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# Coping in Nordic Peripheries - on the Spatial Production of Societies

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# Coping in Nordic peripheries – on the Spatial Production of Societies.<sup>1</sup>

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#### Introduction

In his historical novel  $Dramar \, \acute{a} \, j\ddot{o}rdu \, (2000) \, / \, Dr\phi mme \, p \mathring{a} \, jorden \, (2001) \, / \, Dreams \, on \, Earth$ , the Icelandic author Einar Már Gudmundsson as a motto quotes Halldór Laxness ( $Frie \, mænd$ ) on the role of mobility and distance in a  $20^{\rm th}$  century poor Icelandic family (my translation from Danish):

"They were seven, and they disappeared to remote places, two sons drowned in remote seas, one son and one daughter disappeared to an even more remote country, America, even longer away than death, maybe, however, no distance is longer than the one, that separate poor relatives in the same country."

In times and spaces of poverty in the Nordic peripheries, mobility was a question of separation. Unlike rich and powerful Odysseus, few came back. Even poor relatives placed on remote farms in the very same parish were distant to each other. The paradoxical element in Laxnes' (Gudmundsson's) motto "no distance is longer than the one, that separate poor relatives in the same country", relies on the implicit territorial norm, that distances should be shorter within the same country.

Distances are material, social, and cultural. It has been a key challenge for Nordic nation-states and municipalities (local states) in the 20<sup>th</sup> century to overcome these distances in the Nordic peripheries. Infrastructure development, welfare policies and the promotion of "the people's" cultural unity have gone hand in hand in the significant modernisation policies that has been applied to the Nordic peripheries. The way these policies coped with peripherality was more than instrumental to overcome distance; they involved the whole socio-spatial constitution of modernity in places to the extent that one can question whether periphery is any more the right label. In addition to the role of states, municipalities have played a key role as "transformers" in this process.

<sup>1</sup> The paper also include a section on the case of regional policy in Greenland, whereas the general empirical focus is on the Nordic Atlantic: Greenland, Iceland, the Faroes and coastal Norway. Parts of the research reported was funded by Nordregio in the project "Coping strategies and regional policies, Social capital in Nordic peripheries" (2000-2001).

The history of socio-spatial practices by people living along the Nordic Atlantic coastal rim of Norway, Faroes, Iceland and Greenland in the 20th century includes remarkable cases of empowerment and embedded entrepreneurship, and these are cases of coping with poverty and distance. Facing the mobilities of the 21<sup>st</sup> century, the power of Nordic Atlantic practices is now challenged by non-territorial entrepreneurialism and the growth of tourism. When we do approach Nordic Atlantic peripheries here, it is also because the experiences of rural peripheries might contribute more to social theory than we are used to, hereby also challenging and reconsidering the dominant images of rural peripheries (Therborn, 1999; Cloke and Little, 1997).

The approach to territoriality, mobility and coping is first presented. Then the three dimensions of coping - innovation, networking and formation of identity - are discussed in general for the Nordic Atlantic peripheries in three sections. Thereby an approach to how societies are produced "from below" is presented. Finally it is discussed how we should understand regional development and regional policies as aspects of the socio-spatial production of Nordic Atlantic Societies, and this is especially shown by the case of regional policy in Greenland. The conclusion is drafting a framework for understanding regional development and regional policies in peripheral societies facing the challenges of globalization, flows, and networks in the 21<sup>st</sup> century.

### Territorial and mobile coping

If social relations and space are approached as questions of production, and thereby not as pre-given things, we must look into the practices and processes that produce social relations and space. Indeed the "and" between social relations and space needs clarification: Societies are produced with certain spatialities; space is no external feature of societies. The same argument goes for time and temporalities, although this is not the focus of this paper. Space, like time, is more than an external feature of social relations and societies. Whether we approach societies of territorial states or face-to-face social relations, spatial organisation, spatial processes or simply spatial practices are constitutive dimensions. Hence, coping with distance has probably been constitutive in the socio-spatial formation of most societies, and it is indeed apparent in the case of the Nordic peripheries.

The social relations and spatialities of human life, in the Nordic peripheries or other places, can be approached as a coping process, whereby people try to master the limited possibilities of social construction, that make sense to themselves. Like many other concepts, coping is a concept of socio-spatial practice, and it involves the "productive" use of power relations. Here territoriality and mobility should be approached as complimentary dimensions of socio-spatial practices, where the use of boundaries is combined with the use of movement. Therefore, we investigate "...explicitly the process of the territorialization of space, the construction and signification of demarcations and boundaries" (Paasi, 1996: 7-8). Meanwhile, coping is not only a question of *territoriality* (Sach, 1986) but also of *mobility* defined as an incorporated *social strategy of influence and control through the movement of human beings, things or information* (Bærenholdt, 2001: 142; Bærenholdt and Aarsæther 2002: 157).

The approach is constructivist-materialist, and this implies that the production and power of space intersect materialities, social-spatial practices and spatial discourses. As such, the multiple productions and powers of Nordic Atlantic (as well as other) spaces are about nature, landscapes, economy, culture and politics, but a cross-cutting centre of these processes is the social-spatial practices of people; practices that I call coping.

The coping approach has been developed for the UNESCO MOST (Management of Social Transformations) Circumpolar Coping Processes Project<sup>2</sup>. In locality studies in Nordic countries as well as Russia and Canada, we have used the, otherwise psychological, concept of coping as a concept of social practice. Coping (or "coping *strategy*") can be defined as a set of practices in three dimensions (economic, social and cultural):

- 1. *Innovation*: The process of change in economic structures resulting from new solutions to local problems, as responses to the transformations of a globalising and increasingly knowledge-based economy,
- 2. *Networking*: The development of interpersonal relations that are transcending the limits of institutionalised social fields;
- 3. *Formation of identities*: The active formation of identities that can reflect on cultural discourses from the local to the global (Aarsæther & Bærenholdt, 2001: 23; Bærenholdt & Aarsæther, 2002: 153).

Somehow, the approach includes a modernist normative stand in favour of agreement between innovation, networking and formation of identity. It includes a pragmatic "bottom-up" stress on a crucial nexus between meaningfulness of socio-economic development and productivity of socio-cultural discourse mediated by socio-political networking.

All of the three dimensions are spatial: Innovative restructuring involves spatial restructuring of localisation, connections and movements of activities. Networking relations imply specific forms of proximities between actors. And identities are formed with more or less explicit references to geographical imaginations. Space is neither a container nor only an outcome of these practices. Practices, also coping strategies, are spatial, and all practices exercise power in one way or another.

Territorial and mobile practices are two principal ways of exercising power spatially. Meanwhile, the exercise of power through mobility and territoriality is deeply interconnected (Bærenholdt, 2001). To control and defend a territorial area of settlement and harvesting natural resources to live from, mobility is an indispensable technique of control along borders, when there are not enough walls and guards to keep permanent control. Meanwhile, territorial control of humans and information were of little relevance, as long as the use of means of transport and communication did not make mobility in everyday life an issue.

"Coping" signifies an understanding of the production of social relations and spatiality, where human practices are struggling in creative ways that are neither total mastering nor mere adaptation. People cope with challenges and conditions that they do not have the control over. On the other hand, they are not just victims of developments and conditions. Coping is between "strategy" and "tactic" (de Certeau, 1984), because coping is neither possible to demarcate in relation to the other nor does it fully belong to the other. Coping is about how people manage to make a relatively secure life in a world that they can neither fully master nor only have to adapt to.

Spatiality is "inside" this creative struggling; spatial entities cannot be taken for given. For example, there is a trend of community-based territoralization, but here communities cannot be taken for given. They can be involved in EU-policies of bypassing states thereby spatially producing new territorial demarcations and identifications (Storey, 2001: 139-142). Hence, communities are always

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<sup>&</sup>lt;sup>2</sup> See www.uit.no/MostCCPP and www.unesco.org/most/p91.htm

in a process of spatial definition, and such definitions can also involve mobile networks or flow.

Spatialities are produced, and they are not only territorial. Wealth is a question of mobility – of "dromocratic power" (Virilio, 1998). Few technological innovations have been so crucial to historical development as within transport (Braudel, 1981). Coping is also very much a question of mobility. For long, the territorial character of embeddedness and empowerment has not been questioned, but the tacit role of territorial principles of social organisation is now challenged by the raising awareness of the socially constitutive meaning of mobility in late modernity (Urry, 2000; Bauman, 2000).

Building on the discussion of mobility and social capital in Putnam's analysis of the crisis of civicness in the US (Putnam, 2000), we can consider his distinction between bonding and bridging social capital. While the notion of social capital has been associated with types of bonding social relations and norms of trust somehow embedded in specific regions, other's has pointed to the non-embedded character of productive social relations. Therefore, Putnam admits that bridging can be as important as bonding in dynamic social relations.

Where Putnam uses bridging and bonding as adjectives for social capital, I see bridging and bonding as an approach to the practices of coping strategies. *Bridging* is a concept for coping that builds connections between different social groups or fields, while *bonding* characterise the practice of binding a social group or field together as opposed to others. In other words: Bridging establishes new and crosscutting social connections, while bonding defends and intensifies already established social groupings.

We should not confuse bonding-bridging with territoriality-mobility. Bridging is not mobility and bonding is not territoriality; such an understanding would only lead us to seeing bonding of social and cultural groups as a question of spatial borders. Mobile bonding communities are indeed on the 21<sup>st</sup> century agenda (Urry, 2000), while the question of territorial bridging of groups and individuals as citizens of a political territory has been in the centre of Nordic Atlantic Strategies. Territorial bridging is often the critical aspect, when it comes to bridging different villages, social groups and cultural communities at the municipal level. The socio-spatiality of coping can be analysed in the continua of both bridging-bonding and territoriality-mobility (see figure 1). The following three sections discuss the socio-spatialities of coping in the Nordic Atlantic in the 1990s within each of the three dimensions: Innovation, networking and formation of identity.

Figure 1: Socio-spatialities of coping:

Territorial bridging	Mobile bridging	
COPING	STRATEGIES	
Territorial bonding	Mobile bonding	
	(D l. l. l l	Agreether 2002: 162)

(Bærenholdt and Aarsæther, 2002: 162)

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## **Innovation: Combining mobility and territoriality**

Fisheries have been crucial to livelihood in the majority of Nordic Atlantic localities in the 20<sup>th</sup> century. While neither fluctuating fish stocks nor international fish markets can really be mastered, the innovations performed in response to "outside" transformations are emblematic cases of coping. This is also true in the growing new economies of tourism; tourists are not easier to catch and control than fish. Tourists may come by their own initiative and this can even happen more than one time, but the y also tend to escape easier than fish.

Due to the very mobile and international character of fisheries and fish trade and the relatively dispersed character of settlements in the Nordic Atlantic, people have been used to find local solutions as responses to problems of a non-local character for centuries. Coping with increasingly knowledge-based economies is a further challenge, where questions of brain drain and attracting educated back is on the agenda. Here, development of means of mobility (bodily, virtual or imaginative, Urry 2000) plays a crucial role in innovation.

Innovations in economies of mobile fish and tourists are often about spatial organisation of flows more than the "processing" itself. The value of the fish to the consumer or of the experience to the tourist is much about "being in the right time and place". Since spatial framing and movement tends to be the "production" as such, combinations of different types of territoriality and mobility are crucial aspects of business innovation.

Another basic innovation involved with Nordic Atlantic strategies is their innovations in social organisation. In economic geography, there has been an interest in explaining the economic performance of firms embedded in associational economies (Cooke and Morgan, 1996), and it seems that associational capacity is not only a matter of firms but of social organisation in a broader sense.

Cases of innovation in Faroese, Iceland and Greenlandic fisheries<sup>3</sup> always combine moments of informal networking, municipal entrepreneurship and the ability of mobile professionals committing themselves to local development. In one Faroese case, the buildings for a new international oriented firm in a small village was constructed through voluntary work in the village; what is said to be the normal "Faroese way" (Hovgaard, 2002). In Icelandic and Greenlandic cases, municipal authorities played crucial roles as facilitators for new business developments. Links to international markets are often in the hands of a few businessmen that somehow commit themselves to local development. In the end, much Nordic Atlantic experience points to the importance of "territorial capital". While the control of mobile marine resources, as far as possible, is a matter of national schemes of resource management, local actors keeping control of financial capital locally are likely to be powerful enough (have enough political capital) to influence resource allocation policies in favour of their own interests.

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<sup>&</sup>lt;sup>3</sup> Here I draw on 2001 case studies of projects of local development in Iceland, Greenland and the Faroes from the NORDREGIO (Nordic Centre of Spatial Development) project "Coping Strategies and Regional Policies, Social Capital in Nordic Peripheries" (Benediktsson and Skaptadóttir, 2002; Bærenholdt, 2002a and 2002b; Hovgaard, 2002 – these four reports/working papers can be downloaded from <a href="www.nordregio.se">www.nordregio.se</a> - ; Jóhannesson, Skaptadóttir and Benediktsson, 2003).

Nordic Atlantic resource-based economies, fisheries, tourism or the like, has often been socially organised in combinations of mobile bridging and territorial bonding. Territorial bonding is used to defend and manage natural resources, while mobile bridging organises contacts to international markets. The organisation of such contacts are mobile since they exercise their power by means of movement, and it is bridging since they establish new social relations in marketing and sales. Cooperative and municipal organisation has been used to enforce local and regional economic regulation to secure stability and in some cases distributive justice.

Innovations in the Nordic Atlantic is less about Schumpeterian technology development than on social innovations of how to deal with and adapt to the dynamic complexities of natural resources and international markets that cannot be controlled. These are innovations about regulation and stability in conditions of disorder. Spatial organisation of social relations is in the centre of interest of such innovations. When much "production" is about careful transport of fish and tourists, mobile bonding with those people "from here in other places" (diasporas) and mobile bridging to new business partners are crucial. However, associational organisations of voluntary work, territorial control of financial capital and territorial commitment of professionals are all about territorial bridging of different social and cultural groups according to some kind of local citizenship. Thereby territorial definitions of micro-societies are not taken for given but produced as part of their social construction. Territorial practices as those of commitment of the diasporas to their "place of birth", and the innovative capacity of commitments to do something for the inhabitants in ones place of birth, is due to the combination of mobile bridging to other places and territorial bonding with the "place of birth". If you cannot visit, communicate or transport across distances, committed actions by outsiders is of little value. Still, innovate capacities of such "mobiles from here" would be of little use in producing local societies, if this was not regulated by principles of territorial regulation. New business interventions in fisheries and tourism of mobile capital with no territorial commitment present challenges to the "traditional" social innovations (associational organisation, territorial control) we know from the 20<sup>th</sup> century.

## Networking: easy bridging versus normative bonding

Since networks, somehow, are the crucial innovations, the distinction between innovation and networking is not total. This point is further stressed from the experience of studying the time and space development of specific local projects. Coping is much about connecting and securing access, and it can be facilitated by powerful municipal authorities and other local actors taking part in multi-level governance relations in regional development and policy (Jessop, 2000; Bærenholdt and Aarsæther, 2001).

The socio-spatiality of networking is much about the production of a certain form of communes. Here we can see differences in scale and degree of formal institutionalisation with the Faroes and Norway as the extremes. Networking in Norwegian cases is much about how to cope with national regimes of institutional regulation, so that for example everybody gets a part of the cake of secure local public service sectors jobs. This is for example the case in Storfjord municipality in Northern Troms county in contrast to Faroese cases, where decisive differences are more due to social entrepreneurship in business development of cornerstone companies (Bærenholdt and Haldrup, 2003; Aarsæther and Bærenholdt, 2001).

Networking is *normative*, and much networking is about working. In Nordic countries, there has been an ongoing production of community (*Gemeinschaft*) based on the participation of everybody

in work, historical based in 17<sup>th</sup> century Pietism: "To see that everybody works is the main principle of Nordic societal organisation and that force that holds association together." (Stenius, 1997: 164) Whether networking is territorial or mobile, the work is also about control and definition of deviance. So far we have considered bonding networks; it is bonding networks that are normative. The central feature of *bonding* is that it clearly defines who is included and who is excluded. As such bonding networks are not open-ended. Independently of their spatial organisation, bonding networks work due to a distinction between who are "insiders" and "outsiders".

In bridging networking directions and routes can easily be re-directed to exclude some and include others in the net at work. Bonding networking is opposite; exclusion from bonding networks is harder to enforce. Exclusion from mobile networking is also easier than from territorial networking.

While the distinction between bridging and bonding is a difference in the normative power of networking, the distinction between mobility and territoriality lies in questions of proximity. Although the spatial tactic in exclusion from territorial networking is not that different from exclusion from mobile networks, the uneasiness comes from the bodily proximity often involved in territorial networks: The deviant have to be either moved or borders redrawn.

There is a principal difference in the character of normality/deviance mechanisms between bonding and bridging networking. The relative more innovative character of bridging networking has to do with its weaker normative power. The strength of crosscutting networks or weak ties (Putnam) can be said to lie in their ability to bridge diverse normatively institutionalised social fields. Whatever the value measure, "exit costs" are lower in bridging than in bonding networks, as bridging networkers do not identify so much with the specific network as with the practice of networking in general. On the other hand, bridging networks are more cynical and less safe, secure or certain for the meaningful reproduction of everyday life, where loose connections can be easier but also less productive and secure than bonding "marriage". Nordic Atlantic strategies include mixes of bonding and bridging, but the Lutheran formulation of associationalism and individualism has a rationalist taste of the hardworking cynical individual. While many have been involved in religious and political revival networking of mobile bonds (there are similarities between 20<sup>th</sup> century religious revivals and nowadays NGOs), Nordic Atlantic 20th century economic and political life has first of all been based in the territorial assocationalism of local as well as national citizenship. This territorial definition of citizenship builds on a certain mix of bridging and bonding: While the individual citizen has the right to build whatever kinds of bridging networks in private and business fields, the individual is also committed to the strong and bonding local and national state.

#### The sense of 'communal' identification

Few will disagree that formation of identities is already on the agenda in the discussion of the more or less normative character of networking. Bonding networking and bonding identification is two sides of the same coin. Meanwhile, the coping strategy approach to networking emphasis the less normative, bridging, networking across institutionalised social fields. Likewise, the approach to formation of identity is focusing more on the *production* of meaning than on already institutionalised cognitive identities and identifiers. This implies a focus on the projects of constructing societies, where also innovation and formation of identity is often two sides of the same coin.

The socio-spatialities of coping (figure 1) vary between the dimensions, innovation, networking and formation of identity. Whereas the features of innovation is much about combining mobility and territoriality, and networking is more in the social difference between bridging and bonding, formation of identities involve the full complexity of the socio-spatiality of coping. In relation to coping, the kinds of identifications that have our interest are those attributing meaning to coping processes involving innovation and networking. In other words: Formation of identity is about the making sense of coping.

Local entrepreneurship, empowerment and culture in the Nordic Atlantic can hardly be understood without reference to crucial local-national nexuses. The meaning of social innovation has been much linked to national identity in opposition to Danish dominance. Few cases of entrepreneurship do not have an implicit reference to nation building. Locally, empowerment by "managing affairs ourselves" has been linked to national independence.

Municipalities (communes) are the most powerful regional parts of Nordic Atlantic nations. Municipalities are identifications of political practices of communalism linking locality, community and place into territorial units. Rural municipalities in Norway, Iceland and the Faroes, like in Denmark, Sweden and Finland, have their historical roots in parishes. Most Icelandic and especially Faroese municipalities are still equivalent to parishes, that has worked as political, cultural and religious territorial units, even in localities with competing congregations. This is an example of how the protestant church has been integrated in the socio-political-cultural organisation of Nordic societies in a very specific way. Opposite to "the supraterritoriality of the Roman Church" (Rokkan and Unwin, 1983: 33), protestants (Lutherans and Calvinists) merged ecclesiastical and secular administration. "Protestantism strengthened the distinctiveness of each territorial culture by integrating the priesthood into the administrative machinery of the state within the confines of local languages." (Rokkan and Unwin, 1983: 26) Thereby, 'communal' identifications with parish municipalities has been strong in 19<sup>th</sup> and 20<sup>th</sup> century Nordic peripheries, where school, churches and local associations also have been overlapping social fields.

Territorial identifications of this kind are bridging if they do not define people by their membership of kin, congregation or the like but as citizens, that have their own direct relations to political (as well as religious) authorities. Meanwhile, the rationalist protestant staging of reflexivity also implies moral obligations of bonding commitment to territorially defined local and national citizenship. Then for those that are neither protestants (including the secular protestants) nor local/national citizens, neither bonded nor territorialized, "integration" is not easy. The weight of bridging and bonding vary, but Nordic Atlantic coping has indeed been a modernity project of territorial citizenship. This tradition is opposite to what could become 21<sup>st</sup> century trends of "dealing with people" as only professionals, tax-payers, consumers and users in regimes without territorial responsibilities (Baumann, 2000).

I have suggested that the coping strategies that has produced Nordic Atlantic societies has historical roots in the moral economies and generalised reciprocities of parish councils embedded in religious and national projects. The implicit institutionalised regulative, normative, and cognitive practices have to been seen as ways of exercising power by ways of territorial boundaries on the municipal and national level. For example, Icelandic rural municipalities used to have obligations by law to secure that every inhabitant had work (Bærenholdt, 1991).

One can feel ambivalence over the potential essentialism some may read out of this. Hence, the real

challenge is whether or not this way of socio-spatial organisation is viable in an increasingly globalised world. Addressing Tönnies' *Gemeinschaft-Gesellschaft* work, Bauman raises these questions in terms of *sameness*: "the sameness evaporates once the communication between its insiders and the world outside becomes more intense and carries more weight than the mutual exchanges of the insiders" (Bauman, 2001: 13). Territorialities defined through the power of distance are leaking with the development of technologies of mobility not only of bodies - but first and foremost - of information. This does not only hit the small communities but also the whole construction of a local-national-nexus in Nordic societies. Some might argue that cultures and identities exist whatsoever these trends. However Bauman has a crucial point with reference to works by Fredrik Barth. Boundary drawings are not effects of identities: The opposite is the case: "...the ostensibly shared 'communal' identities are after-effects or by-products of forever unfinished (and all the more feverish and ferocious for that reason) boundary drawing." (Bauman, 2001: 17)

Mobile relations and migration in fisheries was the rule already in the 19<sup>th</sup> century, but as long as peripheries stayed peripheral, distances secured territorial bonding. With the intensification of mobilites, bodily, imaginative and virtual, one cannot secure the certainty of territorial identifications. Meanwhile, municipalities are merging ("regionalization") to secure jobs for professionals to the 'cost-benefit' of users of public service and new territorial and mobile orders of 'rational' administration are introduced. In contrast to territorial bonding, people engage in mobile bonding according to profession, business, and hobby.

A number of municipalities in Iceland, the Faroes and coastal Norway have received immigrants due to the lack of labour power in low status fish processing industries, and in this way some of the very "peripheral" localities are internationalised. In other cases, foreigners play entrepreneurial roles in the development of tourism due to their international networks and language abilities. In both kinds of cases, it is however because "outsiders" take roles left vacant by "insiders" that they are accepted, and they do not gain citizen rights only by this. In some Icelandic cases, multiculturalism is celebrated in the periphery, whereas in some North Norwegian cases, immigrants from Russia have for example been excluded from swimming facilities due to the risk to health they should carry with their bodies, while Russian women are generally anticipated to be prostitutes.<sup>4</sup>

Clearly, 'communal' identifications are challenged, and it is not obvious how mobilities should possibly be bridged or bonded territorially.

## Producing societies: The role of regional development and regional policy.

"The concept of society will in the future be one particularly deployed by the especially powerful 'national' forces seeking to moderate, control and regulate there variously powerful networks and flows criss-crossing their porous borders." (Urry, 2000: 1)

Whereas social sciences in the 20<sup>th</sup> century has taken societies as 'national' for granted (Taylor, 1996; Urry, 2003), we are now facing the challenge of actually understanding how societies are produced. Likewise, we should not take globalisation for granted but investigate the socio-spatial

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<sup>&</sup>lt;sup>4</sup> This case has been reported orally by Marit Aure, University of Tromsø, on the basis of her field work as part of her PhD work in the MOST CCPP. Cases of local celebration of multiculturalism in Iceland was reported by Unnur Dis Skaptadóttir, University of Iceland.

processes producing 'the global'. Societies and social relations should not only be understood as containers, levels and scales, but also as complex connections, networks and flows (Urry, 2003: 122) as well as communities and imaginations produced through distances and dis-connections (Gregory, forthcoming). In this process, the concept of 'regions' has always been questions of partsof-whole, how to integrate parts into nation-states (Bærenholdt, 1998) as also demonstrated in the metaphor of intersections of regions, networks and fluids in the body (Mol and Law, 1994). Fluids and networks crosscutting regions and nation-states are important social processes in the production of regional and national entities, as are there territorial demarcations and distances from other territories, thereby also defined. For example, migrants are co-producers of the regions and nations, they are 'inhabiting', whether or not this co-production is that of exclusion or inclusion. In these processes, regional development and regional policies are questions about equity, restructuring, growth, innovations and political projects in respects to regions as parts of nation-states. In the Nordic peripheries, the complexity of such process is high. On one side we have the questions of autonomy and independence for home-ruled Greenland and Faroe Islands inside the Danish Realm (but outside the EU). On the other side there is the EU-integrative objectives of EU regional policies in Sweden and Finland, including the eager pursue for developing cross-border INTERREG projects, thus making 'nation-states' more porous.

Regional policy projects make use of webs of networks and flows as instruments to develope innovative projects, but objectives are formed in territorial terms. As such policies aiming at developing specific regions of one or more states, if they a successful not only produces effects in regions but also contribute to the production of regions. Effects and consequences are not only questions of the concrete funded project activities formed in business, education or infra-structure, but also of the networking and narratives produced in the very same process. Increasing, we see how 'regions' are used as imaginative labels of projects actually involving only few actors with regions while also some 'outsiders' are involved (Bærenholdt, 2002b). Such processes are especially significant in the trends of international projects of reconstructing the Nordic in the context of the EU as more Baltic than Atlantic, where constructivism has indeed entered not only academic but also practical political production of space (Neumann, 1994; Wæver, 1997; Jukarainen, 1999).

Hence, branding and imaginative policies in regional development is no longer only a question of nationalist definition but also of new 'governance' process where actors such as municipalities, firms, voluntary organisations and EU-bodies intersect by way of networking and narratives reshaping but also reproducing social-spatial borders. This is especially the case in East Nordic (Swedish and Finnish) peripheries. However, this is only one trend. In West Nordic peripheries (Iceland, Greenland and the Faroe Islands) small national communities are also fighting to produce their place in a globalizing world, and here 'nation' and 'region' seem to coincide. The double bound character of these processes can be illustrated by the case of regional policy in Greenland. It is a critical or extreme case, thus illustrative for principle aims but in no way empirically representative for all Nordic peripheries.

#### The case of regional policy in Greenland

Greenland has no specific regional policies. Meanwhile, questions of regional distribution and development are issues embedded in nearly all policies of the Greenland Home Rule Government. Regional policy questions are very important in several scales from town-village relations to

Greenland's international relations, but these questions are not addressed as regional policy questions as such. Apart from Greenland's national question in relation to the Danish Kingdom, regional questions have been in centre of the post World War II modernisation of Greenland. During the 1950s and the 1960s, after Greenland was no longer a formal colony in 1953, modernisation plans included ideas about the concentration of the population in the Open Water Area towns (from Paamiut to Sisimiut) in West Greenland. However, population concentration never occurred to the extent one could expect from the ideas. Still, the regional questions embedded in settlement policies as well as EU policies, were central motives behind the 1979 Greenland Home Rule Government, and these questions continue to be central in public discourse on social, industrial and infra-structural development of the towns and villages in the vast territory of Greenland. The Home Rule government announced to stop the centralisation policies pursued by the Danish State and saw the problems of industrial development and social conditions as an effect of these policies. Therefore, the Home Rule Government discourse has been concentrated on taking local possibilities and needs as the point of departure (Landsplanredegørelsen, 1994: 195). However, the regional policy discourse of the Home Rule Government in the 1990s (Landsplanredegørelsen, 1994: 197) is concentrated on welfare policies and these are dominated by the concern of optimising national incomes. In fact, the only regional question, that has a dominant role in public discourse and official reports (Danielsen et. al., 1998), is the national question of economic growth in Greenland as such in order to strengthen independence.

Due to Greenland's status as a home ruled area of the Danish Realm, the yearly approximately 3 billion DKK block grant from Denmark to the Home Rule Government, can be understood as a form of regional policy. Here, the term "regional policy" is not used, maybe because few regions consider a grant of around half of the GDP as regional policy means. When Greenland was part of the European Community (1973-1979 as a county of Denmark) until 1985, Greenland received regional policy means from the European Community. Today, Greenland has an OLT-status parallel to other overseas former colonies of other EU-member states, and in combination with fisheries agreements, this also result in transfers from EU to Greenland. All of these means are in fact important resources allocated to the development of Greenland in order to compensate for it's colonial history, military installations, climate and distances. In addition, Greenland has a major scientific importance due to the role of the Icecap in the processes of global change. No doubt, international awareness of Greenland is a political factor very important to economic development. Greenland's interests in opening an "Arctic Window" in the EU Northern Dimension is one example on the role of international symbolic politics in the development of Greenland.

Without the block grant from Denmark and additional funds from EU, the Greenland Home Rule Government would not be able to run business development and subsidy policies and especially the crucial sector policies, that form the welfare state regime and its immense spatial effects. Furthermore, Greenland is involved in cross-border regional cooperation, although this involves much smaller economic resources. Among a number of international and cross-borders agendas where Greenland participate (Bærenholdt, 1999), the Nordic Atlantic Cooperation and the West Norden Fund are the most important in respect to resources allocated for regional development, which is an outspoken objective of these Nordic organisations.

With regard to the possible internal regional policy, which is our main interest here, interesting shifts can be registered in the development of the policies and administration of the Home Rule Government. Until 1989 the Home Rule Government had a specific separate Ministry (Direktorat) for villages and the outer districts. Many commentators have seen the abolition of this ministry as

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the end of regional policy in Greenland, although the outspoken aim was to deal with all parts of Greenland on an equal basis (that is non-discriminative – nor positive discriminative as regional policies). In the late 1990s a new discursive shift appeared in the Greenlandic political culture. In a few years, privatisation became the objective in nearly all sectors; a number of standard economy reports recommended such strategies that soon became the normal political terminology (Nielsen, 2001). Without explicit references to this, in fact a growth centre policy has been implemented in Greenland. Main objectives are connected to the national development of the Greenlandic economy, as was already the main idea of the mid-1990s official reports (Landsplanredegørelsen, 1994). As has been the case in Iceland, thereby regional development becomes a mean for national development, not a question about redistribution. In public investigations, attitudes and values attributed to distribution and settlement (as in the case of the unitary price system) is seen as an obstacle to (especially export) business development (i.e. Danielsen et. al, 1998: 141). In stead of a regional policy, Greenland tries to develop an industrial or economic development policy for the whole country, where the attitudes and values of the population is of more concern than regional inequalities as such.

In addition to various business development strategies, somehow kinds of regional policy, the policies with the strongest regional effects are without doubt to be found within the overall regulation of the different sectors of the operation of the Greenland Home Rule Government.

Major policies with profound regional effects are with in social services, labour market policies, health and education. In all of these sectors, contemporary discussions are very much on regionalization. This means ways of reorganising the administration and supply of these services in scales smaller than the Home Rule Government and bigger than the municipalities. Also, the association of Municipalities in Greenland (KANUKUKA) is a more or less independent actor in these sectors, and this is no surprise taking the strong organisation of Greenlandic municipalities in to consideration.

The Home Rule Government for years discursively stated to build policies on local capacities, while in fact more and more concentrating on national growth. Of course, both allocation of resources and discursive formation may produce some effects, but in respect to innovative developments producing new socio-ecomomic structures in response to challenges of a globalizing and increasingly knowledge-based economy, it is our evaluation, that little innovation happen locally without networking efforts of actors locally. This evaluation fits with recent trends in both discursive and practical regional policies in Greenland, where the role of municipalities as developers has been strengthened. The trend was manifest in the 2001 municipal elections. Here, the Prime of Greenland clearly stated, that it was the role of municipal government to strive for local and regional development through what he called a "midwife" strategy: It is expected that municipalities take care and responsibility for local socio-economic development. In practice, this means that municipalities engage directly in starting business development, while withdrawing afterwards. Much is therefore left over to private business entrepreneurs and their networks, where we can ask and investigate to what degree the coping strategies involved are mobile versus territorial, and bonding versus bridging.<sup>5</sup>

<sup>5</sup> Case studies of projects of fisheries and tourism developlemt in the localities of Ilulissat and Uummannaq can be found i Bærenholdt 2002a.

## Regional policies for 21<sup>st</sup> century Nordic peripheries

The case of regional policies in Greenland revealed a complex mosaic of processes producing Greenlandic society. First of all, the policies of introducing and implementing Home Rule in the 1970s and the 1980s were based in specific blue prints of a future Greenland independent from the EU and based on the culture of villages and hunters. In this period, regional policies were explicit projects of society-building paradoxically talking about decentralization while acting more in the direction of centralization of power in the Home Rule Government. This was a attempt to produce a society of territorial bonding.

Second, a new political discourse combining the project of national independence and mainstream economic thinking about business development as an instrument to this, with less consideration about regional effects inside Greenland, saw the light in the 1990s. This shift should be seen in the light of the a continuing Danish Block Grant to Greenland amounting to around half of GDP, thus producing a feeling of alienation and dependence. It became a project of shaping a "normal economy" through integration and participation in the global economic. This is a project of shaping business relations and other connections of the mobile bridging character, but in order to procude social orders of territorial bonding.

Third, regional policies are also international, but in very different ways. There are silent Nordic trans-national cooperation funding crossborder business developments, but there are also more discursive but less concrete initiatives in relation to an Arctic Window in EU or projects of the Arctic Council. There are different attempts of making use of and construct mobile bonds thus facilitating cross-border business developments or just international awareness (for example as tourist destination).

Finally, municipalities do regional policies, either in form of midwifes for business initiatives fitting into the second and third point above, or in the form of regionalization, which is territorial bridging between municipals units in public services. Mid wife strategies for international business development are often connected to bodies and institutions of crossborder trans-national cooperation, as well as direct connections to international business partners. Thus such mobile relations are crosscutting the 'national' in significant ways. The process is double. Networking and construction of images and brands across the 'national' is also an instrument to strengthen, exactly, the 'national'. This is the strategy of peripheral governments' efforts to co-produce specific forms of globalization, expected to simultaneously produce 'national independence' and 'economic interdependency and integration'.

Spatial production of societies in Nordic peripheries is about reshaping place in international relations. It is coping processes aiming at producing social orders on the move. Connections, flows and multiple places are involved in more or less systemic process. Urry show "... that there are 'societies', but that their societal capacity has been transformed through becoming elements within systems of global complexity. These systems possess no tendencies towards equilibrium and all sorts of social relationships get ineluctable drawn into the attractor of glocalization. There are various networks and fluids roaming the globe that, unlike societies, possess the power of rapid movement across, over and under many societies as 'regions'." (Urry, 2003: 106-107) The systems of glocalization are not beyond the control and actions of societies; they are co-produced by the engagement and enforcement of societal strategies of getting involved and building fluids and

networks. Glocalization is practiced, and many actors in Nordic peripheries contribute to this.

Nordic peripheries, such as Nordic Atlantic societies studied in the paper, are not given things. They are spatially produced over time through coping strategies (including regional policies) in three dimensions: Innovations establish new solutions that combine territorial and mobile forms of regulation of resources and flows in the environments, productions, transports and markets, thus spatially positioning societies as a place in a globalizing economy. Networking establish crosscutting connections that bridge social sectors, groups and actors, while it does actually also produce social orders in the form of normative bonds of communities such as ethnicity, nation, region, place and company. But these processes would hardly produce 'societies' without the third dimension of formation of identities, which is about 'societies' as the communal making sense of innovations and networkings. The connections and making sense of innovations, networking and identities are on the agenda in the regional policies of the Nordic peripheries of the 21<sup>st</sup> century.

Parts of the text of this paper are also included in the author's chapter forthcoming in J.O. Bærenholdt and K. Simonsen (eds.): Space Odysseys – Spatiality and Social Relations in the 21<sup>st</sup> Century, or in Bærenholdt 2002a.

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