

Learning from Ants in Designing Community Enterprises for Civic Wealth Creation

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Despite facing challenges far greater than themselves, ants have been one of the most prosperous species on our planet. For over a million years, they have relied on collective responses to secure their survival. Think of an ant colony facing a devastating flood threatening their labyrinth of tunnels and chambers. To overcome the threat, they form living rafts, weaving legs and mandibles together to create a solid structure that floats on the rising waters.

Like ants, our species has increasingly been confronted with complex problems, such as inequality, climate change, and refugee crises, which put our survival at risk. However, our responses tend to prioritize through top-down arrangements imposed on communities, rather than leveraging their capabilities to address problems collectively. Grand challenges, while global in scale, mostly manifest themselves locally, suggesting that community-based solutions may offer a more tailored and effective approach.

An example of such solutions is community enterprises, which are enterprises collectively established, managed, and controlled by and for a local community. Community enterprises resemble the organizational principles of ant communities. Ants are oriented to the success of the whole community rather than that of individuals or sub-groups; they lack hierarchical structures and rely on self-organization tailored to local conditions; and they rely on collaborations to achieve their goals. Similarly, community enterprises feature:

1. Inclusive value distribution: value is not only distributed among shareholders or enterprise members, but it is intended for the local community.
2. Shared governance: governance is participatory and horizontal.
3. Place-based solutions: challenges and solutions are context-bound.
4. Community ownership: community members own the enterprise.

Community Enterprises as Civic Wealth Creators

By leveraging the four principles, community enterprises contribute to civic wealth creation (CWC), a term used to define what occurs when communities, enterprises, and their supporters come together to improve the well-being of a local community, ranging from a neighborhood or village to a region (Lumpkin and Bacq, 2019).

As creators of civic wealth, community enterprises generate positive effects for all stakeholders involved in local action. They empower the community by building new capabilities (extra-organizational effect) and support the creation and sustainability of the enterprise (organizational effect). Consequently, they reinforce a process of civic wealth creation that enhances collaboration with existing supporters and attracts new ones.

An Italian Case

In 1990, the last bar and grocery store in the village of Succiso closed, perpetuating the village's decay and steady depopulation. Instead of relying on state intervention or market-based solutions, a few community members decided to self-organize to save their village. In January 1991, they founded a community enterprise, the first in Italy, which began by opening a bar and a grocery shop, maintaining the green areas in agreement with the municipality, and managing touristic activities in collaboration with the Tosco-Emiliano Apennine National Park, where the village is located. Since then, a process of civic wealth creation has instilled the village with new vitality. The community members have been consistently engaging with the enterprise, which has grown to 63 members with 5 full-time employees, 10 seasonal workers, and an annual income of EUR 721.000,00 (as of 2023). At the same time, the success of the enterprise has empowered the community, fueling the belief that a different and better future is possible. This community enterprise has become a national and international reference for many other communities, visited by delegations from Japan, Korea, Myanmar, Mozambique, Swaziland, USA, Canada, and Argentina to study its organizational design.

Conclusion

In sum, we challenge the assumption that communities do not have the capabilities to self-organize. Rather, just like ants, communities can effectively address local manifestations of larger societal problems by creating collective endeavors. Communities enterprises are an effective organizational model for creating a reinforcing process of civic wealth creation, benefiting the enterprise, its supporters, and the community. Although other powerful stakeholders, like philanthropic organizations, social entrepreneurs, or governments, will still play a

crucial role in the face of grand challenges, we suggest that a paradigm shift is needed: instead of top-down solutions, these actors need to support the bottom-up approaches of self-organized local action inspired by inclusive value distribution, shared governance, place-based solutions, and community ownership.

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