

# THE BEST POSSIBLE NORTHERN ECONOMY?

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# Definition of the social economy

- The part of the social productive system that lies outside the direct ambit of government programs and large businesses
- Includes: small business, not-for-profits, cooperatives, family-based production, traditional or non-commodified production, volunteer support for others

# Or....

- "all community-based organizations that occupy the societal space between the private and public sectors."

(MacDougall, 2006 for Department of Human Resources and Skills Development Canada)

# Why is it important to study the social economy ?

- Focus on governance – does not inform policy choices
- Focus on mega-projects and regulation of same – insufficient research on alternatives, ad hoc approach to community “impacts” and deficit-based “training programs”, reification of “traditional knowledge”

# Linked economic policy challenges

Uneven development

- spatial
- income and economic security

Destruction of the enduring economic base in the small communities

# Uneven Development

## REGIONAL CENTRES

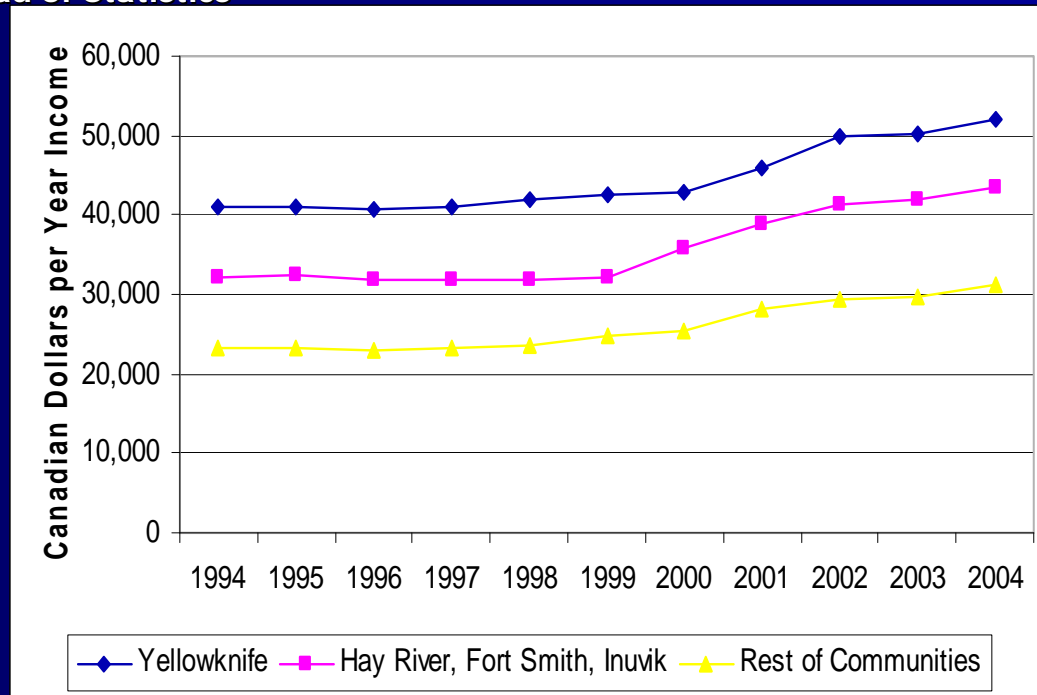
- High employment rate
- Population increase
- High prices
- Vulnerable to boom and bust

## SMALLER CENTRES

- Lower employment rate
- Population stable
- High prices
- Strong reliance upon country food

# Average Income by Community Type 1994-2004

Source: NWT Bureau of Statistics

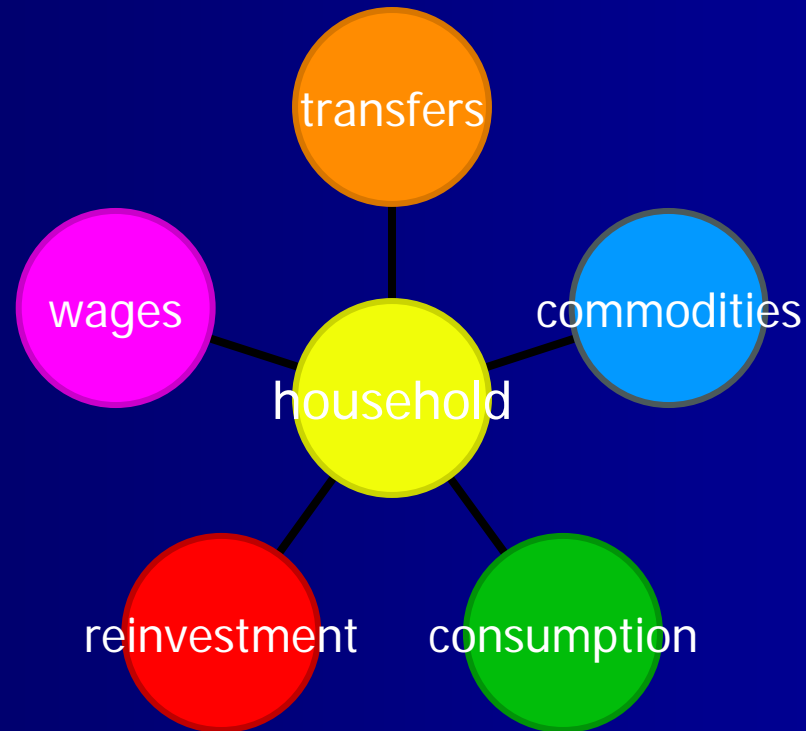


# Viability of Small Communities

- More than just hunting: language, culture, gathering and preparation, products based on hunting and gathering
- Web of relationships and exchange
- Enduring social safety net
- Sustained by intergenerational transmission of knowledge and values



# Household in a Mixed Economy



# Features of the mixed economy

Indigenous adaptation of longstanding (precontact) productive practices and social relations to opportunities for

- trade
- employment
- social transfers

# Features...

- Adaptable
- Resilient
- Depends upon access to renewable resources
- *Potentially* a different material base for the social economy than prevails in wage centres

# Research questions

- What has been the impact of state policies on the northern social economy?
- What is the impact now?
- Does the northern social economy exist in two forms –small communities, and wage centres?
- Do state programs to support the social economy displace or sustain the mixed economy?

# A sample of findings

Three moments:

1950s Postwar statism and enthusiasm

1960s Capitalism will provide

1970s What about the people?

# 1958: Postwar Statism

“All...agree on the desirability of more research and planning (which involves more expenditure of money) by both public authorities and private enterprises if future development is to be carried on wisely and economically.”

(Frank Underhill, for the Royal Society of Canada)

# 1968: Capitalism will do it?

Northern development is “the establishment of economic activities capable of sustaining a population residing in a given area and the subsequent creation of the political and other social institutions which *we have come to regard as being the normal attributes of a civilized community.*”

Kenneth Rea in *The Political Economy of Northern Development*.  
(emphasis added)

# 1978: Maybe not? Or, what about the people?

“[How can]...small northern communities that wish to preserve their essential character...undertake development that is compatible with their preferences and aspirations?”

Ed Weick, federal public servant, at an NGO-sponsored conference



# Dualisms in thinking about northern economic development

Modern

Traditional

Wage economy

“Traditional pursuits”  
(aka hunting etc.)

Northern frontier

Northern homeland

# Beyond Dualism?

- Historical perspective
- Focus on modelling the economy at the local level
- Invent new units of analysis
- Include the invisible
- Connect 'up' to policy level