

Seminar Series 2018-19

Thursday 27 June 2019, Room 432, 1200-1300

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CSEs: Are they the future for Rural Communities?

Norman Walzer, Senior Research Scholar in the Center for Governmental Studies at Northern Illinois University

Many small rural communities in the U.S. and around the world are losing populations due to mechanization of agriculture, outmigration of young adults pursuing higher education, and an aging of the resident population. These trends led to shrinking markets for essential businesses which, combined with pending retirements of business operators, left these communities with fewer basic services needed to attract and retain populations. Further aggravating the situation is that the small businesses do not receive financial incentives or other support for their operations.

In some towns, local leaders have organized investors to pool funds, purchase a business such as a grocery store, and then lease the property to an operator who runs the enterprise and pays a return to the local group. These arrangements are called “community supported enterprises” and began in the state of Vermont but spread to other states in America. (See [Walzer and Sandoval](#)). This presentation will describe an analysis, based on personal interviews with operators, of how CSEs are organized and operated, a profile of investor types, and how the enterprises build social capital. Key to success, is having a champion promote the business, documenting a serious need for the enterprise, selecting the organization structure, and engaging investors, possibly through crowdfunding or other financial sources. The presentation provides examples of CSES, when they work best, and why some fail. It will also discuss the potential of this organizational structure for social services in small declining communities.

CSEs may be the future for many small rural towns. The presentation will help community leaders, especially in small rural towns, see new ways to organize and motivate residents to invest in essential local businesses and potential pitfalls to avoid. The materials will prepare them to launch ventures in their communities as the need and opportunity arises.



Norman Walzer, Ph.D. is Senior Research Scholar in the Center for Governmental Studies at Northern Illinois University where he studies local government engagement in economic development activities and modernization efforts in governmental structure. Previously, he started and directed the Illinois Institute for Rural Affairs at Western Illinois University, a research and policy analysis organization focusing on rural issues.

Norman recently completed an analysis of 40 Community Supported Enterprises in the USA and is organizing a book-length manuscript documenting how these CSEs are formed and managed along with innovative methods of finance. He is widely-published in local economic development and public finance issues and is completing a book on Continuous Improvement and its use in Community Development. He was president of the Community Development Society during the CDS and [International Association for Community Development](#) IACD conference in New Orleans. He is visiting of course because IACD is holding its 2019 conference in Dundee earlier during this week.