

7. Industrial Svalbard: From Søren Zakariassen to Store Norske

Even the whalers of the 17th century were aware that coal and other minerals were to be found on Svalbard, but did not exploit these resources. Hunters and trappers may sometimes have used local coal too, and the “gentleman tourist” James Lamont dug bunker coal in Kongsfjorden and Adventfjorden for his ship “Diana” in 1869. Commercial production, however, came later, spurred by rapid industrialization in Europe.

A.E. Nordenskiöld founded the first industrial company, “AB Isfjorden”, in 1872, planning to exploit a phosphorite deposit at Kapp Thorsden for fertilizer. Production never started. In 1899 the sealing captain Søren Zakariassen mined around a ton of coal at Bohemanneset and Heerodden in Isfjorden, some of which was sold locally, and the rest in Tromsø. He also initiated a number of small coal companies in Norway that sent prospecting expeditions to Svalbard and claimed coal fields in the first years of the 20th century. One of these fields, on the north side of Adventfjorden, was bought by a British company, The Spitsbergen Coal & Trading Co., which carried out the first year-round production in 1905–08. The operation then closed down due to lack of resources, labour conflicts, technical and financial problems.

In the decade before World War I a number of individuals and companies were active at Svalbard, prospecting for minerals and claiming areas. Since this was still a no man’s land, property rights could not be confirmed or conflicts resolved by state authorities. One of the most expansive companies, the Northern Exploration Co. (GB), at some point claimed to “own” 10,000 km² of Svalbard and had a stock capital of 1 million pounds, but never produced any substantial amount either of coal, iron or marble. Before 1914 only the Arctic Coal Co. (US) was able to start a sizeable production. In Longyeardalen they established a mine that eventually employed 2–300 people in winter time and had a production capacity of around 50,000 tons of coal per year. In 1915 the mine was closed due to the problems of the war.

During W.W. I most of the mining activity was abandoned, but new Norwegian companies were formed in 1916–17. One of them, the Store Norske Spitsbergen Kullkompani, bought the estates and mines of ACC. After the war also Dutch (Barentsburg), British-Russian (Grumant) and Swedish (Svea) companies started mining, but had to give in during the economic crisis in the 1920s. The implementation of the Svalbard Treaty and the Mining Code in 1925 provided a legal framework, but did not stimulate further industrialization. From 1930 only Store Norske and the Soviet Trust Arktikugol continued coal mining – in Longyearbyen, Barentsburg and Grumant. The other mines on Svalbard had been closed down, permanently or temporarily.

Svalbard was evacuated in 1941 due to the war, and in 1943 German ships bombed and heavily destroyed the mines. In 1945 reconstruction started, now including Ny-Ålesund, Svea and Pyramiden. Recurring market crises and economic problems made coal mining unprofitable, but for political reasons it was important to uphold activity – for Norway as well as for the USSR. There were no real alternatives to coal mining. In 1976 Store Norske was nationalized, and a modernization process in Longyearbyen started. From the 1990s the economy has diversified significantly. Still, coal mining is important: from 2002 Store Norske was able to produce profitably (i.e. without state subsidies) in Svea Nord, using high-end technology. Coal prices fell dramatically from 2014. The Lunckefjell mine (2013) has not been put into production yet; in 2015 the state refinanced Store Norske and took over the company’s properties. Russian activity is presently low, and Pyramiden was closed in 1998.

Food for thought

- In what way can coal mining on Svalbard be said to have political significance?
- Think hypothetically: How would Svalbard have been today without a coal industry?