

Comparative Analysis of Social Impacts of Two Forms of Local Ownership

Jeji Varghese

PhD Candidate in Rural/ Resource Sociology
University of Alberta, Edmonton, AB

Naomi Krogman

PhD, Department of Rural Economy
University of Alberta, Edmonton, AB

Guiding Research Questions

- What are the social impacts of community corporations, as one type of local ownership?
- How do the social impacts of local ownership of a *mill* compare to the social impacts of local ownership over a *forest tenure*?
- What are the implications of this research for SIA?



Social Impact Assessment/ Analysis

Traditionally, SIA

- Occurs *ex-ante* rather than *ex-post*
- Considers negative impacts rather than positive benefits
- Fails to consider the goals of development
- Tends to have a micro-level focus, focusing on the impacts on individuals rather than on societies and social groups

(Becker, 1997;
World Bank Group, 2003)

Our *Ex-post* SIA

- Comparative analysis between absentee ownership & local ownership
- Trend analysis for subjective and objective indicators focusing on benefits of local ownership
- Assessed social impacts against a community sustainability frame
- Meso-level: impacts on collectivities, e.g., organisations, communities etc.



Overview of Methods

Research Design:

- ☒ *Ex-post* impact assessment
- ☒ Comparative Case Study

Sources of Evidence:

- ☛ Semi-structured interviews
 - 8-16 key informants in each community
 - Interviews transcribed, coded in NUD*IST
- ☒ Secondary data
 - Census data from Statistics Canada
 - Newspapers, annual reports, government documents
- ☒ Observations documented in memos

Data Analysis:

- ☒ Constant Comparative Method (Grounded Theory)



Comparison and Contrast of Two Cases of Local Ownership

	Revelstoke, B.C. Case	Meadow Lake, SK, Case
Ownership over	Forest Tenure	Mill
Timber Harvesting & Processing	Coupled	Coupled
Community Involvement in Buyout	Strong	Strong
Role of State	Facilitator	Facilitator
Leadership in Buyout	1-2 key individuals	1-2 key individuals
Buyout Leaders	Community Leaders	Community Leaders & Industry Management
Motivation for Buyout	Local Control	Local Control
Geography	Rural community	Dispersed communities



Social Impacts of Local Ownership

“Sustainability Indicator”

- Corporate Social Responsibility
 - **Triple Bottom Line**
 - **Rationalization vs. Legitimization**

“Socio-Ecological Indicator”

- Sustainable Forest Management
 - **Democratic decision-making**
 - Long-term time management
 - **Stewardship of resources**

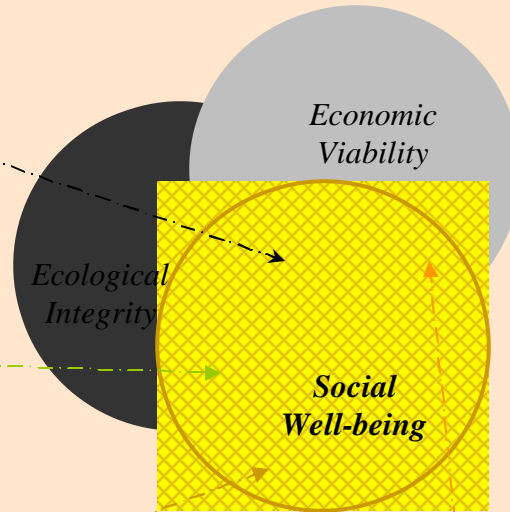
“Social Indicators”

- **Social Cohesion**
- Local Control/Self Reliance
- Workplace Democracy
- **Experiential Learning**

“Socio-Economic Indicators”

- **Economic Diversity**
- Corporate Profitability
 - **Donations to Community**
- Spin-off Effects

Figure: Indicators Assessing the Social Impacts of Local Ownership of Community Corporations



Social Impacts of Absentee Ownership versus Local Ownership Impacts

	Absentee Ownership Impacts	Local Ownership Impacts
Social	N egative	Positive
Socio- E conomic	Mixed	Positive
Socio- E cological	N egative	Positive
Sustainability	N egative	Positive



Findings:

Social Impacts of Community Corporations

Social Indicators

- ☑ Increased social cohesion
- ☑ Transfer experiential learning

Socio-E conomic Indicators

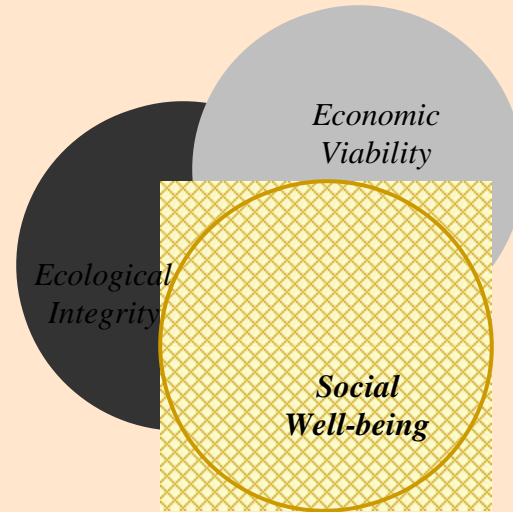
- ☑ Economic diversity
- ☑ Donations to community

Socio-E cological Indicators

- ☑ Increased democratic decision-making
- ☒ Stewardship over resources

Sustainability Indicators

- ☒ Triple bottom line
- ☑ Legitimization of sustainability goals
- ☒ Rationalization of sustainability goals



Social Impacts for Two Forms of Local Ownership

- Socio-economic benefits were realised for both the mill and forest tenure ownership.
- Local ownership over a forest tenure results in limited social benefits but more socio-ecological benefits.
- Local ownership over a mill results in more social benefits but are limited in terms of socio-ecological benefits.
- Both the mill and forest tenure ownerships were limited in addressing sustainability benefits.



Conclusions

- Socio-economic benefits of local ownership more visible than socio-ecological and sustainability benefits -- better distributions of profits, but resource management restricted by forest policy and markets.
- Even with explicit goals for long term management, socioeconomic concerns dominate their day-to-day planning.
- Business skills are paramount -- these community corporations do not depart significantly from other corporations.



Implications for Ex-post SIA

- Ex-post SIA s important substitute for longitudinal studies.
- Evaluative nature of ex-post SIA 's can be used to assess broader questions, especially when comparative analysis is conducted at the meso-level.



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