A Tale of Two Rural Cities: Spiraling up During a North Dakota Oil Boom

By Felix Fernando and Gary Goreham
## The Two Rural Cities

<table>
<thead>
<tr>
<th>Minor</th>
<th>Major</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Similarities</strong></td>
<td></td>
</tr>
<tr>
<td>County seats of two adjacent counties</td>
<td></td>
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<tr>
<td>Largely agricultural based economy</td>
<td></td>
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<tr>
<td>Similar local culture</td>
<td></td>
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<tr>
<td>Basic community services</td>
<td></td>
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<tr>
<td><strong>Differences</strong></td>
<td></td>
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<tr>
<td>Went through two previous oil booms and bust</td>
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<tr>
<td>Mostly single family housing</td>
<td>Single family and apartments</td>
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<tr>
<td></td>
<td>State college</td>
</tr>
<tr>
<td></td>
<td>Some oil jobs</td>
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</tbody>
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Methodology

• Open-ended semi-structured interviews
  • 37 in Minor
  • 56 in Major
  • 30-45 minutes (Audio taped with participant consent)

• Chain or referral sampling

• Initial key informants
  • Mayor and city council
  • Local organizations (news paper, churches, public officials, schools)
  • Local clubs (Rotary, Kiwanis, Lions)
  • Local businesses
  • Extension service

• Data analysis
  • Transcribing and open coding
  • Focused coding (key words)
  • Thematic coding (main themes, patterns, connections)
Spiraling Down- Before the Boom

It was the best of times and it was the worst of times- Charles Dickens “A Tale of Two Cities”

- Lack of Economic Opportunity
- Out-migration
- Consolidation of Built Capital
- Strengthening Social Capital
- Established Local Culture
- Stable Political Capital

1980’s

1990’s

Early 2000’s
Challenges before the boom

• Farm Crisis of mid 1980’s
• Lack of economic vitality (Stagnant/stable economy)
• Aging and declining population
  • People with stable economic ties
  • Out-migration of young people
  • In-migration of retirees and people who wanted to raise families
• Lack of community growth or development
  • Closure of businesses
  • Consolidation of schools and public services
  • Infrastructure additions-none
  • New housing-none or very few

• Minor and Major weren’t dying but slowly declining!!!!!!
Assets before the boom

- Good local school system
- Safe environment for kids
- Community camaraderie (Strong bonding social capital)
  - Trust and unity
  - Everyone knowing each other (High degree of acquaintance)
  - Helping each other
- Basic community services (Local theatre, grocery store, parks)
- Low cost of living
- Regulation changes (1990’s): “ Municipal Housing Authorities”
- Major: State college, recreation based amenities

- Just safe relaxed sleepy prairie towns!!!!!!
Spiraling Up - During the Boom

Rapid Growth in Build Capital
Rapid in-migration
Infusion of Outside-in Financial Capital
New Technology
Changing Political Capital
Change in Local Culture
Disruption of Social Capital

We had everything before us, we had nothing before us - Charles Dickens “A Tale of Two Cities”
Before the Boom

Social Capital 1

Political Capital 1

Cultural Capital 1

NC → FC → HC → BC

People

Cultural elements
Community System and Conditions

- Technology
- Media
- NC?
- FC
- HC
- Rapid Influx of People
- Overwhelmed Services
- Crime and Other Issues
- Change in Community Environment
- Oil and Water
- Environment/other natural capital
- Status of National Economy
Community System and Conditions

- Private
- Outside
- FC

- Housing
- Businesses
- BC

- Roads
- Schools
- Health
- Public Services
- City FC

- State Government

Lack of Affordable Housing
Jobs =/ Community well-being
Long-term Community Development

Before the Boom

Social Capital 1 → Political Capital 1 → Cultural Capital 1

NC → FC → HC

SC 2 → BC → PC 2

CC 2
# Building a New Social Capital

## Challenges

<table>
<thead>
<tr>
<th>Minor</th>
<th>Major</th>
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<tr>
<td>Very fragmented (Population: 1212 to 2060)</td>
<td>Still has skeletons of the old social capital (Population: 12,109 to 20,850)</td>
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<tr>
<td>Transient population</td>
<td></td>
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<tr>
<td>High ratio of males to females</td>
<td></td>
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<tr>
<td>Us vs. them type of mentality</td>
<td></td>
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<tr>
<td>Out-migration of longtime residents and Rapid in-migration of younger people</td>
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## Assets

<table>
<thead>
<tr>
<th>Local Churches</th>
<th>Local Churches</th>
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<tbody>
<tr>
<td>Schools</td>
<td>Schools</td>
<td>Parks and recreational options</td>
</tr>
<tr>
<td>Parks and recreational options</td>
<td>The “ARC”</td>
<td>Local groups “Oil Field Wives” “Friendly Faces” “Down Towners”</td>
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## Establishing a New Cultural Capital

<table>
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<tr>
<td><strong>Challenges</strong></td>
<td></td>
</tr>
<tr>
<td>Diverse ethnicities</td>
<td></td>
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<tr>
<td>Diverse religious beliefs</td>
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<tr>
<td>Younger population (Some from big cities)</td>
<td></td>
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<tr>
<td>Different languages</td>
<td></td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
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<tr>
<td>New restaurants</td>
<td>New restaurants</td>
</tr>
<tr>
<td>New churches</td>
<td>New churches</td>
</tr>
<tr>
<td>Parks and recreational options</td>
<td>Parks and recreational options and the The “ARC”</td>
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## A New Political Capital

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<tr>
<td>2 city council members are new residents</td>
<td>All new resident contestants lost by a significant margin</td>
</tr>
<tr>
<td>Several new members on park and school board etc.</td>
<td>Few new members on park and school board etc.</td>
</tr>
<tr>
<td>New mayor</td>
<td>New mayor</td>
</tr>
<tr>
<td>New economic director (newly created position)</td>
<td>New economic director</td>
</tr>
<tr>
<td>New planning and economic development staff</td>
<td>New planning and economic development staff</td>
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Concluding Remarks

• Use of Community Capitals Framework
  • Holistic integrated systems approach

• Community development
  • Both minor and major face similar challenges and issues
  • Two communities vary in terms of the assets they possess
  • Infusion of financial capital doesn’t translate into community development unless new social and cultural capital are developed

we were all going direct to Heaven, we were all going direct the other way- Charles Dickens “ A Tale of Two Cities”
Thank You!!!!!!!!

Email: W.Fernando@ndsu.edu
Gary.Goreham@ndsu.edu
Questions?