





NRE<sup>2</sup> BUILDING RURAL CAPACITY IN THE NEW ECONOMY

## Building Rural Capacity in the New Economy

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## Outline

- What are CRRF and the NRE?
- Research Design
- Theoretical Framework
  - Capacity, social capital, social cohesion
- Measurement
- Key Findings
- Challenges
- Strategies
- Emerging Issues

## What is CRRF?

- Researchers, Policy-Makers, Business-People, Activists, Rural People
- Established in 1987
- Research and Education
- Spring Workshops, Fall Conferences
- Not-For-Profit
- Improve Quality of Life for all Rural Canadians

## Why establish the NRE?

- Lack of appropriate information
- Lack of comparisons
- Lack of communication and collaboration

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### •Lack of appropriate information

- Individual level
- Economic and demographic
- Sectoral focus

### •Lack of comparisons

- Many case studies
- Case study work demanding
- Therefore few resources (time, energy, financial) for comparison work

### •Lack of communication and collaboration

- Rural Canada immense
- Institutions scattered
- Institutions in rural areas must be small and generalist, therefore few resources directed toward research

•NRE Project designed to address these problems.

## The NRE Project

- Established in 1997
- 15-20 researchers from all across Canada
- Rural Observatory – 32 rural sites
- 2 sites in Japan
- Data collection and analysis
- Workshops and conferences
- Researchers, Policy-makers, Rural People
- International collaboration

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## NRE Sample Frame Dimensions

- exposure to global economies
- stability of the local economy
- adjacency to metro regions
- social and institutional capacity
- leading or lagging status

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- Dimensions for Comparison
- exposure to global economies
  - internationalization of markets
  - communication and transportation technology
  - reduction and changes in trade restrictions
- stability of the local economy
  - fluctuating economies make planning more difficult
- adjacency to metro regions
  - access to markets, services crucial
  - transaction costs important
- social and institutional capacity
  - important part of community capacity to deal with problems and issues they face
  - formal and informal resources and skills
- leading or lagging status
  - outcome focus
  - OECD inspired
  - several socio-economic characteristics of the sites
- Used these dimensions to choose 32 sites
- Now can conduct analysis
  - To examine the significance of the dimensions
  - To evaluate the sample frame and see if adjustments should be made

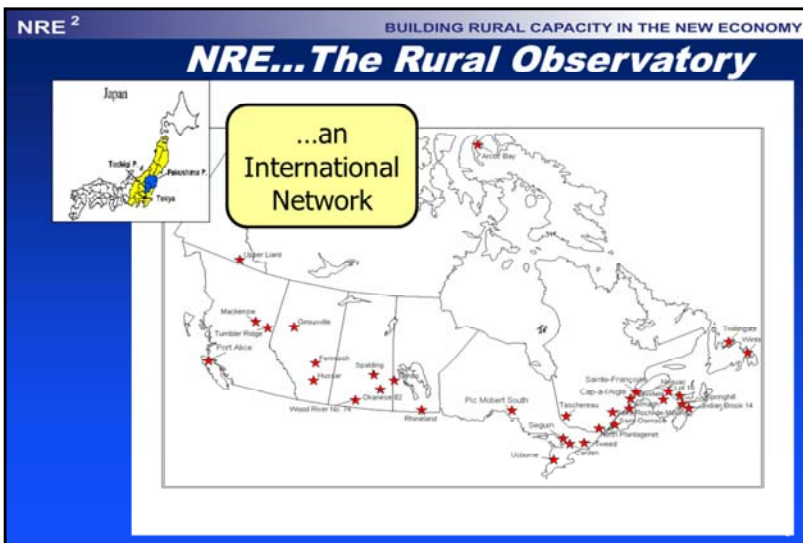
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### The NRE Sample Frame

			High Capacity		Low Capacity	
			Lead	Lag	Lead	Lag
Global Exposed	Fluctuating	Adjac.	175	27	46	15
		Distant	251	13	124	44
	Stable	Adjac.	4	26	8	19
		Distant	5	16	18	30
Local Exposed	Fluctuating	Adjac.	4	5	4	9
		Distant	12	16	5	13
	Stable	Adjac.	12	100	7	45
		Distant	15	99	16	56

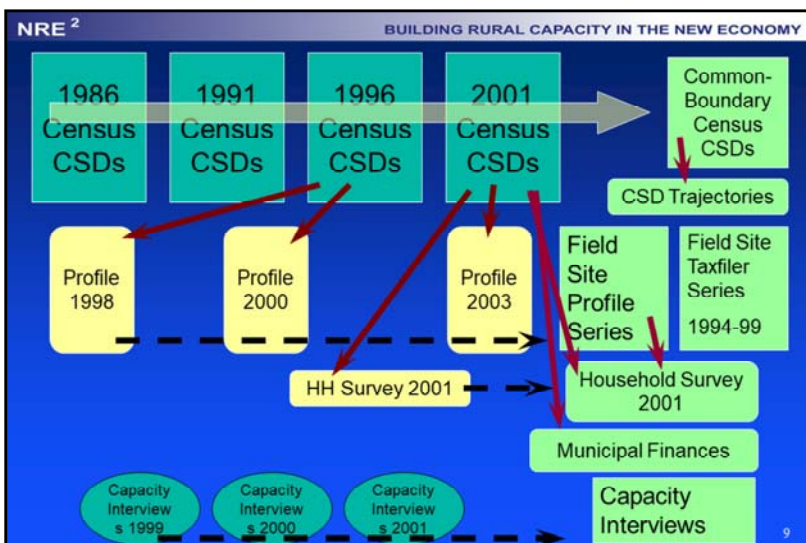
## The Distribution of CSDs by the 32 types of cells

- Sample procedure
  - Identify all rural CSDs using available information
  - Randomly selected one site from each cell
- Took it to our regional partners and discussed:
  - the accuracy of the classification from the basis of their knowledge
  - existing research activities related to the selected sites
  - strategic opportunities arising from the selection
- If changes were warranted
  - make substitutions from within the same cell
- This serves as the basis for our 'Rural Observatory'
- NOTE: The diversity of rural Canada
  - 706 Leading CSDs
  - 533 Lagging CSDs
  - Index based on National standards – yet makes clear that not all of rural Canada is in decline



- Generally positive response from site people
- Several unable to respond because of burnout – part of our research learning
- Actively involved with 21 sites – (S) plus 2 from Japan
  - A Rural Observatory
  - They participate in research
  - Workshops annual
  - Exchange C-J
- Reflects our long-term commitment to the sites
- Significant advantages to learning
  - For us
  - For sites



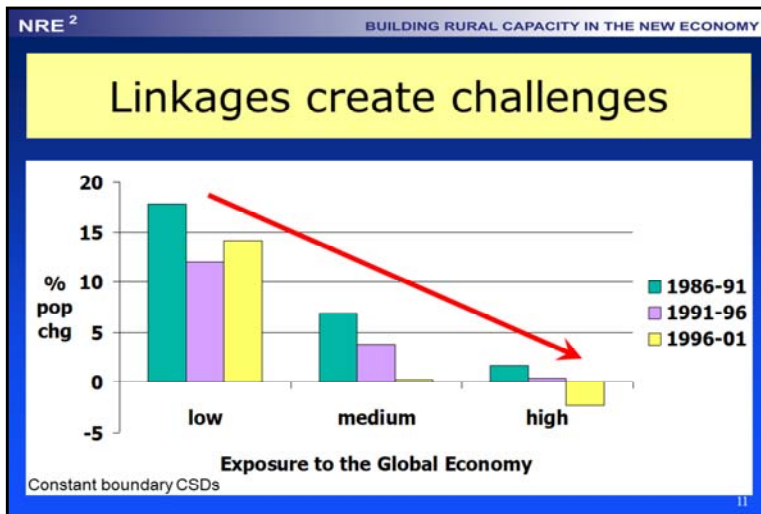


- We are developing appropriate and useful information
  - When we started, existing data was
    - Not organized for smaller places
    - Limited to demographic, economic, individual-level
    - Not community-level or sensitive to intangibles
- Make it accessible to researchers and site people
- Several sources and levels
- All CSDs for 1986, 1991, 1996, and 2001
  - Also produced file from all of these years for ~3,000 CSDs with constant boundaries - avoid problems related to changing boundaries and redefining CSDs
- CSD Trajectories
  - Merged file for 4 census years, enabling analysis of CSD trajectories
- Rural Observatory
  - 1998: history, events, inventory, census data for each of the sites in the Rural Observatory
  - 2000: Interdepartmental Working Group on Rural & Remote Canada (IWG) Profile - 7 instruments developed by NRE researchers to update much of the previous information and add survey data from enterprises, co-ops, voluntary groups, community leaders, major events
  - 2001: 1,995 rural households interviewed in 20 of our field sites
    - Systematically selected to ensure generalizations to the sites
  - 2003: Update of the rural profile series with additional information regarding communications
  - Result:
    - Field site profile series – longitudinal at the level of the site
    - Led to development of the HH survey
- Datasets link site profiles and HH survey data to relevant census data
- Can also work with data linking site profile and HH survey data
- Capacity series
  - Exploring issues of local capacity related to services, the economy, natural capital, leadership, social cohesion, and human capital as viewed by key informants from within rural communities
  - Interviews with ~5 respondents in 8 sites
- Tax Filer Data for our Rural Observatory for a series of years
  - Primarily income and taxation-related information
  - Produced a special report entitled “The NRE Field Sites: Analysis Using Tax Filer Data” (to be made available with NRE documents on main website) – focus on SF characteristics & policy recommendations
- Municipal finance data will be available on the secure website in mid-May.



### NRE Rural Observatory

- Multi-level perspectives
- Links each site:
  - To each other – in a meaningful way
  - To other sites in Canada that have been researched
  - To their global context
    - Through their dimensions
    - In the case of Japan – via actual comparable sites
- Collaboration
- Triangulation advantages
- Turn to the results of our approach



Increased linkages can create significant challenges

- (Ss) Graph showing the relationship between integration into the global economy and population change for small rural locations
- (S) The linkages of commodity trade have been very beneficial for our balance of payments (80% of trade surplus contributed by primary products) but it has undermined the population of rural communities
- This decline in population has been exacerbated by the centralization of services and inflexible governance structures
- Cost-cutting actions have decimated social infrastructure as well as threatened physical infrastructure.
- This may be shortsighted.

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## How can rural Canada (re)vitalize?

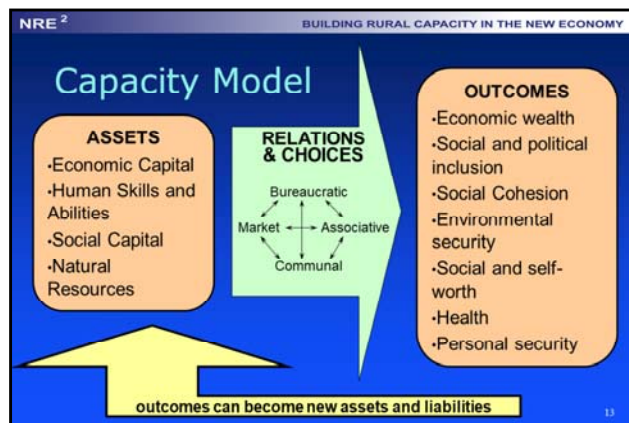
- Identify the conditions that have contributed to devitalization
- Organize assets and resources to do the things considered important

This ability to organize is:  
Capacity

Capacity transforms assets into valued outcomes

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- Revitalization = make alive, vital, energetic
  - Especially: the power to endure
- Not all rural has lacked vitality or is devitalized, but we wish to continue or maintain this vitality
  - This is the key focus of our work
- How can rural Canada revitalize in the new economy?
- Identify the conditions that act as obstacles to vitalization
  - Isolation, economy, health
- Challenge the ones that can be changed
  - Policies, practices, inappropriate institutions
- Reorganize assets to better attain desirable outcomes
  - This is what we refer to as Capacity: the ability to organize and reorganize assets



(Re)vitalization occurs when capital and resources are (re)organized to produce desired outcomes. The ability of rural communities to do this in a successful fashion is what we refer to as the community's capacity.

•(S) Assets:

- Multiple types: we have identified some of the major groupings, but there may be many other classifications
  - In Cap-à-l'aigle example:
    - Economic capital from local businesses and government
    - Human capital from experienced persons
    - Social capital from municipal counsel, lilac club, government programs and bureaucracy
    - Natural resources: climate and environment
  - Must move beyond a focus on single asset groups (e.g. agriculture, fishing, forestry, mining, tourism, etc.)
  - See how they inter-relate
- Social capital is under-valued
  - It can enhance the quality and usefulness of the other types of assets
  - Investment in social capital can improve or modify those other types to make them more useful

•(S) Types of relations by which (re)organization of assets takes place

- Multiple types of relations
  - Basically social: People getting together to identify/recognize assets and take action to reorganize them into outputs
  - Done in many different ways
  - We have classified them into 4 basic types to capture this diversity and provide a focus for thinking about the variety of strategic options for rural people and policy-makers
  - Cap-à-l'aigle:
    - Lilac club = associative
    - Municipal counsel, provincial gov't = bureaucratic
    - Local businesses, community economic development = market
  - We tend to fixate on one or the other, but all types can contribute to producing valued outcomes
- They do it in different ways
  - Can reinforce each other
  - Can inhibit each other

•(S) Outcomes:

- As with assets, can be identified in various ways
- We have identified the types of outcomes that are particularly important for sustainable development
  - Cap-à-l'aigle:
    - Economic wealth: festival brings people to town – many benefits for B&Bs, local businesses
    - Social and self-worth – community is proud of its achievements
    - Social cohesion – have proved their ability to achieve something together, learned how to do it in the process
- Particular attention to social cohesion since this is a feature about which we have expertise, it is under-researched in the rural context, and it plays a key role in local community development

•(S) Feedback

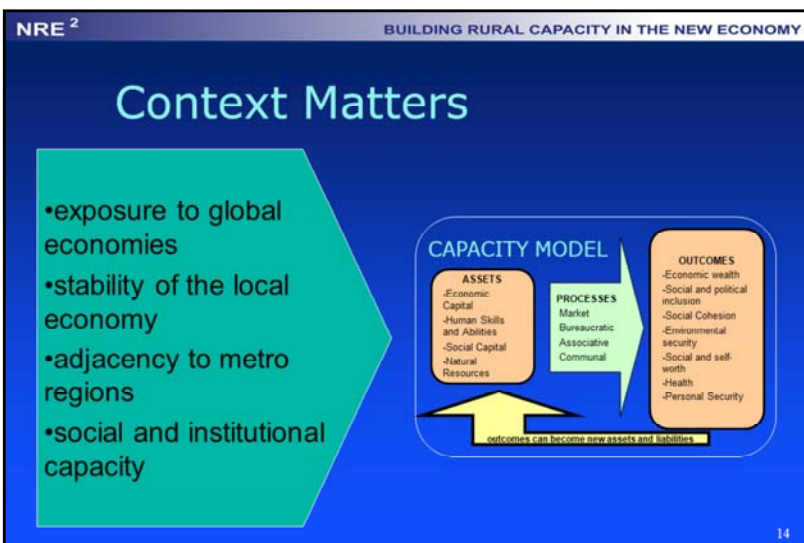
- The outcomes can become new assets and liabilities
- Cap-à-l'aigle:
  - Creates new economic capital: renovations, businesses
  - Increases human capital: learning new skills
  - Social cohesion reinforces and expands base of social capital: new groups formed to manage festival, strengthens legitimation of lilac club and interested parties
- It can also become a liability
  - 'Us' and 'them' mentality between community and tourists
  - Economic objectives for lilacs conflict with original hobby interests

•Our focus for this model:

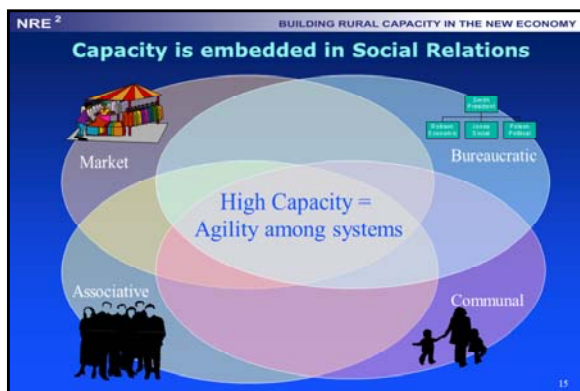
- How can it help us to understand the processes involved in building capacity?
- What does it suggest for strategies relating to the building of capacity?

•We have identified the social relations as a key element to answering these questions

- The identification and re-organization of these assets relies on multiple types of social relations (cf. next slide)



- Capacity processes are attractive foci because they are:
  - Manageable at the community and regional levels
  - Have important implications for key outcomes (will provide illustrations of this later)
- But:
  - Severe constraints and effects operate on the local ability to build and act on their capacity
- This is the reason why our research was structured within the NRE Sampling Frame
  - Distinguishes our approach from a simple assets-based economic development one (ABCD)
- Originally, compared two outcomes (OECD inspired):
  - Leading: on income, employment, housing characteristics
  - Lagging on those same characteristics
- Four major contextual features that were proposed to condition local processes and have impacts on those outcomes
  - Extent of exposure to global economy
    - Affects local vulnerability to economic processes outside the local situation
    - Reflected in trade by industry at CD levels
    - Have now updated using more specific trade information
  - Stability of the local economy
    - Unstable economy makes it much more difficult to anticipate the future and plan
    - Also – originally based on industry employment at CD levels
    - Now: have updated it using trend figures from 1993 to 2001
  - Adjacency to urban centres
    - Access to markets in goods, services, labour, and housing significantly affected by nearby centres
    - Reduces transaction costs
    - Original CD-level classification (Beale codes) updated to distance to nearest centre of 100,000 or more
  - Social and institutional capacity
    - Having services and institutions provides an important infrastructure for attracting and maintaining populations
    - Have refined our understanding of this:
      - Now understand it to include social capital and capacity
- Using these 5 dimensions, we constructed a sample frame for the selection of field sites for intensive analysis and collaboration.



There are many different ways in which the organization of assets takes place

- This insight arises from our recognition that capacity is based in social relations (Facilitate/represent people working together)
- Social relations are organized in different ways
  - Expectations, norms, institutions, rights, obligations are all different and integrated
- Each is supported and enforceable by socially recognized institutions (norms, entitlements, laws)
  - (S) Market relations (e.g. commerce, labour markets, housing markets, trade)
    - Based on supply & demand, contracts
    - Supported and controlled by trade agreements, competition legislation, labour law, better business bureau, and the courts
  - (S) Bureaucratic relations (e.g. government, corporations, law, formal organizations)
    - Based on rationalized roles, authority and status, generalized principles
    - Controlled by legislation, corporate law
    - Different than market-based: market negotiations focus on costs and benefits, bureaucracies on regulations, roles, and entitlements
  - (S) Associative relations (e.g. baseball, bridge clubs, environmental groups, meals on wheels)
    - Based on shared interest
    - Controlled by civil law, municipal by-laws, social norms, and informal sanctions
    - Different than market and bureaucratic: e.g. 'I will be happy to help at the dance, but I don't want to sit on committees.'
  - (S) Communal relations (e.g. families, friendship networks, gangs, cultural groups)
    - Based on family, reciprocity, favours, common identity
    - Controlled by informal norms, legislation, family law, and government support agencies
- The systems by which they are organized can reinforce or conflict with one another.
  - **Conflict:** Associative and Bureaucratic relations:
    - Bureaucratic require competition for resources and accountability in their use.
    - Associative require commitment to the shared interests of the group (don't mix well with private entrepreneurs)
    - Partnerships between bureaucracies and volunteer groups are therefore problematic
      - Bureaucracies require accountability; voluntary groups require high shared interest in the goals
      - Accountability requirements of bureaucracies divert people from their shared interests and
      - Associative suffer stress from lack of finances and membership burnout
        - 'I will be glad to coach, but I don't want to sit on any committees'



•The recognition of these different types can be used to overcome these challenges and build on local strengths:

- Cap a l'Aigle: municipal government invests in associative relations to position itself for accessing bureaucratic-based financial support
  - Hussar: taxes its market and communal relations to build an arena: on the promise that this will in turn build communal, associative, and market relations – both locally (bonding) and externally (bridging)
  - Ste-Françoise: uses its capacity in communal and bureaucratic relations to negotiate the relocation of a pig farm to protect its market, communal, and associative interests
  - Tumbler Ridge: reorganizes its local housing and housing infrastructure to diversify its economy into tourism from mining – made possible through its capacity in associative and bureaucratic relations.
- By recognizing these different types of strengths and the complementarities between them, numerous options are opened for business, policy, and local action
- Public utilities or transportation companies might contribute their organizational skills or networks to facilitate access to markets for local entrepreneurs or municipalities
  - Municipal, provincial, or federal governments may invest in communal relations to compensate for policies that undermine associative ones (e.g. greater mobility)
  - Businesses may better recognize the economic benefits of investment in associative or communal relations (directly or through the sharing of facilities or expertise)
  - Bureaucracies might compensate voluntary organizations to meet the accountability demands that undermine the associative relations
- Primary thing to note: All forms are necessary in a complex, changing environment - The more agile a group is in being able to use all systems, the greater will be their capacity - especially under conditions of change. Each of them forms a basis for people working together.



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## Social Capital

relationships, networks, and associated norms that can facilitate collective action

- One type of asset or resource (stock)
- Social assets potentially useful for outcomes
- Based in four types of social relations and action

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In our model, Social Capital refers to:

- (S) Relationships and networks, and the norms that allow people to function effectively to organize for social action (outcomes)
    - It is rooted in social organization and behaviour
  - (S) It is a type of asset
  - (S) We focus on social assets that are potentially useful for outcomes (future production) (broadly defined)
  - (S) As SOCIAL capital it is based on types of social relations and social action
    - We have found it useful to consider these relations in terms of four fundamental types
- 
- They only exist and show themselves by social organization and action (networks)
    - Easiest seen in the form of institutions, organizations, groups, collective events, networks
      - Local school represents available social capital insofar as its physical infrastructure and associated relations are operational
      - Social capital is not the infrastructure of the school, but is embedded in the relations that make a school work
  - The school buildings and their use are the tracings or evidence of the social capital that created them and keeps them going.
    - Much like the paths in a cloud chamber are not the atomic particles, but the evidence of their passing
  - We use this feature to measure the AVAILABILITY of social capital
  - But we also are able to measure the extent of USE of social capital
    - This is an important distinction – as we will show, since not all available social capital is used
    - Part of our work is to look at this relationship – and its potential for innovation and revitalization
  - We will use these features in the measurement of social capital
- Turn to the questions posed by the PRI

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## How is social capital to be measured?

- Social capital is about social relations
- Reflected in institutions, organizations, groups, networks (AVAILABLE social capital)
- Reflected in the USE of these groups and networks
- Rooted in 4 types of social relations

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### How is this “collective” share of social capital to be measured?

- We make use of 4 propositions
  - Social capital is about social relations (organizing action)
  - Reflected in institutions, organizations, groups, collective events (formal and informal)
    - This is AVAILABLE social capital
      - Institutions are the manifestations of social capital and provide the potential for its use.
  - Reflected in the USE of these organizations, groups, and networks by individuals and groups
    - This is what we refer to as the USE of social capital
  - Four bases for social relations and action (each with its own norms for behaviour, participation, distribution of benefits):
- We construct measures based on these propositions
  - At the level of the sites (‘collective’) – consider this to be AVAILABLE social capital
  - At the level of individuals or households – do they USE the available social capital?
  - Measures are sensitive to the 4 types of social relations (also have an overall summated index)

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## Measuring AVAILABLE Social Capital

- **Market relations:** Enterprises, Financial institutions (formal and informal), commercial services
- **Bureaucratic relations:** Schools, Gov't organizations, corporations
- **Associative relations:** Voluntary associations
- **Communal relations:** Family networks, Daycares, Senior citizens' centres, Religious organizations, Community-integration events

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### Main points

- Same general perspective guides our measurement decisions for both the availability and use of social capital
- I will focus on availability first
- I won't get into the details of the measures (these are available in other documents), but will give you an idea of the types of institutions and groups as classified by the 4 types
- We have used the information we collected at the site level (our profiles and IWG data) to identify the different types of organizations and groups within the site.
- Collected an inventory of businesses, services, volunteer groups, annual events, media services, health, transportation, recreation, education and other facilities within 30 minutes of the site.
- Classified them into the predominant type of relation they represented
- (S) Created an index for each of the 4 types
  - Log transformation of several of the counts to reduce the impacts on the index of some of the more frequent organizations or activities (number of businesses, religious institutions, community events)
- Created a summary index
- Conducted basic validity checks

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## Measuring USE of Social Capital

- **Market-based:** Employment, M-Internet, market services, employment organizations, market support
- **Bureaucratic-based:** B-Internet, bureaucratic services, actions re. bureaucracies, bureaucratic support
- **Associative-based:** A-Internet, associative services, associative-based groups, associative actions, associative support
- **Communal-based:** C-Internet, sharing goods, sharing services, family support

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Main points:

- Important difference between having social capital available and using it
- Use implies some level of ability and competence with the respective type(s) of social relations
- Using our HH data we look at the kinds of networks in which people are involved:
  - **Market-based:** Employment, use Internet for business, use market services, participate in employment organizations, turn to market for support
    - Imply familiarity with market relations
  - **Bureaucratic-based:** use Internet for bureaucracy, use of bureaucratic services, actions directed to bureaucracies, turn to bureaucracies for support
  - **Associative-based:** use Internet for associations, use of associative services, participation in associative-based groups, actions reflecting associative involvement, turn to associative for support
  - **Communal-based:** use Internet for communal relations, sharing goods with family, sharing services with family, turn to family for support
- The distinction between social capital and its use raises an important empirical issue: how are they related?

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### AVAILABLE Social Capital is not always USED

USE of SoKp (HH-level)	AVAILABILITY of Social Capital (Site-level)				
	Market	Bureau.	Assoc.	Comm.	Total
Market	.12	.08	.21		.15
Bureaucratic	.22	.13	.35		.29
Associative	.20	.09	.28		.22
Communal	-.18	.09	.07	.05*	
Total	.19	.12	.32		.25

• (r) (N=1849) Unless otherwise indicated p<.01; \* p<.05  
 • Availability is measured at the site level (Source: NRE Site Profiles 2000)  
 • Use is measured at the household level (Source: NRE HH Survey 2001)

Focusing on one type will distort results and policies

First – To what extent are the available types of social capital actually used?

Main points:

- Correlation coefficients for the relationship between AVAILABILITY of social capital and its USE

- [Technical problem of level of analysis: site level and HH level

- Can create problems for estimation of statistical significance]

Findings and Implications

- Weak relationships between availability and use of SoKp

- Diagonal shows low relationships between same-type social capital availability and use

- Off-diagonals:

- Availability of communal-based seems unrelated to most forms of USE

- Show some opportunities

- .21 in top row: higher relationship between associative-based relations and use of market-based SoKp

- Possible Implications: Various types of SoKp underutilized, opportunities lost?

- Policy: Building infrastructure for SoKp may not always have direct effect on its use

- E.g HRDC policy directed to community capacity-building may have limited effects on the actual use of various types of social capital

- Most policies directed to site-level characteristics (social capital), not to HH-level

- May have limited effectiveness in building household social capital\

- Need more research to understand how the processes operate at the 2 levels and

- How the 2 levels relate to each other

- Next - Does social capital make a difference?

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## Correlations are all positive for types of social capital used

	Bureau.	Assoc.	Comm'nl
Market	.18	.28	.27
Bureau.		.37	.41
Assoc.			.29

- **No substitutions**  
Policy: Weak safety net
- **But: Complementary**  
Policy: Local strength in one can be used to build capacity in others

(r) 1995 HHs – sums of logged items p<.01  
Source: NRE HH Survey 2001

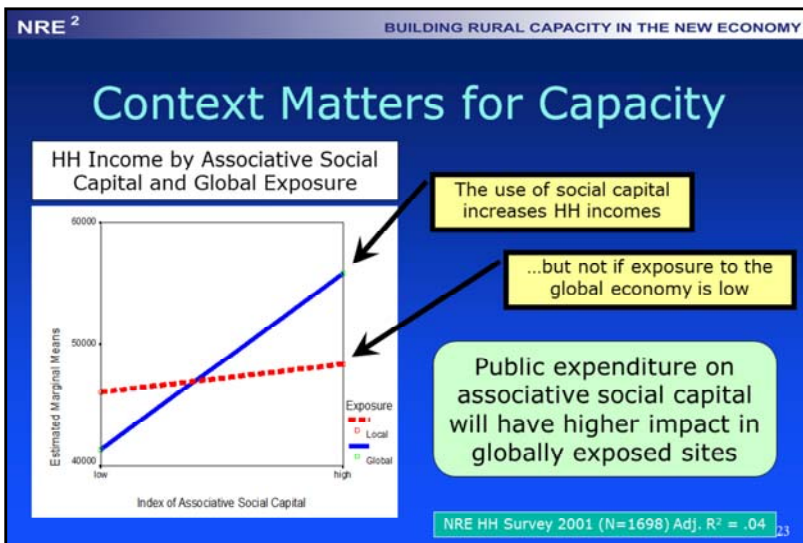
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**Main Points:**

- Use of one type of social capital does NOT substitute for another
  - Policy implications: one type of social capital does not provide a safety net for those who are weakly connected to the others
- However, the various types are complementary
  - Policy implications: strength in one type of social capital can be used to build another
- Table:
  - Correlation again
  - .18 = statistically significant, but not strong
  - Highest value is between bureaucratic and communal (.41)
- Differences in correlations
- Lower than site level – probably due to larger sample size
- All positive
  - Means that if a HH is high in one type it is likely to be high in the others
- Suggests:
  - Little substitution (compensation for low level HHs), but
  - Yet still opportunities for action:
    - Skills in market relations may be improved by working through strength in associative
    - Use of government services is associated with family networks, etc.
- Raises the question: What are the conditions that encourage or support the use of various types of social capital?

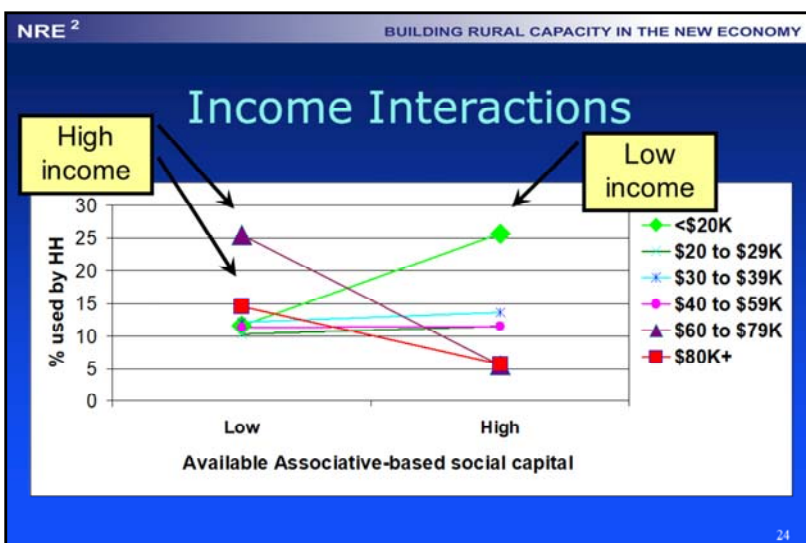
	1 person HHs: N=288			2 person HHs: N=805			3-person HHs: N=228		
	B	A	C	B	A	C	B	A	C
M	.10**(.04)	.24**(.18)	.23**(.18)	.05(-.01)	.23**(.22)	.21**(-.19)	.26**(.25)	.38**(.38)	.30**(.26)
B		.39**(.34**)	.37**(.31)		.34**(.33)	.37**(-.35)		.40**(.39)	.37**(.37)
A			.32**(.28)			.25**(.24)			.33**(.31)

	4+ person HHs: N=674			Variation			
	B	A	C	1-p HHs	2-pHHs	3-pHHs	4+pHHs
M	.27**(.26)	.33**(.33)	.18**(.18)	.49**(.40)	.70**(.66)	.64**(.62)	.70**(.70)
B		.38**(.38)	.44**(.45)	.22**(.18)	.03(.02)	.18**(.10)	.02(-.03)
A			.29**(.28)	-.17**(-.35)	-.16**(-.21)	-.16*(-.21**)	-.22**(-.24)
C				-.24**(.28)	-.17**(-.21)	-.20*(-.26**)	-.29**(-.30)



### •The Context Matters

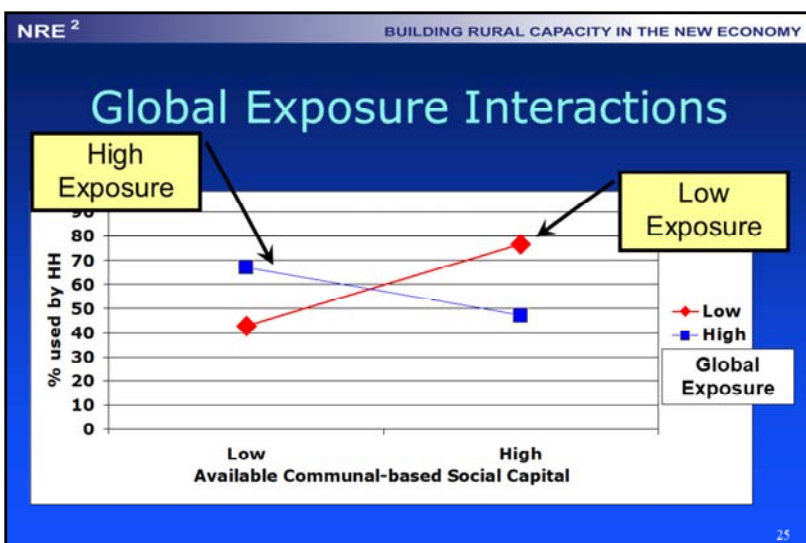
- Graph shows the interaction effect of household incomes by associative-based social capital and the level of exposure to the global economy
- It illustrates the importance of context on the relationships identified
- The use of associative-based social capital increases household incomes
- However, this is only true for sites that are relatively well connected with the global economy.
- Policy implication: Public expenditure on building associative-based social capital will have a higher impact in globally exposed sites over locally exposed one.



### Income Interactions

- What differences do site characteristics make on social support use by various income groups?
- Use of associative-based supports by income and level of associative-based social capital in the site.
  - Question: if we build associative-based social capital (or if it becomes more important), who is likely to make most use of it?
- (S2) Low income groups (< \$20K)
  - More use of associative-based social support where associative-based social capital is high
  - Suggests more availability → greater use
- (S3) Medium income groups (\$20K-\$59K)
  - Little difference depending on level of social capital in site
- (S2) High income groups (\$60K+)
  - More associative-based social capital → less use
  - Counter-intuitive from the availability hypothesis
- Implications
  - High levels of Associative-based social capital (volunteer groups, clubs, religious institutions)
    - Biggest positive impact on low income HHs
  - Is building associative-based social capital an important focus for integration and support of the poor?
- NEXT: what about the sampling frame variables?
- 
- Other HH characteristics examined:
  - Single mothers: highest level of use of A-based SS in sites where A-SoKp is high.
  - Not simple additive effect since A-SoKp alone is negatively related to use of A-SoKp once interaction is controlled.





Five dimensions on which we chose the field sites – systematic comparative approach

- (S2) In sites with low global exposure:
  - Increasing communal-based social capital means increasing the use of communal social supports
- (S2) In sites with high global exposure:
  - Increasing communal-based social capital means lowering the use of communal social supports
- Implications?
  - Does this mean that family and neighbourhood support policies will have opposite effects in communities which are well connected to the global economy from those that are relatively isolated from this economy?
  - Why does this occur?
  - What are the processes by which it occurs?
  - Needs more detailed study of these processes.
- Similar conditional effects occur with respect to all 5 of the sample frame variables:
  - Global exposure and B, A social capital and support: High glob, Low BSK → Low use of BSS; Low glob, Low ASK → High ASS use*
  - Stability of the economy and M, B social capital and support: Stab, High MSK → High MSS use; Stab, Low BSK → Low BSS use*
  - Metro adjacency and M, C social capital and support: Adj, High MSK → Low MSS use; Adj, High CSK → High CSS use*
  - Institutional capacity and C social capital and support: Low Cap, Low CSK or High Cap, High CSK → High CSS use*
  - Leading/Lagging status and M, C social capital and support: Lag, Low MSK → High MSS use; Lead, Low CSK → Low CSS use*

NRE<sup>2</sup> BUILDING RURAL CAPACITY IN THE NEW ECONOMY

### Perception vs. Behaviour-based Indicators of Social Cohesion

Return

	Market	Bureau	Assoc.	Comnl	Total
Community Cohesion	.10	.11	.25	.18	.24
Psychol. Cohesion	.09	.12	.25	.17	.24
Attract-iveness			.14	.08	.09
Neighbour-liness	.13	.08	.15	.20	.21

(r) All correlations significant at .01 level (2-tailed) Source: NRE HH survey 2001: 1991 respondents 26

#### Main points

- Correlation coefficients between social cohesion as measured by perception (S) and actual behaviour (S)
  - HH level
- 4 aspects of social cohesion based on perception
- Social cohesion based in 4 types of relations for behaviour
- Perception and behaviour not always the same
- Most research relies on perception, but seems weakly related to behaviour
- Potential problem for policy
  - Focus on perception alone may be ineffective in outcomes
  - Focus on perception limits options
  - Perception more sensitive to identity?
  - Perception less sensitive to incidents?
- We prefer to integrate behaviour-based since it is less susceptible to impression-management and identity issues
- But does it matter for outcomes?...

NRE<sup>2</sup> BUILDING RURAL CAPACITY IN THE NEW ECONOMY

## Challenges of NRE-Style Research

- Finances: long term and multiple sites
- Multiple disciplines
- Research, Citizen, Policy collaboration
- Institutional Obstacles
  - Academics and participation-based research
  - Small universities and careers
- Hierarchical analysis

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### Challenges of NRE-Style Research

- Finances: long term and multiple sites
  - Making commitment to site people for the long term difficult
  - Convincing funders of the value of long term difficult
  - Multiple sites are expensive – especially with higher travel costs for rural
- Multiple disciplines
- Research, Citizen, Policy collaboration
  - Extra time
  - Multiple audiences and approaches
- Institutional Obstacles
  - Academics and participation-based research
  - Small universities and careers
- Hierarchical analysis

NRE<sup>2</sup> BUILDING RURAL CAPACITY IN THE NEW ECONOMY

## Strategies

- CRRF (inclusive) and NRE (inclusive)
- Field site day, workshops, conferences
- Junior and Senior division of labour
- Integrate students and prepare for turnover
- Integrate policy-makers in multiple ways
- Multiple forms of knowledge mobilization

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### Strategies

- CRRF (inclusive) and NRE (inclusive)
- Field site day, workshops, conferences
- Junior and Senior division of labour
- Integrate students and prepare for turnover
- Integrate policy-makers in multiple ways
  - Building credibility as important as the content
- Multiple forms of knowledge mobilization

### Advantages

- Long enough to see both ups and downs
  - Eg. Mackenzie story

## Emerging Issues

- Rural-Urban relations
  - Changing functions: carbon sequestration, pollution processing, natural amenities
  - Common interests: food, water, environment
- Immigration and rural revitalization
- New forms of governance
  - Challenges of private, public, civic sector relations
  - Accountability and representation

# Building Rural Capacity in the New Economy

The New Rural Economy Project

<http://nre.concordia.ca>

<http://www.crrf.ca>

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