Social Entrepreneurship Review
2026, Vol. 1

10.15678/SER.2026.1.03

Social Economy in Central Europe: A Comparative Study of the V4 Countries

Richárd Resperger

Abstract: **Background:** The social economy has gained increasing recognition in Central Europe for its potential to enhance social inclusion and economic resilience.
Research objectives: This study aimed to map and compare the social economy entities in the Visegrad Group (V4) countries, with a dual focus on national specificities and the broader EU framework.
Research design and methods: Employing secondary data analysis, the research drew on the Eurostat database and the European Commission's 2024 benchmarking report. The data was structured and analysed comparatively by legal forms and across the V4 countries.
Results: The analysis reveals pronounced national variations in the prevalence and structure of social economy entities. Associations dominate in the Visegrad countries, with social enterprises and foundations playing more significant roles in Poland and Hungary.
Conclusions: The findings indicate that while the social economy has common roots across the Visegrad region, national institutional contexts shape its development paths, underscoring the need for policy frameworks that recognise both regional convergence and country-level diversity.
Keywords: social economy, Visegrad Group, organisations, comparative analysis, Central Europe
JEL Codes: H75, L31, P51

Suggested citation:
Resperger, R. (2026). Social economy in Central Europe: A comparative study of the V4 countries. *Social Entrepreneurship Review*, *1*, 44–60. https://doi.org/10.15678/SER.2026.1.03

Introduction

The concept of the social economy has gained increasing attention in recent decades, reflecting a growing interest in alternative economic models that prioritise social value over profit maximisation. Rooted in the principles of solidarity, cooperation, and mutual aid, the social economy encompasses a diverse range of organisations that address market failures and contribute to social inclusion. In this sense, social economy initiatives have become an important component of efforts to tackle unmet social needs across Europe.

In this study, I focused on the Visegrad Group (V4) countries, namely Czechia, Hungary, Poland, and Slovakia. These countries share a common historical and geopolitical background, yet display notable differences in their institutional and socio-economic development. Although a relatively harmonised conceptual framework for the social economy has emerged at the European Union level, the specific organisational forms and their relative importance continue to vary across countries. These differences become particularly relevant in post-

socialist contexts, where the development of civil society and market institutions has followed distinct and often uneven trajectories.

Existing EU-level reports provide extensive descriptive statistics on the social economy. However, they offer limited comparative interpretation at the regional level, especially in the case of Central and Eastern Europe. In the Visegrad countries, systematic analysis that goes beyond descriptive benchmarking remains relatively scarce, particularly with regard to explaining why national differences persist despite shared policy frameworks.

Against this background, I aimed to contribute by offering a comparative interpretation of the structure of social economy entities across the V4 countries. Rather than introducing new primary data, I built on existing datasets and provided an analytical synthesis that links observed differences to institutional legacies, policy frameworks, and broader socio-economic conditions.

In doing so, I sought to highlight how similar EU-level frameworks may result in divergent national configurations of social economy entities. This approach allowed me to bridge the gap between descriptive benchmarking exercises and more explanatory forms of regional analysis.

Accordingly, the aim of the study was twofold. Firstly, I wanted to map the structure of social economy entities in the Visegrad countries based on their legal forms, drawing on the European Commission's 2024 benchmarking report and Eurostat data. Secondly, I aimed to compare these national patterns within a broader EU context, highlighting both similarities and differences, and offering an interpretative framework for understanding these variations.

Furthermore, I related the findings to the broader field of social entrepreneurship, particularly with regard to the role of social enterprises as key actors within national social economy ecosystems.

In the analysis, I relied on secondary data sources and applied a comparative perspective focusing on the distribution of organisational forms and selected socio-economic indicators. By combining these elements, I sought to provide a more nuanced understanding of the development of the social economy in Central Europe.

Literature Review

Present-day Identification of the Social Economy

The identification of the Social Economy (SE) as we know it today began in France during the 1970s, when organisations representing cooperatives, mutual societies and associations formed the National Liaison Committee for Mutual, Cooperative and Associative Activities. Prior to this, the term 'social economy' had fallen out of everyday use from the end of Second World War until 1977. Notably, the term 'social economy' probably appeared in economic literature for the first time in 1830, when Charles Dunoyer published a 'Treatise on Social Economy' that advocated a moral approach to economics (European Economic and Social Committee, 2012).

The social economy contributes to the creation of quality jobs, social inclusion, social protection, solidarity, and gender equality thanks to its basic principle 'putting people and the planet before profit' (Social Economy Europe, n.d.).

The social economy that 'puts people and the planet first' is highly relevant to rural areas, where it can improve access to basic services, create jobs and foster social inclusion while promoting the digital and green transition (European Commission: Directorate-General for Agriculture and Rural Development, 2021).

In the context of the 'Social Economy Action Plan' (2021), the social economy includes organisations and business that share *three common principles and features*: (a) the primacy of people as well as social and/or environmental purpose over profit, (b) the reinvestment of most of the profits and surpluses to carry out activities in the interest of members/users or society at large and (c) democratic and/or participatory governance (European Commission, 2021).

For the purpose of the 'Council recommendation on developing social economy framework conditions' published in 2023, the *term 'social economy'* means a set of private law entities providing goods and services to their members or to society, encompassing organisational forms such as cooperatives, mutual benefit societies, associations (including charities), foundations, and social enterprises, as well as other legal forms, that operate in accordance with the key principles and features above (Council of the European Union, 2023).

While these definitions provide a relatively harmonised conceptual framework at the European level, their practical application varies across countries. Differences in legal traditions, institutional arrangements, and policy environments influence the definition and operationalisation of the boundaries of the social economy (Defourny & Nyssens, 2010).

This variation is particularly relevant in Central and Eastern Europe, where the legacy of socialist systems and the subsequent transition period have shaped the development of civil society and market institutions. As emphasised by Adăscăliței (2012), welfare state structures in the region have evolved unevenly following systemic transformation, while Evers and Laville (2004) highlight the broader role of the third sector in shaping alternative economic arrangements. Consequently, formally similar categories, such as social enterprises or associations, may reflect different organisational realities across countries, limiting direct comparability and calling for context-sensitive analysis.

The Role of the Social Economy

The social economy plays an important role in fostering sustainable development and social cohesion, particularly in areas where market mechanisms and public provision are less effective. This is especially evident in rural contexts, where social economy organisations contribute to the provision of services, local development, and social innovation across sectors such as healthcare, education, environmental services, and community-based activities (European Commission: Directorate-General for Agriculture and Rural Development, 2020).

Policy-oriented perspectives frequently highlight the contribution of the social economy to reducing inequality, supporting vulnerable groups, and advancing a just green and digital transition, as also emphasised by Social Platform (2022). Simultaneously, academic research provides a more nuanced interpretation by focusing on the organisational and institutional characteristics that underpin these contributions. In particular, Doherty et al. (2014) conceptualise social enterprises as hybrid organisations that combine social and economic logics, operating at the intersection of market and non-market spheres. Borzaga et al. (2017) further developed this perspective. In their study, they underline the role of such organisations in shaping inclusive and sustainable economic systems.

From a broader analytical perspective, Nicholls and Ziegler (2019) proposed the extended social grid model, which highlights how social innovation emerges through the interaction of multiple institutional and structural dimensions. This approach reinforces the argument that we cannot understand the development and impact of social economy organisations in isolation from their broader socio-economic and policy environments.

However, the role and impact of the social economy vary across countries. As the comparative literature emphasises, their effectiveness depends heavily on institutional contexts, including welfare state arrangements, policy frameworks, and access to financial resources. In the context of Central and Eastern Europe, Adăscăliței (2012) demonstrates that the legacy of post-socialist transformation continues to shape the development of civil society and welfare systems, which in turn influences the functioning of social economy organisations.

Empirical evidence from European Commission country profiles indicates that social economy organisations across the Visegrad countries operate under diverse institutional conditions, often characterised by varying levels of policy support, funding availability, and civic engagement. These differences highlight the importance of national frameworks in shaping the sector's development and functioning (European Commission, 2023a, 2023b, 2023c, 2023d).

Moreover, EU-level funding programmes and policy frameworks have played a significant role in shaping national social economy ecosystems. Nevertheless, their effects have been uneven across countries, suggesting that similar policy instruments may lead to different outcomes depending on national institutional settings and the maturity of local ecosystems. Within this context, we may understand social entrepreneurship as a complementary dimension of the social economy, emphasising innovative and entrepreneurial responses to social challenges. The varying prevalence of social enterprises across countries indicates that the role of social entrepreneurship is closely linked to national policy environments and institutional conditions.

Research Method and Material

I based this study is based on secondary data analysis, drawing primarily on Eurostat statistics, European Commission reports, and country-level profiles related to the social economy in the Visegrad countries. I based the analysis on established European Union concepts of the social economy, as defined in the Social Economy Action Plan (European Commission, 2021) and the Council Recommendation on developing social economy framework conditions (Council of the European Union, 2023). Furthermore, the distinction between ex lege and de facto social enterprises, as applied in the European Commission's 2024 benchmarking report, provided an important analytical reference point.

Several methodological aspects of the European Commission's 2024 benchmarking report were particularly relevant, as they directly informed the interpretation of the data used in this study. The report provides a quantitative assessment of the size of the social economy across the 27 EU Member States, based on available data for the reference year 2021. In this context, I identified statistical units consistent with the operational definition of the social economy and social enterprises. I based the comparative analysis on data collected by national experts and complemented by secondary data sources, which I subsequently harmonised through a coordinated evaluation process. This process involved a joint assessment to determine whether specific organisational forms fell within the scope of the social economy or should be excluded. Furthermore, the analysis relied on the number of active organisations rather than registered entities, thereby providing a more accurate representation of the sector's operational. In addition to the quantitative dimension, the report incorporates a qualitative assessment examining institutional frameworks, historical development, and emerging trends in each Member State.

In the research, I adopted a structured comparative approach that reflects the study's analytical logic. The analysis proceeded in three main steps. Firstly, I examined selected socio-economic indicators, including demographic and labour market characteristics, to provide

contextual background for the comparison. Secondly, I analysed the structure of the social economy through the distribution of entities by legal form across the Visegrad countries. Thirdly, I assessed the relative weight of different organisational types to identify structural differences within national social economy systems. This ordering ensured that the analysis progressed from broader contextual conditions to more specific organisational characteristics and remained consistent with the structure of the results section.

Given the reliance on secondary data, I paid particular attention to issues of data comparability. Differences in national legal definitions, statistical classifications, and reporting practices may affect the consistency of cross-country comparisons. This is especially relevant in the case of the social economy, where the boundaries of the sector and the classification of organisational forms vary across countries. To mitigate these limitations, I relied on harmonised datasets provided by Eurostat and the European Commission, which apply standardised methodological frameworks across Member States. Nevertheless, certain discrepancies may remain, particularly in the classification of social economy entities and in the distinction between formal (ex lege) and functionally equivalent (de facto) organisations. Therefore, readers should interpret the findings with caution, especially in the context of direct cross-country comparisons.

The analysis did not aim to establish causal relationships in a strict econometric sense. Rather, it provides a structured comparative interpretation of existing data, to identify patterns, highlight differences, and suggest possible explanatory factors related to institutional and socio-economic contexts. In this sense, the methodological approach is primarily descriptive but incorporates an analytical perspective that goes beyond simple data presentation.

Overall, the chosen methodology was consistent with the exploratory and comparative nature of the study, while recognising the limitations inherent in secondary data analysis and cross-country comparisons.

Results and Discussion

Historical and Geopolitical Context

The investigated countries share their historical past. Therefore, we may speak of many similarities between them. Each country belonged to the former Soviet bloc (Herczog, 2024), but following the regime changes, state authorities established the Visegrad Group in 1991 (since 1993, with the breakup of Czechoslovakia, the Visegrad Four or simply V4), which is a cultural and political alliance of four Central European countries: Czechia, Hungary, Poland and Slovakia (Visegrad Group, n.d.). All the V4 countries joined the European Union (EU) in 2004, and all Visegrad countries are members of the North Atlantic Treaty Organization (NATO) and the Organisation for Economic Co-operation and Development (OECD) (Ministry of Foreign Affairs and Trade of Hungary, 2021).

In 2000, the governments of Visegrad countries established the *International Visegrad Fund*. The Fund supports regional cooperation between civil society organisations in Central Europe, promoting their contacts, exchanges, and sharing of ideas to foster mutual understanding. The Fund aims to support the development of the region in seven main areas: culture, education, innovation, democratic values, public policy, environment and tourism, and social development (International Visegrad Fund, n.d.). Over the past 25 years, the Fund has supported over 6,700 projects, including cultural, scientific, and innovation programs, as well as sports activities like the Visegrad Bicycle Race (Ministry of Foreign Affairs and Trade of Hungary, 2021),

enabled over 3,000 scholarships, hosted over 600 artist residencies, and distributed over 140 million EUR in funds (International Visegrad Fund, 2025).

A Brief Comparative Analysis of the V4 countries

The V4 *population* of 62.5 million represented 13.9% of the EU population (449.3 million) in 2024. In terms of population size, Poland leads with 36.6 million, followed by Czechia with 10.9 million, Hungary with 9.6 million, and Slovakia with 5.4 million inhabitants (Eurostat, 2025b).

The *old-age dependency ratio* indicates how many economically inactive people (aged 65 years or over) live in a country per 100 persons of working age (20 to 64 years old). The population of the EU, including the V4 countries, is also ageing, hence the number of old people is increasing. The old-age dependency ratio increased from 26.8 in 2004 to 37.0 by 2024 in the EU. In 2024, the old-age dependency ratio was 33.7 in the Visegrad Group, below the EU level (Eurostat, 2025g).

The *total fertility rate* (live births per woman) in the EU reached a historic low and was 1.34 live births per woman in 2024, down from 1.57 in 2010, with rates ranging from 1.01 in Malta to 1.72 in Bulgaria. In 2024, Slovakia had the highest total fertility rate among the V4 countries at 1.46, followed by Czechia (1.36) and Hungary (1.41), and Poland at 1.14. In developed countries, a total fertility rate of approximately 2.1 live births per woman is considered the replacement level. This means that this average number of live births per woman is needed to keep the population size constant in the absence of migration. When the total fertility rate falls below 1.3 live births per woman, it is often referred to as 'lowest-low fertility' (Eurostat, 2025c; Eurostat, 2026).

According to Eurostat data for 2024, more than one in five people in the EU (21.0%) were *at risk of poverty or social exclusion* (abbreviated as AROPE). Analysis by socio-economic characteristics showed that the risk of poverty or social exclusion was higher for women than for men and higher for young adults than for other age groups. Unemployed people faced a particularly high risk of poverty or social exclusion. At the EU level, the AROPE rate for households with dependent children (21.9%) was slightly higher than for households without dependent children (20.9%) (Eurostat, 2025e). The AROPE rate (as percentage of total population) varied considerably across the V4 countries. Hungary (20.1%) reported the highest share of people at risk of poverty or social exclusion in the Visegrad Group, followed by Slovakia (18.3%) and Poland (15.5%). Czechia (11.3%) presented the lowest AROPE rate in the EU (Eurostat, 2025f).

Based on preliminary Eurostat estimates for 2024, the *gross domestic product* (GDP) *per capita* expressed in purchasing power standards (PPS) of all four countries examined was below the EU-27 average, which stands at 100. Czechia (91) recorded the highest level of GDP per capita in PPS among the V4 countries, followed by Poland (79) and Hungary (77). Slovakia (75) was the V4 country with the lowest GDP per capita (Eurostat, 2025h).

The average annual *inflation rate* (HICP, percentage change compared to previous year) was 2.6% in the EU in 2024. Over the last decade, the EU inflation reached a historic high of 9.2% in 2022. The overall change in the HICP in the EU between 2015 and 2024 was 30.2%, reflecting an average annual rate of 3.0%. Across the EU, Hungary (66.6%), Estonia (55.1%), and Czechia (51.9%) registered the highest overall increases in the HICP from 2015 to 2024 (Eurostat, 2025a). The inflation rates of all four countries examined were above the EU-27 average in 2024. Among the V4 countries, Czechia had the lowest inflation rate at 2.7%, followed by Slovakia at 3.2%. Both Hungary and Poland had higher inflation rates, each at 3.7%, making them the V4 countries with the highest rates (Eurostat, 2025d).

In terms of *unemployment rates*, data shows that the V4 countries perform much better than the EU average. In 2024, the unemployment rate of people aged 15–74 years (as a percentage of the labour force, men and women together) was 5.9% in the EU (EU-27 average), 5.3% in Slovakia, 4.5% in Hungary, 2.9% in Poland, and 2.6% in Czechia (Eurostat, 2025i).

In the EU's NUTS 2 regions, the *regional unemployment rates* ranged from 1.3% in Central Bohemia (Czechia) to 28.3% in Melilla (Spain). In 2022, when measures to control the COVID-19 pandemic were being lifted across the EU, the lowest unemployment rate was recorded in the Czech regions of Central Bohemia (1.2%), followed by the region of Prague (1.6 %), the Czech South-East and South-West regions and the Hungarian region of Central Transdanubia (all three 1.7%) (Eurostat, 2025i; Eurostat, 2025j).

The average *youth unemployment rate* (as a percentage of the labour force aged 15–29 years) in the EU was 11.4%, a 1.9 percentage point decrease over 2020 (13.3%) in 2024. However, there are marked regional differences in the unemployment rates for young people ranging from 2.3% (in the Czech region Central Bohemia) to 41.5% (in Spanish region of Ceuta). The youth unemployment rate was below the EU average in all four V4 countries, 5.9% in Czechia, 6.7% in Poland, 9.2% in Hungary, and 11.2% in Slovakia in 2024 (Eurostat, 2025i; Eurostat, 2025j).

While these indicators provide an overview of the socio-economic context, the relationship between these variables and the structure of the social economy is not straightforward. Countries with relatively similar economic performance may nevertheless display distinct organisational patterns, indicating the important role of institutional factors and policy frameworks in shaping the sector.

Table 1 summarises the main demographic and socio-economic indicators of the V4 countries and the EU in 2024. The data highlight both similarities and divergences within the region. While all V4 countries face the challenge of ageing populations and declining fertility rates, differences in economic performance and social conditions suggest that the context in which social economy organisations operate varies across the V4.

Table 1. Demographic and Socio-Economic Indicators of the V4 Countries in 2024

Indicators	Czechia	Hungary	Poland	Slovakia	V4	EU-27
Population (number on 1 January, in millions)	10.9	9.6	36.6	5.4	62.5	449.3
Old-age dependency ratio (number of persons aged 65 or older per 100 persons aged between 20 and 64)	35.3	34.7	34.5	30.2	33.7	37.0
Total fertility rate (number of live births per woman)	1.36	1.41	1.14	1.46	1.34	1.34
People at risk of poverty or social exclusion (as percentage of the population)	11.3%	20.1%	15.5%	18.3%	16.5%	21.0%
GDP per capita (in PPS)	91.0	77.0	79.0	75.0	80.5	100.0
Inflation rate (percentage change compared to previous year)	2.7%	3.7%	3.7%	3.2%	3.3%	2.6%
Unemployment rate (as percentage of the labour force aged 15–74 years)	2.6%	4.5%	2.9%	5.3%	3.8%	5.9%
Youth unemployment rate (as percentage of the labour force aged 15–29 years)	5.9%	9.2%	6.7%	11.2%	8.3%	11.4%

Source: own elaboration based on Eurostat (2025a, 2025b, 2025f, 2025g, 2025h, 2025i, 2025j, 2026).

In conclusion, the Visegrad Group (V4) countries exhibit distinct socio-economic characteristics and share common challenges. Although their demographic structures and economic indicators vary, they all face the overarching issue of an ageing population. The old-age dependency ratio across the V4 countries remains below the EU average. However, the region is still grappling with declining fertility rates, indicating a pressing need for policies that support family life and encourage population growth.

Economic disparities within the V4 are notable, as evidenced by differences in GDP per capita and inflation rates. Czechia leads in both economic performance and low inflation, whereas Hungary and Poland have higher inflation rates, which can put additional strain on households. Despite these economic differences, all V4 countries outperform the EU average in terms of unemployment rates, thus demonstrating a relatively strong labour market performance.

Poverty and social exclusion remain significant issues, with Hungary, Slovakia, and Poland reporting higher rates of at-risk populations compared to Czechia. This highlights the need for focused social policies to address the vulnerability of certain groups, including children and long-term unemployed individuals. The youth unemployment rate also constitutes a concern, though all V4 countries report better figures than the EU average, especially in Czechia and Poland.

In terms of overall economic resilience, the V4 countries demonstrate the potential for further growth through investment in social economy sectors and social inclusion programs. Addressing social inequalities and fostering more inclusive economic systems can pave the way for a more sustainable future, benefiting both the individual countries and the EU as a whole.

Social Economy Initiatives in the EU

According to the report 'Benchmarking the socio-economic performance of the EU Social Economy' (European Commission: European Innovation Council and SMEs Executive Agency et al., 2024), the social economy has historical roots in the workers' self-help associations, cooperatives, and mutual benefit societies of the nineteenth century. As a concept, the social economy was initially developed to unify organisations that traditionally represent local communities, such as associations and cooperatives. Later, foundations, which typically embody philanthropic efforts, were included, and social enterprises have also gained recognition more recently.

Considering the numbers, at least 11.5 million people, i.e., 6.3% of the workforce, are employed in the social economy in 2021. Across the 27 EU member states, the social economy includes over 4.3 million entities, including over 246,000 social enterprises. Over 6.2 million people (54%) are employed in associations, while 3.3 million (29%) work in cooperatives. Additionally, social enterprises employ at least 3.9 million individuals.

Social Economy Initiatives in Czechia

According to the information from the new EU Social Economy Gateway, the social economy in Czechia began developing in the nineteenth century with the emergence of worker cooperatives, associations, and organisations offering mutual and community-based solidarity services. After the Second World War, under the communist regime, the ecosystem significantly shrank. Only a few cooperatives and associations remained, and they were absorbed into a communist-controlled umbrella structure. The 1990s witnessed a gradual revival of the social economy. This period saw the revival of church charity activities and other social economy organisations. The introduction of legal regulation for public benefit companies further supported its development. Over the past decade, European funding programs have strongly

boosted the social economy in Czechia, focusing mainly on employing people with disabilities. These programs helped expand the ecosystem to include enterprises that are more diverse and topics, such as the environment, services for vulnerable groups, and community-based activities (European Commission, 2023a).

According to the report 'Social enterprises and their ecosystems in Europe. Updated country report: Czech Republic,' the social economy in Czechia is diverse and includes various legal forms. However, the report recognises only one form as specifically part of the social economy, i.e., social cooperatives interpreted as ex lege social enterprises. The report estimates that there are approximately 30 social cooperatives in Czechia. Moreover, other legal forms can fall under the category of de facto social economy entities. The estimated number of de facto social enterprises includes:

– 1,424 public benefit companies,
– 691 cooperatives,
– 625 associations,
– 460 limited liability companies,
– 415 church legal persons,
– 100 institutes (entities operating 'socially or economically useful' activities),
– 28 foundations,

In total, the report estimates that there were 3,773 ex lege and de facto social enterprises in Czechia in 2018 (European Commission, 2019).

Social Economy Initiatives in Hungary

According to the information from the new EU Social Economy Gateway, we may trace the roots of social enterprise in Hungary back to the late nineteenth century, influenced by the civil society and non-profit sector, cooperatives, socially-oriented conventional enterprises, church-based economic initiatives, and even public entities like local governments that later contributed to the establishment of social enterprises. While the concept of 'social enterprise' is relatively new in Hungary, it has been shaped by the influence of international non-governmental organisations and foundations. Today, many founders of social enterprises are well-acquainted with the concept and often specifically aim to establish social enterprises (European Commission, 2023b).

Social initiatives in Hungary primarily consist of non-profit organisations that focus on integrating individuals and providing employment opportunities for the most vulnerable groups. Their target demographics include long-term unemployed, early school leavers facing employment difficulties, women with caregiving responsibilities for children, the elderly, people with disabilities, and individuals with social integration disorders (Fekete et al., 2017).

According to the report 'Social enterprises and their ecosystems in Europe. Updated country report: Hungary,' Hungary boasts a diverse array of social economy initiatives, with a total of 60,381 registered social enterprises in 2018. Many of these initiatives focus on rural development, ecology, employment opportunities, community enhancement, and settlement revitalisation. The structure of the social economy in Hungary looks as follows:

– 34,470 associations,
– 19,545 foundations,
– 3,320 non-profit companies,
– 2,980 social cooperatives,
– 66 institutes (European Commission, 2019b).

Social Economy Initiatives in Poland

According to the information from the new EU Social Economy Gateway, before the Second World War, non-profit organisations (foundations and associations) and cooperatives formed the social economy in Poland. These entities focused on supporting vulnerable groups and promoting local development. However, the communist era interrupted their activities, and only newly implanted state-sponsored social organisations operated. The resurgence of grassroots initiatives began in the 1970s and 1980s and was consolidated after 1989. This period saw the reestablishment of associations and the emergence of new types of social economy entities, including CIS, ZAZ, and social cooperatives. Over the past decade, the social economy has recently become a growing topic in Poland (European Commission, 2023c).

According to the report 'Social enterprises and their ecosystems in Europe. Updated country report: Poland' (European Commission, 2020a), in 2018, the social economy encompassed various entities with different legal forms in Poland, including:

- 27,600 entrepreneurial non-profit organisations (ENPO),
- 1,600 social cooperatives,
- 226 non-profit companies,
- 109 vocational activity establishments (ZAZ).

The Polish social economy also includes various reintegration entities that contribute to its broader constellation: occupational therapy workshops (WTZ), social integration clubs (KIS), cooperatives of blind and disabled persons, and work cooperatives. Furthermore, non-profit organisations and entities equated with non-profit, related to public benefit activities and volunteer work (European Commission, 2023c).

In 2023, a total of 1,246 social and professional reintegration units were active in Poland. This included 733 occupational therapy workshops (WTZ), 208 social integration centres (CIS), 164 social integration clubs (KIS), and 141 vocational activity establishments (ZAZ) (Statistics Poland, 2024).

Social Economy Initiatives in Slovakia

According to the information from the new EU Social Economy Gateway, Slovakia has a long history of civil society engagement, particularly through corporations and religious organisations, and a history of a lot of voluntary work. In the nineteenth and twentieth centuries, civil society expanded through clubs and associations that provided social services, along with the emergence of the cooperative movement. This expansion stopped after the Second World War. During the communist era, the social economy continued predominantly through cooperatives that employed people with disabilities. The 1990s marked a turning point for the resurgence of civil society in Slovakia, accompanied by significant growth in foundations, associations, and non-profit organisations, largely due to international funding. However, the decline of international funding at the end of the 1990s compelled these organisations to rethink their revenue streams and increasingly engage in entrepreneurial activities. Concurrently, social service reforms increased the role of social economy actors. (European Commission, 2023d).

According to the country report entitled 'Social enterprises and their ecosystems in Europe. Updated country report: Slovakia' (European Commission, 2020b), the social economy entities take different forms in Slovakia. In 2019, there were 66 registered social enterprises. In addition, Slovakia had 1,085 de facto social enterprises in 2018, including:

– non-profit organisations with revenue-generating activities: 650 public benefit organisations, foundations, non-investment funds,
– 350 civic associations,
– 80 private limited trade companies,
– 5 cooperatives.

Furthermore, we may also consider some religious associations and sole proprietors that are also employers as part of the social economy.

Overall, the above subchapters examined the role of the social economy in the Visegrad countries, with a particular focus on the similarities and differences shaped by national contexts. Although the historical foundations of the social economy in these countries show significant parallels stemming from shared political and socio-economic transitions, the countries also display significant country-specific differences in how social economy initiatives have developed and with regard to the form they have taken.

These country-specific developments indicate that, despite shared historical trajectories, the evolution of social economy ecosystems has followed different national paths. This reinforces the importance of considering institutional and policy contexts when analysing cross-country variation.

Social Economy Entities by Legal Forms in the V4 Countries

In total, the V4 countries account for 328,861 social economy entities, which represent approximately 7.6% of the EU-27 total (4,330,326). Among the V4 countries, Czechia has the highest number overall (113,737), followed by Poland (97,468), Hungary (60,644), and Slovakia (57,012). There are more than 246,000 social enterprises in the overall EU, of which less than 43,000 are ex lege social enterprises and over 203,000 are de facto social enterprises (Table 2).

Table 2. Number of Social Economy Entities by Legal Forms in the V4 Countries in 2021

Organisations	Czechia	Hungary	Poland	Slovakia	V4	EU-27
Cooperatives	12,864	2,428	0	1,437	16,729	212,295
Associations	97,518	25,430	59,551	48,082	230,581	3,662,648
Foundations	2,909	14,958	16,800	476	35,143	134,845
Mutual benefit societies	0	49	11	0	60	1,323
Social enterprises	198	16,412	21,106	1,297	39,013	246,778
Other	248	1,367	0	5,720	7,335	72,437
Total	113,737	60,644	97,468	57,012	328,861	4,330,326

Source: own elaboration based on collected data from the European Commission: European Innovation Council and SMEs Executive Agency et al. (2024).

As Table 2 and Figure 1 illustrate, associations represent the most prevalent form of social economy entities across the Visegrad countries. Czechia reports by far the highest number of associations (97,518), followed by Poland (59,551), Slovakia (48,082), and Hungary (25,430). Associations are the dominant organisational form in all four countries. Social enterprises are also more prominent in Poland (21.106) and Hungary (16,412) compared to Slovakia (1,297) and Czechia (198). Foundation numbers are highest in Poland (16,800) and Hungary (14,958), while Czechia (2,909) and Slovakia (476) report much lower figures. In terms of cooperatives,

Czechia leads with 12,864 entities, followed by Hungary (2,428), Slovakia (1,434), and Poland (0). Notably, there were around 1,300 cooperatives in Poland but the Polish legal system classifies social cooperatives as social enterprises. Mutual benefit societies and entities classified as 'other' appear marginal in most cases. An exception is Slovakia, which reports 5,720 entities in the 'other' category. This group includes NGOs providing general-purpose services, non-investment funds, purpose-built facilities, limited liability companies, and other forms that we can consider as social economy entities.

The data in Table 2 reveal a strong dominance of associations across all V4 countries, suggesting that non-profit organisational forms remain the primary channel for social engagement in the region. This pattern may reflect the historical development of civil society, where associative forms have been more deeply embedded than market-oriented social enterprise models. Simultaneously, cross-country differences are evident. The relatively higher number of social enterprises in Poland and Hungary may indicate more active policy support and targeted funding mechanisms promoting entrepreneurial approaches to social challenges. In contrast, the exceptionally high number of associations in Czechia may be linked to both a strong civic tradition and differences in legal classification and statistical reporting practices.

The distribution of social economy entities presented in Figure 1 further demonstrates the structural imbalance characterising the social economy in the Visegrad countries, reflected in the predominance of association-based forms. This raises questions about the extent to which more market-oriented or hybrid organisational models are developed across the region.

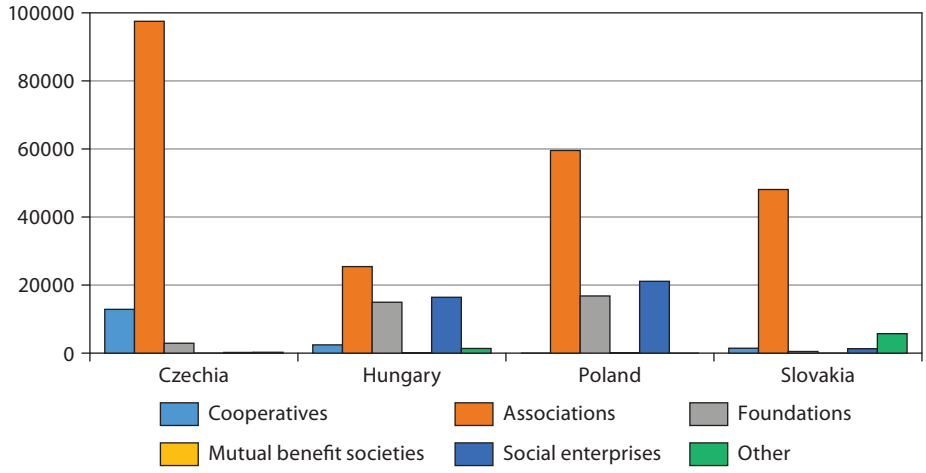

Figure 1. Distribution of Social Economy Entities in the Visegrad Countries in 2021

Source: own elaboration based on collected data from the European Commission: European Innovation Council and SMEs Executive Agency et al. (2024).

Figure 2 presents the proportion of social economy entities by legal forms in the Visegrad Group in 2021. The associations significantly outnumber other types, accounting for 70% of all entities. This dominance reflects the strong tradition and widespread presence of associations across the Visegrad countries. Social enterprises constitute 12% of the total, followed by foundations at 11%. Cooperatives make up 5%, while 'other' types and mutual benefit societies represent only 2% and 0%, respectively.

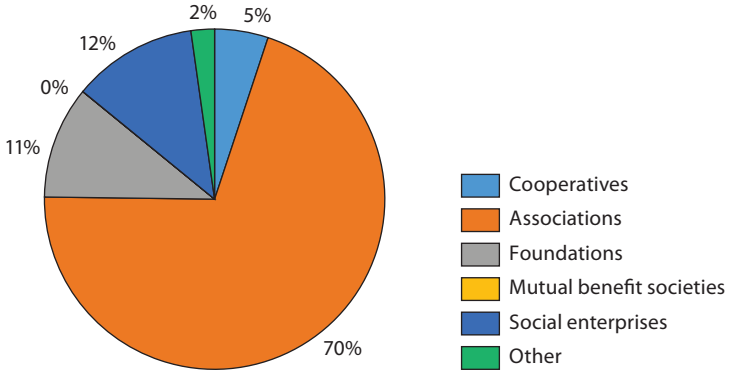

Figure 2. Proportion of Social Economy Entities in the Visegrad Group in 2021

Source: own elaboration based on aggregated data from the European Commission: European Innovation Council and SMEs Executive Agency et al. (2024).

In conclusion, within the V4, there are 328,861 social economy entities (7.6% of the EU total), with Czechia having the highest number (113,737) and Slovakia the lowest (57,012). Associations dominate the sector, representing about 70% of entities, followed by social enterprises (12%) and foundations (11%). The legal and organisational forms of social economy entities vary by country, reflecting different historical trajectories and national legislation.

Overall, the results indicate that while the Visegrad countries share certain structural similarities, significant differences persist in the composition of their social economy sectors. These differences extend beyond socio-economic indicators and highlight the importance of institutional frameworks, policy environments, and historical trajectories..

Discussion

Despite their shared historical background, the Visegrad countries exhibit diverse socio-economic outcomes. Czechia generally performs better in terms of GDP per capita, unemployment, and poverty indicators, while Hungary faces higher inflation and a higher share of the population at risk of poverty or social exclusion. These differences reflect variations in economic structures, policy choices, and welfare systems across the region.

However, the findings suggest that socio-economic factors alone do not fully explain the observed variation in the structure of the social economy. While all four countries share a similar post-socialist legacy and operate within the same European Union policy framework, their social economy sectors display notable differences in composition and organisational forms. This indicates that institutional factors, such as legal frameworks, policy support mechanisms, and funding opportunities, play a decisive role in shaping national social economy ecosystems.

The dominance of associations across all V4 countries highlights the continued importance of non-profit organisational forms as the primary channel for social engagement. This pattern may reflect the historical development of civil society in the region, where associative forms have been more deeply embedded than market-oriented models. Simultaneously, the relatively stronger presence of social enterprises in Poland and Hungary suggests that more active policy support and targeted funding mechanisms may encourage the development of hybrid organisational forms that combine social and economic objectives.

These findings support the argument that similar EU-level policy frameworks can lead to different national outcomes, depending on institutional conditions and historical trajectories. In this sense, we may understand the development of the social economy in the Visegrad countries as a process shaped by both convergence – in terms of shared policy frameworks and conceptual definitions, and divergence – in terms of institutional implementation and organisational structures.

Within this context, social entrepreneurship emerges as an important complementary dimension of the social economy. The varying prevalence of social enterprises across the V4 countries suggests that entrepreneurial approaches to social challenges are not equally developed, but are instead closely linked to national policy environments and support systems. This highlights the importance of designing context-sensitive policies that consider institutional differences when promoting social entrepreneurship at the European level.

The analysis demonstrates that one cannot understand the structure and development of the social economy in the Visegrad countries without considering the interaction between socio-economic conditions and institutional frameworks. Therefore, the findings contribute to a more nuanced understanding of how similar policy environments can result in different national configurations of social economy entities.

Regarding the study's limitations, the reliance on publicly available statistical data and country reports may involve inconsistencies in definitions, especially regarding social economy entities. differences in national classifications and the distinction between 'ex lege' and 'de facto' social enterprises further challenge the data comparability. Consequently, future research should aim to address these reporting variations through more harmonised data collection methods. Moreover, more in-depth qualitative research is needed to better understand the organisational practices, challenges, and innovation potential of social economy entities in the region. Further studies could also examine the role of social entrepreneurship in greater detail, particularly in relation to policy support, institutional development, and long-term social impact.

Conclusions

I examined the structure and development of the social economy in the Visegrad countries through a comparative analysis based on secondary data sources. By combining socio-economic indicators with data on organisational forms, I provided a structured overview of similarities and differences across the region.

According to the findings, despite shared historical trajectories and a common European policy framework, the social economy sectors of the V4 countries display significant variation in their composition. While associations dominate in all countries, the relative presence of social enterprises, foundations, and other organisational forms differs considerably. We cannot explain these differences solely with socio-economic factors. Rather, they are a reflection of institutional frameworks, policy environments, and historical legacies.

In this sense, the article contributes to the literature by offering an interpretative perspective that links observable structural patterns to broader institutional contexts. Rather than introducing new data, I demonstrated how one can use existing datasets to generate meaningful comparative insights at the regional level, particularly in post-socialist settings.

The results also highlight the importance of context-sensitive policy approaches. Although European Union initiatives provide a common framework for the development of the social

economy, their implementation and impact vary across countries. This suggests that policy instruments aimed at supporting the sector, including those promoting social entrepreneurship, should consider national institutional conditions and existing organisational traditions.

From a practical perspective, the findings underline the role of the social economy in addressing socio-economic challenges such as ageing populations, labour market inequalities, and social exclusion. At the same time, they point to the need for more coherent policy support and improved data comparability to strengthen the sector's contribution to inclusive and sustainable development.

This study reinforces the view that we cannot understand the social economy in Central and Eastern Europe as a uniform phenomenon. Instead, it shows a dynamic interplay between shared policy frameworks and diverse national trajectories, which continues to shape the sector's evolution.

References

Adăscăliței, D. (2012). Welfare state development in Central and Eastern Europe: A state of the art literature review. *Studies of Transition States and Societies*, *4*(2), 59–70. https://www.ssoar.info/ssoar/handle/document/36268

Borzaga, C., Salvatori, G., & Bodini, R. (2019). Social and solidarity economy and the future of work. *Journal of Entrepreneurship and Innovation in Emerging Economies*, *5*(1), 37–57. http://doi.org/10.1177/2393957518815300

Council of the European Union. (2023, November 27). Council recommendation on developing social economy framework conditions (Recommendation C/2023/1344). *Official Journal of the European Union*. https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:C_202301344

Defourny, J., & Nyssens, M. (2010). Conceptions of social enterprise and social entrepreneurship in Europe and the United States: Convergences and divergences. *Journal of Social Entrepreneurship*, *1*(1), 32–53. https://doi.org/10.1080/19420670903442053

Doherty, B., Haugh, H., & Lyon, F. (2014). Social enterprises as hybrid organizations: A review and research agenda. *International Journal of Management Reviews*, *16*(4), 417–436. https://doi.org/10.1111/ijmr.12028

European Commission. (2019a). *Social enterprises and their ecosystems in Europe. Updated country report: Czech Republic* (E. Fraňková, Author). Publications Office of the European Union. https://ec.europa.eu/social/BlobServlet?docId=21202&langId=en

European Commission. (2019b). *Social enterprises and their ecosystems in Europe. Updated country report: Hungary* (K. Julianna, & M. Mihály, Authors). Publications Office of the European Union. https://ec.europa.eu/social/BlobServlet?docId=21131&langId=en

European Commission. (2020a). *Social enterprises and their ecosystems in Europe. Updated country report: Poland* (A. Ciepielewska-Kowalik, Author). Publications Office of the European Union. https://ec.europa.eu/social/BlobServlet?docId=22455&langId=en

European Commission. (2020b). *Social enterprises and their ecosystems in Europe. Updated country report: Slovakia* (Z. Polačková, Author). Publications Office of the European Union. https://ec.europa.eu/social/BlobServlet?docId=22453&langId=en

European Commission. (2021, December 9). *Building an economy that works for people: An action plan for the social economy* (Communication COM(2021) 778 final). EUR-Lex. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021DC0778

European Commission. (2023a). *Czechia*. EU Social Economy Gateway. https://social-economy-gateway.ec.europa.eu/my-country/czechia_en

European Commission. (2023b). *Hungary*. EU Social Economy Gateway. https://social-economy-gateway.ec.europa.eu/my-country/hungary_en

European Commission. (2023c). *Poland*. EU Social Economy Gateway. https://social-economy-gateway.ec.europa.eu/my-country/poland_en

European Commission. (2023d). *Slovakia*. EU Social Economy Gateway. https://social-economy-gateway.ec.europa.eu/my-country/slovakia_en

European Commission: Directorate-General for Agriculture and Rural Development. (2020). *Vibrant Rural Areas*. Publications Office of the European Union. https://doi.org/10.2762/05825

European Commission: Directorate-General for Agriculture and Rural Development. (2021). *Rural Social Economy* (EU Rural Review No 31). Publications Office of the European Union. https://ec.europa.eu/enrd/sites/default/files/enrd_publications/publi-enrd-rr-31-socialeconomy_2021_en.pdf

European Commission: European Innovation Council and SMEs Executive Agency, CIRIEC, Euricse, & Spatial Foresight. (2024). *Benchmarking the socio-economic performance of the EU social economy – Improving the socio-economic knowledge of the proximity and social economy ecosystem* (C. Carini, G. Galera, G. Tallarini, R. C. Avila, B. Sak, & J. Schoenmaeckers, Authors). Publications Office of the European Union. https://doi.org/10.2826/880860

European Economic and Social Committee. (2012). *The social economy in the European Union*. 'Visits and Publications' Unit. https://doi.org/10.2864/19534

Eurostat. (2025a). *Consumer prices – inflation*. Statistics Explained. Retrieved August 6, 2025, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Consumer_prices_-_inflation

Eurostat. (2025b). *Country facts* [Interactive tool]. Retrieved August 6, 2025, https://ec.europa.eu/eurostat/cache/countryfacts/

Eurostat. (2025c). *Fertility statistics*. Statistics Explained. Retrieved August 6, 2025, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Fertility_statistics

Eurostat. (2025d). *HICP – annual data* (average index and rate of change) [Data set]. Retrieved August 6, 2025, https://doi.org/10.2908/PRC_HICP_AIND

Eurostat. (2025e). *Living conditions in Europe – poverty and social exclusion*. Statistics Explained. Retrieved August 6, 2025, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Living_conditions_in_Europe_-_poverty_and_social_exclusion

Eurostat. (2025f). *Persons at risk of poverty or social exclusion by income quantile and household composition* [Data set]. Retrieved August 6, 2025, https://doi.org/10.2908/ILC_PEPS03N

Eurostat. (2025g). *Population structure indicators at national level* [Data set]. Retrieved August 6, 2025, https://doi.org/10.2908/DEMO_PJANIND

Eurostat. (2025h). *Purchasing power parities and GDP per capita – preliminary estimate*. Statistics Explained. Retrieved August 6, 2025, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Purchasing_power_parities_and_GDP_per_capita_-_preliminary_estimate

Eurostat. (2025i). *Unemployment rates by sex, age, educational attainment level and NUTS 2 region* (%) [Data set]. Retrieved August 5, 2025, https://doi.org/10.2908/LFST_R_LFU3RT

Eurostat. (2025j). *Unemployment statistics at regional level*. Statistics Explained. Retrieved August 6, 2025, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Unemployment_statistics_at_regional_level

Eurostat. (2026). *Total fertility rate* [Data set]. Retrieved February 19, 2026, https://doi.org/10.2908/TPS00199

Evers, A., & Laville, J.-L. (Eds.). (2004). *The third sector in Europe*. Edward Elgar Publishing.

Fekete, É. G., Hubai, L., Kiss, J., & Mihály, M. (2017). *Social Enterprise in Hungary* (ICSEM Working Paper No. 47). International Comparative Social Enterprise Models (ICSEM) Project. https://emes.net/icsem-working-papers/Hungary_-_Fekete_et_al.pdf

Herczog, M. (2024). The Perspectives of Family Foster Care in the Czech Republic, Hungary, Poland and Slovakia. *Public Governance, Administration and Finances Law Review*, *9*(1), 129–147. https://doi.org/10.53116/pgaflr.7366

International Visegrad Fund. (n.d.). *Visegrad Fund – About Us*. Retrieved August 8, 2025, https://www.visegradfund.org/about-us/the-fund/

International Visegrad Fund. (2025, June 9). *The Story Behind the Visegrad Fund: 25 Years of Connecting People*. https://www.visegradfund.org/news/story-behind-visegrad-fund-25-years-connecting-people/

Ministry of Foreign Affairs and Trade of Hungary. (2021). *V4 facts and figures*. https://v4.mfa.gov.hu/page/v4-facts-infographics-tbc

Nicholls, A., & Ziegler, R. (2019). The extended social grid model. In A. Nicholls & R. Ziegler (Eds.), *Creating economic space for social innovation* (pp. 3–31). Oxford University Press. https://doi.org/10.1093/oso/9780198830511.003.0001

Social Economy Europe. (n.d.). *The social economy*. Retrieved August 4, 2025, https://www.socialeconomy.eu.org/the-social-economy/

Social Platform. (2022, October). *Position paper on social economy*. https://www.socialplatform.org/content/uploads/2022/11/Position-paper-on-social-economy-1.pdf

Statistics Poland. (2024, November 28). *Social integration centres, social integration clubs, vocational activity establishments, occupational therapy workshops in 2023*. Press Office. https://stat.gov.pl/files/gfx/portalinformacyjny/en/defaultaktualnosci/3405/6/12/1/social_integration_centres_social_integration_clubs_vocational_activity_establishments_occupational_therapy_workshops_2023.pdf

Visegrad Group. (n.d.). About the Visegrad Group. Retrieved August 5, 2025, https://www.visegradgroup.eu/home

About the Author

Richárd Resperger*, Ph.D.
Alexandre Lamfalussy Faculty of Economics
University of Sopron
Erzsébet street 9, 9400, Sopron, Hungary
e-mail: resperger.richard@uni-sopron.hu
ORCID: 0000-0003-4776-6479
* Corresponding author.

AI Declaration Statement

The author used ChatGPT (OpenAI) to assist with language editing and text refinement. All AI-generated suggestions were reviewed, edited, and verified by the authors, who take full responsibility for the content. No AI tools were used for data analysis, interpretation, or the generation of original ideas.

Acknowledgements and Financial Disclosure

None reported.

Conflict of Interest

The author declares that the research took place without any commercial or financial relationships that could be construed as a potential conflict of interest.

Copyright and License

Published by the Krakow University of Economics – Krakow, Poland