

We investigate here fair processes for societal decisions that involve different risks and benefits to different groups. A Fair decision making process is particularly important for decisions such as siting hazardous facilities. We experimentally evaluate the impact of alternative decision processes on the final choice of hypothetical facility sites and the resulting benefit and risk distribution to groups.

The experimental task required choice among many alternative sites for a hazardous facility. Sites differ by the distribution of risk and benefits to each of two communities, and in the attractiveness of the sites to each community. Subjects were divided into three groups: individuals who judged the best site in the role of arbitrators, pairs of negotiators with one person representing each of the two communities, and trios who identified the best site in the role of a siting jury.

We found the choices of negotiating and siting jury groups tended to exhibit more emphasis on the communities' preferences than the individual arbitrators who tended to focus on balancing the distribution of risk and benefits. Also, undergraduate psychology students, regardless of the dispute resolution mechanism, tended to display more emphasis on the risk and benefits and graduate business students tended to focus more on the communities' preferences.