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Greenlandic perspectives on offshore oil and gas activities – An illustration of changes in legitimacy related to democratic decision processes

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Abstract

Greenland is a young democracy. Home Rule was obtained in 1979 and Self Rule was introduced in 2009. The three eras covering before, during and after Home Rule have had each a set of formal and factual legitimacy related to democratic decision processes. Three campaigns of offshore oil exploration have been conducted, one during each of the three eras.

This paper describes and analyses the changes in the legislation about the subsurface in relation to the three campaigns of offshore oil exploration and other significant industrial activities during the three eras.

The aim is to further understanding of 1) the shifting conditions for democratic processes and how these shifts have created changes in the legitimacy of the execution of the democratic processes and 2) how public legitimacy changes in relation to the industrial activities from era to era.

Keywords: Legitimacy, legislation about subsurface, offshore oil exploration, Greenland

1.0 Introduction

In his New Year's speech on 1 January 2013, Greenland's then Prime Minister Kuupik V. Kleist defined 2012 as a special landmark year for Greenland with direct reference to the two laws on regulation of large scale extraction and industrial activities in Greenland adopted by Inatsisartut (the Greenlandic Parliament) on 7 December 2012 (Greenlandic Law #25, 2012; Greenlandic Law #26, 2012).

Since the 1930s Greenland has undergone several major shifts in regards to the execution of democratic processes. This paper describes and analyses the changing conditions for democratic processes which led to Prime Minister Kleist's statement in 2013.

2.0 Theoretical and Methodological Approach

One of the important questions to be asked in relation to shifting conditions for democratic processes is if and how these shifts have created changes in the legitimacy of the execution of the democratic processes.

As a theoretical frame, an operationalization of the concept of democracy will be developed. The concept of legitimacy will also be elaborated in order to be used as the measuring instrument to describe the character of the changes in the democratic processes.

The history of the three eras of changes in legislation about the subsurface of Greenland, together with the three campaigns of offshore oil and gas exploratory drillings west of Greenland, will be used to illustrate the changes in the democratic process.

Further, political decision processes about other industrial and planning activities during the three eras will serve as additional illustrations of the changes.

2.1 Democratisation Waves

Greenland is one of the newcomers on the list of democratic countries. Huntington (1991) defines three historical waves of democratisation from early 19th century to 1990 (see Table 1).

Table 1. Huntington's Three Waves of Democratisation.

Wave	Period	Number of democratic countries	Examples
1 st democratisation wave	1820-1926	29	United Kingdom, USA, France, Denmark
1 st reverse wave	1922-1942	12	
2 nd democratisation wave	1942-1962	36	West Germany, India, Japan
2 nd reverse wave	1960-1975	30	
3 rd democratisation wave	1974-1990	60	Spain, Kenya, Greece, Brazil, Poland, Greenland
3 rd reverse wave	1990-?	58	

Source: Table adapted by author from Huntington (1991).

Denmark introduced democracy in 1849 and it was thus one of the countries in the first wave to gain democracy. At that time the democratisation process did not include Greenland, which was a Danish colony in the 19th century.

Formally, democracy was expanded remarkably in Greenland in 1953 with Greenland being included in the Constitution for the Kingdom of Denmark, but a genuine internal political democratisation process did not begin until the introduction of Home Rule in 1979. Therefore, the democratisation process in Greenland can be seen as a part of the third wave, together with other former colonies.

2.2 Polyarchy

In this paper democracy is seen as a form of government in a country which is implemented on several levels in the society. The concept of democracy has been developed over the last 2,500 years. It is only within the last 100 years that democracy has been defined as involving all, or almost all, adult citizens with permanent residence in a country (Dahl, 1999).

According to Dahl, a political scientist and leading theorist on modern democracy, it is impossible for a country to exercise a fully ideal democracy. As such, democracy is a theoretical utopia (Dahl, 1989).

From a few basic assumptions regarding democratic political order like autonomy, equality, and fairness, Dahl defines five criteria to be met for a democracy (Dahl, 1989, pp. 107ff):

- **Effective Participation.** Throughout the process of making binding decisions, citizens ought to have an adequate opportunity, and an equal opportunity, for expressing their preferences as to the final outcome. They must have adequate and equal opportunities for placing questions on the agenda and for expressing reasons for endorsing one outcome rather than another (p. 109).
- **Voting Equality at the Decisive Stage.** At the decisive stage of collective decisions, each citizen must be ensured an equal opportunity to express a choice that will be counted as equal in weight to the choice expressed by any other citizen. In determining outcomes at the decisive stage, these choices, and only these choices, must be taken into account (p. 109).
- **Enlightened Understanding ...** Each citizen ought to have adequate and equal opportunities for discovering and validating (within the time permitted by the need for a decision) the choice on the matter to be decided that would best serve the citizen's interest (pp. 111-112).
- **Control of the Agenda ...** The demos [people] must have the exclusive opportunity to decide how matters are to be placed on the agenda of issues that are to be decided by means of the democratic process (pp. 112-113).
- **A justification for inclusiveness ...** The demos [people] must include all adult members of the association except transients and those proven to be mentally defective (p. 129).

As full democracy in the real world according to Dahl, is impossible, he will not talk about countries as democratic. Instead, Dahl (1999) calls a democratically advanced country a polyarchy or a polyarchistic democracy. Dahl distinguishes between "Democracy" as the theoretically ideal democracy, and "Polyarchy" as the real life experienced democracy.

The concept of polyarchy was introduced by Dahl and others as early as in 1953 (Dahl & Lindblom, 1953). A polyarchy is defined as a modern political system which is based on six modern political institutions:

- Elected officials;
- Free, fair, and frequent elections;
- Freedom of expression;
- Alternative sources of information;
- Associational autonomy; and
- Inclusive citizenship (Dahl, 1999, p. 85).

The degree of the polyarchistic democracy a country's political system has must be measured by how close the country is to the five ideal criteria of a democracy, and by how well the six political institutions are operating.

2.3 Legitimacy

In order to qualitatively measure the degree of democracy in the political decision processes in Greenland the level of legitimacy will be analysed as an expression of the closeness to the five ideal criteria and the functioning of six political institutions.

Legitimacy is here defined as democratic legitimacy. While the concept of democracy has many aspects, the concept of legitimacy also has many aspects. For the analysis of the changes in Greenland, the divisions made by Gammeltoft-Hansen (2013) of democratic legitimacy will be used. In relation to policy making, Gammeltoft-Hansen (2013) defines three different levels of legitimacy:

- The level of formal legitimacy;
- The level of factual legitimacy; and
- The level of public legitimacy.

Formal legitimacy refers to whether the political decisions have been performed in accordance with the formal legal rules on the issues and on the decision-making processes. According to the rules, this means that it is the competent bodies which have taken decisions and that the rules governing the process are respected. The rules may be about providing notice on content in an appropriate timeframe, the number of committee discussions to be held, voting, and so on. Formal legitimacy is about whether the decisions taken are lawful or not. This is the hard core part of the concept of legitimacy (Gammeltoft-Hansen, 2013).

Factual legitimacy is a little less tangible, but usually it is not without a substantive core. That core is that the factual basis of any policy decision must be well-informed for politicians before they make the decision. Often it is the administration that must ensure that the factual basis is provided. At the same time the policy makers (the politicians) are responsible for asking the civil service for the necessary information and for ensuring that it has been provided. It often involves a process with public consultation or hearings. The politicians are responsible for listening to the information provided and for taking it into account in the final policy decisions (Gammeltoft-Hansen, 2013).

Popular legitimacy is the least tangible, but it is far from the least important. Popular legitimacy is about the experiences and reactions of individuals who are affected by political decisions. These decisions may apply locally or within the nation as a whole. It is particularly in this part of the concept of legitimacy that the issues of disclosure, openness, and transparency play an important role.

Popular legitimacy of political decisions should not be confused with a clear consensus about the contents of the decisions. A person can, for many reasons, disagree with a policy decision but at the same time recognise that the decision is fully legitimate.

When there is disagreement, not only about the content but also about the decision process, popular legitimacy bursts. The legitimacy fails when a citizen cannot see how a decision-making process has advanced, when a citizen is far from certain that it has been a fair process, or when a citizen has a feeling that not all stakeholders and interests have been consulted and taken into account.

When the process has not been open or sufficiently open it fails, at which point citizens begin to distrust the process. The result is that the citizens cannot accept the process outcomes, results, resolutions, or votes. It is this case where a political process lacks popular legitimacy. The popular legitimacy is in this sense very closely associated with disclosure, openness, and transparency (Gammeltoft-Hansen, 2013).

It is here considered a precondition that the higher degree of formal and factual legitimacy the citizens experience, the higher level of public legitimacy we will typically see. This precondition is based on the assumption that citizens, who might disagree with a given decision which is made, will be more willing to recognise it when they feel they have been properly involved in the debate and

the public process prior to the decision and, that they at least have had their opinions heard and recognised.

3.0 Greenland's Current Major Challenge

As pointed out, democracy in Greenland is relatively new. After years of negotiation, Home Rule was introduced in Greenland on 1 May 1979. Thirty years later new negotiations between Greenland and Denmark resulted in Self Rule, which was introduced on 21 June 2009. Greenland is now finding its own place in the Arctic and in the world (see Figure 1).

Figure 1. Greenland from an Arctic Perspective.



Source: Hansen et al., 2012, p. 2.

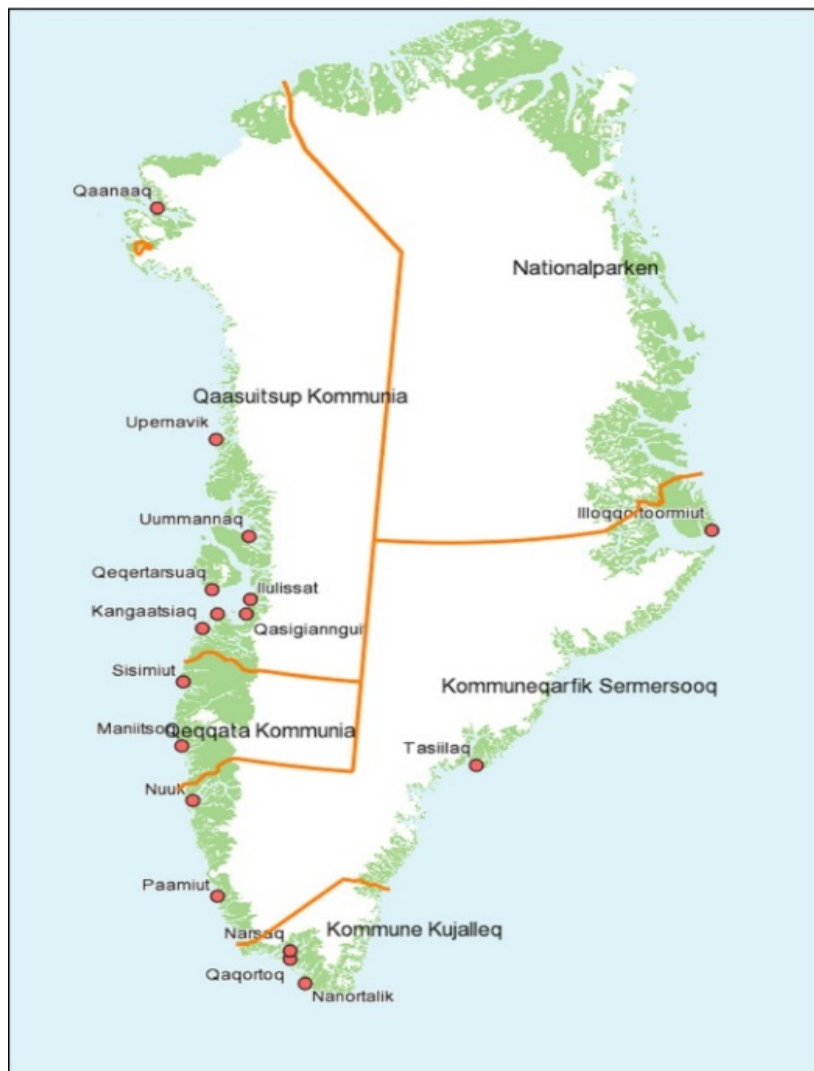
Administratively, Greenland has undergone tremendous changes during the last 35 years. On the national level, a new governmental administration has been created to serve all areas of authority Greenland has taken over from Denmark: infrastructure, education, health, social welfare, trade, and industry, to mention only some of the major areas. On the municipal level, the most significant change has been the reform taking effect since the beginning of 2009. Eighteen municipalities were merged into just four, in combination with a decentralisation of authority. One area of responsibility transferred to the new municipalities was the management of land and planning for every corner of the municipality which, in principle, also includes the huge parts of the Inland Ice.

These changes have influenced the performance of the political institutions. Most clearly it has had an effect on the execution of factual legitimacy. Due to the constant transfer of new areas of responsibility from Denmark to Greenland,

it has been difficult from time to time to keep a high level of performance in public administration and to constantly ensure good performance within factual legitimacy.

Figure 2 shows the borders for the municipalities in Greenland as from 2009. The 17 red dots on the map of Greenland indicate the main towns in the former municipalities. Only the small former municipality of Ivittuut is not indicated on the map. The administrative restructuring on the municipal level in 2009 was mainly a result of a wish to create a more professional administration and thus a better execution of factual legitimacy. That has been met, but at the same time unexpected heavy criticism has been voiced with reference to a parallel loss in the performance within popular legitimacy.

Figure 2. The Borders for the Municipalities in Greenland as from 2009.



Source: Screen dump from en.nunagis.gl . © Asiaq, © KMS.

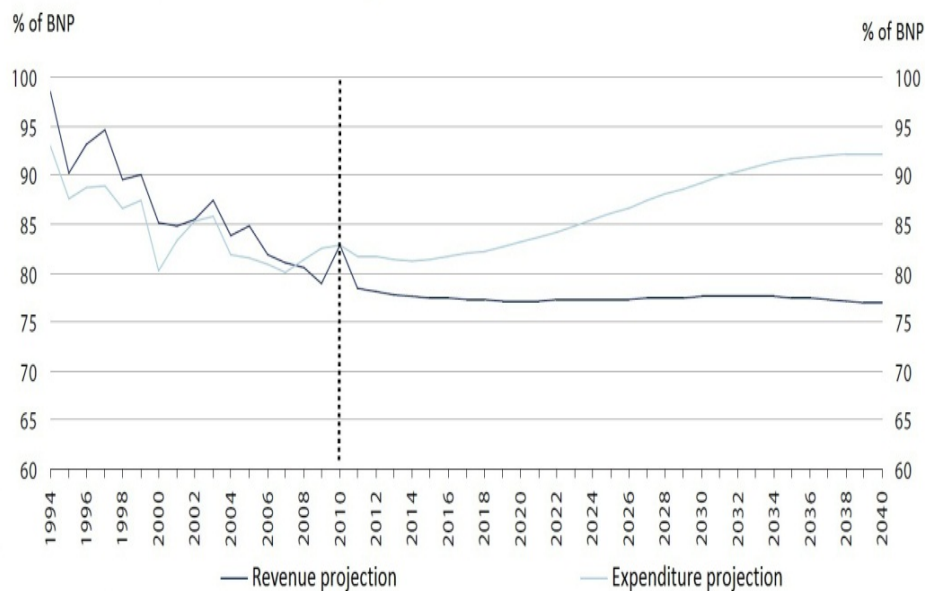
In general terms, the economic frames for Greenland have also changed; first with the introduction of Home Rule and most recently with the introduction of Self Rule.

During the Home Rule era, the transfer from Denmark was negotiated yearly. The principle was that when Greenland took over responsibility, money followed with the transfer of responsibility. That principle changed in 2009 with

the introduction of Self Rule. Now the block grant is no longer negotiated. The amount is specified by the law on Self Rule. The current principle is that no extra money will follow any transfer of responsibility. A consequence of that change is that growing expenditures (e.g., in relation to the ageing population) must be financed in ways other than increasing the block grant from Denmark. This has put Greenland in a totally new economic situation. Figure 3 illustrates the fiscal challenge for Greenland over the coming 30 years if no changes are introduced. It has forced the country to actively promote new areas of national income in order to counter the projected growth in the public expenditure over the coming years.

It is this need for new public revenues which is one of the major parameters on the current political agenda. In response to the need, politicians turned much of their focus to potential new public revenues from development of the extraction industry. To be able to understand the changes of public legitimacy in the process of developing the extraction industry, it is necessary first to understand the changes in the formal legitimacy of the extraction industry in Greenland.

Figure 3. The Fiscal Challenge for Greenland Public Revenue and Expenditure.



Source: GØR, 2012, p. 23 – Author’s translation from Danish.

4.0 Formal Legitimacy Related to the Extraction Industry

The first law on onshore and offshore industrial extraction in Denmark was passed in 1932 (Danish Law #27, 1932). As Greenland was a colony of Denmark at that time, the Danish legislation did not automatically apply to Greenland. One way to enforce laws in Greenland was to pass a Royal Decree, and in 1935 such a Royal Decree expanded the 1932 law on industrial extraction to apply to Greenland (Danish Law #153, 1935). In the Royal Decree it was stated as the first sentence in § 1: “Resources in Greenland soil belong to the Danish state” (Minelovskommission, 1963, p. 57 – author’s translation from Danish).

When the Danish law on industrial extraction was modified in 1950 (Danish Law #181, 1950), it was due to the Royal Decree of 1935 being automatically applicable to Greenland.

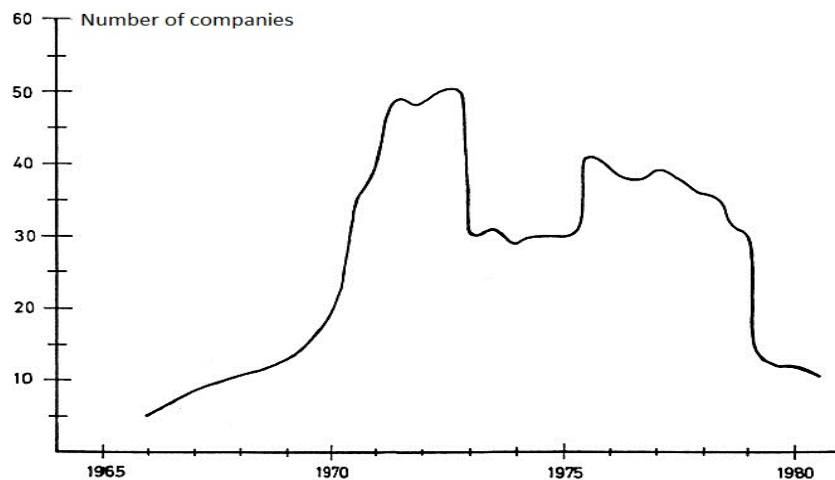
In January 1960 the Ministry for Greenland appointed a commission to prepare a specific law on mineral resources in Greenland. The work of the commission resulted in a law on mineral resources in Greenland in 1965 (Danish Law #166, 1965).

The intention of the 1965 law was to create interest in extraction activities in Greenland by foreign mining and oil companies. However, as indicated in Figure 4, not much activity took place during the first years after the introduction of the law. In 1967, the Danish-Canadian company Greenex presented some demands to the Danish authorities before it would start any extraction from the lead and zinc deposits at Maarmorilik near Uummannaq in North Greenland (Dahl, 1986, pp. 27-28).

The Danish authorities met the demands which resulted in a revision, in 1969, of the law on mineral resources in Greenland (Danish Law #203, 1969). The primary change was a new clause 3 in Section 17 saying that the concession holder can be granted exemption from tax on earnings from the mining activities (Beretninger, 1968, p. 389). As seen in Figure 4, that small change suited the mining companies well.

Figure 4 also shows a significant drop in the large private companies' interest in Greenland towards the end of the 1970s. The drop can be seen as a combination on one hand, of a natural consequence of the expiring of the exploration permits issued in the first part of the 1970s, and on the other hand, a reluctance among the companies either to extend their existing permits or to apply for new permits.

Figure 4. Number of active private mining and oil companies in Greenland 1966-1980.



Source: Nielsen, 1980, p. 74.

This reluctance among the companies to initiate new activities at the end of the 1970s might have at least two explanations. During more than ten years of exploration, none of the companies succeeded in finding minerals, oil or gas in quantities sufficient to open a mine or an oilfield. The results were disappointing and the companies might have changed their priorities and consequently looked away from Greenland. Another element which probably also played a role in the second part of the 1970s, was the uncertainty about the future political atmosphere in Greenland. In 1975 Denmark had started negotiations with Greenland regarding the constitutional future for Greenland. These negotiations ended with the introduction of Home Rule in Greenland on 1 May 1979. It is likely that the companies anticipated a more politically unstable Greenland or a more unpredictable Greenland. If there is one thing extraction companies try to

avoid, it is instability in the areas where they plan to invest millions of dollars. This scenario with an uncertain political environment in Greenland might have played an important role in the companies' lack of interest in Greenland towards the end of the 1970s.

During the negotiations between Denmark and Greenland in the Commission on Home Rule for Greenland from 1975 to 1978, the question of ownership of minerals and petroleum in the subsoil of Greenland was discussed. Greenland put forward the question of ownership of its subsoil, but Denmark was not willing to include the regulation of the minerals and petroleum in the subsoil of Greenland in the home rule negotiations. As a consequence, two sets of legislation were created to keep the subsoil of Greenland separate from other activities in Greenland. The Danish parliament passed a new law on minerals in Greenland (Danish Law #585, 1978) less than three months before passing the law on home rule in Greenland (Danish Law #56, 1979; Hansen, 2013).

The home rule law distinguishes between 'home rule affairs' (*hjemmestyreanliggender*) which were areas of administration that could be transferred to the Greenland Home Rule authorities, and 'national affairs' (*rigsanliggender*) which were areas of administration that could not be transferred to Greenland Home Rule authorities (such as foreign policy, the armed forces, currency, and the Crown). The administration of minerals in Greenland was placed in neither of those two categories. A third and unique category had to be created. This category was called 'joint affairs' (*fællesanliggender*) and the only area of administration in that category was the administration of the subsoil of Greenland.

The 1978 law on minerals in Greenland defined how this joint administration of the subsoil of Greenland should be formed and thus introduced a new and unique concept for administration. A committee of an equal number of Greenlandic and Danish parliamentarians was to make decisions on new permits to companies who wished to start operations in Greenland related to extraction of minerals and petroleum. The administration was placed in Denmark and referred to the Danish Minister for Greenland (Nielsen and Larsen, 1985).

In 1988, the Danish law #585, passed in 1978 was adjusted for the first time (Danish Law #844, 1988). The principles of sharing any revenues between Denmark and Greenland were changed in favour of Greenland, and the joint Greenlandic-Danish company, Nunaoil A/S (formed in January 1985), was strengthened. In 1991, minor changes were added (Danish Law #335, 1991). Among the changes was an introduction of requirements for providing more information to the public in Greenland about the activities covered by the law on minerals. Again in 1993 (Danish Law #1074, 1993), changes were passed. This time, administrative power related to hydropower activities was moved from joint affairs to home rule affairs.

No additional major changes were made to the 1978 law until 1998. In this revision of the law, a fundamental shift in principles was introduced (Danish Law #317, 1998). The administration of the joint affairs was moved from Denmark and a Danish minister, to Greenland and a Greenlandic minister. To take care of this new task in Greenland, the Bureau of Minerals and Petroleum (BMP) was established in 1998 by the Home Rule Government (BMP, 2013).

The latest major change in the legislation on minerals in Greenland was passed by the Greenlandic parliament in 2009 (Greenlandic Law #7, 2009), coming into force in 2010. This was the very first time the Greenlandic parliament passed a law regarding the subsoil of Greenland. It had become possible only because of the Self Rule which had come into effect on 21 June 2009 (Danish Law #473,

2009). In section 2 of that law, it is stated that the Government of Greenland can decide to take over areas of administration mentioned in the appendix to the law. In list II in the appendix, raw materials (råstoffer) is mentioned.

In section 98 of the law on minerals in Greenland, it is stated that the existing law regarding minerals in Greenland hereby was terminated (Greenlandic Law #7, 2009). The existing law was the law from 1998 passed by the Danish parliament (Danish Law #317, 1998). This change in Section 98 marked the first time a law passed in the Greenlandic parliament stated that a law passed in the Danish Parliament was terminated; this is one of the main reasons why the law on minerals passed by the Greenlandic parliament in 2009 is epochal. Another reason for the epochal status of the law is that it actually implemented what the then Danish Prime Minister, Anker Jørgensen, had described in November 1976 as a scenario which was impossible and could “not be dived about” (Sørensen, 1983, p. 237 – author’s translation from Danish).

The law on minerals in Greenland from 2009 (Greenlandic Law #7, 2009) was merely a law allowing Greenland to take over the full responsibility for the subsurface from Denmark beginning 1 January 2010. It was not until December 2010 that this frame was filled out with operational content. This was accomplished by the creation of two laws on regulation of large scale extraction and industrial activities in Greenland, adopted by Inatsisartut (the Greenlandic Parliament) on 7 December 2012 (Greenlandic Law #25, 2012; Greenlandic Law #26, 2012).

The 2009 law (Greenlandic Law #7, 2009) was epochal in the sense that Greenland formally took over the responsibility for minerals. The 2010 laws (Greenlandic Law #25, 2012; Greenlandic Law #26, 2012) were epochal in that the legal right for Greenland to rule over its subsurface finally became possible in praxis. It was not until 2010 that it became possible to start the actual planning for ensuring public revenues from the extraction industries. This is why in his New Year’s speech on the 1 January 2013, Greenland’s then Prime Minister, Kuupik V. Kleist, defined the laws adopted in December 2012 as representing such a special landmark for Greenland. It was only with the adoption of these laws that Greenland was truly in charge of the potential values in the subsurface of Greenland. This process is continuing as the Greenlandic Parliament in spring 2014 will discuss some changes in the Greenlandic Law #26 (2012) (Greenlandic Law #xx, 2013).

Summing up, the description of the legislation on extraction industries in Greenland from the first regulation in 1935 to the present has shown a gradual shift from full Danish political control until 1979, after which there were several stages of shared or common political control among Denmark and Greenland in the Joint Committee on Mineral Resources in Greenland (1979-2010), to full Greenlandic political control beginning in 2010.

From an economic perspective, there has been a similar shift from a solely Danish economic advantage through several stages of shared economic advantage. Initially, during the years of Home Rule, Denmark received most of the advantage. With the introduction of Self Rule, Greenland now has more advantage.

5.0 Three Eras of Formal Legitimacy

The political process within the three eras of formal legitimacy identified above can be illustrated through the industrial extraction activities over the years. Here the focus will be on the three offshore oil and gas exploration campaigns and four other significant activities – the concession for Maamorilik, the closing of Qullissat, the onshore oil drilling, and the inquiry by Alcoa.

In Greenland, industrial activities related to minerals for export have existed at least since 1856 when the Danish state issued the first concession for extraction of cryolite in Ivittuut, south of Paamiut, on the west coast of Greenland. Another early concession for extraction of minerals in Greenland was issued to the Danish businessman, Julius Bernburg, in 1902. He opened his first mine, a copper and lead mine, in 1904 (Bro, 1991).

Fossil fuels (coal, gas, and oil) were also extracted. The coal deposits on the island of Disco and the peninsula, Nuussuaq, in West-Central Greenland, were utilised during the period 1778-1972. No concessions were issued as the colonial authorities were responsible for the coal mining. Through the years 1905-1924, coal mining took place at Qaassuarsuk. Mining operations were then moved to Qullissat, which had an active coal mine from 1924 to 1972 (Fægteborg, 2013, p. 71). The coal mines served as a local source of secure energy in Greenland. In the beginning of the 1970s, the Danish authorities considered the coal mine in Qullissat to be outdated and in 1972 they closed the mine and the town (Haagen, 1977).

The Maarmorilik mining operation close to Uummannaq in North Greenland is an interesting case. Since 1933, five different companies have received an exploration license (see Table 2).

Table 2. Companies which have owned the Maarmorilik Mine.

Date	Company	Product mines	Notes
1933-1940	The Danish state	Marble	moved from Appat to Maarmorilik in 1936
1966-1971	Greenland Stone A/S	Marble	
1972-1990	Greenex (owned by Cominco and from 1986 by Boliden)	Zinc and lead	
1997-1998	Platinova	Zinc and lead	No production
2007-present	Angus & Ross (Angel Mining)	Zinc and lead	No production Suspended 2013

Source: Author.

It was not until Greenex started production in 1972 that the extraction activities had more than a peripheral influence on Greenlandic society (Rasmussen, 2010, p. 165; Dahl, 1977).

The presence of crude oil in Greenland had been noticed earlier by the Inuit and by colonial authorities. Crude oil was seeping from the rocks on the Nuussuaq peninsula. Historically, the local Inuit made some use of it in their households. In 1993 a test drilling was made by the state, but there has never been any real commercial interest in these natural oil leaks (Christiansen, 1999).

Only one year after the closing down of the coal mine in Qullissat in 1973, the "oil price shock" hit the world. It led the Danish authorities to intensify their efforts in attracting international oil companies and in 1975, the Danish authorities issued six permits for offshore oil exploratory drillings west of Sisimiut. That was the first campaign of offshore exploratory drillings for oil and gas west of central Greenland. During 1976-1977, five exploratory drillings were completed. In 2000, a second campaign of offshore exploratory drillings

hit the west coast of Greenland. It resulted in only one offshore exploratory drilling. A third – and until now the latest – campaign of offshore exploratory drillings for oil and gas west of central Greenland resulted in eight exploratory drillings during 2010-2011 (see Figure 5).

None of these fourteen exploratory drillings which took place west of Greenland from 1976 to 2011 have, however, resulted in any oil findings of commercial interest.

Figure 5. Some of Greenland's Oil Exploration Areas in 2010-2011, West of Disko Island.



Source: Saunders, 2010 – originally: Financial Times.

The cases of mining in Maarmorilik and Qullissat and the onshore drilling in Nuussuaq have been mentioned above. They represent industrial activities other than offshore drilling during the 50 year period analysed here. One more case not related to offshore drilling must be included.

In spring 2006 American aluminium producing company, Alcoa, approached the Greenland Home Rule administration. Alcoa was interested in starting a negotiation process with the Greenland administration and its politicians to develop an aluminium smelting industry in Greenland. The process is still going on, and as of 10 April 2014 no final decision on initiating the construction of an aluminium smelter has been made by the politicians. This process has been epochal in relation to designing the disclosure, openness, and transparency so crucial to fulfilling public legitimacy.

Legislation has been developed alongside the progress in the negotiations. The administration has gradually been introduced to more and more aspects of this kind of industrial development – global industrial development. For almost all levels of Greenland society, this has been the first learning experience with the large scale industrial global market (Hansen, 2013; Hansen and Rasmussen, 2013).

Table 3 summarizes the relationship between industrial activities and formal legitimacy, with a focus on the last 50 years of industrial activities.

Table 3. The Three Eras of Formal Legitimacy Related to the Extraction Industry.

Era	Law (Year & no)	Primary political reference			Offshore oil Campaigns	Other industrial activities
		Denmark	Common	Greenland		
Externally ruled -1979	D 1932 #27 D 1935 #157 D 1950 #181 D 1965 #166 D 1969 #203	◆			1976-1977 5 drillings	1971 Maarmorilik 1972 Qullissat
Home Rule 1979-2010	D 1978 #585 D 1979 #56 D 1988 #844 D 1991 #335 D 1993 #1074 D 1998 #317		◆	◆	2000 1 drilling	1993 1 onshore drilling
Self Rule 2010-present	D 2009 #473 G 2009 #7 G 2012 #25 G 2012 #26 G 2013 #xx			◆	2010-2011 8 drillings	2006 Alcoa

Source: Author.

6.0 Public Legitimacy Related to the Three Eras

The level of public legitimacy is related partly to formal legitimacy (legislation), the form of the democratic decision process. Public legitimacy is also partly related to factual legitimacy (well-informed and inclusive politicians, consultations and hearings with the public, contracts and concessions to the companies, etc.), the content of the legislation, and the way it is conducted.

Here, public legitimacy will be analysed within the frame of the three eras of formal legitimacy. The analysis will be illustrated with the empirical cases which have been discussed.

6.1 Public Legitimacy During the Externally Ruled Era

In 1976-1977, when the first offshore oil exploration campaign hit Greenland, legislation from 1969 was in force. The administration of the industrial interests in the subsoil of Greenland was purely a Danish domain. The law passed in 1965 (Danish Law #166, 1965) was the first law directly focused on the mineral and petroleum extraction industries in Greenland. It had granted the Greenlandic parliament, the Landsrådet, a right to be consulted on matters included within the law. When the draft of the Danish law was in consultation in the Landsrådet in 1964, the Landsrådet only suggested some minor changes to the draft. Not even the first sentence in the first section stating “All minerals in Greenland belong to the state” (Beretninger, 1964, p. 89 – author’s translation from Danish) was mentioned by the Landsrådet. There was no debate in the Landsrådet about the law. It was unanimously adopted and there was no public involvement by the authorities during the decision process.

When the draft of the law to be passed by the Danish parliament in 1969 (Danish Law #203, 1969) was put forward in the Landsrådet in 1968, there was very little discussion about the draft. It was clear that the only change compared to the 1965 law was that a new section stated that the concession holder could be granted exemption from paying tax on earnings from the mining activities. A member of the Landsrådet, Jørgen F.C. Olsen, suggested that the Landsrådet stressed it agreed to the intentions stated in the note from Denmark that any net profit should be taxed 50 % “because the former mineral extraction industries in Greenland had been of too little benefit to Greenland” (Beretninger, 1968, p. 151 – author’s translation from Danish). Mr. Olsen was the only one who dared giving his opinion on the subject. It is clear from the minutes of the meeting that the Danish representative at the meeting was very eager to get the approval from the Landsrådet and that the Landsrådet was basically in favour of some development within the extraction industry. The Danish authorities did not involve the public in any way during the 1968-1969 decision process.

In the Greenlandic newspapers during the 1960s, no major debate concerning either of the two laws nor the content of the laws took place. The public did not show much interest in the subject at the time.

From the beginning of the 1970s the political landscape in Greenland changed. One of the earliest indications of a changing political landscape was the election of Moses Olsen as one of the two Greenlandic members of the Danish parliament in the 1971 election. In the same year, there was also an election for the Greenlandic parliament, the Landsrådet, and at this election new political icons like Jonathan Motzfeldt and Lars Emil Johansen were elected for the first time.

In 1972, the political scene in Greenland was first marked by the closing down, by the Danish authorities of the coal mine and the town of Qullissat (see Haagen, 1977). Furthermore, on 2 October 1972, Denmark voted on membership into the European Union. The Kingdom of Denmark voted yes, and as Greenland was an integrated part of the Kingdom of Denmark it also became part of the European Union. This was despite the fact that 70.2 % of the vote casts in Greenland were “no” votes (Dahl, 1986).

On the other hand, the opening of the Maarmorilik mine in western Greenland in 1972 which occurred without any formal public involvement in the decision process, was not met with massive protests.

When the Danish authorities in 1975 issued six permits for offshore oil exploratory drillings west of Sisimiut, it created a massive wave of protests from the public as well as from the Greenlandic parliament.

On 19 March 1975, young Greenlanders living in Copenhagen occupied the Ministry for Greenland as a direct protest against the political process for permitting. There had not been any organised public debate by the Danish authorities prior to the issuing of the permits. The permits were put forward by the Danish authorities to the outgoing Landsrådet in March 1975, just one month before a new election. In an atmosphere of promises and threats from the Danish authorities, the outgoing Landsrådet ended by accepting the permits (Dahl, 1986, p. 65). The young Greenlanders living in Copenhagen protested that the Danish authorities would not wait for the approval from the Landsrådet until after the election to be held 10 April 1975 (Dahl, 1986, p. 65).

There were also protests in Greenland. For example, in Sisimiut a demonstration against the exploratory drillings west of Sisimiut was organised. Figure 6 shows some examples of protest posters from a protest demonstration in Sisimiut in 1975. The texts are in Greenlandic and in Danish. The English translations are:

“Save our people! NO to the oil base”, “Welcome you obedient servant of the imperialists!”, “Do you still have to use the colonialists’ dictatorial methods?” and “No oil activities on our fishing banks!”

Figure 6. Examples of Protest Posters from a Protest Demonstration in Sisimiut in 1975.



Source: © Sisimiut Museum, Greenland.

The many public protests against the exploratory drillings were followed up by action by the Landsrådet. In the autumn of 1975 the Landsrådet adopted a resolution saying “the Greenlandic subsoil and its wealth belong to the resident population” (Dahl, 1986, p. 67 – author’s translation from Danish).

During 1976, the disagreements between Denmark and Greenland regarding the ownership of the subsoil of Greenland became even clearer. At the political summer conference in Aasivik in 1976, a resolution was adopted demanding a free and independent Greenland (Jûlut, 1976, p. 26).

In October and November 1976, the Danish Prime Minister, Anker Jørgensen, visited Greenland. He met with much frustration from the Greenlanders and in an interview broadcast on the news on the national radio, Kalaallit Nunaata Radioa (KNR), Jørgensen felt it necessary to make his opinion very clear by saying: “There is nothing to be diced about. If you demand the ownership to the subsoil in Greenland then you also have to say you wish to cut the ties to Denmark” (KNR, 1976 – author’s translation from Danish).

In November 1977, the Greenlandic mining workers at Maarmorilik went on strike demanding equal wage for equal work. Because of the introduction of the “birth criteria”, it had been normal to pay a lower wage to people ‘born in Greenland’ compared to people ‘born outside of Greenland’. The strike was widely supported by the Greenlandic elite regardless of their own political preferences (Dahl, 1986, p. 38), and it resulted in equal wages at the Maarmorilik mine.

Sinding (1993, p. 148) defines legal legitimacy in the period before the legislation in 1965 (Danish Law #166, 1965) as a “regulatory vacuum”.

Symptomatically, during the early part of the first era we see an almost non-existent public legitimacy. It changes dramatically in the 1970s with the development of public involvement, primarily through the new political parties. They were facing a frame for factual legitimacy with almost no guidelines for formal involvement of the public in the decision making process to ensure at least a minimum of consultation for the purpose of incorporating other opinions into the process.

In the 1970s the Greenlandic involvement is characterised by protesting. In the beginning, the opinions included all kinds of arguments which were not too well-structured. Eventually, the protests developed into the creation of the first political parties with broad support from the population (see Dahl, 1986).

6.2 Public Legitimacy During the Home Rule Era

When the second campaign of offshore oil exploration reached Greenland in 2000 the legislation and political atmosphere was very much different from how it had been 24 years earlier. The law from 1976 had been revised four times (in Danish Law #844, 1988; Danish Law #335, 1991; Danish Law #1074, 1993; Danish Law #317, 1998). The administration of the subsoil of Greenland was now categorized as a joint affair (*fællesanliggende*). The most significant revision was in the 1998 law (Danish Law #317, 1998) which had moved the administration from Denmark to Greenland. Shortly thereafter, the Bureau of Minerals and Petroleum (BMP) was established as a consequence of the changes. In 1998 a new, second round of offshore exploratory drillings was issued.

In the Greenlandic parliament, the application for issuing the licences prompted some discussions, but the parliament authorised BMP to proceed and sign the contracts. There was some coverage of the issue in the press, but it did not generate that much attention. The exploratory drillings did not create much activity on land in the Greenlandic harbours, nor much attention in general.

The legislation did not require any formal involvement of the public in the decision process and no consultation or hearing of any kind took place. Formal legitimacy was met, but public legitimacy was not. Because of the way the decision process was handled, it created no public ownership to the issued permits for offshore exploration. The same picture can be seen with the onshore oil exploration activities in 1993 on the peninsula of Nuussuaq.

The first decades of the Home Rule era can be described as a period of transition in which the political actors had to adjust their political discussion from focusing on an external authority, in the shape of the Danish colonial authorities, to focusing on an internal authority. During the first decades of Home Rule the political party in power, Siumut, partly succeeded in addressing political disagreements as a question of being pro or against the Greenlandic Home Rule. The rhetoric 'either you are with us or you are against us' had huge influence on the factual legitimacy in the way that public debates did not develop into an elaborated and inclusive democratic decision process.

As in the first era, public involvement changed towards the end of the era. During the Home Rule era, the trigger was the inquiry by Alcoa in 2006. I have earlier argued that the inquiry by Alcoa in 2006 can be seen as the ultimate introduction of the principles of global industrialisation to the Greenlandic society (Hansen, 2013).

The political decision process in relation to the aluminium smelter project changes dramatically from 2006 until 2010. In a remarkable way the basic frame for developing a modern factual legitimacy in Greenland was created. A single

example is provided: Despite having no legislative basis for a Strategic Environmental Assessment (SEA), the parliament decided that a SEA would be conducted in relation to the aluminium smelter project (see Hansen, 2010).

Parallel to the development of factual legitimacy and with the intention of supporting public legitimacy in society, public opinion became much more broadly organised through the creation of NGOs.

6.3 Public Legitimacy During the Self Rule Era

The third campaign of offshore activities started just after the 2009 law (Danish Law #473, 2009) had come into force. Obviously, most of the negotiations and preparations had taken place under the old regime, but the activities did not begin until 2010.

In 2010 and 2011, the atmosphere surrounding the offshore activities was very different from the past in relation to the political attitude, public opinion, and the activities of the companies involved. This time, Greenlanders were hired as workers and given relevant further education through special courses. The companies also placed activities onshore, which the town of Aasiaat especially welcomed and, benefited from.

Offshore activities have been followed closely by politicians, NGO's, the public and the press. The companies involved have created headlines in the Greenlandic press on their activities elsewhere in the world. Since around 2005, public legitimacy seems to have changed in its attitude. NGOs in Greenland have become stronger and some have been opposing the municipalities' interests in attracting new activities to their areas with the prospect of creating new jobs. The political parties do not always agree on how to react to issues related to offshore activities such as deep water drilling, the risk of a major environmental disaster, and so on.

In 2013 we are still in the early stages of the Self Rule era. What we see within the formal and factual legitimacy is a further development of the principles of disclosure, openness, and transparency (see i.e. Hansen et al. 2009; Aaen, 2012). This can be illustrated by the draft of the suggested changes to the law from 2010 (Greenlandic Law #26, 2012) which was sent in public consultation in December 2013. The suggested changes are setting up frames for public involvement in the political decision processes.

In the area of public legitimacy, we now see a consolidation of the NGO's operating in Greenland. For example, Inuit Circumpolar Council (ICC) created a strategic partnership with World Wildlife Fund in Denmark and in 2013, a number of NGOs joined forces during the consultation and hearings covering a possible mine closure of Narsaq in South Greenland.

Olsen and Hansen (2014) have analysed public participation in 2012 in preparation for a possible forth campaign of offshore activities northwest of Greenland. They show that NGOs, to a higher degree than the general public, emphasise a need for public participation to influence decision-making (Olsen and Hansen, 2014). This supports the findings that NGOs are becoming better organised compared to just a few years earlier.

The characteristics for three eras of legal legitimacy in Greenland are summed up in Table 4.

Table 4. The Three Eras of Formal Legitimacy Related to Changes in Public Legitimacy.

Era	Character of formal legitimacy	Content of factual legitimacy	Level of public legitimacy
Externally ruled -1979	External authority	No regulations on disclosure, openness, and transparency	Non-existent. In the 1970s organised through political parties
Home Rule 1979-2010	Common authority	Weak regulations on disclosure, openness, and transparency	Low involvement. From 2006 a professionalization of NGOs
Self Rule 2010-present	Internal authority	Developing regulations on disclosure, openness, and transparency	Broad involvement. NGOs better organised.

Source: Author.

7.0 Conclusions

The analysis of three eras with different frames for legal legitimacy has shown that the political decision processes during the past 50 years have changed dramatically. The process has grown from an uninvolved Greenlandic population, through a period of protest from a publically and politically active Greenlandic population with no formal influence, to a current Greenlandic population with full control over the subsurface of Greenland and a protesting external Danish public and political opinion with no formal influence. This is the essence of why former Prime Minister Kleist, in his New Year's speech on 1 January 2013, defined 2012 as a special landmark year for Greenland.

Finally, this study suggests that a growing formal political influence on a certain issue in a postcolonial context might create space for an increasing number of voices and a diversity of positions in public debates and in decision making processes. The requirement for more disclosure, openness, and transparency in democratic processes is one of the key issues raised in this paper.

Public legitimacy is still not very strong in Greenland. It is obvious that this does not appear by itself with the passage of laws. The point here is that a growing formal political influence can facilitate larger public awareness and thus a more elaborate public debate and hopefully, a much stronger public legitimacy. This does not necessarily go together though. The general political atmosphere has to be open to the basic democratic values – autonomy, equality, and fairness – otherwise, growing formal political influence might result in the development of a society with weaker public legitimacy.

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