Sustainable development of small Arctic communities under neoliberalism through the lens of community capitals: Teriberka, Russia

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ABSTRACT

The article discusses sustainable development in small Arctic communities under ongoing neoliberalization of economic and social policies. It draws on a case study from Teriberka, a coastal village in Northwest Arctic Russia. To understand the processes of sustainable development of such Arctic communities, the study applies the concept of community capitals, examines the effects of neoliberal policies on Teriberka, and analyses the impact of local strategies on community capitals. The research confirms that the balanced development of community capitals is both a path to and an indicator of sustainable development in small Arctic communities facing neoliberalism. The study reveals that recent initiatives undertaken mainly by outside actors have not invested Teriberka’s capitals in a balanced way and have thereby not promoted sustainable local development. Community capitals are suggested as an appropriate model to discovering what small Arctic communities may do in practice to advance sustainable development in the face of neoliberal change. Also, in small communities with scarce human, social, and political capitals – as is the case in many Arctic communities – this model can work effectively only if local interests are not ignored by the state and external business actors.

Keywords: sustainable development, neoliberalism, community capitals, Arctic, Teriberka
INTRODUCTION

This article discusses sustainable development of small Arctic communities in the context of intensified neoliberalization of economic and social policies. The doctrine of sustainable development, which seeks to balance environmental, social, and economic aspects of human activity, drives the contemporary academic and practical debate over the Arctic communities. Small communities in the Arctic are often viewed as less capable of pursuing sustainable development, because they commonly face such challenges as harsh climate, tyranny of distances, high resource dependence, narrow economic base, deficient infrastructure, and loss of population (e.g., Gjertsen 2014, 16). At the same time, these communities are important for Arctic regions for maintaining traditions and ties to nature, as well as for their roles in the regional economies (Aarsæther, Riabova and Bærenholdt, 2004, 139–140). For the rest of the world, small Arctic communities become increasingly important as tourist destinations due to their location in pristine nature, authentic culture, and, after challenges have been turned to advantages, because of their geographic isolation and harsh climate (ibid.; Stewart, Draper and Johnston 2005, 383). Based on the consensus that there is no single recipe for sustainable development, current Northern and Arctic discourses thus focus on a multiplicity of understandings of the concept, and pay close attention to varieties of local perceptions and strategies of sustainable development (Fondahl 2017, 178–185).

In the last three decades, there has been a widespread rise of neoliberal policies of government, emphasizing freedom and competition, and expanding the market and private sector engagement in all domains of social life. With competition and uncertainty as its core features (Davies, 2014, xvi–xxii), as well as with increased market distortions, insecurity, and inequality, neoliberalism is often perceived as a challenge to sustainable development (Reed 2002, 6, 9; Tennberg et al. 2014, 41). It repeatedly creates both problems and opportunities for small Arctic communities, and calls for re-shaping the accustomed development strategies.

This article draws on a case study from Teriberka, a village on the Barents Sea coast in the Murmansk region of Arctic Russia. The village gained worldwide attention as the filming location of Leviathan, winner in 2015 of the Golden Globe award for best foreign-language film. The case study was conducted during 2012–2015 within the NEO-BEAR project (Neoliberal governance and sustainable development in the Barents Euro-Arctic Region, led by Monica Tennberg, Arctic Centre, University
of Lapland) and during a post-project period in 2016–2017. Teriberka, formerly a prosperous fishing village now in deep crisis, is a clear-cut case of a small Arctic community seeking sustainable development in uncertain neoliberal reality.

There was also a personal reason to choose the theme and the place for this study. Teriberka was the first small Arctic community where I came for fieldwork in 1996, and its distinct character made a great impression on me: the place kept the spirit of an old Pomor village, the people were open and ready to help, there was a glorious past and present hardships, all placed in a mighty Arctic coastal landscape. For the next twenty years, I kept coming back for research to this community that has been struggling to survive for decades.

Teriberka has been studied in detail since the 1990s, first by Jørgen Ole Bærenholdt of Roskilde University (Bærenholdt 1995) and later in international research projects, many as a part of my work in cooperation with Marit Aure from the University of Tromsø (now UiT The Arctic University of Norway). These include the UNESCO MOST CCPP project (Management of Social Transformations, Circumpolar Coping Processes Project) in 1996–2002; Local coping processes and regional development – social capital and economic co-operation in Russian and Norwegian coastal communities (1999–2001); A new decade: change and continuity in Russian-Norwegian cooperation and labour migration (2012–2015); and others (Riabova 2001; Skaptadottir, Mørkøre and Riabova 2001; Aure 2008; Riabova and Ivanova, 2009). The projects involved local stakeholders to ensure practical usefulness of research. The villagers participated in the fieldwork discussions and events together with people from other communities studied within the projects. The research within the NEO-BEAR project contributed to empirical studies on sustainable development in Arctic communities, made an input into longitudinal research on Teriberka, and maintained a tradition of scientific work whose results could benefit the community (Tennberg et al. 2014, 53).

This paper aims to expand the understanding of processes of sustainable development in small Arctic communities under neoliberalism by applying the concept of community capitals. This concept is focused on several types of community capitals: natural, human, cultural, and other (Flora, Flora and Fey 2004). It accentuates the local dimension of sustainable development, stresses the active role of community, and shifts the emphasis from a problems-focused to a strengths-based approach. These qualities render the concept applicable in both sustainable
development and neoliberal paradigms, and make it a potentially useful tool to study the sustainable development of communities under neoliberalism.

Through this analytical perspective, the Teriberka case study (1) identifies effects of neoliberal policies of the past decades on the community and investigates how the community has responded to the new challenges, (2) analyses whether the recent local strategies have promoted sustainable development in the face of neoliberalism, and (3) discusses how the concept of community capitals can help us to suggest what small Arctic communities can do in practice to advance sustainable development under neoliberalism. The paper attempts to indicate Russia’s specificities while addressing the three main questions.

The study is based on official documents, scholarly publications, media materials, as well as 25 interviews with people of different positions in the society, and two focus groups with employees of the local House of Culture. This part of the research was carried out in 2012–2015. Results have been updated in 2016–2017 based on telephone interviews with villagers and local government officials, as well as information from media sources. The key method of the analysis has been the mapping of community assets and strategies in relation to community capitals.

1. SUSTAINABLE DEVELOPMENT, NEOLIBERALISM, AND COMMUNITY CAPITALS

This study is grounded in the conceptual triangle involving the concepts of sustainable development, neoliberalism, and community capitals. Sustainable development is the most powerful visionary development paradigm of our time. During the past decades, governments, businesses, and civil societies in many countries have accepted it as a guiding principle, and related policies have been adopted (DrexAge and Murphy 2010, 2–3). Since the introduction of the Brundtland definition of sustainable development – meeting the needs of the present without compromising the ability of the future generations to do the same – debates have produced hundreds of definitions of this concept (Lempinen 2014, 3). While “sustainable development” has often been treated either as an environmental issue or in terms of economic growth “with its social dimension often sitting behind the debate” (Suopajärvi et al. 2016, 62), the understanding has gained ground that a global relationship exists among environmental protection, economic growth, and social equity. Today there is a consensus that sustainable development combines
social justice, protection of the environment and economic efficiency, with the aim to find a long-lasting balance between them. It is recognized that we need to consider the economic, social, and environmental consequences of our actions both now and in relation to future, and that we need to call for strategies ensuring that none of the components negatively impact the others (Whitten 2013).

There is a shift towards a contextual approach to sustainable development. For many, the strength of the concept lies in the fact that the meaning of sustainable development has to emerge out of a process of dialogue and reflection (Weingaertner and Moberg 2014, 1). Also, the concept depends on time, space, and the actors involved. This view implies a focus on a local community-based approach to the understanding, implementation, and evaluation of sustainable development. Current Northern and Arctic discourses emphasize a multiplicity of place- and actors-related understandings and varieties of local strategies. This approach is conceptualized as “Northern and Arctic sustainabilities”, and this research is a part of the emerging sustainability science (Arctic Sustainability Research 2015).

In the 2000s, most of the Arctic states have adopted national strategies for sustainable development, except for the United States and Russia. These strategies stress the role and responsibility of local communities in promoting sustainable development (Tennberg et al. 2014, 44). In Russia, the introduction of this concept at the national level was considered in the 1990s when the issue was raised by two presidential decrees but the national strategy has never been approved. However, legal documents have since used this term and have covered various aspects of sustainable development. These documents include the Concept of Sustainable Development of Indigenous Small-numbered Peoples of the North, Siberia and the Far East of the Russian Federation (2009); the Development Strategy of the Arctic Zone of the Russian Federation and National Security for the Period up to 2020 (2013); the Strategy of Sustainable Development of Rural Areas of the Russian Federation for the Period up to 2030 (2015); and some others.

Typically in Russia, when used in policy documents, sustainable development as a term “does not necessarily reflect global (dominated by Western discourse) perceptions of it as an idea and call for action” (Lukyanova 2010, 18). Neither is the term “community” used, but some of its aspects are reflected in the notions of “local self-governance”. A clear relation of sustainable development to activities of local communities is rarely found, and the emphasis is on consolidation of stakeholders
to deal with key issues (Tennberg et al. 2014, 45). In the legal documents, interpretations of sustainable development seldom suggest a holistic view. Some cities build their plans on this concept, but as a rule strategic documents of all levels are based on the concept of socioeconomic development. In 2017, Prime Minister Medvedev gave the instruction to work out strategic directions of Russia’s transition to the model of environmentally sustainable development for the future until 2050. The transition should become one of the main objectives of the new strategic documents (TASS, 10 February 2017).

Neoliberalism is another highly influential concept of the last three decades. It can be perceived as an ideology, a mode of governance, and a policy package (Steger and Roy 2010, 12–13). Some authors argue that even though neoliberalism is seldom recognized as an ideology, this set of ideas dominates our lives (Navarro 2007, 1, 53). These authors suggest that the main idea of neoliberalism is freedom as an overall value associated with reducing state functions to those of a minimal state (works of Foucault, Weber, and Harvey). Others see competition as the central idea under neoliberalism, and view uncertainty as its core feature (Davies, 2014, x, 29, 73). Some believe that neoliberalism assumes production and exchange of goods as a basic part of human experience, and they treat the free market as a key idea to improving economic and political conditions (Steger and Roy 2010, 10–13).

As a mode of governance, neoliberalism advances the replacement of bureaucratic mentalities with entrepreneurial ones. The core elements of entrepreneurial governance are pro-market regulation and support for free flow of goods, people, capital, and information; redistribution of power between governmental and non-governmental entities; shift of responsibilities from the government to individuals; and a focus on social innovations to advance personal freedom and responsibility (Cerny et al. 2005, 1–32; Tennberg et al. 2014, 42).

As a policy package, neoliberalism stands on the ideal of the self-regulating market. It emphasizes “DLP Formula” policies – that is, those that deregulate economy, liberalize trade and industry, and privatize state enterprises (Steger and Roy 2010, 14).

Many experts agree that Russia applies a specific version of neoliberalism. Some argue that it is inaccurate to describe the Russian state as neoliberal (Rutland 2013, 39), at least in the welfare domain (Rassel 2009, 92). However, most authors agree
that neoliberal governance techniques have been used since the 1990s, manifested in the liberalization of prices, the opening up of international trade and currency flows, the privatization of state companies, and the introduction of monetarist policies (McCann 2004). Some suggest that one of the signs of neoliberalism in Russia has been the shock method of “therapy”, which, according to Naomi Klein, is a typical neoliberal way of preventing people’s resistance (Klein 2007, 147–148). Russian neoliberalism is argued to have two key specificities. First, reformers tend to rely on technocratic methods and bureaucratic hierarchy. Second, absolutes of the market are declared as necessary mediators in achieving any purpose (Matveev 2015, 38–39).

After the heyday of neoliberalism in the 1990s, when it became the world’s dominant economic policy, many countries adopted policies which emphasized the role of the private sector not only in the economy, but in all spheres of society. These policies involved fiscal austerity with cuts in government spending for social services, and due to increased economic and social inequalities, neoliberalism is often perceived as a threat to sustainable development (Crouch 2012, 365–367). Whether neoliberalism and sustainable development can coexist is the subject of much current debate – and is also discussed in this paper.

One more central concept employed in this research is that of community capitals. In this study, the term “community” describes a group of people living in a small settlement (of under 5000 residents) and acting as a political sub-unit. The concept of community capitals was developed by sociologists Jan and Cornelia Flora (Flora, Flora and Fey 2004) as an analytical tool to determine sustainable local development and to understand how it could be achieved. The concept builds on the notion that communities have assets that may be inactive or invested to create more assets. “Community capitals” reveals interactions between parts of community life, and suggests seven types of community capitals that can produce other benefits when invested. They are natural, cultural, human, social, political, financial, and built capitals.

*Natural capital* is the stock of resources constituted by the environment: natural beauty, forests, local landscapes, etc. *Cultural capital* denotes identity (rooted in place, class or ethnicity), traditions, spirituality, habits, and heritage. *Human capital* means people’s skills, abilities and knowledge, health, leadership, and the ability to access non-local resources. *Social capital* includes bonding networks that build community cohesion (groups and networks in the community, a sense of belonging,
etc.) and bridging networks that create ties among organizations and communities (outside links to regional and federal agencies, to other communities, etc.), trust, and collaboration. Political capital is a measure of social engagement, the ability to influence policy and ensure that policies are implemented accordingly, connections to people in power, access to resources and influence to achieve goals. Built capital stands for buildings and infrastructure that supports the community (schools, roads, etc.). Financial capital comprises financial resources available to invest in a community and to accumulate wealth for future development and access to funding and wealth (Flora and Flora 2013). In addition to identifying these capitals and the role each plays in community development separately, “community capitals” pays attention to the interaction among the capitals and subsequent impacts across them.

For sustainable development to take place, these capitals should be identified and transformed by communities; sustainable local development is understood as the balanced development of all community capitals (Roseland 2012, 12-19). Natural, cultural, and human capitals are seen as the key resources that can be converted into other capitals. Lack of investment in the first three can retard formation of the last four (Flora and Thiboumery 2005, 239). In Russia, the concept of community capitals as a systemic approach to community development is poorly known, though some of its elements (notions of natural, financial, and human capitals) are studied and used in practical work. Few if any empirical studies have been published on Russia’s Arctic communities with a focus on community capitals.

Neoliberalism implies that community development is primarily the responsibility of local actors, based on the use of local competitive advantages. The concept of community capitals stresses the active role of community in reaching sustainable development and shifts the emphasis from a problems-focused to a strengths-based approach. These qualities make room for the concept both in the sustainable development paradigm and the neoliberal one in both academia and policy domains, and point to it as a potentially useful tool to studying and promoting sustainable development of communities under neoliberalism.

A technique to identify community capitals is asset mapping, where inventories of assets are related to each type of capital. Using the concept of community capitals to direct a community’s asset mapping allows us to rely on a strengths-based approach to community development, identify long-overlooked assets, and visualize things which were never seen before (Emery, Fey and Flora, 2006, 10–11). The community
capitals concept also provides a mechanism for setting up a monitoring system to assessing how we might expect policy actions/strategies to impact on communities and to analysing how current or planned actions invest in the range of capitals – both as direct investments and in terms of supporting communities to build capacity-providing opportunities for creativity and entrepreneurship. In this, actions are assessed from the point of view whether they invest in every type of community capital (Hallam 2012, 10–11). A more nuanced approach can entail the estimation of the extent of this influence. The assessment is based both on quantitative and qualitative data received from local documents and through the interviews with local people and experts.

2. TERIBERKA: THREE DECADES OF NEOLIBERAL POLICIES AND THEIR EFFECTS

Teriberka is a village of about 900 people on the Murman coast of the Barents Sea, 450 kilometres above the Arctic Circle. The village is surrounded by mountains and the sea, and connected to the rest of the world by an unpaved road through windy tundra. The nearest cities, two to three hours’ drive away are the naval base of Severomorsk and Murmansk, the capital of the region. The district administration is located 120 kilometres away in Kola town, a satellite of Murmansk, and the very distance hinders communication with district-level authorities. In the winter, weather conditions often lead to the village being cut off for several days or weeks, because the road is unusable.

Teriberka is one of the oldest and, in the past, the wealthiest fishing villages on the Kola Peninsula. It has been inhabited for 500 years by Russians (among them Pomors, North Russian coast-dwellers), Sami, Norwegians, and Finns. It had strong international ties through sailors and merchants sailing on the Barents, White and Norwegian seas, especially in the 19th century, at the peak of Pomor trade. The village consists of “old” Teriberka and “new” Lodeinoe, which are five kilometres apart. There is no regular bus connection between these two: “the bank, school, and kindergarten are in one part of the village; the House of Culture and kolkhoz farms are in the other. We have to walk a lot every day, often in bad weather” (Teriberka resident).

“Old” Teriberka with its beautiful sandy beaches is a centuries-old settlement, while Lodeinoe, an urban-type product of the 1930s, was built around a shipyard. “Old” Teriberka resembles a wealthy Soviet collective farming village with a Pomor touch
lent by the boats stationed by the houses and fish drying outdoors in the summer. The split of the village in two types of settlement produces a coexistence of two shared yet distinct identities.

In the Soviet era, Teriberka thrived. Its population peaked in the late 1950s with about 5000 inhabitants (Demoscop Weekly 2017a). In the 1960s there were two fishing kolkhoz’es with their own fleet; two fish-processing factories; a shipyard; a reindeer herd; and several farms. Teriberka’s trawlers were fishing on African waters. The social infrastructure was good with two schools, a hospital, and two cultural centres (Riabova 2001, 121–131). The village was known over the country for its culture thanks to the Pomor People’s Choir, which was established in 1935 and still exists. Until 2009, Teriberka was a part of a military restricted border zone.

In the early 1990s, Teriberka was exposed to neoliberal policies that involved the shock privatization of state enterprises and a shift of the state’s social obligations to the local level. The first neoliberal reforms coincided with the introduction of strict international regulation on fish resources. In a few years, local fish processing became dominated by private businesses managed from Murmansk, Moscow, or abroad, and lost its stability. The privatized shipyard closed down, as it was unable to compete internationally after the borders opened. Unemployment, almost an unknown phenomenon in the Soviet era, increased sharply.

The municipal reform, which the federal government launched at this time, established administrative autonomy of local governance, defined it as an independent activity of the population to solve local issues, and shifted the state’s social obligations onto the local level. This was done without allocation of adequate financial resources, and most municipalities across Russia still depend on transfers from the federal and regional levels. The list of local taxes is very limited (Barasheva, 2017, 19).

With cuts in state transfers and a shrinking local base to finance the functions of the community, Teriberka did as many other post-Soviet small communities in the 1990s: it pursued strategies of survival. The local government tried to maintain the infrastructure, while the villagers relied on traditional subsistence to cope with poverty (Skaptadottir, Mørkøre and Riabova 2001, 55). Strategies to attract capital to the fisheries, the main sector of the local economy, were also developed through international partnerships. These resulted in a Russian-Portuguese-Lithuanian
fish-processing plant and a cooperation project with the municipality of Båtsfjord in Norway, thanks to the businessmen who had formerly worked in Teriberka and their partners, and with the help of the local mayor and regional government. Within the project, about 40 villagers worked in the fish-processing industry in Norway (Aure 2008, 13; Riabova and Ivanova 2009, 94). In a few years the joint venture collapsed and the Båtsfjord project stopped, largely because of Teriberka’s status as a closed settlement, which foreigners could access only with a permission. By the mid-1990s the situation had become so hard that children would come to the local hospital to ask for a piece of bread (Riabova, 2001, 126–127).

Hopes for the village recovery revived with development plans for the Shtokman gas field. In 2005, Gazprom, Total, and StatoilHydro decided to build a gas reception centre and a liquefied natural gas plant in Teriberka. The plan implied relocation of the old village, but after protests from “old” Teriberka the relocation was called off. Gazprom launched local social programmes, but when corporate policies changed, the project was stopped in 2012. Yet, due to the Shtokman plans, Teriberka’s status as a closed settlement was lifted in 2009, and the village became the only place on the shores of the Russian Barents Sea exempt from the border zone regime and reachable by car. This made Teriberka’s location unique and opened up the village to the outside world.

In the years of 2015–2017, Teriberka’s economy was mainly based on the old Murman kolchoz and the SeaFoodRus fish-processing plant. The kolchoz owns a fleet in Murmansk, and runs pig and cattle farms in the village. SeaFoodRus, a private firm opened in 2012 by a Murmansk owner, uses the premises of the joint venture of the 1990s. It is the main local employer, providing jobs for about 90 people. The municipal budget does not benefit much from the plant. A person at the local administration complained that “the tax money flies away to Murmansk, since companies register there”. This is a typical situation for communities in the Russian Arctic. The SeaFoodRus plant works on and off because of a deficit of raw fish. Because of the stronger euro exchange rate in relation to the Russian ruble after 2014, it became more profitable for fishermen to sell their catch abroad, leading to months of unemployment among the villagers.

The local social infrastructure has been underfinanced since the 1990s, but the major closures happened after the mid-2000s when the state tightened its regime of budget austerity in social services. In 2010, the state policy of “optimized” health care and other services was intensified and inscribed into law in order to reduce “ineffective”
spending (Federal Law no.83-FZ, 2010). Cuts in social services have been the most drastic in rural areas, as the services have been concentrated in larger settlements. In 2005, despite local protests, "old" Teriberka’s school, which was also a vibrant community centre, closed down, followed by the hospital shutdown in 2010.

The effect of almost three decades of neoliberal reforms on Teriberka has been deep and long-lasting socioeconomic crisis. The population has declined from 2338 inhabitants in 1989 to 897 residents in 2016 (Demoscop Weekly 2017b; Goskomstat 2016). Outmigration has dominated by skilled and young people; housing and infrastructure have gradually collapsed, so much so that in 2015 two-thirds of the houses were unfit for habitation. Ruined buildings and wrecks of boats now dot the landscape. Some residents said that “the village was literally destroyed by the market reforms”, and called their living in the village “life amidst modern-day ruins”.

The effects of neoliberal policies have damaged several types of Teriberka’s capitals. During the decades of reforms, the biggest losses have been suffered by human, built, and financial capitals as a result of the outflow of population, cuts in social infrastructure, dilapidated buildings, and high dependency of local budget on state transfers. The mapping of the village capitals in 2015–2017 is presented in Table 1.

The mapping of Teriberka’s capitals suggests that in 2015–2017 the weakest assets were financial and built capitals. Financial capital consists of transfers from federal and regional budgets, local taxes, funding from regional programmes, and international projects. The means received from these sources are scarce, and the level of personal wealth is low. There is not enough financial capital in the village to invest in initiatives necessary for sustainable development, such as local businesses or support of entrepreneurship. Built capital is unevenly developed, and a big part of it has been destroyed.

Human capital includes educated people who have skills in fish processing, coastal fishing, agriculture, power engineering, communal services, education, and culture. There are also those who have traditional knowledge on harvesting for subsistence.

Table 1. Teriberka’s assets by community capital, 2015–2017
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<th>Type of Capital</th>
<th>Assets</th>
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| Natural capital | Tundra, mountains, sea, lakes on the hills, river, and waterfall  
Magnificent coastal views and beautiful sandy beaches, strong regular winds  
Fish and crab stock in the coastal waters, fish in rivers  
Unique geographical location; the only place on the Russian Barents Sea shore exempt from the border zone regime |
| Cultural capital | Pomor identity based on association with Northern coastal territories  
Pomor way of living based on traditional nature management practices: small-scale coastal fisheries, river and lake fishing, hunting  
Cultural heritage:  
• tangible: villagescape, old houses and boats, historical remains (old pier, cemetry of boats)  
• intangible: values (living close to nature and sea, untouched nature, preserving local culture, traditional nature management practices), old and new traditions (capelin catching by nettles; Teriberka: New Life festival since 2015), local stories, local foods and handicrafts, cultural practices based on Pomor People's Choir (since 1935)  
Site of Leviathan movie of 2015 |
| Human Capital | Knowledge and expertise in coastal fishing and fishing processing  
Knowledge on harvesting for subsistence (hunting, fishing, picking berries and mushrooms) and on how to store food  
Local leaders |
| Social capital | a) Strong sense of belonging, reciprocal networks among friends and neighbours, Internet social networking sites (Internet newspaper My Teriberka)  
b) Links to groups outside the community, international ties (partnership with Båtsfjord municipality, participation in cross-border development projects) |
| Political capital | Elected mayor and elected village council  
Strong attention and development policies from the regional government |
| Financial capital | Transfers from federal and regional budgets, business investments, local taxes, funding from regional programmes and international projects −at insufficient level |
| Built capital | Fish-processing factory, harbour, pig and cattle farms, school, House of Culture, hotel, guesthouse of fish-processing factory, restaurant, houses, roads and streets (many in disrepair) |
But young people continue leaving, and policy measures to reduce outmigration are lacking. Community leaders (elected or hired civil servants) have the abilities to help the regional government or business to implement programmes or projects, which is the traditional way of performing their duties. However, the leaders are not proactive and they lack knowledge in community self-management. Outmigration risks both present and future human capital, and narrows opportunities for emerging proactive local leadership.

Bonding social capital relates to a strong sense of belonging, especially among people of “old” Teriberka, as well as to reciprocal networks among friends or neighbours, and, lately, to Internet social networking sites discussing Teriberka’s problems. There is love from people for their village; they want to continue living there. Two factors play the most remarkable role in this: the ties among friends and neighbours (“everybody knows everybody and helps as needed”) and attachment to surrounding nature. Olga, director of the House of Culture and leader of the Pomor People’s Choir, says: “Life in our village is a constant struggle for survival. What keeps me here? The view from the window!”

Teriberka’s bridging social capital is based on links to groups outside the community (such as entrepreneurs from other places), international contacts including the revived partnership with Båtsfjord municipality, and participation in cross-border development projects. Both locals and outsiders are interested in the community’s life: the electronic newspaper My Teriberka (https://vk.com/my_teriberka) has more than 1300 local and non-local subscribers. Until recently, the stocks of both bonding and bridging social capitals have not been sufficient to produce a change in community development. The latest developments show that bridging social capital has started to play a more important role in connecting the community to new resources; these developments will be discussed in the next section.

The concept of community capitals focuses on community strengths. The estimations based on the mapping of capitals show that the strongest assets that Teriberka has are natural and cultural capitals. Natural capital is rich. There is the sea, tundra, and mountains, magnificent coastal views and beautiful beaches, and fish and crab stocks in the coastal waters. Similarly substantial is the cultural capital, with Pomor identity, the Pomor way of living based on traditional nature management practices (coastal fisheries, river and lake fishing, hunting), and cultural heritage, both tangible and intangible.
The tangible cultural heritage of Teriberka embraces an authentic villagescape with old houses, fishing boats, and historic remains such as a cemetery of boats from the past century. Teriberka’s intangible cultural heritage relates to such values as living close to nature and the sea, preservation of local culture and untouched nature, and traditional nature management practices. It includes both old and new traditions, such as the centuries-old practice of capelin catching by nettles in late spring, and the festival “Teriberka: New Life”, established in 2015. Intangible cultural heritage also consists of local stories, local foods (such as fish soup with cod liver) and handicrafts, as well as cultural practices largely based on the activities of the Pomor People’s Choir. The choir is important in preserving cultural continuity and a sense of common identity within the community. The cultural heritage of Teriberka continues to be influenced by Pomor culture and ways of living, although the everyday practices of this culture are shrinking.

3. RECENT LOCAL STRATEGIES AND THEIR IMPACTS ON COMMUNITY CAPITALS

The question of development relates to values and attitudes, which guides goals and choices of activities (Lukyanova 2010, 6). In this study, I have examined various actors’ perceptions on desired sustainable development in Teriberka. The interviews have laid bare the opinions of representatives of regional authorities, local civil servants, and ordinary villagers – women and men working at the fish-processing plant, in the kolkhoz, and at the House of Culture, as well as the views of unemployed villagers, and local businessmen. Perceptions on sustainable development varied among the actors.

Representatives of regional authorities emphasized neoliberal ideas of economic liberalization and greater responsibilization of the local level. “Sustainable development of Teriberka means legislative support from the federal and regional levels and maximum non-intervention in the village economy, distribution of responsibilities between levels of governance (with more tasks for the local level), and inter-sectoral collaboration to ensure the inflow of people to the village” (employee at the Government of Murmansk region).

Civil servants at the local administration focused mainly on the economic aspect of sustainable development. They associated it with long-term planning of local development, stable financing of social services from the regional level, availability
of jobs, and a local leadership. “Sustainable development of Teriberka means, first of all, jobs. Also a strong leader is needed to be an engine of development” (local administration employee).

The villagers’ views on their community’s sustainable development were dominated by notions of social justice and a revival of the local economy. People with Pomor roots, and those working in the cultural sphere or involved in coastal fisheries emphasized cultural continuity by maintaining the coastal fishing way of life and Pomor culture, and preserving the fish stock and nature for future generations. Those working at the fish-processing factory stressed developing the fisheries but new activities have also been considered. “Sustainable development of our village means the revival of coastal fisheries, running of the fish-processing plant, restoration of the shipyard for a coastal fleet, and growth of tourism” (fish-processing factory employee).

Neither the representatives of regional and local authorities nor villagers understood sustainable development as a process equally resting on economic, social, and environmental pillars. This is typical in Russia, where this concept is all too often associated only with stable economic growth. However, ordinary people’s perceptions, especially of those whose families had lived in Teriberka for several generations, came closest to a holistic perspective of the concept, and their visions on the goals to work towards in order to reach sustainable development in the community were the most comprehensive.

Most of the interviewees focused on obstacles for sustainable development, rather than on possibilities. Both local administration representatives and villagers associated these obstacles with the deficit of the local budget, the many dilapidated houses, limited access to healthcare services, and issues of delimitation of land ownership between the administrations of Kola municipal district and Teriberka. New local projects are hampered, because coordination of land allotment for building construction takes up to 18 months. One of the major obstacles was identified as hostile to the local fishermen, who were denied practice of commercial fishery by coastal fisheries legislation. The villagers claimed that they should have access to fish resources, and at the time of my fieldwork in 2015, local fishermen pleaded with the state powers to demand adjustments to the federal law on fisheries.
In the recent years, the most serious neoliberal challenges for the village have been increased market distortions in the local fishery sector, continued reductions of state obligations in social services, and growing uncertainty in all domains of village life. The strategies for Teriberka’s development under new conditions are defined by several local documents: the General plan of Teriberka municipality up to 2020 and 2030 (adopted in 2009); Comprehensive plan for addressing major socioeconomic problems of the rural settlement Teriberka for the years 2012–2014; and the Russian-Norwegian project “Socio-economic development of Teriberka” of 2012–2014, under the Kolarctic cooperation programme funded by Russia, the EU, and Norway.

The most urgent problems of waste management and the repair of the heating systems were partly solved by implementation of the short-term plan for 2012–2014 in partnership with Teriberka municipality, regional government, municipality of Kolsky district, and the regional Duma (assembly with advisory and legislative functions), as well as thanks to the cross-border Kolarctic project. Additionally, in 2016 the regional programme for resettlement of citizens from dilapidated and hazardous housing built new flats for about 200 villagers in Kola, the municipal district centre. These villagers thus left Teriberka, but more than 90 people chose to stay, and in 2017 they were able to move to a new block of flats in the village. There are plans to demolish 33 dilapidated buildings in Teriberka in the next few years, including those that are part of the authentic villagescape.

According to the long-term General plan, the key development strategies in the village should be 1) construction of the coastal transport-technology complex with the gas liquefaction plant for the Shtokman field; 2) improvements in local fisheries based on reconstruction of the port; 3) development of aquaculture; 4) alternative energy industry development with construction of the tidal power plant and a wind farm, and 5) growth of tourism.

The only efforts which have so far produced results are those in tourism development. Since 2012, the regional government has worked to create conditions to develop the tourism sector across the region. The regional programme for 2012–2015 included allocation of grants for small tourist businesses. In Teriberka, before 2012, there were mainly unregistered “grey” tourism activities such as hiking or fishing tours with local guides. Since 2010, the fish-processing company SeaFoodRus has diversified and has provided accommodation in its guest rooms in Teriberka for tourists attending the kite school run by a Moscow businessman. The
pro-tourism policies of the regional government have had a reasonably quick effect for municipalities in the region, Teriberka included. In 2013–2014, several tourist companies started to provide opportunities for fishing, diving, snow kiting, and kite wave riding.

An increase of tourist products has been followed by the development of local tourism infrastructure. In spring 2015, a Murmansk company built guest cottages and a restaurant on the beach of “old” Teriberka, and a few other small hotels (mainly owned by non-local businessmen) were also opened soon. Possibilities have also been created to develop event-driven tourism: the first art and Arctic food festival “Teriberka: New Life” was organized in summer 2015 upon the initiative of a group of Moscow businessmen, followed by other festivals with increasing visitor numbers; “Teriberka: New Life” attracted up to 4000 people in 2017.

In a life-changing event for Teriberka, the village became a site for the Leviathan movie shot by Russian film director Andrey Zvyagintsev. A story about the standoff of a person against the corrupted government machine, Leviathan won the Golden Globe award for best foreign-language film in 2015, making Teriberka known as a symbol of abandonment and despair. Tourists from many parts of the world, especially from China, have since flooded the village.

One of the aims of this study has been to understand whether the new strategies in Teriberka promote sustainable local development in the face of neoliberal challenges. For this purpose, I mapped the local strategies against community capitals. The qualitative estimations of the strategies’ effects on types of community capitals considered the opinions of local interviewees. This mapping made it possible to indicate negative and positive impacts of the local strategies on every individual capital, to understand whether the community capitals have been invested in a balanced way that would promote sustainable development in the village, and to trace interactions among these capitals and the subsequent impacts across them (Table 2).
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<th>Strategies</th>
<th>Positive impact: investing in community capitals</th>
<th>Negative impact on community capitals</th>
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| 1. Re-profiling of guest rooms of the fish processing firm into a guest house, as of 2010 | Built | Human: new skills for locals in services and construction  
Financial: some jobs/income for local people |
| 2. Activities of kite class from Moscow, since 2010 | Bridging social capital: outside networks thanks to contracts with kite tourists  
Bonding social capital: free kite classes and sport events for local children | Natural: destruction of nature and scenic views, expanded waste volume, overfishing by tourists  
Cultural: threatened tradition of capelin catching by nettles due to excessive presence of tourists in the fishing spots |
| 3. Construction of hotels and restaurant on the beach, several other small hotels, since 2015 | Built | Human: new skills for locals in services and construction  
Financial: some jobs/income for local people |
| 4. Site for the Leviathan movie, winner of a 2015 Golden Globe award | Bridging social capital: the village became known worldwide; networks with non-local entrepreneurs have been established | Natural: damage to tundra surface due to increased number of tourist cars |
| 5. Resettlement of citizens from dilapidated and hazardous housing:  
-relocation of people to new flats in Kola (200 inhabitants)  
-construction of a new block of flats in Teriberka for 90 inhabitants  
-plans to demolish 33 dilapidated buildings | Built | Human: more than 200 people left the village, including young families  
Cultural: building planned for demolition are a part of authentic villagescape |
| 6. Art & food festival "Teriberka: New Life", since 2015, 4000 visitors in 2017 | Bridging social capital: ties to non local entrepreneurs, activists, and artists  
Political: more access to and attention from regional decision-makers | Natural: excessive amount of waste due to massive inflow of tourists, fires  
Cultural: sense of intrusion into the community, fear of destruction of local lifestyle  
Bonding social capital: conflicts between community groups |

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|            |        |      | Financial: some jobs/income for local people | Natural: excessive amount of waste due to massive inflow of tourists, fires  
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Negative impacts were indicated for natural and cultural capitals. Natural capital is harmed by the damage to tundra surface by more tourist cars, expanded waste volume, accidental fires, and mutilated scenic views. These are the result of constructing a restaurant and guest houses on the beach, which used to be untouched and is an integral part of Teriberka’s history and tradition. Fish stock is endangered because of increased amount of waste dumped along the sea shore and overfishing by tourists. A young man said: “I’m afraid that tourists will simply trample down our village.”

Cultural capital suffers, too. The tradition of capelin catching by nettles on the beach shores is threatened by an excessive presence of tourists in the fishing spots. The villagers speak about a sense of intrusion into the community and fear of destruction of the local lifestyle. The plans to demolish old buildings that form the authentic villagescape indicate that this part of the cultural heritage is seen by regional and local civil servants only as a problem (which was also confirmed in interviews). This approach further endangers local cultural capital.

Financial and human capitals have not improved, especially because most of the tourist companies operating in the village pay taxes elsewhere. The local administration was unable to identify positive effects of the new festival on the local budget. For the locals, the benefits are few, as they can only get some small income from renting out flats for a couple of festival days or driving cars for tourists. The programme on citizens’ resettlement from dilapidated houses adopted by the regional government led to about 200 inhabitants, especially young families, leaving the village. The resettlement programme thus decreased Teriberka’s human capital. Some positive effect could be detected on human capital thanks to new skills in services and construction among those (few) villagers hired by tourists or construction companies.

Built capital increased with re-profiling the guest rooms of the fish-processing firm as a tourist guest house, and the construction of several hotels and a restaurant.

Impacts on social and political capitals have been uneven. Bonding social capital seems not to have grown in the last years, and today it suffers from conflicts between community groups which have different attitudes towards increased tourist inflows and their impact on community life. Perhaps it would be wise not to see this as only a loss, but also as a sign of development in a complex society, where people can be more proximate to people and organizations in other places than to local people (Bærenholdt 2007, 153–156). Still, these new conflicts decrease trust within
the community. Bridging social capital has improved due to extended links to entrepreneurs, activists, and artists from outside the village.

Political capital has somewhat increased since the introduction of local self-government, and with the recent growth of attention from the regional government to Teriberka’s development. However, the basis of political capital is unchanged, and it continues to be dominated by connections to and superiority of traditional state power structures, such as regional government, with low involvement of citizens and lack of their voice in decision-making.

DISCUSSION AND CONCLUSION
This paper has sought to better understand sustainable development processes in small Arctic communities under neoliberalism by applying research insights from the concept of community capitals. The study confirms that a balanced development of community capitals is both a path to and an indicator of sustainable local development for small Arctic communities coping with neoliberalism.

The results show that the effects of neoliberal policies on these communities can be deep and last for decades, leading to a socioeconomic crisis that destroys many types of community capitals and thereby devastates the potential for sustainable local development. The study reveals that neoliberal policies may shatter community capitals with a card-house effect: in Teriberka, an immediate reaction to the first neoliberal shock was decreased financial capital, followed by weakened built capital, and decrease in human and social capital during the next decades.

Development strategies in the village have been mainly focused on involving outside investments in the built capital (first, in fisheries and later in the tourist sector). Focusing on built capital is the most traditional idea of community development. This strategy entails risks in that it may contribute to a decline of natural and cultural capitals, especially if facilities are constructed in untouched areas that are part of local history. The study shows that Teriberka is strongly threatened by this kind of risk. The strategy focusing on investment in built capital corresponds with the views that the main actors – regional authorities, local civil servants, and many of the villagers – have on sustainable development as a process of economic growth. Here, infusions of financial or built capital in the basic sector of the local economy are key to sustainable development. This is still a typical approach to development in local communities in Russia’s Arctic.
The study shows that external infusions in built and financial capitals have not catalyzed a change from which other types of Teriberka’s capitals would notably benefit. The impact of recent tourism development strategies on community capitals is uneven. Natural, cultural, and bonding social capitals are struggling. Teriberka’s capitals have not been invested in a balanced way, and, according to the concept of community capitals, these strategies do not promote sustainable community development.

Based on a focus on the local strengths (as the concept of community capitals suggests) and on competitive advantages (as the neoliberal paradigm implies), the study discovered that the strongest community capitals in Teriberka today are natural and cultural assets. However, natural capital is endangered by flows of tourists, and there is an obvious need to protect the area, for example, by establishing a nature reserve. The tangible cultural capital of the place, such as the villagescape of old houses and other historic remains, is not cared for. The old remains are not seen by regional and local authorities as a strength. Many authentic buildings have recently been demolished as a part of the regional programme for citizens’ resettlement from dilapidated housing. Efforts are needed to increase respect for the historic remains in the village. A new strategy for community development could be projects to restore these places and start cultural activities related to the village’s glorious past, especially if supported by grants for local people involved. Though there are challenges of such work (performers’ vulnerability, for instance, in case of historic enactments), it might also contribute to participants’ personal development (Bærenholdt et al. 2004). Increased human capital could be a catalyst to enriching community social and cultural capitals. These three types of capital are assets to advance personal freedom and social innovation, which one needs to survive in a neoliberal reality. Such projects could enhance community capitals in Teriberka in a more balanced way and thus promote its sustainable development.

The study confirms that the concept of community capital helps to analyse community development from a systemic perspective, and encourages practitioners to think holistically about local strategies to promote sustainable development. The concept remains practically relevant, even if the question can be raised from a critical perspective if one and the same community “has” all capitals. Focusing on strengths, the concept offers insights into new, highly time-, place- and actors-specific potential areas of development. It is an especially useful concept in the Russian context, because it draws attention to other than purely economic aspects of development.
Namely, it pores over cultural and social capitals, which are often overlooked and not converted into economic benefits, particularly in small Arctic communities.

The findings show that Teriberka is transforming from a fishing village to a tourist location, but tourism development strategies are mainly projects for outsiders and by outsiders. To promote sustainable local development, efforts are needed to secure involvement of local people in tourism planning and implementation, and to ensure that tourism provides benefits to the community, and local natural and cultural capitals are respected. In Russia, such efforts are needed at all levels, from national to local. Policies providing conditions for local involvement and shared decision-making are of major importance for the sustainable development of small Arctic communities. It is vital to have educational programmes that prepare decision-makers of all levels, business owners, and people in small communities for participation in defining and implementing development strategies that are sensitive to the needs of local communities.

This study suggests that community capitals provide an appropriate model to discovering what small communities in the Arctic may do to advance sustainable development under neoliberalism. The study concludes that the community capitals approach cannot effectively work in small communities with scarce human, social, and political capitals – such as many of those in the Arctic – if state and regional policies, and the actions of outside business actors, ignore their local implications. State policies aimed at establishing rules advancing local communities’ interests are crucial for both sustainable development and successful neoliberal transformation. Only thus can solutions be found to conflict and synergy between neoliberal and sustainable development agendas.

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