The Gargia-Oktemtsy Conferences 2004-14:

Knowledge and capacity building for sustainable business and community development in the Circumpolar North

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#### **Background**

A new crisis in the fisheries in northern Norway around the millennium added to the social and economic problems coastal communities already were struggling with - bankruptcies in cornerstone fish industries, increasing unemployment, and out-migration. As if that was not enough, local authorities in these remote rural communities of the northern periphery, especially on the coast of Finnmark (the northernmost county of Norway), had to cut back on expenditures on public services. Problems in recruiting competent staff and reductions in the quality of basic public services were common. As usual there were many different causes behind the latest crisis in the fishing communities of northern Norway, from reduction in deliveries of raw material to land-based processing plants, to changes in ownership, and the reorganization of the industry as a direct consequence of dramatic changes in the global fish market. Because most of the fish landed in these small, remote rural communities was exported, they were as affected by globalization as much as central urban communities; or maybe even more. The new crisis situation was understood by many locals as a vicious circle, that they could not find their way out of. Besides, nobody outside the fishing communities seemed to care, not even the central government. Growing pessimism and out-migration was the result. While some coastal municipalities expected somebody from outside to come and solve their problems, others came up with their own solutions, using different strategies for crisis management, and for social and economic change and development.

The main reason and objective behind the establishment of Finnmark University College (FiUC), and other regional university colleges in Norway during the 1960s, was to educate the kind of professionals that the periphery needed and actively contribute to local and regional development. This should be done mainly through the production of more applied courses, study programs, and research. These should be based on the needs and interests of the people

of the regions. This was done only partially, in the best of cases. It turned out that the centrifugal power in academia was as strong as in all other sectors of society. Regional university colleges wanted to become full-fledged universities, not second-best universities of applied science. As a consequence they often turned their back on their original mission: knowledge and capacity building relevant for the people in the periphery.

At the end of the 1990s there was a widespread perception among people in Finnmark, as in many other counties in the periphery, that the reform with regional university colleges had failed this main purpose. In spite of the fact that FiUC was one of the regional university colleges in Norway with the highest number of decentralized course and study programs, it was included in the general criticism. According to its strongest critics on the coast of Finnmark, including some mayors of the crisis-struck municipalities, FiUC was perceived as; "a withdrawn, self-sufficient academic institution as all the rest..., with study programs and research projects completely irrelevant for the business and public sector of the region...".

In the new crisis that appeared in the fisheries and fish processing industries on the coast of Finnmark, at the end of the 20<sup>th</sup> century, local authorities did not even bother asking Finnmark University College for help. FiUC was not conceived as a relevant partner. Even if not all the criticism was equally deserved, and some of it was obviously based on a lack of information and/or misunderstandings about the goals of education and research at our institution, at least some of us thought we should take it seriously. Many at FiUC felt uncomfortable with the situation and wanted to do something to change it. In spring 2003, we organized an interdisciplinary working group, called the Resource Group, at the Institute of Business and Social Sciences, to assist the coastal communities and other small remote rural municipalities in Finnmark dealing with development problems.

## "Win – or get lost..."

In June 2003, we organized the first local development seminar in Sørvær, the main fishing community in the municipality of Hasvik, on the island Sørøya off the coast of Finnmark. The last three shrimp and fish processing plants in the municipality had gone bankrupt the year before, and 110 workers were dismissed almost overnight. It caused an acute social and economic crisis in this municipality with just over 1000 inhabitants.

We decided to invite Loppa too, the neighbor municipality on the mainland, that was also having a hard time because of the recent crisis in the fisheries. Together with the local authorities we wanted to find out if some of the social and economic problems they were facing could be better solved through more and stronger inter-municipal cooperation. They already had some positive experiences from joining forces in the public health sector, where both municipalities in the past had problems recruiting qualified personnel. The fact that the same political party, Labor (DNA), was in power in both municipalities, was another factor we thought would facilitate inter-municipal cooperation. Secondly, we wanted to use the development seminar in Sørvær to find out if and how knowledge institutions like FiUC could help in the process of solving these social and economic crises. This second point was not obvious, at least not for the political and administrative leadership of the two coastal municipalities invited to the seminar. Their skepticism is reflected in the presentation title chosen by the head of the municipal administration of Loppa; "Win – or get lost". If FiUC could not convince the representatives from Hasvik and Loppa that they actually could help in the difficult change and development processes the municipalities were going through, we should not abuse their time anymore.

Apart from running decentralized study programs, for instance in organizational development and business administration in both municipalities, FiUC was involved in various research and development projects in both municipalities, including in fisheries and fish farming. When this information was presented it not only helped improve the tense atmosphere at the beginning of the development seminar, it opened the door to new projects of cooperation. However, the most positive result of the meeting was may be the re-establishment of trust, so important for any kind of cooperation. By sending 15 administrators, educators, and researchers to the development seminar in Sørvær, to listen and to discuss development problems with the local population, including the political and administrative leaders of the municipalities, FiUC and their representatives had proven themselves as both useful and reliable partners. The development seminar was by any standard successful and had immediate positive spin-offs, first of all in the production of new applied course and study programs 'tailor-made' to fit the knowledge and competence needs of the municipalities and local businesses in a problem-solving, inter-municipal, and regional perspective.

The political leadership of both municipalities realized they could not deal with the social and economic challenges they were facing, without help from outside. They did not have the

necessary human, organizational, or economic resources. Because of the economic problems caused by the crisis in the fisheries and the bankruptcies of the local cornerstone fish industries, the municipality of Hasvik was put on the 'ROBEK'-list, that is, placed under direct state control and administration. But at the same time they got extra state funding to find their own way out of the crisis by re-organization and capacity building in both the public and private sector (omstillingskommune), 2003-08. HUT, a local development agency (Hasvik i utvikling) was established by the municipality in the spring of 2003, to be in charge of the new business and community development projects and processes.

## Local development workshops and partnerships

The first step of a more binding cooperation between FiUC and the municipal sector in Finnmark was the elaboration of a joint research and development project for local and regional development workshops and partnerships, mainly based on our experiences from the development seminar in Sørvær. Changing the wording from seminar to workshop, and adding 'partnership' we wanted to signal the strong problem-solving orientation, the applied profile through the integration of experience and theory-based knowledge, the combination of capacity building, research, and development work, and last but not the least, the necessity of creating close and continuous cooperation through partnership agreements between the municipalities and knowledge institutions like FiUC, Innovation-Norway, etc. After a while we included a business school into the research and development project because the crisis in the coastal communities was almost always accompanied by an increase in unemployment. Because our resources too were limited, we had to prioritize. First priority was given to small, remote rural municipalities with greatest need for help, not only on the coast, but also in the interior of Finnmark, including the Sami municipalities of Kautokeino, Karasjok, and Tana.

Between 2003 and 2013, we organized 12 local and regional development workshops involving 9 out of 19 municipalities in the county. In some municipalities, like North Cape, we run several workshops during a two year period (2010-12). Bigger, urban centers like Alta, Hammerfest, and Kirkenes (Municipality of Sør-Varanger) could manage on their own. Even if the fisheries were also an important part of the economy in these municipalities, they were not as strongly affected as the smaller and more remote fishing communities thanks to their much more diversified and robust local economies. The main knowledge institutions in the county were also situated here, something the bigger, central municipalities in the county could take full



advantage of. As regional growth centers, they were also supposed to help the smaller municipalities in the periphery develop, mainly through the formation of regional development agencies. But the human and economic resources available for regional development initiatives were limited.

### Gargia – a suitable meeting place for academics and practitioners

Soon after the project for local and regional development workshops and partnerships was launched in the fall 2003, we felt a need for a common meeting place and forum. The Gargia conference for regional development in the north, established in the spring of 2004, based on the concept and experience of the development seminar in Sørvær the year before, seemed to be the right answer. Apart from planning new local or regional development workshops and the evaluation of former ones, knowledge and capacity building in local and regional development soon became the conference's main objective. Bringing academics and practitioners from all sectors of society to discuss issues of common interest turned out to be a very productive approach, both in relation to the development of new training programs and for concrete problem-solving in the municipalities involved in the project.

After the successful development workshop we run for the recently established Avjovarri Indigenous Region (made up by the Sami municipalities of Kautokeino, Karasjok and Porsanger) in June 2006, and the organization of a new UArctic Thematic Network on Local and Regional Development by FiUC, we decided to internationalize the Gargia conference. In a couple of years the conference in Gargia, a small Sami community outside of Alta, became the main meeting place and forum for the UArctic Network's discussion as well. As mentioned, the financial means and work capacity of the Resource Group at FiUC, that organized the research and development project, the Gargia conference, and the Thematic Network, was limited. Between 2003 and 2008, we run a total of 6 local and 2 regional development workshops in Finnmark, an average of one development workshop per year.

After the UArctic Network was established in 2006 the project for local and regional development workshops and partnerships, including business schools, was 'exported', first to Russia, where the need for help was even greater than in the fishing communities of Finnmark. We started our cooperation for the promotion of social and economic development in rural communities and regions of northern Russia in Arkhangelsk in 2008, continued to Yakutia 2009,

and the Komi Republic in 2010. Between 2008 and 2013, the UArctic Network initiated and/or was involved in more than 30 local and regional development workshops and business schools in rural areas of these three regions of northern Russia, and included a total of approximately 450 participants. The internationalization of education, research, and development activities of the Resource Group and the UArctic Network meant a huge step forward in knowledge and capacity building.

The central hub in this process that accelerated after the UArctic Network was established was the Gargia Conference for Regional Development in the Circumpolar North. Unfortunately, the great success of the project for local and regional development and partnerships on the international level, came at the expense of our research and development activities in small, rural communities in northern Norway, mainly Finnmark. Between 2008 and 2013, we organized only 5 local development workshops in Finnmark, all in the municipality of North Cape. Our human and economic resources were limited, and we had to use them where they were most needed. From the beginning, the UArctic Network prioritized help to Indigenous communities of northern Canada, Norway, and Russia.

#### Tana – a model municipality

The third local development workshop in Finnmark was organized in Tana, a mixed Norwegian, Sami, and Finnish municipality, in the summer of 2004. The people of Tana were struggling to cope with a negative image caused by prostitution, alcohol, and drug trafficking from nearby Murmansk, the biggest city of North-west Russia. Through the local development workshop and partnership organization that was established afterwards, a narrow focus on image building was enlarged to a broader social and economic development process that included people from all the communities in Tana and all sectors of society, public, private, and voluntary. After working together for two years, the partnership presented a local development program to the local authorities that soon became the main steering and planning document of the municipality. The strong social and political mobilization in Tana, beginning as a protest against the issues that were little by little destroying the community's social fabric, was this way capitalized by the local development partnership and the municipality of Tana. It is a textbook example of what we would call a 'governance led' local development process. The Resource Group and the UArctic Thematic Network at FiUC were included in this process through the partnership organization. From the local development workshop, in 2004, we have cooperated

closely in local education, research, and development work. The successful crisis management and development process of Tana was chosen as the main case at the Gargia Conference 2005, on: "Community governance and development". Since then representatives of the municipality and communities of Tana have actively participated in knowledge and capacity building at conferences and in several other national and international research and development projects run by the UArctic Thematic Network.

#### The Gargia-Tana conference: Closing the first development circle

When discussions began about where to organize the 10<sup>th</sup> anniversary conference for regional development in the Circumpolar North in 2013, the Municipality of Tana came up as an alternative location to Gargia because of its strong involvement in different Network activities, mainly in education or knowledge and capacity building. The political authorities, business community, and people of Tana in general have been our closest allies and partners in Finnmark during the last decennium. This included the research and development project for local and regional development workshops and partnerships, the Gargia conference, and the realization of the UArctic Advanced Emphasis Course in Management of Local and Regional Development. Therefore, the decision to hold the 10<sup>th</sup> Gargia Conference on: "Ecology and sustainable business and community development in the Circumpolar North" at Tanabru, the municipal center, October 23-25, 2013 was relatively easy. The change of location represented some minor logistic challenges, mainly in relation to funding and the organization of the conference. It was the last international conference for regional development in the North that was held on Norwegian soil, and so it was natural that it be organized where it started. Since Tana is situated in East-Finnmark, the selection of place for the conference also symbolized the move of network leadership and main activities from west to east, from Finnmark in northern Norway to Yakutia, north-east in Russia. The Institute of Finance and Economics at the North-Eastern Federal University of Yakutsk (IFE-NEFU) has been the most active partner in the international education, research, and development network from the very beginning in 2006, so also at the Gargia-Tana Conference in October 2013.

## From Tana to Oktemtsy: Opening a new development circle

The transfer of network activities and responsibilities from Finnmark University College to the Institute of Finance and Economics at the North-Eastern Federal University of Yakutsk had started long before the Gargia conference held in Tana. The transfer of Network leadership and main meeting place and forum for discussion that followed was just the formalization of the process that had been going on at least since June 2009, when the issue of leadership transfer was first raised at the main Network meeting in Yakutsk. Together with our network partners at NEFU, we had just successfully finished the first local development workshop and business school in rural Yakutia, more precisely in the Municipality of Oktemtsy. The Network's training program initiated to stimulate business and community development has been run in Oktemtsy every year since then, and not only that, but also implemented in close to 20 other rural municipalities and regions in Yakutia, including 5 Indigenous communities, everywhere in close cooperation with local and regional authorities.

Therefore, it was equally easy to decide where to have the first Gargia conference in Yakutia, Russia, as the last one in Finnmark, Norway.

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