Unconventional Aspects of Human Security in the Arctic

Cases from the Barents Region

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in the Arctic

– Cases from the Barents Region

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Preface

This volume is produced as part of the research project – Human Security as a promotional tool for societal security in the Arctic: Addressing Multiple Vulnerability to its Population with Specific Reference to the Barents Region (HuSArctic). The project is funded by the Academy of Finland, and hosted at the Northern Institute for Environmental and Minority Law (NIEM) at the Arctic Centre of the University of Lapland. On March 25-28, 2017, under the auspices of the project, an international conference titled Human and Societal Security in the Circumpolar Arctic with specific focus on the Barents region: Environment, Sustainability and Development, was organized. The conference took place in three locations – Rovaniemi and Enontekiö (Finland), and Kautokeino (Norway). The conference brought together a group of international scholars from various disciplines, highlighting the significance of the Arctic to the global community. The four-day conference hosted approximately forty presentations and received over thirty research papers and excellent submissions focusing human and societal security from diverse disciplines, and applicable to mainly the Barents region. While all papers underwent an initial review, approximately only twenty were selected for further review under an external process. Out of these, fifteen were accepted for publication in the book entitled: Human and Societal Security in the Circumpolar Arctic Local and Indigenous Communities, published by Brill (2018). The remaining papers are published in the present volume entitled: Unconventional Aspects of Human Security in the Arctic – Cases from the Barents Region, as they present topical issues. This volume is presented as an outcome of the HuSArctic project, the focus of which was to elaborate on the multiple vulnerabilities and challenges facing the Arctic

population, with a specific reference to the Barents region from the viewpoint of human and societal security. The opinions expressed in the volume are of those of the individual authors of each chapter.

The first chapter analyses legal pluralism from a legal-philosophical viewpoint, focusing on Canada and Finnish Lapland – two jurisdictions with indigenous areas. The analysis of legal pluralism is explained through fundamental concerns in relation to indigenous peoples' rights, including land rights and rights to natural resource management. The author's arguments are based on relevant philosophical, cultural, and moral elements.

The second chapter sheds light on entrepreneurship in the Russian North, with special reference to risks and threats to small and mid-sized entrepreneurs. The author places a specific emphasis on the peripheral region, in particular the Komi region, of the Russian Barents. The Komi region has become increasingly isolated since the 1990s due to centralization, and currently faces a number of negative circumstances including a decrease in population, a low quality of human capital, and economic dependence. The author argues that this is due to unequal natural resource distributions, which negatively influence the socioeconomic status of the population. The author focuses their analysis on entrepreneurs and the survival of the region's small and mid-sized businesses.

The third chapter offers the importance of digitalisation and information sharing as part of the promotion of human capability, which broadly enhances human security. The authors elaborated on digitalisation and

information sharing by highlighting the actions taken by a Non-governmental organization (NGO), the Association for Social Affairs and Health in Northern Ostrobothnia, which is coordinating the Toimeksi 2.0 project. The project aims to create an online service for NGOs and citizens in order to activate citizens' participation in society. Thus, the authors discuss how citizens' empowerment for the enhancement of community welfare leads to the promotion of a transparent, effective, and efficient society.

The fourth chapter scrutinises problems of food security in the Arctic, taking the Komi Republic in Northern Russia as a case study. Here, the author highlights the importance of food self-sufficiency in both quantity and quality. The author argues that dynamism in agricultural production is a requirement for the promotion of self-sufficiency to promote fresh and quality food products.

These four chapters provide significant insights to human security, and elaborate on possible threats or methods of promoting human security in a regional context. Their contributions will certainly provide useful information for academics, legislators, policy makers, and practitioners seeking to further expand their knowledge of human security, and in particular to understand its manifestations in the local context of the Barents region.

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Kamrul Hossain &
Anna Petrétei

Human security as philosophy of law and legal pluralism in Arctic indigenous areas

Dawid Bunikowski[*]

Abstract

The aim of this legal-philosophical paper is to shed light on the idea of legal pluralism and two jurisdictions in indigenous areas in the Arctic. The argument is that legal pluralism and Canada's state-indigenous experiences may help to recognise indigenous rights that are part of human security in the Arctic, also in Finnish Lapland. This seems a good tool to make natural resources management in Finnish Lapland just in the eyes of the Sami. Sami rights, including lands rights and indigenous natural resources management, should be better recognised in Finland. The Sami people are the aboriginal nation beyond borders. This research presents narratives of both Finland's government and the Sami Parliament. Also, the theory of legal pluralism and the idea of two jurisdictions in indigenous areas are analysed to support the

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argument. Finally, chosen Canadian experiences (the Nisga'a; the Crees and the Inuit) are shown in order to explain how legal pluralism or two jurisdictions (state v. indigenous) may work in practice in Lapland. Last but not least, the paper pays attention to relevant philosophical, cultural and moral issues as well.

1. Introduction

1.1.   Aim

The aim of this legal-philosophical paper is to shed light on the idea of legal pluralism in indigenous areas as a problem of human security in the Arctic with particular reference to Finnish Lapland. This is not an international environmental law analysis or legal analysis *sensu stricto* but it seeks a new philosophy of law in Lapland. In the past few decades a number of researchers have sought to determine environmental law and rights in the context of indigenous rights and human security in the Arctic (see e.g. some recent works, such as Koivurova 2006/7; Hossain 2012; Heinämäki 2015; Zojer and Hossain 2017). However, few writers have been able to draw on any systematic research into legal philosophy in the Arctic (e.g. Kuppe 2016; Husa 2016), and much of the research up to now has been descriptive in nature. The approach presented in this paper is based on legal philosophy. The difference it makes is that this research focuses on inspiring legal-philosophical and political theories, values, and ideas, and not on written state or international laws only. In the pages that follow, it will be argued that legal pluralism is a good tool and could be fast becoming a key instrument to make natural resources management (sometimes, the abbreviation "NRM" is used)

in Finnish Lapland better in terms of justice. This is the central thesis of the paper. These issues are chosen because legal pluralism matters for human security in the Arctic and plays an important role in the maintenance of human security as it covers indigenous traditions and customs (compare on human security and its interplay with societal security: Zojer and Hossain 2017: 62). The question arises as to whether nations states, central government, the application of public law failed to the Sami, as appears to be the case, and, if so, whether autonomous regulation and recourse to local, indigenous government and jurisdiction are a better option? The argument is a normative-descriptive judgement: legal pluralism and Canada's state-indigenous experiences might be helpful in recognising indigenous rights in the Arctic with particular reference to Finnish Lapland, and it is about practical connotations or implications for indigenous rights that are part of human security.

All the Nordic states are human rights-oriented but have problems with recognition of indigenous rights. The theory of legal pluralism and experiences of other countries like Canada may help them work in this field. Practically speaking, Sami rights, including Sami rights to land and political self-government as well as to natural resources management, should be better recognised in Finland. This claim is supported by the theory of legal pluralism (see: Bunikowski and Dillon 2017: 37-38, 42-45, 55-59). Also, *historical Justice* meets Equality in the Arctic: it means that egalitarian values of the Nordic countries face a demand for exclusive rights for the Sami (see more about this clash of values: Bunikowski 2014: 76, 82-84). This is one of the most important but sensitive topics of human security in the North. Resolving many plights in the field is akin to a multitude of misunderstandings, also the

cultural or linguistic ones. Thus, to put it briefly, in this paper, the history and situation of the Sami people is dealt with (part 1) and, afterwards, there are shown chosen but representative official statements of both sides (Finland's Government v. the Sami Parliament) which might be perceived as, often, too bleak or stringent (part 2). Nevertheless, the theory of legal pluralism is presented with the idea of two jurisdictions in indigenous areas to support the argument (part 3). Finally, Canada's experiences (the Nisga'a; the Crees and the Inuit) on recognition of indigenous jurisdiction are analysed in comparison with the Finnish Sami's situation (part 4). Other important legal, philosophical and cultural considerations are drawn upon in the end of the paper (part 5). A qualitative approach was used in the data analysis.

Significantly, an explanation of the concepts, such as "justice" and "nature" or others related to the paper topic, must come in this section. Since terms like those might obviously carry different meanings to different people, it seems necessary to frame their meaning within the context of the paper. First of all, a more general concept should be clarified. The word "nature" might differently be understood and is one of the most complex meanings in the language, reminds Kate Soper (Soper 1995: 1). According to Aquinas in "On Being and Essence", "nature" was a thing that was perceived by the intellect: "whatever can in any way be grasped by the intellect is called a nature" (Bobik 1965: 45). In other opinions, nature is just the environment (Soper 1995: 2). This is very close to another term, the term "biodiversity". *In biodiversity* indigenous people and local people are a seminal part of nature. Since all international policies on biodiversity, as alleges Elli Louka, are "state notions of what biodiversity is" and there appear "nationalistic tendencies of control over biodiversity resources", then all the notions of biodiversity (like in

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Biodiversity Convention) are based on "conservation of biodiversity resources": "conservation and national measures" rather than "local management, restoration or gene bank development" (Louka 2002: 1-2). By "natural resources management", it is meant administration of lands, forests, fishing waters, hunting grounds, reindeer husbandry pastures, mining areas etc. It is an open texture term. The essence of the concept is deeply rooted in the concepts of land, landscape, and land use. Land rights are connected to this concept. The term "jurisdiction" means the power of law enforcement or, as enjoin dictionaries, "the official power to make legal decisions and judgements". "Indigenous areas" are those of the lands which were originally inhabited by people who had arrived in these places before Western colonisers came. In the context of this paper, the concept of justice is taken from Justinian's Code: "Justice is the constant and perpetual wish to render to every one his due" (*Iustitia est constans et perpetua voluntas jus suum cuique tribuens*) (see also: 5.2.). The idea of two jurisdictions is referred, in this case, to a situation in which in one social or geographical place there are two jurisdictions: the indigenous one, the state one. It is very close to the theory of legal pluralism.

Many general questions are also put on the table to be discussed and maybe some of them are left without clear or black-white answers: Who is or should be the owner of the land in terms of constitutional and public law? The Sami or the state? Who should manage natural resources? It really seems to portray the situation as a dichotomy (either-or case), and this is the point. The question is not about individuals or corporations. The latter concerns private law. The most important question remains as to whether it is genuinely

possible to talk about two jurisdictions in one state[1], following legal pluralism and the right to self-determination (i.e. a people have the right to choose their sovereignty[2]) of indigenous people there? The answer of this paper is positive.

1.2. The Sami people

There is a large volume of published studies describing the history and status of the Sami people. However, few words about the Sami people are necessary here. The Sami people are commonly recognised as the only one indigenous nation in the European Union. They live beyond borders in northern Scandinavia (Sweden, Norway), Finnish Lapland, and northern Russia (the Kola Peninsula). They call this region "Sápmi". This is both a material (geographical, physical) and spiritual homeland (Porsanger 2003: 151). There are different estimates how many people belong to this nation[3]. There are also different criteria of belonging to this group. Probably, there live over 60 000 Sami people in their traditionally occupied territories (mostly, in Norway) (Bunikowski 2014: 81; Bunikowski 2016b: 43; but see also: Aikio 2003: 35, where it is mentioned that there are 70 000-100 000 Sami people). Maybe only one third of the population speak one of the ten Sami languages, of which North Sami is the most rudimentary (90% of the native speakers use it) (see more: Aikio 2003: 35). This is necessary to remember that phenomena and

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[1] There are claims that it is impossible to apply different laws to different people within the same state because this could lead to a dangerous slippery slope. I claim that this would be possible as an exception and shall relate to exclusive rights of the Sami (e.g. in reindeer husbandry).

[2] It is seems a kind of misunderstanding to support a critical voice that the concept of self-determination applies to oppressed peoples, not to those living in open democracies. The Catalonians or Scots live also in a democratic state but want to be independent.

[3] I use the term "nation" here, even if from a political/state viewpoint or to some scholars, it might be not correct in this context. It is correct to me because the Sami are the one nation in terms of ethnicity, language and history.

processes, such as the closing of borders from the 19th century, the modern education system, language policies, revived Lutheran ethics, and property law regimes from the 19th and the 20th centuries, destroyed a large part of traditional Sami ways of life, knowledge, property rules, reindeer husbandry[4], and indigenous languages (Bunikowski 2016b: 43).

In the beginning of the 21st century, the feeling of injustice is strong among Sami. "I felt that I was being treated as dirt", asserts Ole Henrik Magga (see: Laskow, in "Others"), a Sami leader from Norway. This is true that the slogans such as "The Lapp people are childlike people in more than one respect (…) it is the goal of Norwegianization that they are brought to the maturity of man…" (Rector Andreas Gjølme in Sør-Varange, 1886) were applied to the whole Sami society. Eventually, missions, religious, educational programme etc. to these ends, were deemed "ethical" or moral from this point of view. These looked just morally justified from this perspective. Sami people as indigenous people have been depreciated by Scandinavian states in many ways and by different institutional actions. These missions brought with it Enlightenment ideas to do with the nation state, progress, and Protestantism[5]. These destroyed the traditional way of life of

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[4] Of course, one has to remember about the other historical Sámi groups which were fishers, landowners themselves and sedentary coastal dwellers.

[5] Further explanations are needed here to avoid misconceptions or confusion: the Enlightenment (18th century) has much to do with the concepts of the Nation-state (fully developed in the 19th century) or Protestantism (that was an inspiration for missions among the Sami in the 19th century). For example, Jukka Pennanen (2003. claims that in the 19th century "The Laestadian revivalist movement emphasised not only deep religious beliefs but also healthy, sober and pious habits" (Pennanen 2003: 150), so there were also positive aspects of the process. However, it has to be added as a general statement that the Western countries' interferences in the Sami culture had created many problems with which results they were later or still are enforced to fight (in education, health, employment etc.). *Per analogy*, it is a commonly known problem that some young people of the Canadian Inuit group commit suicide because they have lost the sense of life in terms of their traditional way of life in a process that was a result of many new Canadian regulations and policies like bans on hunting.

so-called "dark", "dirty" people. Sami customary laws[6] have not been recognised by the Nordic states since the end of the 18th century as, that mentioned, Sami culture was depreciated in Scandinavia in the 19th and 20th centuries. Nowadays in Finland, the land rights of Sami people are unresolved human rights problem, an issue that was highlighted by the UN Human Rights Committee in "Concluding observations on the sixth periodic report of Finland, of 22 August 2013. Some Sami asserted that the right of the state to the Sami people's land (Lapland) is controversial. However, the recognition of the Sami people to administer hunting grounds and fishing waters remains a sensitive political question. The Sami are not "lords"/"rulers" in their own country/traditionally occupied territories. It is also known that about half of the Sami population in Finland[7] have been forced to move outside Lapland due to unemployment, economic stagnation and the lack of opportunities (Bunikowski 2016b: 43).

Ideas of Sami self-determination and own natural resources management, not only claims of real cultural autonomy, are very powerful and well visible in public discourses in Sweden, Norway, and Finland. In addition, Sami identity is strong (e.g. among the youth). Many Sami people get active in politics (see more: Bunikowski 2016b; Pennanen and Näkkäläjärvi 2003; see also the film Sámi People (OV)). However, constitutionally speaking, the Sami people are

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[6] The idea is that one can refer to "customary law" only with explaining those customs (and hence, the necessary references). These customs and customary laws are explained in 3.4. This is true that it could also open up an interesting debate between traditional customary, oral law vs. written codes (of Western or indigenous origin), but there is no room for such subtle discussions in this paper as it is out of range of the paper.

[7] This is true that this number shall be put in context, for example by comparing it with the non-Sami population from Lapland also forced to move outside Lapland, or with population from other peripheral regions of Finland. However, this is beyond the scope of the paper. This note is only to signalise this issue.

not treated as "a people" but "ethnic minority" in Finland. This matters because only "a people" (not only those living in non-open democracies) may enjoy the right to self-determination in modern international law.

However, it might be claimed that the Sami people have enjoyed the allodial title to their lands and their lands have never been ceded. In contrast to the feudal systems, the allodial title constitutes ownership of real property like land that is independent of any superior landlord like the Crown/State and is only kept under God (compare: Hill 2014: 36-37, 48). Such land is not granted as a tenure by the Crown/State, but it comes from owning land "outright" (e.g. like in the udal law in Shetland). It means that the current state of things based on the Nordic states' ownership of the Sami traditional lands seems illegitimate and can be easily questioned by the Sami. There are only three forms of "the starting point" of the sovereign power on a given territory: conquest (that is not recognised in modern international law[8]), *terra nullius*, and cession, No one of these situations took place in Finnish Lapland. And, resolving this problem is related to justice.

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[8] However, someone could claim that the non-recognition of conquest as a legitimate way to acquire land/territory is indeed not recognised in modern international law; but as a norm it is not retroactive. Thus, someone could continue, it cannot be applied for conquests that had taken place before the norm itself came into modern acceptance. I claim that such statements support the position of the Nordic countries that the Sami people have not enjoyed the allodial title to their lands. In terms of universal morality (e.g. Kant), this formalistic attitude is not acceptable and seems at least partially wrong. See more: Bunikowski 2017: 48-51.

2. Natural resources management in Finnish Lapland: two narratives

Natural resources management concerns the most important elements of the Sami culture in Finland, such as lands, hunting forests, fishing waters. That said, their lands are sacred and have both a material and spiritual entity, playing an important role from the point of view of the survival of the Sami culture and nation. First of all, in this part, there should be presented two narratives (the state one, the indigenous one) about the current state of things in the field of natural resources management in Finnish Lapland.

2.1. Constitutional background

Unfortunately, before one starts with the two narratives, one has to take into account that the constitutional framework is pertinent to this problem. These are the most significant provisions concerning the principles of equality and cultural autonomy of the Sami in Finland. First of all, according to Finland's Constitution of 1999's Chapter 2 - Basic rights and liberties, Section 6 - Equality, "Everyone is equal before the law. No one shall, without an acceptable reason, be treated differently from other persons on the ground of sex, age, origin, language, religion, conviction, opinion, health, disability or other reason that concerns his or her person". In Chapter 2, Section 17 - Right to one's language and culture, it reads that "The Sami, as an indigenous people, as well as the Roma and other groups, have the right to maintain and develop their own language and culture. Provisions on the right of the Sami to use the Sami language before the authorities are laid down by an Act. The rights of persons using sign language and of persons in need of interpretation or translation aid owing to disability shall be guaranteed by an Act". Also, it

is stated in Chapter 11, Section 121 - Municipal and other regional self-government, that "Finland is divided into municipalities, whose administration shall be based on the self-government of their residents. (...) In their native region, the Sami have linguistic and cultural self-government, as provided by an Act". Among many legal acts regarding the Sami in Finland (like on the Sami language, reindeer husbandry but also the water and mining acts), one is the most crucial. According to the Act on the Sámi Parliament (974/1995), Chapter 1 — General provisions, Section 9 — Obligation to negotiate, the government is obliged to negotiate with the Sami, also in the fields of, among many, management of lands and community planning[9]. All these provisions must be understood in the context of decentralisation. Moreover, international law constitutes a supportive part of the constitutional standards. The content of ILO 169 convention, which has not been ratified in Finland yet, is mentioned in the end of the paper. Also, it is necessary to add that Finland signed the United Nations Declaration on the Rights of Indigenous Peoples of 2007 and has intensively worked on the Nordic Sami Convention, which aims "to build a better future for the life and culture of the Sami people" (that is to be ratified soon).

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[9] The whole provision sounds: "The authorities shall negotiate with the Sámi Parliament in all far reaching and important measures which may directly and in a specific way affect the status of the Sámi as an indigenous people and which concern the following matters in the Sámi homeland: (1) community planning; (2) the management, use, leasing and assignment of state lands, conservation areas and wilderness areas; (3) applications for licences to stake mineral mine claims or file mining patents; (4) legislative or administrative changes to the occupations belonging to the Sámi form of culture; (5) the development of the teaching of and in the Sámi language in schools, as well as the social and health services; or (6) any other matters affecting the Sámi language and culture or the status of the Sámi as an indigenous people".

2.2. Two narratives

In this section, chosen but representative official and international statements of both sides, i.e. the Finnish government and the Sami parliament[10], are analysed. What the observer can perceive is the two quite different narratives on cultural autonomy (say, CA) and natural resources management (say again, NRM). (CA and NRM are interrelated.[11]) Caught between two stools, these are as follows: the Finnish government's "optimistic" narrative and the Sami parliament's "pessimistic" narrative. Shortly, some features of this meeting of the narratives could be described in this way: first, there are completely different arguments and claims on both sides; secondly, there is no understanding each other because there are different voices and contradictory meanings and contexts. The following two documents (that said, which are select and representative for both policies and sides) are compared: "Concluding observations on the 20th to 22nd periodic reports of Finland adopted by the Committee on the Elimination of Racial Discrimination at its 81st session in 2012. Information provided by the Government of Finland on its follow-up to the recommendations contained in paragraphs 12, 13 and 16, 30 August 2013"; "Statement by Finnish Saami Parliament on the Realization of Saami People's Right to Self-determination in Finland Presented by the President of the Saami Parliament of Finland J. Lemet, April 2010".

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[10] In fact, the Sami parliament in Finland is an institution of the Finnish state. It shall represent the Sami people but institutionally is a part of the Finnish state (working under the "supervision" of the Ministry of Justice). This is rather a weak institutional position in the constitutional system.

[11] To many Sami, NRM is a part of CA. Lands belong to culture. Reindeer husbandry and grazing, pasture lands, fishing waters, hunting grounds etc. are part of the Sami culture. But to the Finnish side, CA is only about language and culture like air craft. The Finns follow the constitution very strictly here: lands are not related to the concept of culture. NRM is not in CA, so e.g. no Finnish forest company needs to ask the Sami for a permit for logging in Lapland.

2.2.1.   The UN's critics and the narrative of the Finnish state

The "debate" on CA and NRM should be also interpreted in the context of the international pressure put on Finland. This also includes the Human Rights Committee's "Concluding observations on the sixth periodic report of Finland, of 22 August 2013", where it is stated in par. 16: "While noting that the State party has committed to ratifying the International Labour Organization Convention No. 169 concerning Indigenous and Tribal Peoples in Independent Countries, and established a working group in August 2012 to strengthen the rights of the Sami to participate in decisions on the use of land and waters, the Committee remains concerned that *the Sami people lack participation and decision-making powers* over matters of fundamental importance to their culture and way of life, *including rights to land and resources*. The Committee also notes that there may be insufficient understanding or accommodation of the Sami lifestyle by public authorities and that there is a lack of legal clarity on the use of land in areas traditionally inhabited by the Sami people (arts. 1, 26 and 27). The State party should advance the implementation of the rights of the Sami by strengthening the decision-making powers of Sami representative institutions, such as the Sami parliament. The State party should increase its efforts to revise its legislation to *fully guarantee the rights of the Sami people in their traditional land,* ensuring respect for the right of Sami communities to engage in free, prior and informed participation in policy and development processes that affect them. The State party should also take appropriate measures to facilitate, to the extent possible, education in their own language for all Sami children in the territory of the State party". [italics-DB]

2.2.2. The Finnish narrative

Going back to the documents of the two sides of the conflict ("debate"), here comes Finland's narrative. On the one hand, Finland (here: the Government) claims in its statement that: "A Working Group, appointed by the Ministry of Justice in June 2012, is preparing a proposal for the revision of the Act on the Sámi Parliament. The Act on the Sámi Parliament (974/1995**)**, which is *important for the regulation of the self-determination of the Sámi*, was enacted in 1995". Later, it is added that: "Legislative project is under way at the Ministry of Justice, which aims at developing the rights of the Sámi people as an indigenous people especially by clarifying the legislation on the rights of the Sámi people *to participate in the decision-making regarding the use of land and water areas in the Sámi Homeland.* The objective is to create conditions for the ratification of ILO Convention No. 169 on Indigenous Peoples". It reads also: "The Government stresses that the legislation contains specific requirements for the mentioned areas, *inter alia*, in Section 2 (2) of the Reindeer Husbandry Act that are specifically intended for reindeer herding. The land in these areas may not be used in manner that may significantly hinder reindeer herding. On the other hand, the Finnish *legislation does not require a permission or prior consent from the Sámi for logging*". Finally, the document hits the nail on the head: "In its recommendation No. 11, the Committee has stated that the State party, when revising the Act on the Sámi Parliament, "should enhance the decision-making powers of the Sámi Parliament with regard to the cultural autonomy of Sámi, including rights relating to the use of land and resources in areas traditionally inhabited by them"**.** In this regard the Ministry of Agriculture and Forestry notes that *the cultural autonomy* that the Constitution of Finland

guarantees the Sámi people in itself *does not constitute a competence for the Sámi Parliament to utilise natural resources*, whether in state or private ownership, within the Sámi Homeland". [italics-DB]

So the Finnish official attitude to the Sami claims can be summarised in simple statements: the government has some projects of the law reforms as well as working groups to improve the Sami self-determination; the aim is to ratify the 169 ILO Convention, and the government is working hard in this field; Finnish law is to protect reindeer herding and the environment (but one must remember about equality in accession to the reindeer herders' association); either the Sami consent or caveat is not necessary in natural resources management like logging nowadays; the government cooperates with the Sami parliament; and the Sami have cultural autonomy (but only this one, since sec. 17 and 121 of the Constitution speaks of "indigenous people", "the right to maintain and develop their own language and culture", then about "their native region", "linguistic and cultural self-government", but not about political autonomy). This might be seen as a positive narrative. The image of what has been done and what is being done is rather good and positive. The argument is state-oriented as well (i.e. against some special, far-going, exclusive rights or privileges like land rights for the Sami). The mentioned statement in one place is even quite harsh and unambiguous as the constitution interpretation is very strict: "In this regard the Ministry of Agriculture and Forestry notes that the cultural autonomy that the Constitution of Finland guarantees the Sámi people in itself does not constitute a competence for the Sámi Parliament to utilise natural resources, whether in state or private ownership, within the Sámi Homeland".

As a comment, this must be asseverated that it seems possible to interpret the term "culture" also in a wider sense, and then "linguistic and cultural self-government", cultural autonomy, may also include e.g. a competence to "utilise natural resources". That is not the problem of any language but of good will. A language is open: culture, literally as dictionaries tell, means "the arts and other manifestations of human intellectual achievement regarded collectively". Intercepting the strict interpretation of sec. 121 of the constitution and interpreting sec. 121 functionally, it is possible to claim that Sami livelihoods and Sami ways on how land is used or, in particular, how utilise natural resources are part of the Sami culture. There is no reason to affirm that it is impossible. So by changing the interpretation of the constitution without having any right to walk out in high dudgeon, it is easy to change lower legal acts and so far governmental policies in order to grant the Sami strong competences in natural resources management. The constitution is not a point. The point is its interpretation and the real political will of this change.

2.2.3.   The Sami narrative

From another standpoint, the Sami (here: by the words of the then President of the Sami Parliament of Finland[12], *Sámediggi*) admit in their statement that: "While the statutory status of the Saami is satisfactory in Finland, *the law is not adequately enforced.* The Constitution of Finland guarantees the Saami the status of an indigenous people, right to their own language and culture and cultural autonomy in their homeland, which covers the municipalities of

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[12] The then President's Finnish name is Klemetti Näkkäläjärvi. He uses his Sami name also: Juvvá Lemet. Lemet served as a President in 2008-2015.

Enontekiö, Inari and Utsjoki and the northern part of Sodankylä. *The right to own culture includes traditional means of livelihood*". [italics-DB] In contrast, in the governmental document, it is stated that the cultural autonomy "does not constitute a competence for the Sámi Parliament to utilise natural resources" (see also 5.3).

The Sami side notices: "Finland *has failed to ratify* and enforce international conventions that would help improve Saami self-determination, such as the ILO Convention 1692, the U.N. Declaration of the Rights of Indigenous Peoples, and UNESCO's Convention for the Safeguarding of Intangible Cultural Heritage. Nor has Finland succeeded in implementing fully the obligations of conventions already ratified when it comes to the rights of the Saami. Finland has ratified the International Covenant on Civil and Political Rights (ICCPR)". One can also read that cultural autonomy does not include natural resources management but is understood very strictly literally in Finland: "Cultural autonomy secured by the Constitution of Finland applies to the Saami language and culture in the Saami homeland. *The Saami Parliament has a very limited genuine decision making power*; it is restricted solely to the distribution of certain granted appropriations. The main means of the Saami Parliament's pursuit of policies are negotiations, pronouncements and initiatives. The present right of self-determination is limited to the presentation of shared opinions and common representation through the Saami Parliament". Finally, the neutral observer listens to a strong voice of accusation: "*The Saami cultural self-government is usually ignored in favor of the needs of municipal self-government,* other means of livelihood and other forms of economy. Most of the Saami Parliament's propositions and statements remain unanswered, and the Government makes no genuine

attempts to consider the needs of the Saami culture from the Saami point of view". [italics-DB]

There is a lot of other resentment about "structural discrimination" on the Sami side. This might be found out in these excerpts: "*The needs of the Saami are not prioritized*; they are repeatedly overlooked in favour of other needs. The improvement of the legal status of the Saami should be one of the cornerstones of Finnish policies, considering that the future of the only indigenous people within the E.U. is at stake. Unfortunately the attitude of the national government is quite the opposite. While *Saami Culture is willingly exploited* for the benefit of tourism and in international contexts *to create a positive image of Finland*, reality is something else. There is *no willingness promote granting a genuine right of self-determination to the Saami Parliament*" [original spelling-DB]; "The lack of resources pre-empts *the implementation of cultural autonomy* and should be regarded as *structural discrimination*. The low level of resources of the Saami Parliament effectively pre-empts active promotion of the status of the Saami and the improvement of their self-determination rights. With the present resources, the Saami Parliament cannot support Saami livelihoods. Funding to the Finnish Saami Parliament is the lowest of the three Nordic countries and hinders cooperation in the Saami Parliamentary Council". [italics-DB]

To be honest, the Sami dissatisfaction (complaining) is even more visible in these passages where the President of the Sami Parliament in Finland claims that the Sami autonomy does not include natural resources management at all while the Sami culture consists of Sami livelihoods, lands, and natural resources management: "Respected Special Rapporteur, *the Saami right to*

self-determination or autonomy in Finland does not include Saami livelihoods, land use management and planning or the management of natural resources. The Saami Parliament's possibilities to promote Saami livelihoods are restricted to pronouncements, negotiations and small-scale projects. The Finnish legislative and administrative systems fail to recognise Saami livelihoods; these are treated in the same way as other economic activities. The Saami means of livelihood are protected by the Constitution, but not by special enactments"; "The Saami must endure many types of pressure from surrounding society. Although their rights are collective rights, individuals must specifically demand them. *Finnish society does not make it easy to be a Saami.* In many legislative proposals involving Saami rights, similar rights are granted to the other residents of the municipality as well"; "Respected Special Rapporteur thank you for this opportunity to give you a review of the implementation of Saami self-determination in Finland. I regret that I don't have *anything more* positive to tell you". [italics-DB]

So the Sami narrative might be characterised in these short statements: the Sami have no self-determination; the Sami even have no cultural autonomy (in a very basic constitutional understanding as to maintain the Sami "culture and language"); the Sami have no political power,; the Sami have no their own natural resources management; the Sami have no financial resources to implement their cultural autonomy; the Finnish government does not listen to the Sami proposals; the Sami have no exclusive rights (in reindeer husbandry etc.); the Sami are discriminated and ignored, and Finland takes care of its own image abroad only (by tourism etc.). In this non-barking-upon-the-wrong-tree-narrative, there is a very negative language and pejorative image of both Finland and the Sami status. The narrative is self-determination-

oriented also. What is, then, perceived in Lapland seems just a conflict: a clash of narratives and values. The clash shows the idea of this growing conflict between different interests of both sides.

2.3.   Two ways of life

The difference between the two narratives might be explained by such a presupposition that the Sami admire their own way of life according to nature, which can be shown in such a scheme:

1) Sami:
North: Nature --- Human --- Way of Life. (Here one may consider reindeer husbandry understood as a way of life (see: Bunikowski 2015 and Bunikowski 2016b). In this clash, Finland represents official governance, the law[13], economy, business, tourism.
2) Finland:
economy, economic activity, resources use, tourism, Santa Claus. (Here one can consider regulation of reindeer husbandry as a business occupation by the state law.)

This is an obviously idealistic approach as not everybody on both sides understands the way of life thereby. However, it is apparent from this table that there are the two traditionally different ways of life. Thus, such questions, of course, arise to avoid idealistic, naive or postcolonial studies-approaches: What is e.g. Sami "sustainability" (understood as a respect for nature), practically speaking then? Is it sustainability without mining companies, tourism and hydroelectric power plants? Or without state laws? So, for sure, there is a clash of values and attitudes here, and axiologically, this is the clash

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[13] See: Legal acts in the List of references.

of the two values: Equality and Justice – historical Justice. How to resolve the problem of justice of natural resources management then? There are Sami old customary laws concerning natural resources management as well as relatively new, relevant state rules. They exist in a certain conflict about ownership, natural resources management, and jurisdiction. Such conflicts might be resolved. Not dwelling on things, some theory gets needed indeed. This is the reason why the theory of legal pluralism is described in the next section. (It has to be clarified here that referring to the Sami culture, the paper focuses mostly on reindeer-herding nomads, not the other historical Sámi groups which, as one can certainly know, were fishers, landowners themselves and sedentary coastal dwellers. Due to practical constraints, this paper cannot provide a comprehensive review of the literature on the whole spectrum of the Sami culture and groups.)

3. The theory of legal pluralism

Customary laws and legal pluralism might be good "inspirations for seeking new forms of political organisation of the Sami people" in Scandinavia and Finland (Bunikowski 2014: 84). "All law begins with custom. Anthropologists know this…", rightly claims David J. Bederman (2010:3). Of course, realisation of the idea of legal pluralism, i.e. two *personal* and *substantial* jurisdictions in one geographical or special sphere: the state system and the indigenous system, means almost "full" self-determination with the sovereign power and jurisdiction that comes from the sovereign power. Legal pluralism may make indigenous jurisdiction justified and possible. This is how it can be made: indigenous jurisdiction means that the practical authority is granted to an indigenous legal body to administer justice

in a given field of responsibility. Colloquially, the term might be referred to the geographical area like Lapland or its part, but the legal term concerns the granted practical authority in a given field like natural resources management.

3.1.   Introduction

The theory of legal pluralism is well described and developed [see: Galanter (1981), Griffiths (1986), de Sousa Santos (1987), Vanderlinden (1989), Teubner (1991-1992), Tamanaha (1993; 2008), Macdonald (1998), F. von Benda-Beckmann (2002), K. von Benda-Beckmann (2002), Bunikowski & Dobrzeniecki (2009)]. Legal pluralism is a situation in which there are at least two normative systems in the same social sphere, and there is no rule of recognition (in Hart's sense; see: Hart 1961: 92-96) on which rule is more important and which rule one has to choose and apply (Bunikowski 2014: 77). It seems that the theory may help Finnish decision-makers and scholars understand that indigenous jurisdiction is possible in Lapland.

3.2.   Viola's narrative

According the Italian philosopher of law Francesco Viola, in the case of legal pluralism all rules or norms (that can be taken into consideration in a given case) are *legitimate* and they are "equally" important (Viola 2007: 109). Legitimacy may come from a legal system, but it is also vested and deeply rooted in traditions, long-standing customs, beliefs, or religion (Bunikowski and Dillon 2017: 41). Legal pluralism is not "plurality *in the* order" but "*of the* orders". Legal orders "compete and concur" in "the regulation of a course of action or actions concerning social relations of the same kind". Legal

pluralism is not about different normative mechanisms, which are applicable to the situation within the same legal system. In *one* order, all problems can be resolved following some hierarchy of sources of law, rules of precedence and rules of interpretation. In a *plurality* of orders, such a solution does not exist because it *must not* exist[14] (Viola 2007: 109). This plurality of legal orders throws up conflicts and tensions not only between state-indigenous but also "between state-international, local-state, customary-state, religious-state, moral-state, professional-state laws" etc. In a concrete case, how should the rules concerning it be understood and interpreted? Whose interests should take precedence and prevail? What rule should one follow in such conflicts? (Bunikowski and Dillon 2017: 41). "Social or political pressures often determine what rule takes precedence, not the state laws", and the rules of indigenous customary laws may prevail in such conflicts between indigenous and state rules then (Bunikowski and Dillon 2017: 42).

3.3.   Twining's narrative

I agree to William Twining that the theory of legal pluralism (by e.g. Santos) explains the phenomenon of law better than the so called systems theories (Twining 2000: 230). For example, Teubner or Luhmann's considerations on "autopoietic systems" might be interesting but look a bit too abstract: for example, this does not matter too much in practice if one claims that "all

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[14] This statement by Viola looks like an easy way out of a big problem (and honestly, maybe for some scholars being critical to legal pluralism, it is a very unsatisfying one), but to me, it is logical from Viola's point of view: in the order there are some hierarchies of legal sources and rules of interpretation, but in a plurality of orders such hierarchies and rules are equally legitimate and solutions "do not exist" *per se* - these have to be achieved in other ways than legal interpretation of texts. For example, this might be made in other forms of social communication (e.g. social pressure by protests).

systems are operationally closed, but cognitively open" (like claims Luhamann 2004: 8).

According to Twining, legal pluralism was originally relevant to the study of sociology of law (like unofficial law, "non-state law") and anthropology of law (like customary law, "traditional norms") (Twining 2000: 224-228). However, following Santos's theory, it turned to be also a part of primary considerations in the context of globalisation; it focuses on "the co-existence and interaction of legal orders at different levels" from "a global perspective". This is one of the reasons "why the phenomenon of legal pluralism must become central to general jurisprudence" (Twining 2000: 228). In Twining's book entitled "Globalisation and legal theory", he points out that legal pluralism is a "central phenomenon of law", especially from a "global perspective" (Twining 2000: 233). Furthermore, the marginalisation of legal pluralism is a result of two facts. One is that Western legal tradition is monist (legal system is internally coherent), statist (law has to come from the state that "has a monopoly of law") and positivist (rules must be created and recognised as law by the state). The second reason is that while talking about law the focus is on "lawyers' conceptions of law". Lawyers are influenced by their education and legal language ("training and socialisation", "their claims to having a monopoly of certain kinds of knowledge and expertise"). They are also impressed by legal positivism (that is a statist conception of law), not by such concepts as "folk law", "customary law", "non-state law", which are associated with anthropology and sociology (Twining 2000: 232-233). However, the fact is that parliaments and officials focus little on the legal conceptions and feelings of ordinary people: what they think of law and of

what law is. Law-makers do not ask e.g. indigenous people about their conceptions of law.

Twining, critically analysing Santos' theory, suggests one should study legal pluralism in relation to normative pluralism ("in the broader context" of it). Everybody knows that in everyone's everyday life one might meet different rules in different places every day. Only some of them are of a legal nature (Twining 2000: 231). Twining uses a very interesting example of asking his students the question about rules which governed their day (they must write down "what bodies of norms they have been subject to or have invoked during the previous 48 hours"). Some of these rules are legal, but many of them are not legal. People live in normative pluralism, Twining says the least (Twining 2000: 232). He also reaffirms, like Griffiths or Llewellyn, that the definition of law is not necessary and sounds misleading. Such a definition might be necessary only "for pragmatic reasons in quite specific contexts" (Twining 2000: 231).

Twining reminds the reader of the Santos concept of interlegality and "mapping". In fact, it is necessary to explain in this place that interlegality is a mix of different laws, like customary law, Western state law, indigenous beliefs, religious rules, locals customs etc. Twining also repeats Santos' words about law as mapping that is a better understanding of legal pluralism, because it concerns "(...) not the legal pluralism of traditional legal anthropology, in which the different legal orders are conceived as separate entities co-existing in the political space, but rather, the conception of different legal spaces superimposed, interpenetrated, and mixed in our minds, as much as in our actions (...)" (Twining 2000: 229). This might be remarked

that such a conception of the different legal orders in human mind is similar to Leon Petrazhitsky's psychological theory of law that was invented more than 100 years ago (in Russia and Poland).

Importantly, Twining analyses Santos' theory, especially his seven types of legal transnationalisation. In this context, it is considerable to mention two of these seven global tendencies described by Santos. One is related to "Ancient Grievances and New Solidarities". This is "the Law of Indigenous Peoples": indigenous collective rights, processes of indigenous self-determination as well as indigenous (human rights) movement and indigenous linkages and coalitions. The second is about "cosmopolitanism and human rights" where besides traditional issues about the protection of human rights there are also considerations on universalism, cultural relativism or self-determination etc. (Twining 2000: 240). Taking into consideration Santos' categorisation, it might be surmised that these particular processes look localised, autonomous, spontaneous, "anti-hegemonic", and "anti-statist". "Cosmopolitan, anti-hegemonic, utopian legalities", writes Twinning about Santos' understanding of these processes though (Twinning 2000: 240). They come into sight locally and are not steered by states (governments) or corporations (economic governors). They stand against hegemony of nation states and traditional paradigms of legal positivism and the doctrine of state. It might be added to Twinning's narrative that Sami movements and claims concerning their self-determination are also localised, autonomous, spontaneous, "anti-hegemonic", and "anti-statist".

In this context, it can be appended that recently also another term has appeared in the literature: it is "indigenous constitutionalism" by John Borrows (2016).

Shortly, the concept means the process of taking power *back* from states to indigenous people by new uplifting, positive and liberating forms of indigenous activism in true self-government: by living systems of thought and practice, applying originalism, civil disobedience, changes in education on women, not by interpretations of aboriginal treaties etc.

3.4. The old Sami customary law on natural resources management in the context of legal pluralism

It could be stated that according to the old Sami customary laws, the Sami are the rulers in Lapland and enjoy the collective "ownership" of the land, Lapp-land, Sápmi[15]. René Kuppe supplies that the Sami did not know our Western concepts of ownership, public land, contract, sovereignty or border, and their rights were abused by e.g. Sweden's legal order and the Swedish parliament (Kuppe 2016: 63-65, 68-69). According to Matthias Ahrén, the Sami old customary laws were linked with "land, waters, and natural resources management", with many variations, depending on the region (see more: Ahrén 2004: 68-73). One has to remember that customary law "varies between regions" of the Sami people (Ahrén 2004: 68).

Sami customary laws[16] have never been written[17] as law books or enacted by some state authorities. As Ahrén clearly points out, these laws "have

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[15] Maybe also in our modern constitutional-political sense.

[16] For the sake of this paper, I use the terms "Sami customary law", "Sami customary laws", "customary law", "customs", "customary rules", "Sami customary legal rules" interchangeably.

[17] There are arguments criticising customary law precisely because it was never written, and thus could be interpreted, or remembered, in different ways by different people or in different times. This should be signalised here.

developed in response to the Saami people's surrounding environment, and to correspond to the fundamental requirements and conditions for the Saami traditional livelihoods" and reflect "a respect for nature and an aspiration to leave no traces upon it" (Ahrén 2004: 69). Of the most fundamental customary legal rules of the Sami people, it is necessary to mention the following anyway.

First of all, every reindeer herding *siida* (community/village) had pasture areas and migration paths between the pasture areas as well as places designated to rest. Customary rules regulated crossing another *siida*'s land and the ownership of the reindeer of the *siidas* that mixed (Ahrén 2004: 69).

Second, there were regulations how to inherit pasture areas, migration paths and resting places, and both men and women were equally able to inherit. Customary law regulated also how to transfer grazing areas between different *siidas* by marriage and how to resolve all disputes concerning such lands (Ahrén 2004: 69).

Third, the reindeer are "free, mobile and independent", and the reindeer herder has to "compromise with the animal" (Ahrén 2004: 69). The reindeer herder shall be careful about moving "the herd to areas outside the regular grazing areas and migration paths" if he or she does not want to lose control over the animals. Thus, "A *siida* could only with great difficulty change to a grazing area traditionally belonging to another *siida*" (Ahrén 2004: 70).

Fourthly, an individual member of a given *siida* made decisions about her or his reindeer. It was possible to take into consideration other members' advice as well (Ahrén 2004: 70).

Fifthly, the *siida* decided who belonged to the *siida* and how to resolve land issues (like disputed grazing areas) between members and neighbouring *siidas* (Ahrén 2004: 70).

Sixthly, in the Sami coastal areas, Mountain Sami were forbidden to fish in the sea without having the permission of the local Sea Sami. Customary laws regulated which *siida* was allowed to fish in the sea. Customary laws also regulated "which community had the right to whales stranded on the seashore" and how to divide the whales within the community (Ahrén 2004: 70).

Seventhly, the *siidas* located at the shores of the big rivers were exclusively allowed to fish those waters but they were allowed to make agreements with other Sami (the 16 and 17 the centuries) (Ahrén 2004: 70).

Eighthly, lake fishing was the right belonging to the local *siida* (similarly, like sea and river fishing) (Ahrén 2004: 70; compare Ravna 2009: 159, where it is said about the great river Tana in Norway and Finland and its Sami users that "Salmon fishing has been a right which has belonged exclusively to the Sámi people in Tana from time immemorial" and they demanded compensation for fishing).

Ninthly, there were also customary rules concerning hunting. For example, in Norway, in the 18th century, there existed even Sami rules regarding such issues as how to divide beaver between those participating in a given hunting, those who paid duty to the community and those who were older and disabled (Ahrén 2004: 70-71). It shows how egalitarian and loyal these Sami communities were.

Tenthly, in a given *siida* every family had its own "grazing, fishing, and hunting areas, which in turn could be divided among the family members" and, as it was explained by one Sami, "The emotions say that this is a familiar place. (...) You are bound to your own area, therefore, it is of great importance to you" (Ahrén 2004: 71). Individual usufructory rights are recognised but "land, waters, and natural resources are vested in the collective" and "the value of land" relies on the fact that a given individual or his and her families "could live off the land for generations" (Ahrén 2004: 71).

Eleventh, conflicts between the Sami people were resolved according to oral customary laws, not "law books". The Sami relied on "men with good memories". These wise men did "store" and "convey" customary law. Customary laws were always the basis of every solution, even if negotiations were made e.g. on land conflicts (Ahrén 2004: 72). If negotiations were not possible, disputes went to a collegial council (*norraz*) that was in every *siida*. The *norraz* was dominated by the *siida*'s "wise man". If a conflict was related to two neighbouring *siidas*, the two *siidas*' two wise men could meet and resolve the conflict "in line with, or, if necessary, through directly applying the customary law relevant to the area" (Ahrén 2004: 72). Like the Norwegian side of the Sami lands had its *norraz*, the Finnish side had *sobbar* (or *norrös*)

and *kärreg*, the family elders with a community elder. There was no possibility to appeal to their decisions. *Norraz*, *sobbar* (or *norrös*) and *kärreg* usually met once a year to resolve disputes on hunting, fishing and grazing areas (Ahrén 2004: 72-73).

Thus, there were Sami territories with Sami legal institutions. For now, Finnish public law treats these territories as a Finnish land. Here is the reason of a deep conflict. Consequently, in the light of the old Sami laws, the Sami are to decide about hunting grounds, fishing waters, logging, permits in mining areas, minerals, hydroelectric power plants, reindeer husbandry, pasture lands, *siida* (organisation of the village) etc. In this vision, the Sami are responsible for natural resources management and enjoy collective land rights (Bunikowski 2014: 77). These old laws "establish" that the Sami should manage forests, fishing waters, and hunting grounds as well as pasture areas by their own indigenous institutions, authorities and bodies. The problem is that these Sami laws are not binding for a nation state that Finland is supposed to really be. In every nation state there is one kind of law, i.e. state law, which should be equal for everybody. There is also one culture that dominates and is majoritarian.

4. The idea of two jurisdictions in indigenous areas

4.1.   Model

Furthermore, it is worth noting that a legal-pluralistic model for the Nordic region has been proposed and would make living in Lapland possible for both sides of the conflict (Bunikowski and Dillon 2017: 42-45). The authors of

"Arguments from cultural ecology and legal pluralism for recognising indigenous customary law in the Arctic" put on the table "a general model for customary law", which might be presented in the following table:

For non-indigenous people - state law (and international law as a part of the domestic order) – state courts and jurisdiction.
For indigenous people – indigenous/customary laws – indigenous courts and jurisdiction[18].
For conflicts between indigenous and non-indigenous – crown court(s).
The status of the indigenous would be double and *complementary*[19]:
State status – a formal citizenship, but with an opt-out if an individual does not wish *by a declaration* to have such rights and duties[20].
Indigenous status – traditional and customary rights and duties following from membership or belonging to a given indigenous community/group.

In addition to this, another table explains the authors' ideas about the division of competences of the state and indigenous domains:

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[18] Offhandedly, see also critical texts like Harari 2014, especially on social norms and their origins as well as on legal orders on pp. 117-124. Yuval Noah Harari writes: "All these cooperation networks - from the cities of ancient Mesopotamia to the Qin and Roman empires - were 'imagined orders'. The social norms that sustained them based neither on ingrained instincts nor on personal acquaintances, but rather on belief in shared myths" (117). In the case of indigenous law, in my opinion, there are also shared beliefs, not necessarily myths, behind these laws.

[19] It can be also said by some lawyers that it rather seems that a group of citizens would be subject to a different (and arguably, more favourable) legal framework.

[20] The issue of stateless people, as well as the huge problems they face, is not addressed in view of this point.

The social spheres in which the indigenous and non-indigenous jurisdictions do not overlap are:
- Traditional way of life (e.g. nomadicism)
- ***Natural resources management (land rights, hunting grounds, fishing waters)***
- Property rights (private and public rights)
- Status of indigenous peoples (rights and duties),
- Public infrastructure
- Education
- Internal security
- Indigenous welfare
- Courts
- *Provision of common goods like water, energy, electricity*
- *Fiscal policy*
- *External security*
- *Foreign affairs*
"Some spheres - especially the last four are *external* and should belong to the state; the rest should be in the hands of the indigenous community." (Bunikowski and Dillon 2017: 44)

To give an illustration of what I mean, let the reader focus on these following ideas that are logically implied from the model. In this model, indigenous people have their own lands, governments, competencies, courts, citizenship. There are no institutional or systemic conflicts between the indigenous and the state domains. Disputes between the indigenous and the non-indigenous are resolved by special courts. NRM is in the hands of indigenous people and their jurisdiction. In this model, indigenous people have the allodial title to their lands. Generally speaking, the idea of two jurisdictions (state-indigenous) is candidly associated with the theory of legal pluralism. It has to be explained in the next part of the paper how this above-presented model, based on the theory of legal pluralism, may work in practice: maybe not in Scandinavia yet nowadays but rather or at least to some extent in Canada.

4.2. The idea of legal pluralism in Sami areas in the past and now

In the past, some kind of legal pluralism was recognised in the Sami case. This was made by the states in Scandinavia indeed. The Sami jurisdiction was allowed to some extent by the Nordic legal orders and international law. The historical international treaty in this field was the so called **"First Codicil and Supplement to the Frontier Treaty between the Kingdoms of Norway and Sweden concerning the Lapps (done on 21st September/2nd October 1751)"**[21]. Consequently, the Sami courts applied Sami law in relation to the Sami people and their disputes. The state courts were responsible for other matters. However, some influential contemporary legal scholars of Sami descent like Mattias Ahrén are against legal pluralism, claiming the Sami communities should be ruled according to the old Sami customary law concerning natural resources management and organisation of *siida* (village) (Ahrén 2004:107-112). This opinion is clearly against legal pluralism: "Regardless of all the obstacles raised by the non-Saami societies, the Saami people continue to aspire to live in accordance with their own customary laws, to the greatest extent possible. However, in addition to all the impediments outlined above, it is onerous for the Saami people to live in legal pluralism, torn between obeying non-Saami laws and their own perception of right and wrong. The present order puts the existence of the Saami people's culture – including their

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[21] The treaty was to regulate "the customary transfrontier movements of the Lapps" and jurisdiction "over the foreign Lapps" during the movement period, and tax problems related to that (it reads in the preamble). Such areas are regulated in the treaty: state taxation (art.1-7), Sami mixed marriages (art. 8), free movement and crossing borders by the Lapps in Scandinavia (art. 9-21), limited indigenous jurisdiction (art. 22-30; art. 22: "disputes occurring between Lapps from the same side" in the transfrontier movement to be resolved the Lapp lensman). It is not incorrect to say that this treaty was also to recognise Sami customary laws and nomadic style. Very probably, this was not the primary aim of this act though as it starts with taxation issues.

customary law – in danger. There is an urgent need for remedies". More precisely speaking, Ahrén points out that the Sami should be not only recognised as a people (not only as an ethnic minority) but also have legal rights to their traditional land, waters, and natural resources, enjoying their own legal orders: "In order to adequately address the conflict between the Saami and non-Saami legal systems, the non-Saami societies must: (1) recognize the Saami people as a people, equal in dignity and rights to their neighbouring peoples, which in turn implies that the Saami legal system is equal in value to the non-Saami legal systems; (2) fully acknowledge that the Saami people's way of life might indeed give rise to legal rights to their traditional land, waters, and natural resources; (3) recognize the particularities of the Saami traditional livelihoods in conflicts between the Saami and non-Saami societies as to use of land; and (4) harmonize their legislation with the corresponding Saami customary laws in instances when there is no real need for conflict" (Ahrén 2004:10).

However, according to the Norwegian Sami legal scholar Øyvind Ravna, "By recognising Sámi legal customs and traditions, the Lapp Codicil attained a unique position both as law and international treaty all the way up to our time" (Ravna 2009: 154). This is the most persuasive argument. All things considered, it seems reasonable to assume that legal pluralism was not so dangerous for the Sami after all.

4.3. Jurisdiction in Indigenous Canada today: two cases

In fact, it seems that "Indigenous Canada" may help Finnish decision-makers and scholars understand that indigenous jurisdiction is possible. Of course,

Canada is the common law system country that as one of the CANZUS states "may be concerned to protect domestic bargains from competing international human rights norms" in the field of indigenous rights (Gover 2015: 373). Nevertheless, especially, the legal situation of the Nisga'a people relates to that one of the Sami people and may serve as a pattern of legal-political and legal-pluralistic framework. Thus, first, as a particular case and in order to show how indigenous jurisdiction may work in practice nowadays, this is to analyse the British Columbia's Nisga'a people jurisdiction. The Nisga'a are one of the 614 First Nations living in Canada. They have a kind of constitutional agreement with the federal government: The Nisga'a Final Agreement of 1999. The agreement concerns Nisga'a status, lands, and jurisdiction. This is a very precise document that creates indigenous self-determination, with the Nisga'a territories, government, citizenship, laws, courts, police etc. It is one of the latest and most developed such agreements in Canada (see also: Svensson 2002). This is also the reason why it is referred to it in this paper. Secondly, it should be also taken into consideration another agreement which is a bit older. However, it is good to present it in order to show some progress in the Canadian legislation: the second example is then drawn also from Canada, since it is the James Bay and Northern Quebec Agreement of 1975. One may say that this is apparent to explain the progress between the two cases/treaties. Also, it is necessary to note that making a long story short, the jurisprudence of the Canadian courts that was also meaningful in recognition of *particular* indigenous rights in different provinces and territories is skipped in this section.

What is the Nisga'a Final Treaty then? The Nisga'a Final Agreement is a treaty and a land claims agreement in terms of Canadian constitutional law

(paragraph 1, Chapter 2 "General provisions") and is binding in the light of the sources of law in Canada (paragraph 2, Chapter 2). Some chosen provisions show the significance of legal pluralism and indigenous jurisdiction: ""Nisga'a Nation" means the collectivity of those aboriginal people who share the language, culture, and laws of the Nisga'a Indians of the Nass Area, and their descendants" (Chapter 1 "Definitions"); "Nisga'a citizens have the right to practice the Nisga'a culture and to use the Nisga'a language, in a manner consistent with this Agreement" (paragraph 7 in Chapter 2); "the Nisga'a Nation owns Nisga'a Lands in fee simple, being the largest estate known in law. This estate is not subject to any condition, proviso, restriction, exception, or reservation set out in the Land Act or any comparable limitation under any federal or provincial law. No estate or interest in Nisga'a Lands can be expropriated except as permitted by, and in accordance with, this Agreement" (paragraph 3 in Chapter 3 "Lands"). *De facto*, it means the right to land and self-determination. "Fee simple" means absolute tenure in land with freedom to dispose of it. There are also some concrete provisions on e.g. mineral resources management and heritage sites, such as: "For greater certainty, in accordance with paragraph 3, on the effective date the Nisga'a Nation owns all mineral resources on or under Nisga'a Lands" (paragraph 19, Chapter 3); "Nisga'a Lisims Government has the exclusive authority to determine, collect, and administer any fees, rents, royalties, or other charges in respect of mineral resources on or under Nisga'a Lands" (paragraph 20, Chapter 3); Nisga'a Government "will develop processes to manage heritage sites on Nisga'a Lands in order to preserve the heritage values associated with those sites from proposed land and resource activities that may affect those sites" (paragraph 36, Chapter 17). On the other

hand, British Columbia owns the subterranean lands within Nisga'a Lands (paragraph 22, Chapter 3)[22].

In comparison with the Nisga'a people's situation, there are some First Nations in Canada whose land rights and self-government were regulated many years earlier. Ones of these nations are the Crees and the Inuit. This factor of time may mean that also a level of protection of their rights might have been lower. Here are analysed the most fundamental philosophical principles of the James Bay and Northern Quebec Agreement of 1975 (JBNQA), which requires citations to get the point of a new axiology of law. In the beginning of the document, in its law axiology, i.e. in a part entitled "Philosophy of the Agreement", it reads: "The needs and interests of the native peoples are *closely tied to their lands*; their lands are the very centre of their existence. That is why in this Agreement we have devoted ourselves especially to the *establishment of a land regime that will satisfy the needs both of the native peoples and of Quebec*" (JBNQA: 7). In another place, one may perceive a great understanding of indigenous belonging to (the) land: "*Land is the very basis* of the Cree and Inuit cultures. And it is not just a matter of sustaining themselves with the harvest of the land, which of course they do. They have *a mystique about the land*, and what it contains. They have a special relationship with the land that their ancestors inhabited, a link, something

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[22] As Bunikowski and Dillon (2017: 54-55) claim, summing up the Nisga'a model of jurisdiction: "All these provisions must be understood in the context of delegation of power and decentralisation as well as cultural ecological processes of adaptation to the today's situation or legal-pluralistic processes of recognition of diversity and differences. To sum up, it is the Nisga'a who are responsible for the management of heritage sites, including sacred sites. The First Nation knows better how to protect their sacred sites from doubtful outcomes arising from the interests of tourism and natural resources companies. This process of giving the Canadian aboriginals their traditional and customary rights *back* might be seen as a reasonable policy carried out by the Canadian government. This has not always been the case; it took a long time to change the official policy".

indefinable but real and genuine nevertheless" (JBNQA: 11). To whom are these regulations dedicated? The answer is very interesting and wise: "The native peoples who will be parties to this Agreement are not the people you see in our cities selling artwork and handicrafts. They are not people who offer themselves as a tourist attraction. They are not people who do odd jobs and live on pizzas and other delicacies of our supposedly advanced southern civilization. They are flesh-and-blood people who *live and work in communion with the land they inhabit* and who express, in their everyday activities, *the continuity of a long, long tradition.* They are living, if I may say so, a *wholesome life in harmony with the land.* They are at *peace with nature*" (JBNQA: 11). [italics-DB]

There are three categories of land in the northern part of the province of Quebec ("a new land regime in the North"), according to the agreement[23]. This is the idea of legal pluralism. Category 1 appears crucial from the point of view of the native people. In this category, indigenous self-administration

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[23] More about the three categories of land in the northern part of the province of Quebec can be read in this part of the agreement: "*It is the Category I and Category II lands, however, that are of particular importance in the context of the preservation of the culture and the economy of the Cree and Inuit peoples.* Now what do we mean exactly by Category I lands? These are the lands that will be allocated to the native peoples for their exclusive use. *They are the lands in and around the communities where the native peoples normally reside.* Certainly the native peoples will enjoy *a special position on these lands.* That is the point of having this land category. But there is more to be said. Quebec will retain the right to use Category 1 lands for *public purposes.* Acquired rights, private as well as public, are protected. If the public activities on these lands *interfere* with the native peoples use of them, then replacement land must be provided for them" (JBNQA: 8). This is also continued in this place as follows (about the very small relation of the Category 1 lands to the whole territory): "Now to see the Category 1 lands in their proper perspective, it must be realized that they represent a tiny proportion of the whole territory. Approximately 3,250 square miles are to be allocated to the use of the Inuit, and 2,158 square miles to the use of the Crees. Thus, *although these lands are vital to the native peoples* and they constitute an essential element of the Quebec Government's policy of protecting their traditional economy and culture, you will agree that they are of minimal importance in relation to the total economy of Quebec". [italics-DB]

is a strong value, which means "local matters" are regulated by "by the people who live there"[24]. However, there are some expectations about the use of this Category lands for some community services. On the other hand, bands have special rights in decision making processes on NRM (making the consent for mining activities). The mineral rights are not their ownership though. The so far mining owners and operators are still protected under a duty of paying compensation to the band[25]. Category II looks also important from the perspective of indigenous way of life (i.e. "exclusive hunting, fishing and trapping rights")[26]. Category III is a bit different from the other land categories and includes access of the entire population[27].

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[24] More about indigenous self-determination in the Category 1 lands can be read in this fragment of the agreement: "One of the most important features of the Category 1 lands will be their self-administration. In other words, *local matters will be regulated by the people who live there,* as they are in any other municipality anywhere else in Quebec. There are to be Category 1 lands for the Cree communities south of the 55th parallel, in the James Bay region, but these will not be part of the Municipality of James Bay. These communities, or rather, the members of each of these communities will *constitute legal entities, and each entity will have its affairs administered by a council*" (JBNQA: 8). [italics-DB]

[25] More about the use of the Category 1 lands for their general community services can be read in this part of the agreement: "The native peoples will be required to allow the use of Category lands for their general community services, such as hospitals, police stations and schools. *The consent of the native peoples will be required for mining activities on Category I lands. However, the mineral and sub-surface rights will continue to belong to Quebec*, with the exception of rights already acquired by third parties. Owners of mining rights adjacent to Category I lands will be able to exercise them within the limits of the rights they retain, but they will be required to compensate the Band whose territory is affected by their operations" (JBNQA: 8). [italics-DB]

[26] More about the Category 2 lands can be read in this part of the agreement: "*Category II lands are those where the native peoples will have exclusive hunting, fishing and trapping rights, but no special right of occupancy*. The Government of Quebec may earmark Category II lands for development purposes at any time, as long as the land used for development is replaced. And servitudes for public purposes may be established on Category II lands without any requirement of compensation. *Mining exploration and technical surveys may be carried out freely on Category II lands.* The Government of Quebec may authorize scientific studies, administrative works and pre-development activities on Category II lands. These undertakings, it goes without saying, *must not interfere unreasonably with the hunting, fishing and trapping activities of the native people*" (JBNQA: 9). [italics-DB]

[27] More about the Category 3 lands can be read in the following part of the agreement. As it is stated, "*These are, generally speaking, lands where exclusive rights or privileges are not*

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The "two guiding principles" behind the Agreement relates to, first, the use of natural resources by Quebec and, secondly, the needs of the native people[28]. This is averred that there are the two balancing principles: the (economic) interests of all the people of Quebec and the (cultural) needs of the Crees and the Inuit in Quebec. This attitude emanates as both a business and culture model. The philosophy of the Agreement and understanding of the problem of necessity of both protection and survival of indigenous way of life seem very impressive, taking into consideration the date of passing this law. Certainly, the problem is not how Western laws are written but how these work in practice. These may work well in practice. Anyway, some fundamental rights concerning the use of the land by the Crees and the Inuit seem protected. This is obvious that the land regime is, as it is stated in the Agreement, "an elaborate regime". There were different arguments and

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granted to the native peoples. This does not mean they are shunted aside. On the contrary, they will be able to pursue their harvesting activities - hunting, fishing and trapping - the year round, as in the past. To this end, certain species will be reserved for their use. But, in general, *the entire population will have access to*, and the use of, Category III lands in accordance with the ordinary laws and regulations of Quebec concerning public lands" (JBNQA: 7). [italics-DB]

[28] These were explained as follows: "In undertaking the negotiations with the native peoples, we have followed two guiding principles, two principles of equal importance. The first is that *Quebec needs to use the resources of its territory, all its territory, for the benefit of all its people*. The use of these resources must be reasonably planned. The future needs of the people of Quebec must be anticipated. The Government clearly has the duty to take the measures necessary to ensure the orderly and rational development of the resources of our territory in the North. Those resources are a vital factor, they must be a vital factor, in the Government's over-all plans for the future of Quebec. The second principle is that *we must recognize the needs of the natives peoples, the Crees and the Inuit, who have a different culture and a different way of life from those of other peoples of Quebec*. We have negotiated with two minorities who felt themselves threatened with extinction. The *native peoples are battling for their survival*. If the State does not succeed in establishing principles aimed at *assuring the survival of these minorities*, it could well happen that we might not even be able to guarantee our own" (JBNQA: 10). [italics-DB]

interests taken into consideration in making the Agreement by Quebec, so it is caught in the middle between "affirming the integrity of its territory", ensuring to maintain the "traditional way of life" of the native people, and "the responsibility for the allocation of lands to the Cree and Inuit peoples -- some lands to the use of which they will have exclusive rights, other lands where they will have exclusive hunting, fishing and trapping rights". What is important the policy of paternalism was fully rejected: "The Government proposes to deal with the native peoples as full-fledged citizens" (JBNQA: 9).

By way of conclusion to these reflections, this section shows that it is possible to make a good level of indigenous self-determination (and self-government) and recognise land rights of indigenous people to a good and reasonable extent, balancing different interests and principles. Two legal orders, i.e. the state one and the indigenous one, overlap and complement in one geographical or social area. This is about a kind of legal pluralism. The legal orders had been competing for tens of years in Canada before the indigenous system was recognised by the state law as equally legitimate. Of course, not to mention that this is clear that written axiologies may still remain a dead letter. These have to work in practice of law. And, it is a job of the judges and courts to evaluate indigenous claims in the cases of disputes and conflicts with certain state interests. It is crucial to discern that the Nisga'a model is very similar to the theoretical model mentioned in 4.1. The Cree and Inuit model is not so well developed (because it had been made many years before the Nisga'a). A combination of the two models might also appear as an excellent solution for implementing indigenous jurisdiction of Finland's Sami people.

5. Other legal, political, and philosophical considerations

In this section, the narrative focuses on chosen international-legal, philosophical-moral and cultural-linguistic[29] challenges concerning natural resources management in Lapland. First, it concerns the Finnish dilemmas of ratification of the International Labour Organisation Convention No. 169 concerning Indigenous and Tribal Peoples in Independent Countries. Secondly, it shortly brings the most significant moral arguments (which are deeply rooted in European heritage) concerning the "change" in the field of legal pluralism and natural resources management in Lapland. Thirdly, it tends to raise questions regarding cultural differences and common misunderstanding of the official statements in Lapland.

5.1.   ILO 169 and control over Lapland

One may admit that for Finland, the core of the "whole" problem is struck by possible losing control over Lapland (both economically and politically), as some Sami may take some ILO 169 provisions really seriously in the implementation process negotiations. Thus, Article 14 par. 1 sentence 1 states: "The rights of ownership and possession of the peoples concerned over the lands which they traditionally occupy shall be recognised", and Article 15 par. 1 adds: "The rights of the peoples concerned to the natural resources pertaining to their lands shall be specially safeguarded. These rights include the right of these peoples to participate in the use, management and

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[29] It is known that morality, philosophy, language and law are all different manifestations of what we call culture. Culture is a wider category then. However, there is also cultural linguistics. This is a field of linguistics which aims to study the relationship between language and culture. It analyses the way different ethnic groups perceive and understand the world.

conservation of these resources". Of course, these are open-texture terms. Anyway, these provisions might be differently understood, and here lies some danger of "fear" found on the side of the government in Finland. International law remains one problem, but moral claims are another. How to morally justify the rights of the peoples concerned to the natural resources pertaining to their lands?

5.2.　　　　　　　　**Philosophical justification of the change**

The implementation of the presented model (see 4.1.) in Finnish Lapland would be "the change". Here is the more philosophical way then: what is the philosophical justification of the universal right of indigenous peoples to their own law at all? (see more: Bunikowski 2017) Are there any historical reasons to make more justice now? By these *historical reasons*, it is meant some obvious violation and eradication of many indigenous cultures. This is "obvious" that the Sami people enjoy a strong moral claim in relation to states (*historical Justice*), such as Finland, Norway, Sweden but also Russia. All the Sami cultures were really depreciated for tens of years. This is a matter of fact that these states do not appreciate narratives going back to their colonial history. In European traditions, both Roman law codified by Justinian and Kantian moral philosophy representing rationalism are ones of the most salient cultural artefacts. First, there is Justinian's legal heritage of justice. Justice means "to render everyone his due". This reveals through the common European legal culture - it is based on Justinian's Code (534) and ancient legal texts. Justinian in "The Institutes of Justinian" (Book I. Of Persons, I. Justice and Law) wrote: "Justice is the constant and perpetual wish to render every one his due". Offhandedly, the Justinian concept comes from Aristotle's

philosophy: "Justice is the virtue through which everybody enjoys his own possessions in accordance with the law; its opposite is injustice, through which men enjoy the possessions of others in defiance of the law" (Aristotle: Book I - Chapter 9). So the question is whether it is not the case of the Sami people. Have they not the right to their due, really? To land rights or lands? To compensation? To their own natural resources management? These are rhetorical questions from Justinian's ethical perspective. Secondly, one can base the approach on Kant's philosophy, which was so influential in Western philosophical traditions. In Kantian moral philosophy, the first formulation of the categorical imperative is as follows: "Act only according to that maxim whereby you can at the same time will that it should become a universal law without contradiction (Kant 1993: 30)". Immanuel Kant in "Grounding for the Metaphysics of Morals" seeks universal principles - these are absolute and unconditional, it seems to Kant. These principles concern also states. It is difficult to disagree with this opinion that also political decisions might be ethically judged: the individual's decisions are always morally evaluated (what is good and wrong). Thus, the practical, philosophical, political or moral question is whether politicians from Finland, Sweden or Norway, or Russia have not any pangs of conscience towards the Sami because of the violation of the categorical imperative by taking over the Sami territories without the Sami consent. This is a rhetorical question from Kantian moral perspective/theory (see: Bunikowski 2017: 50).

5.3.   Cultural misunderstandings

To make it clear, also the language and aims of the official state and indigenous statements are conspicuous. This is an underestimated problem

in the academia. Sometimes, of course, a polite language means "nothing" and is a dead letter. To put it bluntly, the language of these documents which are analysed in 2.2.2. and 2.2.3. is really momentous in this sense that, as said rabbi Abraham Joshua Heschel, language matters, but "Language has been reduced to labels, talk has become double-talk. We are in the process of losing faith in the reality of words". According to Ludwig Wittgenstein, "the meaning of a word is its use in the language" (par. 43) (Wittgenstein 1951). So since the use is about state promises without the intention of keeping these promises, then the problem is caught in the middle between the real intentions of the parties of the debate/deal. How should one interpret these official statements of the Finnish government? The Sami expect actions based on keeping promises and keeping up with the literal meaning of the language used in the (international and domestic) legal acts and the official statements[30]. However, there are too many misunderstandings and plenty of misinformation between Western and indigenous worlds (see also: Bunikowski 2016a: 6-8). So is in Finland. The government seems to have been restrained with the ratification of the ILO Convention while Sami activists are getting more visible in the public and the academia, presenting stronger, not always united or pragmatic, voices about the process of losing their respect for the government because of both the ratification failure and the failure of implementation of other international norms (see: 2.2.2.). To many Sami people, their culture consists of livelihoods and lands which have both a material and an spiritual entity, and not only it consists of the Sami

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[30] In 2014 the Prime Minister Jyrki Katainen promised to ratify the ILO 169 Convention, i.e. Convention concerning Indigenous and Tribal Peoples in Independent Countries (Entry into force: 05 Sep 1991). The promise remains the promise still. Relevant discussions in the Finnish Parliament have no an end. Some Sami say that they have just lost respect for the Finnish state because of this failure.

language, shamanism or art craft[31] (see: Statement by Finnish Saami Parliament on the Realization of Saami People's Right to Self-determination in Finland Presented by the President of the Saami Parliament of Finland J. Lemet). In my opinion, this is a different understanding of the concept[32] of culture than is known from Western traditions/conceptions and the Finnish legal interpretation in this field (see also: 2.2.3). To many Sami people, culture is also about land. Like it is known from the Philosophy of the Cree and Inuit Agreement, "*Land is the very basis* of the Cree and Inuit cultures. (...) They have *a mystique about the land*, and what it contains. They have a *special relationship with the land* that their ancestors inhabited (...)" (JBNQA: 11) [italics-DB]. And, to sum up, it is the same that might be perceived among the Sami in Finnish Lapland (see also: Heinämäki, S. Valkonen, J. Valkonen 2016: 77-80, who claim that "The connection to the land in Sámi culture is an ethnic underpinning of all Sámi groups and the foundation from which Sámi culture dwells" (77)[33]).

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[31] For example, Sami handicraft is a manifestation of culture and identity but was first used as souvenirs, the products of the Finnish souvenir industry, for tourism in the 1960s. Originally, handicraft had concerned the symbols of the visual world and belonging to family and community (see more: Linkola and Pennanen 2003: 165-167). Maybe, due to both the pressure of the Finnish industry and tourism, it was also a kind of tool of economic survival for many workers, including the Sami people. However, there has been realised since the 1970s, first in Sweden, that handicraft is significant to Sami identity (Linkola and Pennanen 2003: 166).

[32] In indigenous understanding, tourism might be also interpreted as kind of blasphemy: one is economically enforced to sell out his or her own "culture", i.e. traditional cultural products, to survive, On the other hand, such economic activities might strengthen many young Sami people's interests in traditional art and craft that might be seen as both a job opportunity and appreciation of the Sami culture.

[33] The authors also claim (80): "General failure of the articulation in Finnish legal instruments is that it talks about livelihood, which emphasizes an economical aspect, thus failing to embrace the culture as a wholesome way of life that includes certain values and worldview."

6. Conclusions: more justice

In conceptual terms, the aim of this paper has been to explain what legal pluralism and Canada's indigenous experiences may "give" Finland in order to better recognise Sami rights to their lands. The aim has been realised by referring to chosen theories and case studies. The study suggests that resolving the dilemma of natural resource management in Lapland is difficult. The view is taken that legal pluralism and Canada's experience may help Finland work on the problem better. Practically speaking, everyone has to remember that in Lapland there are, for example, Finnish public and private forest companies, mining companies, and a lot of tourism businesses present on the spot. On the one hand, Finnish law passed in Helsinki is binding in Lapland. Finland as a nation state is to regulate such social areas as reindeer husbandry, fishing and hunting rights, land planning, mining issues, competencies of local communities, municipalities etc. On the other hand, a ground-breaking decision would be necessary to change this legal world. The ground-breaking decision could also throw the political paradigms of nation state and Hobbesian-Lockean ideal of sovereignty to the bucket, and this would be inconceivable for many people indeed (Bunikowski 2014: 84). Closing many lawyers' eyes around categories of nation states and legal positivism is a problem that one has to bear in mind, but "the action of a mature democracy to give indigenous people the means to rule and govern on their own", according to their own laws and on their own lands (Bunikowski and Dillon 2017: 55). Hobbes' commonwealth (1652 (1909): chapter 18) is a paradigm in nation states though. "Breaking the ice" of the old paradigms opens up the box of Pandora: what will come if the state loses natural resources management and control in Lapland? Finnish politicians and business people may certainly worry about these future potential economic

and political processes. This ground-breaking decision mentioned above costs an arm and a leg indeed. In fact, it is about simple things that one should deliberately repeat few times more than necessary: about *historical Justice* that meets Equality (and the principle of equality is the great idea of the Nordic countries). The most compelling argument is that this means the acceptance of legal pluralism and the two jurisdictions in indigenous areas. According to many Sami people, it concerns the proper rights in NRM and CA. However, Finland is a very egalitarian society by both the history and current organisation of social life. Undoubtedly and above all, it seems pertinent to remember that exclusive rights for the Sami as a group and individuals would be both a wiry and an awkward hole in this system - once in a blue moon. Nevertheless, historical Justice meets Equality, missing the boat, and there is no one right answer (see: the Canadian experience, in 4.3.). Anyway, and to recapitulate, the mentioned Canadian experiences seem a good pro-indigenous pattern to follow in order to reconsider the so far governmental way of doing things about natural resources management in Finnish Lapland. Normatively speaking, the political project would be to change the system for the more just one that is closer to the idea of legal pluralism in indigenous areas. Last but not least, the philosophy of law in Lapland shall be also based on new values and axiology that is closer to the Nisga'a Agreement or the Philosophy of the Cree and Inuit Agreement.

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Small Entrepreneurs in the Russian North. A Question of Social Capital and Economic Security

Maria Sakaeva[*]

Introduction

In the 1990s large Russian cities and their metropolitan areas served as centres of political, economic and social modernisation, but other regional territories were lost in the peripheries.[1] Peripheral territories, being isolated from resource centres, still suffer from a number of negative circumstances. Regarding the Russian European North, we should consider the constant population decrease, low quality of human capital and economic dependence on natural resources. These factors negatively influence socioeconomic life within the North, and particularly, its small entrepreneurship.

This research was done in the Komi Republic, one of the Northern Barents regions,[2] which is famous for "Dutch disease", or an overdependence on natural resources, since the 1990s. In the 1990s Komi received 63% of its export income through oil sales. This, James Alexander mentions, made

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[1] Vladimir Gel'man, "In Search of Local Autonomy: the Politics of Big Cities in Russia's Transition", *International Journal of Urban and Regional Research* 27, no. 1 (March 2003): 50.
[2] See the map of the Barents region at Appendix 1.

"Komi particularly vulnerable to the international markets".[3] While economists argue about the threat to small firms' well-being in economies with great reliance on its natural resources, nowadays the regional government proclaims the increase in natural resources extraction as the way to overcome the economic crisis.

Infrastructure difficulties and undeveloped transport connections also threaten the growth of entrepreneurship in the Komi Republic. Small and mid-size entrepreneurship is mostly concentrated in urban areas of the region (about 80%). Trade, retail and real estate are the most attractive sectors for small entrepreneurs in the Komi Republic.[4] The region is becoming depopulated: by 2000 the population was down to one million, and by 2013 was inhabited by less than 880 thousand persons. According to the Russian Federal State Statistics Service, by 2030 the Komi Republic will become one of the least populated regions in Russia, along with a few others in the North and in Siberia.[5]

The mentioned circumstances increase the vulnerability of small entrepreneurship and private property in the Russian Northern regions, while property rights generally used to be insecure in Russia since the 1990s.[6] While

[3] James Alexander, "Komi and the Centre: Developing Federalism in an Era of Socioeconomic Crisis," in *Unity or Separation. Centre-Periphery Relations in the Former Soviet Union,* ed. by Daniel Kepton and Terry Clark (Westport&Connecticut&London: PRAEGER, 2002), 66.
[4] Vladimir Abrashkin, "Komi Republic: Preventing the Paradox of Plenty through Effective Natural Resource Management", thesis, (State University of New York, Empire State College, 2015).
[5] Indicators of population. Federal State Statistical Service. URL: http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/en/figures/population/
[6] Vadim Volkov, *Violent Entrepreneurship. The Use of Force in the Making of Russian Capitalism* (New York: Cornell University Press, 2002); Stanislav Markus, *Property,*

the vast majority of the literature on private business in the former Soviet Union focuses on elites and large business, where sources of capital were often found through personal connections and corruption,[7] few scholars have argued about the importance of social networks for small and mid-size firms in dealing with unstable institutions and corrupt bureaucrats.[8]

In the specific northern region of Russia, I observed how small and mid-size entrepreneurs survive in a risky environment, how they use social capital and personal connections to state officials to develop their operations. Where social capital within a market is the focus, it could be regarded as a security factor. Entrepreneurship in developing economies is especially characterised by uncertainty, and a number of risks and threats produced by the state and private actors. From the human security perspective, which also includes economic security, social capital strengthens economic obligations and social expectations. As mentioned, if formal institutions are weak and state agents corrupt, market actors have to cope using different strategies for their security. My research focused on the implementation of social capital as carried out by

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Predation and Protection: Piranha Capitalism in Russia and Ukraine (Cambridge: Cambridge University Press, 2015).

[7] Oxana Green, *Entrepreneurship in Russia: Western Ideas in Russian Translation* (Gothenburg: University of Gothenburg, 2009); Alena Ledeneva, *How Russia Really Works. The Informal Practices That Shaped Post-Soviet Politics and Business* (New York: Cornell University Press, 2006).

[8] Anton Oleinik, *Market as a Weapon. The Socio-Economic Machinery of Dominance in Russia* (London&New York: Routledge, 2011); William Miller, Äse B. Grodeland, Tatyana Y. Koshechkina, A Culture Of Corruption? Coping with Government in Post-communist Europe (Budapest: CEU Press, 2001); Maria Sakaeva, "Businessmen in Legislative Regional Bodies: Status as Protection and Preference" [Bisnesmeny v regional'nih parlamentah: status kak zachita i preferencia], *Sociological Studies* 4 (2016): 142-146; Maria Sakaeva, "Parliament as a "Window of Opportunities": the Research of how Entrepreneurs with Deputy Status Achieve their Economic Interests" [Parlament kak okno vozmoznostey: issledovanie povedenia predprinimateley s deputatskim mandatom], *Economic Sociology* 13, no. 3 (2012): 96-122

specific entrepreneurs. I define them as specific because they occupy the positions of elected officials at regional and local legislations. Hence, they have an official political affiliation and a double identity – business and political. It should be mentioned, that political affiliation divides into official and shadow. Official political affiliation requires a political status - a position of elected officials, for instance.

The focus on persons requires attention to the concept of human security, defined quite broadly as the security of livelihood (food, energy, environmental needs and economic security). While in developing market economies, small and mid-size entrepreneurs provide for a great amount of the human needs of everyday life (food, clothing, services, etc.), the issue of business security lies within the broader agenda of human security. As phenomena emerging from and for the sake of social relations, social capital and human security appear to be neither only an individual, nor just a collective property, but both. In this paper I argue that the trust networks and personal connections to state agents[9] and politicians provide the specific entrepreneurs with opportunities to minimise or avoid risks for their firms and property, and hence to protect their ownership and business activities.

I will first provide a brief description of the institutional design of sub-national governance in Russia. I will then discuss theories that concern the institutional dimension of property rights and informality in business. Investigation of informality and trust networks requires first a description of the theories of social capital appropriated for my research topic, and then, an

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[9] I follow Stanislav Markus, who defines state agents as state authorities, bureaucrats, state employees. For more see: Stanislav Markus *Property, Predation,* 57-58, 89, 113.

account of my data collection and research methods. I present some of the resources and opportunities available to entrepreneurs with a "double identity" resulting from their special relations to state agencies and politicians. Finally, I observe how social capital works in the "shadow sphere": generally, the different practices of informal entrepreneurial behaviour, and why and under what circumstances small and mid-size entrepreneurs with a double identity practice informal relations.

The Institutional Design of Sub-National Russian Governance

In 2003 president Vladimir Putin fundamentally changed the design of sub-national governance – both at regional and local levels. Changes in the functioning of Russian regional government included the replacement of popular elections for regional governors (*gubernatory*) by appointments. The popular election of regional assemblies was not ended: members of legislative branches are still elected by the citizens of the Russian regions. The federal reforms also implemented the division of the Russian Federation into seven federal okrugs. Each okrug includes about 10 regions.[10]

The institutional framework of local governance was also seriously modified. With the 2003 municipal reform there are three main tiers of local government: settlements (*poseleniya*), municipal counties (*municipal'nyye rayony*) and urban districts (*gorodskiye okruga*). The second tier is the municipal county (MR) which covers larger territories and comprises groups

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[10] North-West Federal okrug includes the city of Saint-Petersburg and 10 regions, including all territories of the Russian Barents region: Komi Republic, Karelia Republic, Novgorod, Pskov, Vologda, Arkhangelsk, Kaliningrad, Murmansk and Leningrad regions, Nenets autonomous district (See Appendix 1).

of settlements. The third is the city district (*gorodskoy okrug, GO*).[11] City districts and municipal counties are governed by elected bodies, which in the case of cities are defined as "city soviets". City soviets are not been precisely legislative bodies, because they are not allowed to produce laws or other legislative initiatives.

Contrary to the restriction on the election of regional governors, the 2003 law provided the procedures for election and appointment of the chief executive figure at the municipal, county and city district levels. There are two executive officials – a mayor (the political face of the locality) and a head of administration (city manager).[12] City managers were elected by the members of city soviets from among themselves. Mayors continued to be popularly elected, as in the 1990s. However, in 2014 the Federal Parliament (State Duma) passed the next law limiting popular elections in Russia. Accordingly, the implementation of, or restriction on the popular election of mayors was left to the choice of regional governors. By 2015 all Russian regions had implemented the restriction on the popular election of mayors. Moreover, some regions had restricted mayors' elections even before the decision of State Duma. Nowadays, a mayor and a city manager both are de jure elected (de facto appointed) by the members of the city soviets from among themselves.

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[11] Tomila Lankina, "Local Government", in Routledge Handbook of Russian Politics and Society, ed. Graeme Gill, James Young (London&New York: Routledge, 2012), 165.
[12] Darrell Slider, "Governors versus Mayors: The Regional Dimension of Russian Local Government", in *Local Government in Russia,* ed. Alfred B. Evans Jr., Vladimir Gel'man (Oxford: Rowman&Littlefield Publishers, 2004), 145-146.

Putin's reforms of government have undercut democracy and the powers of regional and local authorities. However, changes in institutional design have not decreased the movement of businesspeople to elected political bodies. Contrary to the restrictions on business activity for the members of Russian Federal Parliament, business activity is allowed for members of regional parliaments and city soviets, both for full-time and part-time members. The proportion of full-time lawmakers in Russian regions and local communities has decreased: since the beginning of the 2010s, regional and local governors have eliminated their portion. For example, in 2012 the regional parliament of the Komi Republic passed a law by which the number of full-time parliament members should be no less than 30%, contrary to the previous 50%. Not surprisingly, it caused the significant presence of businesspeople in Russian regional parliaments. As I will show below, in case of North-West federal okrug the average amount of parliament members elected from different businesses is about 50 %, with the highest proportion in Arkhangelsk region – 60 %, and the least amount in Nenets autonomous district – 36 % (see Appendix 2).

The highest portion of full-time members in city soviets have been fixed at 10% by the Russian federal law on local government. Full-time members are paid a fixed salary and required to be regularly involved in legislative activities and, most importantly, they have a higher level of responsibility. Cuts in the number of full-time parliament members means that the rest of the parliament or city soviet seats (that is, unpaid positions) can be occupied – primarily – by businesspeople.

Theoretical Framework

According to economic theory, property rights are one of the basic economic institutions for reducing costs, risks and uncertainty. Armen Alchian and Harold Demsetz note that despite a strong property rights' agenda in the social sciences, many questions have still not been investigated. Particularly, the social conditions necessary for property rights to function, and their changes in time and space.[13] Neoclassical economic theory concerns the gap between ideal types of property rights and reality. According to new institutional theory, property rights play the most important role in business security and economic growth. My research is about relations between business owners and a range of different actors (state officials, market players and politicians), which is why property rights are understood as a field of interaction between economic and state representatives, between individuals, groups and other actors.[14]

Douglass North and Barry Weingast point to the main dilemma of the economic politics – protection and grabbing. The state is strong enough for both strategies.[15] A grabbing state is a serious danger for owners, when state agents (mainly bureaucrats) have the freedom to violate laws.[16] Stanislav Markus points out that the predominant state-centric concepts in the debate

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[13] Armen Alchian and Harold Demsetz, "The Property Right Paradigm," *The Journal of Economic History* 33, no 1 (March 1973): 18.

[14] Douglass C. North, "Institutions and Credible Commitment," *Journal of Institutional and Theoretical Economics (JITE)* 149, no. 1 (March 1993): 11-23.

[15] Douglass C. North, John J. Wallis, and Barry R. Weingast, *Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History* (Cambridge: Cambridge University Press, 2009).

[16] Joel S Hellman, Geraint Jones and Daniel Kaufmann, "Seize the State, Seize the Day: State Capture and Influence in Transition Economies", *Journal of Comparative Economics* 31, no. 4 (December 2003): 754.

about property rights and private entrepreneurship in developing market economies underestimate bottom-up initiatives by the potential victims of property rights violations. He suggests paying more attention to local practices rather than to institutional design and central policy initiatives.[17] In my research on specific entrepreneurs, I take Markus' work as my point of departure, following his idea that bottom-up activities favouring business protection require more attention. I address the capability of small market players to decrease their vulnerability. They seek alternatives through formal political positions, that is, membership in legislative bodies. However, my research differs from Markus' design, because its focus on small market players instead of large firms, like the ones he investigated in Russia and Ukraine.

According to new institutional economists, property rights are shaped by institution-building. Douglass North defines institutions as the rules of the game, which limit the freedom of individual choice.[18] They focus on how institutions prevent individuals' illegal behaviour. New institutionalism proves the crucial role of the state in the protection of property rights. According to the theory, state intervention in the economy should be limited. As Thriann Eggertsson argues, within the property field a correspondence is required between social norms and formal rules.[19]

The idea of the dependency of market development on social relations is not new. In the 1970s, Mark Granovetter considered the importance of personal

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[17] Markus, *Property, Predation,* 44-45.
[18] North, *Institutions and Credible Commitment*, 12.
[19] Eggertsson, *Economic Behavior and Institutions,* 101-102.

trust and social relations for markets and private business.[20] He emphasised the productive influence of social connections on the market process. Social capital can be implemented productively within markets, social networks promote cooperation and solidarity for intra-firm and inter-firm relations.

In the 1990s, the euphoria towards the positive influence of social capital on society was disproved by studies of developing states and transition economies, including Latin America and the former Soviet Union. Supporting the idea that the lack of social trust weakens contracts and agreements, authors showed that social capital and personal trust can be fertile soil for corruption,[21] for shadow trade, drugs and weapons trafficking.[22] Contrary, Apostolis Papakostas in his book "Civilizing the Public Sphere: Distrust, Trust and Corruption" attacks not only the normative view of social capital and personal trust, but also challenges cultural studies of corruption and informality.[23]

Theories of social capital develop the sociocultural dimension within market studies that are closely connected with the property rights paradigm. Researchers of social capital used to overestimate its productive functions for society: information, communication, education, etc. They noted that social capital is highly useful in local communities, especially those which face a shortage of financial and other material resources, so that society should work

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[20] Mark Granovetter, "The Strength of Weak Ties", *American Journal of Sociology* 78, no. 6 (May 1970): 1360-380.
[21] Susan Rose-Ackerman, *Corruption and Government: Causes, Consequences, and Reform* (New York: Cambridge University Press, 1999).
[22] Alejandro Portes, "Social Capital: Its Origins and Applications in Modern Sociology", *Annual Review of Sociology,* no. 24 (1998): 1-24.
[23] Apostolis Papakostas, *Civilizing the Public Sphere: Distrust, Trust and Corruption* (New York: Palgrave Macmillan, 2012).

on the promotion of social capital. Robert Putnam defined the concept of social capital in its connections to culture, cooperation, mutual support and interpersonal trust.[24] Putnam's thesis of the dominance of social capital over material resources applies to Russia. As I show below, trust and reputation are significant for local business because they can be converted into other types of capital.

The conception of social capital adopted in this paper closely parallels that of James Coleman. He developed the so-called net approach, defining social capital as intergroup resources important to rational and self-interested actors. People and groups mostly implement horizontal social ties and connections within a group because their goals cannot be achieved without them.[25] The net approach to social capital is more appropriate for my research because entrepreneurs evaluate any resource, including social capital, in terms of rationality and utility. Rationality and utility constrain a key part of the net approach to social capital. Moreover, the security of market players depends on their capacity to get access to informal, politically enrooted nets. Contrary to J. Coleman, who defined social capital as a contribution to group well-being and security, my research shows that personal connections of specific entrepreneurs seem to be a contribution to their individual security. It means that social capital is personal, rather than group resources.

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[24] Robert Putnam, *Bowling Alone: The Collapse and Revival of American Community* (New York: Simon&Schuster, 2000), 93-113.
[25] James S. Coleman, "Social Capital in the Creation of Human-Capital", *American Journal of Sociology, no.* 94 (1988): 98.

Social capital can be viewed as a security factor because of one more reason. In the case of fragmented societies, different local networks and institutions do not seek interaction. As Zora Popova notes, "trust and norms at the micro-level are present only among the members" of a particular community.[26] I also investigate the role of social capital in property rights security on the ground level, that is, in local communities and among small market players.

More broadly, security of property rights could be seen as the core factor of human security within the particular local community, while local entrepreneurs – not large companies or the state – provide for the everyday needs and services of citizens. According to the Commission on Human Security, human security means not only the amount of human rights, but "creating political, social, environmental, economic and cultural systems, that together give people the building blocks of survival, livelihood and dignity".[27] From that point of view, it is also important that systems-building is a bottom-up process to no less an extent than it is a ruler-centric one. Entrepreneurs' strategies for dealing with state officials, with or against unstable laws and rules, influence their sustainable development, and ultimately, the sustainability of local communities.

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[26] Zora Popova, "The Social Capital as a Security Factor", *Journal of Regional Security* 7, no. 1 (2012): 8-9.

[27] Human Security Now. Commission on Human Security. New York 2003. URL: http://www.un.org/humansecurity/sites/www.un.org.humansecurity/files/chs_final_report_-_english.pdf (Retrieved 15 October 2017). P. 3-4.

Data and Methods

This paper examines the role of social capital and informal relations in small and mid-size entrepreneurs in Russian cities. Social research on informality requires qualitative methods, particularly interviews. All the semi-structured and in-depth interviews were collected by the author in two cities of the Komi Republic in 2012–2015.[28] Out of 28 interviews, 6 were conducted with small and mid-size entrepreneurs with any type of parliament membership (regional or local), 11 with small and mid-size entrepreneurs with extensive business experience and without official parliament affiliation, 5 with state actors (members of regional parliaments[29] and city soviets, political party functionaries), and 6 with experts (from media, business associations, and lawyers). Of the interviewed business actors, three-quarters represent small business. Among interviewed legislative members, one-half represents the local (municipal) level.

In order to show the high amount of members with business background in regional parliaments I collected the quantitative data about the occupations of the parliaments' members in North-West Federal Okrug (see Appendix 2). Data collection was made from the official websites of each regional parliament. Indeed, North-West regional parliaments contain a large complement of members with backgrounds in private business and state-owned enterprises – an average of 50 % in the parliaments, elected in 2008-2012 years.

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[28] Names and personal details of my informants are not provided here because research is ongoing on the project and the topic of shadow spheres is sensitive.

[29] The regional parliament of the Komi Republic [Gosudarstvenniy Sovet Respubliki Komi] is elected by citizens of the region for four years.

Collected data about regional parliaments supports the well-known finding, that the Russian socioeconomic system is characterized by the weak division of politics, business and civil society. Finally, it limits the number of groups with access to political and economic resources and who wield authority.[30] This also caused a methodological problem, in that the precise differentiation of my informants on the basis of formal positions was hardly possible. Particularly, the interviewed heads of regional and municipal business associations identified themselves as experienced entrepreneurs. In truth, many executives of quasi-civil organizations moved there from the business sphere. Not rarely the leaders and members of Russian business organizations continue their own business activities.

I designed and piloted a qualitative survey of small entrepreneurs with parliament membership in Saint Petersburg between January and May 2009, as a master's paper at the European University of Saint-Petersburg. The research started in 2008 with the question about benefits and opportunities available to the entrepreneurs with deputy membership (regional and municipal levels) – the business activity of those members of local parliaments and municipal bodies who came to politics from business. At first, my interest was in their motivation, election strategies and the resources they extract for their firms through deputy status. The pilot survey showed that the productive research question however should be more about trust

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[30] According to the concept of social development created by D. North, J. Wallis and B. Weingast, Post-Soviet states are included among the societies of limited access. For more see: Douglass C. North, John J. Wallis, and Barry R. Weingast. *Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History* (Cambridge: Cambridge University Press, 2009), 148-189.

networks and informal relations created by specific entrepreneurs in the political sphere, rather than just about benefits and opportunities for their businesses.

The pilot survey also showed how to interview several groups of informants in order to encourage more appropriate and complete data. Also strategies were needed to encourage honesty in the interviews. First, it was emphasised that the use of the recording device and personal details were optional. Many interviewees agreed to being recorded, but some requested anonymity and requested handwritten records only. Second, I established my credentials by providing links to my academic publications and confirmation of my identity at the relevant universities. Also used were well-known approaches to asking sensitive questions (third-party perspective; normalisation of wrongdoing, etc.).

The study used a "snowball" method and chain-referral sampling to find and select interviews (Tansey 2007). The interviews of business and state actors relied more on chain referrals due to the shadow topic. Using the existing networks, which included both personal and professional nets I created a snowball sample, never interviewing more than 3 persons from the same network. From 2012 until 2014 I worked for a regional newspaper, covering social and economic fields. Attendance of business and policy-related events in the Komi capital allowed me to develop a range of useful contacts.. Also in 2015-2016 a set of audio records and comprehensive observations were made during public discussions and round tables in the capital, where the topics relied on contemporary problems in regional state-business relations and challenges to entrepreneurship in Komi.

Interviewing small and mid-size entrepreneurs, both with and without parliament membership, I asked about negative and positive features of business activity in Russia, including questions which concerned threats to business, and ways of protection. Also of interest was to what extent and for what reasons social relations with the state's agents are profitable for business owners. All the entrepreneurs were asked how they collect, use and transform social relations and personal ties to politicians and state agents. Interviews with experts allowed me to analyse the informal behaviour of entrepreneurs, the business opportunities and strategies of those players who occupy a privileged position on the market.

Institutional Trust and Business Security

Research on specific entrepreneurs adds a new aspect to the discussion about institutional trust. Anthony Giddens defines institutional trust as trust shown towards abstract systems (laws, courts, constitutions, financial system, etc.).[31] Entrepreneurs with and without parliament membership have different attitudes towards courts and the legal mechanisms of property protection. Politically non-affiliated entrepreneurs state that, except in rare cases, it is impossible for small and mid-size businesses to appeal against sanctions. Moreover, appeals or taking matters to court can have unpredictable effects, for example, pressure on businesses, or unscheduled inspections by state representatives. In contrast to ordinary businesspeople, actors with a "double identity" can more successfully apply to the law.

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[31] Anthony Giddens, *The Consequences of Modernity* (Stanford: Stanford University Press, 1990), 102-104.

The challenge is not that entrepreneurs simply do not trust the state and its institutions. Even according to classic economic theory, the state does not deserve trust, because of the opposing interests of state agents and market actors.[32] The challenge for the state and its sustainability is that entrepreneurs perceive the state as a potentially disruptive, ineffective agent interested only in confiscating part of their private benefits not rarely in violent ways.

The Russian state, respondents point out, at any time can seize their profits on legal grounds. Talking about the state's "grabbing hand", very often they mean the imposition of taxes. High and changeable taxation – in the context of high-level corruption – negatively influences the willingness of entrepreneurs to pay taxes. Respondents guess that changeable game rules are beneficial to the state and its agents: the federal government creates and modifies "traps" for businesses in order to extract as much profit for the state budget as possible. The amounts of taxes and fines are not based on fairness and the law, but on political, elite-connected interests and short-term aims. The following interview illustrates the idea.

I do not like the state system. Let's have a look at fiscal politics. The tax police has a plan, right? But, I am not sure. Me, my firm, was checked by the tax police for four months. A tax inspector called me before the inspection and said: "Well, your quiet life is over. There is a deficit of money for the Sochi Olympic Games.[33] We have received the resolution from above to double tax fees". After that they [tax inspectors] *came and started checking. The tax*

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[32] North, Wallis, Weingast, *Violence and Social Orders, 15, 88-89.*
[33] The 2014 Winter Olympic Games took place in the city of Sochi, Russia.

police take the position that all of us [entrepreneurs] *owe some duties to them. But contrarily, they have their own duties towards us. From the tax police's view we are a priori guilty – they believe that we are not honest. The tax inspection, I'll just mention, ended with nothing; moreover, they found out that the regional taxation agency was in debt to my firm. (an entrepreneur, owner of a computer service)*

My respondents point to the following list of dangers and difficulties for small business: high taxes, unstable, inconsistent and complex state regulations, illegal inspections and administrative barriers, bribe-seeking bureaucrats. Respondents agree that state agents do not respect private owners and businesses as the sphere of independent, private economic activity. Tax police and other fiscal control bodies provoke especially negative connotations; entrepreneurs characterise them as illegitimate and at the least very unfair. The Russian state and its agencies are compared with racketeers.[34] One respondent defined Russian fiscal politics as the "state racket" [gosudarstvennyi reket], comprising the state's activities and decisions in tax policy, the levels of taxes and fines, the uncertainty and changeability of taxes and fines. The respondents' opinion is that tax police and other regulatory agencies serve mainly to create financial costs and barriers for entrepreneurs.

Compared to the 1990s, since the beginning of the 2010s the main threats to property rights have been created by state officials and politicians. My findings support the arguments of other scholars about the replacement of market predators (gangs, organised criminal groups) by state predators,

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[34] A racketeer is a person engaging in a racket – illegal violent activity. "Racket" refers more specifically to the activities of organized criminal groups.

including low-level state agents. Each group of interviewees very often said that various state agents are not able to protect business, but prefer instead to act as predators. When a firm becomes larger and more successful, state officials start to show great interest in it. What is more, bureaucrats are not interested any more in getting regular financial benefits (through bribes or other corruption practices), as it used to be in the 1990s, but they now seek to capture entrepreneurs' ownership rights.

The particular group from which causes the greatest danger in today's Russia are the so-called *siloviki*.[35] Insecure property rights are caused by institutional features of the business environment. The *siloviki* have occupied privileged positions among the Russian political elites for about the last 15 years on both the federal and regional levels. Not surprisingly, they have many opportunities to use state institutions to their own advantages. They can initiate firm inspections by any agency with the authority to monitor entrepreneurial activity.

*In the 1990s we [*small entrepreneurs*] were very scared of reketiers.[36] My car was set on fire by them. And now who is scaring us? Those [guys] with the shoulder straps.[37] They are more dangerous, a million times more than the reketiers. You have a factory for example. A Silovik might call you and say: "If you do not give it to me, I will do something to be able to arrest you – put*

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[35] Members of the coercive agencies of the state (e.g., the police, military, security services, customs). In Russia there are also the Federal Security Service, Military Police, Ministry of Internal Affairs, etc.

[36] The organized criminal community, street gangs, alliances of mainly young men or boys, have produced many dangers for small entrepreneurs and small business in Russian cities in the 1990s.

[37] The respondent means the members of the coercive agencies of the state.

drugs into your pocket or into your car". Or whatever... Everything is easy today. (interview with a local parliament member, small entrepreneur in trade business).

The privatization of institutions[38] by powerful individuals and groups negatively influences the business environment. Kathryn Hendley et al. note that in the mid-1990s 61% of Russian firms applied to courts or were ready to in some cases. Moreover, entrepreneurs highly esteemed this method of enforcing the order and the law.[39] Contrary, others argue, that in the 2000s weak state institutions and insecure property rights cause distrust towards the state and official rules.[40]

Entrepreneurs with Deputy Status: How Social Capital Works

As I mentioned, the opportunity to avoid or minimise risks is the crucial function of deputy status for entrepreneurs. The following opportunities are the most important.

Protection from capture and state violence. For my research, it was highly important to understand whether political status is being used for business protection and what kind of protection it allows. Corporate raiding, *siloviki*,

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[38] "Privatization of the state" means that various bureaucrats or clans of bureaucrats, under the guise of belonging to national state institutions and organizations, as representatives of the state apply power and administrative resources to advance personal or group interests. The phenomenon is widespread among developing market economies, including Post-Soviet states. (For more see: Stanislav Markus, *Property, Predation,* 86-88).

[39] Kathryn Hendley, Peter Murrell, and Randi Ryterman, "Law, Relationships and Private Enforcement: Transactional Strategies of Russian Enterprises," *Europe-Asia Studies* 52, no. 4 (June 2000): 644.

[40] Ella Paneyakh, *The Rules of the Game.*

business capture – these topics have already been well investigated in post-soviet studies. My respondents stressed protection from capture and attacks as one of the main privileges of being politically affiliated market actors. Owners of a double identity have the opportunity to resist raiders through their personal ties within political and administrative bodies. This can be used in case of real or potential dangers. My research shows that in a face of state predators,   specific entrepreneurs stay safer, compared to ordinary entrepreneurs.

"I can resist for a long time, because I am a public figure. I have worked here [in the regional parliament] for so many years that it is not easy to run me over. (interview with member of regional parliament, businessman).

Privileges available to specific entrepreneurs are not caused simply by political status: personal abilities and attempts to be included in the social ties and relations to political class members and powerful actors are important. In case of necessity, such ties can be converted into specific economic benefits.

Unconscionable market practices. As mentioned, Russian small business suffers from the "privatization" of state institutions. My research also proves that actors with double identity (political and business) are able to use their status as a weapon against market competitors. Not rarely, my informants among small entrepreneurs described cases where any entrepreneur in a city can face numerous unscheduled inspections initiated by state agencies like regional taxation agencies. They mentioned cases of inspections ordered specifically by politically affiliated competitor firms, which had particularly

or systematically privatised state agencies in order to use so-called administrative recourses to compete in a "grabbing" way.

She was not able to compete with my firm and that is why she has "signalized" to the tax agency. It is hardly possible to make such a manoeuvre if you do not have a patron "upstairs". If you have a patron it is not a big problem, I think. Nowadays it is more difficult to protect your rights in court. To my mind, in the past courts were more law-abiding than now (interview with the owner of a furniture firm).

As Ella Paneyakh notes, applying the law is not a common way to resolve conflicts of interest in Russian small business. On the contrary, the law can be used to punish the businesspeople who break informal agreements or rules.[41] Politically affiliated businesspeople have special relations with the law and its representatives. Their experience demonstrates two sides of the coin named "political affiliation" – protection and attacks. Being involved in political bodies, they have access to extraordinary resources like administrative support. While I did not get details about attacks practiced by such "unordinary" market players, there is no doubt that such cases happen.

It is possible to go to the police head and request him not to notice some dubious cases. I know one parliament member, honestly, he was a member of Russian State Duma. He has a large business… He got the support of the head of one of the law-enforcement agencies. Doing so, he has not only protected his business, but also produced "difficulties" for his competitors (interview with a regional parliament member, businessman).

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[41] Ella Paneyakh, *The Rules of the Game,* 71-72.

Litigation with the state. Russian entrepreneurship has a very specific feature: it is impossible to follow all official rules and norms. Ella Paneyakh writes about the crucial barrier to small entrepreneurship, defined as the "costs of legality" - business costs caused by changeable, contradictory and numerous formal rules and norms.[42] It means that entrepreneurs have to pay a high price if they decide to become visible to the state, to be honest to the state's representatives and to follow its laws conscientiously. Changeable rules can be easily reinterpreted by state representatives, but not to the entrepreneur's advantage. State agencies, if they have such an aim, are able to put sanctions on a firm.

My informants define their own position as "on the verge of the law", meaning that the state's control agencies are interested in finding some kind of breach of the law, and have great power to define what a legal breach is and what is not. Changeability and the contradiction in formal rules cause uncertainty in everyday business activity. State inspectors on the ground (e.g. sanitation and epidemiology services, firefighters, and others) are highly critical in defining whether an entrepreneur is breaking a norm or not. In other words, laws and norms relating to business activity are under the continual interpretative power of low-level state functionaries.

As mentioned above, the state and its agents act as predators – that is the common attitude of all kinds of entrepreneurs encountered in my research. However, there are different strategies against this. Specific entrepreneurs actively apply to the courts in administrative disputes with state agencies like

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[42] Ella Paneyakh, *The Rules of the Game,* 51.

the tax police, sanitation or fire safety agencies. Litigation with the state, or what I call "law attacks" against state agencies, sometimes enable businesspersons to reduce economic costs. Being included in political structures, specific entrepreneurs have access to "inside" information and informal paths of communication to judges. They are thereby more experienced in ways of communication within state agencies and political bodies, which require attention to specific language, behaviour and particular rules. These factors positively influence their ability to protect themselves in cases of business risk.

*Not so long ago the Agriculture Control Service imposed on me a few fines, so I filed court cases and have won two. They [*representatives of the agricultural service*] charged me with the absence of required licenses. They demanded the licenses, which did not even exist at that moment, so they did not grant me the licenses. They knew that the licenses were a fiction, but demanded them anyway. (interview with a mid-size business owner, informally politically affiliated, trade business).*

Access to state officials. Businesspeople with deputy status, compared to ordinary entrepreneurs, have easier access to state officials, city and regional politicians. Such privileges seem to be obvious and are expected. However, this administrative resource is highly important and is available to specific entrepreneurs not simply due to their official positions. Specific entrepreneurs do not spend time waiting for doors to open: they do not face the particularly Russian bureaucratic paper-war (*volokita*)[43]. They have open access to city

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[43] Volokita is similar to administrative barriers and is defined as obstacles to starting and doing business that result from the introduction of excessive bureaucratic procedures and

managers, heads of different departments and other officials in order to resolve business problems. They become stronger members of the political group than of the economic one.

Access to state officials depends on personal abilities, trust, respect and personal influence. According to my informants they do not just open doors and get closer to decision-makers; advantages depend on your personal skills, administrative resources and your own level of influence.

Avoiding additional payment. Researches in different Russian regions showed that the relationship between local business and authorities is often based on the principle of "taxes+"[44] or "additional payments".[45] It means, that businesspeople are obligated to support financially or by other available means the social and economic initiatives of city and regional authorities. My respondents also provided some examples. Various material obligations burdening local business include not only taxes, but buying buses for public transport, building playgrounds for kids, holiday presents for children and poor families, disabled and aged people. In order to force entrepreneurs to provide unofficial payments, city authorities can use administrative pressure, for example, the refusal to grant licenses, operating permits.

Payments are mostly regular and obligatory. Politically affiliated entrepreneurs are not excluded from the "taxes+" system; however, they can choose to pay or not for a particular purpose. They can accept or ignore an

rules set by different regulatory agencies in some cases (but not always) in order to receive additional payments.

[44] Anton Oleinik, *Market as a Weapon,* 227-228.

[45] Ella Paneyakh, *The Rules of the Game,* 85-86.

offer. They define informal payments as investments, not costs, like ordinary entrepreneurs do. In the case of double-identity actors, I define "taxes+" as specific investments to reputation: if you pay, in the future you will succeed in getting market privileges and benefits from state authorities. There are various forms of benefits: licenses and permits required of businesses in a particular branch (trade, real estate, etc.), access to information and decision-makers. It can be considered an exchange – financial and material resources must be provided by business in exchange for economic and noneconomic advantages given in return by state authorities.

Social Capital in the Shadow

In Russia municipal and regional politics and economic development are characterised by the high concentration of power in the hands of city or regional authorities. Trustful relations with them have great significance for businesspeople. Specific entrepreneurs are therefore willing to become members of a so-called "closer circle". The main condition for membership is loyalty. It means that members of regional legislative bodies or city soviets should support not only the party in power – 'Edinaya Rossiya' (United Russia); they also have to support a city manager or a major – their decisions, ideas, strategies, etc.

Members of city soviets exchange their political loyalty for economic benefits. However, this looks simple only at first glance. As my research shows, social capital – but not purely formal loyalty – is the most important form of capital for specific entrepreneurs. My respondents, both businesspersons who have moved into politics, and experts, paid strong

attention to personal ties and close relations, mentioning them as an important condition for economic success. Business actors quite often do not have a strong obligation to "pay off" received benefits. In other words, the exchange is not rarely based on pure personal relations, not on material interests, as used to be emphasised in the literature on Russian corruption.[46]

However, relations between local authorities and entrepreneurs are mostly informal and kept in the shadows. That is the nature of local relations, where informal deals and communications are more effective in the decision-making process than official agreements. The latter requires more time, effort and other costs. Informal state-business groups on the municipal level include different representatives of local politics, regional patrons, small (or mid-size) business, and various state agents. In contemporary Russia, politicians and bureaucrats are included in business activities as owners or managers. Reasonably, it is not easy to separate politics from business, because they create a set of symbiotic structures. For example, many city authorities in Russia own a few firms and businesses.

The common origin of city authorities and owners of double identity simplifies their professional communication, the creation of trust and networks. Their similar business origins provide certainty, common values and norms. However, for my research another side of the narrative was more important. These informal groups are characterised by the replacement of market relations with quasi-market practices, where enforcement and violence are more effective and widespread than pure market practices. Informal state-business groups on the municipal level are based on social

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[46] Susan Rose-Ackerman, *Corruption and Government.*

connections, in-group solidarity and contract relations – all components esteemed positively by social capital theorists.

There is one other empirical point that seems to contradict the idea about the widespread informality in Russian regional-local relations. My research shows that politically affiliated entrepreneurs are not interested in the implementation of trust networks and special relations with state officials without compelling reasons. This is because administrative support requires a payoff which ultimately causes the dependency of an entrepreneur. It sounds trivial, but reciprocal relations with state agents and local authorities are not always profitable for the double identity owners, even if benefits are important and available. In some cases it is more profitable and safer to follow market strategies and not seek administrative resources. Personal agreements are not based on official contracts, which is why opportunism is highly probable and not preventable. There is one important exception – the threat to property rights. In such cases entrepreneurs do not hesitate to use their specific positions within political structures to prevent potential attacks.

I am head of the organization, I visit all events and meetings, and they [competitors] are afraid of me. I am familiar with the city manager. It is impossible to grab away my business, because by the time I had made a name, I was not infamous businessman They were afraid that I could use some connections, networks, or some personal contacts somewhere (interview with a member of regional parliament, businessman, trade business).

Unexpectedly, my research shows that actors with double identity occupy a vulnerable position. It is easy for city managers or governors to force private

owners to vote for any decision or to support their politics. One informant in Saint-Petersburg provided an example how this works: a member of a city soviet decided not to vote for a bill because it contradicted his personal position and political values. He was going to leave the city for couple of days by road, when he was stopped by police and forced to go back to take part in a vote on the bill.

Conclusions

This study shows that informality and trust networks within the political sphere play an important role in entrepreneurial success of even small and mid-size business. State-business connections on the local level are more personalised and based mainly on mutual trust than on corrupt dependence, as in elite networks. I found that entrepreneurs who occupy positions in regional parliaments and city soviets, could be defined as *privileged market actors*. They have access to advantages and opportunities crucial to business security in contrast to so-called ordinary entrepreneurs.

On the one hand, privileged entrepreneurs, as others, do not trust the state and its institutions. On the other hand, they create and support social ties and informal relations to state representatives in order to protect their businesses from the threatening activities of fiscal and other state control bodies. As the research prove, specific entrepreneurs convert politically connected informality into economic benefits. The paradox of the described practices is that in order to protect and develop their firms businesspersons need to become a part of the state. The rules governing informality and social capital exploitation within political sphere become more visible when we compare

the practices and norms of politically affiliated entrepreneurs in contrast of ordinary market actors.

The research on politically connected entrepreneurs in Russian cities concerns the more fundamental question of what constitutes the logic of interaction between the state and markets, and between private actors and state agents in the post-Soviet space. Another important finding concerns personal skills and behaviour within the political space. Opportunities caused by political status are not enough for business success, which requires the ability to use them in an appropriate way, and depends on personal characteristics and human capital (knowledge, professional and communication skills, and personal influence). Moreover, different economic and political players, with various amounts of political, economic, social and other sorts of capital, compete with each other for access to privileges.

The idea of the crucial meaning of informality, patronage and personal connections to political figures is not new in transition economies, including the post-Soviet states. A broader question is how the movement from business to politics mirrors the nature of markets and entrepreneurship in developing market economies. Investigating specific entrepreneurs improves our knowledge not only of post-Soviet development, but of the diversity of entrepreneurial practices.

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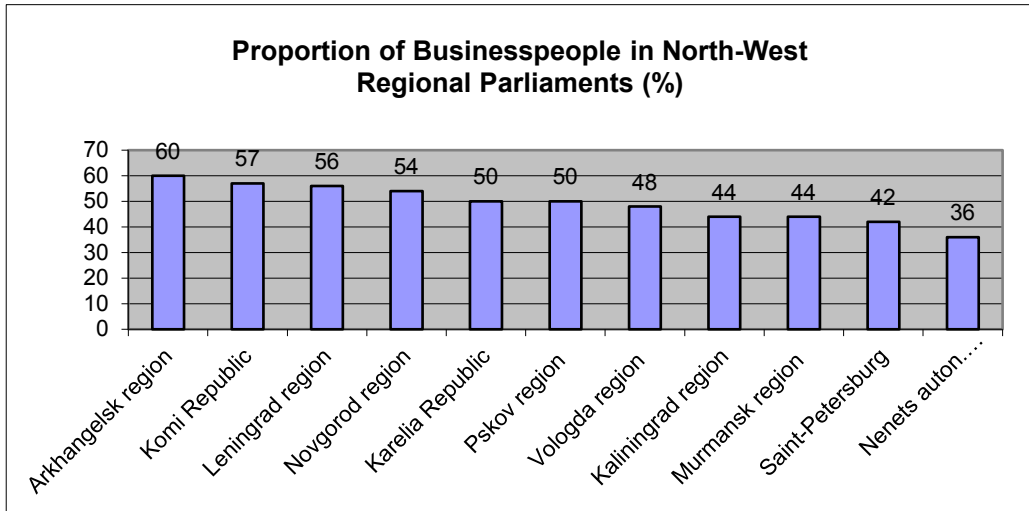**Appendix 1.**

Map of the Barents Region

Source: Arctic Centre. University of Lapland.

http://www.arcticcentre.org/EN/communications/arcticregion/Maps

Appendix 2.

Proportion of businesspeople in regional parliaments of North-West federal okrug

Proportion of Businesspeople in North-West Regional Parliaments (%)

Author's calculations

Legislative bodies were elected in 2008-2012 years.

Digitalisation Among NGOs – The Case of the Toimeksi.fi Online Service

*Tytti Kurtti** and *Kukka-Maaria Berg***

Abstract

Digitalisation, which can be described as an effective way to change operational environments and utilise information technology use, is an important topic nowadays. Usually digitalisation becomes concrete in the form of online services. Among NGOs there is a need for digital services. The Association for Social Affairs and Health in Northern Ostrobothnia coordinates the Toimeksi 2.0 project, the aim of which is to create an online service for NGOs and citizens. The NGO online service is one way to activate citizens' participation in society. The content of the online service will be events, training courses, support group activities and volunteer work tasks, which should enhance welfare in communities. The question is how to activate both NGOs and citizens for fluent information transfer. The challenge is the breadth to which NGO actors operate to create the content, and whether citizens can find the content they need. The online service is strongly connected to civil society, civil activity, sociocultural structures, and human security for social communities. Human security is related to social communities, participation and information sharing. With knowledge

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sharing, the community creates its capacity as participation in local regions. Through community capacity and digital inclusion, NGOs have an important role to play as coordinators of information gathering for decision-making processes.

Introduction

This study focuses on the field of NGOs in Finland. A non-governmental organisation (NGO) is an organisation with non-profit purposes. NGOs can also be defined as third sector organisations. An NGO is usually an association or alliance with a special interest in sport, health, social affairs, politics or culture. In this paper the focus is on social and health NGOs. In Finland, there are approximately 10,000 social and health associations, many of them local. An NGO itself includes the idea of community and its members. In Finland, the associations work to support and maintain the welfare of citizens. Social and health associations put forward problems and developmental issues to public discussions and decision-makers. The purpose

of this is to address issues, support welfare and health services, and have an effect on legislation.[1]

The Toimeksi 2.0 project is responsible for developing the Toimeksi.fi online service. With the online service, NGOs are able to make their content available on the internet. The first version of the Toimeksi.fi online service was created in 2013. The new version is being developed in the form of a collective website with parallel local online services. The local view was requested by the NGO field and helps people to contact their own local online service when they need information and support. The owner of the online service is responsible for the whole service and its functions, the resourcing of the maintenance and development of the online service, and the achievement of the aims.[2]

The owner of the Toimeksi.fi online service is the Toimeksi network, which comprises all the organisations that have a parallel online service under the national online service. Each organisation has representatives in the Toimeksi network. However, the admi-nistrative mandate is necessary, for example when related to contracts with the technology partners and competitive tendering, because the network cannot proceed without the official administrative management and decision-making. The network has given the administrative mandate to the Association for Social Affairs and Health in Northern Ostrobothnia, which is ultimately responsible for the Toimeksi 2.0 project. The project's aim is to develop the Toimeksi.fi online service, its

[1] Juha Peltosalmi, Tyyne Hakkarainen, Pia Landen, Vertti Kiukas and Riitta Särkelä, "Järjestöbarometri 2014" (Shutterstock: Helsinki, 2014), 93.
[2] JUHTA 2014, 8.

usability and accessibility, and to extend the network to new areas during the period 2016–2018 (see: http://avustukset.stea.fi/organisation/220). The Toimeksi.fi online service also has an important role to play. It is the vision of the Toimeksi.fi online service to be a platform for NGO activities across the whole country. By using quantitative statistics and qualitative experimental knowledge, NGOs can participate more effectively in decision-making in the field of social and health care.

Research about information technology use among citizens requires structure and met-hods. In this paper the case will be the Toimeksi.fi online service. The community stores the relevant information on its IT. It is important that the information is of high quality and access to the information is easy.[3] The online service will be open and accessible to different kinds of users. The information needs to be found easily and the online service should be able to engage people with the NGOs' activities. This paper addresses the nature of social and health NGOs and their capacity for information management and digitalisation.

This paper will first focus on social and health NGOs from the viewpoint of knowledge in Finnish society. The second section reveals the concept of digitalisation among NGOs. The third section reveals the connection between NGOs and online services. The fourth section introduces the empirical case of the Toimeksi.fi online service. The fifth section presents the concept of security and how it is related to information systems. A discussion and conclusion will tie all those concepts together from the perspective of digitalisation among NGOs.

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[3] Louis-Marie Tchouakeu et al. 2011, 6-7.

Social and health NGOs and knowledge

The Ministry of Social Affairs and Health is responsible for the governance of health and social services at the state level. It has the responsibility for social and health care policy planning, steering and implementation. The third sector plays an important role when preventing problems, enhancing health and welfare, and developing new methods for activities. Cooperation between NGOs and public agencies is needed when developing participation in society.[4]

Health and well-being are important strands of work in the current health and social services reform programme in Finland. It is one of the biggest reforms affecting the public, private and third sectors in the country. Ritvanen and Sinipuro[5] are claiming that the baseline and developmental perspectives of the reform must be that of citizens. Public administration must be responsible for citizens' health and the provision of adequate social and health services.

In Finland, associations are usually hierarchically structured, where the central association has a national function and smaller actors are regional and local associations. Most of them employ staff but there are also many volunteers that take care of the core work of associations. Municipalities and NGOs are experiencing rapidly developing cooperation. Local parishes are usually partners with the NGOs and hold similar activities, such as group

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[4] Sosiaalisesti kestävä Suomi 2020, 2011, 13.
[5] Hannu Ritvanen and Jaana Sinipuro, "Tiedolla johtaminen toimialan murroksessa" (BoD – Books on Demand: Helsinki 2013), 52, 80.

meetings. Cooperation is usually organised through networks. For example, the Municipality of Oulu cooperates with NGOs based on the lifespan model with focused service platforms. Those services are focused on welfare and preventive work.[6]

In Finland, municipalities have published reports that reveal the state of welfare in their areas of responsibility and their collaboration with welfare NGOs. One important aim in today's society is to find solutions to the increasing problem of social exclusion. The welfare reports are tools for planning, implementing and evaluating welfare policy. In addition, they provide information about the health and well-being of the population, changes in health and well-being, the functionality of the service system, and the costs of preventive work. NGOs are active participants in producing the reports. The whole concept is based on cooperation between municipalities, NGOs, parishes and private companies.[7]

With social communities and supportive groups, the purpose is to reduce social exclusion in society. Community, sharing and sociality are related to home and community space, which represent security for the people living in a particular area. With the online service, this also takes place on the internet. Through professional use of the online service, an adviser can easily access an NGO's contacts and activities and gather sufficient material for the client.

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[6] Merja Halonen, "Kokemuksia järjestöjen ehkäisevästä työstä kaupungin palvelujen näkökulmasta." in *Järjestöt ja kunta hyvinvointia edistämässä*. Katja Häkkilä and Marjo Tourula (Esa Print Oy, 2013), 86.
[7] Hyvinvointikertomus kunnan strategisen johtamisen työvälineenä, 2017.

Digitalisation among NGOs

Digitalisation is mostly a change in the operational environment that includes information saving, organising, searching and utilisation. Information systems and platforms have replaced both traditional newsprint and offices. The change is also socio-cultural and the clearest sign can be found in customer behaviour.[8]

Digitalisation includes online services. An online service is a collection of web pages that provide a service to its stakeholders. Web pages are produced by a certain body, for example an organisation, or they have a certain content.[9] JUHTA, the Advisory Board for Public Administration Information Management, defines an online service as open web pages accessed by a browser that include information. Different kinds of devices could be used by users to browse the web pages, such as mobile devices.[10] In this definition JUHTA excludes network services and embedded systems (see JUHTA 2014, 3), as do we in this paper.

In order to provide users with a good service, the online service should always be usable and accessible. Usability relates to how a device, a piece of software or a service is designed for the targeted end users. Accessibility in turn refers to how easy it is for a user to start using the device, software or service. Accessibility of an online service refers to how usable the service is by

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[8] Virpi Hämäläinen, Hanna Maula and Kimmo Suominen, "Digiajan strategia" (BALTO Print: Lithuania 2016), 21, 23-24.
[9] Valtiovarainministeriö 2008, 12.
[10] JUHTA 2014, 3.

individuals with disabilities, such as those who are partially sighted or hard-of-hearing.[11]

The use of the online service is based on user experiences. Hämäläinen et al.[12] argue that users are more involved in organisations' activities and value creation in new ways because of digitalisation. Service culture must be based on a willingness to help the customer. The most important purpose has to be a positive customer experience. The service concept includes promises to the customer. The service promise is more than the concept to the customer and it is also a good way to communicate and present the service level to the customer.[13]

Through an information system, NGOs and their activities can be accessed directly via the internet. NGOs have some specific features that affect the nature of the information system. The development of an information repository about NGO activities benefits workers in associations as well as financial stakeholders. The main thing is to remember that information systems are embedded in the social context of NGO activities.[14]

When creating the online service for NGOs, the challenge is how widely the NGO actors participate in creating the content and whether citizens will find the content they need. The main content on the online service will be NGO events, training courses, support group activities and volunteer work tasks.

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[11] JUHTA 2014, 6-7.
[12] Hämäläinen et al. "Digiajan strategia," 15.
[13] Belinda Gerdt and Kari Korkiakoski, "Ylivoimainen asiakaskokemus" (Talentum: Helsinki, 2016), 104, 108.
[14] David Lewis and Shirin Madon "Information Systems and Nongovernmental Development Organizations" The Information Society, 20: 1-10, 2004.

On the Toimeksi.fi online service there is a range of basic NGO information, such as documentation, guidance and instructions, guidelines and other practical information. There are also statistics about NGO activities. That information is necessary for NGOs because of their obligation to report to funding organisations. The survey conducted among the social and health associations reveals that a civil society strategy is needed among NGOs in Finland. The strategy would help when defining the actions for reducing regulation. Actors need simple stee-ring in terms of information gathering without there being overlapping systems.[15]

The inclusion of the concept of digital inclusion in the study offers effective support when considering actors using online services in different communities. The overall outcomes from digital inclusion are: a) increased equity, b) improved access to opportunities, information and services, and c) an increase in skills and confidence.[16] Digital inclusion can also be seen as a tool for reducing social exclusion, as IT is seen as a powerful instrument for social change.[17]

Bandias[18] shows that local communities have highly committed members and their activity is based on cooperation to maintain or develop new, local services. The benefit to the community is the most important value. Considering the online service, this could refer to a community message board that communicates its activities, volunteer work or events. Community

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[15] Peltosalmi et al. "Järjestöbarometri 2014," 113.
[16] Digital Inclusion, 22.
[17] Ana Ramos and Lidia Prieto "Digital Inclusion of Low-Income Women: Are Users of Internet Able to Improve their Life Conditions?" (ACM 2014), 1.
[18] Susan Bandias "Building Indigenous Social Capital in an Online World." (Journal of Media and Communication. 2010), 44.

capacity also refers to a community's ability to interact with other organisations. Local capacity is about information production and information sharing, and reliable information about community activities should be available online. Information technology can then have an impact on participation, collective action, norms of reciprocity and trust within, across and with communities.[19] A community's knowledge can be called collective knowledge, which can exist within different types of communities.[20]

NGOs have close contact with the communities they operate in because of their basic methods of working. NGOs may enjoy a high level of trust and acceptance among people. They also provide information, analysis and expertise about the communities. That helps in the implementation of different projects, agreements and policies.[21] The online service will be created as a result of the wider developmental project, and the project partners are all NGO actors. It is important that the network has the capacity to create knowledge for state contributors, municipality actors and citizens. Citizens get the opportunity to participate in civil society more effectively and associations get information about these participants through statistics.

NGOs' efforts to develop local knowledge through information systems must be focused on specific forms of knowledge, which means that access to local

[19] Javier Mignone and Heather Henley "Impact of Information and Communication Technology on Social Capital in Aboriginal Communities in Canada." (Journal of Information, Information Technology, and Organizations. 127-145 2009), 127.

[20] Donald Hislop "Knowledge Management in Organizations. A Critical Introduction." (Oxford University Press. Ashford Colour Press Ltd: Gosport, Hampshire 2013), 23.

[21] Shikoh Gitau and Gary Marsden "Fair Partnerships – Working with NGOs." (Human-Computer Interaction. Volume 5726 of the series Lecture Notes in Computer Science: 704-707, 2009), 704-705.

knowledge must be taken into account through different tools and communicative activities.[22] Digital inclusion is one thematic way to clarify online service use. Digital inclusion can be defined as having access to information technology and online services. It is not just physical access to technology, but also having the necessary skills, confidence and capabilities to use the online service. One has to have physical access to the internet, the ability to effectively use it, and to make use of the equipment and skills.[23]

When planning an information system, there must be a comprehensive planning process when an organisational environment is taken into account. Organisation strategy, structure and culture must be borne in mind when planning the contents of the information system. NGOs have an important role to play when creating information systems because they are participatory by nature, and they are motivated to advance human rights and societal development. NGOs are able to integrate both local and global agendas and learn from changing opportunities and demands from political, social and cultural viewpoints.[24] Because of their size and nature, NGOs are agile enough to adapt and change according to the behaviour of people. The online service offers many different functions for its users. The challenge is to target the relevant information to the right audience.

The biggest risk for an online service is lack of users. There are some characteristics of the offline population: a) low income, b) unemployment, c)

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[22] Kenneth Pigg and Laura Crank, "Building Community Social Capital: The Potential and Promise of Information and Communications Technologies." (The Journal of Community Informatics, Vol. 1, Issue 1, 2004), 69.
[23] Digital Inclusion, 3-4.
[24] Lewis and Madon, "Information", 2, 8-9.

lack of basic literacy skills, d) live alone and e) live in rural areas.[25] There is little information available to draw definite conclusions on how information technology might improve or diminish engagement of groups. Helsper[26] suggests that the outcome is that best practice initiatives should not start by thinking about information technology, but by thinking about the needs and habits that groups have.
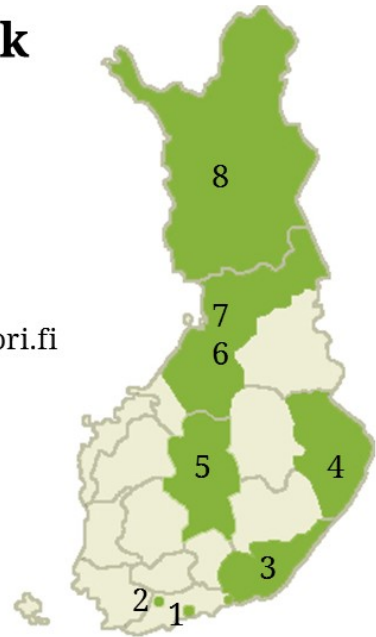
The Toimeksi.fi online service

The Toimeksi.fi online service is a nation-wide service. The content of the online service is national and includes important information for NGO actors, such as how to run an association, how to recruit new skilled people to an association, and how to attract funding. For users, i.e. citizens, the Toimeksi.fi online service provides information about what third sector action and volunteering means. Users can also find and read stories that other users have written regarding their experiences of volunteering and events they have taken part in. Actors from NGOs can create their own account in the service and collect statistics on their activities, which they have to report on to their funding organisations. The Toimeksi.fi online service also gathers different kinds of content from all the parallel online services, such as events, news and social media content, as well as relevant information about NGOs, associations, volunteer work tasks, guidance, and so on. There is one central online service, Toimeksi.fi, and eight parallel online services.

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[25] Digital inclusion, 9.
[26] Ellen Helsper "Digital Disconnect" 2011, 13.

Toimeksi.fi network

1. Espoo: espoolaiset.fi
2. Lohja: lohjalaiset.fi
3. Southeastern Finland: yhdistysinfo.fi
4. North Karelia: jelli.fi
5. Central Finland: yhdistystori.fi
   Northern Ostrobothnia:
6. ihimiset.fi and
7. varesverkosto.fi
8. Lapland: lappilaiset.fi

Under the national Toimeksi.fi service there are the parallel local online services. The content of the service in Lapland includes all registered NGOs and their activities in Lapland, while the service in Espoo includes mainly information about NGOs and their activities from the city of Espoo, along with some content from NGOs in the capital area. Users are able to find national, regional and local information on every online service, regardless of which service they are using. The users normally use the parallel online service, i.e. the regional/local online service, as shown in the table below.

Online Service	Users in 2014	Users in 2015
lohjalaiset.fi	online service published in 2016	online service published in 2016
espoolaiset.fi	ca. 58,600	ca. 70,300
yhdistystori.fi	ca. 48,000	ca. 48,000
lappilaiset.fi	ca. 8,900	ca. 17,000
jelli.fi	ca. 84,900	ca. 71,200
ihimiset.fi	ca. 31,000	ca. 33,500
toimeksi.fi	ca. 16,900	ca. 11,200
varesverkosto.fi	information not known	ca. 33,200
yhdistysinfo.fi	ca. 15,100	ca. 15,400

Table 1. Statistics showing users of the Toimeksi.fi online service and parallel services.

For users who are residents of a certain municipality or city, the parallel online service is always considered to be the most appropriate one, because users are more familiar with the local/regional online service, they are able to access the required content in fewer steps, and even the domain name normally reminds the user about the area. This is the situation in Lohja, for example, where the online service is called Lohjalaiset, meaning 'people from Lohja'. The idea is not to burden the users' memories and help them to better remember the online service's name so that the threshold for starting to use the online service is as low as possible.

The service idea of an online service is called a concept. The concept could also be a prototype or other initial plan for the online service. The concept includes the aims of the online service and the communication, user groups and the user needs.[27] The concept of the Toimeksi.fi online service was created among the network during the spring of 2016. The basic themes were developed by the Toimeksi 2.0 project and the members of the network provided ideas and opinions from the local areas for the initial concept. The concept was used for competitive tendering and it formed a basic document for the communication plan for the Toimeksi 2.0 project. The concept will be used in cooperation with the technology partner, which helps to construct and develop the content management system.

The Toimeksi.fi online service offers services for supporting and enhancing civil society. Support groups constitute the low threshold activity. Volunteer work tasks are also basic services in the online service. The online service has to offer information as clearly as possible. For example, the visualisation of activities must follow the standards of accessibility. Pigg and Crank[28] suggest that information technology has the capability to enhance and extend social networks by providing access to resources that can be mobilised for action. Moreover, it is possible to create support mechanisms of enforceable trust and reciprocity using information technology. Information technology supports learning functions that may reduce conflicts and improve the quality of decision-making. By creating access to resources and decision-making processes, technology enhances the solidarity of the group.

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[27] JUHTA 2014, 6, 9.
[28] Pigg and Krank "Building", 69.

The Finnish eHealth and eSocial strategy 2020 objectives state that citizens should be able to access online services no matter where they live, and that reliable information on well-being and services should be available. With information systems, training and education is needed, as some information systems are relatively old and the levels of support provided varies.[29]

Human security and the security of online services

Security of the community includes access to equal participation[30], and it has a connection to social geography where societal welfare concerns both economic and social relations. Different groups in society have unequal rights to work and welfare regulation.[31] However, knowledge has a localised capacity, which is created by learning processes where the question is how those learning processes relate to place.[32] Harris[33] suggests that local communities have increasing levels of expectation. In northern communities, policies should take the common values they experience into account.[34] Human security threats can be defined by international organisations, national

[29] Ministry of Social Affairs and Health 2015, 10-13.

[30] Kimmo Kajaste "Information – a Prerequisite for Democracy. In *Vital North. Security. Democracy. Civil Society*." (Finnish Committee for European Security STETE. Hakapaino Oy, 1999), 58.

[31] Frank Hansen "Welfare States and Social Polarisation." In *Voices from the North. New Trends in Nordic Human Geography*. Jan Öhman and Kirsten Simonsen (MPG Books Ltd., Bodmin, Cornwall 2003), 69-70

[32] Anders Malmberg and Peter Maskell "Localised Capabilities and Industrial Competitiveness." In *Voices from the North. New Trends in Nordic Human Geography*, Jan Öhman and Kirsten Simonsen, (MPG Books Ltd., Bodmin, Cornwall 2003), 24.

[33] Margaret Harris "Third Sector Organizations in a Contradictory Policy Environment." In *Hybrid Organizations and the Third Sector. Challenges for Practice, Theory and Policy*, David Billis (Palgrave Macmillan 2010), 32.

[34] Gerald Zojer and Kamrul Hossain "Rethinking Multifaceted Human Security Threats in the Barents Region. A Multilevel Approach to Societal Security." (Juridica Lapponica 42, 2017), 57, 71.

governments and NGOs.[35] The identity of NGOs therefore has a close connection to the concept of human security. Humane activities, agility and the capability of constant information processing are the main strengths of NGOs.

Human security can be found within various disciplines and is usually connected to some other concept or discourse.[36] It is related to a person's life situation and the roles they find themselves in. Security and insecurity are permeable variables which pass through different life situations. They are reflections of the quality of an individual's life. The policy of human security means that structures of society, environment and culture have to be strengthened to avoid societal instability and fragmentation. Human security and its connection to the concept of quality of life is important. The concept of quality of life is an informative way of approaching the field of social welfare. Social security and welfare are not synonymous, but they share many similarities. Welfare is based on resources and incomes, and the basic idea of the social security system comes from situations where people have to survive.[37]

Information security includes three main purposes: a) confidentiality, b) availability and c) integrity. Confidentiality confirms that all information is used by the right person in the right place. Availability means that information

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[35] Taylor Owen "Human Security – Conflict, Critique and Consensus: Colloquium Remarks and a Proposal for a Threshold-Based Definition." (SAGE Publications. Vol. 35(3) 2004), 384.

[36] Zojer and Hossain "Rethinking", 2.

[37] Sakari Kainulainen "Sosiaalinen turvallisuus ja yhteiskunnan rakenne." In *Inhimillinen turvallisuus*. Pauli Niemelä and Anja Lahikainen, (Vastapaino: Tampere 2000), 288-291; Pauli Niemelä "Turvallisuuden käsite ja tarkastelukehikko." In *Inhimillinen tur-vallisuus*. Pauli Niemelä and Anja Lahikainen. (Vastapaino: Tampere 2000), 22-23

is in the right form and integrity ensures that information doesn't include mistakes.[38] Information security policy and security planning takes care of the whole organisational environment with information management. The policy should cover organisations' information security strategy, legislation, structure, practices, contracts, support for information security management and risk management.[39] In addition, information security management is a concept that should be afforded even more attention in organisations. Information security is not only technical; in fact much more focus should be directed towards management, human behaviour and learning processes.[40]

Digitalisation requires new skills and motivation for information accessibility and processing Technology brings with it both opportunities and challenges. In any given community, it is possible that the whole population does not have access, the skills or the motivation to use technology. The biggest threat is that expanding digital services and technology will leave some people marginalised, which means that they are left outside of online services.[41] Marginalisation may become evident through such elements as low income, unemployment, lack of basic literacy skills, living alone or living in rural areas (see the chapter Digitalisation among NGOs).

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[38] Mika Hakala, Mika Vainio and Olli Vuorinen "Tietoturvallisuuden käsikirja" (Jyväskylä: Docendo, 2006), 4.

[39] Paavo Porvari "Tietoturvallisuus liiketoiminnan johtamisessa, prosesseissa ja henkilöiden toiminnassa." (Aalto University publication series. Doctoral dissertations 131/2014. Unigrafia Oy: Helsinki 2013), 46-47; Hakala, Vainio and Vuorinen "Tietoturvallisuuden käsikirja", 8.

[40] Porvari "Tietoturvallisuus," 218-220.

[41] Hilary Davis, Luke Hespanhol, Jane Farmer, Joel Fredericks, Glenda Caldwell and Marius Hoggenmueller, "Designing Participation for the Digital Fringe." Workshop, ACM 2017), 3-4.

When considering the Toimeksi.fi online service and its nature as a national service, the main focus is to develop it from the viewpoint of citizens, NGOs and stakeholders. However, increasing digitalisation guides people to use online services and it will be interesting to observe how stakeholders participate in content production during the development of the system. Local communities' social capacity and the online service among NGOs create a unique societal platform. By supporting local communities, it is possible to activate people to use the online service. Frustration and tension can arise when information technology connections fail to function effectively, or if the community does not have immediate access to the internet.[42]

However, socio-cultural factors are influencing peoples' willingness to share knowledge and therefore enhance the utilisation of IT. These factors include conflicts, trust, time, or concerns about loss of status.[43] Social marketing can be one tool for enabling users' attitudes to using IT. Social marketing affects human behaviour in terms of changing an audience's behaviour. It is based on the exchange of the marketer's needs and the target audience's wants.[44] Local social marketing is one way of activating people and changing their behaviour when they are communicating via the online service.

Discussion

The main focus of the Toimeksi.fi online service is to increase welfare by producing information about NGO activities in civil society. The

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[42] Bandias "Building," 47.
[43] Hislop "Knowledge," 205.
[44] Kumar, Saini and Kumar 2014, 34-36.

implementation of an information system alone will not lead automatically to better management of knowledge.[45] Mignone and Henley[46] see online capabilities as opportunities to be inclusive information networks. Citizens have an important role to play as participants of those networks. Human life consists of experiences, beliefs and values, which are closely related to experiences, contexts and knowledge.[47] Digitalisation brings about information systems and applications for information collecting and sharing, and information security is needed when personal information is addressed in information systems and online services.

Information storage, retrieval, analysis and sharing are the elements that individuals and groups exchange via software apps.[48] To understand a specific social network, one must understand who is included and what kind of information is being passed along.[49] Information and communication technologies support collaboration and decision-making among citizens. Local knowledge consists of people, places, cultures and resources.[50] Local communities are the basis of human security because of peoples' information sharing. However, the information system has to be sufficiently flexible to satisfy the different needs of the users. The role of NGOs can be supportive in enhancing digitalisation in communities. It is important that citizens understand the role of NGOs, which is based on a low accessibility threshold. NGOs have an important role to play because they are agile enough to cross

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[45] Hislop "Knowledge," 202.
[46] Mignone and Henley "Impact" (2009), 138-141.
[47] Lais Fumincelli, Alessandra Masso, José Martins and Isabel Mendes, "Quality of life and ethics: A concept analysis." (SAGE Publications. Nursing Ethics 1–10, 2017), 7.
[48] Pigg and Crank "Building," 60-61.
[49] Quinn Bernier and Ruth Meinzen-Dick, "Resilience and Social Capital". (2014), 13.
[50] Pigg and Crank "Building," 69.

boundaries and have connections to resources and innovations through network activity.[51]

Ashraf, Grinfeld and Quazi[52] argue that long-term studies focusing on behaviour changes would capture the changes initiated by information technology. In this case, there is considerable opportunity to develop human-centred information technology research, involve user experience in research, and increase the visibility of NGO activity and capacity among the public and stakeholder audiences. Saeed, Rohde and Wulf[53] argue that there is a need for more ethnographic studies and participatory development for NGOs who use information technology effectively. In addition, it will be important to evaluate the implementation process of the Toimeksi.fi online service. Users have to be engaged in the service's implementation process – until now they have tested it, which helped to uncover potential faults and errors. Influencing users' attitudes and competencies can be seen through the concept of digital inclusion. Through long-term research it is possible to achieve an understanding of how each online service is used in different communities throughout Finland. Through comparative analysis it is possible to find some variation in different areas and local communities.

The question is how to participate in the activities and functionalities of the online service with citizens who are separated by long distances, such as those in Lapland. The engagement of users is most important when establishing an

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[51] Bernier and Meinzen-Dick, "Resilience," 14-15.
[52] Md Mahfuz Ashraf, Helena Grunfeld and Ali Quazi, "Impact of ICT Usage on Indigenous People's Quality of Life", Australasian Journal of Information Systems. Research on Indigenous ICT. 2015, vol. 19. (2015), 13.
[53] Saqib Saeed, Markus Rohde and Volker Wulf, "Designing IT Systems for NGOs" A Computer Science and Information Systems Manifesto. Volume 19 (2008), 564.

online service. Social marketing has potential as a tool for digital inclusion. The most important thing is to achieve trust among users of the online service. However, digitalisation among NGOs needs more research, especially regarding the concepts of human security and digital inclusion in local communities.

Conclusion

In Finnish society, it is important to recognise that NGOs can also benefit from innovation through digitalisation. Information gathering, sharing and analysing with the use of an online service creates a platform for using information in decision-making processes. The local level provides information on the practices and needs of a community. Knowledge from communities is important in decision-making processes from both local and national viewpoints. Information flow is the main principle for enabling empowerment and participation in communities. Information and information gathering in the Toimeksi.fi online service creates a basic tool for societal effectivity, and knowledge-based decision-making is one channel for making the work of NGOs visible. The role of NGOs is important at the local level, and collecting both experimental information from citizens and statistical information about NGO activities in communities function as tools for societal information steering.

The NGOs' online service is one way to activate citizens' participation in society. This form of digitalisation must take social and human elements into account. It will be important for positively affecting NGO actors' attitudes towards producing content for the online service. The outcome should be that

every user has access to the online service, and they have the skills and confidence to use the online service in a secure way. That includes citizens, professional advisers and NGO content producers. Social marketing is one possible tool for enhancing the use of the online service and participation in NGO activities. All the information on the online service must be constantly updated, explicit and accessible for different users. That will create a sustainable, reliable and secure platform for information management for NGOs in local communities.

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A Review on the Contribution of Local Foods to Self-Sufficiency in the Arctic Russian North Population:
Case Study from the Komi Republic

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Abstract

The problem of food security both on national and world levels is discussed. In this article, physical availability of food (defined by the existence of both locally produced and store-bought (often imported) foods) that provides satisfaction for all social groups of the population is considered. The importance of food self-sufficiency for the population of the North and the Arctic is reflected in the quantity and quality of fresh food, which defines the quality of life of the local population. Therefore, a research on the development of agriculture in the north is strongly required. The dynamics of agricultural production and food self-sufficiency in the north of Russia, the Komi Republic as a case study, are analysed in this paper. We suggest that self-reliance in food is especially urgent for regions with adverse social, economic and severe climate conditions. Concrete actions that will ensure self-sufficiency are considered. The necessary actions to increase self-

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reliance on local foods and guarantee development of rural farms and the territory of the North as a whole are offered.

The Komi Republic is a subject of the Russian Federation at the North-East of the European part of the state. The Komi Republic lies west by the Northern, Subpolar and Polar Ural Mountains, in valleys of the rivers Pechora and Vychegda. The north of the republic lies within the Arctic circle, where the town of Vorkuta with a population of 58 thousand persons resides. The Republic is 415.900 square kilometres. The population on January, 1, 2017, is made up by 855.000 belonging to approximately 130 different nationalities. The climate is temperate-continental. The main economic industries are mining (coal, oil, gas), refining and processing, timber and pulp and paper industries. The leading branch of agriculture is husbandry. Reindeer herding is successfully exercised in the North.

As of today, the Komi Republic is regrettably not able to provide itself with basic foodstuff. It entails a lot of socio-economic problems and apparently demands solutions. Fresh and quality food are essential in complex health promotion and disease prevention and allow increasing human lifespan. It is especially significant in the northern climate.

It increasingly becomes obvious that the problem of food self-sufficiency is actual and important to study, and necessary measures need to be proposed. For this purpose one needs to study the features of functioning and

development of the northern territories and northern agriculture, to learn the specifics of way of life of inhabitants there and their traditions. Providing the local population with necessary food products should also become a priority policy for the local and regional authorities. At the international level, the issue of food and food quality justly becomes a relevant topic for a lot of states and interstate unions.

Relevance of the research

A lot of domestic and foreign researchers were and still are interested in the subject of food security. It is mainly justified by the challenges of the world development. Occasionally occurring food shortages, rapid population growth and interstate tensions promote that interest. However, at the global level this problem became notable only in the mid-twentieth century.

Issues of food supply and safety remain urgent and significant throughout. Food security appear to be one of the major global problems in the 21st century. More than 1 billion people now suffer from hunger. According to the forecast of the Food and Agriculture Organization of the United Nations, demand for food in the world by 2050 will double. It will be caused by increase in population, growth of middle class and decrease in a share of the inhabitants who are living below the poverty line.[1] This situation generates a number of problems in humanitarian, social and economic, and political aspects, with different countries, international organisations, scientists and economists involved in efforts to find out acceptable solutions.

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[1] FAO, *The State of Food Insecurity in the World*, 65.

Although food security occupies a special place in scientific study, yet the problem is multidimensional as it affects different areas: socio-economic, informational, managerial, demographic, biological and many others.

Basic and applied scientific research in the field of productive food-providing is conducted both in developed and emerging economies, including the countries of the Commonwealth of Independent States (Republic of Belarus, Kazakhstan, Kyrgyzstan, Ukraine). The United States, the leader in world food trade, achieved considerable progress in development of farming and now have high level of food security.

Food security – the term officially accepted in the world practice. It is used for the characteristic of a condition of the food market. However, the term "food security" has ambiguous meaning both in scientific literature and official documents. Many provisions of the theory of food security remain debatable. The problem of food security is complex and multilevel. Therefore the concept "food security" is approached in a cross-disciplinary way.

According to the United Nations, food security is achieved if import of food in a total amount of its consumption make up no more than 20%[2].

The market of organic food is now expanding in many developed economies [3,4,5][3,4,5]. Production of ecologically safe food is the most important

[2] Canada, *Annual Report on Organic Farming*, 38.
[3] McBride, *Organic Dairy Sector Evolves to Meet Changing Demand*, 28-33.
[4] Scialabba, *Organic Agriculture, Environment and, Food Security*.
[5] *Strategy for Sustainable Development of Rural Territories of the Russian Federation for*

component of food security. Organic cultures today occupy an area of more than 35 million hectares globally, while in Russia – less than 100 thousand hectares[6].

Recognition of the importance of food security problem have led to it being considered as one of the targets of state regulation in the appropriate field in some countries. In Russia it is reflected in the Food Security Doctrine for the period until the year 2020 as well as in other documents[7]. Noteworthy measures of providing the low-income population with food are undertaken in the USA and Canada[8]. Food programs might be relevant in Russia either.

Problems of food security in Russia with special emphasis on certain regions were investigated at A.A. Nikonov's All-Russian Institute Of Agrarian Problems And Informatics [9][9], All-Russian Scientific Research Institute Of Rural Economics[10,11]. Institute of Agrarian Problems Of the Russian Academy of Sciences [12], Institute of Economy of the Russian Academy of Sciences[13], some other scientific institutions[14,15,16]. However, no

The Period till 2030.

[6] *USDA* Budget Summary and Annual Performance, 176.

[7] Battalova, *Development of a Toolkit for sustainable development of food sector economic security.* (Diss., Moscow, 2016). 217.

[8] "*Encyclopedia of Russian villages*", 109-111.

[9] Ushachev, *Food Safety of Russia in the Conditions of Global Partnership*, 329.

[10] Ushachev, *Problems of Ensuring National and Collective Food Security of The EAU*, 3-15

[11] *Socio-Economic Priority in Ensuring Food Security in Russia*, 17-25.

[12] *The Formation of the Study Strategic Priorities and Integrated Development of the Arctic Territories of the Russian Federation.* 374.

[13] Patsiorkovski, *Insurance Link among Food Security*, 304-307.

[14] Shagaida, *Food Security in Russia: Monitoring, Trends, Threats*, 110.

[15] Semin, *Food Safety in Russia*, 5

[16] Ivanov, *Influence of Market Reforms on Agricultural Development and Food Self-Sufficiency in the Northern Region*,170-186.

comprehensive scientific research was conducted on food security of the population in the North and in the Arctic.

Nowadays Russia is on the list of countries which are not providing food security by own production capacities according to medical norms of food consumption. From 1990 to 2013 the coefficient of food independence had positive dynamics only on grain, vegetables and melons. The threshold of food security is exceeded on dairy and meat products. The share of import of cheeses, animal oil, powdered milk and cream, beef and pork is especially high.

The significant role in ensuring food sovereignty is associated with trade. Local agrarian production and the local trade economy in the North is aimed at providing the population with meat, milk, river and lake fish, eggs, potatoes, greenhouse vegetables, wild plants. Products of traditional industries (reindeer herding, fishing, hunting, wild mushrooms and berries) are competitive not only on the regional but on the national and even international markets [17]. At the same time these traditional foods are indispensable in a balanced diet of the inhabitants of the North, while also being used as medications.

The system of food security of the country contains food security subsystems of its regions. The posture of regional food security reflects the set of agrarian problems, the situation on the domestic food market, its interaction with the world market, and also tasks of social policy. If food security of the country

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[17] Salicin, *Physiological and Hygienic Assessment of the Adequacy of Nutrition of Servicemen*, 5.

is based on the concept of food independence, then food security of a subject of the federation is determined by a rational combination of consumption of local and brought-in products according to evidence-based norms of consumption. Justification of regional food security policy is necessary to be proceeded from the following principle: self-sufficiency of the region need not be full.

Regional food self-sufficiency is possible only by those sort of food production of which are economically rational given bioclimatic, land and manpower potentials. Self-sufficiency is apparently impracticable for the regions with adverse climate conditions.

The Doctrine of food security of Russia claims the share of domestically-grown goods in the total amount of a commodity to be not less than 95% for grain and potatoes, 80% for sugar, vegetable oil and fish production, and 85% for meat and meat products[18]. Even those targets being achieved, Russian economy will not reach food self-sufficiency anyway.

Food security is also defined by safety of food in terms of health issues, with people living in northern regions of a country are even more vulnerable. Decline in quality of food frankly becomes one of the burning issues and threats to food security. The tendency of quality decline of domestic foodstuff occurs in numerous ways, covert substitution of input components for reduction of cost being one of them. Natural meat disappears in meat products, whole milk – in dairy ones; forbidden substances and medicines for various purposes are used; use of dangerous processing methods is applied;

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[18] Belozerov, *Place and importance of Economic Security in National Security of Russia*, 94-100.

emergence of genetically modified products occur. In the latter case safety of such products for human health is still disputable although no scientific exploration so far claimed this method of production harmful. Cases of poor sanitary conditions are recorded frequently, with the Russian state standards (produced by Rosstandart, Russian federal agency) often being neglected.

Specifics of food security in the arctic and subarctic territories of Russia

Before coming up with a solution to the problem of food security of the territories under consideration, it is necessary to examine the specific features of providing the population with foodstuff. The most significant of them are:

• limited opportunities of local production owing to adverse climate conditions, and associated with that dependence of providing the population with food from import;
• low resource security and quality of agro and rural infrastructure;
• lack of stable relationship with the territories (southern) of food production;
• focal nature of settlement with long-range distances both making transportation quite difficult.

The population of northern territories is not fully capable of providing itself with home-grown food. The basis of food supply there is import from abroad as well as other regions of the country. That being said, food security in the North implies both physical and economic availability of food, not mentioning its safety to consumers. Physical availability of food is defined by existence of both locally produced and store-bought (often imported) foods

available to all social groups of the population according to evidence-based norms of consumption. Economic inaccessibility of food to the low-income population, especially rural, remains a genuine problem and becomes a real threat in terms of food security.

In 2010 the Institute of physiology (Komi Scientific Center, Ural branch of the Russian Academy of Sciences)[19] found that most of the observed units (living people) cope with unsatisfactory provision with vitamins attributed to both inadequate nutrition due to the lack of vitamins in food and increased demand of the body while in the harsh climatic conditions. This is only one among many of the studies of this Institute's where use of fresh and quality food proves to be really important in meeting all scientific standards and requirements for healthy living in harsh climate conditions. Support of agriculture and development of local food production through various state programs is evidently justified to be listed as a policy priority.[20]

While analysing the current and future states of food self-sufficiency in the North and the Arctic, first of all, it is necessary to proceed from natural and resource potential. In comparison with Russia as a whole, sufficiency of biological resources there in the North is much lower (except for livestock of deer per capita). Low supply of biological resources, adverse climate conditions for agriculture (lack of heat, short vegetative period, poor soils, excess moisture) in the North and the Arctic constrain local food self-sufficiency. In terms of developing agrarian production in the long term,

[19] *The Rome Declaration on World Food Security and Plan of Action on Food. Rome*, 2.
[20] *Declaration of The World Summit On Food Security*, 7.

emphasis is necessary to be placed on municipalities of southern and central regions where climate conditions are more favourable.

In the Arctic region of Russia imported products completely prevail nowadays. Numerous economic problems, including food supply, have led to essential decrease in the population of these territories. Previous level of providing the population with fresh and qualitative food if being achieved, improvement of living conditions could be promoted.

Essence of food security

The UN was first to introduce the concept of "food security" at the international level at the world conference in Rome in 1974 after a severe grain crisis in 1972-1973, sharp rise in global grain prices, and shortage of world food resources thereafter. One of the most important UN bodies – the Food and Agriculture Organization (FAO) –developed the international strategy for food security. Initially, the world food security was seen as "preserving stability in the food markets and providing access to basic food for all countries." However, in the 1980s some changes in the understanding of food security occurred.[21]

Let's give the definition of the concept of food security according to the official documents. In materials of the World conference on food problems (Rome, November, 1996) food security is understood as ensuring physical and economic access for the population to safe high-calorie food for the

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[21] *The Food Security Doctrine of the Russian Federation*. 2001.

purpose of satisfaction of needs and maintenance of an active and healthy lifestyle. The declaration contains the following components of food security:

- physical availability of safe and nutritious food;
- economic availability by all social groups of the population;
- independence of national food system (national food independence);
- reliability, that is ability of a national food system to minimise influence of seasonal, weather and other factors on providing for population of all regions;
- stability, that is expanded reproduction of a national food system.[22]

The Declaration of the World summit on food security (November, 2009) holds the following definition of the concept of food security: all people should always have physical, social and economic access to safely enough and nutritious food in order to satisfy the dietary requirements and food preferences, and also maintain active and healthy life. The bases of food security are: existence, access, use and stability.[23]

In the Doctrine of food security of the Russian Federation food security is treated as a state of the national economy at which food independence is provided, physical and economic availability of foodstuff by each citizen of the country is confirmed, taking into account rational norms of consumption necessary for an active and healthy lifestyle.[24]

In all the specified official documents elements of food security are: food independence; physical and economic availability of food; safety of the

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[22] *Sustainable development of rural territories for 2014-2017 and till 2020*, 2013.
[23] *The Komi Republic State program*, 2012.
[24] Ivanov, *Food Security: The Arctic Specificity*, 152-173.

foodstuff for consumers. These requirements form a methodological basis for further analysing the concepts of national and regional food security.

According to the United Nations, ensuring food security in a country means that import of food as a total amount of its consumption is made up of no more than 20%. Therefore, food sovereignty is guaranteed by annual production at the level of not less than 80% of an annual requirement according to physiological norms.

The estimates of food security of a region are substantially estimates of:
- economic availability of food to the population;
- quality of food;
- creation of optimum food stocks;
- stability of development of the regional food sector;
- level, dynamics and sufficiency of consumption of main types of food.

The following indicators are used:

- the level of food independence (self-reliance) determined by the relation of volumes of production to internal consumption;
- the coefficient of physical availability of food estimated by an amount of food product per capita in the territory of the country (region);
- the coefficient of economic availability determined by a ratio of cost of a food basket to the average monthly income per capita.

Economic availability of food depends on three components:

- food prices;
- cost of "nutritious food basket" (structure of the bunch of food with necessary quantity for a normal activity of a person);
- level of income of a consumer.

Interaction of a national economy and the world food market is important part in the understanding of food security. The degree of food security worldwide can be divided into four groups:

1. independent – completely providing inhabitants with the main food products of own production, creating some sort of reserve on the unforeseen circumstances;
2. rather independent – making the main bunch by itself with small volumes of food import;
3. partially dependent – a certain quantity of food is delivered from other economies;
4. completely dependent – when an economy not capable of making enough food products for inhabitants independently.

Today only some industrially developed countries make much more food products than required by the inhabitants. For example, in Canada, New Zealand, the USA, France and some other countries production of own food considerably exceeds the needs (according to medical norms) of its own population. Germany, Italy, Spain and many other developed economies don't produce anything less than 80-90% of domestic food products.

In the conditions of gradual exhaustion of natural resources, its negative impact on sustainability perspective and growing number of the planet population a search of additional sources of receiving biologically full-value food from local facilities is much needed, including there in the north. Here in the northern zone of Russia requirements and priorities of food supply of the population address the conditions of extreme climate and demographic factors.

Importance of self-sufficiency by fresh qualitative food of the population in the North

Social and economic stability in the North is defined by the quality of life of its inhabitants, and their satisfaction of daily life. The crucial role in the course of social and economic development in the north and increase in the rural people's standard of living belongs to providing the population with fresh and qualitative food mainly created by local production.

Production of foodstuff is among basic activities to make up living conditions for every person and mankind in general. Deficiency of food appear to be making senseless all other economic and social human activities.

Development of agriculture in the North and the Arctic is itself in many respects defined by the quality of life of local population and social stability of a community. The status of local agriculture seems to be itself influenced by a degree of satisfaction of domestic living conditions, including the use of fresh and qualitative food.

Agriculture in a Russian village, especially in the north, is the primary «city»-forming branch of a local economy and an economic basis of the life tenor which can function successfully only on the basis of a certain standard of living of country people, state of the environment and production potential. Agriculture not only vital as it is, but also provides around social and cultural life of society. Therefore it is very important to think up such directions in the course of agriculture development which could promote the necessary level of food security.

Local agricultural production and trade in the North is obviously shaped by the needs of providing the population with food of acceptable quality and in necessary quantity. Nevertheless it is also a part of spiritual internal essence of rural territories which is represented by village and rural way of life. Today it encounters with sensible economic logic of making rural activities – hunting, fishing etc., – effective from the economic standpoint at the current historical moment of development. With that regard the reindeer breeding is stood out as a primer of activity able to provide the population with dietary meat, while also ensuring preservation of traditions and the tenor of life of the northern people. The North, with the example of the Komi Republic, have all the necessary resources for producing qualitative agricultural goods.

The concept of food security of the North suggests an increase in production of local agrarian outputs, creation of enterprises for food processing, storage and realisation, formation of rear food bases in nearby agricultural zones, and also transportation of food from agricultural (southern) regions of Russia. Growth in own local agrarian production, creation of food bases, transfer of food from other regions will allow to minimise the dependence of the North on import food while possibly increasing food quality.

Agriculture in the Komi Republic

Let's consider what the agriculture in the Komi Republic is and why it matters. Adverse climate, poor soils, outstretched distances occupied with wood, along with small density contribute to low agricultural development of the

Komi Republic. The share of agricultural grounds makes up 0,96%, arable land share – only 0,3% of the total area. Natural haymaking and pastures prevail; fodder grounds are 2,7 times more than the arable land. In the north considerable territories are occupied by corvine pastures. And only 40% of the arable land is employed on the average.

The agrarian sector of the Republic is characterised by:

- focal nature of settlement combined with weak relatedness with the processing and supplying industries;

- spatial change of specialisation from the south to the north: crop and livestock production (the south) and solely livestock production (the north);

- large agricultural businesses are concentrated around populous towns, especially capital Syktyvkar (around the capital 57% of all the agricultural goods are produced);

- small agricultural organizations prevail.

For 2004-2013 there was a reduction of production resources in the agriculture. The number of workers decreased by more than 27% in all the municipalities. Technical equipment of organizations worsened followed by extremely low labour productivity. Power capacities were reduced by 12%, the tractor park – 19, plows – 16%, harrows –20%, cultivators – 17%, sowing machines – 29%, potato harvesters – by 6%. Arable land load per tractor increased by 23% and exceeds the load in western countries by 2,2–6,5 times.

A larger share of cattle is concentrated in agricultural organizations – 56%; private households have 26% and farmers – only 18%. In 2010 cattle consisted of 38.661 heads, in 2014 – 35.050, with the livestock of cows

reduced by 2700 heads. The greatest reduction in numbers of cattle and cows happened in municipalities with major share of rural households. The livestock of pigs was reduced by 6% mostly in towns and neighbouring areas districts (by 77%) and in municipalities with large part of country housekeepers (72,7%).

Dairy efficiency of cows is insufficient, the highest efficiency held by town districts (4,5 tons) and entirely (3,6 tons) or partly (3,1 tons) rural territories. The lowest efficiency is recorded in the territories with focal areas of country people (3 tons).

Calculated in physical units, negative tendencies appear. However, in monetary terms positive ones are observed due to increase in prices. For 2010-2014 the volume of gross output of agriculture grew by 32,1%, or for 2371,3 million rubles.

Decrease in crop production and husbandry in the Komi Republic is due to the fact that there was a reduction both of acreage and livestock. Over the period 1980-2016, the acreage of crops has decreased by 41,9%; potatoes – 52,3; vegetables – by 50%. The number of cattle in farms of all categories was decreased by 79,4%; cows – 79,6; pigs – 61.2; birds – by 31,2%. At the same time milk yield per 1 cow increased by 20%, the average capacity of 1 hen – by 13, average daily gain of pigs – 87, but average daily gain of cattle decreased by 12%. The production of potatoes decreased by 53,2%; vegetables – 25,6; meat – 16,1; milk – 74,2; eggs – by 52,9 (figure 1).

For the same period (in the condition of the reduction of population by 23%) milk production per 1 inhabitant has decreased by 39%, beef – 20.5, eggs – by 49%, but the production of poultry meat increased by 205% due to cost-effective production from JSC "Zelenetskaya Poultry Farm", the firm turning a leader of processing and sale of poultry meat in the Republic.
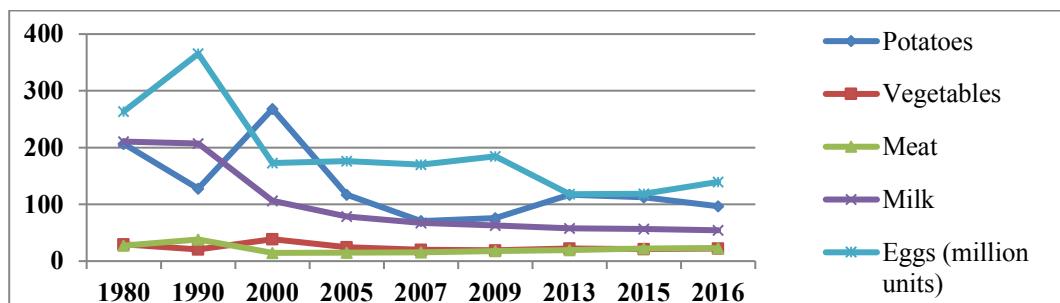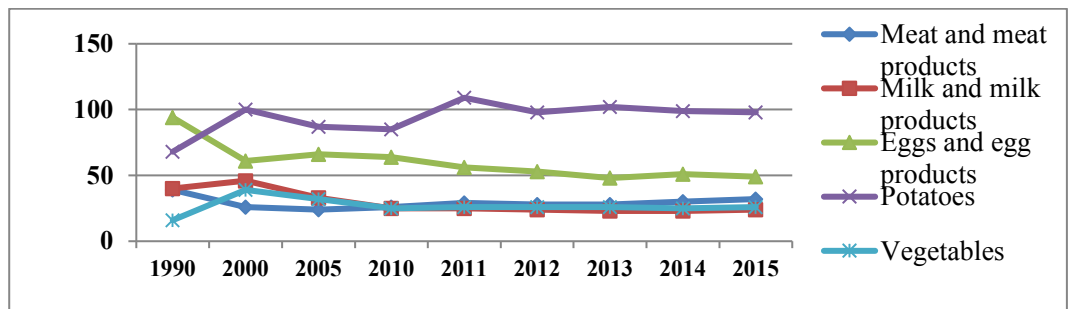

Source: The Statistics Agency of the Komi Republic (Komistat).

Figure 1. Dynamics of production of main types of agricultural products in all categories of farms in the Komi Republic, 1990-2015, thousand tonnes

Today, the Komi Republic is unable to provide itself with the main agricultural food products, as evidenced by figure 2. The reason is the reduction of production of major agricultural food products due to the reduction of acreage and livestock (cattle, pigs and poultry). Self-sufficiency ratio over the period 1990-2015 decreased at the field of meat and meat products – from 39 to 32%; milk and dairy products – 40 to 24; eggs and egg products – 94 to 49%. The ratio increased only in potatoes and vegetables from 68 to 98 and 16 to 26% respectively.

The Komi Republic has no favourable climatic environment for sustainable and effective development of agriculture, so agriculture support through state

programs is very important for the government to implement. It will allow agricultural enterprises to achieve a required level of profitability. It will be followed by expanded production, material and technical upgrade, decent wages, some sort of innovation in manufacturing, and, most importantly, fresh food at locals' disposal. Demand for local agricultural products truly exists, but a buyer is not willing to pay a high price, and is forced out to purchase imported products at a lower price but possibly with a loss in quality. As a result, local agricultural organizations and farmers go bankrupt. In the harsh climate without some sort of financial support and investment from the state funds an agriculture business is not going to survive.

Source: The Statistics Agency of the Komi Republic (Komistat).

Figure 2. Level of self-sufficiency in main food, Komi Republic during 1990-2014, %

Consider the consumption of basic food products in the Komi Republic (Table 1).

Table 1. Consumption of basic food products in the Komi Republic during 2011-2014, kilogram per person

	Medical standard	**2011**	**2012**	**2013**	**2014**
Meat and meat products	70-75	80	81	80	80
Milk and milk products	320-340	270	276	271	269
Eggs and egg products	260	276	271	267	265
Fish	18-22	22.1	22.7	…	…
Sugar	24-28	39	40	38	38
Vegetable oil	10-12	13.6	13.8	13.6	13.4
Potatoes	95-100	56	56	55	56
Vegetables	120-140	94	96	96	88
Fruits and berries	90-100	53	56	58	59
Bread products	95-105	116	113	111	110

Source: The Statistics Agency of the Komi Republic (Komistat).

Demography and infrastructure in rural areas

Analysis of the number of country people in the Komi Republic shows the reduction in numbers (by 65 thousand persons for recent 15 years), whereas the number of elderly people in rural areas have increased. The other observed features are:

- decrease of agricultural and forest production (by volume);
- poor transformation and ineffective use of the available resources (capital and labour);
- labour resources drawn from productive application (sometimes by augmented budgetary sphere);
- extension of rotational basis jobs in remote areas;

- low level of social services (education, health care);
- deterioration or the lack of transport services (bridges demand repair, ferries gone, no small aircraft, bus traffic becoming rarer and rarer);
- worn-out infrastructure;
- housing construction is not enough while with low level of comfort.

These negative processes are conjugated with severe climate conditions of work and ordinary life of country people, low level of payment, lack of general infrastructure. As a result, development of agriculture is remarkably low.

No wonder the demographic situation in the rural areas of the Komi Republic is bad and some measures have even sharply worsened recently. From 1990 for 2015, there were considerable changes in the indicators of birth rate, mortality and natural population growth of country people. Over these years, the general coefficient of birth rate increased in many areas with entirely country people (it grew in the Republic on the average from 13,6 to 14,2‰): in Syktyvdinsk district – from 12,6 to 18‰, Sysolsk district – 15,1 to 18,2, Priluzsky district – 14,5 to 16,1, Kortkerossk district – 13,9 to 19,7, Ust-Kulomsk district –13,9 to 22,6, in Izhma district – 20,5 to 21,3‰. In territories partly occupied by rural population the coefficient increased only in Ust-Vymsk district from 12,7 to 14,4‰ and in Knyazhpogostsk district – from 12 to 13,5‰.

Adverse impact on the country demographics is exerted by increase in mortality. Throughout historical development death rate of country people was higher than that of town population. The general mortality rate in the rural part of the Komi Republic increased from 9,5 up to 17‰ for 1990-2015, and

urban population – from 6,8 up to 10,9‰. Increase in death rate in a village is generally connected with the adverse situation of medical care (notably worse in comparison with a town's), larger fraction of drinking population, and major number of death from accidents and suicides. Regions (within the Komi Republic) with entirely country population were steadier with regard to sustaining demographic potential.

The number of country population are reducing quicker than town's. The former as of 2010 totalled 228.000, in 2016 – only 189.000. Only for the last decade due to migration and mortality the number of country people decreased by 18,9%, while decrease in the number of town residents was only 8,6%.

The rural part of the Komi Republic is characterised by low population density and focal nature of settlement with long-range distances between. Owing to a considerable reduction in the population number, the average density for 1990-2010 in the Republic as a whole decreased from 3,0 to 2,3 people by 1 square meter, while in the countryside – from 1,3 to 1,0.

According to the census of 2010, the Republic consists of 10 cities, 26 settlements of town type and 684 rural settlements, the latter contain 23% of the population. The main types of rural settlements by population number are from 201 to 500 persons (153 units) and from 501 to 1000, with the population share in each type making up 22% of a total number of rural population in the Republic.

Low level and quality of rural life (low personal income, adverse housing conditions, high unemployment) affect migratory processes. For 2007-2014 the rural areas were left by 28,6 thousand persons. Two thirds of the left made young having gone to cities for education and working purposes and dreamt of sticking there. As a result, villages are deserted. From economic perspective it leads to agricultural grounds being withdrawn from economic circulation.

Despite growth in earnings, the real average monthly personal income of an employee in agriculture business remains almost twice as lower as the average level of all fields of the economy combined and 3,5 times as lower as in oil-related industries. In rural areas it spanned only 2,2 living wages. Economically low and socially unfair compensation does not provide country people with socially acceptable level of income and hardens solution of housing problems. In 2013 the average monthly salary of employees of the agricultural organizations located closer to the capital city of Syktyvkar (for example, Syktyvdinsky district) was 20,7 thousand rubles, while in Knyazhpogostsk and Ust-Vymsk districts – only 4,5, Udorsk district – 6,3, Kortkeross district – 7,0 thousand rubles.

According to The Statistics Agency of the Komi Republic, in the first half of the year 2016 the average monthly payroll in the organizations, including small business, were 43,7, while workers in agriculture businesses got only 26,3 thousand rubles. In 1989 the cumulative earnings of a rural family were 82,5% a level of a city family's, the average cumulative income of a rural worker was 72,4% a town worker's, while the average payroll in agriculture – 80% a payroll in the regional economy on the average. At the present time, low wages evidently do not ensure reproduction of manpower in agriculture.

Increase in the level of food security in the Komi Republic requires reduction of poverty of country people. With that regard, it is especially noticeable that the average income per capita in the rural subarctic areas of Komi is twice as lower as in city's as well as the average measure in the Komi Republic, and is 3,3 times as lower as in oil-related industries. In Izhma and Ust-Tsilemsky districts an average worker makes a little more than 70% of the subsistence minimum.

In the Komi Republic only 27% of settlements with agricultural production are provided with the centralised power supply and effective heat supply (where tariffs are lower than the marginal level).

Among the areas with predominantly country people, provided with the centralised power supply are only 7% of units, in municipalities with the number of country people referred as "mainly" – 31%, in municipalities with some areas of country territories – 59%, in town districts – 77%. 7% of settlements involved in agricultural production have no electricity supply. The level of providing settlements with gas is low: 14% of settlements in which the agricultural organizations and farmers are located, with the municipalities with entirely country people – 2%. 85% of settlements with agricultural production and country people have energy provision, but lack stable providing with heat. Areas with "mainly" country people amount 56%, municipalities with some areas of country territories – 33%. In general, the level of infrastructure security of municipalities with entirely country people is the lowest.

Infrastructure arrangement (in particular, transport availability) is a major factor of agrarian investments in administrative centres. Indeed, up to 90% of settlements in which projects will soon be placed have year-round highways with asphalt (49%) and intermediate (31%) covering, and only 10% have unpaved roads.

Thus, agricultural producers are faced with the problems of sufficiency with highways, centralised system of providing with gas and electric power, and stability in heat-providing. Autonomous sources of electricity and heat supply are developing extremely slowly, including renewable alternative sources of energy.

Infrastructure of agriculture production not only has the low level of development in all the municipalities (except for Syktyvkar and Sysolsky district) but its current level and functionality are also partially compatible with the arrangement of agrarian businesses and general requirements of modern development of agro-industrial complex. On the one hand, the low level of infrastructure development increases expenses of agricultural producers and slows down modernization processes, on the other hand – does not allow agricultural producers to favourably sell the products, establish integration cooperation, thereby reducing revenues.[25]

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[25] Ponomareva, *Peculiarities and mechanisms of modernization of the agricultural sector in the peripheral rural areas of the Northern regions*, 204.

Assessment of state programs on agriculture development in the Komi Republic

The list of state programs of the Komi Republic under implementation nowadays include:

- "The Development of Agriculture and Market Regulation, The Development of the Fishery Industry in The Komi Republic for 2013-2020, [23]
- "Development of Dairy Cattle Breeding in the Agricultural Organizations in the Komi Republic (2014 - 2017)",
- "Development of Protected Vegetable Growing in the Komi Republic on Resource-saving Technologies (2014-2017)",
- "Development of Open-Ground Production of Potatoes and Vegetables in the Komi Republic (2015-2017)",
- "Development of Production and Processing of Reindeer Breeding in the Komi Republic (2015-2017)".

The general goals of the programs are reduction of technical and technological lag in agriculture (including processing activities), lifting the restrictions for access to the market producers are faced with, improvement of infrastructure and agricultural cooperation, social development of rural territories and growth of rural employment. The implementation is planned to make the overall rate of home-grown products on a local's table to increase, including potatoes – up to 64,2%, meat and meat products – to 30%, milk and dairy products – to 27%. The index of production in farms of all categories in 2020 is expected to be 116,8% as of 2016; index of production of the food industry – 124,8%. Investment into fixed capital is believed to increase by 42,3%.

Components of the State program (the first one on the list above) are sub-programs: "Development of livestock production", "Development of crop production", "Support of small businesses", "Development of production and market regulation", "Development of cultivation of fishes in local reservoirs", "Reindeer breeding support", "Sustainable development of rural territories", with each program aimed at developing agricultural infrastructure. The two programs – "Ensuring veterinary well-being in the Komi Republic" and general "Ensuring implementation of the Program", – are specifically aimed at infrastructure development.

The State program enacts seven main infrastructure-related areas:
- development of agriculture infrastructure – in livestock production (creation of feed plants, a breeding and artificial insemination centre, improvement of veterinary service), crop production (land reclamation, inclusion of an arable land with low efficiency, assistance in property registration, acquisition of elite seeds and transfer to northern territories), fish breeding and reindeer breeding;
- improvement of marketing infrastructure (integration communications; support of agricultural consumer cooperatives; development of the all-republican market; various exhibitions and day-off market events; assistance to construction of vegetable storehouses; logistics; creation of wholesale distribution centres; realisation of the project "Choose Our Production");
- development of agricultural insurance system;
- training of heads and specialists of the organizations in agro-industrial complex;
- development of infrastructure providing for small business (compensation for expenditures on modernisation, grants on farm creation, also

compensation of cost associated with construction of roads, power lines, systems of water- and gas-providing, means of communication);

- information and consulting service (improvement of information, analytical and consulting support; participation in national and regional congresses, conferences, meetings, fairs, exhibitions etc.);

- social development, including nonrecurring sum on household arrangement of the beginners; assistance in providing resources to reindeer-breeding trade settlements; training, education, other types of support of reindeer breeders' children, etc.

The long-term federal program "Sustainable Development of Rural Territories in 2014 - 2017 and till 2020"[22] is also being implemented. It aims to promote preservation and development of agriculture activities and also encourage inhabitants to stay. The following areas are touched upon:

- improvement of living conditions of residents, including young families and young specialists;
- development of social and engineering infrastructure;
- support of construction and improvement of rural settlements (within specified priority projects);
- scientific back-up of program realization.

This program is at the same time a part of the State program of the Komi Republic "The Development of Agriculture and Market Regulation, The Development of the Fishery Industry in The Komi Republic".[24] It spans the period 2013-2020. Its tasks are state support of improvement of living conditions of residents, young families and young specialists and assistance in infrastructure development in rural settlements.

The implementation of this program in 2014-2016 cost 598 million rubles. For the whole period 2014-2020 among the orienting points are:

• 667 citizens (including young families and young specialists) living in rural areas are planned to improve their living conditions;
• 42.000 square meters of housing will be constructed or acquired in the market;
• share of gas-covered apartments will rise from 6,8% to 7,7% by the end of 2020;
• 19,9 kilometres of pipes carrying water will be constructed;
• put into operation: educational facilities capable of accommodating 500 students, sports constructions with a total area of 9.000 square meters; objects for rest to fit 450 persons simultaneously;
• 32 projects of local initiatives from citizens living in the area through grant system funded by the state budget.

The analysis of the State program "The Development of Agriculture and Market Regulation, The Development of the Fishery Industry in The Komi Republic for 2013-2020" as well as various regional programs reveals the measures aimed at the development of market and innovative infrastructure are poorly presented, although some actions of innovative character are planned. Actions regarding infrastructure development have no specific goals in the form of plans to be pursued and are not represented in required scale. But at the same time thanks to these programs the agriculture has begun to develop at small rates and bring perceptible positive results.

Measures to increase self-sufficiency with local foods

Food security of the northern territories depends on development of its own agrarian complex. Increase in food self-sufficiency will demand acceleration

of modernisation of the agrarian sector, overcoming poverty and improvement of living conditions of rural population, formation of an effective organizational and economic mechanism, creation of food bases in adjacent, favourable agrarian areas, development of agrarian consultation etc.

Primary measures towards availability of main foodstuff for all the groups of the population in the Komi Republic include:

- decrease in the level of poverty, ensuring priority support of those in need the most;

- growth in competition in all production segments and chains.

Development of reindeer breeding through intensification of production and increase in a livestock of deer in the taiga zone of the Komi Republic is promising, including the territories of Ust-Tsilemsk, Izhma, Pechora, Vuktyl, Sosnogorsk, Ukhta, Troitsk and Pechora districts and north by Ust-Kulomsk, Knyazhpogostsk and Udorsk districts. Here more than 5.000 deer heads could graze for a year, even only on boggy sites.

The most important conditions of development of the local agricultural complex are:

- transition from central to local management of own food sector of each municipality;
- innovative modernisation of the production process;
- ensuring realization of agrarian production;
- formation of the effective organizational and economic mechanism.

The state programs listed above are a primer. Today the local government has no necessary financial base for sustainable rural production and development.

In order to encourage domestic demand, regional and municipal authorities need to adjust the procuring contract system prescribing a priority when purchasing production into public storages and other cases of providing the population with biologically full-fledged food, namely as free food for children and school students or through special coupons for low-income families. Procuring, intermediate and processing operations need to be freed from monopoly component.

In ensuring food security in the North a vital role will be played by formation of the storage and processing centres placed in the southern regions of the Komi Republic in adjacent agrarian zones of the Kirov, Arkhangelsk and Vologda regions. These territories offer good transport availability (automobile and railroad).

Course of storage and processing centres creation can be various:
- organization of new enterprises;
- subsidizing existing organizations dealing with agrarian production and processing;
- creation of agrarian holdings in the Arctic and subarctic territories including local enterprises involved in purchasing and realisation of food, and organizations in other regions (production of potatoes, vegetables, rough forages, feedstuff for young cattle, pigs, and also processing of agricultural production).

Transportation of food and agrarian raw materials from storage and processing bases will demand creation of logistics schemes, as well as

participation form state and municipal governing bodies in the organization of these facilities.

Use of diverse types of innovation (selection and genetics, technical and technological, organizational and economic, social, ecological etc.) will allow to create so-called the fifth and sixth technological level in the agrarian sector. Innovations ought to be carried out not only in collective and country farms, but also in rural households, the latter keeping important place in ceaselessly uncertain economic environment and being more susceptible (in comparison with large enterprises) to the use of innovations.

Improvement of specialisation within the agrarian sector plays a significant role in boosting the level of self-sufficiency. Among perspective segments in the Arctic zone (the town of Vorkuta and the neighbouring territory) are development of reindeer breeding, restoration of production of milk and greenhouse vegetables. In order to provide children with fresh dairy products it is offered to create there several new agricultural organizations including dairy farms and facilities engaged in milk processing and production of veal and beef. The organization of greenhouse facilities based on utilisation of heat made by compressor stations pumping natural gas, power and thermal plants seems to be quite promising.

It is important to coordinate improvement of accommodation and specialisation of the agrarian production with the development of other spheres of the agrarian sector. Closed cycle of production, processing and realisation of agricultural products is required to be created through regional retail chain stores.

Implementation of technical and technological and socio-economic development of the agrarian sector of the North and Arctic will require considerable financial resources, including state investments. The role of the state funds is of great importance – private investors are discouraged to invest due to low profitability and long payback period.

Conclusions

The issue of rational use of food resources in the Arctic and northern territories is highly significant and caused not only by the state strategy of the Russian North and the Arctic development, but also the growing concern in finding the solution of the world food problem.

The basis of food security of the North and the Arctic is both physical and economic availability of safe food for stable providing all social groups of the population according to evidence-based norms of consumption. Historical experience shows agriculture can demonstrate good dynamics and carrying out a role of social factor of development of new territories, while also being profitable from economic point of view.

The case study of the Komi Republic shows development of cattle breeding, reindeer breeding, poultry farming, and also production of organic goods are promising.

According to a sociological survey conducted from May to August of 2017 (together with the Ministry of agriculture and food market of the Komi Republic), organic products are indeed demanded by the local population, and the average person is even willing to pay for it more than for conventional products. People tend to believe organic products have a positive impact on their health. Quality products are the basis for the protection of healthful human life in northern climate. Achievements of scientific and technical progress are able to provide the population with such opportunities, as well as an increase in the standard of living in the rural sector, formation of a new type of agrarian system in an economical and geographical link "the North – the South".

Risks and threats of current level of self-sufficiency in biologically full-fledged food are combined with unsatisfactory condition of material and technical resources in the agro-food sphere, dependence of process production on import technologies, reduction of biological resources, low-qualified level of labours and no higher quality of life of local residents, adverse external environment, inefficient mechanisms of state support, inaccessibility of soft loan.

Increase in self-sufficiency demands modernisation of the agrarian sector, improvement of living conditions, overcoming poverty of local residents, promotion of sales, formation of the effective organizational and economic mechanism, creation of the storage and processing centres in adjacent zones, development of agrarian consultation.

Food consumption for inhabitants of the North and the Arctic is of great

importance and relevance, not only for a person, but also for social and economic development of a region and country in general. Agriculture development is a basis of life for local rural population in the northern territories and therefore demands considerable financial resources and support from the state funds. The purpose of food self-sufficiency should be part of a state program aimed at complex socio-economic development of the North and Arctic.

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