

POTENTIALS OF VETERANS' SOCIAL WORKING COOPERATIVES AS A MODEL OF SOCIAL ENTREPRENEURSHIP IN THE REPUBLIC OF CROATIA

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INTRODUCTION

- **Social entrepreneurship** stays a **contested concept** (Teasdale, et al., 2021) but a growing phenomenon (Defourny et al., 2018); challenging legal and policy environments (EC, 2021 UN, 2023)
- **Work integration social enterprise (WISE)** is a framework for the development of social entrepreneurship that is linked to vulnerable groups (Marković et al., 2017).
- **Goal for the paper:** first assessment of the state of veterans' social working cooperatives in Croatia,
- **The method: desk research and secondary data analysis** (from several focus groups with stakeholders in the sector and survey on social entrepreneurship and the development of veterans' cooperatives; sample of 550 respondents (98 respondents in status of a veteran)
- **Data gathered within ESF project** „Through Dialogue to the Croatian Network for Social Entrepreneurship“
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FRAMEWORK OF SOCIAL ENTREPRENEURSHIP AND SOCIAL ECONOMY IN CROATIA

- **Social entrepreneurship in Croatia is a new concept:** with different development issues (Vidović, 2019, Baturina and Babić, 2021) such:
 - Lack of an appropriate legal and financial framework
 - Lack of policy support and recognition
- **Strategy for development of social entrepreneurship (2015-2020)**– key policy for advancing the sector but did not achieve major advancements field (WYG, 2021)
- Social entrepreneurship sector in Croatia is orientated towards social and work integration of vulnerable groups (Babić and Baturina, 2020.; Vidović, 2019).
- State of cooperatives in Croatia: has shown that **their development has been limited and the state is largely neglected them** (Mandić et al, 2018, Broz and Švaljek, 2019)
- **Cooperative sector-underdeveloped;** lagging behind EU level (Baturina and Babić, 2021)

FRAMEWORK OF SOCIAL ENTREPRENEURSHIP IN CROATIA

- Universe of Social entrepreneurship in Croatia; Vidović, 2019).

Type of organisation	2018
Associations pursuing social entrepreneurship and relevant general interest activities (social welfare, childcare and education, sustainable development, environmental protection, health protection and others) that registered for economic activities	346
Social cooperatives	25
Veterans social-working cooperatives	35
Cooperatives pursuing social aims	33
Foundations privately owned, pursuing relevant general interest activities and pursuing economic activities	5
Companies founded by associations pursuing relevant general interest activities	50
Other companies pursuing explicit social aims and operating as not-for-profits	10
Institutions founded by associations pursuing relevant general interest activities	15
Sheltered workshops	7
TOTAL	526

CROATIAN VETERAN POPULATION AS VULNERABLE GROUP

- **Croatian veterans** are persons who organized and participated in the defense of the independence, territorial integrity during the Homeland War (1991 to 1995).
- The research "Demographic and socioeconomic characteristics of Croatian veterans" from 2017 states that there are **504,662 veterans in Croatia** (more than 10% of total population) .
- Various data show that a part of the **veteran population is in a vulnerable position** and in need of inclusion in the world of work and society (Šućur et al., 2017, Šućurović et al., 2017)
- Croatian veterans, 52.1%, - Homeland War and its consequences; cause of their difficulties// 23.2% stated that they **had difficulties in performing daily activities due to some long-term illness, disability or old age** (Šućur et al., 2017)
- In 2020, **12,613 unemployed Croatian veterans** were registered in the records of the CES

VETERANS' SOCIAL WORKING COOPERATIVES

- The **Veteran Social Working Cooperative**; established by Act on Croatian Veterans of the Homeland War and Their Family Members (2014); purpose of achieving psychosocial empowerment, health rehabilitation, reintegration of its members into society, and in the work and economic processes of members with reduced work capacity/ unemployed
- Veterans' social working cooperatives are a special form of cooperative that **enables veterans to integrate more easily into society through entrepreneurial activities and social contribution.**
- No relevant research on the veteran Social Working Cooperatives
- **SWOT analysis of Veterans' social working cooperatives**, based on survey, focus groups, and desk research, will be presented (Timša et al., 2023).

SWOT ANALYSIS (TIMŠA ET AL., 2023)

Strengths

- rich cooperative tradition and strength
- the existence of the initiative (Community of veterans' cooperatives)
- entrepreneurial potential of the veteran population
- examples of good practice of cooperation of all stakeholders
- utilization of EU funds for the development of social entrepreneurship
- increased awareness of cooperatives and the possibility of developing SE among the veteran population in society and in general
- joint action and reintegration of veterans into society
- general increase in economic activities at the national level

Weaknesses

- identification of cooperatives with the legacy of socialism
- unclear legislative framework for the development of social entrepreneurship
- demanding criterias for recognizing social entrepreneurs
- the tax treatment of cooperatives is not encouraging for their development
- no supporting institutions, discontinuity of Croatian cooperative center
- lack of cooperative development strategy
- poor public information about cooperatives
- insufficiently diverse sources of funding for cooperatives and social entrepreneurship
- no database on SE and veterans' associations and cooperatives
- insufficiently strong communication between SE stakeholders
- lack of local and regional support for the development of social entrepreneurship

SWOT ANALYSIS (TIMŠA ET AL., 2023)

Opportunities

- strengthening of economic processes in the field of entrepreneurship
- high level of psychophysical and mental ability of ex-soldiers combined with the characteristics of a successful entrepreneur
- introduction of educational programs on social entrepreneurship
- positive working climate
- new investment opportunities
- good practices in the development of cooperatives, veterans' cooperatives and SE at the EU and global level

Threats

- lack of public policy interest in the possibilities of developing SE and cooperatives
- Lack of insight into entrepreneurial abilities of the veteran population and their potential through SE
- stereotypes and prejudices about the veteran population
- stagnation in the development of a legal framework related to social entrepreneurship and cooperatives
- the neglect of rural development as a great potential for SE and the development of veterans' cooperatives
- insufficient positioning and improvement of other fields in which veterans are involved such as activities such as fishing, beekeeping, eco production

DISCUSSION

- An analysis: **Veterans' social working cooperatives are largely neglected**
- The analysis of the potential of veterans' associations and cooperatives: **insufficient progress in improving enabling ecosystem**, which is not unusual in a context where social entrepreneurship is generally underdeveloped.
- Developments status **reflect the state of the development of social entrepreneurship and social economy in Croatia** (Baturina and Babić, 2021, Vidović, 2019, Broz and Švaljek, 2019)
- There is a **lack of additional sources of financing** that would enable veterans' cooperatives to penetrate the market more easily; apart from the state,
- **Veterans population is insufficiently informed about the possibilities** of acting within the framework of social entrepreneurship
- **Scarce capacities of the welfare state** for integration of vulnerable populations (CERANEO, 2023) and strengthening labour activation perspective (Matković, 2019)

CONCLUSION

- Veterans' social working cooperatives in Croatia represent **an innovative legal form that enables their social and work integration** (Nyssens et al, 2012)
- **Dichotomy:** veteran population „enjoys” **political support-** Veterans' social working cooperatives status **reflects the status of social entrepreneurship in Croatia**
- **Potential positive contributions of veterans' social working cooperatives** as a model for the development of SE and for contributing to local and regional development in the communities where these cooperatives operate (Tišma et al., 2022).
- Through the perspective of **Europeanization and modernization of the welfare state** in Croatia (Bežovan, 2019) veterans' social working cooperatives can have a potential contribution to the integration of this vulnerable group
- **Reflection:** How to invoke changes in social and work integration of vulnerable groups?

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- **THANK YOU FOR THE
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