

Article

A Consociation Model: Organization of Collective Entrepreneurship for Village Revitalization

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Abstract: This study focused on how rural communities adopted consociational mechanisms to organize collective entrepreneurship, addressing the conflicts across the divergent social groups toward a convergent process that allows different entrepreneurs to fold into a grand coalition. It extended the theory of consociation from political science to the field of social entrepreneurship and inductively theorized the dimensional mechanisms based on the collective entrepreneurial effort of Yuan village in Shaanxi province of China. The results demonstrated four streams of consociational mechanisms: (1) emancipation to empower the vulnerable groups, (2) reconciliation of divergent interests, (3) reflection learning to generate reciprocity, and (4) proportional participation to institutionalize a hierarchical order in the community. These results advance the consociation theory and the organization of social change literature with strong policy implications.

Keywords: consociation; collective entrepreneurship; reconciliation; reflection learning; power sharing



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1. Introduction

There is an increasing interest in the intersection between entrepreneurship and social transformation. Social entrepreneurs are seen as the main forces to achieve the 17 Sustainable Development Goals, such as poverty alleviation and social equality, which were proposed by the United Nations in 2016 [1]. In China, as in other developing nations, social entrepreneurial activities (especially in rural areas) tend to be organized by the collective (community) level and draw heavily on local resources, partnerships, relationships, and networks [2,3]. In this context, prosocial entrepreneurship scholars increasingly recognize the importance to scale up entrepreneurship analysis from the individual to the collective level, as addressing the needs of disadvantaged groups can be better organized at the collective rather than at the individual level [4,5]. This is because collective entrepreneurship can match better with social norms and is better equipped to deal with the structural impediments to economic development in adverse societies [6].

In this context, collective entrepreneurship is conceptualized as an emerging form of entrepreneurship that transforms a community into an entrepreneurial enterprise. It is rooted in a particular geographical place and has solid local engagement from community members through a self-managed, community-driven governance structure [7]. It is accountable to the local community, responding to local challenges and generating profits to be shared and reinvested in the community [8]. It may apply collaborative mechanisms to incentivize individual potential on a collective platform, integrate individual skills into a group, helping the group's collective ability to innovate, and generate value greater than the sum of its parts [9].

However, organizing such a collective entrepreneurship is not easy. The organization process may frequently confront social dilemmas in which an individual's vested interests conflict with the collective interests. The aggregation of individual behavior cannot solely produce a grand-scale collective action. Rather, it requires certain collaborative mechanisms

to integrate the diverse individuals and groups into a holistic community. This leads to the development of a more cohesive and unified social group who can survive better than a group with selfish and contentious people, according to Charles Darwin's science of evolution by group selection [10]. Thus, it is important to promote community cohesion in the process, and proper collaborative arrangements to organize collective entrepreneurial efforts are increasingly perceived as the "lifeblood" of prosocial entrepreneurship [11]. Group living entails a balance between individual self-interest and benefits for the group as a whole. "How to organize a collective entrepreneurship to achieve such a balance when addressing the needs of the vulnerable groups" is increasingly attracting scholarly attention yet lacks systemic investigation [12].

This research question is also important for policy makers and practitioners who have interest in exploring collaborative mechanisms in organizing a prosocial collective entrepreneurship to enhance communal well-being. For instance, in 1978, China's famous economic reform was initiated from the countryside to reverse the Maoist organization of a rural collective economy to implement a privatized "contract-to-household production responsibility system". This rural reform, while it greatly released the peasants' potential, left millions of peasants in a state of disunity. Their responses to the national village revitalization initiatives (e.g., the promotion of rural tourism) were mostly scattered and short-lived due to the lack of macro-management, which led to hostile competition and low-end homogenization. In this context, how to organize the disunified rural peasants to tackle communal challenges and pursue common prosperity becomes a daunting task.

This study aims to fill this gap by systemically theorizing the collaborative mechanisms that help to organize a collective entrepreneurship for sustainable community development. Investigating the underpinning mechanisms would help replicate and scale up a collective entrepreneurship that contributes to a broader level of social change. To explore this line of inquiry, this study adopts an inductive approach and theoretical sampling to trace the evolution of a collective entrepreneurship at Yuan village in Shaanxi province of China over a decade. In 2007, Yuan village initiated rural tourism with a farm stay B&B run by local villagers and later developed a Specialty Food Street run by external merchants. The success turned some external merchants into millionaires, which enlarged the income gap and aroused conflicts in the village. To reconcile conflicts, the village adopted a series of collaborative mechanisms to unite the community, integrating efforts from both villagers and external merchants to transition Yuan village into a full-fledged tourism enterprise. Its entrepreneurial progress had been dramatic, and the underlying collaborative mechanisms justified close investigation.

Building on the case, this study moved iteratively between the data and the themes, drawing upon the consociation theory to theorize the dimensional mechanisms. A consociation model is a sociopolitical approach to reversing conflicts among social groups and helping to obtain political stability and unity across deeply divided societies. This approach encourages the participation of representatives of all significant groups in decision making rather than a control model, where stability is enforced by the superior power from one group [13]. It promotes pluralism, power sharing, inter-ethnic bargaining, compromise, balancing, reconciliation, and cooperation in building a grand coalition [14–18].

Inductively developed upon Yuan village's collective entrepreneurial effort, we identified four streams of consociational mechanisms, which included (1) emancipation that empowers the vulnerability, (2) interest reconciliation, (3) reflection learning that breeds reciprocity, and (4) proportional participation that balances the individual and collective interests, institutionalizing a hierarchical order in the community when converging divergent groups into a consociation. These consociational mechanisms enabled the village to scale up its collective entrepreneurship, bringing prosperity to all participants, with the local villagers enjoying more of the material gains. These results advance the organization of social change and the consociation theory with strong policy implications.

2. Theory

2.1. *Entrepreneurship as Emancipation: Empowerment of the Vulnerability*

Conventional entrepreneurship research tends to focus on wealth creation via new ventures [19], entrepreneurs, and opportunities [20]. Prosocial entrepreneurship broadens the view by considering the social change agendas inherent in entrepreneurial projects [21]. Specifically, Rindova, Barry, and Ketchen [22] view “entrepreneurship” as an emancipatory process involving a broader set of change initiatives that encourage individuals or a group of individuals to seek autonomy, authoring, and making declarations. Specifically, “seeking autonomy” denotes entrepreneurs’ breaking up of existing hard-pressing constraints (e.g., resources and profession) and creating rather than only discovering opportunities. Such opportunities tend to facilitate an “inside out” change process that differs from the “outside-in” process of identifying and seizing opportunities [23].

In organizing such an “inside-out” process, Rindova et al. (2009) stresses an “authoring” emancipatory act with entrepreneurs “taking ownership and changing the positions of power in the trading process”, transitioning from one who was “traded” to one who “trades”. However, there is a paradox of the entrepreneurial dynamic in that individuals who seek freedom and independence from conventional structures of authority (Baker and Nelson, 2005) often find the necessity to accommodate constraints in the process of mobilizing resources from strongholds of power [22]. There is a necessity to examine the relationship between change and constraints and investigate the collaborative mechanisms through which constraints be removed via the development of a collective entrepreneurship.

2.2. *Collective Entrepreneurship and Consociation*

Exploring collective entrepreneurship in the context of sociopolitical change, proposal scholars identified three major forms of manifestations: social movements, community co-operatives, and cross-sectoral collaboration [24]. Collective entrepreneurship can take the form of a community cooperative or community-based enterprise (CBE), wherein communities behave as entrepreneurial actors to create new initiatives for the common good and transform the community for sustainable development in poor localities [6]. Such a collective entrepreneurship responds to collective needs and transforms individual challenges into collective action. In doing so, communities act cooperatively to create value for concrete needs, generating new commons products and services, achieving collective benefits for all, and enhancing the well-being of the community. Such a collective entrepreneurship is driven by community-based resources, skills, knowledge, culture, participation, and social capital [6]. The successful organization of a collective entrepreneurship in one area can inspire the creation of more in adjacent regions by altering the feasibility assessment, creating more opportunities and providing a role model, which influence greater levels of entrepreneurship [6].

However, the formation of a cohesive collective entrepreneurship is not easy. Entrepreneurship activates an emancipation process for individuals to pursue autonomy and authorship [22]. The process may breed group or individual variances in wealth creation. The unequal distribution of wealth and the divergence of individual interests [25] may result in material interest conflict and inequality [26] that undermine social, economic, and political stability [27,28]. “From Hobbes through Durkheim, Dahrendorf, and Samuel Huntington, societies have been analyzed as agglomerations of individuals and/or groups whose interests and desires conflict” [14]. Conflict in material interests is systematically related to structural differences in socioeconomic positions, where a change that benefits the material interests of members of one group may harm the material interests of members of another group [26]. Conflicting material interests, generating individual versus collective interest dilemma and in-group versus out-group dynamics, matter to the prosocial organization of social change [26].

To reverse intense rivalries, deep divisions, and conflicts among social groups, Lustick (1979) highly recommends a consociational model that encourages the “participation of representatives of all significant groups in decision making” [13]. Focusing on the mutual cooperation of subnational elites, “consociation” is a macro-political strategy alluding to

the explanation of pluralism, diversity that empowers minority and vulnerability [15,16,29], and political stability that unites deeply divided societies [14,30]. Such a consociation model involves the promotion of power sharing in grand coalitions and the mobilization of collective efforts to pursue common interests. Typical techniques in building a consociation include “interethnic bargaining, compromise, balancing, reciprocity, and cooperation” [17,18]. Such a consociation reconciles the conflicting interests of highly cohesive groups and seeks “joint consent across the significant communities” [31]. In addition, the literature identifies several underlying common success factors in the development of a collective entrepreneurship (e.g., a community-based enterprise), which include local ownership [6], community participation and partnership support from within and outside the community [32], and benefit sharing [33].

2.3. Reciprocity

The building of a collective entrepreneurship can draw reference from the institutions of collective action scholarship [34–36], who recognized that even though humans are self-interested, short-term maximizers [37], they may enhance survival benefits by pursuing reciprocity [34,36] that breeds trust, empathy, and benevolence [27]. This scholarship recognizes the complementarity and compatibility of individual and collective interests [12,22,38], showing how individual efforts to understand others’ needs and concerns and to treat others with care, compassion, respect, and gratitude may foster reciprocity and empathy as emergent accomplishments that apply to all members of the collective [12,34–36,39–41].

Specifically, reciprocity rewards kind actions and punishes bad ones [36]. It is important to raise contributors’ perceived benefits and provide incentives that reward providers with private gains [42,43]. Reciprocity helps align individual self-interest with community interest and makes the participants aware of the complementarity and compatibility of individual and collective interests [22,38]. On this basis of collectively owned cultural, social, and ethnic endowments [6], reciprocity may create solidarity among community members and community networks that enable resources to be pooled, actions to be coordinated, and safety nets to be created that reduce risks for individual community members [44,45]. Over time, such networks of relationships allow trust, collective prosocial identities [46] and a community of interest to be developed among members [6,47].

2.4. Reflection Learning and Reciprocity

Ostrom (1997, p. 2) emphasized the learning aspect of reciprocity, suggesting that, “the evolutionary heritage has hardwired us to be boundedly self-seeking at the same time that we are capable of learning heuristics and norms, such as reciprocity, that help achieve successful collective action” [35]. Related to the learning aspect of reciprocity, Gausdal (2008) argued how network reflection enables network learning and capacity development, which increases regional cooperation [48]. He developed the concept of network reflection by combining communities of practice with Mintzberg’s (2004) experienced reflection concept in management education [49]. Mintzberg’s (2004) experienced reflection included reflection tasks and a reflection process consisting of wondering, probing, analyzing, synthesizing and connecting. In network reflection, the participants reflect together on the meaning of experiences, providing possibilities for the participants to discover that they are united by both action and meaning, which may encourage them to develop mutual activity systems [48,49].

3. Methods

3.1. Research Context and Sampling

Yuan village’s entrepreneurship experimentation was an alternative organization model in between Mao’s egalitarian collective economy, whereby the state assumed all profits and losses, and Deng Xiaoping’s market reform (a privatized “contract-to-household production responsibility system”). Associated with the market reform, urbanization and industrialization had led to the decline of rural communities and an out-migration of

villagers calculated to involve about 2.87 billion people [50]. The left-behind were marginalized groups of women, children, and the elderly [51], who suffered due to shrinking farmland, declining communities, few employment opportunities, and limited education, healthcare, and pension facilities. To reverse the enlarging income gap between the urban and rural areas, about 20–30 villages have taken the lead in using a new form of collective economy to lead the villagers to pursue common prosperity. The key to the success of these pioneering villages is their organizational model, which allows the scattered peasants to be reorganized into a collective entrepreneurship.

In this context, we joined a cross-disciplinary research team in 2018 to conduct a field trip entitled “Discover China from the Countryside”, investigating seven pioneering villages’ revitalization efforts in northwest China, the poorest region in the nation. Out of the seven cases, we selected Yuan village, as it was the most successful experiment in the nation. Situated in China’s poorest northwestern region, Yuan village used to be one of the country’s poorest villages in the 1960s and became deserted in the late 1990s. In 2007, due to the village’s decline and the resulting increasing income disparity, the local governor invited *Zhanwu Guo*, the son of the village chief and a successful entrepreneur in the capital city, to return to the village to experiment in rural tourism with his fellow countrymen. What followed was a decade’s worth of collective entrepreneurial efforts that transformed the village into a full-fledged tourism enterprise, enriching over 20,000 peasants in the region. Building on Yuan village’s successful experiment, this study aims to explore collaborative mechanisms that help to organize collective entrepreneurship for social change (via village revitalization in this context). This study adopted an inductive method to build theory from an intensive case study, because this approach is an appropriate means of examining unconventional approaches and effective processes (with deep engagement over time).

3.2. Data Sources

This study was built on multiple sources of data and several rounds of primary data collection to ensure richly accumulated data with breadth and depth. We conducted interviews and collected published interviews, speeches, documentaries, and external reports. The various data sources helped us to refine the theoretical and practical research questions, analyze the data, and derive implications.

Field observation. During the three field study trips, we spent five weeks living in the village, participating in everyday life and special events and observing its varied tourism services. A typical day in the field involved over 12 hours of interaction with informants, having tea and sharing meals together, and staying in villagers’ hostels during the stay. We participated in the Village Revitalization Summit hosted by Yuan village as well as night schools and meetings and visited food businesses in the village and city stores. These observations were instrumental in shaping the initial conceptualizations and patterns, enabling us to explore the social context from within. Moreover, during the field trips, the research team built a daily routine to discuss different insights into the collective initiatives. All discussions were audio recorded and transcribed.

Interviews. The primary data utilized in this research were collected through interviews over three field trips. In total, 68 semi-structured interviews were conducted with 63 informants, including nine village committee members including *Zhanwu* (the village chief), three deputy village chiefs, six local villagers, six surrounding villagers, nine food cooperative chiefs (or association presidents), 15 external merchants, three external investors, five government officers, and ten other stakeholders such as consumers, media staff, and low-wage workers. Following Gioia et al. (2013), we made extraordinary efforts to give voice to the informants in the early stages of data gathering [52]. As the village has been set up as a role model for village revitalization in the nation, most public data we obtained about the village were positive and served a certain propaganda function. To probe more nuanced views about the village’s development, we incorporated voices from both key informants and marginal low-wage workers and presented voices from diverse members to ensure different views expressed independently. Following Qu and Dumay

(2011), we organized a food safety training seminar in the village to gain their trust and establish a rapport with the community members that may have led to depth and honest truth-telling [53]. Gradually, we were able to obtain more nuanced information as we stayed longer in the village and engaged more frequently with the actors. All interviews were audio recorded and transcribed. The length of the interviews ranged from 30 min to 4 hours, with the majority lasting for about an hour.

3.3. Data Analysis

To build a grounded theoretical model, we followed Gioia et al. (2013)'s systematic three-step approach to develop a theory that was empirically grounded [52]. This approach moves iteratively between the data and the generated themes to discover new insights and develop new theories. This iterative data analysis process had four distinctive stages of analysis:

- (1) *Open coding*: During the first stage, the interview transcripts and field notes were analyzed using line-by-line open coding, looking for evidence that the informants were describing their perceptions and practices related to the village's revitalization effort. The interview transcripts were coded by two independent researchers. For inter-rater reliability, open coding variance was implemented on theoretically informed debate to achieve a consensus in deviation [54].
- (2) *Developing General Coding Categories*: After all the interviews were coded, we worked out the general coding categories. As suggested by Hernandez (2009) [55], we started to seek differences and similarities among the many categories [56], a process that reduced the germane categories to 58 categories and subcategories (see Table 1). As the themes related to collaborative mechanisms popped up frequently, to guide our data coding, we started to search the concepts, notions, and synonyms that better described the links to the collaborative organization of a collective entrepreneurship.
- (3) *Theoretical coding*: Theoretical codes are "conceptual connectors" that develop relationships between categories and their properties [57]. They conceptualize how the substantive codes may relate to each other as hypotheses to be integrated into the theory. We considered the data from various theoretical perspectives to explore which creative insights could best explain the data [58] and identified 12 theoretical themes out of the 58 categories and subcategories. These themes included "ownership and authorship", "incubation", "shareholding", "reconciliation", "balancing", "relational bond", "material interest", "reflection learning", "reciprocity", "transparency (trust)", "participation", and "power sharing".
- (4) *Axial coding*: During the last stage of data analysis, we reanalyzed the interview transcripts, field notes, and secondary data with a revised focus on these theoretical themes, generating new insights from the interplay between the emergent themes and the literature. During axial coding, the 12 themes and 58 generated categories were arranged into a nomological net by two independent researchers who compared and unified their findings. In the last step, the viability of the axial coding's results was verified through literature assessment regarding the different categories, such as reconciliation, reflection learning, reciprocity, and power sharing. This comparison against the backdrop of existing work linked the empirical insights to the body of the literature. At this stage, we moved iteratively between the literature and data for multiple rounds to come up with the aggregated theoretical dimensions, and two main themes emerged which were emancipation (linked to the entrepreneurship aspect that releases the individual potential) and consociation (linked to the collective aspect that unites the community). We re-examined the consociation literature and found that the emancipation aspect (the empowerment of the minority and vulnerability) could be integrated as a consociational element. We eventually identified consociation as the overarching umbrella notion that explained the diverse collaborative mechanisms. The identified aggregate consociational themes included emancipation that empowered the vulnerability, interest reconciliation, reciprocity via reflection learning, and proportional participation. We terminated the process when the differences between

the collected data and the developed theory had become small [59]. In Table 2, the findings were structured under coherent topics for readability, and the nomological net organizing the individual categories around the consociation formation phenomenon was presented as the final result of the empirical investigation.

Table 1. Coding Categories and Subcategories.

Emancipation That Empowers the Vulnerability	Interest Reconciliation	Reciprocity via Reflection Learning	Proportional Participation
1 Self-interest (self)	2 Benefit bond	3 Reciprocity	4 Power sharing
1.1 Benefit (villagers)	2.1 Wealth distribution	3.1 Kinship (village insider)	4.1 Election
1.1.1 Hollow village	2.2 Reconciliation	3.1.1 Boundary	4.2 Power concentration
1.1.2 Emancipation	2.3 Income disparity	3.1.2 Family-like	4.3 Participation
1.1.3 Peasant-based development model	2.4 Conflict	3.1.3 Altruistic or sacrificing	4.3.1 Shareholding extended via family
1.1.4 Ownership	2.5 Shareholding	3.2 Reciprocity (outsiders)	4.3.2 Hierarchical participation
1.1.5 Incentive or award	2.5.1 Interest binding via basic shares	3.2.1 Relationship	4.4 Collective management
1.2 Incubation	2.5.2 Interest binding via cross-shareholding	3.2.2 Collective platform	4.4.1 Collective finance
1.2.1 Deep pond strategy: long-term thinking	2.5.3 Interest binding via adjustment shares	3.2.3 Peasant education	4.4.2 Order or stability
1.2.2 Risk coverage	2.6 Balancing across diverse business units	3.2.4 Empathy	4.5 Transparency
1.3 Crowdfunding	2.7 Income redistribution	3.2.5 Reflection	4.5.1 Open communication
1.3.1 Cooperative	2.8 Diversity in business offerings	3.2.6 Spirituality	4.5.2 Cohesion
1.3.2 Expansion	2.9 Accommodation and benevolence	3.2.7 Compromise	4.5.3 Joint consent
1.3.3 Industrialization		3.2.8 Ethical ruling	4.5.4 Sense of belonging
1.3.4 Endogenous		3.2.9 Trust	4.5.5 Common prosperity

Table 2. Data Structure and Elements.

Aggregate Dimension	Narrative Themes	Quotes and Narrative
Emancipation that Empowers the Vulnerability	Ownership	Difficult to manage peasants as they are narrow-minded, short-sighted, self-interested, and benefit-seeking. Yuan village's success was partially due to its recognition of the peasants' authority, interests, and ownership in the development process. In the beginning, the village offered to share the renovation cost and encouraged the villagers to become entrepreneurs and used their own houses for farm-stay hostels.
	Incubation (outside merchants)	Yuan village was a platform for the peasants to start a business. To attract excellent merchants to join Yuan to develop a new Specialty Food Street in 2009, the village renovated and provided free store space to external merchants and paid them a salary for the first two months. These merchants did not contribute to Yuan village until 4–5 years later.
	Crowdfunding (shareholders)	In 2010, Yuan village transformed the village's external merchants' successful food workshop into a cooperative by means of a crowdfunding (shareholding) model. This allowed the local villagers and other merchants to have ownership and share the benefits of successful businesses. This was a dramatic change in the village's management history.

Table 2. Cont.

Aggregate Dimension	Narrative Themes	Quotes and Narrative
Interest Reconciliation	Wealth distribution	“The moment I decided to distribute money earned by the cooperative to the villagers, they started to take me seriously and followed me. Wealth distribution was the most critical element that brought everyone to the collective entrepreneurship platform, other efforts such as spiritual education would not work unless we shared the wealth with the participants” (<i>Zhanwu</i>).
	Wealth redistribution	For income redistribution among the external merchants, the village would negotiate different contribution ratios with different merchants based on their income, charging higher ratios for the businesses with high profit margins and compensating the businesses with low or negative income. Such a redistribution ensured diversified business offerings in the Speciality Food Street, as otherwise profitable businesses would flood the village, and no merchants would engage in low or negative profit margin businesses such as cultural activities.
	Benefit reconciliation between the rich and poor	“ <i>Zhanwu</i> asked me to expand my noodle workshop using crowdfunding. The first round of crowdfunding only raised less than 2% of the needed capital, as no one knew what shareholding was and they were afraid that I might either run away with the money or misuse the capital. The village enterprise covered the rest of capital and asked me to prove my business to the community. After half a year, the investment made a profit of RMB 0.5 million. I conducted the second round of crowdfunding. While I only requested RMB one million, I ended up receiving an RMB 10 million investment in units ranging from RMB 3000 to RMB 2 million. <i>Zhanwu</i> advised me to return the RMB two million to the investor, saying that ‘this person is already rich, he will not care about your dividend, but the person investing RMB 3000 needs your dividend. He may have borrowed this money to join your cooperative. Give your shares to him’. Now it becomes a rule in Yuan village that low-income villagers are given priority in buying shares” (Ma, a merchant).
	Benefit reconciliation between insiders (villagers) and outsiders (merchants)	The enlarging income gap and conflict in the village prompted <i>Zhanwu</i> to experiment with a shareholding system that offered more investment to grow the successful cooperatives (grow the size of the cake) and simultaneously use share distribution to balance the divergent interests of the villagers and merchants (distribute the bigger cake). The village enterprise proposed a basic share which allowed the villagers to use the property value to join the external merchants’ Specialty Food Street Cooperative as shareholders. Each of the 62 local village households would gain RMB 200,000 worth of shares in the Specialty Food Street Cooperative by liquidizing five <i>mu</i> (1 <i>mu</i> = 0.165 acre) of their common land value. This reform took away about one third of the shares from this most lucrative cooperative. Compared with the local villagers, the most successful merchant in the street only obtained up to RMB 70,000 worth of shares, which was only about one third of the local villagers’ shares. The merchants were not pleased with the reform and some left the village. <i>Zhanwu</i> asked the external merchants to conduct reflection learning at the night school.
Reciprocity via Reflection Learning	Reflection learning	As the merchants were not willing to give up about 50–70% of their shares to the villagers, the village used night school to encourage the merchants to reflect on their lives prior to joining Yuan village and on the initial incubation support received from Yuan village. Wei Lu, a Food Street merchant, made such a reflection at the night school: “I used to be a laid-off worker and a hawker in the county night market, earning a very humble income. <i>Zhanwu</i> , understanding my situation, not only provided me with the business space, but also helped me to design the project and storefront, enabling me to make the most well-received lamb blood soup, earning an annual income of more than RMB five million. Without Yuan village and <i>Zhanwu</i> I won’t be able to reach this far”. “While I made millions of RMB a year, many other businesses like bun (local bread) only made about RMB 40,000. Without their support I would not have been able to make such a profit. If every merchant only wanted to sell the most profitable items, there might be vicious competition which would lead to Yuan village’s failures” (Lu, Tofu merchant).
Proportional Participation	Participation	In different settings, <i>Zhanwu</i> reiterated the full participation of all the inhabitants and common prosperity for all. “Most members were enjoying increasing collective benefits from the village’s growth” (Zai).
	Hierarchical participation	The villagers received more preferential consideration than the external merchants in share purchases when the village expanded successful merchants’ businesses into food cooperatives and expanded their business offerings to the city and other regions. Some merchants and low-wage labors, while could had been offered the opportunity to buy shares, lacked the investment capital.
	Transparent/Open communication	The food cooperatives operated transparently. For instance, the Specialty Food Street pasted publicly the list of shareholders and the number of shares owned by each shareholder. The village’s financial center is also open and transparent. Everyone can view how much money they earned per month and the dividend received per season. “About share distribution, all discussions were conducted openly. As the village cadres contributed a lot to the village’s development and received very humble salary, I proposed the distribution of more shares to them as a compensation of their effort”. (<i>Zhanwu</i>) “An outside expert named Li joined the Yogurt cooperative and contributed tremendous effort to its success. At that time, the Yogurt cooperative has completed fundraising and no more new shares were available. <i>Zhanwu</i> checked the possibility to relocate some shares to Li as a reward of his effort”. (<i>Merchant Chen</i>)

4. Findings

This study aims to explore collaborative mechanisms that transition diverse, conflicting self-interests into a community of interests in building a consociation during the development of a collective entrepreneurship. The data analysis demonstrated four varied streams of consociational mechanisms, including (1) emancipation that empowers the vulnerability, (2) interest reconciliation, (3) reciprocity via reflection learning, and (4) proportional participation that balances individual and collective interests and institutionalizes a hierarchical order in the community when converging divergent groups into a consociation. These mechanisms can be described as follows:

(1) *Emancipation That Empowers the Vulnerability*

Individual interest is the most critical aspect in building a consociation, as the other mechanisms will not work effectively unless the self-interests of diverse individuals are recognized, guaranteed, and reconciled on a collective platform. Yuan village's success is mainly due to its confirmation of the rights and interests of the villagers, cadres, and merchants, ensuring that their interests were taken into consideration during the collective entrepreneurship's development process. This aspect is linked to the emancipatory aspect of consociation in empowering the minority and vulnerability, demonstrated via ownership recognition and wealth distribution that empower the vulnerable groups in converging the divergent interests in the community.

Ownership recognition: In 2007, Zhanwu initiated rural tourism by mobilizing a few villagers to renovate their homes for use as farm stay B&Bs and to organize a farming culture exhibition in an old street. The village enterprise covered half of the innovation cost and trained five families to receive about 30,000 tourists. In the village's first move, Zhanwu did not want to be a boss; rather, he turned the villagers into business owners. The village experimented with a shareholding system later on that recognized the villagers' ownership and economic interests.

Ownership recognition via shareholding: The village lecturer indicated the following: "At the prior village-based cement and brick factories set up in the 1980s, villagers did not have individual ownership in these businesses. They were less motivated and may occasionally steal cement and bricks from the factories. The villagers were more incentivized under the current shareholding system whereby their personal benefits were guaranteed". For instance, the basic shareholding reform turned the Specialty Food Street into a big food cooperative. Altogether, there were 376 shareholders in this street. The names of the shareholders and the number of shares owned by each shareholder were made public and pasted on the street wall. Such an authoring scheme protected the benefits of the participating entrepreneurs, securing their self-interests in the collective entrepreneurship.

Empower the vulnerable villagers and encourage their participation: The village adopted an "adjustment share" design to empower the vulnerable ones, reconcile the economic interests between the rich and the poor, and minimize the enlarging income gap in the community. According to the head of a food workshop cooperative, while she only requested RMB one million for investment, she ended up receiving 10-fold the investment in units ranging from RMB 3000 to RMB 2 million. Zhanwu advised her to return the RMB two million to the investor, saying that "this person is rich, he will not care about your dividend; but the person investing RMB 3000 needs your dividend. He may have borrowed this capital to be able to join your cooperative. Give your shares to him".

Right now, there are dozens of different food cooperatives nested under the village tourism enterprise. Every half a year, after making contributions to the village enterprise, these food cooperatives would distribute all profits and dividends to the shareholders. This was summarized by Zhanwu: "Our shareholding system applied in the food cooperatives basically answers one fundamental question—who owns Yuan village? Who owns the benefits of Yuan village's development? The most important successful factor of Yuan village is that I let the villagers enjoy the benefits of growth. Peasants are very realistic. When I distributed the benefits, they started to take me seriously and follow me closely".

In contrast, most developer-led rural tourism projects in China tended to segregate the local villagers from the tourism sites. Villagers had limited rights and needed the developers' approval to work on these projects. Consequently, conflicts arose frequently due to the outsiders benefiting financially while the villagers became marginalized. Yuan village's collective entrepreneurship model was distinctive from these models in that it emancipated individual potential while organizing the entrepreneurship on a collective platform, balancing both individual and collective interests.

Zai, a former schoolteacher and a new resident of Yuan village, made such a comparison: "I kept thinking why most Chinese villages failed, whereas Yuan stood out. I got the answer after reviewing books written by the prestigious scholars in the country on rural tourism. These experts talked about everything except the peasants. I suddenly understood Yuan village's key successful factor. The fundamental difference of our model and the conventional rural tourism models is the villagers in Yuan are the owners of the businesses".

Incubation—extending ownership entitlements to the external merchants: One successful factor of Yuan village was its incubation of the external merchants. Compared with the conventional small-scaled rural tourism models, Yuan village's collective entrepreneurship was more advanced in that it scaled up in scope by engaging with external merchants to develop more business streets such as the Specialty Food Street, carrying famous local cuisines with original ingredients and flavors. To attract excellent external merchants to join Yuan village when it had no name, the village developed an incubation platform in 2009. The village provided free store spaces to these outside merchants, with merchants paying no rent and focusing on improving their business offerings. The success of these streets made the village a famous day trip tourism site.

(2) *Interest Reconciliation*

Reconciliation among external merchants: Yuan village was famous for its hundreds of varieties of high-quality meals and snacks, none of which were repetitive. This great selling point was possible due to the village's macro-management scheme involving income redistribution. To avoid all merchants rushing into high-profit businesses that might lead to vicious competition and business homogenization, the village only allowed one type of business to open one store in the village. To replace the incumbents, the merchants had to win a food contest arranged by the Village Food Association. In the Specialty Food Street, about one third of the merchants' businesses had high daily turnovers and profit margins. These businesses would contribute a higher ratio of income to the village tourism enterprise, whereas one third of businesses broke even, and another one third of the cultural activities had a loss. That was strongly associated with the nature of their businesses, as local bread and cultural activities were hard to make a good income yet their businesses were fundamental to the overall tourism plan of the village. The village enterprise would compensate these business units to ensure they made a decent income compared with a conventional wage they might have earned if they chose to work elsewhere. This income redistribution and reconciliation scheme ensured a diverse offering in snacks, meals, and cultural activities in the village, which enhanced the tourism attraction.

Reconciliation between the villagers (insiders) and external merchants (outsiders): The incubation platform turned some successful merchants into millionaires and took away some of the dining businesses in the farm stay B&Bs run by the villagers. The income gap in the village aroused conflict between the insiders (villagers) and outsiders (merchants). The local villagers were jealous and questioned *Zhanwu*: "Why do we allow outsiders to compete and earn money in our village?" At the night school, *Zhanwu* made the local villagers aware of the importance of inviting outside merchants into the community and to afford them the same rights as the locals. "Yuan village originally had only 62 households; if we closed the door to others, there was no way we could develop the businesses to the scale they are today, with their great brand value, and with the village becoming an exemplary tourism site in the country. Without such popularity, you (local villagers) would not earn as high an income as you are doing now".

The wealth inequality and conflict prompted the village to expand the external merchants' successful entrepreneurial projects into different food cooperatives and allow

villagers to participate in them. For instance, the basic share setting allowed each of the 62 local village households to take stock of and liquidize five *mu* (1 *mu* = 0.165 acre) of their common land value to gain RMB 200,000 (around USD 30,000) worth of shares in the external merchants' Specialty Food Street Cooperative. These basic shares entitled benefits to the original village households, enabling them to obtain about one third of the total shares from the most successful food cooperative in the village.

Building on the shareholding experiment, Yuan village expanded successful businesses and simultaneously bound the community using cross-shareholding. This scheme allowed the villagers and merchants to voluntarily cross-participate in dozens of food cooperatives as shareholders. Under these collaborative mechanisms, even though some external merchants had to give up around 50–70% of their businesses to the shareholders, as their businesses expanded multifold, their remaining shares enjoyed value appreciation. In the meantime, they could participate in other successful food businesses as shareholders. This resolution aimed at satisfying both insiders and outsiders. The shareholding system, especially the cross-sharing of each other's businesses in the community, helped to bind the interests of insiders and outsiders.

(3) *Reciprocity via Reflection Learning*

This study reveals the importance of having a relational bond in the community prior to initiating a collective entrepreneurship. The lecturer in the village commented, *"Don't take Yuan village as a conventional enterprise. It is a big family. Relational norms, rather than corporate rules, govern this enterprise"*. This is related to the Confucian family ethics prevalent in Chinese villages. Reciprocity among close kin, neighbors, and fellow villagers was used to govern the village enterprise in the beginning. With the extension of this collective entrepreneurship to incorporate more outsiders (strangers other than kin), a relational bond became harder to maintain and needed more complex mechanisms, which included reciprocity fostered via reflection learning. Despite the effectiveness of the shareholding system, interest recognition and wealth sharing alone may not be sufficient to reconcile the diverse interests and conflicts across the different social groups. Reciprocity developed via reflection learning becomes important for the development of a consociation.

Specifically, the shareholding reform that enabled the villagers to take away about one third of the shares from the external merchants at the Specialty Food Street irritated some merchants and increased the tension between the insiders and outsiders. *Zhanwu* proposed using night schools to encourage each merchant to recall and compare their statuses before and after joining Yuan village. As was recalled by one merchant, *"I did not have a regular job before coming to the village. Now I live in a house built by the village, driving a nice car, having a decent income and savings. If you are still dissatisfied, think about who you were before joining the village, comparing yourself with your neighbors, and the poor peasants in the neighboring villages"*.

Such reflection learning via reminiscence allowed everyone to share opinions and helped the merchants to view conflict issues from different angles, which improved problem solving. First, the reflection learning made the merchants recognize and appreciate the incubational support from the village for up to 5 years, paying zero contributions to the village during this period. The merchants were mostly poor peasants or street vendors prior to joining the village. Without Yuan village's entrepreneurship platform, they would not have been able to earn their wealth. Second, reflection learning also made the rich merchants recognize the support from the less profitable businesses in the street who contributed to the general tourism setting of the village. Third, the merchants who left the village during the reform ended up making less money, as they lost Yuan village's brand value and customers. Lastly, the merchants were made aware that they could still have decent incomes (a smaller share of a bigger pie) after the shareholding reform, as their businesses would be expanded, and they could simultaneously invest in other successful cooperatives in the village.

Such reflection learning was arranged daily for the merchants for up to three weeks to ensure the shareholding reform could go through. As some merchants recalled, *Zhanwu* was smart to let them perform self-reflection and let them consider all the aspects, learning

how to make compromises. According to a merchant, “Zhanwu was very smart. He would not force you to do it. He asked you to make your choice, and to be responsible for your choice. After making one choice after another, I gradually strengthened my consciousness in the process, and continued to make new choices. He was cultivating my self-ability. During the reminiscent meetings, he asked me to speak it out myself. He did not force me, but rather let me persuade myself and reflect it on my own. He sometimes let the family members to help with the persuasion”.

The village also recognized role models in different cooperatives and let them share their stories and best practices at the night school. In the meantime, in case of customer complaints, the accused merchants or villagers had to criticize themselves in the meetings to ensure everyone learned the lesson: “Such reflection meetings made them lose face in the public therefore everyone tried hard not to commit the mistakes in the future” (quotation from a village cadre).

(4) *Proportional Participation*

Power sharing: The cross-participation in each other’s cooperative businesses bound the interests of divergent social groups. In different settings, Zhanwu reiterated the importance of full participation of all inhabitants. “Common prosperity” was more than propaganda, as most of the participants improved their financial statuses tremendously over the course of a decade. The merchants had an enhanced sense of belonging, buying village housing and migrating family members to the village. Furthermore, the shareholding system not only enabled wealth sharing in the community but also promoted power sharing among the cooperative members, encouraging them to make decisions for the cooperative’s business affairs.

Currently, there are over 3000 people at the village. It elects representatives to participate in the village business meetings to make decisions for the village’s next steps. Specifically, the chiefs and subgroup chiefs of the food cooperatives and big shareholders can participate as representatives of the merchants. Each of the 62 village households can send one representative to the village meeting. Important village affairs would be discussed in the meetings and decided by the selected representatives. When the meetings were over, the representatives communicated the message to their members.

With the rapid development of the village, the traditional on-site meeting format was complemented by various online “groups”, which became important open platforms for the organization and management of Yuan village. The convenient and efficient online groups (organized via a cell phone app) developed virtual community. They not only helped the village cadres to convey messages and arrangements but also enabled various group members to obtain timely information and express opinions.

Transparent communication: Yuan village’s transparent/open communication enhanced trust among the villagers, merchants, and tourists. First, the most sensitive share distribution discussion was mostly conducted via open communication. For instance, the village cadres contributed tremendous effort to ensure the village’s sound operation, yet their salaries were very humble. Zhanwu brought this out for discussion in a village meeting, asking for some extra shares for them. Zhanwu also proposed allocating some shares to a new manager who contributed tremendous effort to the success of the Yogurt Cooperative. Benefit and share distribution tended to be discussed on the table and later be publicized on the street wall. The village also transparently managed the different cooperatives’ business accounts. It put a green box in every food store to collect daily earned cash, which would be collected by a local bank staff at the end of the day. All cooperatives were transparent about their financial income, expenditure, gain, loss, and profit distribution.

Hierarchical participation: Reflection learning, power sharing, and transparent communication not only strengthened the relational bond and bred trust in the community, but also enforced a hierarchical order of participation to ensure community stability. Despite the encouragement of power sharing and full participation, the village’s power structure was hierarchical. Zhanwu was the sole figure and key orchestrator. Whenever he was at the village, the village cadres and merchants would line up to consult for his opinion regarding the village’s next steps. In recent years, although Zhanwu could easily make decisions for the village, he would rather let the village representatives make the final decisions.

Even though all members' economic statuses had risen with the development, the 62 village households received more preferential consideration than the outsiders in sharing the benefits of growth. For instance, the most successful merchant on the Specialty Food Street could only obtain up to RMB 70,000 worth of shares, whereas the 62 households each could take stock of the land value to obtain RMB 200,000 worth of shares, which was about threefold the shares obtained by a successful merchant. The prosperity was hierarchically spread along the social distance in the village, institutionalizing the following hierarchical order in the village:

Zhanwu (the leader): Yuan village would not be successful without the leadership of Zhanwu. He had feelings for the villagers, obtained a legacy from his father, who was a former village chief, and won the political support from the county government. It was a miracle that most of his development proposals proved successful, earning the trust and respect from his fellow villagers. He did not own any shares in the village's food cooperatives. Yet, he might have obtained benefits as one of the shareholders of the village tourism enterprise. After the village became a famous national brand, he sought business opportunities by replicating Yuan village's success to the other regions in the nation.

Yuan village's tourism enterprise: The village committee had full control of the village enterprise. The enterprise was composed of ten food business streets with over 12 co-operatives. The enterprise adopted a collective entrepreneurship model and adopted macro-control schemes (e.g., income redistribution) to ensure the village's sustainable development. The enterprise would pay 20% of the profits to the village committee every year as a dividend, and the dividend would be distributed to the 62 village households after deducting the expenses of the village committee.

Villagers: About half of the original 62 households ran farm stay B&Bs, renovating own homes to entertain tourists and keep all earned profits. Meanwhile, the villagers obtained about one third of the shares from the Specialty Food Street Cooperative, and they were given preferential consideration in cross-participating in other successful food cooperatives as shareholders.

Merchants: There was divergence across the merchants (first generation vs. newcomers) in sharing the benefits of growth, with the first generation of merchants receiving more preferential considerations. These merchants went through the ups and downs of the village and contributed tremendously to the village's success. They were treated as "new villagers" and were offered low-priced housing constructed by the village to help them settle and become integrated with the community. "*The first generation of merchants were rowing on the same boat with the villagers and Zhanwu, whereas the new merchants and entrepreneurs who came to the village after Yuan's success were simply the passengers in the boat who enjoyed the ready-made*" (quotation of a merchant). They were offered less opportunities than the first generation of merchants.

Newcomers: After the village became famous, it sped up the expansion by opening of a new commercial street featuring various bars and cafes. In 2015, external investors were also invited to develop the "Muslim Street", "Ancestral Hall Street" and "Academy Street". The operation of these new streets followed a different organizational style. These streets would pay 20% of their incomes to the village enterprise after they started to make a profit, and the merchants operating on these streets would need to pay rent regardless of their financial status. Due to the eagerness to obtain a return on investment, the merchants on these streets were mostly short-sighted and under financial pressure. These new streets had some internal conflicts, and their relationships with the village were distant.

Marginalized groups: There were many low-wage workers in the village who were hired by the merchants. Though they might have been given the chance to buy shares, but they did not have the capital to invest in them. These workers seemed to be grateful for the job opportunities and had a good impression of the village.

5. Discussion

This study contributes to the institutions for collective action by exploring the mechanisms through which a community motivates individual effort, reconciles the interests of

divergent groups, and converges them into a consociation, a critical process for the development of prosocial collective entrepreneurship. Building on an inductive study of Yuan village, we identified four consociational mechanisms, which include (1) emancipation that empowers the vulnerability, (2) interest reconciliation, (3) reciprocity via reflection learning, and (4) proportional participation that accommodates both individual and collective interests, institutionalizing a hierarchical order in the community. There was an order of beneficence that was hierarchically layered over the community. Everyone benefited despite the differences across different social groups. Through these findings, this study advances the organization of the social change literature and consociation theory.

Contribution to alternative organization for social change. This study is a response to the recent calls to expand the domain of entrepreneurship research by embracing a much broader range of organizations and contexts than entrepreneurship scholars typically study [26]. It extends lines of enquiry into the intersection of entrepreneurship and social change by specifying consociational mechanisms that organize vulnerable individuals to overcome constraints and jointly pursue collective interests. The proposed mechanisms mobilize collective resources and skills in a network through which the constraints of individuals are overcome. A consociation enables individuals to survive better than struggling on their own, as it scales up the business scope, reputation, and impact, and allows resources and actions to be integrated and combined that creates a stronger safety nets. Consociational mechanisms offer insights on the resolution of the social dilemma between self-interests and collective interests, as they achieve a coupling effect when they can incentivize individual potential and unify the divergent individuals to organize collective actions for social change. The findings are relevant to practitioners and policy makers, especially those in developing nations who are exploring effective means to organize sustainable community development.

Contribution to the theory of consociation. The original notion of consociation theory focuses on power sharing in reconciling conflicts across divergent social groups, highlighting their political rights in proportional participation from representatives of all significant groups in decision making. This study extends this theory from the sociopolitical arena to the field of prosocial entrepreneurship, inductively developing the theoretical elements of consociation in this context. The results of the study confirm the core theoretical concepts of consociation in power sharing, proportional participation, reconciling, balancing, reciprocity, and cooperation. Furthermore, this study enriches the notion of consociation when applied it to the context of entrepreneurship in the following aspects.

First, this study highlights an emancipatory aspect of consociation that promotes autonomy and empowers the vulnerable group. In building a community of interest, different individual entrepreneurs' (especially the vulnerable group's) economic interests need to be recognized, confirmed, balanced, and reconciled. Coupled with reflection learning, individuals enhance their autonomy and own abilities in decision making that serve both individual and collective interests. Prior scholars [36,42,43] argued the necessity to provide benefits, incentives, and rewards to community members to encourage cooperation and participation. The findings of this study resonate with and advance this scholarship by identifying nuanced types of benefit and interest generation and reconciliation schemes to secure individual self-interest on the collective platform. This emancipation aspect of consociation motivates members to contribute their best to the collective entrepreneurship.

This emancipation aspect explains why most conventional capitalist-led rural tourism projects were short-lived, why many villages failed to replicate Yuan village's success, and why the newly built streets in Yuan village were not successful. In these conventional models, the developers tended to strive for a higher and quicker return on investment by pushing the merchants to make money within a short period, who in turn extended the burden to the consumers. The merchants did not have the leeway or opportunity for trial and error in generating the best-received products and services. In contrast, Yuan village granted ownership to the incubated participants, encouraging them to abandon

self-interest and shortsightedness by fully embracing and investing in their own projects, releasing their individual potential on a collective platform.

Second, these findings advance consociation theory by illustrating how an interest reconciliation mechanism helps to bind the divergent interests of different social groups in building a consociation. The results highlight detailed reconciliation schemes which include (1) an income redistribution scheme to balance the income gap across the diverse business units to ensure an optimal business setting, (2) a basic share scheme to reconcile the interests between the insiders and outsiders, (3) an adjustment share scheme to reconcile the interests between the rich and the poor, and (4) a cross-shareholding scheme to bind divergent interests, leaving community members in the same boat to promote collective action.

Third, the reconciliation process was dynamic and full of tension. This study advances consociation theory by illustrating how reflection learning addresses tension, enhances individual autonomy, and generates reciprocity in a community. It helps to facilitate the transition from emancipation (autonomy and individual interest) to consociation (reconciliation and a community of interest). Reflection learning encourages outsiders to reminisce at community meetings, enabling them to perceive conflict issues from different angles, which improves empathetic understanding. The understanding of the complementarity of self-interest and collective interest broadens the mindsets of the members and enables them to develop reciprocity across different social groups. The results demonstrate that reflection learning enhanced the participants' self-awareness and own abilities to make own decisions. Reflecting on the past helps them understand the present, and become aware of the merits of community interests, thus generating change in future behaviors.

The reflection learning aspect thus enriches the network reflection notion proposed by Mintzberg (2004) [49] and Gausdal (2008) [48] and confirms the social scientists who recognized the merit of reciprocity in fostering collective action [6,34,35,39]. Building on the results, kinship communal sharing is place-bound [60,61], which generates reciprocity among the insiders within a village boundary. Yet, when a collective entrepreneurship expands to accommodate both insiders and outsiders, reciprocity established with individuals other than close kin is more essential to achieve mutual protection and long-term communal benefits [36]. In this regard, the building of a consociation via reflection learning becomes critical for balancing in-group and cross-group interests and addressing potential conflicts.

Fourth, the findings of the study advance the consociation theory by advancing the understanding of power sharing in the context of prosocial entrepreneurship. The village's shareholding system empowers the vulnerable groups (poor villagers and merchants) and encourages their participation in decision making. Transparent communication also facilitates power sharing and participation, enabling community members to scrutinize the operation of the shareholding system.

Related to proportional participation, this study advances the power-sharing aspect of consociation theory in balancing individual and collective interests. In the original notion of consociation, proportional participation is population-based, ensuring the participation of representatives of all significant groups in decision making [13]. The proportional (hierarchical) participation in this study builds on but goes beyond the population, as the "proportion" seems to be associated with the members' entitlements (such as identity) and contributions, especially with regard to participation in the shareholding system. The spiritual dynamics of the village kept power concentrated among a few role models, especially *Zhanwu*. The entitlement and contribution variances formed a benefit hierarchy in the community, whereby the common prosperity pursued in the village was not the Maoist kind of equalization but rather a community of interests spreading along an identity and contribution hierarchy. As the builders of the village enterprise, the original villagers and the first generation of merchants enjoyed more benefits than the newcomers. The power sharing mode and transparent communication institutionalized a hierarchical order in the village, securing the material benefit distribution and stability in the community. These findings are in line with Adam Smith, who argued that while individuals have a moral duty to behave with others' interests in mind [27], there is an "order of beneficence [62] associated with their

social distance. This order is reflected in Chinese relationship classification (Yang, 1999), especially family and intimate relationships in Chinese villages [63,64]. These series of elements illustrate how consociation building in the context of prosocial entrepreneurship is different from the traditional notion of consociation in sociopolitical science.

6. Conclusions and Future Studies

This study focused on rural communities and how they adopt a consociational model to organize collective entrepreneurship for village revitalization. It systematically explored diverse consociational mechanisms that address the conflicts across divergent groups toward a convergent process that allows different entrepreneurs to fold into a grand coalition. While emancipation and reconciliation of economic interest spins collective beliefs, it does not become the sole metric of success. Rather, reciprocity developed via reflection learning and proportional participation are leveraged to keep the plane uneven, despite everyone getting richer in the process. Understanding how consociational mechanisms solve the social dilemma and converge diverse interests into a community of interests has important policy and practical implications. The identified mechanisms are relevant for the organization of village revitalization with the aim to mobilize rural communities to take collective action in the pursuit of common prosperity.

This study has its limitations, as it builds theory from a single case, theorizes consociation building in an environment of economic stress, and draws on a community's tradition of collective action. Questions that future research could address include how effective the consociational mechanisms are when working in a thriving economy. Additional issues include determining why some communities are successful at forming consociation while others fail and whether consociation formation can be effectively introduced in communities that do not have a prior history of collective action. Further research should further examine the features or factors that allow a consociation to emerge and investigate the effective consociational mechanisms for the development of a prosocial collective entrepreneurship.

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