

SOCIAL IMPACT ASSESSMENT

– THE STATE OF ART

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The present research is coming to deal with a constant need within the present-day Romanian institutional framework: building a model for Social Impact Assessment of programs and projects mainly for the public field. Social impact assessment (SIA) refers to the quantification of the net effects of a program upon groups, communities and upon the society in general. The objective of this study is to scan the most recent literature in the field, and to identify a social impact assessment model that can be used to assess a program financed from public money. The present study highlights useful information regarding the theory and practice of social impact assessment.

I. Foreword

Social Impact Assessment (SIA) is a specific type of evaluation extremely useful in project planning and management, a research technique and a public policy instrument successfully used all over the world by those responsible with institutional and organizational management, with the coordination of projects and programs financed from public or private funds. High public officers, politicians, managers, institutions' or organizations' leaders, program directors and project coordinators etc. use the SIA in order to notice in time the effects of the interventions they implement or they intend to implement. The aim is to see in time and mitigate the unwanted effects on the groups of people, on communities and on society, as well as to encourage the positive elements of the impact. In short, SIA is used in order to minimize losses and maximize the benefits of the interventions upon small or large social groups.

II. Background

People have tried to foresee the effects of their actions since ancient times. Predicting and assessing the consequences of change on society has been part of the political landscape since the Oracle of Delphi (Backer,1997: xi)

The roots of SIA, as most recently investigated by Christopher Barrow, "lie, in part, in research carried out since 1950s by anthropologists and sociologists who feared that proposed developments might have serious negative side-effects..."(Barrow, 2004:2) As

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a specific concept, SIA originated with the 1969 National Environmental Policy Act of the USA (NEPA)(Vanclay,2003). SIA has been promoted side by side with the notion of Environmental Impact Assessment, and they had a parallel evolution.

The impact of induced social change upon man is perhaps most succinctly outlined by C. P. Wolf in his description of the *curious transposition* by which culture has come to dominate nature: the problem of social impact assessment is not so much what we are doing to the environment; it is what we are doing to ourselves through the medium of environment by technological misapplications. (C. P. Wolf 1974, p. 3).

III. The actual knowledge stage in the area on international level

Presently, the knowledge stage in the area on international level is extremely advanced, in spite of the relatively short time (35 years) passed since the first systematic approaches in the field have appeared.

The essential contributions comes from the academic research (closely in touch with the practitioners from local and central governments in numerous states, from the Non-Profit sector (that finances different interventions with impact on individuals, on groups, on communities and societies), and from the International Organizations, which, in their turn, implement a series of programs and projects in numerous states and communities (The European Union Commission, The European Bank for Reconstruction and Development (EBRD), The World Bank (WB), United Nation Development Programme (UNDP), The Organization for Economic Co-operation and Development (OECD), The United States Agency for International Development (USAID) etc.)

Concerning the technical issues, the methodology used, there is a certain agreement among professionals. Social Impact Assessment involves the use of sociological research methods, both quantitative (statistical) and qualitative (observation, interview, case-studies, etc).

For Social Impact, a varied methodology has been developed, according to the socio-economic, cultural and organizational context, according to the nature of the intervention, the necessary variables to be measured, the available budget, and also according to the research capacity and a series of other factors involved.

Out of the most recent publications in the field, a catalogue of the research designs for impact assessment can be presented, according to the intervention assignment, the type of controls used, and the data collection strategies (Rossi et al., 1999, p.261). Therefore, randomized experiments, quasi-experiments, simple analysis before and after intervention, cross-sectional studies for non-uniform programs, panel studies: several repeated measures for non-uniform programs and time-series: many repeated measures, can all be included in SIA toolkit.

1. The Academic Research

The academic research have a sound impact on the actual knowledge stage in SIA field through researchers such as Christopher Barrow, Frank Vanclay, Hank Becker, Rabel J. Burdge, Allan Dale, Nicholas Taylor, Marcus Lane, Bryan Hobson and Colin G. Goodrich, and many others. They promote the study of SIA theoretically and practically through the many publications in the field, through the IAIA-International Association for Impact Assessment, and inside this, through numerous activities such as teaching, organising workshops, conferences, discution lists, editing professional publications, through permanently updating the domain web site: www.iaia.org .

A special feature of recent contributions is the stress placed on the practical applicability of the information proposed. That is why, a good part of the newly-appeared publications focus on definitions, justification, and they come with methodologies that, followed step by step, lead to the practical implementation of SIA. A recent example in this way is the book of Christopher Barrow: "Social Impact Assessment: An Introduction", published in 2004, at Oxford University Press. Endowed

with more practical aims than theoretical ones, SIA has at least three generally accepted objectives: to inform about changes in norms, beliefs, perceptions, values and their effects, to anticipate possible impacts of actions both negative and positive, to suggest development alternatives to avoid. In short, it is meant to reduce or mitigate problems and maximize benefits. (Barrow, 2004:3)

Another example is the contribution of Rabel J. Burge, “A Community Guide to Social Impact Assessment”, 3rd Edition, 2004. The Guide is a tool for practitioners at all levels —social scientists, agency employees, community leaders, volunteers—to complete social impact assessments (SIA’s) efficiently and effectively. The Guide is a how-to manual that provides the users with a step-by-step process easily followed by persons with minimal social science training. Burge organizes the information into three sections: the first part (Chapters 1 to 6) he provides the background, a short history, the conceptual model, the SIA scoping process and an explanation as to how to obtain data to measure SIA variables. The second part (Chapters 7-11) corresponds to the five categories of SIA variables—population change, community and institutional arrangements, communities in transition, individual and family impacts and community infrastructure needs. In the final part of the book (Chapters 12-13) Rabel J. Burge provides worksheets for summarizing SIA variables, and how resulting data may be used in the SIA mitigation/enhancement process of the respective programs/projects under analysis. Still in 2004, Rabel Burge publishes another book, *The Concepts, Process and Methods of Social Impact Assessment*, that comes to complete the guide we have presented above. This book develops the SIA concept, presents the different SIA processes and methods, some case studies recently done, describes the link between SIA and Public Participation, and in the end presents SIA in an International context.

Frank Vanclay is situated in the same paradigm. Together with other authors from IAIA, he published in 2003, *International Principles for Social Impact Assessment*. “Today, the objective of SIA is to ensure that the developments(or planned interventions) that do occur maximize the benefits and minimize the costs of those developments, especially those costs borne by the community”(Vanclay, 2003:1). He mainly refers to externalities, costs that are not properly taken into account. The decision makers, regulatory authorities and developers fail to consider them partly because they are not easily quantifiable and identifiable (Vanclay, 2003). Vanclay also brings into attention the importance of the participatory process in order to get better consideration to what appropriate development for a community may be. Vanclay acknowledges that there is a significant difference between assessing a social impact in fairly different environments from the perspective of the degree of development. Also, it is stated that for the less developed countries, there is little methodology developed for social impact assessment. (Vanclay, 2003)

This is the explanation, at least in part of the duplication in the scientific literature on international level, duplication that I will bring into attention a bit later. At the same time, this explains the precarity of the Romanian literature in the field, that I shall approach in the second part of the study (The Actual Knowledge Stage in Romania).

C. Nicholas Taylor, C. Hobson Bryan and Colin G. Goodrich publish in 2004 *Social Assessment: Theory, Process and Techniques*. What is new in their approach the strategic use of SIA: *Strategic application of social assessment also occurs in the development and implementation of programs and policies* (Taylor et al. 2004:16). The authors, experienced practitioners, hold numerous lectures and trainings in the field for public, private, non-profit national and international organizations. This too is a handbook explaining SIA implementation step-by - step.

Even if they arise from a vast array of sources, directions and experiences, the papers that were reviewed have the following typical structure:

1. Definitions of SIA
2. Identifications of key impacts of particular activities in particular environments

3. Identification of existing tools
4. Development of new tools
5. Development of routinized procedures for performing SIA
6. Identification of methods to integrate SIA with other planning or decision-making efforts

A four step model could be identified at the crossroad of all presented approaches:

- A) The first step is a descriptive one. It refers to the program being analyzed and tries to answer as completely as possible questions like: What was the scope of the program? Who are the stakeholders? How many beneficiaries were involved? What were the resources used? Which was the distribution on services? What were the time and place coordinates? What were the results of the program?
- B) The second step refers to the impact assessment methodology. The questions it tries to address are: What was the methodology used?(detailed approach) How were the participant and non-participant sample selected? How was the control group identified? What is the profile of the participants and of non-participants?
- C) Impact assessment results are being underlined. It answers questions like: What was the impact of the program? What were the net results (if possible)? (Establishing the confounding factors). What are the results of the impact?
- D) Conclusions and recommendations section highlights the main findings of the social impact assessments, the learned lessons and the main future directions of action.

Results indicate that few individual efforts involve all these topics. Certainly, every author focuses mainly on certain issues. It is significant that despite these differences in substance, the similarity in definitions, tools, and checklists was surprisingly high. This consistency points to some consensus regarding needs and methods, but also suggests some duplication which stress a real need to contextualize the methodology according to coordinates such as: geographical location, historical background, the type of culture etc.

The duplication is partially explained by the fact that this assessment tool has been used predominantly by entities from the *developed countries*, having a certain type of culture, a democratic tradition, with a clear and established (predictable, less dynamic) organizational and institutional culture.

The so called *developing countries*, in transition towards a democratic regime, with a huge dynamic of the institutional organization, such as Romania, or the *less developed countries*, still under a totalitarian regime and with a rudimentary organization of the institutions didn't benefit from a research infrastructure in SIA field.

The international institutions and organizations have implemented the only research of this kind here and the national characteristics and the national interest have not always been considered.

2. International Organisations

The Commission of the European Union, The European Bank for Reconstruction and Development (EBRD), The World Bank (WB), The International Monetary Found (IMF), The Organization for Economic Cooperation and Development (OECD), The United States Agency for International Development (USAID) etc. use SIA to guide their investment and intervention projects in different geographical areas and fields of activity.

The World Bank uses SIA at large scale. With an entire department engaged in Impact Assessments, WB makes such studies for each of the projects it finances. WB experts assess the social impact following rigorous methodologies, clearly stated, On the web site of the WB there are presently 134 documents that can be accessed and that contain elements of SIA calculation. There are made available to the public the methodology, the data collection and their sources, and, selectively,

certain impact studies organized according to the type of impact and to the country where it has been studied. Numerous SIA studies are catching the eye due to their diversity of methods and of the projects under investigation. A series of handbooks are being presented, that explain the methodology and processes involved by a SIA. Among the most significant is Judy Bakers' *Evaluating the Impact of Development Projects on Poverty: A Handbook for Practitioners, Directions in Development*, World Bank, Washington, D.C edited in 2000. In *Sourcebook for Poverty Reduction Strategies*, World Bank, Washington D.C., appears during the same year *Monitoring and Evaluation* written by Prennushi, G., G. Rubio, and K. Subbarao . An impressive series of articles written by WB experts among who we can mention James J. Heckman, Jeffrey A. Smith, Nancy Clements, Christopher Taber Grossman, Jean Baldwin Karen Fulbright-Anderson, Anne C. Kubisch and James P. Connell and many others.

The distinctive feature consists in the fact that the vast majority of studies are made on WB projects focused on the fight against poverty. Therefore, considerable stress is placed upon the economic dimension of the social impact. It is quite natural, considering the mission of the WB is fighting the poverty.

Otherwise, here is no major distinction between the tools used by WB and those built by the academic community.

Still, the wide geo-political and cultural area of action is obvious in the methodology used by the WB and especially in the diversity of variables and tools.

Recently, the EU Commission published a guiding catalogue of indicators that should be considered in SIA.

Among these, there are: Social Cohesion (social integration, poverty or extreme poverty dimensions, the risks of poverty or social exclusion, geographical social cohesion, long term unemployment, the accessibility of services of general interest), Employment Quality (occupational health and safety arrangements, the rights of the workers, labor market organization, the balance between personal and professional life, employment opportunities, integration through employment, etc) Social Protection and Social Services (levels of social protection, accessibility etc.), Consumer Interests, Education, Social Capital, Liveable Communities, Fundamental Human Rights, etc.

Barrow stressed the link between SIA and sustainable development. "Increasingly, SIA and related fields like strategic environmental assessment (SEA), are being explored as aids to achieving sustainable development" (Barrow, 2004:2).

3. The Non-Governmental Organizations (NGO)

The Non-Governmental Organizations, especially the grant makers are usually interested in SIA. The main donors developed their own toolkit for SIA. For instance, Ford Foundation, USAID, Rockefeller as well as others have made public their instruments for social impact assessment, accompanied by numerous case-studies. One of the goals is, for sure, the accountability of their actions. It is worth mentioning though, that their social impact assessment is in perfect agreement with the methodology specific to the academic research and to international organizations. Certainly, the research methods and techniques for social sciences need not to be reinvented. But their application is in accordance to the interests of the financing entities and to the cultural background of the researchers who conceive the instrument and effectively realize the research.

IV. The present knowledge stage in Romania

Studies regarding the social impact have been published in Romania since 2002. These are mostly the contributions of the researcher or the co-operators of The Research Institute for Quality of Life (ICCV). Be it about books, specific chapters, articles, papers presented on the occasion of conferences or research works conducted for a third party, most of the Romanian contributions approach only adjacently the Social Impact Assessment issue.

In 2002, S. Ilie has written about *Formal and informal incomes of the Romanian Households* in a book coordinated by Rainer Neef and M. Stănculescu: *The Impact of Informal Economies in Eastern Europe*, Ed. Ashgate U.K. In the same volume, the study *Households economic strategies between state, market and the informal economies* by M. Stănculescu appears. Both papers bring information for Social Impact Assessment, but not methodological issues specific to the social impact.

In 2003, it is published at Editura Institutul European, a bilingual edition of *Impactul pre-aderării. Politici de coeziune și dezvoltarea regională economică și socială a României/Pre-Accession Impact Studies. EU Cohesion Policy and Romania's Regional Economic and Social Development* having M. Stanculescu among the authors. Again, the Romanian contribution is limited to data provision and making analysis indirectly connected to the Social Impact Assessment. In *Quality of Life in Romania* and in *Politica Socială. Studii 1990-2004*, published at Expert Editing House, Ioan Marginean identifies certain social indicators useful for an impact analysis.

Little works or research published are directly approaching the issue. And this happens when third parties, usually international institutions (mostly The European Commission or the World Bank) request it. Havinh M.S. Stanculescu among its authors, *Toward Country - Led Development. A Multi-Partner Evaluation of the Comprehensive Development Framework. Findings from Six Country Case Studies: Bolivia, Burkina, Faso, Ghana, Romania, Uganda, Vietnam* makes direct references even if short ones to the social impact, through the variables analysis. It is also worthy mentioning D. Chiriac and C. Huma who published *Impactul socio-economic al fenomenelor naturale dezastruoase în România - inundații, alunecări de teren, secetă* a 62 pages study in *Probleme Economice* vol. 20-21/2002 CIDE, where issues of SIA methodology are approached in the context of socio-economic development analysis. Some papers presented to conferences, debates and workshops are worth to be noticed, where the authors refer, among other issues to social impact. It is the case of S.Vonica Răduțiu, *Impactul integrării europene asupra forței de muncă din România și țările candidate*, Masă rotundă despre politicile sociale. Seminar la Universitatea Lucian Blaga, Sibiu , 7-8 iunie 2002 and of D. Chiriac, *Influența habitatului asupra calității vieții populației din România 2001 - 2003. Ecologizarea localităților - indicatori de calitate a vieții*, Sesiunea anuală de comunicări științifice a I.C.C.V., 29 februarie 2002, I.C.C.V., București.

In 2003, the city of Cluj-Napoca hosts the debate *The Impact of European Enlargement on Cluj Community*. The goal of the research that fundamented the debate was to reveal socio-economic and institutional changes generated by the pre-accession process that Romania experienced, and that involves reaching a certain degree of convergence between the Cluj community and the EU. Even if research methods and techniques specific to social sciences are applied, the methodology of social Impact Assessment is still intuitive, in a stage more or less of *educated guess*.

This is because, at that time as now, there is no such methodology at hand for the Romanian researchers. None of the imported methodologies cannot be taken without further adjustments. Their design of SIA models is specific to the societies that produced them. The specific feature is that they apply only to an institutional framework where there are planning and monitoring activities for all programs and actions. At this time, in the public field, the plans and the strategies, if any, are more or less formal. And the issue of monitoring and other evaluation types is out of the question, most of the time. Still another premis of foreign methodologies is the existence of a legal framewok in the field, that regulates and requests periodic monitoring and evaluation for the activities. In Romania, so far, we lack this type of legislation. And still, we need impact assessments to anticipate the effects of our actions and to mitigate the unwanted effects or, on the contrary, to encourage the positive ones. The variables analised by foreign research need to be adjusted and re-evaluated.

In *International Handbook for Social impact assessment* (2003), Vanclay and his cooperators note this shortage and are trying to build an instrument that can be applied internationally. This is still a

mission impossible, considering the low degree of convergence worldwide, and the still huge socio-cultural, political and economical differences around the world. There is an initiative convicted to a high degree of generality. The need is still here: Vanclay acknowledges that there is a significant difference between assessing a social impact in fairly different environments from the perspective of the degree of development. Also, it is stated that for the less developed countries, there is little methodology developed for social impact assessment.

Presently, there is no methodology for Social Impact Assessments adapted to Romanian realities and particularities.

V. Trends

Worldwide, the trend is to associate SIA to the sustainable development. Vanclay links directly SIA with the sustainable development issue. This way, he defines SIA as „ the philosophy towards development and democracy (that spots) the development pathologies (e.g. harmful impacts) development goals (like the poverty reduction) and the development process (e.g. participation and capacity building) ”(Vanclay,2002:388)

As noted before, Barrow too noted the link between SIA and sustainable development “Increasingly, SIA and related fields like strategic environmental assessment (SEA), are being explored as aids to achieving sustainable development” (Barrow, 2004:2).

Methodologically speaking, SIA is conceived as the process of analyzing and managing the intended and unintended consequences on human environment of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions so as to bring about a more sustainable and equitable biophysical and human environment.

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