



# Social resistance to coal seam gas development in the Northern Rivers region of Eastern Australia: Proposing a diamond model of social license to operate



Hanabeth Luke

*Southern Cross Geoscience & the School of Environment, Science and Engineering, Southern Cross University, PO Box 157, Lismore, NSW 2480, Australia*

## ARTICLE INFO

### Keywords:

Social license  
Social resistance  
Survey  
CSG  
Unconventional gas  
Extractive industry

## ABSTRACT

As new industries emerge in rural areas, land use change can have important implications for affected communities. In-turn, social responses to developments can have important implications for industry. The idea that communities may, or may not, approve of landuse change has been conceptualised in the literature on 'social license to operate'. While a principle focus of the social license literature has been on ways to strengthen relationships between community and industry, literature relating to social resistance movements has focused principally on the processes by which communities oppose developments. Reporting empirical data arising from an election survey, this paper seeks to draw together these two bodies of literature to understand how two rural communities responded to the development of the coal seam gas industry in the Northern Rivers region of New South Wales, Australia. Perceptions of local benefit provision, against the contextual backdrop of rural economies and local perceptions of sustainability, proved pivotal for the legitimacy of the CSG industry. Instead of CSG companies achieving a social license to operate, a social resistance movement gained broad community support and resulted in social license withdrawal. This paper explores the drivers of social license withdrawal and the dynamics leading to the local success of a resistance movement, proposing a new diamond model of social license to operate. The social license diamond model can be used by policy makers to better understand the progression of community responses to industrial developments, from social license approval to withdrawal and beyond.

## 1. Introduction

Social license is a term often used to describe levels of community acceptance for an industrial project or other landuse change (Joyce and Thomson, 2000). Gaps between landuse planning decisions and community aspirations can create conflict and, potentially, social resistance. Whilst some people may tolerate, adapt and benefit from new developments and landuse changes, others may experience physical or emotional impacts that can lead to friction between industry and community, as well as within the community itself (Tsing, 2005). In some previous cases, this has led to coordinated social resistance (e.g. Muradian et al., 2003; Rasch and Köhne, 2015). The Northern Rivers region of New South Wales, Australia, is a contemporary example of a rural area where direct community action halted the development of a potentially large scale, unconventional gas industry (Hawke, 2015).

In order to meet growing national and international energy demands, unconventional gas exploration and extraction has taken place in rural Australia for two decades, with a focus on coal seam gas (CSG) drilling. Australian landuse planning is decentralised and, where significant assets are not impacted, principally under the jurisdiction of

State governments. As such, a variability in controls of extractive industries is reflected across the states. The CSG industry has been expanding rapidly since 2009, mostly in the State of Queensland (Geoscience-Australia, 2012), resulting in a range of opportunities and challenges in regional areas (Freij-Ayoub, 2012; Author et al., 2014b; Measham and Fleming, 2014). At the same time, the neighbouring state of New South Wales (NSW) has taken a more cautious policy approach, with new regulatory frameworks slowing down the industry roll-out across rural landscapes (Brown, 2012; Hazzard et al., 2013; NSW-Government, 2013; O'Kane, 2013).

Reflections on issues faced across the Queensland border and in the United States stimulated discussions on aspirational outcomes for several rural areas in New South Wales and Victoria. Those with opposing opinions contributed to a high-profile and vigorous public debate that included responsibility relationships between the CSG industry, government and community (Klassen and Feldpausch-Parker, 2011; Luke et al., 2013; Luke et al., 2014b; Wallington and Lawrence, 2008). Speculation occurred relating to the existence, or lack of, a social license for the CSG industry to operate in several regions, including the Northern Rivers (Luke et al., 2014b; McManus and Connor, 2013;

*E-mail address:* [hanabeth.luke@scu.edu.au](mailto:hanabeth.luke@scu.edu.au).

<http://dx.doi.org/10.1016/j.landusepol.2017.09.006>

Received 1 May 2017; Received in revised form 31 August 2017; Accepted 7 September 2017

Available online 22 September 2017

0264-8377/ © 2017 Elsevier Ltd. All rights reserved.

Sherval and Hardiman, 2014). Such debate has led unconventional gas development to become a prominent topic for rural landuse planning in Australia, and globally (Luke et al., 2014b; O’Kane, 2013; Sutherland et al., 2011).

A network of community groups formed an anti-CSG movement that has been developing across rural Australia since 2010, associated with the ‘Lock the Gate’ alliance (Colvin et al., 2015b; Lloyd et al., 2013). Protests in the Northern Rivers ultimately led to the exit of the CSG industry from the region in 2015. Such a result could be considered costly, both for the companies that had sought to operate there, and for the New South Wales Government who brought back the license of one company, Metgasco, for AUD \$25 M (Hawke, 2015). This has, however, also been labelled a significant outcome for the local community (Hawke, 2015), providing a contemporary example of how social resistance can lead to social license withdrawal and ultimately industry departure from a rural area.

Resource industries and associated resistance movements have been the subject of a number of recent studies that tend to focus on one or the other (Boyd, 2013; Colvin et al., 2015b; Everingham et al., 2013; Franks and Cohen, 2012; Jaques and Galloway, 2012; Lacey and Lamont, 2013; Martinez-Alier, 2001; Martinez and Franks, 2014; Moffat and Zhang, 2014; Parsons et al., 2014; Prno and Slocombe, 2014). This paper takes a novel approach in viewing these processes together, examining the emergence of social license withdrawal for a prominent landuse change in rural Australia. The drivers of social license, from an individual to community level have been identified by drawing on survey data from two case studies in the Northern Rivers region, addressing the question: “How is social license withdrawal enacted, responding to landuse change in rural areas?”

## 2. Literature review

### 2.1. Social license

Central to writing on the concept are Boutilier and Thomson (2011:1779); Boutilier and Thomson, 2011, who define social license to operate as “a community’s perceptions of the acceptability of a company and its local operations” however, maintaining a social license is recognised as an ongoing process (Joyce and Thomson, 2000). Social license has been referred to both as a ‘tool for promoting collaboration’ (Boutilier, 2014:271) and a ‘site of struggle’ (Lester, 2016:543). The ways in which constructive relationships between industry and community are fostered has been a salient focus of social license research (e.g. Lynch-Wood and Williamson, 2007; Nelsen and Scoble, 2005; Prno and Slocombe, 2012; Thomson and Boutilier, 2011). Stakeholder engagement, consultation initiatives, relationship building and trust are prominent themes, with social license often viewed from an industry perspective, through a ‘risk-management’ lens. In this context, the social license analogy was used initially to describe public acceptance of the management and use of forestry products (Moore, 1996), applied in the extractive sector since the late 1990s, with community resistance likened to permit refusal (Boutilier, 2014). Social resistance can lead to uncertainty and unforeseen costs, as works are delayed and/or governments address concerns by altering regulatory frameworks (Boutilier, 2014; Prno and Slocombe, 2012). As such, while resistance is viewed by industry as a risk to be minimised (e.g. Control-Risks, 2012), it could also be used as a clear indicator of social license challenge, taken as an opportunity to better engage citizens in the landuse planning process.

### 2.2. Who grants social license?

Dare et al. (2014) describe social license as a “continuum of multiple licenses achieved across varying levels of society”. Understanding how

these multiple social licenses are enacted is viewed as crucial for understanding, gaining and maintaining a social license (Prno and Slocombe 2012; Boutilier, 2014). These inherent complexities relate directly to the nature of ‘community’ itself, a term subject to multiple interpretations (Baldry and Vinson, 1991; Kriplean et al., 2007; Schuler, 2010). Etzioni (1996) suggests that communities are groups of individuals who interact through relationships with each other and who share a commitment to a basic set of values, norms, meanings and identity. A community may be defined by its local or regional geographical confines, referred to as ‘communities of place’, and may also refer to a group of people who share similar values and interests (Delanty, 2003). Both conceptual understandings of community are relevant to this study, as social resistance movements frequently extend beyond geographical boundaries (Martinez-Alier, 2001). Despite this rationale, due to the study areas being confined by electoral boundaries and characterised by their rural context, the focus lies on two communities of place in the Northern Rivers region.

Boutilier (2012) adapts Freeman’s (1984) definition of stakeholders as those groups or individuals existing within a community that are at risk of being affected by a project, or are a risk to the project. Claims are often made by politicians, industry and NGOs that they represent ‘the community’, whereas the community is a complex umbrella name for multiple stakeholders who may have divergent views (Berkman et al., 2000). Prno and Slocombe (2012:347) describe the challenge of issuing of a social license by “society as a whole” that “assumes governments, communities, the general public and media” to be supportive. Owen and Kemp (2013:30) warn against leaving open the possibility that ‘society at large’ can determine a social license, criticising the use of the social license term as “an industry response to opposition and a mechanism to ensure the viability of the sector”. They describe a gap between the aims of the social license concept and the aims of sustainable development, manifesting in rural areas as a disconnect between industry activity and community aspirations. Engaging with core sustainability principles, as per Burton (1987), requires that decision-makers effectively engage with local communities as an integral part of the natural resource management (NRM) and landuse planning process (Owen and Kemp, 2013; Prno and Slocombe, 2012).

Lacey and Lamont (2013) conceptualise social license to operate as ‘social contract’, cautioning that a legislative focus on formal contracts between industry and landholders can fail to engage broader stakeholder networks in decision-making. Lacey et al. (2016) argue that achieving a social license rests upon the meaningful inclusion of communities in landuse planning, and that there is a need to explore new ways to engage citizens in processes decision-making which are perceived as transparent and fair. While this is viewed as critical to successful outcomes for NRM and landuse planning decisions, it is also consistent with the principles of sustainable development, and can foster an improved understanding of what underpins the acceptability of a social license to operate (Lacey et al., 2016).

### 2.3. A pyramid model of social license

The social license literature provides frameworks for understanding how individuals and communities can progress to increasingly higher levels of approval for industrial developments, and what companies need to do to encourage increased support (Boutilier, 2014). Thomson and Boutilier (2011) developed a pyramid model of social license to operate (Fig. 1), building upon conceptual foundations laid by Joyce and Thomson (2000), and Thomson and Joyce (2008), who identified that community approvals can be achieved in a form of cumulative hierarchy. Thomson and Boutilier (2011) describe levels of support for an industry or project to be ‘psychological identification’ at the highest level, followed by ‘approval’, ‘acceptance’ and/or ‘withdrawal’. The ‘legitimacy’ boundary is first passed when perceived gains outweigh

Download English Version:

<https://daneshyari.com/en/article/6460368>

Download Persian Version:

<https://daneshyari.com/article/6460368>

[Daneshyari.com](https://daneshyari.com)