



by Julia Haggerty

# Community Resilience and the Third West in Transition

This essay considers community resilience in an economic geography called the Third West. The Third West describes those parts of the West that are deeply intertwined with production economies based on public lands resources and that refuse to “go away” despite widespread economic restructuring. Because this economic geography is one characterized by uncertainty and pressing transition, describing and addressing community resilience is a critical task for public lands stakeholders. A summary of lessons learned about how local institutions engaged with the impacts of the West’s recent oil and gas boom highlights the role of institutions in community resilience.

## What is the Third West and Why are We Still Talking About It?

Ray Rasker of Headwaters Economics coined the term “Three Wests” to describe differences between three types of economic geographies found in the West. The three types include metropolitan areas, counties “connected” to metropolitan markets through commuting and airport networks, and the remote and isolated counties located beyond an easy commute to airports or metro areas (Map 1).

That third category of geographically isolated counties constitutes a formal economic region and also overlaps with both academic and popular notions of the rural West: It is characterized by open spaces, low population densities, and the landscapes of extraction and primary production associated with the Old West. Natural resources located on public lands are often a cornerstone of the primary industries of Third West geographies. Notably, the Third West is neither the metropolitan West, where the vast majority of westerners live, nor the connected counties that benefit

from proximity and access to metropolitan areas and the knowledge economy centered there. Third West counties underperform compared to metro and connected counties with respect to ability to capture high-wage service sector jobs, average earnings per job, and income volatility. Demographically, the region suffers from outmigration, an aging population, and lower levels of human capital as measured in educational attainment.

The Third West’s social and economic “under”-performance involves several related issues: First, their distance from metro areas severely limits the ability for rural residents to participate in the dominant economy of the 21st century—that built around innovation or knowledge-based services. The steadiest source of employment in rural areas for the past few decades has been in the public sector—in local, state, and federal employment. And that is largely because opportunities in primary industries reflect the ongoing



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trends of automation and mechanization, resulting in greatly reduced labor demand. Finally, the economic profile of Third West areas leaves them exposed to fluctuations in tax revenue and income associated with the volatility of commodity prices.

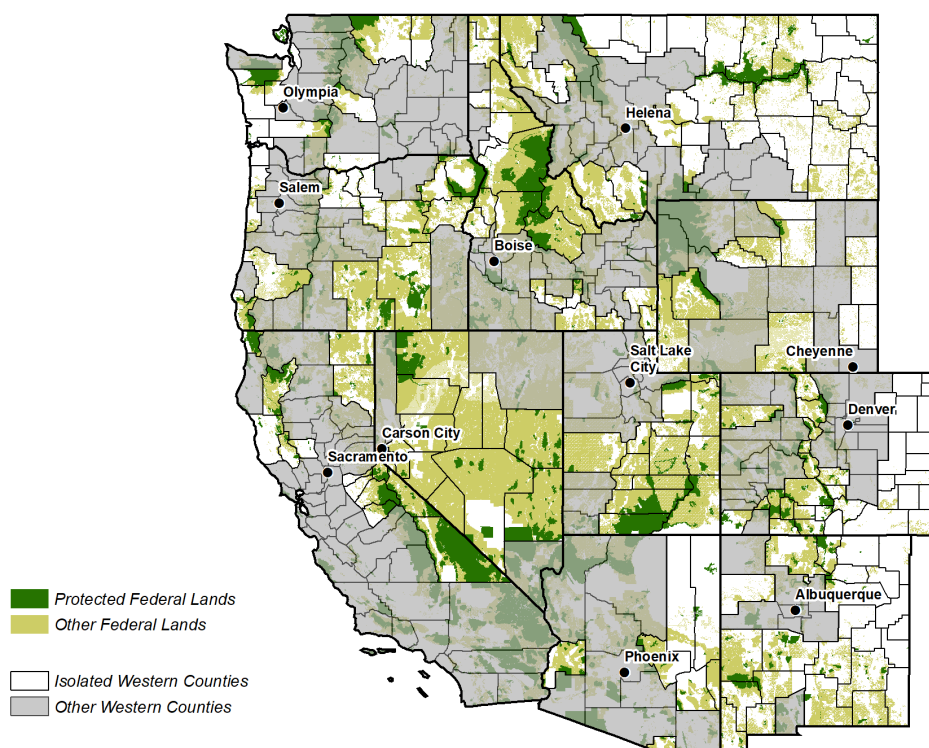
There is another characteristic of much of this region—what the rural sociologist Carl Frederick Kraenzel, writing in the 1950s, called the social cost of space. The social cost of space refers to the confounding effects of distance and low population density on the cost to deliver social and governmental services. From doctors to snowplows, there is more time and distance involved in providing services in the Third West, and fewer people to bear the cost.

More recently, Ben Winchester of the University of Minnesota Extension has added a new perspective on the social cost of space. Winchester has documented, using 501c3 records, steady growth in the number of nonprofit organizations across the country in recent decades. Much of this is in response to the devolution of governmental activities out of the private sector—nonprofits have emerged, in part, to pick up the slack in our nation’s safety nets. Winchester went on

to ask about the implications of this trend for rural communities. He found that the number of nonprofits was growing at similar rates in rural and urban areas, but of course, that populations are not. **In many parts of the Third West, and other rural parts of America, there are four times fewer adults for each volunteer role than in urban and suburban areas.** This is important when we think about community capacity to respond to economic and environmental change.

Drawing on the “New West” canon of economic geography featuring Ray Rasker, Patty Gude, Bill Travis, William Beyers, Thomas Michael Powers, and others, one could ask why we are still talking about this part of the West. Isn’t it a “lost landscape and failed economy” that has been replaced by amenity-based growth? In some ways, that is true—at least in terms of the Third West’s population, employment numbers, and levels of personal income compared to the rest of the American West. But the reality is—and electoral politics increasingly show—that the Third West is very much still there, still has communities and residents, many of whom are key public lands constituents, still supports extractive economies,

Map 1: The Third West includes isolated and remote counties in the West (outlined below), in contrast to metropolitan and connected counties (shown in gray).



and may have new and emerging value relative to the intensive development occurring in metro and connected places in the West.

Indeed, on top of the inexorable effects of industrial mechanization on the number of jobs in primary (goods producing) sectors, the Third West faces new and often overlapping forces of change (Table 1). In this way, the Third West is neither the Old West we know, nor the New West, but really a third geography with new sets of challenges. The most obvious are the impacts of climate change on hydrologic and weather patterns, but they also include continued growth in price gap between rural and urban land that attracts surplus capital to rural land for investment purposes. Financialization of the economy creates greater anonymity and turbulence in corporate structures and accelerates the process of eliminating “inefficient” rural firms. In addition, the Third West is witnessing new versions of industrial development with very uncertain local impacts and outcomes. Some parts of the Third West will experience tremendous investment in new types of industrial projects—and many of these projects will benefit from access to publicly-owned resources—in which the value of production remains high despite declining labor demands. Substantial capital will be focused on decommissioning of industrial projects and associated environmental restoration. Whether the projects are Superfund cleanups, new wind farms, or short-term, high-tech mining projects, all of these activities demand that Third West communities identify and capture the local value proposition (something which is often elusive at best).

Table 1: Share of sector employment, by type, for three county types in the West, 2016. (Source: U.S. Dept. of Commerce. 2016. Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C. Table CA25N).

	Metro	Connected	Isolated
<b>High Wage Services*</b>	16%	11%	9%
<b>Goods-producing Sectors</b>	18%	23%	25%
<b>Government</b>	15%	18%	19%

*\*High wage services defined as Management of companies or enterprises; Information; Utilities; Professional Technical and Scientific Services; Finance and Insurance; and Wholesale Trade.*

Residents of the Third West appear to face an impossible situation: dwindling economic opportunities and a growing mismatch between local capacity and the scale and complexity of impending challenges. And despite warnings to the contrary, the Third West is not going away. Third West communities need resilience.

## Community Resilience in the Third West

Community resilience is a popular term with high crossover appeal (from academia to policy and practice). With roots in psychology, community development, and social-ecological systems theories, community resilience describes how residents of a place self-organize and exercise agency in response to shock. Natural disasters (fires, floods, drought, etc.) constitute the primary pole of community resilience research and practice—here, the idea is that the most resilient communities self-organize when disaster hits in ways that reduce the damages of that disaster to their population. However, shocks can take multiple forms and can include economic and policy events as well as slow-onset environmental events. Community resilience remains a salient notion in these contexts, particularly because of the reality that, as in the case of fires and floods, Third West communities are “unbuffered”; they have high levels of direct exposure to the impacts of economic and policy change. As noted elsewhere in this collection, policy-induced economic dependence can increase exposure to risks associated with shocks and restricts the ability of communities to respond.

Drawing on the academic canon in this area, I like to describe community resilience as a very simple idea. In remote rural communities, community resilience involves five linked elements: outlook, place, people, networks, and process. The higher the relative “stocks” of each of these elements and the greater their integration with one another, the greater a community’s capacity for self-organization and agency in response to change. **Outlook** describes a willingness to embrace change and a positive attitude, as well as the antecedents of attitude such as social memory and local cultural traditions. **Place**—more specifically a strong sense of place and place attachment—is a catch-all term describing the vitality of the physical and built environments as well as the

relationships locals have with them. **People** refers to the individual leaders and citizens who are essential to the function of rural communities—in a model focused on local agency, you are nowhere without human capital. **Networks** are the bonds and organizations that connect and organize individuals within a community, and also, importantly, the linkages between the community and other social systems and institutions. It is these outward linkages that can foster exchange of ideas and resources, overcoming isolation and enhancing community resilience. **Process** is shorthand for the idea that when planning and self-organizing are a matter of habit for communities, they run more smoothly in a time of crisis. Think fire drill and more. Formal interactions, particularly those that result in a community vision of short- and long-term goals, are critical elements of responding to and making choices in the context of transition.

Local institutions intersect all of these elements of community resilience. Rural community and local institutions—including formal local government but also place- and community-based organizations and the rules, customs, and practices they perpetuate—are critical reflections and shapers of rural change, including its social, environmental and economic dynamics. How local organizations operate, their evolution, their victories and failures, and their potential to lead or constrain adaptive change, is critical to understanding and enhancing community resilience.

### **Lessons from the Oil and Gas Boom**

Consider the case of the role of local institutions during the West's recent oil and gas booms (events that acted as major shocks in remote, isolated locations). In a nutshell, in most rural places the social and economic impacts of rapid oil and gas development went largely unregulated and unaddressed due to a lack of capacity and regulatory institutions at the state and federal level. As a result, the majority of the response to impacts of oil and gas development in places from New Mexico to North Dakota occurred through truly local institutions—local governments but also non- or quasi-governmental organizations formed explicitly to respond to the social, environmental, and economic impacts of energy boom-bust cycles. Comprised of citizen volunteers or local government

staff taking on extra duties, these local groups met in living rooms, churches and schools, and the basements of local courthouses, often at night. In this alone, they demonstrate capacity for self-organization and agency in response to shock.

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Our research suggests that, where they existed, local institutions in oil and gas boomtowns performed three critical functions from the perspective of community resilience to the disruption of oil and gas development. The first was simply sharing information to help make boom impacts legible and share strategies for solutions—for example, comparing notes on fiscal tools to capture revenue necessary for road repairs. These groups were also heavily focused on networking local stakeholders to ensure representation across diverse community sectors in assessments of impacts and discussions about possible mitigation of them. And finally, local organizations generally worked to prioritize and coordinate impact responses, whether those were formal investments in things like buildings and infrastructure, or social responses such as one county's drunk-driving task force that coordinated a local taxi service to keep the community's roads safe at night.

A number of secondary benefits accrued to individuals and communities from local organizations and their activities. These included enhanced policy literacy—many local stakeholders (including elected officials) lacked detailed knowledge about the policies that



directly affected their capacities, whether revenue policy or industrial regulations. As a result of engaging in these impact mitigation efforts, they emerged with deeper, more practiced understandings of the working of policy. Dialogue among community members had social co-benefits in a period of rapid change. Simply introducing different people to each other and providing a space for social learning that was less heated than public meetings proved to be an important outcome. Finally, participants noted the psychological benefit of actively engaging, i.e., doing something rather than sitting around complaining.

However, these ad hoc governance experiments also showed a number of shortcomings. Most representatives of groups we studied felt their organization and its activities started too late, demonstrating the importance of existing processes and institutions when it comes to sudden onset disruptions like an oil boom. In addition, engagement in oil and gas impact activities was costly to individuals. Most were drawing upon already overtaxed personal resources of time and energy and reported feeling exhausted and depleted from their efforts. Finally, a concern of some groups was that they were so outmatched by the scale of oil and gas impacts that they were only ever in reactive mode, unable to pursue proactive planning for post-boom issues.

In sum, the experiences of local institutions with responding to oil and gas impacts in remote rural communities confirm that individual people and organizations can make a critical difference to community resilience, even in the face of overwhelming transition. They make this difference in several ways: they create efficiencies that allow better use of limited resources, they take on issues that would otherwise go unaddressed, and they enable a strong sense of community and purpose. Finally, this research has demonstrated that local institutions will be a critical “frontline” response to change in an era of limited policy reform and even barriers to the implementation of existing policy. They are not, perhaps, the best ideal singular replacement for widespread policy reform that would mitigate the exposure of the Third West to the negative impacts of transition. Local institutions, nonetheless, are today’s agents of community resilience.

## What to Do

This essay’s insights have important implications for how scholars, public land agencies, and decision-makers operate. To support community resilience, public lands stakeholders within and outside of Third West communities need to address the following questions (among many others): What policy changes would enhance and support capacity and institution-building in Third West communities? What investments lead to sustainable social networks that facilitate knowledge and capital exchange across diverse spaces in the West? How can information technology be used to address the social cost of space, especially with regards to barriers to participating in regional decision making? What opportunities exist to ramp up the mutual benefits provided by formal service learning (such as the AmeriCorps Vista program) for rural communities?

Finally, and most importantly, what does transition planning look like? Despite the fact that most impact assessments (including those mandated by NEPA) don’t match the ideal, the professional and scholarly literatures do offer established best practices for impact assessment addressing new industrial development. Ditto for forward-thinking land use planning. However, models of and resources for cumulative impact assessments and planning concerning the looming transitions in the Third West are much, much less clear.

Finding answers to these questions will demand collaboration and experimentation across sectors—industry, non profit, academia, public—to produce novel strategies for policy and practice. The Third West needs a major transition planning initiative drawing upon federal, state and local support, land grant and other universities, and the NGO community to link participatory, science-based regional scenario-planning efforts to local capacity building and policy reform discussions. There are any number of candidates for such an initiative—central Montana and the Powder River Basin are at the top of my list—and all of them have public resources as an integral element of their past and future economies.

## Suggested Reading

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### Suggested citation:

Haggerty, J. 2019. Community Resilience and the Third West Transition. Rasker, R., ed. *People and Public Lands*. Bozeman, MT: Headwaters Economics.

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