterprises (INSME), with social enterprise being one of the main themes of the agenda (INSME, 2012).

- In 2015, the Emirates Foundation launched “The Social Enterprise Youth Mentoring Platform”, targeting the national youth, in order “to encourage their social enterprise aspirations and improve on their potential ideas” (Emirates Foundation, 2014).

The term of social enterprise started to make a regular appearance in the English-speaking media of the United Arab Emirates from 2012, mentioning the added benefit of social value in economic development and business investment (Jafar, 2013a; Gutcher, 2013). The concept of social enterprise is raising interest at grassroots level, mostly among expatriate entrepreneurs, with a small proportion of Emirati nationals (Nocentini, 2015). Bottom-up organisations raising awareness and coordinating the nascent social enterprise phenomenon are expatriate-led. In Dubai, the first international organisation to be awarded the Social Enterprise Mark, resident volunteer-based C3 started at the end of 2012, assisting social entrepreneurs in their establishment phase (C3 - Consult and Coach for a Cause, 2014). C3 also have plans to monitor and research the
social enterprise ecosystem in the UAE and neighbouring countries. The expatriate-coordinated Hub in Dubai functions as an incubator for both start-ups and nascent social enterprises, and a platform where “one can meet potential investors and entrepreneurs from around the globe” (Sahoo, 2013b). The Business4Change Conference, a grassroots project, which took place on the 20th and 21st of March 2013, brought the social enterprise in the business lights (Pepsico and Al Ahli Holding Group, 2013). The first Social Enterprise Week, a grassroots initiative, was organised by C3, the first and only social enterprise accelerator in Dubai, from 24th February to the 2nd of March 2013. The second Social Enterprise Week took place from 4th to 9th of March 2014, under the title “Business as unusual” (Social Enterprise Week, 2014).

The dichotomized positioning of social enterprise in the UAE displayed in Figure 3 mentioned above is also found to be relevant when taken from the top-down or grassroots perspectives. Both public entities KFED and EF incubate social outreach programs they hope will turn into social enterprise, while most social enterprises registered to get support from C3, operate under a commercial licence.

5 Concluding comments

This paper aims at contributing to the quest of a generic method to examine the social enterprise concept in different contexts, in order to converge to an agreement of what the concept means worldwide. It presents the case of the UAE, situated in the Gulf region, which is hardly ever mentioned in social enterprise academic works. In order to grasp the emerging phenomenon of social enterprise in the UAE, the concept of social enterprise, both as a field and as an organisational entity, is re-visited in relation with social constructs specific to the UAE and how these latter impact on the western construct that is the social enterprise concept, and the different models of social enterprise identified in the UAE.

The research study from which this paper originated is briefly presented, introducing the value of adding a social constructionist approach to a functionalist benchmarking exercise in this specific example.

A theoretical grounding of the social constructionist perspective is provided within four sets of assumptions made with regard to ontology, epistemology, human nature and methodology, identifying the perspective as nominalist, anti-positivist, non-deterministic and following ideographic methods. Henceforward, the complementary role of the social constructionist lens to functionalist analysis is further explained, as a universal investigation method transcending the social enterprise concept beyond its western value, embracing the contextual reality in which the social enterprise concept takes place, and testing the relevance of the concept in that given context.
The main component of the paper follows, providing an overview of constructs inherent to the UAE context and believed to impact the budding social enterprise phenomenon. This overview leads to conclude that the concept is highly congruent with the identified socio-economic imperatives, and could be instrumental in transforming the social contract, contributing to a shift in the national population role from welfare recipients to actors of social change.

The recent surge of interest for the social enterprise concept is equally demonstrated by two actors with specific agenda: The government is eager to promote the concept as a contributing solution to socio-economic development imperatives, while the expatriate community capitalize on their home-brought knowledge of social enterprise in their input on the dynamic socio-economic environment present in the UAE. To date, evidence that the social enterprise concept is understood and exploited by the national population is scarce and reveals that the Emirati workforce, which is the main target of the UAE socio-economic development imperative, and one of the main actors of the social contract overhauling, does not seem yet to make sense of the social enterprise concept.

The links between Islam and the concept of social enterprise needs to be understood, and elements of Islam as overarching influences in the national identity and on-going construction of the society need to be integrated in the process of re-visiting the social enterprise concept in the UAE and the GCC region, in order for the concept to make sense to the national population. Importing the western social enterprise construct in such a radically different connotative environment brings implementation challenges, in terms of substitutes for civil society, lack of linguistic term defining the concept in Arabic, and lack of a conducive legal and regulatory environment.

As advocated in this paper, the social constructionist perspective is to be mainstreamed in data gathering and analysis methodologies about the social enterprise concept in different environments. This perspective is particularly salient in context such as the UAE, where the concept as a novel, imported construct, needs to be embedded within the prevalent belief system.

6 Further research

The current emergence of social enterprise in the GCC context needs further academic attention in order to understand the meaning of the phenomenon and its importance in the region’s development. The next stage of research could include a study monitoring the concept’s progress in the different countries members of the GCC. It could also take the form of a methodological identification of the different social enterprise models occurring in the UAE and in the GCC, as a standalone study, or in comparison with other environments.
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