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Published in:
The Extractive Industries and Society

DOI:
10.1016/j.exis.2018.08.011

Published: 01.01.2019

Document Version
Publisher’s PDF, also known as Version of record

Citation for published version (APA):
At the intersection of Arctic indigenous governance and extractive industries: A survey of three cases

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1. Introduction

The climate change has made the Arctic increasingly accessible for resource extraction and the region is repeatedly constructed in the global economy as one of the last energy frontiers. This coincides with an increased political mobilization, national and international recognition of Indigenous rights, corporate policy reforms, strengthening of Indigenous political institutions, all of which play a role in changing the dynamic and the legal and political context in which the extractive industry operates. While impacts of resource development on Arctic Indigenous peoples, their communities and livelihoods have been extensively studied, the scope and nature of relationship between extractive industries and Indigenous governance remain an understudied area of research. In particular, scholars have called for more detailed analyses of the power dynamics between Arctic Indigenous governance institutions and the industry in the context of negotiated agreements such as impact and benefit agreements (Caine and Krogman, 2010; Hall, 2013).

Surveying existing literature, this article offers a preliminary assessment of the intersection of Indigenous governance and Arctic extractive industries, with a special focus on how Indigenous governance institutions position themselves vis-à-vis resource extraction in three regions: Nunatsiavut (Labrador, Canada), Greenland and Sápmi (the Sámi territory in Scandinavia). As a survey of existing scholarship, interviewing representatives of the extractive industry or Indigenous governments was beyond the scope of this article and hence, the analysis and conclusions are both preliminary and schematic. They do demonstrate, however, that the relations and strategies vary considerably and tend to depend on the degree and jurisdiction of the Indigenous self-governing authority. Further, they point to a pressing need for more detailed research in this area.

The discussion in this paper will proceed in three parts. The first section provides an overview of the nature of Indigenous peoples’ participation in extractive development processes. Besides more general processes of consultation, the most common forms of Indigenous engagement takes place through processes of environmental impact assessments (EIAs) and impact and benefit agreements (IBAs).1 Both are related to the legal framework of duty to consult and accommodate. They are, however, distinct instruments: the purpose of EIAs is to assess and mitigate environmental impacts of a proposed development whereas IBAs involve Indigenous communities engaging directly with industry through negotiations to receive benefits from economic development on their territories and to foster collaborative vision for more sustainable resource development.

The second part surveys in more detail the dynamics of Indigenous governance institutions and extractive industries through three case studies: Nunatsiavut (Labrador, Canada), Greenland and the Sámi territory in Norway. These cases were selected on the basis of available

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1 In addition to formal IBAs, there are various other, more general business and collaboration agreements between Indigenous communities and extractive industries. For example in Canada, there were over 400 active agreements between a mining company and an Indigenous community in 2017, ranging from memorandums of understanding, surface lease agreements, participation agreements and socio-economic agreements to IBAs (Natural Resources Canada, 2017).
scholarship that specifically focuses on the industry-Indigenous governance relations. As the existing data is very limited, the article can only provide a preliminary discussion on key questions that need to be studied in more detail through comprehensive case studies and comparative research. In conclusion, the paper identifies the main issues emerging from the discussed cases and the most prominent gaps of research in this area.

Indigenous governance arrangements in the Arctic consist of diverse models from public governments such as local boroughs in Alaska, municipal-level self-government in the NWT, and the governments of Nunavut and Greenland, to Indigenous elected assemblies, corporations and resource management regimes. Their position to extractive development is also divergent. For example the Inuit in Greenland, who since 2009 hold extensive self-government authority, consider extractivism inseparable from the agenda toward greater political autonomy. The Vuntut Gwitchin First Nation in Yukon, on the other hand, regard self-government as a means to protect their land and “gain an important and strategic voice in resource development,” especially with regard to the nearby and controversial Alaska’s Arctic National Wildlife Refuge (Slowey, 2014; 197–98).

In spite of different prospects and challenges, nearly all Arctic Indigenous governance institutions share two concerns in common with regard to extractive industries: the disputed jurisdiction of territories and inadequate participation in decision-making. Numerous Arctic Indigenous peoples claim ownership and property rights to their territories, yet states have unilaterally asserted sovereignty over these territories and regard them as “state property.” Existing literature on Arctic sovereignty and the ownership of resources tends to overlook Indigenous peoples’ claims to their territories (Byers, 2009; Howard, 2009; Sale and Potapov, 2010). Moreover, Indigenous land claim agreements do not necessarily resolve the question of Indigenous participation in and benefit-sharing of resource development (Campbell and Fenge, 2011).

2. Indigenous participation in extractive development projects

In recent decades, Indigenous peoples have increasingly engaged with extractive industries through various means. Among the main reasons for increased engagement is the desire to reap some of the benefits created by extracting natural resources from territories that Indigenous peoples consider as theirs. Many see greater revenue-sharing as a way of addressing the dire socioeconomic circumstances in communities, created by historical and ongoing processes of colonization. The most common forms of Indigenous engagement include negotiating agreements with resource companies and participating in environmental impact assessment processes. Another means of engagement has been creating power-sharing arrangements and co-management regimes in order to increase Indigenous peoples’ input in decision-making.

In the Arctic, development of Indigenous engagement has thus far been quite uneven. In Canada and Alaska, Indigenous involvement in resource governance has considerably expanded through negotiating impact and benefit agreements or land claims settlements, but in many other Arctic regions little progress has been made (Forbes and Kofinas, 2014; Keeling and Sandlos, 2016). In these regions, the industry and state continue extracting natural resources without adequate checks and balances or sustainable benefits for local Indigenous people (Stammiller and Wilson, 2006; Alexander, 2009; Ross, 2009; Pierk and Tysiachniouk, 2016). In Russia, for example, Indigenous participation in resource governance is largely on an ad hoc basis for a number of reasons, including the lack of implementation of laws in place to protect Indigenous peoples’ rights and interests, political pressure and the cooptation of local movements by political and industry interests (Crate, 2002; Wilson, 2016). There is also a well-established ‘trade-off mentality’ still evident in Russia today, according to which “environmental damage and pollution were tolerated in exchange for the provision of these social benefits” (Wilson, 2016: 75).

Notwithstanding the progress in some Arctic regions in recent years regarding Indigenous peoples’ greater local autonomy and inclusion in the formal procedures and decision-making processes, their participation can nevertheless remain ineffective due to a variety of reasons, including short time-frames, the lack of financial resources, disregard for the norm of free, prior and informed consent and culturally alien forms of inquiry (Fjellheim, 2006). While Indigenous peoples’ involvement may have increased, they are participating in structures and procedures designed, constructed and executed by others (often governments or industry itself) that may have very little, if any, deeper or contextual understanding of the scope of impacts extractive industries have on Indigenous peoples’ lives. This can lead to marginalization and lack of agency of Indigenous peoples in spite of existing mechanisms (Trigger and Keenan, 2014).

This is not to suggest, however, that Indigenous people remain passive onlookers or in a victim position vis-à-vis extractive industry. Leaders and political bodies of Arctic Indigenous peoples have long sought for dialogue with industry and state actors to negotiate agreements that would accrue benefits to their communities. In the next section, I consider two common forms of engagement, environmental and sometimes social impact assessments and impact and benefit agreements. Both have been considered a step forward in building partnerships between Indigenous communities and corporations yet they contain serious shortcomings in terms of advancing or supporting Indigenous governance or control of their resource base.

3. Critical assessment of EIAs and IBAs

Environmental impact assessments have become a standard requirement before proceeding with an economic development project. Some jurisdictions, such as Greenland, also require a social impact assessment during the planning stage (Hansen and Vanclay, 2016). Typically, EIAs are carried out in collaboration by extractive companies and government agencies and the assessments are expected to form part of the informed decision-making about the planned development project. The EIA itself is not intended to mitigate or mediate the environmental impacts for which there are other related follow-up mechanisms, often in the form of negotiated agreements (Wilkins, 2003; Elling, 2009). EIAs have been widely criticized for a bias toward the proponents and lack of peer-reviewed data analysis (Wilkins, 2003; Davidson and MacKendrick, 2004; O’Faircheallaigh, 2007; Fidler, 2010; Aguilar-Stoen and Hirsch, 2015; Lawrence and Larsen, 2017). The very few peer-reviewed EIAs have been deemed as too limited and unscientific (Boutin and Boyce, 2012).

With regard to EIAs specifically in the Arctic, an ongoing Arctic Council Sustainable Development Working Group initiative called “Good Practice Recommendations for Environmental Impact Assessment and Public Participation in the Arctic” (“Arctic EIA” for short) seeks to strengthen public participation, provide Arctic-specific recommendations, and form a network of Arctic EIA actors comprising of authorities, companies and developers, NGOs, communities and Indigenous peoples and other inhabitants. In addition, EIA practices in the Arctic have been discussed in two workshops, one in Finland and the other in Alaska, at both of which Indigenous participants, including representatives of political organizations, have emphasized that a great deal more still needs to be done to ensure Indigenous peoples’ meaningful engagement and participation in EIA processes (cf. Lane and Corbett, 2005).2 The conclusion of the most recent workshop summary report states:

Meaningful engagement should happen early, before a project scoping has occurred to help shape that scoping, and throughout the

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entire process. Indigenous knowledge holders should have equitable and meaningful roles of the utilization of their knowledge, where Indigenous Knowledge and science can work alongside each other from conception of the project through scoping, implementation, review and analysis that informs decision-making. Finally, Indigenous Peoples should see – and have helped to determine – a decision that reflects indigenous values. (Arctic EIA project, 2018)

Another form of Indigenous engagement with extractive industry is impact benefit agreements, negotiated between Indigenous communities and companies. A standard practice today in Canada and Australia, IBAs are private bilateral deals to establish formal relations between signatories and guarantee economic and other benefits of resource extraction to Indigenous communities. Typically, benefits include employment, infrastructure, social, cultural, and environmental programs and educational and training opportunities. In most cases, the IBA provisions have two main objectives: to accommodate Indigenous interests “by ensuring that benefits and opportunities flow to the community” and to mitigate socioeconomic and other risk factors related to extractive industry in the community (Fidler and Hitch, 2007).

Besides direct economic and other benefits, there are other powerful reasons for Indigenous communities to negotiate IBAs. In Canada, one is that they provide legitimacy to Indigenous peoples’ land claims and rights (Prro, 2007). The downside is that an IBA imposes restrictions on exercising those same rights. As confidential agreements, IBAs also restrict discussing and communicating the contents of the contract in public, thus making it impossible to holistically assessing the benefits and accessing information of other similar agreements. It has been suggested that whereas “under some conditions, IBAs may provide more direct engagement with industry and a sharing of benefits from resource development than heretofore has been provided in Northern Canada” they can also have a range of negative effects, including “prevent[ing] deeper understanding of long-term social impacts of development, thwart[ing] subsequent objections to the development and its impacts, and reduc[ing] visioning about the type and pace of development that is desirable” (Caine and Krogsman, 2010: 76). Further, IBAs do not guarantee that benefits are distributed equitably within communities (Fidler and Hitch, 2007). Indigenous communities have also found it difficult to reach binding agreements detailing how the IBAs “will be monitored and how violations to the agreements will be addressed” (Caine and Krogsman, 2010: 88). Further concerns relate to the existence of these agreements as the industry may not be willing or able to maintain long-term local development and socio-economic initiatives after the extractive project comes to end (Wanvik and Caine, 2016).

What is more, there is frequently a significant gender imbalance in both EIA and IBA processes. The under-representation of Indigenous women in institutions dealing with issues of resource governance has been discussed thus far only in the context of the Canadian Arctic (Archibald and Crnkovich, 1999; Natcher, 2013; Cox and Mills, 2015). For example, resource management boards in the Yukon, Northwest Territories and Nunavut are overwhelmingly male-dominated, with only 16 percent of their memberships being women. In most cases, women are included only as tokens (Natcher, 2013). Barriers to Indigenous women’s participation range from not having sufficient information about issues to be able to speak with confidence at meetings and panels; not having enough time for community consultations during negotiations, inadequate child care and excessively long meeting times (Archibald and Crnkovich, 1999; Weitzen, 2006). In short, broad participation in EIA processes is not a guarantee that “the needs of different community constituencies are addressed,” including Indigenous women (Cox and Mills, 2015: 257). Colleagues and I argue that the systemic exclusion of Indigenous women’s interventions in the Environmental Assessment process is not only a problem of overlooking “Indigenous women’s issues” that can be separated from the overall health and wellbeing of the community. Rather, it is a fundamental failure of EAs, and the institutions that govern them with far-reaching ramifications for entire Indigenous communities dependent on traditional activities that, which play a significant role in the mixed economies in the North. (Dalseg et al., 2018: 158)

4. Three case studies

According to Wanvik and Caine, there is a conventional understanding of Indigenous-extractive industry relations that positions Indigenous communities at the mercy of economic development and thus fails to grasp the growing Indigenous empowerment and engagement vis-à-vis resource governance. They suggest that since the mid-1990s, there has been a notable increase in Indigenous political engagement and resistance (Wanvik and Caine, 2017). A central impetus for the shift for a more proactive approach was the completion of land claims agreements. Under the land claims, a host of local and regional regulatory boards and co-management regimes were established which put pressure on extractive companies to adopt a more consultative and participatory approach (Debrisay, 1994; Notzke, 1994; Abele et al., 2009; Anderson and Bone, 2009; Bone, 2009; Wanvik and Caine, 2017). Co-management boards in the Arctic have not, however, achieved their potential – major flaws include the failure to include Indigenous knowledge (Graben, 2011) and merely providing token Indigenous input in decision-making while “remaining (via funding arrangements and appointment provisions) essentially under the control of the federal government (or, less frequently, the territorial governments) and, perhaps most damningly, for undercutting rather than enhancing aboriginal peoples’ self-determination and autonomy by enmeshing them in Western modes of thought and behaviour” (White, 2008: 72). In short, colonial practices and ideologies continue to exist in spite of attempts of more participatory approaches and a degree of recognition of Indigenous rights (Hall, 2013; Acuña, 2015; Procter, 2016; Sandlos and Keeling, 2016).

In this section, I examine how Arctic Indigenous governance institutions position themselves and establish strategies vis-à-vis resource extraction in three specific locations: Nunatsiavut, (Labrador, Canada), Greenland and the Sámi territory in Norway. The Inuit-industry relations in Nunatsiavut are an example of the shift involving the two distinct phases identified by Wanvik and Caine. In the early 1970s, when the Labrador Inuit Association (LIA) was created to pursue a land claims agreement, Inuit leaders stressed how collective Inuit land rights would pose a challenge to economic development. Twenty years later, “the LIA president ... argued that a land claim agreement would be of mutual benefit to Inuit and development interests” (Procter, 2016: 291). Indeed, “when a massive nickel deposit was discovered at Voisey’s Bay in northern Labrador in the mid-1990s, the land claim negotiations were suddenly fast-tracked” (Procter, 2016: 292). However, the Voisey’s Bay area was excluded from the negotiations by the province that claimed exclusive ownership of the deposit. The final agreement provided only limited benefits from the mine to the Inuit. What is more, benefits did not accrue on a gender equitable basis within the community. While Indigenous women were actively involved in the EIA process for the Voisey’s Bay mine, including as members of the joint panel, the final statement failed to provide the detailed information women had requested and contained only generic expressions of commitment pertaining to women’s participation and equal opportunity. With regard to the IBA, women voiced concerns that they were not adequately involved and that their needs were not adequately met in the negotiations, such as women-specific training programs – something “which Inuit and Innu women had requested throughout the EA process” (Cox and Mills, 2015: 252).

Procter argues that the shift in Indigenous political strategies in relation to extractive industries is a result of neoliberal ideology framed through values of decentralization, local autonomy as well as individual responsibility and self-reliance. This neoliberalization has “has allowed Inuit and the provincial governments to align their interests and successfully reach a land claims settlement for Nunatsiavut, but it has also contributed to potential situations in which Inuit are very restricted in
their choices about economic development in their territory” (Procter, 2016: 294).

Established in 2005, the Nunatsiavut Government exercises considerable authority over its territories. For example, in 2008 the Nunatsiavut Assembly banned uranium mining on their territory for three years. The Indigenous authority, however, comes with strings attached. The provisions of the land claim agreement promote certain kind of relationships with the land that align with the neoliberal shift. This relationship not only encourages extractive development but re-conceptualizes land in capitalist terms of “resources, revenue, and assets” (Procter, 2016: 293). Such re-conceptualizing and restructuring of relations with land alienates Indigenous governance institutions from community practices and traditional economies on the land and position them, willy nilly, in cabooses with the extractive industries.

In the Arctic, the close collaboration between Indigenous political institutions and extractive industries is nowhere more evident than in Greenland. Although a public government, Greenland self-government is, thanks to an overwhelming Inuit majority (88%), an Indigenous self-government with entirely Inuit-controlled legislature. The Self-Government Act of 2009 grants the subsurface mineral and resource rights exclusively to “the people of Greenland.” Over 80 per cent of Greenland’s land mass is covered by ice but the climate change and the resulting warmer temperatures in the Arctic have meant an easier access to the natural resources even in the most remote areas. The Government of Greenland consider developing the country’s vast mineral deposits as a way of gaining economic self-sufficiency and consequently, political independence from Denmark. The government has been proactively engaging with the global extractive industry, including an aggressive marketing campaign by the former Bureau of Minerals and Petroleum (renamed and reorganized as the Mineral License and Safety Authority in 2013), a government agency under the Ministry of Industry and Mineral Resources. Greenland’s Oil and Mineral Strategy 2014–2018 identifies a high level of oil/gas and mineral exploration activity as the key in promoting the prosperity and welfare of Greenlandic society. It notes, “More specifically, the Government of Greenland’s long-term goal is to further the chances of making a commercially viable oil find – and that there are always five to ten active mines in Greenland in the long term” (Government of Greenland, 2014: 8). The strategy also recognizes the need to improve interaction between the mineral sector and the rest of society, such as the labour market, infrastructure and the health and social sectors.

While most Inuit Greenlanders welcome economic development and see mining in particular as inevitable and necessary for economic self-sufficiency, there is a substantial degree of unease with regard to the limited consultation process and lack of broad-based civil society engagement in deciding and planning large-scale resource extraction projects. The impact on Greenlandic life and culture is potentially immense and the Greenlandic public has expressed a serious lack of trust in the competence or willingness of the Government of Greenland to protect Greenlandic values and interests in the context of resource development and working with major multinational corporations (Hansen and Vancay, 2016). A particular challenge that has not received much consideration is that the entry of exploration companies may introduce new dependencies on transnational capital and corporate control which can reverse the gains achieved in terms of political independence (Winther, 2007; Kuokkanen, 2017).

Mining and offshore oil and gas extraction is also part of Norway’s economic agenda. A central piece of legislation for extractive industry, the amended Minerals Act, was adopted in 2009 without the approval of the Sámi Parliament, the elected representative assembly of the Sámi people in Norway. As a response to the government’s rejection of their position, the Sámi Parliament developed its own guidelines for mineral exploration (Sámediggi, 2010). Moreover, the Sámi Parliament continues to call for further amendments in the Minerals Act which, in its view, does not provide adequate safeguards to Sámi rights and interests in the Sámi region, and does not contain provisions for meaningful and extensive consultation about planned projects (Sámediggi n.d.).

Two new mines have been recently proposed in Finnmark, the northernmost county of Norway as well as the heart of Sápmi: a copper mine in Kvalsund and gold mine in Kautokeino. No final decision has been made on the former and the latter was rejected in 2013. The Sámi Parliament opposed both proposals on the grounds of extensive negative impacts on reindeer herding, among others. In Norway, however, municipal councils have a much stronger say with regard to mining permits and decision-making. While the Planning and Building Act, also amended in 2009, stipulates that Sámi interests need to be safeguarded and provides the Sámi Parliament the right to appeal, it gives the municipalities the right to veto regarding extractive development projects. In Kvalsund, the municipal council supported the development while in Kautokeino, the proposal to reopen a gold mine was opposed, although only by a small margin. Both located in Finnmark, a major difference between Kvalsund and Kautokeino is that in the former, Sámi are in minority while in the latter, the population is almost exclusively Sámi (Nygaard, 2016).

Bjørklund suggests that the weak status and authority of the Sámi Parliament vis-à-vis the extractive industry has to do with its institutional structure and representation. Specifically, the problem lies with the fact that the Sámi Parliament does not formally represent the interests of reindeer herders. At the time of designing the structure of the Sámi Parliament in the 1980s, the Sámi Reindeer Herders’ Association in Norway (NRL) sought to have a distinct status in the institution, arguing that reindeer herding carried a unique significance in terms of cultural identity and economic interests. Their proposition was, however, rejected and as the result, NRL declined to formally participate in the elections or the work of the Sámi Parliament. According to Bjørklund, the Sámi Parliament has failed to support and advocate the needs of Sámi reindeer herders (Bjørklund, 2013).

While it is true that the Sámi Parliament in Norway has been slow to advocate for the rights and interests of reindeer herding in the past, it is difficult to see that the lack of formal representation of the Sámi Reindeer Herders’ Association in the Parliament is a major reason for its weak position in the current context of resource extraction in Sápmi. With regard to the two mines examined above, the Sámi Parliament expressed a strong opposition to both, one of the main reasons being the grave impacts of mining on reindeer herding in the two areas. A more plausible explanation can be found in the relatively limited mandate of the Sámi Parliament. In Norway, municipal councils have much stronger self-government and decision-making authority than the Sámi Parliament which, rather than a self-government institution, is an elected consultative body of the Sámi people in charge of administering Sámi-related affairs, specifically Sámi cultural policy (see Kuokkanen forthcoming).

4There are equivalent Sámi Parliaments in Finland and Sweden.
5On the decision-making of the two cases and arguments by different actors, see (Johnsen, 2016).
6In the case of Kvalsund, the Sámi Parliament’s appeal of the decision to the Ministry of Climate and Environment was rejected.
7Reindeer herding in Norway remains under the administration of the Department of Agriculture with which NRL negotiates annually the Reindeer Agreement as required by the Reindeer Herding Act (2007).
5. Discussion: neoliberalizing indigenous governance and participation

The intensified resource development on Indigenous lands in the Arctic has led to a growing recognition by Indigenous communities of the pressing need to increasingly participate in development initiatives and negotiate partnerships with industry. In many cases, support of extractive industries is driven by external forces, not as a result of Indigenous participatory processes and their own resource governance. In some cases, support is manufactured through participatory processes such as negotiating land claim settlements and IBAs (Cameron and Levitan, 2014; Kulchyski and Bernauer, 2014).

The degree of political authority and power of Indigenous governance institutions and their relations with extractive industry in the Arctic vary greatly. Of the three regions considered in this article, the Inuit in Greenland have by far the most extensive self-government powers and jurisdiction over their mineral resources. The Government of Nunatsiavut in Labrador controls part of its territory while the Sámi Parliament in Norway only has a consultative status on Sámi affairs and no jurisdiction over the territory. In its pressing need to expand and diversify its revenue sources as part of the provisions of the Self-govern ment Act, the Government of Greenland has declared to be “open for business” and has been actively seeking for partnerships with multinational corporations for several years. The Government of Nunatsiavut has exercised its self-government authority by banning uranium mining on its territories but the political power has come with strings attached. The land claim provisions force Indigenous governments to re-conceptualize their relationships with land in capitalist and neoliberal terms such as resources, revenue, assets and private property. As the result, there is a little room for other economic forms than extractive development (cf. Kuokkanen, 2011). The Sámi Parliament of Norway is in a position of least influence and no real say when it comes to extractive industries. The Minerals Act was amended and adopted and the Kvalsund mine is going ahead in spite of the Sámi Parliament’s opposition. Because of the strong municipal self-government and authority in Norway, it was the Sámi municipality of Kautokeino, rather than the Sámi Parliament, that was able to stop the reopening of a gold mine within its jurisdiction.

A critical assessment of EIAs and IBAs demonstrates that there is a lot of room for improving Indigenous peoples’ participation in these processes. Although EIAs and IBAs are very different instruments with different purposes – the former is a public planning and predictive tool and the latter a private business agreement that provides benefits to the community – they both “have the ability to simultaneously shape and inform the direction of a prospective development, although via different routes” (Fidler, 2010: 233-34). Although created to mitigate the effects of resource development, EIAs continue to be criticized for the failure in establishing relationships with Indigenous communities prior to the commencement of a project, engaging Indigenous people in all stages of the initiative in a meaningful and respectful way and following up with communities during and after a project. Further, broad participation in EIAs does not guarantee that the needs and interests of community members are met in an equitable manner.

The main criticism of IBAs centers on the fact that they rarely establish equal partnerships between Indigenous communities with limited resources and multinational corporations. Instead, IBAs and other more general business agreements bind Indigenous communities closer to the operations of industry and thus may lead to stronger support – particularly at the level of leadership – of extractive development on Indigenous communities. As confidential and binding business deals, IBAs are characterized by an uneven playing field for Indigenous people and their institutions that lack the resources, capacity, skills and knowledge that development companies bring to the table. Negotiating IBAs frequently constructs Indigenous consent and binds them into agreements that are often unrepresentative.

Cameron and Levitan suggest that the rise of IBAs in the late 1980s and early 1990s as central elements of extractive development in the Canadian North reflects neoliberalization in three key ways: “IBAs remove barriers to capital accumulation by securing community consent to extractive development; privatize state assets, functions, and services; and promote market-based solutions to various social, economic, environmental, and political struggles” (Cameron and Levitan, 2014: 34).

The neoliberal shift in Indigenous communities has marked an apparent retreat of the state – not only from community affairs but significantly, also from its duties and obligations. While the retreat of the state is considered a positive development by some Indigenous people for its creation of space for greater autonomy, it is frequently accompanied by an intensification and acceleration of corporate involvement in Indigenous lands and governance. The problem with corporate involvement in Indigenous lands and governance is that it effectively limits – and often eliminates – possibilities for other kind of economic activities or genuine alternative forms of development, particularly real and sustained involvement in traditional economies which in the Arctic still carry considerable weight in Indigenous communities not only in terms of providing sustenance and income but also social and cultural coherence and sustaining and renewing individuals’ and communities’ relations to the land.

What is more, as scholars have pointed out, neoliberalization does not in fact remove the state from the affairs of Indigenous communities and governments. Instead, it transforms the state functions, policies and practices in ways that promote individualism, competitiveness, and economic self-sufficiency and “serve to deepen institutional linkages with globalized capital” (Dempsey and Gould, 2011; Cameron and Levitan, 2014: 30; see also Strakosch, 2015). Neoliberal discourses of self-reliance, responsibility and individual capacity-building restructure Indigenous self-determination into a limited decision-making authority within the confines of the global capitalist economy. Even in the case of Greenland, where the public government in full control of the country’s mineral resources is a de facto Inuit government, there is a real danger to lose at least some of the planning and decision-making capacity at the arrival of foreign investment.

6. Conclusion

While the impacts of extractive industries on Indigenous peoples and their communities have been extensively studied, there is limited research on Indigenous-industry relations that focus on Indigenous political institutions. This article has surveyed the existing literature on the role and influence of Indigenous political institutions in the context of extractive development on Indigenous territories in the Arctic. It has shown that relations between Indigenous self-government institutions and extractive industries vary considerably from region to region: the most progress has been made in Greenland and North America and the least in Russia. The recognition of Indigenous land rights and Aboriginal title in Canada and Alaska has contributed to Indigenous peoples’ better opportunities of engagement in extractive development, while similar recognition of Indigenous land rights is lacking in the rest of the Arctic (Scandinavia and Russia). Greenland is a unique case in that the self-government authority – the Government of Greenland – has full jurisdiction over it subsurface mineral resources and actively seeks partnerships with extractive industries and foreign direct investment.

The three case studies discussed in this article point to an interesting (yet very schematic) observation that requires further research: the greater the extent of an Indigenous self-government authority, the more openness the Indigenous government has toward extractive industries. There are several factors that contribute to such openness, including neoliberalization processes that shape Indigenous communities, governments and economies – the fact that negotiated Indigenous self-government comes with strings attached – which in turn further diminishes the opportunities to consider anything else than “standard”
economic development. Although the three case studies are too limited in scope and number to draw any further conclusions in this regard, they point to a need for a nuanced and contextualized analysis that takes these differences into account and that do not paint Indigenous communities and their governments as either victims or proponents of extractive industries – or for that matter, neoliberalization (Feit, 2010; Cameron and Levitan, 2014).

There is a need for both comparative research as well as specific case studies – including Nunavut, NWT, Alaska and Russian Arctic that would examine in more detail the strategies of engagement by Indigenous political institutions as well as the role of neoliberal ideologies in shaping Indigenous political institutions vis-à-vis the extractive development. Related, the social relations of power between various actors require a more systematic and sustained study (cf. Raik and Wilson, 2008), including the role and strategies of the state not only facilitating extractive projects but also resisting and opposing Indigenous peoples’ control over their resources in the Arctic (cf. Everett and Nicol, 2014). This could also include, as suggested by Caine and Krogman, “an examination of the power dynamics among Band council members, key influential members in the community, lawyers hired by Aboriginal groups and by industry to negotiate, experts invited to participate, and industry partners to understand the constructive processes of IBAs” (Caine and Krogman, 2010: 89). Finally, any future research on Indigenous-industry relations and on Indigenous political strategies needs to be gendered in order to ensure that the participatory processes preceding an extractive project are fair and just and produce equitable benefits for all. More fundamentally, only by including an analysis the gendered structures and strategies involved in planning and carrying out resource development activities will provide a full understanding of the dynamics of Indigenous-extractive industry relations.

Declarations of interest

None.

Acknowledgements

The author wants to thank Deborah Simmons for her helpful comments and Lois Lee for her research assistance.

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