

# THE CALOTTE ACADEMY 2006

## Final Report

The Calotte Academy 2006 was held in May 19-22 in the village of Inari in the Municipality of Inari, Finland and in Kirkenes, Norway. Based on the last year's experience, the Municipality of Inari invited the Calotte Academy back to Inari again this spring.

The first part of the Calotte Academy 2006 took place in the village of Inari at the Jeera Hall. The first theme session was held on May 19 and was titled *Inari in the middle of North Calotte and in a periphery of Europe - Municipality of Inari in the Northern Eurasian geopolitics and a state of human development map*. The second theme session was on May 20, also at the Jeera Hall and titled *Multiculturalism in Lapland*.

The second part of the Calotte Academy was held in Kirkenes, Norway. The third theme session was on May 22, by the title *New Northern security: climate change, flows (of globalizations), environmental conflicts, competing hunt for hydrocarbons and borderless space*.

There were all in all 42 participants in the Calotte Academy and as in the previous years, there were invited panellists from different countries, this year from Finland, Canada, Iceland, Norway, Alaska and Russia.

This report is about the first day of the Calotte Academy 2006 and the theme session *Inari in the middle of North Calotte and in a periphery of Europe - Municipality of Inari in the Northern Eurasian geopolitics and a state of human development map*.

### Opening

Mayor Reijo Timperi from the Municipality of Inari opened the first day of the Calotte Academy. He brought up many of the challenges Lapland and the Municipality of Inari are facing, such as unemployment and people migrating to the south. The Municipality of Inari is willing to take control of these problems with the help of many different quarters. Especially tourism plays a significant role. For example, there is an ongoing project to develop the Saariselkä area which takes all the elements of sustainable tourism in to consideration. The Lake Inari has also aroused interest within international and domestic tourism development. Especially international companies are interested investing in high-quality tourist attractions, such as holiday cottage villages built next to Lake Inari.

Mayor Reijo Timperi warmly welcomed everyone to the Calotte Academy 2006 and reminded, that both local and international co-operation is needed to give remote areas the attention, knowledge and new ideas they need.

The Calotte Academy 2006 was introduced by Senior Scientist Lassi Heininen. The reason why we are now here opening the Calotte Academy 2006 is not tradition, although the first Calotte Academy took place exactly 15 years ago in Inari. First of all, we are here due to the invitation of the Municipality of Inari to have the Calotte Academy in 2006, too. Behind are the interest, eagerness and strong will of, and the contribution by, of the Municipality of Inari, and the activities and international cooperation of the Educational Center of Saami Area like the Ijahis Idja Music Event, which is back-to-back with the Calotte Academy, and gives excellent experiences of music for us.

Further, there is the geographical, geopolitical and geocultural location of Inari, which themes we will discuss during these days. Inari is on one hand, a multicultural centre of the Saami and the Saami culture in Finland including for example the Saami Museum Siida, and on the other, an active, international municipality with three developed centres and strong relations with its neighbour municipalities like Kirkenes in Norway and Petsenga/Petsamo in Russia. The last, but not the least, thing is a beautiful nature, particularly in spring time, and as one local put it years ago "the Calotte Academy comes like migratory birds in spring to Inari".

The final reason to come here and continue open discussion in the sessions of Calotte Academy is a real interest by many scholars and other experts on one hand to know and experience more about real situations in the North. In other words, the idea is to implement the social relevance of science, especially due to the third task of the Finnish universities "to promote regional development". And, indeed universities have a critical role in regional development in the North as it was mentioned in the Calotte Academy 2005 Final Report (<http://www.nrf.is/News/CalotteA2005%20-%20Report%20final.pdf>). Therefore, a dialogue between the academic community and other stakeholders is so important, however no automatic process but should be done.

The Calotte Academy is all about, on one hand, an international forum for discussion, dialogue and debate on relevant and acute - either global, regional or local (Northern) - issues between policy-makers, civil organisation activists and researchers. It's a platform for science in the publics. On the other hand, it is an international and travelling seminar for academic discourse between senior and junior researchers, other academics, and university and college students. Behind is the idea that the Academy plays as a platform for research projects and correspondingly, research projects give academic support and some sort of fuel to the discussions and discourses of the Calotte Academy through scientific presentations.

Indeed, the work of the Calotte Academy 2006 is based on one hand, on the reports of two large, international research projects, ACIA and AHDR, and on the other, on the Nordic-Russian research project "Northern Eurasian Geopolitics" and the research project on "Multiculturalism in Lapland". Further, it also serves as a platform for pre-discussions on the themes of the 4<sup>th</sup> NRF Open Meeting in October 2006.

The main idea is to emphasize the regional dynamics of Northern peripheries and to analyse regional development of the region both in European, circumpolar and global contexts, and influenced by many international, regional and local actors and their interests. These interests include for example, geopolitics, (many) cultures and (different) identities of the region, a growing international and regional

cooperation in the North, and the history of strong East-West connections in the North Calotte. The special flavour of the Calotte Academy has been from the very beginning that this forum is organized in a periphery.

Thus, there is the social relevance of science in general, and what is more important, also a real implementation, not only rhetoric about the importance of that (e.g. ICARP II as the first international Arctic scientific planning meeting including a working group "Science in the Public" in November 2005). Thus, as an ultimate aim the Calotte Academy acts a concrete channel to implement interplay between science and politics and also to implement and promote the legitimacy of research and higher education in the public, which are mostly paid by tax-payers.

Dealing with the main themes of Calotte Academy 2006 there is both continuity and change. If "Perspectives on multiculturalism in Lapland, and the North Calotte" is a new theme, then "Inari in the middle of North Calotte and a periphery of Europe" is a continuity to the discussion on impacts of climate change (and ACIA Report) and a state of human development (and AHDR) in the North. This started in the Calotte Academy 2005 by the Public Hearing in 2005, the 1<sup>st</sup> circumpolar North and the 2<sup>nd</sup> was in February 2006 in Anchorage, Alaska. Finally, "New Northern Security" including climate change, flows of globalization, environmental conflicts, competing hunt for hydrocarbons and borderless space is a "new" old theme, it was the main theme of the first Calotte Academy in 1991 by the title "Security and sustainable development".

As an introduction to this theme I make a proposal for the new political declaration for, or a policy framework document of, the EU's Northern Dimension: It would bring real added-value to Northern research and development, if a new Policy Framework Document of the EU's Northern Dimension would include a cross-cutting theme consisting research & development & "tech-knowledge" together with environmentally friendly and secure energy production, technology and distribution.

## 1<sup>st</sup> Theme and Theme Session

The main idea of the panel discussion is to find out how Inari is located in geopolitical, geocultural and geoeconomic maps, and what is the state of human development in Inari at the beginning of the 21<sup>st</sup> century in Finland, North Europe and the circumpolar North i.e. what might be relevant when defining the geopolitical, geoeconomic, geocultural and ecological situation and a state of human development in Inari.

Although Inari is the theme of this session, the session deals with much broader geographical area and general issues. Thus, in presentations and evaluations there are also many interesting and relevant points for representatives of other municipalities and regions of the North Calotte as well the circumpolar North in general - although this has maybe not been understood! Inari is the case study of the Panel.

Panelists coming from different countries and regions and representing different disciplines - economics, geography, political sciences, international relations, natural sciences, administrative sciences - will each present her/his own point of view how she/he sees that Inari is located at different maps. The idea is to give a personal evaluation and assessment of a state of Inari based on both the material on Inari and Lapland and more general material on the North like e.g. the AHDR and ACIA reports. It is also allowed, even ideal, to have also proposals for the future

Among interesting and relevant issues and topics are:

- 1) How Inari is, or can be seen, dealing with the three success stories of AHDR?
  - a) northern "cultures can remain viable even in the face of rapid and multi-dimensional changes";
  - b) northern residents are used and capable to apply "advanced technologies to address social problems"
  - c) in the North there is a strong culture and habit "in the development of innovative political and legal arrangements... without rupturing the larger political systems"
- 2) The interaction between Technology, Economics and Regional Development

i.e. how science, technology (e.g. ICT) and economic development would be used for the benefit of all regions incl. Northern peripheries

### 3) Relations between different actors and their interests

i.e. the relationship between local actors and global actors like e.g. TNCs and NGOs

### 4) The relationship between quantity and quality

i.e. meaning numbers of population and reindeers, an amount of capital

The panellists coming from different countries and regions and representing different disciplines (e.g. economics, geography, political sciences, international relations, natural sciences, administration sciences) will each present their own point of view how they see that Inari is located at the beginning of the 21<sup>st</sup> century in Finland, North Europe and the circumpolar North and in other possible maps.

Thus, the idea is to give some sort of a personal evaluation and assessment of a state of Inari based on both the material on Inari and Lapland, which has been distributed to you beforehand, and other more general material like for example, the AHDR and ACIA reports. It is also allowed, even ideal, to have proposals for the future.

The first Theme Session was held on Friday, May 19, 2006 in Inari Jeera Hall and it was titled *Inari in the middle of North Calotte and in a periphery of Europe - Municipality of Inari in the Northern Eurasian geopolitics and a state of human development map*.

The invited speakers and their presentations were as follows:

#### Inari in the geopolitical map of (North) Europe

*Doctor Lassi Heininen, Faculty of Social Sciences, University of Lapland, Finland:*

The geographical and geopolitical location of the Municipality of Inari is in the middle of Lapland and in that of the North Calotte. Actually, Inari is the only municipality in Finland (together with Enontekiö) which borders with two other countries, Norway and Russia. This is not important per se, but gives some opportunities, if you would like to use this factor as strength.

Behind is the big benefit due to the geopolitical location of Lapland in the European North, in between the East and the West and the Barents Sea and the Baltic Sea. As such this is a strength to Lapland, and thus also to Inari

#### Background: Northern (Eurasian) Geopolitics

After the end of the Cold War period there are many actors with different interests both within and outside the region and therefore, competition and conflicts of interests like e.g. conflict between reindeer herding, forestry and tourism in Inari.

The first way to describe the geopolitical situation of the European North in the 1990s is "a region of multifunctional and conflicting interests" (by Heininen 1999).

The second one is through the main themes of international relations and geopolitics at the beginning of the 21<sup>st</sup> century, which are according to the AHDR (2004) the following ones:

- (1) the increased circumpolar cooperation by Ind. peoples' organizations and sub-national governments;
- (2) region-building with nations as major actors; and
- (3) the relationship between the CN and the outside world including traditional security-policy and environmental problems.

Thirdly, there is "regionalization" vs. or c.f. "globalization" - see e.g. "Europe of regions"

Fourthly, what might be new and relevant in Northern European / Eurasian geopolitics today and in the near future are the so-called key phenomena – see Transparents.

Fifthly, the more international, or global, the world is becoming, or is said to be / become, the more valuable, even critical, are different international contexts and sub-regions, and especially your participation in these. I called these contexts and sub-regions the "circles of internationalization".

My list of the "circles of internationalization" relevant to, and interesting for, Inari is the following:

- (1) The (Greater) North Calotte, and partly bilateral cooperation with Norway and Russia
- (2) The Saamiland, Sapmi
- (3) The European North / Arctic, or the Barents Euro-Arctic Region
- (4) The Nordic Region (Pohjola)
- (5) North Europe / the New Northern Europe
- (6) The EU's Northern Dimension
- (7) The Eurasian North
- (8) Europe / the European Union
- (9) The Circumpolar North with northern indigenous peoples

#### Discussion on Inari as an International Actor

The following remarks are useful, even needed, to do: first, this polity puzzle is not trivial but useful and important; second, these circles are different and partly overlapping; third, each circle has its own meaning and function(s), i.e. politics, economy, culture; and fourth, the question is: Has the Municipality of Inari (or its actors) located itself into these circles or not? And if, which circle might be the most useful for Inari?

Thus, the point, even a precondition, is what kind of actor Inari is (now) and would like to become? This is possible to discuss through the three factors of new geopolitics, i.e. actors, space and identity/ies:

Actors: Inari as an active international actor with its own interests;  
 Space: Northern periphery, the North Calotte as a crossing-point of several actors, i.e. a special regional dynamics; and  
 Identity/ies: "Northernness" and multiculturalism, cross-border activity / borderless, innovations

What is also required, or as preconditions for a benefit, are:

First, regional development including an own "regional" foreign policy;  
 Second, an understanding and political will for regional development, because in the North Calotte there is no colonialism any more but devolution, although the capability of real decision-making has not yet moved down into regions in the Nordic countries, see the Finnmark Act in Norway;

Third, also regional and local activities and products, and local knowledge(s) are needed (e.g. Puikula potato, reindeer products, Lapin leuku) – briefly saying, something what is natural and with a local flavour.

Before I will discuss on how Inari can be seen in different circles of internationalization it would be useful to take the following stages of the environmental history of Lapland according to Ilmo Massa (1994): first, the Saami Lapland with the network of Lappish villages until 1650; second, the Lapland of settlers in 1650-1870; third, the Lapland of forestry and modern agriculture and mining in 1870-1945; and fourth, the State's Lapland as potential reserve for raw materials since 1945. I have continued the list asking if since 1995 there is the European Union's Lapland, or not (Heininen 1999)?

#### Inari in Different Circles of Internationalization

Inari can be seen and interpreted in the circles of internationalization by the following ways:

- (1) The North Calotte might be more useful than the Barents Region, because it includes Finland and the Murmansk Region and the Nordic cooperation;
- (2) It also includes the so-called Saamiland and the cooperation between the Saami living in four states, Norway, Sweden, Finland and Russia. Through the interpretation as borderless Saamiland includes much of the identity of the region and Inari and gives a good reason to ask if also Lapland can be seen borderless;
- (3) At the same time the BEAR, however, gives an institutionalized international region and some extra resources, and a new kind of identity, which might be exotic and fresh in the South;
- (4) The North Calotte is a part of the institutionalized Nordic cooperation and thus, the Nordic Region is only a larger, but important, circle of internationalization surrounding the North Calotte;
- (5 and 6) Inari is located in the middle of the New Northern Europe as well the target area of the European Union's Northern Dimension. In the context of Europe, and that of the European Union, the European North / Arctic might be useful and advantageous for example, in tourism the North "as an exotic and extreme place" i.e. the North Cape. This is especially due to the new and stronger position of Lapland as an EU-county.

Correspondingly, the EU's ND includes firstly according to the 1st Action Plan (for 2001-2003): forests and forestry, nuclear safety, cross-border cooperation; secondly according to the 2nd Action Plan (for 2004-2006): energy cooperation, human resources and social issues

e.g. education and public health, and the environment, and the Arctic "came back"; thirdly, the new framework policy document (for 2007-2009) includes the four common spaces defined by the EU and Russia.

(7) When dealing with the globalized world economy and flows of globalization maybe the circle of the Eurasian North is the most promising like for example, the utilization of oil and natural gas, and transportation of them are there;

(8) Europe / the European Union, where Lapland as a county is an actor, actually the most well-known county of Finland, and Inari is the largest municipality of Lapland;

(9) Inari as a part of, and an active partner in, the circumpolar North, which I will discuss through the Arctic Human Development Report (2004), i.e. Inari in the context of AHDR

#### Demography:

- like the whole circumpolar north, Inari is extremely sparsely populated;
- if 2/3 of the 4 million lives in big cities, then Inari citizens live small communities, except Saariselkä which is a tourist city;
- if about 10% of the 4 million is Indigenous population, then the number of Inari is much higher;
- like in most of the sub-regions of the circumpolar north also in Inari the number of inhabitants is decreasing.

#### Societies and Cultures:

- as the whole Arctic Region Inari is socially and culturally diverse and multi-cultural;
- on the other, the fact that a rapid change by modernity is a general trend is also the case in Inari;
- old and traditional cultures and habits are also resilient in Inari.

#### Economic systems:

- if the main trend is "the North as an immense reservoir of resources to meet energy needs of developed countries and the centres of them", then Inari is not going along this trend;
- but if both tourism and the service sector are among the biggest industries of the circumpolar north, then these trends are also strongly present in Inari.

#### Political systems:

- if the first trend "nation-building" is not so strong in Inari, then the second one "increased integration of indigenous issues into local, regional and national governing systems" and a change of ethnic and cultural identities into political identities are strongly present in Inari.

#### Legal systems:

- from the three main trends of legal systems the two ones, i.e. "recognition of Indigenous peoples' rights" and "ownership of a land and natural resources" are strongly present in Inari, but the third one, "increased transfer of legal authority to sub-national governments" is not.

#### Resource governance:

- in general the governance system is also in a big transition in the circumpolar North including Inari;
- from the four development features of resource governance in Inari are especially the first one, i.e. "the growing importance of property rights as a key to effective resource governance".

#### Community viability:

- indeed in Inari it is possible to see and understand that "northern communities are not any more isolated from the rest of the world";
- it is not, however, easy to say that which one(s) of the 4 key themes of "principal strategies for human development by peoples in the Arctic" is/are used in Inari?

#### Education:

- one of the potentially relevant themes for the development of education, i.e. "to develop and use the curricula of Indigenous peoples" is strongly present in Inari.

#### Circumpolar international relations and geopolitics:

- first of all the first main theme "the increased circumpolar cooperation by Indigenous peoples' organizations and sub-national governments" is strongly present in Inari;
- the second theme "region-building" is not so important;
- finally the third main theme "the relationship between the circumpolar North and the outside world" is there for example, through

environmental conflicts “the Arctic in global environmental issues, and an environmental linchpin”.

#### Conclusion

Finally, I take “Northernness” as another kind of northern dimension with a different content and connotation, what is the EU’s ND. It can be interpreted on one hand, to represent some sort of rise of northern actors into international cooperative activities. On the other, it is a part of the fact that northern issues have become an issue of discourses and onto the political agendas of states and inter-governmental forums. The Calotte Academy has been used as an example of “Northernness”, which is a relevant part of Inari’s identity.

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#### A Nordic – Russian Partnership in Arctic Sciences: Education, Research, Environmental Monitoring & Technology Transfer

*Dean Björn Gunnarsson, Faculty of Natural Resource Science Centre, University of Akureyri, Iceland:*

#### The Rapidly Changing Arctic Environment

There is a lot of information about the climate change and the state of human development due to the Arctic Climate Impact Assessment (ACIA) and the Arctic Human Development Report (AHDR). Global Climate Models (GCM) predict that the average temperature in the Arctic could rise as much as 3-9 degrees Celsius in the next 100 years (IPCC).

Changes in climate and environmental conditions, prey abundance and distribution as well as bioaccumulation of persistent organic pollution and heavy metals pose a real threat to indigenous people in the Arctic. This decreases their options for sustainable development and endangers their existence (e.g. AMAP, CAFF, PAME).

We need more scientific information about the Arctic in forms of education, research and monitoring. Especially Lapland should be a key part of a future sophisticated network for educational, research and monitoring centers of the Circumpolar North. It would be ideal to have

research and monitor facilities in Lapland because of its strategic location. Lapland also has knowledge about both technology and cold climate technologies providing engineering solutions in areas with discontinuous and sporadic permafrost conditions. Because of Finland’s and Russia’s mutual history and borderlines, there are good possibilities for deepening the Russian co-operation.

#### Northern Eurasian Geopolitics A Nordic-Russian Research Project

This project aims to analyze and draw up a holistic picture of the current geopolitical situation and importance of the Eurasian North at the beginning of the 21<sup>st</sup> century. There are still gaps of knowledge about the Arctic and these should be addressed. The topics of analysis of the project are:

- Natural resource exploitation in Northern Eurasia
- Environmental changes and environmental conflicts; local and long-range pollution
- Transportation and communication infrastructure, including the Northern Sea Route
- Transfer of knowledge and technology, and the importance on science to promote and accelerate human change and adaptive capacity toward sustainability in Northern Eurasia
- Human resources and human security under conditions of environmental and social changes, and globalization
- The role and importance of current political and legal systems in Northern Eurasia, as well as a new approach to more regional and global governance
- The current and likely future impacts of globalization in the Eurasian North, emphasizing the role of trans-national corporations and civil organizations and their societal and environmental responsibilities
- Regional dynamics, cross-border cooperation and the northern dimension

#### Gaps in Knowledge about the Arctic

The Arctic System is rather poorly understood today, as are the various interconnections between the Arctic and the whole Earth System. These limitations make assessing future changes in the Arctic more difficult, and filled with more uncertainty than for most other parts

of the Earth System. Particularly problematic is the lack of continuous observations and long-time series data on various Arctic processes. Lack of coordination between various Arctic projects; need for improved communication and sharing of observation and research results. Standardization of measurements and monitoring techniques – differences in methods, instrumentation and potential for integration and cross-correlation of measurements.

#### The Atlantic-Arctic-Pacific Corridor

##### Nordic-Russian Partnership in Arctic Sciences

A network of sophisticated monitoring and forecast centers throughout the Arctic providing near real-time high quality, diverse and continues measurements and observations of changing environmental conditions with data transferred via satellites to research and data centers. Strong international research cooperation in needed; as many centers as possible should be jointly operated, and staffed by scientists from different Arctic nations.

The monitoring and forecasting centers should be located in those areas which are most representative of key environmental conditions in the Arctic as well as in areas showing noticeable variations from the norm. Enabling this would require a sophisticated network between e.g. universities and international research. Russia already has monitoring stations, what is needed now are new improved methods of communicating and sharing collective data.

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#### Inari in the 21<sup>st</sup> Century an Economist's Perspective

*Professor Lee Huskey, University of Alaska, Anchorage, USA:*

My presentation will take a comparative perspective. I know a fair amount about the economies of Alaska and its rural regions and a growing amount about the economies of the circumpolar north. To the extent that Inari is similar to these economies I will draw some conclusions. Your job will be to tell me when I'm off base.

My profession limits my perspective to an economic one. I will talk mainly about the economy and ignore the broader social networks the economy sits in. I think in terms of costs and benefits; these are not

limited to money costs. It means I draw conclusions about the economy assuming that people's actions will reflect the positive and negative effects of available choices. I recognize that costs and benefits are not shared evenly by all groups, and that the costs and benefits that influence actions are often those of the decision maker.

Given this perspective I see Inari sitting within three regions of the 21<sup>st</sup> century world. It shares this location with other northern economies, including Alaska. Inari is one of a number of remote regional economies. These economies are lightly settled and distant from markets. Inari is also one of the sending regions of the world. These regions experience a net loss of population through out migration. The movement of friends and relatives out of the region is often a reason people want to do something to build up their economy. Inari is also one of the conflict regions of the world. One thing that defines most economies in the north is a conflict between land uses. The conflict and its resolution define the path of the local economy. Placing Inari in these three regions helps explain why the economy behaves the way it does. This location may also help identify opportunities and limits facing the economy.

Inari is a remote economy. It is over 1000 km from Helsinki and farther still from the markets of Europe. It is also lightly settled; the population density is about one fourth that of Finland. While 80 percent of the population lives in three towns; two of these town centres are less than 1000 people. This is similar to much of northern North America and Russia. The primary difference is communities in Inari are road connected. Remoteness affects the cost of production since many inputs have to be shipped into the region. It also affects the returns from production since producers must absorb the high costs of shipping the products to market. In the north, weather and limited transport networks increase the costs.

Remoteness limits production to those activities that can overcome these high costs. This is usually production that uses the region's natural resources. The resources produced are either those not available elsewhere or those deposits that are big and highly productive. In Alaska, we call these 'Bonanza' resource deposits. Remoteness does not stop economic activity. The Arctic Human Development Report estimated that the value of resource production in



the circumpolar north in 2001 was \$60 billion. Production often takes place as large scale, capital intensive enterprise, which is required to overcome the high cost nature of these regions. The small local market also limits local production to serve local consumers. National producers of consumer goods are often able to serve local markets cheaper because scale economies in production overcome the cost of transportation into the remote region. In these regions we find three types of economic activities:

Industries that use the resources of the region to produce for export. Resources with high value or low costs are the ones produced. Inari's significant concentration of activity in natural resources occupation and tourism employment (approximately 30%) indicates the importance of this sector. A second type includes production of goods and services to serve the local population that use local resources and have relatively high delivery costs. Subsistence production an important type of this activity. In some parts of the north subsistence is a significant part of the local economy. About one half of the real income of residents of Canadian Arctic communities comes from subsistence production.

The government or transfer supported sector makes up the third part of the local economy. This sector also includes non-government jobs funded by national or local governments.

Almost 40% of the jobs in Inari are estimated to be in the public sector. This is in the range found in the north; across the Arctic public services range from 20% to 40% of regional output. What does this mean for the future? The high costs will limit the types of economic activity that chooses to locate in the region. Footloose enterprise may be attracted if the entrepreneur enjoys the regions natural environment but most new basic industries will be those that use the regions resources in production, which would include tourism. Service industries with high transport costs may also be candidates for regional location. The importance of the transfer sector means that the local economy is dependent on government decisions made outside the region.

Inari is a sending economy. The long run trend in this region is similar to much of the north. Population growth is dominated by out migration. In the first four years of the 21<sup>st</sup> century Inari experienced a net loss of population of approximately one percent a year. While this was primarily from net out migration, there was also negative natural increase in three of these years. This same pattern occurred throughout North Lapland. While people move for many reasons

migration is primarily an adjustment to economic conditions. In regions that lack employment opportunities, people move to improve their economic welfare. During this period Inari has had a relatively high unemployment rate; in 2001, for example, the rate of unemployment was twice the rate for the nation.

In Alaska we found that migration from rural to urban regions has also been an important long term trend. We found that in addition to employment opportunities people also seemed to move to acquire education and training. Poor economic performance in the rural regions reduced the probability that these migrants returned. Migration also affects the demographic structure of rural communities. Migrants from rural Alaska were younger and single. Migration rates were also higher for women. One demographic consequence of this pattern of migration might be an increase in the regional dependency rate.

#### Is Migration All Bad?

Migration is one way that economies adjust to limited local job opportunities. Migrants make themselves better off and unemployment rates in the sending region fall. This was the experience in Inari where unemployment rates fell from 10 percentage points greater than the national average to six points as a result of four years of net out migration. Some migrants return and bring human and financial capital that may boost the local economy. Migration into Inari averaged about five percent of the out-migrants during this period. In Alaska we also found evidence of return migration from urban to rural places. Women with jobs and men with high levels of human capital were most likely to make this move. Return migration is one indication of the attractive power of the region's cultural and environmental uniqueness.

Migrants may also send remittances to the home region. In some parts of the world remittances are a significant part of a sending region's income.

What does this mean for the future? Migration is an important part of type of economic adjustment that holds some promise for the future of the sending region. Policy should not limit mobility. Central to migration policy is education; improving education opportunities in the region allows local residents to make themselves better off by moving. In addition, it may open opportunities for these residents in the region.

Inari like much of the North is a region of conflict. The conflicts between reindeer herding and forestry and other uses of the land is similar to the conflicts between different land users throughout the north. In Alaska, we find conflict between the oil industry and subsistence hunters; gold mining firms and sports and commercial fishing interests; and timber firms and sports and subsistence hunters/fishers.

The major reason for these conflicts is the lack of clearly defined ownership in the north. Public ownership of resources is distinguishing characteristic of the circumpolar north. In Alaska, for example, the federal and state governments controlled 87 percent of the land. This is also the case in Inari where 91 percent of the land is owned by the state and 78 percent is in protected status. When the land is publicly owned everyone feels they have the right to use it. If land uses conflict, some one will lose. Loss may be the result of the conflicting land uses or denial of the use of the land. Conflict is often vicious because there are winners and losers.

As an economist, I contrast this result with the results of market activity (not always the same as the actions of private firms). When ownership of resources are well defined there are no losers. When an owner gives up the use of a resource they will be compensated; they will only give up the use if their reward is greater than their loss.

How do we get from conflict to cooperation? Through out the north there are a number of attempts to introduce new institutions that replace conflict with cooperation. These include direct land claims in Alaska and Canada, co-management schemes for subsistence resources and the use of tradable ownership rights in fisheries and wildlife protection. The future requires some creativity. There may be traditional models that would work in the local environment. Elinor Ostrom has shown that cooperative institutions do not have to simply follow the individual property rights model. Community ownership and management systems have a history of providing similar outcomes. Ostrom offers these important features of such a system: Well defined and enforceable boundaries so that everyone can know which resources they can use and how. Group decision rules that determine how groups allocate resources. Efficient time and place specific rules for using the resources.

Effective monitoring and sanctions for violators.  
Mechanisms for handling disputes.  
Limited interference in rule making by higher levels of government.

I make no claim to be an expert on the Inari economy. Because Inari seems to fit within the same regions as much of the circumpolar north, this can be used as a framework to explore limits and opportunities for the economy's future. One part of your job is to decide how closely Inari actually resembles a typical circumpolar economy.

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Remaking Finland: geographical peripheries in a new national setting  
*Doctor Sami Moisio, University of Turku, Finland:*

Imagining the Northernmost Finland  
According to Doreen Massey: A progressive sense of place  
Place should be understood as a process (movement, fluidity, transformation). Place is a result of various social processes and networks. The connectedness to the multiple social processes is the key factor in an analysis of the differentiation of places. The uneven development between places should be studied at various scales

The Transformation of the Northernmost Finland  
The Nomos of the Earth Carl Schmitt (*Der Nomos Der Erde* 1950):  
"Nomos is the measure by which the land in a particular order is divided and situated; it is also the form of political, social, and religious order determined by this process. Here, measure, order, and form constitute a spatially concrete unity". Each *Nomos* is a historically specific institutional landscape for capitalist relations.

My investigation is based on a pragmatist claim that all social and political practices (praxis) are guided by historically contingent mentalities (pragma). Political practices are therefore legitimized and justified through the dominate forms of mentality. What is also common to all political power is that it tries to maintain the prevailing political system/power and societal order. Regional political practices are political responses/answers to historically contingent social problems/questions. All regional political epochs are therefore

characterized by a basic mission which is spoken out by the political elites. These social problems especially include issues touching upon the survival of the state.

The changing *Nomos* of Finland

1. National Finland ca 1915—1945

The basic practices of the political power (praxis): construction (foreign policy and state institutions). The basic mentality of the political power (pragma): nation-state;

2. Nationalizing Finland ca 1950—1990

The basic practices of the political power: national homogenization.

The basic mentality of the political power: defense;

3. Competitive Finland ca 1990—

The basic practices of the political power: survival. The basic mentality of the political power: competition

Some Comparisons

Nationalizing Finland

- Welfare-Keynesianism
- Regulation
- Small regional differences
- Community
- Homogenizing development
- Extensive regional policies
- State as an investor

Competitive Finland

- Neo-liberalism
- Deregulation
- Growing regional inequality
- Race to the bottom
- Specialization of regions
- Intensive (limited) regional policies (urban regions)
- Private investments

The tension between the nationalizing and the competitive Finland:

The Growth Center Program 2000--2006

The aim of the program is to

First, restructure the regional system of the welfare state (private and public sector partnership);

Second, create a flexible network of 37 city regions to promote economic growth;

Third, bolster strategic planning which enhances regional specialization and creates innovative business environments;

Fourth, increase national competitiveness through international networking.

Empty Space and State Apparatus

The role of the northernmost Finland in the age of post-Keynesian and post-national Finland

- A site for weapon testing? (environmental destruction)
- Recreation area? (environmental problems)
- Resource periphery? (local environmental issues versus regional economic development)
- Burden for the regimes of competition and for the “competitive nation”?
- A forgotten region? (the lost moment of the Northern Dimension)
- A “laboratory” of global climate change? (global consumption vs. Arctic ecology)
- A special region within the EU? (an optimal platform for the EU-Russian dialogue)

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The North Municipality in the middle or periphery? – The viewpoint of Administration and Governance

*Professor Antti Syväjärvi, University of Lapland, Finland:*

The Challenge and Issue of Governance

The administrative viewpoint struggles with wide range of the changing governance levels from the global level to European, multi-state, state, regional and all the way to locality. The main versions of governance are the public administrative, economic, international (or political), corporative, and network, and all of these different elements aim for good administration.

There is a realization of existing problems and conflicts in the municipalities and regions in the north, for example increasing problems with economy, improvement, service production and delivery. Conflicts should also be seen as opportunities, not just as threats. The

administration should be seen as a mean for possibilities and good governance should aim from institutionalization to action. Thus, the challenge is to create good administration and governance in the North Calotte?

#### Solutions in the Means of Administration

The levels of governance are not important as themselves, it is the administrative dynamics that support the regional existence that really matters. The question for now and the future in the North Calotte is, how could pure regional communication, trust, commitment and participation be enhanced? The administration has already created borderless networks with the help of technology, but in the north regions, the eCalotte can still be seen as one future element for public operations.

...So in the Middle or Periphery?

According to the law, the municipalities have their own autonomous government. Therefore the North Municipality like Inari is either in the middle or periphery depending on the regional choices and decisions. These choices are indeed heavily structured by the administrative dynamics and for the benefit of a single municipal. It should yet be realized that all the elements needed accessible, hence, the common will, infrastructure including ICT, administrators, operative actors and regional uniqueness. Though it is obvious that the knowing-doing gap will always exist, it can be won.

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#### Security in the Arctic

*Associate Professor Gunhild Hoogensen, University of Tromsø, Norway:*

Climate Change and Resource Exploitation (e.g. oil and gas): Perceptions from Inari?

Over centuries, Arctic peoples have learned to adapt and thrive in an uncertain, harsh environment. Presently, change is occurring in the Arctic at an unprecedented rate, placing great pressure on local peoples' capacity to cope. Such change puts immense strain on the many factors that are necessary for human well-being in the Arctic,

including health of the environment, the supply of traditional foods, community health, economic opportunities, and political stability.

#### Human Security:

- Popularized in 1994 in the UNDP Human Development Report
- Adopted by Canada and Norway through 1998 Lysøen Agreement (springboard to Human Security Network)
- Arctic cooperation a specified feature of Lysøen Agreement
- Political as well as theoretical concept – prioritizes issues that are not directly state security based
- Focuses on individual and community security
- Human well-being = human security

There are seven broad categories of human security:

- Environmental: climate change (ecological and social impacts), contaminants, non-indigenous invasive species, impacts of industry on environment (oil and gas)
- Economic: relations between traditional and market economies; access to economies, access to resources, survival of traditional economies
- Food: access, contaminants, changing agricultural and marine conditions
- Health: cancer (breast, testicular), neurological damage, suicide, access to health services
- Personal: domestic violence, suicide
- Community: societal/identity, cultural preservation, migration
- Political: governance, law, rights, construction of knowledge

#### Why Human Security?

- Targets a specific public policy outlet – human security policy
- Can be used as a tool to link a variety of international science programs and increase the potential for outreach of results
- Contributes to and complements other analytical approaches including sustainable development, vulnerability and resilience
- Addresses social/ecosystem relations from threats to capacities

### Defining Human Security

Human security is achieved when individuals and communities have the freedom to identify risks and threats to their well-being and the capacity to determine ways to end, mitigate or adapt to those risks and threats.

### Human Security – Facilitating Exchange Between Communities

The traditional language of security has been actively employed in the Arctic region for decades. Security in the Arctic has focused on issues of power, resource exploitation and territory.

Global climate change is already altering the Arctic landscape, and allowing for increased transport and greater access to untapped resources, e.g. oil and gas plays an increasing role in security debates by both increasing sought-after revenues for Arctic states, and also providing for a reduced dependency upon Middle Eastern sources

Occurring amidst a changing climate, oil and gas activity poses critical challenges to the human security of communities, affecting local economies, traditional livelihoods and identities, health, food, and the environment. Such large-scale alterations of the environment interfere with local peoples' capacity to adapt by putting access to resources—and the resources themselves—at risk.

### Dominant Approach or Discourse for Security in the Arctic What Is the Situation in Inari?

- Is this a case of new industries affecting traditional ways of life (like oil and gas), or?
- Are traditionally oriented communities viable within a dominant global culture of large-scale exploitation of natural resources?
- Migration from traditional communities to more urban, globalized settings (creation of bachelor communities, aging communities)
- Climate change impacts?
- Culture, language – how do they survive without adequate investment (money and time)?

### Inari and Human Security Approach

First, assess human security risks and opportunities in Inari in conjunction with the people of Inari;

Second, the impact of mass media and government and policy campaigns on local perceptions of security (are perceptions locally based, national or globally based?).

For the assessment of human security risks and opportunities:

- employ a collaborative research approach to fully and meaningfully involve community members.
- Qualitative research methods, such as ethnographic interviews and focus groups, will be used to learn about local peoples' perception of threat and opportunity, as well as their capacity to end, mitigate or adapt to identified threats

### Open discussion and conclusions

The second part of the 1<sup>st</sup> Theme Session was a public hearing based on the presentations and evaluations of the panellists. Here citizens, representatives and officials, and researchers and other experts - from Inari, and also other parts of Lapland and representatives of the neighbouring municipalities in Norway, Russia and Sweden - are invited to give their comments and make questions to the panellists.

The main conclusions and new proposals of the session were the following:

*First*, local areas are fronting the challenge where they themselves are responsible of development work. There is a good basis for regional co-operation for example between Inari, Kirkenes in Norway and Petsamo in Russia.

*Second*, one opportunity for local areas to take this responsibility would be more independency in terms of decision making. Now the problem tends to be, that the government sees the country as a whole and is not putting enough effort solving local issues.

*Third*, scientists can offer variable results for decision makers in order to find solutions to northern issues and problems of remote areas.

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## **About Calotte the Academy**

The Calotte Academy has been organized since 1991 annually somewhere in the North Calotte, or the European North, mostly in Inari, or whether in Inari and in another place in a periphery, or sometimes in a city (except in the years of 2000 and 2001). It is first of all an international forum for discussion, dialogue and debate on relevant and acute, either global, regional or local (Northern) issues between policy-makers, civil organisation activists and researchers (and sometimes business people).

The main idea behind the Calotte Academy has been to emphasize the regional dynamics of Northern peripheries and to analyse regional development of the region both in European, circumpolar and global contexts, and influenced by many international, regional and local actors and their interests. These interests include for example, geopolitics, many cultures and different identities of the region, growing international and regional cooperation in the North, and the history of strong East-West connections in the North Calotte. The geographical and geopolitical location of the Municipality of Inari in the middle of the region strongly indicates this.

The Calotte Academy is also an international and travelling seminar for academic discourse between senior and junior researchers, other academics, and university and college students. Thus, the Academy acts as an academic platform for research projects like for example, in this year the Nordic-Russian research project "Northern Eurasian Geopolitics" (by Björn Gunnarsson and Lassi Heininen) and the research project on "Multiculturalism in Lapland" (by Scott Forrest). Correspondingly, research projects give academic support and scientific presentations, discourses and hopefully later outcomes for the Calotte Academy. The Calotte Academy 2006 also serves as a platform for pre-discussions on the themes of the 4<sup>th</sup> NRF Open Meeting (for more detailed on the 4<sup>th</sup> NRF – see [www.nrf.is](http://www.nrf.is)).

For more information, please visit

For the Calotte Academy 2005 Final Report:  
<http://www.nrf.is/News/CalotteA2005%20-%20Report%20final.pdf>

About the Calotte Academy:

<http://www.barentsinfo.org/?DeptID=17335>