



Unlocking the power of rural

AN ACTION MANIFESTO FOR RURAL SOCIAL ENTERPRISE

This manifesto identifies critical ingredients for accelerating community-led rejuvenation in a rural setting. It incorporates insights shared by social enterprise founders, policy makers and impact investors drawn from rural and remote Australia, Canada, Scotland, Ireland and India.

DRAFT



Although rural areas contain most of the planet's natural capital, many people who live in rural communities face the reality of significantly poorer education and health outcomes, higher unemployment rates and growing digital disadvantage.

(source: 2021 World Social Report, published by United Nations Department of Economic and Social Affairs).

WHY A MANIFESTO IS NEEDED

Strong and agile rural economies contribute to the prosperity of national economies.

Yet, the dynamics of rural communities are poorly misunderstood and often disregarded in government policy and fiscal settlements, leading to widespread assumptions and inappropriate programmatic responses.

Institutions – both government and private – are overwhelmed and ill-equipped to respond to the complex challenges facing rural communities.

Conventional drivers linked to scale and growth do not naturally align with the aspirations, capacity or needs of rural communities. As a result, current approaches to supporting rural communities are largely broken and ineffective. Models of investment do not work, and rural communities are often ignored.

The challenge

Across the globe, rural communities are disproportionately at the front line of an accelerating climate crisis.

Market failure is also deeply impacting. When industries close in rural communities, redundant assets are generally left in place with no future plan for use or activation, becoming a beacon for failure and redundancy.

The opportunity

While rural communities rarely have a voice at the table of influence and decision-making, these communities can offer a deep and genuine understanding of the complex challenges they face and help to identify ways to resolve them. But their voices need to be heard and valued.



CONTEXT

Founded in 2008, Social Enterprise World Forum (SEWF) is a non-profit social enterprise at the forefront of a global movement that is seeking to co-create a fairer and more sustainable economy which enables all people to thrive within the means of our living planet.

Each year, SEWF moves around the world to offer delegates challenging, topical programs featuring local, national and international expertise.

In 2022 Australia hosted SEWF. A key satellite event to the main SEWF forum was hosted by the Australian Centre for Rural Entrepreneurship (ACRE) in North East Victoria – a rural region that is a hot bed for social enterprise in Australia.

Delegates who attended the 2022 Social Enterprise World Forum Rural Gathering explored effective policies, approaches and models for rural rejuvenation from Australia and around the world.

Participants explored a central theme of 'community-led rejuvenation through social enterprise', with a focus on developing enterprise capabilities in the next generation, learning from First Nations people, building networks and the enabling role of government and philanthropy.

The 2022 Social Enterprise World Forum Rural Gathering reinforced that there are a number of universal issues and opportunities. By learning from and actively supporting each other, social enterprise practitioners, impact investors and government can advance the policy and practice for rejuvenating rural communities.



Development of this manifesto was a key initiative of the 2022 Social Enterprise World Forum Rural Gathering, an event co-hosted by Social Enterprise World Forum and ACRE – Australian Centre for Rural Entrepreneurship.

THE POWER OF PEOPLE + PLACE FIRST

The growing movement of social enterprise acknowledges the drivers present in rural areas are often quite different to those in the urban areas.

Significantly, it builds upon the principles of First Nation societies, many of whom led the world's first known social trading models.

Social enterprise is now surfacing in rural communities in response to market failure, withdrawal of services or when the social or economic needs of the community are not being met by the market.

This business model is proving to be an effective and agile option for many rural communities who are seeking to build new localised economies that are agile, resilient inclusive and enterprising.

A NEW WAY OF WORKING WITH RURAL

It is time to move away from doing things to and for rural communities.

Rural communities need to be at the heart of decision-making and equipped to lead their own rejuvenation.

By finding ways to work with and alongside rural communities, all sectors can come together resolve challenges and open doors of opportunity.

This manifesto advocates for a future where rural communities are central to driving their own destiny and have influence from the beginning.

It outlines key principles for working alongside rural communities to identify and build out new opportunities, including new economies that align with their aspirations and deliver economic, cultural, environmental and social value.

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1 Build trust first

In rural communities, change happens at the speed of trust. When trust does not exist, rural people will rarely engage openly. Respect the pace at which rural communities, especially First Nations people wish to work. If you invest time in developing authentic and trusting relationships with rural communities as a first step, you will foster reciprocity and 'referred trust' whereby other people vouch for you.

2 Educate the next generation as agents for change

Young people are critical to the future of the rural communities they live in. In a rapidly changing traditional marketplace, young people in rural areas need to develop new skills and ways of thinking. Social enterprise enables young people to develop entrepreneurial mindsets, skills and behaviours from the earliest age whilst connecting to their broader community and the issues they care about.

3 Involve community from the start

Take time to identify and recognise existing skills in the rural community and find ways to enable these. Be collaborative and inclusive, not competitive. Meet people where they are at. Devise processes that support equity, including community involvement in investment assessment processes. This will help to build a shared understanding of impact.

4 Create and foster networks of trust, respect, and reciprocity

Effective networks in rural communities are inclusive, offer peer support, and value others. Identify and involve intermediaries in this process as they deeply understand rural communities and can act as accelerators of trust. Intermediary organisations understand rural communities and are also well positioned to administer social finance for early stage development initiatives.

5 Find new ways to provide capital

There may be a need to refocus conventional investment and timeframes. Investment timeframes need to be appropriate to community, not investor balance reporting sheets. Developing a community-led timeframe will create an enabled environment that supports multiple pieces in community – allowing a rural community to plan for sustainability in the longer term.

6 Reframe impact to focus on depth

In rural communities, depth is more important than breadth. Impact needs to be at the forefront. Legislative change can reduce barriers for private investors. There is opportunity to explore hybrid structures, structural change and use of superannuation as a resource. A development trust approach can help pull together a holistic approach for a town or a local area.

7 Recognise the power of local communities asset ownership

When a rural community owns a local asset they are empowered. In rural communities, this often starts with the retention of a valued local service. Support this by exploring ways to adjust policy and legislation that allows communities 'the right to buy' their valued assets when they come onto the open market, whether in public or private ownership. Provide advice and support to local communities embarking on their community asset ownership journey. Over time, and with the confidence success brings, these groups often extend their interests to bold and ambitious community renewal enterprises.

8 Utilise entrepreneurship as a lever for change

By building entrepreneurial capacity and capability rural communities can identify and release new opportunities. Government, the private sector and intermediaries can play a key role by encouraging an entrepreneurial mindset and valuing connection to place - both are critical levers for rural communities who are seeking long-term solutions to the complex issues they face.