

Session 3 “Socio-economic impacts of culture-related investments in the Arctic and sub-Arctic regions – what to expect?”

Moderator:
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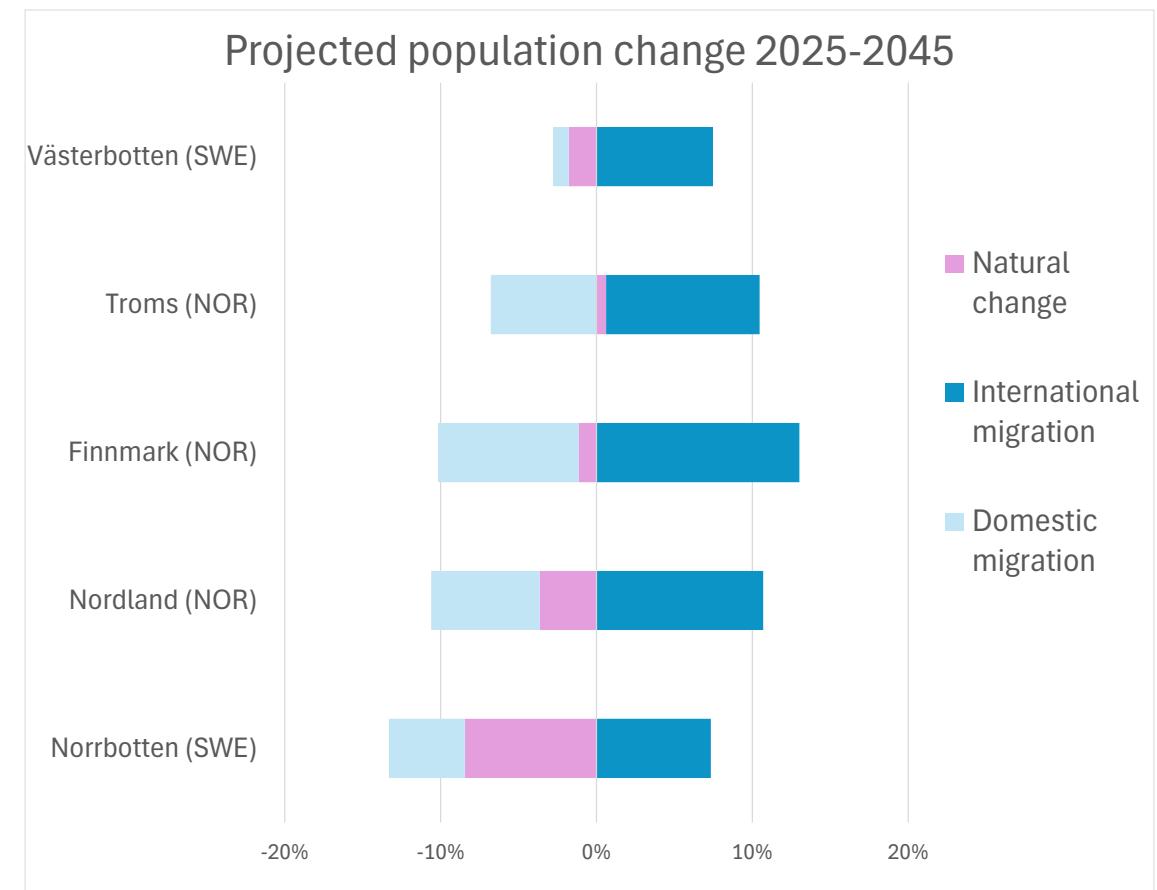
Common challenges for Arctic/Sub-Arctic regions and cities (Northern Nordic)

based on
Business Index North (BIN)

Mineev et. al. «Arctic Business Index annual report”, forthcoming April-August 2026,
will be available at www.businessindexnorth.com
High North Center for Business and Governance

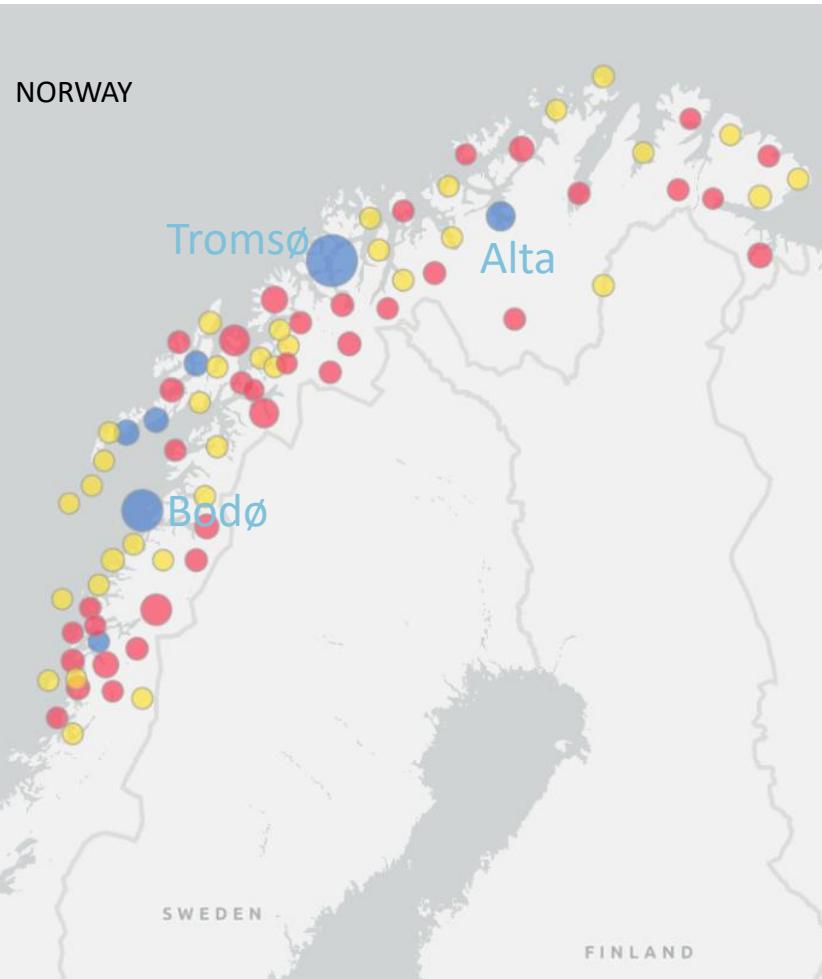
Common challenges

- The most significant threat to Arctic/Sub-Arctic sustainable development is likely its changing demography:
 - ✓ The out-migration of young people out of the Arctic
 - ✓ A more rapidly “graying” population
 - ✓ Shifting balance of the workforce in the region
 - ✓ The level and direction of public sector expenditures
 - ✓ Lacking investments in urban infrastructure and social development



Source: Arctic Business Index

Population distribution and trend, 2011-2022



- **30-45 % of people live in municipalities with declining population**
 - Larger municipalities are growing – smaller are declining
 - North to South migration outflux

The figure shows % change of population from 2025 to 2045 (forecast by national statistics bureaus)

Two components of change: “net migration” and “excess of births”

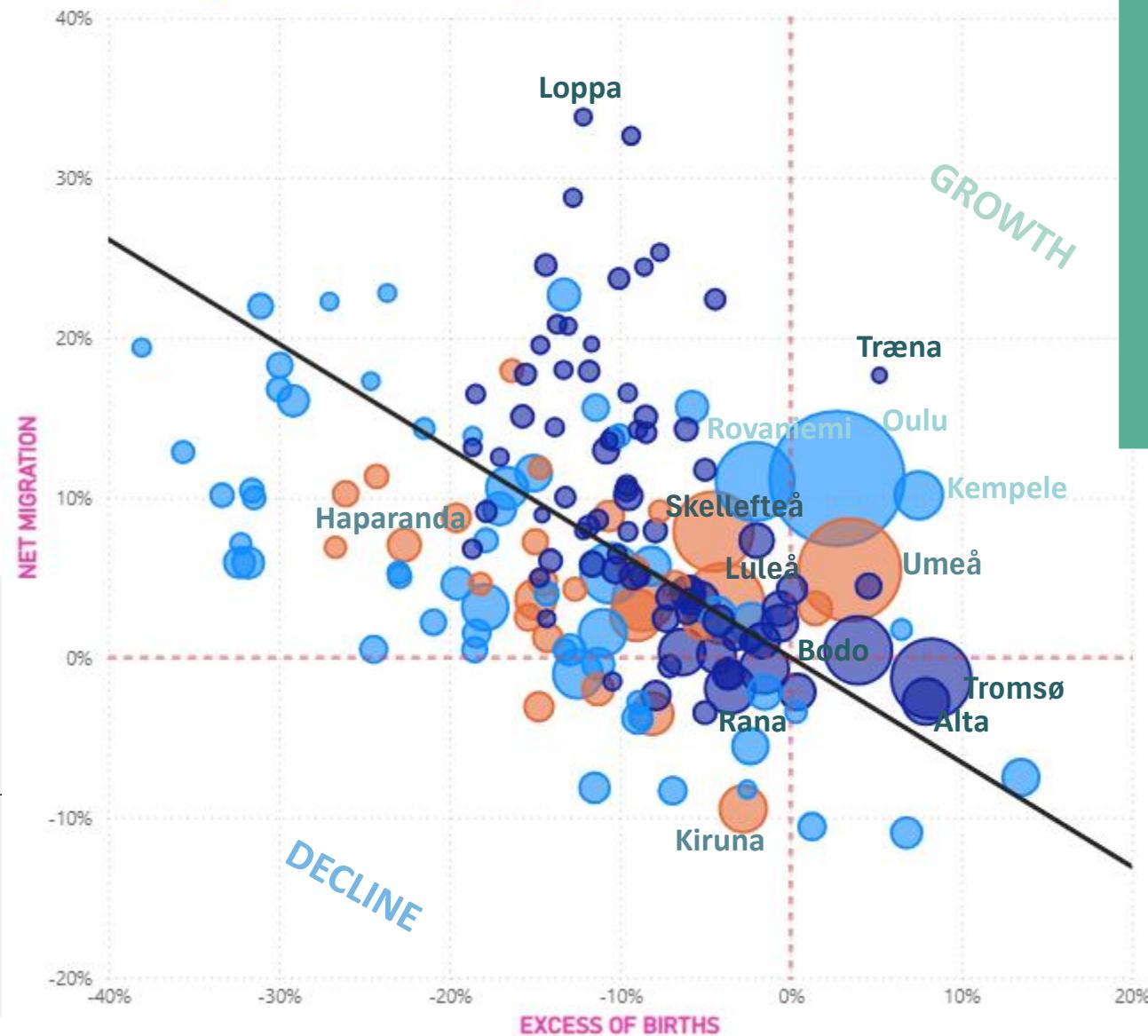
“Net migration” includes both *domestic* and *international* component



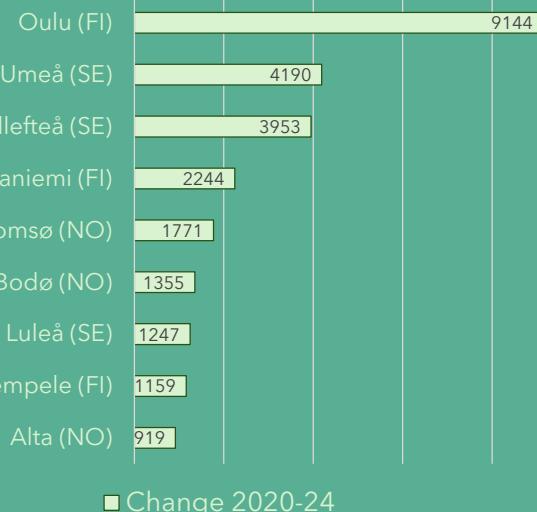
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Arctic Nordic Population Change, 2025-2045, %

NORTH OF • Finland • Norway • Sweden

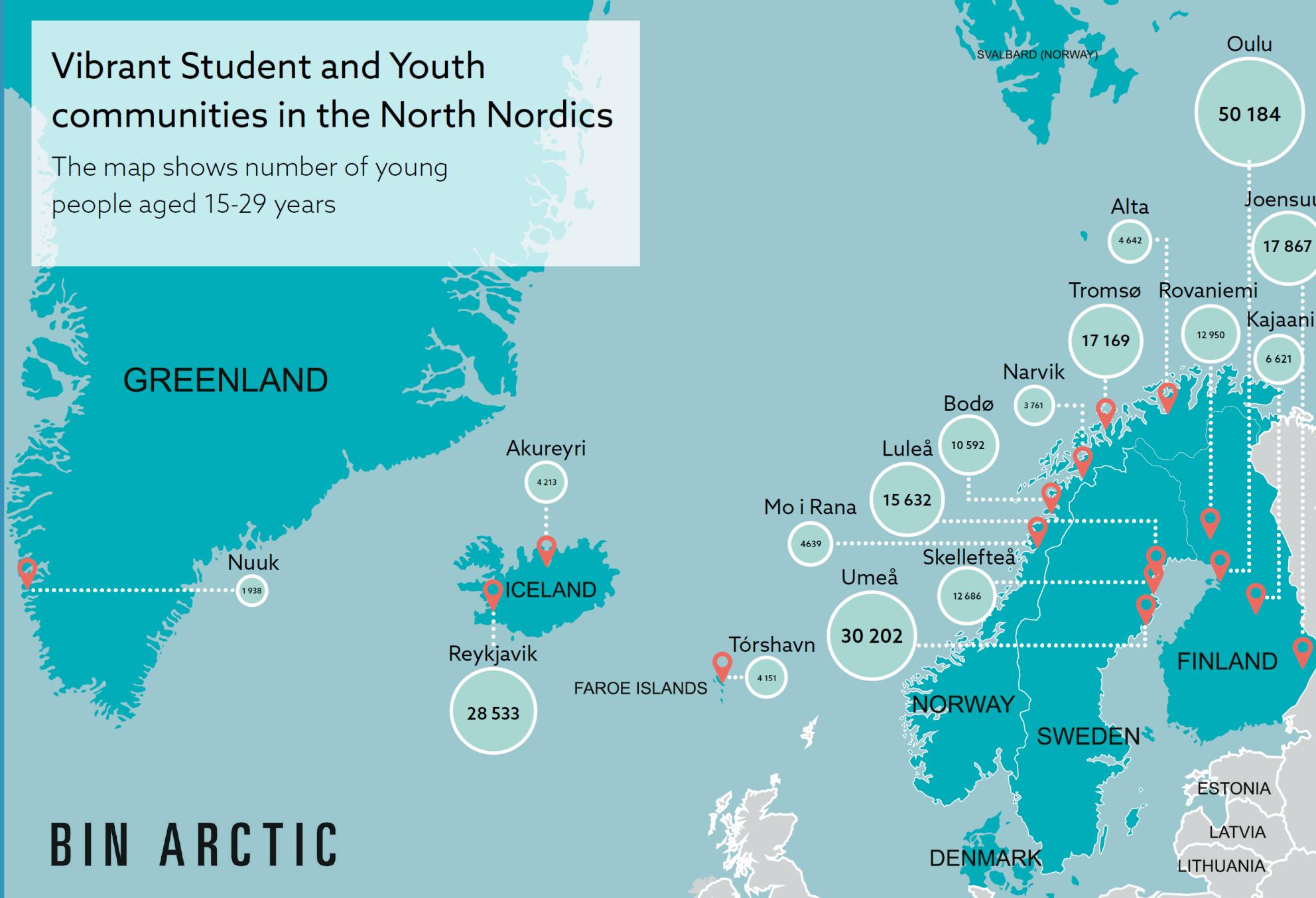


Population Growth only in larger towns



Vibrant Student and Youth communities in the North Nordics

The map shows number of young
people aged 15-29 years



BIN ARCTIC

How can cultural investments make Arctic/Sub-Arctic cities and regions more resilient?

- New project: “The Culture for Arctic Resilience: Assessment and Visualization of Socio-Economic Effects of European Capitals of Culture (CULARC)’’
 - ❑ Cooperation between Nord University, University of Umeå, University of Luleå, University of Oulu and CUPORE
- “Resilience” is about making region and cities robust to handle current but also future challenges:
 - ❑ Not only the capacity to “bounce back” in relation to disruptions or crises
 - ❑ The ability to anticipate the change and using adversity as a catalyst for positive change - “bouncing forward”
- One way towards resilience is city/regional attractiveness:
 - ✓ How to make Arctic/Sub-Arctic cities and regions more attractive places to stay, work, and live?
 - ✓ Whether and how (investments in) culture can contribute to improved attractiveness?
 - ✓ What are the implications for cultural policies in the Arctic/Sub-Arctic cities and regions?

Culture and socio-economic development: some dilemmas

CULTURE IS/CAN

- A vibrant, inclusive, and reflective **force**, with opportunities for self-fulfilling and meaningful communal activities (Kong, 2009)
- Have an important component of **societal development** and integral part of **democracy** (voluntarism, developing tolerance, trust, and understanding of other cultures) (European Commission, 2023)
- Strengthen **social capital**, contributing to the achievement of other social targets, e.g. improved healthcare, education, social care, etc. (European Commission, 2023)
- Having a significant role in **retaining people** (Mercer, 2019)

CULTURE NEEDS

- **Improved visibility of its effects:**
 - ✓ Culture-related **public spending** has shown a downward trend (OECD, 2021)
 - ✓ The effects of culture are often **not easily visible** in the short-term and difficult to assess in monetary terms
 - ✓ **A need to balance** with other (also diminishing) public spending: culture vs. education, road infrastructure, health and care, etc.
- **Shift in the focus:**
 - ✓ Spending money on culture is considered as “**an expense**” in a municipal budget, not as “**an investment**” in more resilient social/community - as “**a capital**”
 - ✓ Improved “**social/community capital**” as a “**return on investment** in culture/people”
- How much and what kind of cultural activities to support?

ECOC as “a culture (super) injection”

- Four European Capitals of Culture (ECOCs) in Northern Nordic - Umeå (2014), Bodø (2024), Oulu (2026) and Kiruna (2029):
 - ❑ ECOCs are organized not only to make cultural impacts but also socio-economic spin-offs
 - ❑ How ECOCs, as a massive cultural spending for one year (metaphorically described as a “**culture injection**”), stimulate socio-economic development of regions and create better places to live, work and stay?
 - ❑ What are documented **expectations** vs materialized **realities**?
 - ❑ What is the role of **stakeholder collaboration** and **research** in improving policies and decision-making regarding (expected and real) socio-economic effects of investment in culture?

Participants

Participants:

- **Dr. Tomas Blomquist**, University of Umeå, Sweden
- **Dr. Mervi Luonila**, CUPORE, University of Oulu, Finland
- **Dr. Olli Ruokolainen**, CUPORE, Finland
- **Odd Emil Ingebrigtsen**, Mayor, Bodø municipality
- **Arne Ivar Mikalsen**, Executive for Community Development, Culture and Environment, Nordland County