What Has Been Learned Should be Studied and Passed On: Why the Northern Co-operative Experience Needs to be Considered More Seriously

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Abstract: Since their beginnings fifty years ago, co-operatives have become a common institutional form in the Arctic regions, existing in virtually all communities. This article outlines the extent and nature of the northern co-operative movement. It briefly reviews some aspects of its history and discusses the varied economic and cultural roles co-operatives play in northern communities. It shows that they evolved generally within a form of partnership between northerners and southerners and displayed remarkable entrepreneurial capacities on both local and regional levels. The article argues that co-operatives have been and are a successful form of northern enterprise, though they have encountered many adversities over the years. They have contributed significantly to the financial, human, and social capital of the region. They have involved a steadily growing number of Indigenous people as employees, managers, and directors. The article questions why, in the discussions of future economic and social development in the northern regions, more attention is not paid to the possibilities that the co-operative model offers, given what co-operatives have accomplished in the past and are accomplishing in the present. It calls upon researchers, within and outside the academy, to take more seriously the roles co-operatives have played within communities and across the northern regions.

Co-operatives (co-ops) can be found in virtually all of the Inuit and Inuvialuit as well as some of the Dene and Innu communities of Canada’s northern regions. After governments, they are the largest employer in the Canadian North, a position they have held for many years. They are significant community-based economic engines that provide numerous services. In Mittimatalik (Pond Inlet), for example, the Toonoonik Sahoo nik co-op operates no less than fourteen kinds of businesses, including a store, an Inns
North hotel (the chain of hotels operated by the northern co-ops in Nunavut and the Northwest Territories), the community’s post office, outfitting and adventure holiday services, fuel delivery, cable television, a restaurant, a snowmobile repair shop, and Inuit art sales. Given the common trend within the business world in recent decades (even co-operatives) to narrow what they try to do for their customers or members by pursuing only “core” businesses, this is an amazing tendency. In part, such entrepreneurship is a reflection of the desire of the northern co-ops to respond to community needs and not just to pursue the most profitable business options available; in part, it is a consequence of the limited markets in which northern co-operatives find themselves dominant—in some communities, they are the only locally owned businesses; and, in part, it is a reflection of the remarkable flexibility of those responsible for the co-ops over the years.

This article discusses the development of co-operatives in the northern regions of Canada, emphasizing the importance and appropriateness of that form of enterprise for northern communities. It briefly considers the nature of the northern co-ops and how they emerged through associations between southern and Indigenous people, and it suggests that co-ops have been an important way in which Indigenous peoples have empowered themselves. In particular, it advocates that co-operatives, a successful part of the northern past, should be more central in discussions of the northern future.

The Nature of the Northern Co-operatives

From an institutional perspective, the northern co-operatives are like co-ops everywhere. They are owned, on a one-person, one-vote basis (not on the basis of individual or family investments), by their members, who are also its main customers or users. They distribute their surpluses (or profits) on the basis of participation: i.e., according to how much a member has bought or sold through them. They undertake, as one of their purposes for existence, a special obligation to the sustainability of the community or communities in which they exist. They aspire to operate in as transparent a way as possible, communicating with members regularly about their businesses, and training both elected leaders and employees to be regularly and appropriately accountable for their actions. Co-operatives associate with each other in a democratic manner through central organizations they own or through alliances they form to reduce costs and to provide themselves with necessary services. They seek to be as autonomous as possible from governments and other organizations.

Beyond these basic similarities, however, the northern co-ops, like co-operatives in other places, vary considerably in what they do and how
they do it; a situation that can confuse those people who expect co-ops to be everywhere the same. These differences, however, usually become understandable when the co-ops are considered within their varied contexts. This is a theme alluded to in various ways in this article, but it is one that awaits much further research, some of which is being undertaken.4

As businesses, the northern co-ops have complex histories that stretch back to the 1950s. Aside from the descendants of the fur trade era (such as the Northern Stores), co-ops are generally the oldest and most permanent businesses in the regions. They are remarkable examples of successful locally owned enterprises in regions where the challenges to businesses can be immense and failure is comparatively commonplace. The complexities involved in developing northern enterprises are different in kind and scope from the challenges generally facing businesses in the South. The co-ops have dealt with these complexities with considerable effectiveness over the years, while at the same time they have learned how to adapt to the special and often complex dynamics typical of co-operative enterprise.5

As institutional formulations, the co-ops also reflect in their everyday activities the diverse and sometimes conflicting cultural traditions of their members and invariably the communities in which they live. On the one hand, they are affected by communal traditions and patterns of life and relationships as they have existed among northern Indigenous peoples historically and that are still currently manifest. In other ways, they reflect conceptualizations of community as fostered by governments, religious emissaries, and other southern sojourners in the North over the years. This mingling of traditions within co-operative structures has helped to create organizations that are qualitatively different from southern forms of enterprise (including many co-operatives) and in some ways from other northern businesses as well.

In fact, the co-ops can be seen as windows into a broad spectrum of northern experience over the last half-century. Their internal histories over that period, their current diverse roles, present contributions, and future possibilities are more complex and interesting than might be evident if one thinks of them only as physical presences—as stores, hotels, campsites, and art shops. The buildings should be seen as symbols of efforts to transcend significant cultural diversities and social issues as well as economic obstacles that are central to any complete understanding of the co-operative reality in the northern experience—or, indeed, of any complete understanding of the northern regions themselves. In that sense, they are concrete manifestations of communal engagement and of a discourse between northern and southern co-operators stretching over some three generations, each generation being
profoundly different from the others. They represent the mobilization of local
resources, in the beginning often associated with arts and crafts, but also, and
ultimately more importantly, a wide range of economic and associated social
activity. Over the years, they have mobilized an impressive range of direct
voluntary contributions, of social and human as well as financial capital, and
of continuous engagement with the special dimensions of community-based
enterprise. They are the result of remarkable ingenuity derived from both
northern and southern resourcefulness.

The co-ops, therefore, are more than they appear. They deserve to be
more fully studied, understood, and appreciated, not least in the Arctic and
northern regions themselves. Given their past and present roles, the co-ops
provide models that the people of the Arctic and northern regions should
ponder as they search for a future in which they try to maximize democratic
control over local communities, meet pressing social issues, and cope with
environmental change.

The Emergence of Northern Co-operatives

Most of the Arctic co-operatives emerged during the 1960s and early 1970s,
a period of dramatic change in the North. It was a time when diseases,
particularly chest ailments such as tuberculosis, influenza, and pneumonia,
swept the northern regions, exacting heavy tolls, psychological and communal
as well as physical. Many Indigenous families moved to be closer to fur trade
posts, schools, stores, and medical/social services, in the process reducing
their annual migrations in search of food. That transition ultimately lessened
their connection to the land, and with it the independence that had once so
characterized their way of life. A growing number of Indigenous youth started
to attend schools, in many instances residential schools, the consequences of
which are only now beginning to be understood within the wider Canadian
community. In some areas, over-hunting and over-trapping, as well as the
shifting migration patterns of some animals, created acute shortages of food;
all too often, it caused starvation. Even more rapidly than in the earlier years
of the century, the lives of the Inuit were being transformed, their traditional
communal life being uprooted as new community relationships started to
appear, and as southern versions of “community” became more common.
Co-op networks and services helped to fill some of the voids that were being
created.

The government of Canada was particularly interested in establishing
permanent communities because it was concerned about sovereignty issues.
The development of co-operatives can also be seen at least partly as a way that
the federal government encouraged southern forms of stability in the Arctic
regions. That is why the government, often working with priests and police officers, helped establish co-ops in nearly all the Arctic communities. That is why it particularly helped organize co-ops in communities facing significant challenges, such as Grise Fiord and Resolute Bay, two communities developed through questionable relocations. Co-ops were one way in which governments, especially the federal government, tried to address issues they otherwise could not.

In the same period, the federal government was also concerned about how to apply the southern norms of an emerging welfare state in the vast and lightly populated northern and Arctic regions. It saw permanent communities as the necessary framework within which to do so—a necessary conduit through which to deliver health, education, and other government services. The government realized that it needed to build, or encourage the construction of, buildings that could serve community purposes and provide housing that was sufficiently “southern” to attract and hold the kinds of people needed to carry out its plans for the regions: the nurses, the police, the teachers, the merchants, and the missionaries. It needed to attract the scattered Indigenous peoples to those communities by providing new forms of northern housing with all that meant for construction challenges, extra costs, architectural innovation, budgetary allowances, and cultural intrusions. It recognized that it had to encourage the development of stores and enterprises that could serve the clustering populations better, both by providing competition for existing retailers and by using co-operative systems of accountability and fair pricing. Co-operatives were significant aspects of the southern vision of community encouraged by government in the 1960s and 1970s.

The communities were also crucial nodes for the development of the northern resource frontiers and the widening searches for petroleum and mineral resources, as well as the fluctuating efforts to extract them. They were important parts of the infrastructure that supported the quickening exploration—the expeditions and intensive mapping—of the regions made possible by new scientific techniques and improving transportation systems. They were useful, not only for the food and supplies they retailed, but also for the hotels they started to construct during the 1970s.

Nor could the pace of change and engagement be undertaken in a leisurely fashion; increasingly, through the writings of Farley Mowat and others, the North, near and remote, was quickly becoming better known in the rest of Canada; its potential and issues could no longer be ignored as much as they had been or as easily dismissed by governments and opinion makers in the South. Slowly, though still without much foresight,
the Canadian nation was being pushed and pulled to assert its control over
the regions, trying to understand what was involved in governing them and
attempting to replicate in most key respects much of the southern notion of
what stable northern communities should be like. Thus the pressures on the
coop-erative organizations to develop quickly were unrelenting, straining
their human resources, including both employees and elected officials.

Many of the northern people involved with the co-ops, particularly
in the 1970s and 1980s, went through quite steep learning curves as they
mastered business practice and learned about roles and responsibilities
within co-operative structures. On the one hand, this was relatively easy as
they culturally seemed to understand the values that underlie—or should
underlie—coop-erative efforts. On the other, it was not easy, since they had
to learn southern managerial practice and regulatory regimes in order to
operate the co-op-erative businesses. As John Ningark, the first manager of the
Koomiut Co-op in Pelly Bay when it was formed in 1966 (and subsequently a
member of the Nunavut legislature), wrote some thirty-five years later,

For the Inuit of the Kugaaruk the idea of a co-op-erative movement
was nothing new. In fact, the principles of the co-op-erative
movements were not only similar to what Inuit believe, but
were practices for thousands of years as a means of survival. The
only thing that was new to the Inuit was a record keeping in its
administrative sense.⁹

The northern co-ops, therefore, more obviously than many elsewhere,
must be seen as community organizations, an engaging challenge because
the northern communities are very complex, despite their relatively
small population size. Some are old. Others have been created in the last
sixty years, in several instances bringing together people who previously
had mingled infrequently or perhaps not even at all. The encouragement
of family and kin networks, therefore, are vitally important to the social,
economic, and political fabric of such communities—as they are to the co-
ops. Moreover, the population has one of the highest birth rates in Canada,
with all that means for education, training, and unemploy-ment pressures,
as well as for merchandizing in the stores. Most communities are made
up largely of Indigenous peoples who work within communities that are
partly “traditional” and partly driven by southern market forces. All of the
communities are constantly searching for new and sustainable economic
opportunities, often desperately so. Many cope with serious social issues
reflected in underemployment, high suicide rates, poor dietary practices,
diseases of various kinds, and family violence.
All of these realities affect the co-operatives in various ways: the kinds of businesses they operate, the employment practices they need to follow, the community programs they sponsor, and the issues they have to face. At the same time, they provide opportunities for new and different kinds of co-operative activity as long as the possibilities are realized, the policy framework is right, and the resources are available for the expansion of the movement.

The Contributions of People from Outside the Regions

A number of southern officials from the federal government were primarily responsible for bringing the idea of formal co-operative organizations to the North. The first co-operatives were opened in Kangiqsualujjuaq (then called George River) and Port Burwell on Killiniq Island (the Kikitoayak Eskimo Co-operative) in 1959, largely through the efforts of government officials. They were followed by others, ultimately in nearly all of the Arctic communities and a growing number in other northern communities as well over the following two decades.

Most of the officials who oversaw the opening of the northern co-ops were employed by the federal Department of Northern Affairs and National Resources, which up until 1966 had responsibility for the more Arctic regions and especially for the Inuit. A number of them possessed considerable knowledge about, and enthusiasm for, co-operatives. Donald Snowden was an enthusiastic and forceful supporter of co-operative enterprise and promoted them vigorously before and while he was chief of the department’s industrial division in 1964-65. Two other members of the department, Alexandr Sprudz, a Latvian, and Paul Godt, a Netherlander (and head of the department’s co-operative division), for some twenty years worked extensively in the field and within the department to foster all kinds of co-operative enterprise. Both men were well steeped in the co-operative traditions of their homelands and can best be described as co-operative enthusiasts. They shared the international, social, and universalistic commitments commonly found in co-operative circles at that time: they believed that the co-operative model could be an effective way in which people in all kinds of communities around the world could democratically address a wide range of social and economic issues. Theirs was an open-ended kind of commitment.

The department’s efforts in the North assisted the better-known work of southerners who promoted the Inuit art businesses from the 1960s onward, including James and Alma Houston and George Swinton; their work in popularizing Inuit art contributed significantly to achieving commercial success in southern Canadian and other markets. The department also
assisted the Canadian Guild of Crafts and subsequently other organizations that sought to apply quality standards to the acceptance of arts and crafts from local communities; in effect, in co-operative terms, to regulate the supply in terms of quality and quantity in order to secure reasonable prices and build reputations. It helped to identify sales outlets, facilitating the storage of the art until it could be distributed, and encouraged the federal government to feature Inuit art in its national gifts to distinguished visitors as well as in overseas embassies and public celebrations. The best known of these initiatives was “ookpik,” a snowy owl doll created by the Fort Chimo co-op in the 1960s; it became a national icon during the Montréal Universal and International Exposition held in 1967 (Expo ’67).

The early development of the art business depended to a significant extent upon southern supporters who were enthusiastic about the art and what it represented for both the North and Canada generally—though of course the sources for the northern perspective were essentially Inuit (more recently Dene). In the final analysis, whatever the form or production technique, the art was the result of ancient understandings and traditions, of northern visions and Indigenous skills. The complex networks of businesses that resulted from this enthusiasm represented a blending of interests, a sharing of techniques and determinations in both the Arctic and the South, a process necessary for financial success. Though one might argue that the emphasis on “traditional” art subjects and motifs during the early years of the art business tended subsequently to restrict artistic perspectives, the blending of northern and southern interests and values was important for the emergence of very important northern businesses and media for Inuit expression. Understanding the relationships, the kind of innovations they fostered, and the underlying commitments of those concerned, some of it quite complicated and not without debate and agony, is a case study in the effective development of co-operatives—a model that might be imitated effectively elsewhere if it were better known and respected for what it accomplished.

There were two other groupings of southerners who contributed significantly to the development of the northern co-operatives. One group was connected directly to the southern co-operative organizations, notably the southern wholesales, such as Federated Co-operatives Limited, the Co-operative Union of Canada (the national apex for co-operatives in English-speaking Canada established in 190935), Le conseil canadien de la coopération (formed in 1946), the nexus for Francophone co-operatives in Canada, and the mouvement Desjardins, the powerful financial arm of the Québec movement. In the 1940s and 1950s these organizations were searching for new ways
to demonstrate the possibilities of co-operative action, culminating in the expansion of co-operative financial institutions and new initiatives in health co-operatives, housing co-ops, worker co-ops, and new forms of consumer and agricultural co-operatives. It was one of the most dynamic periods in Canadian co-operative history; the leaders of that time—Alex Laidlaw, Henri-C. Bois, Ralph Staples, Harry Fowler, and Cyrille Vaillancourt—were among the most creative and visionary that the Canadian movement has ever produced. The development of the northern co-operatives must be understood within the context of this remarkable generation's commitment to the more widespread use of the co-operative model. It bred enthusiasm later generations would be hard-pressed to sustain.

The second group of people from outside the region included people who resided for varying periods in the North and became to a significant degree “northerners.” They included several people who evinced a deep understanding and concern for the northern regions, attitudes, and commitments that contributed significantly to the development of co-operatives. They had differing connections to governments, varied associations with other organizations, and significant ties with southern co-operative movements. Economic officers from the department of northern affairs played crucial roles in many instances, particularly in Nouveau-Québec and Baffin Island, but so too did some individuals among the Royal Canadian Mounted Police (RCMP), missionaries, and teachers. These southern sojourners were important in helping to explain the intricacies of co-operative membership, governance, and management to the Indigenous peoples; they also typically undertook, at least in the early stages, to help maintain the written records required by the legislation governing co-operatives; they had the necessary understandings to negotiate contracts with employees, especially managers, that met legal standards.

Some of the leaders from outside the North spent many years there and included some Europeans as well as southern Canadians: people like Andrew Goussaert, Ted Sabine, and Terry Thompson in the Northwest Territories, and André Steinmann and Peter Murdoch in Nouveau-Québec. Murdoch (who lived off and on in the North for more than forty years) and Goussaert (who lived in the Arctic for nearly thirty years) played particularly major roles in helping the northern co-ops develop their central organizations amid difficult challenges in the 1980s and 1990s.

Some insight into roles of “outsiders” in the early development of the Arctic co-operatives can be ferreted out of government and co-op records, but unfortunately there are only a few recollections by some of the individuals concerned. Much of what exists relates primarily to the development of the
arts businesses but it includes very little about the development of other and ultimately much more important aspects of co-op activities in the North. It is an oversight that needs to be corrected quickly by people interested in how the northern co-operative movement developed.

In a broader international view—a way in which northern co-operatives should ultimately be understood—the co-operators from outside brought important perspectives from many parts of the world. Canadian co-op leaders in the fifties and sixties were becoming increasingly aware of new international co-operative endeavours in the parts of Asia, Africa, and Central and South America, where standards of living, as usually understood, lagged far behind the industrialized nations of the northern hemisphere. In the 1960s, international development programs developed by several countries, often in association with the United Nations, promoted co-operatives as effective ways to foster economic development, address social issues, and inculcate democratic practices. Many of the leaders of countries seeking independence from the northern empires at that time, people such as Jawaharlal Nehru of India, Julius Nyerere of Ghana, and Forbes Burnham of Guyana/British New Guinea, strongly promoted co-operatives as ways to encourage local development and to increase independence from northern nations. The founders of the northern co-ops reflected many of the same ideas and aspirations; they shared similar visions.

Many Canadian leaders—and not a few members—of the Canadian co-op movement wondered how they should relate to the evolving international roles for co-operative enterprise. They were interested in becoming involved with the developing Canadian program in international assistance, the program that started through the Empire/Commonwealth with the Colombo Plan in 1950 and in 1968 became the Canadian International Development Agency. They also began to wonder whether the encouragement of co-operatives as a means of development might be useful in meeting the increasingly more complex problems confronting Canada’s Indigenous peoples. In the late 1950s and in the 1960s, the two movements started their development programs internationally in the Caribbean, South America, and Africa.

The northern co-op development can also be placed within the general North American activism of the 1960s, the activism still celebrated in popular culture and most forcefully demonstrated within the American civil rights movement. The northern developments were part of an international pattern and should not be seen just in local contexts. They were generally a success story that deserves to be understood more deeply and more widely because they were part of a global phenomenon. Some of the lessons that can be
learned from the strategies that worked in the North—and those that did not—could be useful to others. The history of the northern co-operative experience has international implications, partly because it has reflected international co-operative associations from the beginning but even more because it has been largely a movement for and among Indigenous peoples, a global theme of immense importance.

The Roles of Northern Indigenous Peoples

A very important aspect of the history of the northern movement, therefore, one that seriously still has to be done, is to understand more fully the roles played by Inuit, Inuvialuit, and Dene. As in much of the history of co-operatives within developmental or imperial contexts, the attitudes and contributions of the people “being organized” are not well documented and are rarely considered adequately. In the case of the Arctic, the linguistic divisions of the northern regions complicate understandings in the early years; the dialects of Inuktitut, let alone the southern divisions associated with the French and English languages, posed difficulties in creating inter-regional consensus and institutional associations. Our understanding is also challenged by the very regrettable fact that over the years very few recollections from Inuit, Inuvialuit, and Dene co-operators have been collected to demonstrate their perspectives as the co-ops emerged and changed. It is an omission that should be addressed as well as it belatedly can be; it is clear that in each local co-op Inuit leaders were central to the effective operation of their boards and in developing effective management systems over the years. They have also contributed significantly on a regional basis through their work on the boards of the central organizations. Overwhelmingly, the employees of the northern co-ops have been Indigenous peoples, though not as many in senior positions outside Nouveau Québec as one might like; nevertheless, their contributions should not be ignored or trivialized. Their stories need also to be told.

One dimension of the northern experience that has not been explored at all is the way in which successive generations of Indigenous people have understood and utilized co-operatives. When co-ops were being organized in the 1960s and 1970s, the Indigenous adults included few with sufficient formal education or training to participate in the most complicated business operations central to the internal operations of the co-ops and their relationships with the central and southern organizations. They were vitally important, though, in enlisting community support and in validating the formation of the co-ops. By the second generation, Indigenous peoples were becoming much more involved, not only in providing almost all the labour
force but also in asserting themselves through the boards of directors. Inuit leaders, such as Louis Tapandjuk, played major roles in the reorganization of the regional co-operative institutions in the 1980s. Many took training programs through their co-ops, though that did not necessarily mean that they would carve out careers in the co-ops: once trained, either as employees or directors, they could and often did move on to other opportunities with other Inuit institutions, local governments, federal or territorial government organizations, and private enterprise. The third generation, essentially including many of the people now engaged with the co-ops, is better educated, more sophisticated, and more assertive. They are very evident in office positions and in the governance of local co-ops; they are more frequently found holding management positions. With each generation, the roles of women in the staff of the co-ops and on the boards have expanded, suggesting an important role for co-ops in the relationships between genders in the North.

Such trends work out differently within specific co-operatives and are the products of local circumstances. This is a complex subject that needs further enquiry, not just for the sake of understanding the northern movement, but also to see how it compares with other movements that emerged through international co-operative development projects in the last half of the twentieth century. One easily finds very similar patterns in co-operative “development” projects in other lands, and it would be interesting for both co-operative studies and development theory to undertake comparative analyses. Doing so would also raise important issues and opportunities for how co-operatives can best be encouraged and for training/educational programs either within co-operatives or offered by such institutions as the Yukon and Arctic colleges and the Kativik School Board in Nunavik.

The Diversities of the Northern Co-operative Experience

We have a tendency in the western intellectual tradition to want to divide our analyses into different ways of understanding, often associated with what have become academic disciplinary perspectives. This approach is difficult when considering the northern co-ops, which function in different ways in different communities and especially among Indigenous peoples, whose understandings tend to be holistic rather than segmented.

To the extent that they function as economic entities, the co-operatives are dependable and permanent institutions that cannot be sold to extra-regional investors for a quick return without widespread member approval. They are permanent and cumulative contributors to the economic health of the northern regions. They are also adaptable, developing whatever economic
activities make sense and can be undertaken. They can and usually do respond flexibly to member pressures, even if that response is sometimes slow in coming. For many years, they have regularly employed over 1000 people directly in their stores and their various other business activities as well as several hundreds indirectly or on a part-time basis through their arts and crafts and tourism businesses. Over the years, many people trained in the co-ops have moved on to other kinds of employment within government departments, in the development corporations, and within large businesses operating in the regions. A significant number of former employees or directors have used their skills to start their own independent small businesses. In other words, co-operatives have served as significant incubators for northern enterprise within themselves or by providing places where people can learn the essentials of operating enterprises and, in particular, the complexities of using community-based ways of doing so.

A crucially important dimension of the struggle to stabilize the northern co-operatives from the 1960s through the early 1980s was the creation of regional organizations to provide supplies, training, financial assistance, and lobbying influence. The first of these was Canadian Arctic Producers (CAP), established in 1965 primarily to market Inuit art. It was immediately engaged in complex businesses involving art adjudication, arrangements for shipments to the South, establishing contacts with galleries, arranging for suitable storage, and deciding upon fair prices, none of these easy in the art world. While it had major problems in capitalization and in developing its business activities, it was an important step in the development of one of the few businesses that have originated in the northern and Arctic regions, by sending “processed” goods elsewhere. In the early days, through the 1960s, it relied extensively on the donated efforts of staff at the Co-operative Union of Canada in Ottawa and even on “warehousing” in that organization’s offices and supply rooms—in fact, it seemed, everywhere one could see in its offices on Sparks Street in Ottawa.

CAP, however, was only the beginning of the difficult task of building regional co-operative organizations. In 1967 the co-operatives in Nouveau-Québec formed a wholesale, La fédération des coopératives du Nouveau-Québec. It served the relatively concentrated co-operatives along the coast of northern Québec, linking them with southern co-ops, government officials, and markets in Québec. In 1972, and after attempts to develop only one organization to serve the northern Indigenous peoples had failed, the much more widely scattered co-operatives in the Northwest Territories created the Canadian Arctic Federation of Co-operatives in the Northwest Territories (CAFC). Initially, these organizations relied heavily upon funding from the federal
and territorial governments, particularly in the 1970s as they and the local co-ops struggled to become stabilized. The amounts involved, however, were not unusual in comparison with the ways in which governments assisted northern enterprise and particularly Indigenous organizations in their start-up phases. Its direct assistance, however, soon began to decline as federal budgets fluctuated and other organizations became more aggressive in pursuing government funds in the 1980s. In fact, in retrospect, the remarkable point about the northern co-ops is that they required so little government support after they went through their formative and stabilizing periods—in other words, the first twenty or twenty-five years of their existence.

Both organizations, but particularly the CAFC, encountered significant challenges in the 1980s caused largely by the generally unsettled economic conditions, managerial inexperience, and the complexities involved in operating northern businesses. Though engaged in the arts and crafts businesses, the two federations were increasingly concerned with the less glamorous work of providing the northern co-operatives with both consumer goods and hardware supplies. It was, and is, a complex business involving, for example, learning and anticipating local demand over each year because of the infrequency of supply shipments, carefully monitoring credit (both with supplying organizations and with members), the training of staff and directors, and the construction (and maintenance) of buildings for both retail space and warehousing facilities.

In 1982 the accumulating pressures within the movement in the Northwest Territories led to the amalgamation of CAP with CAFC to form Arctic Co-operatives, with its headquarters in Yellowknife. It moved to Winnipeg in 1985, part of the restructuring of that year to address costs and improve access to supplies.

The two federations (and the local co-operative societies that owned them) made some remarkable adaptations to the challenges of the 1980s. One of them was the development of the Arctic Co-operative Development Fund in 1986. It was created through the efforts of the tripartite leadership of CAFC—Inuit, long-term residents from outside the region, and managerial employees largely from southern Canada—and a number of dedicated co-operators from Southern Canada, including Norm Bromberger from Saskatchewan and Peter Podovinikoff from British Columbia (at the time chief executive officers of their province’s central credit unions), and Bill Bergen, long-time chief executive officer of Federated Co-operatives, the regional wholesale for consumer co-ops in western Canada. They were three of the most respected and important leaders in the southern movement, an indication of the continuing interest of the Co-operative Union of Canada
and Federated Co-operatives, and the growing interest of some within the credit union movement.

The fund was initially capitalized using $5 million advanced from the federal government’s Native Economic Development Program, a similar amount from the Department of Indian Affairs and Northern Development, and $500,000 from the Government of the Northwest Territories. Most of that money was used to create a revolving loans fund administered for many years by a separate board committed to making sound economic judgements and relying to a significant degree on peer pressure among the co-operatives to ensure reliable repayment of loans. It proved to be an outstanding success, moving steadily forward and nearly tripling its capitalization over the following fifteen years to some $28 million; a remarkable record in northern and Aboriginal enterprise. It is a model that deserves to be understood more thoroughly by people—Indigenous, southern, international—seeking to build new co-operative movements.

This ultimately successful struggle for stability in the 1970s and 1980s invariably involved the importation and adaptation of southern business techniques. In Nouveau-Québec/Nunavik, the managerial structures for the local organizations, like those of the financial and agricultural co-ops in southern Québec, were centralized as much as possible. It was also a function of the relative proximity of the co-ops and the powerful personalities of André Steimann and Peter Murdoch, two of the most prominent early southern leaders devoted to northern co-op development in Québec. This centralizing tendency reduced pressures on local management and made it easier to appoint Inuit workers with limited formal training to managerial positions, meaning that cadres of Inuit managerial leaders began to appear early in the history of co-ops in the region.

In the Northwest Territories of that day, co-operatives were much more independent of each other than their counterparts in Nouveau-Québec, a consequence of geography, history, and personalities—as well as the result of the Canadian inability to create a truly integrated pan-Canadian approach to co-operative development. Local managerial leaders and boards in most of the regions, influenced largely by the precedents of Anglophone Canada, were consequently forced to cope with heavier responsibilities; they had to deal with very complex local operations and they had to make many complicated decisions. This may have ultimately produced stronger boards (an issue that warrants careful examination), but it meant that their managers and accountants most commonly have come from the South. In the 1970s, they developed some regional training programs for promising Inuit in the North and even sent some to the Co-operative College in Saskatoon, but
these efforts declined in the 1980s amid the economic pressures of the times and are only now being addressed again in an extensive way.

Over the last twenty-five years, the northern co-op networks have generally moved from strength to strength. They have cemented business relationships among the co-ops and with others. Arctic Co-operatives and La fédération des coopératives du Nouveau-Québec have become very successful northern enterprises spanning many communities and differences across the northern regions. Though continuing their work with the arts and crafts businesses, they are essentially suppliers for the stores, supporters of the hotel and tourist businesses, providers of training, and funding organizations. Delegates from the co-ops that own the federations elect directors for them from among their own number, meaning that the ultimate leadership for some of the largest northern businesses come from the region. They gather at least once a year in their annual meetings, often held in southern Canada in part because of the ways in which the airlines serve the regions, in part because of the attractions of larger southern cities. Members of the boards of the wholesales meet in person four to six times a year and, with modern communications systems, are regularly in contact at other times. The result has been the emergence of significant regional networks of connected northerners, made up almost entirely of Indigenous peoples. It is an important network with considerable potential for becoming even more important in the future, for economic but also social reasons.

Today, there are some seventy-five co-ops in the northern regions of Canada. Thirty-two of them are members of Arctic Co-operatives. Annually, these co-operatives have sales of over $146 million and return nearly $6 million to their approximately 15,000 members. La Fédération des coopératives du Nouveau-Québec today serves fourteen co-operatives, employs over 300 people, and has annual sales of over $140 million. The two federations, and the co-operatives that own them, are significant factors in the northern regional economies—important businesses for the northern communities.

The northern co-operatives, however, are more than businesses. They have been and are significant, if underestimated, institutions for the social and political life of the regions. On a very direct level, they train and engage a significant number of volunteers. At any given time, an estimated 800 people serve on boards of directors and co-op committees. Over the years, in fact, the co-ops have trained thousands of people for such work, and the communities have benefited as directors and committee members have gone on to serve in other community organizations or to hold political office. In recent years, for example, approximately half of the members of the Nunavut legislature have been introduced to governance and administrative issues
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by first serving on co-op boards. The administrative structure of the co-ops—with its engaged directors, its need to develop appropriate policies, its regular election processes, and its fluid board-management relationships—has proven to be an ideal training ground for politicians. Elected co-op leaders have had to learn to work with employees whose roles are not unlike those of public servants; they have had to defend what they have collectively decided to member-owners, not unlike what politicians have to do with their electorate. It is the Arctic version of an international phenomenon that sees co-ops serve as “schools for democracy”; the contributions of the Arctic co-ops to the North in these areas, while not always easily measured, has clearly been considerable.

The co-ops have been also typically deeply involved in the community activities so central to northern life, such as the communal dinners, the celebrations of life, Arctic sporting events, and school programs. They are typically generous in making donations to their communities: for example, for scholarships, athletic equipment, trips away for local residents, and the sponsorship of community events. They support radio stations that are often the major sources for local news and usually develop close bonds with community educational organizations. They provide meeting places and operate cafeterias to meet community needs. Many operate small restaurants or coffee bars and cater particularly to young people after school (some would say, with some accuracy, by providing them with less than healthy southern fast foods). They are nevertheless important gathering places for people in the communities.

Given that many northern communities were to a significant degree “created” by governments and others who encouraged Inuit families to come to them, these have been and are important contributions that help bridge differences and build social cohesion. They bring people together who had historically dwelt apart except perhaps for seasonal meetings associated with hunting or fishing. The annual general meetings held by each co-op every year are important events in the communities, attracting 70–80 percent of the membership (in contrast to the 5–10 percent typical of such meetings in many co-ops in the South). There is a pride of ownership in many of the northern co-ops not equalled easily elsewhere.

As would be expected, the ways in which co-operatives have been and are embedded in their communities varies significantly: local circumstances and relationships are always very important. In all cases, however, the Indigenous presence and influence is significant, growing, and usually determinative. The membership, after all, has been overwhelmingly Indigenous peoples, in some co-ops over 90 percent. Most of the staff, the main “public faces” of the

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co-ops, are Indigenous. In many situations, they work unusual shifts or are employed seasonally so as to adapt to the needs of families or to go hunting, fishing, or to gather traditional foods. While the co-ops have tended to prefer southern notions of work and employment, they have been generally willing and able to respond to local customs, senses of time, traditional economies, and work patterns.

Most importantly, however, the co-ops are reflective of their communities and of some very vital changes within them. Leaders elected to co-op boards in the communities and the federations, especially since the formative periods, have overwhelmingly been Inuit, Inuvialuit, and Dene; in many instances today, the boards at both levels are made up exclusively of Indigenous people. An increasing number of the board members are women, reflecting the increasingly important public roles Indigenous women play in the northern communities. They are important people in the communities and part of significant northern networks.

The co-operative movement has also contributed significantly to the deepening of Inuit consciousness. In 1963 the government assisted the northern co-ops in holding what many consider to be the first pan-Arctic meeting of Inuit, Inuvialuit, and Innu leaders from across the North. The delegates came from the sixteen co-ops then in existence. It was a remarkable event held in Frobisher Bay, as Iqualuit was then called, in which people communicated through interpreters in languages that were similar but also significantly different, reflecting the ways in which Indigenous people had dispersed across the North over the preceding centuries. Three years later, with financial and institutional assistance from the federal government, representatives from the now twenty-four co-ops gathered in Povungnituk, Nunavik for a second and larger meeting.

In fact, one must see the development of the northern co-operative movement as part of the increased engagement by Indigenous people with political change and with efforts to control the region’s economic development. One can make a case that the co-ops, locally and regionally, were among the first prominent signs of such stirrings, but they were soon eclipsed in attracting public attention and media interest by other Indigenous organizations and important initiatives: for example, the Inuit Tapirisat of Canada, formed in 1971 (now called Inuit Tapiriit Kanatami), the land claims issues of the 1970s and afterward, the creation of Inuit development corporations and, most dramatically, the creation of Nunavut and Nunavik.

Where the co-operatives fit into this remarkable outburst of Inuit, Inuvialuit, Dene, and Innu political and economic engagement is, therefore, an interesting issue. One of the few efforts to make this kind of connection is
It focuses on the arts and crafts businesses and on the “commanding heights” of the regional co-operative organizations as well as how they were involved in the larger Canadian/Québec political issues. The last mentioned is difficult terrain because engagement was so dependent on the roles of personalities and the growth of so many Indigenous initiatives. The co-ops, with their local diversities and challenges, were not set up to be consistent players in these far-reaching debates, and ultimately tended to honour, rightly or not, the long-standing emphasis on “political neutrality” as generally interpreted within the international movement. Perhaps even more importantly, Indigenous leaders from outside the co-ops emerged to engage the great political debates; the interests, personal and communal, of the leadership of Indigenous people of the North, as with any other peoples, are not homogenous, and competition among individuals, families, institutions is not unknown. To some extent, as the years and issues flowed by, the co-ops found themselves somewhat marginalized in these developments or even resented because of the kinds of influence their economic power provided. In some ways, it may be, the co-ops were too successful and important on the local level for emerging leadership groups and public officials.

In addition to the multiple service co-operatives in the northern communities there have been other less successful efforts to develop co-operative organizations. In the 1970s southerners, most of them in Yellowknife, tried to establish credit unions. Though they had assistance from southern credit union leaders, notably in British Columbia, they did not succeed, partly because of the low population numbers, partly because of mistakes that were made, and partly because of the financial squeeze affecting many financial institutions, especially smaller ones, in the later 1970s and early 1980s. Five housing co-operatives have been developed in the North, serving a mixture of southern and Indigenous members. The further expansion of this dimension of the movement has been stymied, however, by the ending of the federal government’s co-operative housing program in the 1980s, a general lack of knowledge about the option, and the difficulties inherent in northern housing construction. Recently, through efforts of the Canadian Co-operative Association and with the support of the Co-operative Development Initiative, a federal government funding program for the development of co-operatives, two new co-operatives have been established in the Yukon Territory. The Yukon River Salmon Co-operative in Dawson City is a “new generation” co-op producing value-added products from the country’s most northern salmon fisheries. The Southern Lakes Marketing Co-op, operating in the southern Yukon and northern British Columbia, is concerned with
developing the fishing tourism businesses. To this point there are no worker co-operatives in the North reporting to the Co-operatives Secretariat, the federal organization responsible for collecting statistics on the national movement. There is scope for considerable new growth among different kinds of co-ops in the Canadian North if their possibilities are better explained and prudent support systems are established.

The Importance of the Northern Co-operative Experience

As in so many parts of the world, the co-operative movement in the northern regions tends to be taken for granted, even though a considerable case can be made for what co-operatives have contributed, economically and socially. Their cultural roles are rarely understood; their full impact usually underestimated; and their capacity for fostering community based entrepreneurship undervalued.

One might argue that they have been essentially southern incursions only a little less benign than others. This article, however, has tried to suggest that doing so is to follow a rather simplistic approach: the influence of local voices in the co-ops is considerable and growing. We do not really understand the strength of those voices in the past. The pattern of increasing northern and Indigenous influence is apparent, and the community dimensions are important: these are northern organizations, not southern outposts. Co-ops have been sites for productive discourse between the North and the South, though influences have varied over time and with issues. They have provided places and activities in which northerners and some southerners with similar values have embraced community economic development with considerable success. They have become distinctly northern forms of enterprise, serving and being driven more and more by northerners, especially Indigenous peoples.

Looking into the future, co-ops offer very real alternatives for economic and social development in the North, though one has to wonder how seriously they are being considered for doing so. One can search northern newspapers, descriptions of policy discussions, political debates, and community meetings endlessly and find no mention of co-operative options; it is as if the local co-ops and the models they represent do not exist. This is surprising, given what they have done and are doing. Whether within the established or new networks, co-operatives should be seen as viable and important alternatives to individual enterprises, contracts with large extra-regional organizations, or direct government involvement in the economy.

Some of their advantages of doing so are obvious. They are important institutions in virtually all of the communities. People involved with
them possess a backlog of experience with the co-operative model and
community-based entrepreneurship; they have significant reservoirs of
social, human, and economic capital that can be mustered for individual and
community benefit. As institutions, co-ops can activate their social power to
tap into community resources of volunteerism, traditional associations, and
joint effort otherwise difficult to access. They possess a multi-generational
record of general goodwill among those involved. They can be seen as
significant contributors to broad-based community efforts within the social
economy, initiatives whether co-operative in formal structure or not, that
help to maximize local resilience and community sustainability. The co-
operative model, as the northern experience itself suggests, can be used to
meet a wide range of economic and social activities, perhaps nowhere better
than in resource-poor locations. Co-ops can help offset tendencies towards
increased power through expensive central government structures or
through programs that give non-northern organizations, private and public,
more influence over the regional economic and social services.

The historical record also suggests some lessons from the past that might
be kept in mind for co-operative development in the future. The first is that
co-operatives are not “quick fixes,” a problem in the contemporary world
that always seems to demand such responses. They involve learning within
communities, a considerable amount of trial and error, and experimentation
with different options. They require placing trust in the hands of local
people, not always easy for people coming into the region or serving in
governments responsible for development. They emphasize community ties
and associations rather than individual benefits, though in the best of all
worlds they serve both effectively. They need to be measured not only for
the economic benefits they bring but also the social contributions they make.
They depend significantly on the accuracy and immediacy of the information
upon which decisions are made, information that is both local and national.
They are ultimately institutions dependent upon collaboration among
themselves and with others – within and without the northern regions.

Finally, it can be argued, co-ops should figure prominently in how the
people of the northern regions envision and build their futures; in how
governments develop policies to encourage enriched communities and
sustainable economies. In doing so, they will invariably encounter many of
the issues and accomplishments, the frustrations and possibilities, that have
dominated northern co-operative development for generations and they will
continue to do so. They will be able to learn, however, from how people in the
existing movement, southern and Indigenous, overcame obstacles and built
a successful movement. That is one of the main reasons why more needs
to be understood about how the northern movement has developed and is developing. What has been learned should be studied and passed on.

The benefits for northerners could be immense. If the past is any guide, if the movement is allowed—even encouraged—to develop, it is predictable that northerners will find new ways in which the co-operative model can be adapted to meet the needs of the regions. That, after all, is a prominent feature in the past record; there is no reason why it should not characterize future developments in new economic initiatives or in meeting social needs. What is needed is to understand that tradition better and to build wisely on what has been done, either within existing or new co-operative formulations. What could happen in the future is the most important reason why the northern movement should be taken more seriously today.

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Notes
1. Websites of La Fédération des coopératives du Nouveau-Québec (http://fcnq.netc.net/) Arctic Co-operatives (http://www.arcticco-op.com/).
2. See website for the Toonoonik-Sahoonik Co-operative, Pond Inlet (http://inuit.pail.ca/sahoonik-co-op.htm).
4. The Canadian Social Economy Research Partnerships (CSERP), a five-year, $15 million project involving some 300 researchers and practitioners organized in six regional and one national nodes, is exploring different aspects of the Social Economy in the Canadian North. One of the nodes, the Social Economy Research Network of Northern Canada, located at Yukon College in Whitehorse, is particularly concerned with the northern regions. For information on its work, consult its general website (http://dl1.yukoncollege.yk.ca/sernoca/about). The Saskatchewan, Manitoba, and Northern Ontario node at the University of Saskatchewan (http://usaskstudies.coop/socialeconomy/) also conducts some
research into the northern movement, particularly co-operatives, as does the British Columbia Institute for Co-operative Studies (http://www.bcics.org/).

For general information on CSERP, see the national hub’s website, http://www.socialeconomyhub.ca/hub/.


6. The Grise Fiord Inuit Co-op was formed in 1960, some seven years after the community was formed. See http://www.arcticco-op.com/acl-baffin-region-grise-fiord.htm.


8. For example, see Farley Mowat, *The Desperate People* and *People of the Deer* (New York: Pyramid Books, 1968).


Today, Canadian Arctic Producers is an operating division of Arctic Co-operatives. Its website can be viewed at http://www.canadianarcticproducers.com/?page=about.html.

See Mitchell, From Talking Chiefs, 183–195.


The financial support typically took the form of loan guarantees, annual contributions of $300,000, low-cost loans to local co-ops, and a training fund for employees and directors.

For some further discussion of the complexities involved in developing the northern co-ops, see Ian MacPherson, “‘If you only cover one of the breathing holes …’; Across Cultures and Geography: Managing Co-operatives in Northern Canada,” and Arctic Co-operatives Limited,” cited above.

In 1997, according to the Co-operatives Secretariat, the co-ops among northern Indigenous peoples had over 9000 members, many of them being family memberships. Their total sales were over $200 million per year and their assets were over $166 million. Their memberships were increasing at a rate of eight percent a year. See Bachir Belhadji, “Socio-Economic Profile of Aboriginal Co-ops in Canada,” Lou Hammond-Ketilson and Ian MacPherson (eds.) A Report on the Aboriginal Co-operatives in Canada: Current Situation and Potential for Growth (Saskatoon: Centre for the Study of Co-operatives, 2001), 78–82.

See the website for Arctic co-operatives (http://www.arcticco-op.com/about_acl.htm).


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of the northern co-operatives is a remarkable and valuable study. It should be noted, though, that it is primarily concerned with the arts and crafts business, and with the struggles between Québec City and Ottawa amid the tempestuous years that saw the rise of the Parti Québécois and its accession to office in 1976. It does not discuss the development of the local co-ops at length or the nature of sojourner–Indigenous peoples’ relationships within them. More needs to be understood about what was happening within the local co-operatives and particularly the roles of Indigenous peoples in their governance business strategies, and community connections.

26. One obvious exception to this trend was the debate in Québec in the 1970s over the James Bay agreement. See Marybelle Mitchell, *From Talking Chiefs*, 207–216.

27. The history of the northern credit unions will be dealt with more fully in the author’s forthcoming volume on the national credit union movement.


29. See the federal government home page for this program (http://www.agr.gc.ca/rcs-src/coop/index_e.php?s1=init&page=intro) and the information about it on the CCA website (http://www.coopscanada.coop/cdi/index.html).