

Community Enterprise or Social Enterprise – what's in a name?

I believe there are fundamental and critical differences between the philosophy and practice of Community Enterprise and the philosophy and practice of Social Enterprise and that, for small rural communities (my passion) Community Enterprise is a more appropriate approach.

While both Community Enterprise and Social Enterprise share common attributes – such as a desire to create employment and an underlying commitment to environmental issues, there are also major differences – in approach, in ownership and in outcome.

Community Enterprise is principally about the development of strong, vibrant, **geographic** communities through a process of the community taking greater responsibility and gaining greater ownership over (social and political) decision making and the local economy. And in the process gaining more insight into how the local economy works. Community Enterprise is firmly rooted in Community Development and endogenous development. It pays great attention to localisation and ownership. Its approach is to support and facilitate a local community to implement a locally made decision about enterprise (economic) development.

Social Enterprise it seems has a focus more on employment and / or training outcomes – with no active or fundamental focus on local ownership. I believe Social Enterprise is an outcome of the process of professionalising the practice of local enterprise development. It is a professionalised approach that does not require a local / internal initiation. It can be delivered into a community. Social Enterprise has by and large become a program of larger social organisations.

Further, Social Enterprise, it seems, has become comfortable sitting alongside the language of disadvantage – even if many of its advocates do not use that language. This connection between Social Enterprise and 'disadvantage' has been promoted enough for it to become seen by senior politicians as a social welfare intervention to 'help' 'disadvantaged' people and communities. In many cases a community or target group is identified externally to that community and despite all the effort the Social Enterprise might put into creating local ownership it often remains a program taken into an area by an organisation funded to assist 'disadvantaged people'.

Community Enterprise must always be a local initiative. It philosophically and practically is geographic and is concerned with taking local control of decision making and the local economy – and it is often only achieved by people putting up not only their time but also their own money (though this may be added to by grants).

Rural communities have historically embraced community enterprise (mutual societies, cooperatives, bush nursing hospitals, etc) and they continue to do so (Bendigo Community Banks especially, but also hotels, petrol stations, general stores, newspapers, etc).

The question does arise as to whether and how to support the development of Community Enterprise. It could be argued that the very nature of Community Enterprise precludes any outside participation. However this is not the case. As any good community development worker knows, there are processes of supporting and facilitating community action that do not remove the decision making from the local

community. It does mean though that Community Enterprise cannot be supported through the same model that supports Social Enterprise – which has more and more become the provision of funding to large social organisations to establish enterprises within communities.

In my experience the most helpful ‘tool’ for small rural communities (whether for Community Enterprise, local enterprise or any other development) is a free ranging skilled community development facilitator who accepts that the knowledge and skills they bring are simply a complement to the knowledge and skills that exist within the community. In the 1980’s and 1990’s there were many such facilitators (not all the incumbents were necessarily skilled) that held either regional or state wide positions. These facilitators were not programmatically but geographically based and were able to work with local communities on just about any issue identified by the community. They essentially provided access to networks, skill development and knowledge (and no, the internet is not a modern day substitute for a facilitator).

To paraphrase from another article¹ Community Enterprise is based upon a learning paradigm that places the local community in the central role – they make the decision as to what questions are asked, what issues are considered and what outcomes sought. The facilitator takes a co-learner, not a directive role. Social Enterprise is based on a teaching paradigm that places the program in the central decision making role as to what is a desired outcome and what actions should be taken to achieve that outcome. In this approach the enterprise to be established is often selected on the basis of what is judged to be appropriate for the community and what is able to attract funding.

In order to develop strong and vibrant rural communities there is a need to ‘rediscover’ the value of the **regionally** (geographically) based Community Development worker **available** and **able** to operate in a learning paradigm with any community that is interested – not only communities that are selected by an external process.

A second requirement is mutually respectful relationships built from an on going dialogue. Relationships between community, business, government and philanthropy that begin well before the submission writing process and continue well past the contract signing. For despite the fact that there is a large amount of government and philanthropic money spent in rural communities there are very few on going meaningful dialogues, very little mutual respect, and very little credit of local knowledge.

In a world of climate change, peak oil and globalism it is at our peril that we fail to adequately engage with the localism of community enterprise (and all that means socially, economically, environmentally and culturally).

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¹ **Growing the Capital of Rural Australia - The Task of Capacity Building**
A report for the Rural Industries Research and Development Corporation

By R. Macadam, J. Drinan, N. Inall, B. McKenzie

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