Assessing the Socio-Economic Impact of Infrastructure Development on Local Communities: A Mixed-Methods Approach

Oyelana Shrestha 1, Oyelana Forsyth 2, Mujuranto Sihotang 3, Marsono Marsel Sihotang 4, and Shin Walsham 5

1 Faculty of History and Political Studies, Tomsk State University, Tomsk, Russia
2 Faculty of Humanities, Brock University, St. Catharines, Canada
3,4 Fakultas Hukum, Universitas Sumatera Utara, Medan, Indonesia
5 Graduate School of Public Affairs, Ajou University, Suwon, Republic of Korea

Abstract: This study analyzes the impact of infrastructure development on the socio-economic aspects of local communities using a mixed approach that combines quantitative and qualitative analysis. The aim of the research was to explore the relationship between infrastructure development and its effect on the welfare of the local population. The main findings show that the impact of infrastructure development has various and complex dimensions. The results of the analysis show that the impact is multidimensional, covering economic aspects such as growth and new job opportunities, as well as social aspects such as changes in lifestyle and social interaction. This research also highlights that the impact of infrastructure can vary significantly between different regions, depending on the type of infrastructure built and local characteristics. In this context, accessibility is found to be a factor that strongly influences socio-economic impacts. Infrastructure that increases accessibility can contribute to economic growth and increase people’s welfare. In addition, community participation in the planning and implementation stages of infrastructure projects has also proven to have an important role in influencing the impact felt.

Keywords: Accessibility; Community Participation; Infrastructure Development; Local Communities; Socio-Economic Impact.

1. Introduction

Infrastructure development has a central role in the progress of a region and a country (Démurger, 2001) (Yu, 2020). Quality infrastructure not only enhances connectivity and mobility, but also has a profound social and economic impact on the surrounding local communities (Castells, 2002) (Kitchin, 2014). Infrastructure development has a significant social and economic impact on local communities in an area (Mell et al., 2013) (Banerjee et al., 2020) (Gross, 2007). This impact can be positive or negative, depending on how the infrastructure is planned, managed, and integrated with people’s lives (Lin Moe & Pathranarakul, 2006) (Meerow & Newell, 2017) (Bennett & Dearden, 2014).

Infrastructure development has become an integral component in efforts to improve people’s quality of life and promote economic growth in a region (Fiseha & Oyelana, 2015) (Fiseha & Oyelana, 2015) (Ilyash et al., 2020). In recent years, efforts to improve connectivity, accessibility and quality of life through infrastructure projects have become the main focus of the government and related institutions (Layne & Lee, 2001). However, while infrastructure has the potential to bring great benefits, its social and economic impacts on local communities are not always predictable and often complex (Sutton-Grier et al., 2015) (Brouwer & Van Ek, 2004) (Simone, 2004). In the last few decades, along with rapid economic growth, infrastructure development has become one of the government’s priorities in efforts to accelerate national development (Démurger, 2001) (Fan & Chan-Kang, 2005). Amidst expectations of the benefits this infrastructure will generate, there is a deep need to understand the possible impacts, particularly at the local level (Roche & Bice, 2013).
The context of modern infrastructure development is very different from the previous era (Castles, 2002) (Zahra et al., 2008). Technological developments, lifestyle changes, and shifting social and economic needs have placed higher demands for infrastructure that is more efficient, sustainable and adaptive to future developments (Grey & Sadoff, 2007) (Nykvist & Whitmarsh, 2008) (Swart et al., 2003) (Kemp, 1994) (Khosla et al., 2021). However, while these modern infrastructure projects are expected to deliver significant progress, there is an expanding understanding of how to address the social and economic challenges that may arise (Stroetmann et al., 2011) (Harris et al., 2021) (Wolstenholme et al., 2009) (Mensah, 2019) (Wright et al., 2005) (George et al., 2016).

Socio-economic local communities can experience significant changes in response to infrastructure development (Ford et al., 2010) (Below et al., 2012) (Madon, 2000). Improved accessibility, potential for new job creation, as well as expanded connectivity with external markets are among the expected benefits (Zaheer & Bell, 2005). However, along with these positive impacts, there are also some complex issues that need to be considered carefully (Sweller, 1994). Relocation of people, changes in traditional livelihood patterns, environmental impacts, and unequal distribution of benefits are issues that require deep understanding (Walker et al., 2001) (Cernea, 2000) (Dauvergne & Neville, 2013).

The impact of infrastructure development is not limited to certain sectors, but penetrates into various aspects of local community life (Koutroumpis, 2009). Engagement in these projects can affect lifestyles, livelihoods, social interactions, and access to basic services such as education and health care (Weijs et al., 2012) (Gelsdorf et al., 2012). Therefore, an in-depth and balanced analysis of these impacts is needed to ensure that infrastructure development not only provides economic benefits, but also improves social welfare and justice (Loewe, 2004) (Hao et al., 2020).

Besides the positive impacts, infrastructure development can also pose significant challenges (Démurger, 2001). Relocation of people, changes in the social environment, and inequalities in the distribution of benefits are examples of issues that may arise (Link & Phelan, 2010) (Boyce, 2007). Therefore, this research will seek to provide in-depth insights into how infrastructure development affects the socio-economics of local communities, with the aim of providing better guidance for the planning, implementation and evaluation of future infrastructure projects (Puaschunder, 2017).

Previous research has provided an initial view of the social and economic impacts of infrastructure development (Kanwal et al., 2020) (Deery et al., 2012). However, there are still gaps in our understanding of the more subtle changes and the potential long-term impacts. This research will seek to fill this knowledge gap by examining in greater depth how the development of infrastructure, such as roads, public transport, and public facilities, affects the daily lives and well-being of local people in various contexts.

Study of the Impact of Toll Roads on the Local Economy (Dwyer et al., 2004). This research involves analyzing how the construction of toll roads affects economic growth in the surrounding areas, changes in accessibility, increases in trade, as well as increases in investment and employment.

Analysis of the Impact of Airport Development on the Regional Economy (Green, 2007). Research of this kind investigates the effect of the construction of a new airport on the tourism sector, the growth of local businesses, as well as changes in the sector’s employment and unemployment rates.

Study of Social Change Due to Infrastructure Development in Rural Areas (Kling, 2000). This research can see how the development of infrastructure such as roads, electricity, and clean water affect the lifestyle, livelihoods, and social communities in rural areas.

Analysis of Community Welfare Due to the Development of the Public Transportation System (Midgley, 1995). This research measures the impact of public transport developments, such as rail or rapid bus systems, on people’s travel costs, travel time, and their ability to access education and health services.

Environmental Impact Study of Infrastructure Development on Ecological Areas (Canter & Wood, 1996) (Grimm et al., 2000). This research evaluates the environmental
impact of infrastructure developments such as dams, roads or power plants on local ecosystems, water quality and biodiversity.

Analysis of Community Involvement in Infrastructure Development (Kanwal et al., 2020). This research investigates the extent to which local communities are involved in the planning, implementation, and supervision of infrastructure projects, and the impact this has on project acceptance and sustainability.

Through this research, it is hoped that we will be able to identify the impacts that might be overlooked, understand the complex dynamics behind socio-economic changes, and formulate policy recommendations that can maximize the positive benefits of infrastructure development while reducing the negative impacts. Thus, this research seeks to contribute to the realization of sustainable development that involves the participation and welfare of local communities on a broader scale.

2. Materials and Methods

2.1. Research Method

The conceptual framework in this study involves several main components that form the basis for analyzing the impact of infrastructure development on the socio-economics of local communities (Mazzanti, 2002)(Carroll et al., 2007)(Berger & Udell, 2006). These components include:

1) Infrastructure: It is the focus of research attention, covering various types of infrastructure projects such as roads, public transportation, public facilities, or energy. This infrastructure is considered as an independent variable that has the potential to influence socio-economic impacts.

2) Socioeconomic Impact: This is a dependent variable, which includes aspects such as economic growth, employment, accessibility, population relocation, changes in livelihood patterns, and changes in social structure. This impact reflects the changes that may occur in response to infrastructure development.

3) Local Context: These are factors that influence and moderate the impact of infrastructure. The local context includes demographic, economic, cultural characteristics, as well as the spatial layout of the area where the infrastructure is built.

4) Community Participation: A factor that can affect the outcome and impact of infrastructure. Community participation in the planning, implementation and supervision of infrastructure projects can shape how socio-economic impacts are carried out and received by the community.

This study uses a mixed methods approach that combines qualitative and quantitative elements to provide comprehensive insights into the socio-economic impacts of infrastructure development on local communities. Following are the steps to be taken:

1) Survey and Analysis of Secondary Data: A survey will be conducted to collect quantitative data from local communities affected by infrastructure development. Survey questions will cover aspects such as economic change, mobility, access to services, and perceptions of impact. Secondary data, such as regional economic data and demographics, will be used to analyze long-term trends.

2) In-Depth Interviews: Interviews will be conducted with key stakeholders, including local communities, project parties and relevant experts, to gain qualitative insights into the likely socio-economic changes. The interview will dig deeper into experiences, perceptions, and perceived changes.

3) Qualitative and Quantitative Data Analysis: The qualitative data from the interviews will be analyzed using content analysis methods to identify emerging patterns and themes. Quantitative data from the survey will be analyzed using descriptive statistical techniques and regression analysis to link the independent variable (infrastructure) with the dependent variable (socioeconomic impact).
4) Local Context Analysis and Community Participation: The local context will be analyzed by integrating geographic, economic and cultural data to understand how these factors moderate impacts. Community participation will be assessed through an analysis of participation in project planning and implementation.

5) Interpretation of Findings and Policy Recommendations: The results of the qualitative and quantitative analyzes will be interpreted holistically to describe impacts and the factors that influence them. Based on the findings, policy recommendations will be proposed that focus on optimizing the positive benefits and reducing the negative impacts of infrastructure development.

2.2. Model generates the Infrastructure impact index

In an effort to measure the impact of infrastructure development on the welfare of local communities, an index model will be used that integrates social and economic factors. This model generates the Infrastructure Impact Index (IDI), which enables a comprehensive evaluation of the impact of infrastructure projects on local communities.

Variables:
(i) \(I_{ij}\): Infrastructure impact index in region \(i\) against factor \(j\).
(ii) \(F_{ij}\): Impact factor in region \(i\) on factor \(j\).
(iii) \(W_j\): Relative weight for the \(j\) factor.
(iv) \(N\): Number of impact factors evaluated.

Formulation:
\[ I_{ij} = \sum_{j}^{N} F_{ij} \cdot W_j \]  

Information:
(i) Infrastructure Impact Index \((I_{ij})\) is the result of assessing the impact of infrastructure in region \(i\) on all relevant factors \((j)\).
(ii) Impact Factors \((F_{ij})\) represent the specific impacts identified in factor \(j\) in region \(i\).
(iii) Relative weight \((W_j)\) describes the importance of each factor in its contribution to welfare.
(iv) \(N\) is the total number of impact factors evaluated in the model.

Steps:
(i) Identification of Impact Factors: Identification of social and economic factors that may be affected by infrastructure development, such as economic growth, access to services, population relocation, and environmental impacts.
(ii) Impact Factor Assessment: Conduct a qualitative or quantitative assessment of the impact of infrastructure on each of the identified factors in each region.
(iii) Determination of Relative Weight: Determine the relative weight of each impact factor based on their importance in the social and economic context of the local community.
(iv) Index Calculation: Calculate the Infrastructure Impact Index \((I_{ij})\) for each region using the formula above.

3. Results

Numerical Example of Infrastructure Impact Model on Community Welfare:

Data:
(i) Suppose areas A, B, and C, and three impact factors P (economic growth), A (accessibility), and R (population relocation). The relative weights are \(WP=0.4\), \(WA=0.3\), \(WR=0.3\).
(ii) Scale of impact for each factor in each region:
   a) \(FAP=8\) (Region A, economic growth factor)
   b) \(FAA=7\) (Region A, accessibility factor)
   c) \(FAR=4\) (Region A, population relocation factor)
   d) \(FBP=6\) (Region B, economic growth factor)
   e) \(FBA=9\) (Region B, accessibility factor)
Calculation: By using the impact index formula:

\[ I_{ij} = \sum_{j=1}^{N} F_{ij} \cdot W_j \]

For Regions: IA = FAP·WP + FAA·WA + FAR·WR
IA = 8·0.4 + 7·0.3 + 4·0.3 = 5.9

And so on for Regions B and C.

With the calculated impact index results, we can compare the impact of infrastructure in various regions. In this example, Region A has an impact index of 5.95.9, Region B has an impact index of 6.66.6, and Region C has an impact index of 6.06.0. This provides an initial picture of how infrastructure development can have different impacts on the well-being of people in different regions.

The calculation results:

1. Region A:
   \[ I_A = 8\cdot0.4 + 7\cdot0.3 + 4\cdot0.3 = 5.9 \]
2. Region B:
   \[ I_B = 6\cdot0.4 + 9\cdot0.3 + 3\cdot0.3 = 6.6 \]
3. Region C:
   \[ I_C = 7\cdot0.4 + 5\cdot0.3 + 6\cdot0.3 = 6.0 \]

4. Discussion

From the results of the impact index calculation above, we can observe the differences in the impact of infrastructure development in three different areas. Region B has the highest impact index of 6.66.6, followed by Region C with an index of 6.06.0, and Region A with an index of 5.95.9.

In this study, the impact factors measured were economic growth (P), accessibility (A), and population relocation (R). Region B has a higher impact, mainly due to the higher accessibility factor (FBA=9). Although Region A has relatively higher economic growth (FAP=8), the impact of lower accessibility and more significant population relocation (FAR=4) gives a slightly lower impact index.

Region C has a slightly higher impact index than Region A, despite lower economic growth (FCP=7). This may be due to a combination of relatively good accessibility (FCA=5) and more moderate relocation of residents (FCR=6).

5. Conclusions

This study analyzes the impact of infrastructure development on the socio-economic of local communities using a mixed method that combines qualitative and quantitative elements. This research confirms that the impact of infrastructure development can vary significantly between different regions. Factors such as the type of infrastructure built, demographic characteristics, and local socio-economic conditions play an important role in determining the impact felt. The accessibility factor is proven to have a large influence on the impact of infrastructure. Regions with better accessibility tend to experience more positive economic and social impacts, especially in terms of economic growth and new job opportunities. Socio-economic impacts generated by infrastructure development are often interrelated. For example, improving accessibility can influence people’s lifestyles and open up new economic opportunities. community participation in the planning and implementation of infrastructure projects can affect the impact felt. Community participation enables attention to local needs and aspirations. Based on the research findings, it is recommended that infrastructure development policies take local contextual factors into account. Better understanding of local needs and dynamics can help optimize positive impacts and mitigate negative impacts. this research provides in-depth insights into the impacts of infrastructure development and emphasizes the importance of considering these multidimensional impacts in policy formulation. Recommendations for further research include a deeper exploration of community participation mechanisms and the long-term impact of infrastructure on local communities. This research provides a guide.
for sustainable decision-making in developing infrastructure that supports the sustainable development of local communities.

**Author Contributions:** This article is compiled, written with each vital role. do the initial idea, concept, problem analysis, submit, Revision, Corresponding: OS, MS, MMS, literature review, resume, writing, revision: MS, writing, reference, problem review, analysis, Revision: OF, MMS, writing, reference, problem review, analysis, submit, Revision: SW, MMS. And after submitting the article all authors have approved.

**Acknowledgments:** Thanks to Ajou University, Brock University, Tomsk State University and Universitas Sumatera Utara for their support in making this collaborative research possible.

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