Content of today’s lecture

1st half:
• The pioneer phase before World War I
  – Mining pioneers
  – “Coal rush”: prospecting and claiming land
  – The Arctic Coal Company
  – The Svalbard Treaty and post-war crisis

2nd half:
• The industrialized Svalbard
  – Rebuilding in 1945 – and new crises
  – The nationalization of the coal mines
  – Economic policy-shift in the 1990s
  – Towards a post-industrial era?

Problem:
• Industry – blessing or curse for Svalbard?

Mining pioneers

• Coal deposits were known and exploited in the 19th Century; «Diana» coal mine 1869
• A.E. Nordensköld and A/B “Isfjorden” 1872
• Søren Zakariassen: Arctic pilot, skipper, sealer – and industrial entrepreneur
• The first mining companies established in 1900–02
"Coal-rush" 1900–1914
- The Spitsbergen Coal & Trading Co. and "Advent City" 1905–08
- Numerous claims taken before World War I
- Mostly exploration, little actual production
- Pure speculation or serious business?
- Ernest Mansfield and The Northern Exploration Co.
- Territorial ambitions and national policies

Slow industrialization
- First serious contender: the Arctic Coal Company, from 1906
- 1915: $1 million invested, 2–300 employed, capacity 50,000 tons/year
- World War I curbed mining activities: ACC sold to Norwegian interests in 1916
- 1920s: coal mines in Adventfjorden, Svea, Ny-Ålesund, Barentsburg, Grumant and on Bjørnøya
- Post-war economic crisis. From the 1930s only Norwegian and Soviet activity

Mining on Spitsbergen
- Some important locations:
  - Test pits, shafts
  - Coal mines
A new legal framework

- Land and labour conflicts initiated a political process: the administration question
- The outbreak of the war halted legal development; Norwegian interests grew
- Consequences of the Svalbard Treaty (1920) and Norwegian sovereignty (1925)
- The Mining Code (1925)
- The Svalbard Commissioner: property rights cleared 1925–27

Rebuilding after WW2 and new crises

- Mines quickly rebuilt after the war:
  - Longyearbyen, Ny-Ålesund and Sveagruva
  - Barentsburg, Grumant and Pyramiden
- International crisis in the coal industry in the late 1950s
- 1960s: dismantling the coal mines?
  - Svea closed in 1949
  - Grumant and Ny-Ålesund closed in 1962–63
- Why was Store Norske kept alive?
  - Norwegian sovereignty during the Cold War
  - No realistic alternatives to coal mining
  - Ambitious national industrial policy
Coal mining at any price?

- Soviet/Russian and Norwegian coal mines heavily subsidized since the 1920s
- 1976: Store Norske taken over by the state – not just for economic reasons
- The "normalization" process of the 1980s challenged the coal company
- A new economic policy in the 1990s – visions of a post-industrial Svalbard
- Russian problems: Pyramiden closed 1998
- Svea Nord: Store Norske on its own from 2001; Lunckefjell mine (2013) pending

Coal mining in perspective

**Blessing**
- Important basis for Norwegian and Russian presence
- Almost ideal activity to ensure stable, diverse settlement
- Limited environmental load and land use
- Created vital infrastructure for all other activity

**...or curse?**
- An economic "black hole" for Norway and Russia
- Health hazards and fatal accidents
- Inflexible tool for a dynamic Svalbard policy
- Potential conflict with environmental interests