Overview

The Circumpolar North is often stereotyped where governance is concerned, where there is a focus on self-governance of particular indigenous communities, and the fight for devolution of power to these communities. Governance in this Circumpolar North is, however, considerably more complex, consisting of an intricate web of governance spanning across multiple levels, from communities (reflected in aboriginal self-government, for example), and states, to a combination of state and community institutions at the international level (such as the Arctic Council).

Since the early 1990s, various organizations have emerged that contribute to increasing exchange and cooperation in the North, including the Arctic Council, the Barents Euro Arctic Region and the Northern Forum. Most recently, the five coastal states have initiated their own forum for discussion.

The concept of governance embraces multiple actors, including national and local authorities, business, indigenous people, and civil society, which through their involvement in governance structures of the North contribute to the creation of multifaceted forms of governance. This module exemplifies this in the case of the Arctic Council and also the Barents Euro-Regional Cooperation. The ongoing expansion of oil and gas, exploration and minerals production industries in the region poses governance challenges in multiple fields, including environmental, economic and socio-cultural aspects. This is identified as a key challenge to the current governance structures of the North, which concerns the diverging interests between and within local communities, business corporations and local and national authorities. The concept of governance gives students a tool to understand these processes and how they shape contemporary forms of governance structures in the North.

This module will explore the multifaceted and complex governing structures of the Arctic region, how these structures relate to one another, and the importance of these structures to the future of the Circumpolar North. The required reading focuses on devolution and local governance structures. We, therefore, balance this with module information on supranational governance structures in the North – those that transcend established national boundaries or spheres of interest. Together, the reading and the module should provide you with a good introduction to the very complex world of Northern governance.
Learning Objectives

Upon completion of this module you should be able to:

1. Differentiate between the concepts of governance and government.
2. Examine how devolution applies to the Circumpolar North.
3. Compare and contrast models of devolution in the Circumpolar North.
4. Analyze the need for indigenous and regional autonomy within the Circumpolar North.

Required Readings


Key Terms and Concepts

- Arctic Council
- Devolution
- Governance
- Government
- Foucauldian perspective
- Perestroika
- Principal agent model
- Regime theory
- Self-government
- Soft-law instrument
- Supranational governance structures

Learning Material

Governance lies at the core of security for states, communities, and individuals. Political philosophers, such as John Locke, Thomas Hobbes, and Jeremy Bentham, focused on governance (through legislation, division of power, rights and obligations) for the purpose of establishing security for the community and individual. Governance lays the foundation for how actors must relate to one another, who holds power, and who does not. Through governance we attempt to protect that which we most value, be it territory, culture, identity, and/or resources.

Today’s Arctic communities are engaged in a political balancing act between the devolution of power to communities (particularly indigenous) and the struggle over control of natural resources, which play a central role to both regional and national interests and security.

9.1 Northern Governance and Government

Governance and government are two related but different concepts. Government is traditionally thought of as a public, hierarchical authority wielding power, for example centrally (unitary as in the Russian Federation) or through sub-units (federal as in Canada). Governance covers a wider spectrum of solutions toward maintaining order that can include sharing authority between different units or levels of government for different purposes. Governance does not necessarily include formal legal means of sanctioning human activities, but it can.
The state (or nation-state) has often been confused with the notion of government, with the intention of governing national societies or communities. The idea assumes a unity among those contained within the physical boundaries of the state, a perceived unity that acts as the foundation for the state’s monopoly over law, the use of force, and the act of policy-making. Government consists of formal organs such as executive bodies, legislatures, courts, bureaucracies, and law enforcement, both within the state (police) and outside of the state (armed forces). Given the state’s monopoly of law and force enacted through the government, and due to the endurance of the state as an institution, governments often are endowed with a perception of legitimacy that other structures or actors rarely experience.

The concept of governance, which gained momentum in the 1980s, describes and examines forms of coordination and interaction between state, societal and economic actors. The concept illustrates a transformation from hierarchical authority to networks of coordination in how societies are organized. Governance does not replace government, but acknowledges that states (and by association their governments) are challenged from multiple actors, both supra- and sub-national entities (e.g. the European Union, NGOs, indigenous groups, markets, private global corporations, etc.), which enforce increasingly multidimensional forms of interaction. The legitimacy of different forms of governance comes more into question due to the informality of some structures and the extent of the power these structures are able to wield. The question in governance studies is how actions of various actors together form the way a region or an issue is directed.

The concept of governance encapsulates various forms of interaction between states and societal and economic actors. There are various theoretical perspectives used to examine the interconnection of structures and actors in shaping the particular governance of an issue or a region.

A principal-agent model questions the modes of authority shaping the cooperation among the various actors in the network. A Foucauldian perspective questions the power relations in specific fields of governance, while an instrumental oriented perspective, such as regime theory, questions the effectiveness of the governance regime in terms of specific outcomes.

In regard to governance structures of the North, the interconnection between states and indigenous groups have resulted in a redistribution of power. As oil and gas and the production of mineral for example, increases in the Arctic, the role of business is becoming also increasingly paramount. These developments demonstrate the need for creative and innovative methods of interaction and leadership between actors – from traditional state (government) actors to local actors (indigenous, non-indigenous) and the transnational (oil companies, international bodies).

Despite such developments, some of the governance structures designed to meet the needs of the North lack democratic structures like elections and transparency that provide a voice to a country’s citizens. There is no popular election of representatives in the core governance entities of the North, and the democratic processes within these organizations can be critically examined. The democratic process, as we shall see, is a critical aspect of the interaction between local communities, states and business involved in activity in the North.

Learning Activity 1

Has your own community or a neighbouring community been subject to devolution of power, and if so, what have been some of the effects?
Both structures and actors are important to understand the possibilities and limits to a specific form of governance. Examples of governance structures in the North include the following:

- Rules of procedures of formal and informal supranational organizations such as the Arctic Council
- International legislation, e.g. the Law of the Sea (United Nations Convention on the Law Of the Sea—UNCLOS)
- State tools for exercising power (economic policy, security policy).

Northern governance is thus a broad concept that directs attention to formal and informal structures, e.g. both rules and norms, multiple actors, and their forms of interaction.

The following are examples of different supranational forms of governance:

- The Arctic Council (AC), which is among the most formal, is a multilateral organization composed of representatives from the eight circumpolar states as well as six indigenous organizations that are designated as Permanent Participants (PPs).
- The Barents-Euro Arctic Council (BEAC) consists of two tiers; the first focuses on the national level among Ministers of various portfolios, and the second focuses on regional cooperation among the northernmost counties in Norway, Sweden, Finland, and Russia. The notion “Barents cooperation” refers to the informal interaction across the borders in the Barents region (see Figure 1), which is particularly supported by the Norwegian Barents Secretariat in Kirkenes, Northern Norway, and encourages social, cultural and increasingly economic forms of exchange across the borders.

![Figure 1: Barents Region](http://en.wikipedia.org/wiki/Barents_Region) Public Domain. Author: Sasha Krotov
• The Northern Forum is a circumpolar forum of regions with its headquarters in Anchorage, Alaska, USA. The goal of the Northern Forum is a combined focus upon knowledge exchange between regional Northern leaders and sustainable development through cooperative socio-economic initiatives.

• The Nordic Council and Council of Ministers represents Denmark, Finland, Iceland, Norway and Sweden, as well as the autonomous regions of Greenland, the Faroe Islands and Åland. The Nordic Council is, among other things, currently fronting an Arctic Cooperation Programme supporting projects across the circumpolar region.

• The European Union (EU) is also interested in an active role in the Arctic, whereby one of its primary objectives is enhancing Arctic multinational governance. The developing EU Arctic policy also includes within its objectives the preservation of Arctic resources in concert with Arctic residents, as well as sustainable use of resources.

Over the last two decades the emergence of governance structures in the North has been characterized by actors’ innovative actions and decisions. For example, the Norwegian initiative to establish the Barents Euro-Arctic Region in 1991 was a response to the call from Mikhail Gorbachev, the last Secretary-General of the Communist Party in the Soviet Union. Gorbachev, in a now famous speech in Murmansk in Northwest Russia in 1995, called for greater cooperation across former boundaries (Åtland 2008). Governance involves the creative invention and establishment of new forms of interaction between actors.

These multiple governance structures of the North make for an interesting topic of study, but also generate questions regarding the role and purpose of the multiple, partly overlapping governance entities of the North. To explore northern governance structures in more detail, we will examine the Arctic Council.

The Arctic Council and Its Contribution to Governance of the North

The Arctic Council (AC) is one of the primary northern-oriented governance bodies that grew out of the changing global security dynamics, spurred on by perestroika and the end of the Cold War in the late 1980s and early 1990s. Of particular importance is the 1991 Arctic Environmental Protection Strategy, a forerunner to the Council. As a new governance structure based on the consensus-principle and including Arctic countries and representatives of indigenous peoples, the AC aims to facilitate cooperation between Arctic states and communities and to meet the challenges that multiple Arctic actors confront. The emergence of the Council marked the predicted emergence of “The Age of the Arctic” (Osherenko & Young 1989). In its founding document, the Ottawa Declaration, the Council emphasizes that it will not deal with military security issues, which dominated regional geopolitics during the Cold War era. So-called “traditional” state security is thus not at the forefront of the Council’s agenda, but non-traditional “human security” issues such as health, well-being and sustainability for Arctic living conditions come to the fore.

The AC largely operates through six working groups involved in wide-ranging monitoring and assessments of various key issues for the Arctic as follows:

• Protection of the Arctic Marine Environment (PAME)
• Sustainable Development Working Group (SDWG)
• Arctic Contaminants Action Program (ACAP)
• Conservation of Arctic Flora and Fauna (CAFF)
• Emergency Prevention, Preparedness and Response (EPPR)
• Arctic Monitoring and Assessment Programme (AMAP).

As an example, for the first AMAP assessment (AMAP 1998), approximately 400 projects and programs submitted data to the report, and numerous research projects have in the following years passed on their results to the AMAP system. The rationale of AMAP monitoring is to provide reliable information as to the extent of environmental threats and vulnerabilities for the Arctic region.

The AC working groups are tasked with establishing the status of knowledge in a given thematic area (Hoel 2009b:94). On the basis of this knowledge it is possible to design informed policy responses and management for the AC. The AC responds to these reports in biannual declarations from the ministerial meetings that provide guidance on how the work is to proceed. Between the ministerial meetings of foreign ministers, Senior Arctic Officials (SAOs) manage cooperation on multiple fronts (Stokke 2007b:404). They respond to results of projects, initiating and embracing new or follow-up projects through which they convert the ministerial declarations into practice. Assigned as a “high-level forum” in the 1996 Ottawa Declaration, the AC does not issue binding declarations, and is therefore a soft-law instrument in international organization. The acclaimed Arctic governance scholar, Oran Young, asserts a benefit in being a non-regulatory governance body:

“If anything, the fact that the Arctic Council is not a regulatory body has enhanced its influence in developing and disseminating a ‘discourse of ecosystem-based management’ for the Arctic. Because the Council is not embroiled in the complexities and inevitable antagonisms of regulatory politics, it is comparatively free to engage in generative activities whose influence takes the form of shaping the underlying discourse on Arctic policy rather than making decisions about specific issues.” (Young 2009:433)

The generative activities are conducted within the working programs. The Council conducts its stewardship of the region through issuance of guidelines, e.g. most recently guidelines on Arctic offshore oil and gas. These are intended to be of use to Arctic states in their approach to developing the oil and gas industry in the region (Arctic Council 2009). The nature of the interaction between the working groups and the AC contributes to building a mutual understanding and foundation of knowledge regarding approaches and solutions to various challenges in the region (Hoel 2009a, 455).

Tackling change and contingency in the Arctic involves deliberative, cooperative political management that can adequately adapt to the changing needs of the region. The non-binding character of the AC is described by Oran Young as a primary asset of this governance body: “[R]eliance on a legally binding treaty for the Arctic would run the risk of setting up a serious mismatch between the pace of change in major biophysical and socio-economic systems in the region and the ability of the associated governance system to evolve and adjust to keep up with these dynamic processes.” (Young 2009:440)

A niche focus of the AC is environmental monitoring, which is agreed to be in the interest of all states and does not raise controversial questions between Arctic
societies and states in the same way that regulatory issues might do. Environmental monitoring also allows for better cooperation and interaction between state and non-state actors like indigenous groups. The AC monitoring activities have been put to use for highlighting issues such as, the use of monitoring results by indigenous interest groups to further develop policies on Persistent Organic Pollutants (POPs) (Wilson & Øverland 2007).

9.2 Devolution in the Circumpolar North

Devolution refers to the process of transferring power from one authority (governing body) to another, in this case, from an overarching power like a sovereign (unitary or federal government, for example) to a regional or local level. Devolution is not a permanent division of power between authorities like in a federal state, but statutory whereby the higher authority transfers power to a region by statute. The region is still legally bound to the higher authority that has transferred the power. Well-known examples of devolution are in Great Britain where power has devolved from the unitary government to the regional governments of Scotland and Wales, and in Canada where the federal government has transferred power to the Yukon, Northwest Territories, and Nunavut. Devolution is not the equivalent, therefore, of independence, where the region in question becomes a sovereign authority.

Devolution can take a variety of forms. The endowment of rights, the negotiation of land claims, and/or direct self-government, are a few of the approaches that allow for a transfer of power to the more local or regional level.

The notion of “self government” is often invoked when talking about devolution. But self-government in the Arctic is not self-evident. What “self” is it we speak of? And how do we identify those who would make use of or benefit from this form of governance?

The concept self-government is often (but not solely) applied to governance strategies employed by indigenous groups, who in negotiation with higher authorities like unitary or federal governments devolve specific areas of governing authority to a local or community level so that governance takes place more according to the specific needs of that community.

But self-government in the Arctic is more easily said than done. Such groups that would be privy to this form of governance need to be recognized by the higher authority from which specific powers would devolve. In other words, as an indigenous group, the government reigning over the specific territory/ies in question must have an acknowledged group to whom to devolve power. Such recognition is more often than not decided at the behest of the national government itself. Even knowing how many indigenous people live in either part or the whole of the circumpolar north is very difficult, as not all of the national census statistics ask for identification of ethnicity or indigenous status. As such, we lack numbers for Norway, Sweden and Finland, for example (Einarsson et al. 2004). This does not mean however, that these same states have not recognized the identity of indigenous peoples within their respective territories. What it does demonstrate is the power of the national government to set parameters around how knowledge is generated by and for indigenous peoples, and what forms of governance can and should be relevant for these groups.

1 The example addresses the impact of Persistent Organic Pollutants (POPs) on indigenous Arctic communities and their livelihoods. The issue of POPs was raised in the Arctic on the basis of monitoring activities and assessments of impacts on indigenous people’s lives, but in regard to policies on POPs, national diplomats (US and Canada) were more important for the normative change induced by the AC monitoring than AC organizations (Stokke 2007a:171).
Indigenous peoples and their respective Arctic states have thus long been challenged by the pursuit of recognition versus assimilation. All of the Arctic states attempted to enforce assimilation policies upon their northern indigenous peoples at one time or another (Einarsson et al. 2004). As noted already, it is the national governments themselves that have often determined who was and is worthy of recognition, and under what premises. An example of this can be seen within the policies of the former Soviet Union and now Russia, whereby only specific groups are officially recognized. Other indigenous identities are either subsumed within the officially recognized groups, or just not considered at all. Only the recognized groups have at least some power with which to negotiate policy and different forms of governance (either through direct self-government, processes of participation and consultation, or environmental policy, for example) (Dallmann et al. 2010).

9.3 Models of Devolution

There are many different approaches to devolution, some which have been more effective than others. Many states appear to be gravitating toward systems of shared responsibility with local communities. Some examples of self-governance (or self-determination) are as follows:

- Greenland Home Rule (public government)
- Land claims
- Nunavut (Canada) (public government)
- Saami parliament
- Autonomous districts (Russia) (public government)
- Yukon First Nations (self-government)
- Alaskan Native Associations

The ways in which these different approaches function have a great deal to do with the relationships between the local/regional and the national levels, and sometimes even supranational levels as with the Norwegian Saami Parliament which interacts on multiple levels (see Figure 2).

Figure 2: Norwegian Saami Parliament.
It is important to be vigilant, however, and monitor the extent to which devolution and legislation of more inclusive processes actually bear out. In the Nenets Autonomous Okrug (NAO) in Northwest Russia, for example, inhabitants have experienced limited opportunity for consultation and participation. Two associations are politically active on behalf of the Nenets and Komi people that participate in developing social and economic programs for the NAO/Komi regions as well as take measures to preserve traditional lifestyles and activities: the Association of Nenets People Yasavey and the Izhma-Komi Association Izvatasyas. Such activity suggests a certain level of political participation where there are channels by which indigenous voices can be heard. Despite the legislative requirements for consultation, however, communities are not being heard. Despite the roles of these associations, the actual ways in which consultation takes place locally are unclear. The legislation relies on referenda, but there do not appear to be concrete measures as to how referenda can be employed or when (Dallmann et al. 2010).

Some communities such as Krasnoe, Russia are very aware of the importance of participation. Negotiations with oil and gas companies have been of paramount importance in the past few years; therefore, community members have wanted to exercise their rights to participation through written agreements with companies operating in their own regions to ensure minimal damage and to obtain compensation if necessary. Nevertheless, there is a perception that there is little to no consultation in the determination of when, how, or even whether an oil installation will be built in or around a community (Dallman 2010). This perception about inaccessibility for consultation increases insecurity about what can and will potentially happen to a region and its local population.

9.4 Indigenous and Regional Autonomy

A question that can and should be considered regarding northern governance is whether or not there is a “need” for indigenous and regional autonomy, and if so, why?

There are many scholars, indigenous activists, and politicians who have attempted to address these questions. Political philosopher Tom Flanagan from the University of Calgary, Alberta, Canada, has contributed with a heavily critical and controversial examination of the notion of aboriginal (indigenous) self-governance and has concluded, among other things, that there exists an “aboriginal orthodoxy” consisting of assumptions about what it means to be aboriginal (the “first” people on a given territory) and the benefits of self-government (leading to prosperity and self-sufficiency, for example). The critique assesses the basis of and claims for aboriginal sovereignty beyond that which earlier treaties with the national government had endowed. The overall project attempts to break apart the logic of the arguments that favour self-government for indigenous peoples (Flanagan 2000).

What Flanagan’s work demonstrates is that the notion of self-government and other alternative forms of governance cannot be taken for granted but must be critically assessed. What forms of governance are appropriate under which conditions? Gabrielle Slowey discusses the impacts of globalization on forms of self-governance for indigenous peoples, and notes that there can be limitations and negative consequences if we are not critical and careful about how these governance structures are designed (Slowey 2001). Unlike Flanagan, Slowey is not critical of the need for self-government per se, but she wishes to raise awareness of different forms of governance, and the impact of globalization, the free market, and corporate interests, which attempt to influence the ways in which governance develops in these regions. Such awareness is extremely important as international demand is increasingly being satisfied by natural resources from the Circumpolar North, such as
oil and gas, which in turn increases the number of interests that want to weigh in on how to manage these resources.

Indigenous groups need to be very sharp about how to balance meeting community needs and social services, ensuring sustainable development of resources, and managing the incoming finances for a potentially prosperous region. How much do indigenous communities want to take on (devolution) and how much would be easier and more advantageously managed at the national level? It is important that community interests are heard and met, while at the same time ensuring that community members benefit both from local as well as national governing structures.

Clearly, there are arguments for and against devolution and self-government. Because the devolution of powers has been valuable at many levels, it appears that devolution has more meaning than just an apologetic maneuver in response to earlier assimilationist policies. The process of devolution speaks to an ever-increasing recognition that consultation and participation of multiple actors is necessary towards more effective governance. Often this process means consultation and participation of local actors, as their experiences and needs must be taken into account when determining the development of that locality, region and the state into the future.

9.5 Conclusion

Perhaps central to the whole issue of governance in the Arctic is the “who” question. Who has power in the region? Whose voice gets heard within the complex web of interests that are playing out in the Circumpolar North?

During a time where global forces are increasing in power, local and regional governance is becoming all the more important to ensure that local interests and needs are not overlooked. These needs and interests include the following:

- The need to protect and preserve a sense of identity and pride about the roots and values of individual communities
- Economic independence and prosperity based on local interests
- Preservation of traditional economic activities where relevant
- Protection of the vulnerable through social programs and services
- Exploitation of resources in a sustainable way
- Establishing fairness and equality among community members, no matter their background.

Today, local and regional governance needs can be met on a variety of fronts, from local solutions (self-government) to national (government) to supranational (Arctic Council, among others). All of these approaches to governance have an important role to play and need to work in concert to ultimately ensure a thriving Arctic region.

Study Questions

1. How is the concept of governance different and beneficial from government for non-state actors?
2. Illustrate how devolution can be applied in the Circumpolar North.
3. Compare and contrast different forms of devolution, such as land claims, autonomous regions, and Saami parliaments, for example.
4. Evaluate the need for self-government in the Circumpolar North.
**Glossary**

**Arctic Council:** a multilateral organization composed of representatives from the eight circumpolar states and six indigenous organizations.

**Devolution:** in a unitary system, devolution refers to the powers that have been transferred to regional or local governments by the central government.

**Governance:** the process, or the power, of governing; the system by which a political body is ruled.

**Government:** the actual organization that constitutes the governing or ruling authority of a political unit.

**Foucauldian Perspective:** the way in which governments use policies and organized practices to govern their subjects.

**Perestroika:** The Russian word (translated into English) for the economic reforms introduced in June 1987 by the Soviet leader Mikhail Gorbachev. Its literal meaning is "restructuring", which refers to the restructuring of the Soviet economy.

**Principal Agent Model:** The arrangement that exists when one person or entity (called the agent) acts on behalf of another (called the principal).

**Regime Theory:** an opposing view of the Foucauldian perspective whereby international institutions or regimes affect the behavior of states.

**Self-Government:** the ability of peoples to govern themselves according to their values, cultures and traditions.

**Soft-Law Instrument:** a quasi-legal instrument that does not have any legally binding force.

**Supranational governance structures:** ones that transcend established national boundaries or spheres of interest.

**References**


**Supplementary Resources**

Arctic Council: [http://arctic-council.org/section/the_arctic_council](http://arctic-council.org/section/the_arctic_council)

Arctic Human Development Report: [http://www.svs.is/AHDR/](http://www.svs.is/AHDR/)

Nordic Council: www.norden.org
Northern Forum: http://www.northernforum.org/
United Nations: www.un.org

Monitoring of development of traditional indigenous land use areas in the Nenets Autonomous Okrug, Northwestern Russia (MODIL-NAO IPY project):
http://npolar.no/ipy-nenets/main%20pages/frame.html