



THE ROLE OF SOCIAL ENTREPRENEURSHIP IN RURAL DEVELOPMENT

Melinda Mihály, Social Impact gGmbH

Background

Social entrepreneurship is a concept which has emerged as an active area of practice and research in the past three decades. The aim of this work is to find out whether the SE concept has a potential in building up strategies to cope with (or to adapt to) regional polarisation. The spatial focus is on rural areas of Hungary and Germany.

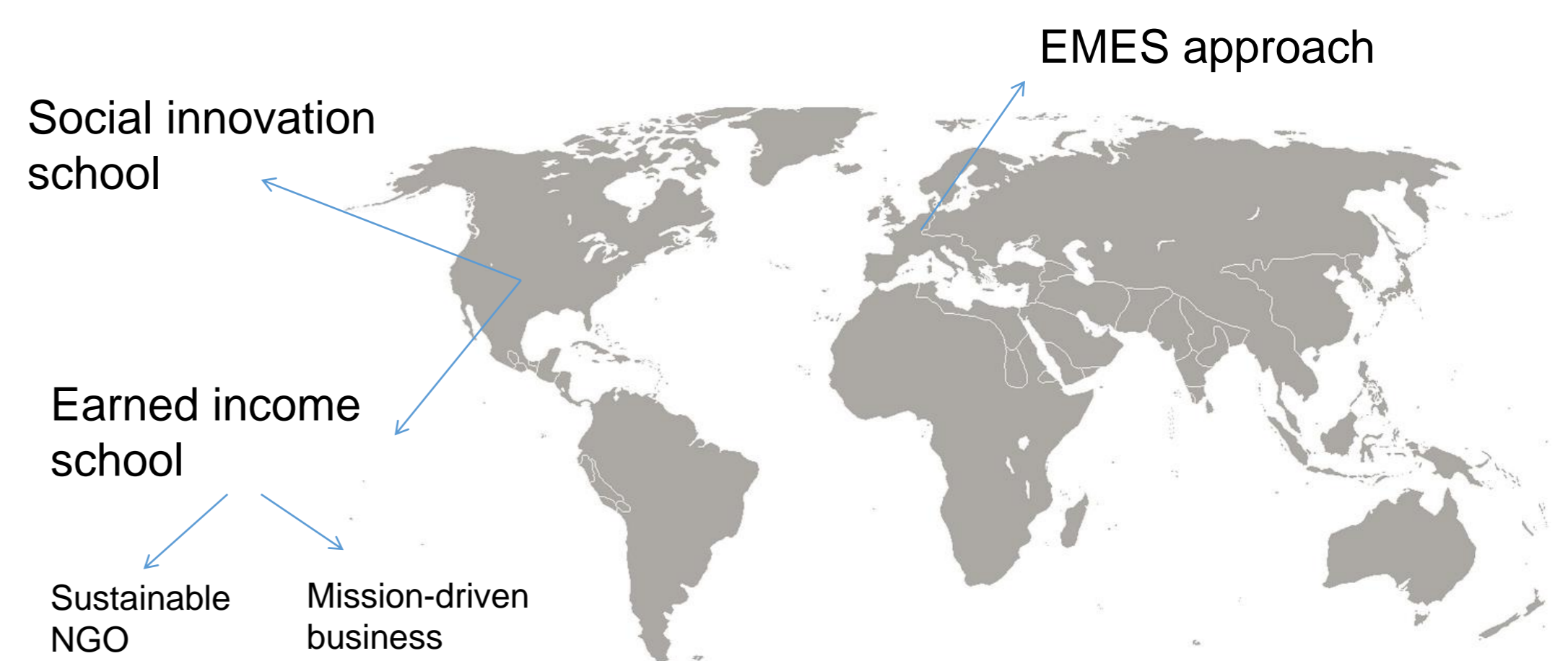
Rural development discourse

- Economic development ≠ economic growth
- Holistic approach, broadened definitions

Social entrepreneurship discourse

- Attempts to organise the definitions:
 - SE schools of thought (Defourny, Nyssens)
 - SE as a cluster concept (Choi, Majumdar)
- In Hungary and in Germany

To what extent can CEs of GER and HUN contribute to rural development?



Community enterprise

- Is managed by a community, aims **shared decision making**
- Originates in a social movement, the community members:
 - Identify an **unfavorable situation** they face
 - Build up strategies to **change** this unfavorable situation
- Use **economic activities** as means to help achieve their aim
- Produce **surplus** for the enterprise, but not profit for individual gain
(after Cameron 2009, p. 93-94)

Methodology

In case studies I am combining **semi-structured, in-depth interviews** with **participant observation**. Interviewing key drivers of community enterprises and using open-ended interview questions I will focus on the background and development of each enterprise, the nature of their operations and activities, outcomes and impacts in terms of rural development. With selecting a small number of CEs for participant observation my aim is to have a deeper insight on the community behind the enterprise.

Conclusion

Social entrepreneurship is a contested concept. It is not yet developed to a theory and it still lacks a definition that all its users would accept. Therefore it is complicated to use this concept effectively in rural development policies. Community entrepreneurship is a rather new, undiscovered concept, which might have a potential in rural development.

