# The Concepts of "Post-industrial Shift" and their Relevance to the Arctic Context: A City Study of Iqaluit, Nunavut.

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## Abstract

Mega-trends emerge from the restructuring of the global economy. These interrelated processes, often referred to as 'globalization' and 'post industrial shift,' are characterized largely by the international mobility of capital; political change, shown in the decline of the welfare state and the decentralisation of public administration; technological change and progress in communications and manufacturing; and increasing social and economic polarisation. The discussion that follows is an excerpt from a larger paper that traces these trends and relates them to the more localized processes of socio-economic, cultural and physical change in the Arctic community of Iqaluit, Nunavut (population. 5000 Feb./00).

## Introduction

For hundreds of years, the Inuit people have been living a traditional way of life along the shores of Frobisher Bay. By 1914, the Hudson's Bay Company had set up a number of trading posts around the shores of the Bay to trade with the local Inuit population however, the contemporary foundations of the community of Iqaluit were laid in 1942 with the construction of the American Air Force base at the head of Koojesse Inlet (Newberry, 4). Now, as we move into the 21st century, Iqaluit is going through radical processes of economic, social and urban change as it assumes its new role as the capital of the new territory of Nunavut. To better understand the components of change in Iqaluit, it is useful to apply understandings of several trends: globalisation and post-industrial shift in the world economy. It is useful to note that the community is both responding directly to these trends, while in certain cases, has been able to resist these global processes in a countervailing manner. In the case of Iqaluit, the force of these trends is being rebuffed by the particular socio-cultural and economic realities of the community. It is also worthwhile noting that in some respects, the processes of global change will have a slightly different effect on a community of 5000 than on a city of 5 million.

## **Post Cold War Political Development**



Hercules transport plane lands in Iqaluit

Political events have continued to prompt great changes in the structure of Iqaluit. Whereas Cold War tensions saw the strategic interests in the community change, similarly, the signing of the new political agreements with the Inuit of the Eastern Arctic are currently the mechanisms influencing the further development of the community. The signing of the Nunavut Land claim settlement in 1993 turned control of over 350 000 km/2 of land, along with 36 000 km/2 of mineral rights, to Inuit management (Government of Canada, 1999).



Land claim negotiator, Jack Anawak, in front of the new legislature building in Iqaluit.



Kayak guide serves the growing tourism market in Pelly Bay.

#### **Economic Impact of Land Claims Settlements**

Economic change in Iqaluit has taken place in a fashion that is consistent with the post-industrial shift from heavier, to more service based industries. This process is shown clearly with the history of the community based on the military industry, which has transformed to the present burgeoning public service of the new Governmental, and Land Claims Management Corporations. With employment and economic activity growing in the community, the impact of the post-industrial shift has actually been positive.

Along with the financial settlements of the land claims process comes the need to manage the financial benefits. The Nunavut Tungavik Corporation was established to manage these resources. The significance of the Land Claims Management Corporations as a countervailing force to "the international division of labour and the spatial decomposition of economic activities" is tied to their mandate to act in a capacity for community development and resource management (UN-ECE, pp.5). The Mega-Trend processes in the global economy refer to the "decomposition of production processes to allow capital to exploit production sites throughout the world." (Ibid.) However, with significant amounts of capital located in the control of local Inuit corporations, the Northern economy becomes more insulated from the whim of the International market; with viable, diversified local businesses able to take on the role of socio-economic development agency acting in the interest of the local population (Harper, 1999, pp.97).

#### Social Change



Traditional activities like the seal hunt become less important to the livelihood of those involved in the wage economy

The study of Mega-trends associated with globalization and post-industrialism, reflect an "increasing social and economic polarisation within cities." (UN-ECE, pp.4) These trends can be seen to be operating on a limited level in the community of Iqaluit. Participant interviews have indicated that the society has changed toward more polarisation between those members of the community that remain tied to seasonal

employment and a subsistence existence, and those that are benefiting from the Land claims settlement through employment with the claims organisations and the

government.

We also see processes associated with the spatial development of labour having an impact on the community of Iqaluit. In the context of the global environment, we see this process taking the form of international migration and the mobility of labour. (ECE, 4) The most recent community census indicates the percentage of Iqaluit's population that has moved in the last 5 years is 76%. (Statistics Canada, 1996) The high percentage of the population made up of migrants, transients, and non-permanent residents, suggests implications on the cohesiveness of the social structure and strength of the civil society organisations of the community in the future because they lack a strong base of support.

The processes of urban change in the community of Iqaluit have, in may ways, been influenced by the same phenomenon that have affected cities around the world: decentralisation in public administration and a shift in decision making power from central to local levels. (UN-ECE.pp.8) Though in the case of Nunavut and its capital, Iqaluit, the response of decentralisation is not firmly based in Post Fordist notions, rather it is a strategy to distribute socio-economic benefits equitably. In the design of the institutional systems for the new territory, the Inuit leaders realized that the new infrastructure would mean increased benefits to the communities in which they were located, and thus came up with an organizational mechanism of decentralization that would serve to spread the institutional headquarters and employment around the new territory.

## Urban Change



The commercial core of the community has developed rapidly in the past few years.

The forces of social and economic change that have already been discussed can be seen to prompt urban change. Discussions with a planning consultant contracted to the Municipality of Iqaluit, revealed pressures of urban change which are manifested in the following different ways: the need to construct hundreds of new housing units to meet the need of the growing population (now estimated at 5000, Feb. 2000) is perhaps the most pressing need in the community; the need for a new sewage treatment facility; the need for a comprehensive recycling and waste management strategy; along with the need for a traffic management system in the CBD (presently the community has no stop lights, and none of the roads are paved). However, in this time of radical change in the urban form of the community, urban development can be seen as having difficulty resisting the development of socially significant spatial clusters based on employment advantage and income.

# Conclusion

In Iqaluit, we see similar processes taking place visa vie other postindustrial cities in the globalising world. The loss of a compact urban fabric is an example of the trends of dispersal in urban area taking place in the global environment. (UN-ECE, 4) Iqaluit has sprawled in the words of one local resident, "half way to Apex" (A community 8 km to the southeast). As a factor of this dispersal, Iqaluit is also showing the development of socially significant spaces of higher income at its periphery that are tied to the notions of



The aerial view of Iqaluit shows few natural boundaries to the sprawl of the settlement.

social polarization mentioned earlier.

The community of Iqaluit also shows us examples of how we can relate the understanding of globalization and post industrialism to an urban environment where the scale and geographic context are much different than the metropolitan environments to which they are usually applied. These differences in scale are significant because they obscure the trends and processes that would be apparent in a much larger context. However, identifying these trends and changes in the economic, social and urban structure,

allow us to make more informed recommendations to deal with mounting urban challenges and their necessary responses.

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