Mining for Sovereignty? Norwegian Coal Companies and the Quest for Supremacy over Svalbard 1916-1925

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1. Introduction
The start of commercial coalmining on Svalbard is usually attributed to Arctic skipper Søren Zakariassen of Tromsø and his pioneering expedition in 1899, during which some 70-80 tons of coal were excavated from the shores of Isfjorden and later sold to different customers. Zakariassen initiated and inspired the formation of a couple of Norwegian coal companies, which explored the west coast of Spitsbergen around the turn of the century and occupied areas for future mining. These were first and foremost prospecting expeditions. No substantial production came out of this initial phase, so the investors had lots of expenditures but no revenues. Therefore, after only a few years, they tried to either sell out or attract foreign capital into joint ventures (Hoel, 1966). Some of them succeeded: In 1904–1905 British and American interests became involved in the development of coalmines on Svalbard. In the decade before the outbreak of the First World War a handful of exploration and mining companies of other nationalities were formed as well. The period from 1900 to 1920 has been termed the ‘coal rush’ on Svalbard; more than one hundred small and large occupations were undertaken and reported to the respective national authorities (Brugmans & Reymert, 2020).

This development took place under unsettled legal circumstances. The Spitsbergen archipelago was widely regarded as terra nullius, a no man’s land. There was neither national jurisdiction nor local administration of any kind – let alone taxation. While the latter was advantageous to entrepreneurs and investors, there were several downsides. For one thing, establishing private property rights was by no means straightforward. Any conflicts that might arise on Svalbard could not be resolved locally and hardly on the mainland, since national laws rarely applied to activities abroad. But conflicts there were, be it over occupations of land, labour unrest or criminal offences (Arlov, 2003, p. 246 f.).

In 1907 the fresh Norwegian government used the absence of law and order as justification for a diplomatic initiative to solve the ‘Spitsbergen question’ by international

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1 I am grateful for considered and constructive suggestions from the reviewer of this paper and the editors. I would also like to thank Rolf Einar Fife and Ole Jone Eide for providing immediate access to their research.
agreement. In Norway, a popular sentiment in favour of annexing the Arctic archipelago was growing, but for the time being the government did not convey any desire to change its terra nullius status. Therefore, perhaps, the initiative was positively received by other states and Norway got a mandate in 1908 to call a conference among interested states. However, when the government in 1909 revealed its program for the upcoming conference in Kristiania (Oslo), it became obvious that Norway had more extensive ambitions for herself. Arguing with the impracticality of sharing responsibility among states for administration and a judiciary, Norway generously offered herself to take it upon herself on behalf of the international community, albeit without claiming any kind of sovereignty (Berg, 1995, p. 159 f.). These blatant territorial desires were easily looked through by other states, in particular Russia and Sweden, the latter having been the dominating union partner of Norway, controlling the twin states’ foreign policy. Instead of allowing the Norwegian government to take the lead, a mandate was given to Sweden, Norway and Russia to work out a draft for an international agreement. Two conferences were held in Kristiania in 1910 and 1912. The three so-called ‘Northern states’ envisaged a kind of condominium, a shared and rotating administrative and judicial responsibility. This model hardly seemed practical and was thoroughly rejected by the other states when the international conference finally convened in Kristiania in June 1914. Furthermore, the representatives were unable to devise an acceptable alternative arrangement – international rivalry and reciprocal scepticism were prevalent in these years. The conference was concluded in late July without a clear conclusion. Even before the delegates were heading home, the infamous shots were fired in Sarajevo and a few weeks later the Great War in Europe broke out (Berg, 1995, p. 164 f.; Eide, 2019, p. 137 f.; Mathisen, 1951).

The war had almost immediate consequences for the exploration and mining activity on Svalbard. All sorts of embargoes and restrictions were imposed that made operations complicated. Commercial shipping was constantly threatened by submarine warfare, international credit systems went down, and even if fuel prices soared, production and export of coal from Spitsbergen seemed hazardous. Consequently, the largest actor, the Boston-based Arctic Coal Company (ACC), scaled down its operations during the winter season 1914/1915. They closed their mines and left in the summer of 1915. All other companies and prospectors temporarily abandoned their activities as well.

The void, as it were, was by and large filled by new private Norwegian coal companies that were formed during the war. Most importantly, the Store Norske Spitsbergen Kulkompani (Store Norske) was established in 1916, having bought all the assets of ACC. They were able to start shipping immediately, in the summer of 1916. In the following years Kings Bay Kull-Compani (Kings Bay) started the construction of a coalmine in Ny-Ålesund, while the company Bjørnøen established themselves – as the name implies – on Bjørnøya. De Norske Kulfelter Spitsbergen (DNKS) opened a coalmine in Hiorthhamn on the northern side of Adventfjorden. In the inner part of Van Mijenfjorden a Swedish

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2 The government was ‘fresh’ in the sense that only two years earlier, in 1905, Norway had broken out the union with neighbouring Sweden and gained her independence. The initiative was fresh as well.
company, Spetsbergens Svenska Kolfält, opened a new coal mine called Sveagruvan in 1917 (Arlov, 2003; Hoel, 1966). Thus, during the war Norwegian economic interests on Svalbard grew rapidly; almost suddenly Norway as a national economic actor had achieved a dominant position. It is fair to assume that this contributed to the government's self-confidence when, in March 1919 at the ongoing peace conference in Paris, it formally declared its wish to gain sovereignty over the archipelago. In July, the High Council of the conference conferred the Spitsbergen question to a special commission. Norway was requested to present a draft treaty, which was produced on short notice. After a series of meetings and consultations, the final draft was presented to and approved by the High Council and the Norwegian government in September–October. On the 9th of February 1920 the ‘Treaty concerning Spitsbergen’ (Svalbard Treaty) was signed by representatives of nine powers present in Paris. Five years later, on the 14th of August 1925, Norway formally assumed sovereignty over Svalbard and the treaty entered into force (Berg, 1995, p. 265 f.; Mathisen, 1951).

2. A problem revisited
The Norwegian dream of gaining sovereignty over Svalbard developed in the 1890s and became a political priority after 1905, when Norway broke loose from the union with Sweden. Before the Great War, this ambition was frustrated by international opposition, but during the war a window of opportunity opened. Norwegian economic interests on Svalbard grew significantly with the formation of new private coal companies from 1916, while foreign activities waned. The general problem I will be exploring in this paper is the interaction between Norwegian public and private interests in the quest for sovereignty. I am particularly interested in the role of the coal companies; were private enterprises instruments of the government’s political ambitions to acquire sovereignty, or was it the companies that mobilized the government to secure their own economic interests? In short, who was instrumental for whom, and in what ways?

The problem, in different forms, has been studied before. In his pioneer work on Svalbard's political and diplomatic history Trygve Mathisen showed how private companies in Norway and abroad involved themselves deeply in the question of sovereignty during and after the war, trying to engage their respective governments in favour of securing national economic interests – albeit with varying degrees of success. Mathisen documented that a committee initiated by the company Store Norske produced a draft which served as a basis for the official Norwegian treaty proposition handed in to the Spitsbergen Commission in July 1919 (Mathisen, 1951, p. 187, 214 f.). He does not, however, attribute decisive importance to Store Norske’s influence on the process; he rather emphasizes the efforts of minister in Paris Wedel Jarlsberg and his French associates. Willy Østreng, on the other hand, in a case study from 1974, gives Store Norske a much more prominent role. His thesis is that the Norwegian government was remarkably passive with regard to Svalbard after the war and that it let the “sub-national actor” Store Norske take a leading position in the decision process (Østreng, 1974, p. 96 f.). His foremost argument seems to be that the company’s draft treaty significantly inspired the Norwegian proposition of July 1919, which in turn was largely adopted in the final Svalbard Treaty: “If one compares the Norwegian treaty proposition with the final
treaty it is the similarity that is striking, not the difference” (Østreng, 1974, p. 94). Roald Berg, who has researched ‘the Spitsbergen case’ extensively, tends to downplay the influence of private enterprise compared to political and public actors, including representatives of the scientific community and the press (Berg, 1993, 1995). In a more recent study, Berg points specifically to the American secretary of state from 1915, Robert Lansing, as one of the “architects behind the treaty” together with the founder of ACC, John M. Longyear (Berg, 2017). This is an interesting perspective as it effectively implies the integration of public and private interests as far as the US are concerned, a point that was made by Elen C. Singh in her study from 1980 (Singh, 1980). Ambassador and international law expert Rolf Einar Fife, on his part, rather downplays the role of private actors in the making of the 1920 treaty. Instead, he underlines the importance of French support to the Norwegian cause and especially the efforts of legal adviser to the French MFA, Henri-Auguste Fromageot, who helped work out the Norwegian treaty proposition during a few hectic days in July 1919 (Fife, 2016, 2021). In line with Berg, though, he recognizes the influence of USA and Lansing in granting Norway sovereignty.

The interaction between the state and private interests in the period between the signing of the Svalbard Treaty in 1920 and the formal Norwegian takeover in 1925 has been fruitfully studied by Leif Johnny Johannesen and Roger Sørheim, among others (Arlov, 2011; Johannesen, 1997; Sørheim, 1995). During these five years the Norwegian government took control over the private coal companies, save for Store Norske, perhaps. It appears that private enterprises became instruments of an expansive policy designed to protect national interests.

There are several studies in Arctic mining history that have analysed similar problems through the glasses of ANT – actor network theory (Avango, 2005; Hacquebord, 2012; Kruse, 2014). While this theoretical framework might be fruitfully applied also in this case, I shall use a more traditional historical approach that focuses on change over time. My basic assumption is that there was an underlying ‘national will’, to borrow Roald Berg’s concept, to gain Norwegian control over Svalbard (Berg, 1995). This ambition was shared by public and private interests alike and was pursued by economic and political means, but hardly in a coordinated manner before the war. During the war, however, Norwegian economic activity expanded greatly and lent a new dynamic to the political process. The question arises whether it was private enterprise that pressured or nudged the government to go for full sovereignty and, if so, why, how, and when? How did the coal companies interact with the government to land a treaty concerning Spitsbergen before and during the peace conference, and how was their reaction to the outcome? And, finally, what was the role and fate of the private companies in the process from the signing of the treaty in 1920 to its enforcement in 1925?

To understand the shifting roles and interests of public and private actors it is necessary to follow the development chronologically and try to identify the different phases, central events and potential turning points. I shall pay particular attention to the
company Store Norske, which was by far the most important in economic terms and the actor with the closest ties to the government. The hypothesis I want to test is that the Norwegian private companies were indeed instrumental in moving the political authorities from a passive to an active stance regarding sovereignty during the war and through the peace conference in 1919. Their primary concern was to protect their own vested interests. However, as soon as sovereignty was secured in 1920, it was the government that actively used the companies as instruments to improve Norway’s position on the archipelago before implementing the treaty and settling the property rights.

3. Pre-war prelude
When independent Norway set out on her quest for control over Svalbard after 1905, the prime motivation was undoubtedly nationalistic – promoting territorial expansion as a means of boosting national prestige and self-esteem. Despite enthusiastic reports from the growing Norwegian community of Arctic scientists about great resource potentials, the hopes of economic gain were meagre. Hunting and trapping engaged but a few people and provided practically no national revenue, mineral exploitation was in its infancy, and whaling peaked early, sustaining only six ships after 1908. In the decade before the war, mostly foreign interests were anxious to exploit the mineral riches of Spitsbergen: British, American, Russian, and German – in Norway’s backyard, as it were. At the same time, most of the workers of the mining companies were Norwegian. As local labour conflicts surfaced, this became a concern for the Norwegian government and the general public alike, judging by the contemporary press (Arlov, 2003).

It became obvious already in 1909-1910, during preparations for the first Kristiania conference, that Norway could not expect to gain unilateral control over the Spitsbergen islands. The position of other states was quite clear: the legal status of terra nullius must prevail, and the rights and interests of the actors involved had to be preserved by any arrangement decided upon. This also became the conviction of the Norwegian leader of the negotiations in Kristiania, jurist and former prime minister Francis Hagerup. Realistically, the most Norway could hope for was to get a hand on the wheel and eventually expand her own economic interests. Consequently, the Norwegian government was bound to a defensive and careful diplomatic line through the conferences in 1910, 1912, and 1914 (Eide, 2019, p. 137 f.). The establishment of a telegraph station in Grønfjorden and a regular postal service in 1911 may be seen as active, if not downright offensive, measures on behalf of the Norwegian state; in reality, they represented little more than flag waving in no man’s land (Berg, 1995; Mathisen, 1951; Ulfstein, 1995).

Foreign economic activity predominated, first and foremost the rapidly developing American Coal Company (ACC) and the British expansive Northern Exploration Company (NEC). No Norwegian private enterprise could match these actors in the pre-war years, so the government did not receive leverage from an industrial lobby in their efforts to secure Norway’s interests during the negotiation phase. This was bound to change when the war broke out.

4. Developments during the Great War
The owner of ACC, John Munroe Longyear, visited his coal mine in Adventfjorden in the summer of 1914. He could see that the camp – lovingly or mockingly called ‘Longyear City’
was in good shape. The production had gone well, and a second mine was being opened across the valley. Some 40,000 tons of coal were ready for shipment. He returned to Kristiania to follow the Spitsbergen conference that opened in June. On his way back to Boston he received the news that Germany and Russia were at war. He had already been contemplating selling ACC for a year or so. The outbreak of war convinced him that it was time to pull out. ACC’s assets in Norway were transferred to straw companies, the properties on Spitsbergen were leased to his enterprise in the States, Ayer & Longyear, and the work force in Longyear City was reduced during the winter season 1914/1915. Signals were given out that ACC was up for sale (Arlov, 1991, p. 39 f.; Dole, 1922).

While Svalbard was not directly affected by actions of war, the indirect consequences were severe. Shipping in general was endangered, insurances were monstrous, machine parts and equipment were nearly impossible to get, and the international credit system broke down – all of which made it very difficult to continue coal mining on Spitsbergen. During the ice-infested summer of 1915, the ACC evacuated all its workers, save for three watchmen, and the mines were closed. All other mining and exploration companies discontinued their activities as well.

Seen from Norway’s perspective, the outbreak of war created both threats and opportunities regarding Svalbard. Norway was neutral, but her large commercial fleet and natural resources were valuable for the belligerent parties. Hundreds of Norwegian ships were sunk during the first years of the war. By 1918, two thousand Norwegian sailors had been killed, and some 900 ships lost – half of the merchant fleet. Nevertheless, most of the ships were insured, and great revenues came from shipping and export of strategically important products, ranging from seafood to ammonium nitrate for ammunition use. This period has been termed ‘jobbetiden’ in Norway (literally ‘jobbing times’), indicating that the war economy made it possible to create – and lose – fortunes rapidly (Furre, 1993, p. 54 f.). Private capital accumulated and needed outlet in the shape of new investment opportunities. Could Svalbard present any such opportunity?

It has been argued that shortage of coal during the war caused the formation of Norwegian companies. Certainly, the war clearly demonstrated the strategical importance of coal, and Norway was fully dependent on imports, mostly from Great Britain. Getting access to Svalbard coal would seem advantageous in a long-term perspective of supply security (Hoel, 1966; Østreng, 1974). On the other hand, pre-war imports from Svalbard represented less than 2% of the total demand, and though the potential resources might be huge (as was argued by prominent scientists), it would take many years to develop a sizable production. Also, the British coal blockade of Norway and the ensuing supply crisis did not become effective until 1917, and by then at least Store Norske was already in full operation. Although we cannot disregard a real concern for coal supplies, it is not a sufficient explanation for the industrial initiatives that sprang up in 1916 (Arlov, 2003). We should rather seek the cause in the forceful combination of three factors: first, the enduring ‘national will’ to appropriate Svalbard; second, the sudden availability of capital to invest in coal mining; and third, the high market prices of coal.

The national will permeated the Norwegian society before the war, from top to bottom. The public press produced numerous articles and contributions about the need to secure
Spitsbergen – or Svalbard, as it became more common to call the islands – for Norway. The coastal population, who were used to harvesting Arctic resources, were naturally in favour. Parts of the scientific community, in particular activists like Adolf Hoel, Gunnar Holmsen and Gunnar Isachsen, lent academic weight to the demands. Even representatives of the central government and the parliament, Stortinget, voiced their support (Berg, 1995; Drivenes, 2004; Johannesen, 1997). Many of these were closely connected to the economic elite – bankers, investors, industrialists, and shipowners. Some of the politicians belonged to this elite through family ties or as capitalists themselves. It is fair to say that the idea of expanding Norway’s territory into the Arctic (and, for that matter, into Antarctica) infused the top tier of the society. While the government itself – at least officially – was committed to the pre-war diplomatic process based on a terra nullius model for Svalbard, private enterprises were at liberty to act. The war opened a window of opportunity for them. Foreign interests withdrew from the area, leaving a void behind. Important coal fields, particularly ACC’s properties, were being offered for sale, and more investment capital became available because of the war-time boom. Also, the market prices of coal quadrupled during the war, making the investment prospects even brighter (Historisk Statistikk, 1978, p. 535).

The four Norwegian mining companies that were formed in 1916–1917 (Store Norske, Kings Bay, Bjørnøen and Norske Kulfelter Spitsbergen) were all completely private enterprises. They were financially backed by Norwegian banks, ship-owners or other investors (Hoel, 1966). While they were certainly inspired and applauded by the political elite in their endeavours, there is little or no evidence that the government as such initiated their formation. Their primary focus must have been to create wealth for the owners, in line with capitalist logic. On the other hand, they would surely appreciate any support that the state might offer to realize their industrial objectives. One obvious need was to secure the integrity of their investments by protecting the claims to property – a problem yet unsolved on Svalbard. Another was to be a steady customer of coal; the Norwegian State Railways (NSB), for example, was a big consumer. A third possible need was policing, law, and order. It was well known that the British and American coal companies had experienced strikes and ‘unruly’ workers, and labour unrest might have to be dealt with by proper authorities. In fact, Store Norske was assisted by Norwegian military in putting down a syndicalist strike in 1917 – at a time when Spitsbergen was still no man’s land and Norway had no right to wield military power or do policing locally (Agøy, 1997, pp. 43–50; Lund-Mathiesen, 1974). What the companies did not want from the state was any changes regarding inhibiting taxation and regulation, which was presently non-existent. In that respect, their best interest was to retain status quo.

Among the Norwegian companies, Store Norske represents a special case. It was by far the most valuable and important actor, having acquired all the properties and claims of ACC and a far developed, operable and productive coal mine. Taking over ACC meant replacing American economic hegemony on Svalbard with Norwegian. Of course, the central government was fully aware of this. Therefore, we must examine more closely whether the state did interfere in the transaction with the Americans and the formation of Store Norske, contrary to what I just stated.
As mentioned above, J. M. Longyear had been contemplating selling ACC for some time, possibly as early as 1912. In 1913 he was approached by the Norwegian engineer Einar Angell Thiis who tried to interest him in an iron ore deposit in Sør-Varanger, Finnmark. Longyear declined going into yet another venture, but instead hinted that ACC might be for sale for the right price. Angell Thiis, who had been involved in coal mining on Svalbard through the Green Harbour Coal Company, immediately set out to find potential investors in Norway. At one point he held an option to buy ACC, but in the end, he was unable to muster the capital needed. Come 1915, and ACC’s local managing director Scott Turner set up office in London with clear instructions from Longyear to try and sell ACC. Angell Thiis turned up in London too, but this time backed up by serious capital, represented by director Kielland-Torkildsen of the leading Norwegian bank Centralbanken. Adolf Hoel completed the delegation in capacity of geological expert. Other Norwegian contenders approached Turner at the same time; Johan Anker of Green Harbour Coal Co. represented another group that also comprised Russian interests. Seen from ACC’s perspective, the rivalry between potential buyers might result in a higher sale price, which was good. On the other hand, the quarrelling among the Norwegian groups rather delayed a serious bid, so ACC – perhaps as a tactical move – invited Swedish interests to talks about a sale. I have already mentioned that Swedes established Sveagruvan in 1917, so they were clearly interested in getting a foothold on Svalbard during the war (Arlov, 1991).

While the Norwegian government had kept a low profile so far, it seems probable that they did intervene in 1915, albeit discretely. A situation where Norwegian interests competed androwed with one another might jeopardize the opportunity to acquire ACC. The prospect of Swedes taking advantage of it must have been particularly frightening. We do know that Kielland-Torkildsen had close relations with Prime Minister Gunnar Knudsen, who certainly would like to see a Norwegian takeover of ACC (Malkenes, 2014, p. 128 f.). We may safely assume that the government backed the efforts politically and, as we shall soon see, practically. However, we cannot infer, as Adolf Hoel does, that political authorities were the prime movers behind the process (Hoel, 1966, p. 689). In 1915-1916 the initiative was in the hands of private enterprise. Besides Centralbanken, that included a dozen other Norwegian banks, industrial corporations, and individual capitalists. They acted in their own interest, while knowing that this was also in the interest of Norway – the national will. On January 10th, 1916, a handful of representatives met to discuss a possible bid for ACC. A working committee headed by Kielland-Torkildsen was formed to raise capital (Arlov, 1991; Hoel, 1966, p. 776 f.; Westby, 2003, p. 17).

As the negotiations with the Norwegians grinded to a halt towards the end of 1915, a frustrated Scott Turner had left ACC and Longyear himself took charge. He was able to extract a concrete bid from the Swedish group and let this be known to the Norwegians. At this crucial point, in the face of a ‘Swedish threat’, the government may have put some pressure on Kielland-Torkildsen’s alliance to speed up and to fend off competing Norwegian interests. On February 20th, 2016, the group made an offer of 1 million kroner in cash and 2 million in shares to Longyear. He demanded 1.5 million in cash and set a deadline for answering within March 1st.
Now was the time to consolidate the buyers’ group. Kielland-Torkildsen took the lead and called a founding assembly on March 6th to form a syndicate for buying and exploiting coal fields on Spitsbergen. The majority of the attendees were men of shipping, commerce and finance but among the twenty persons present we also find leading representatives of the government: Foreign Minister Nils C. Ihlen and – represented by proxy – Prime Minister Gunnar Knudsen. Still, formally and in practice ‘Det norske Spitsbergensyndikat’ was a private commercial entity.

The syndicate delayed answering Longyear but finally accepted his terms. On the 31st of March Longyear telegraphed his acceptance, and the deal was closed, pending a formal agreement that was closed during the summer (Arlov, 1991). It is important to note that by this transaction John M. Longyear became by far the largest shareholder of Store Norske, and he remained so until his death in 1922. It is known that the Norwegian envoy to Washington, Helmer Bryn, was very helpful in the negotiations with Longyear during the sales process (Hoel, 1966, pp. 781–782). This should not be taken as evidence of state interference; diplomatic assistance to national private enterprise is perfectly normal. What is perhaps more notable is that the PM himself, Gunnar Knudsen, signed up for a personal contribution of 150,000 kroner to the initial capitalization of the syndicate that later, on the 30th of November 1916, became Store Norske Spitsbergen Kulkompani. Even though this was a private investment, the PM’s personal engagement blurs the borderline between public and private interests. Today, that would have been impossible, of course, but in 1916, it was obviously acceptable. Nevertheless, the PM’s personal engagement must have been perceived as – and indeed was – a clear signal of official condonement. But the state as such did not engage financially in the company – yet.

5. **The road to Paris**

While the three other Norwegian companies formed in 1916-1917 (KBKC, DNKS, and Bjørnøen) needed to start from scratch to establish their coalmines, Store Norske got a flying start. They could begin shipping coal stored by ACC in 1915 and produce from day one. Since coal prices were soaring, focus was on production in Mine no. 1 rather than development of Mine no. 2. The dividend to the shareholders was 7.5% after the first year of production 1916-1917 and the company stayed profitable for the following two years, despite heavy investments (Hoel, 1966; Westby, 2003). The growing economic engagement did, however, make the question of legally securing properties and investments more acute. Consequently, after consulting with the Norwegian Ministry of Foreign Affairs (MFA), Store Norske set down a committee to work out a legal framework for mining on Svalbard. It was headed by law professor, previously Minister of Justice, Fredrik Stang. Store Norske originally wanted legal expert Arnold Ræstad, a former employee of the MFA and author of a dissertation from 1912 on Norway’s (alleged) supremacy over Spitsbergen in former times, but he was not available at the time (Eide, 2019, p. 173 f.; Ræstad, 1912). The condonement of the MFA gave the committee a semi-official imprint, although it was private in principle and claimed to be “un-official”. Building on the pre-war diplomatic negotiations, the committee produced a comprehensive proposal for an international agreement on the administration of Svalbard (Østreng, 1974).
As the war was drawing to a close, Norway’s dynamic envoy to France, Fredrik Wedel Jarlsberg, worked incessantly in Paris to sound out possible advantages that Norway might gain in the upcoming peace negotiations. Already in 1918, he had communicated to the ministry at home that a solution of the Spitsbergen question in Norway’s favour might be feasible. The French government was positively inclined, and US Secretary of State Robert Lansing was known to support Norwegian sovereignty (Berg, 2017). While this was good news to the government, Wedel’s more expansive ideas of acquiring a former German colony in East Africa and parts of the Murmansk coast on the border to Russia, were not well received by the MFA. While a peace conference was being prepared following the armistice on 11 November 1918, the Norwegian government consulted with private enterprise, in particular the Norwegian Shipowners’ Association, about potential claims of compensation for losses during the war. Many leading Norwegian shipowners had interests in coal companies on Svalbard too; indeed, PM Gunnar Knudsen was one of them. The advice received was unanimous – to go for sovereignty.

In late fall 1918, the government still seemed somewhat hesitant to proclaim a demand of legal supremacy. Probably, it felt bound to the pre-war process and a commitment towards the condominium model and chief negotiator Hagerup’s ‘legal accountability’ (Eide, 2019). At the same time, it was being pressed from the outside by public opinion, by Store Norske and private enterprise, and by the parliamentary Committee on Foreign Affairs (‘Stortingets utenrikskomite’), which in a meeting on November 16 insisted that the government forward a formal demand of Spitsbergen. According to Roald Berg, this triggered a shift of policy (Berg, 1995, p. 272). From the inside, minister Wedel Jarlsberg urged the MFA to take a more pro-active stance. Finally, the government gave in; early in March 1919 Wedel Jarlsberg received the instructions he had been demanding for nearly half a year. Shortly afterwards, the states who were involved in the 1914 Kristiania conference – save for civil war-ridden Russia – were informed of the change of course. On April 10th, the High Council of the peace conference in Paris was notified that Norway wished to have the Spitsbergen issue solved through Norwegian sovereignty. Accompanying the notification was an extensive documentation of Norway’s interests on Svalbard that Wedel had compiled with the help of experts at home and in France: in March, Store Norske sent their board member Johan Anker to Paris to assist Wedel and promote Norwegian industrial interests, in understanding with the Norwegian MFA. Gunnar Isachsen turned up as well to help with geographical information, as did Arnold Ræstad – both hired by the MFA. Finally, Fredrik Stang, expert chair of the private treaty committee, joined the team in Paris. Ræstad and Isachsen, assisted by geographer Werner Werenskjold and geologist Gunnar Holmsen, worked out the exposé or memorandum to the Peace Conference justifying the Norwegian claim of sovereignty on April 10th, but

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4 Legal accountability is my translation of O. J. Eide’s term ‘juridisk forsvarlighet’.
5 As R. E. Fife (2016) has shown, Russian exile representatives were consulted about the Spitsbergen issues and did not oppose Norwegian sovereignty. The emerging Soviet government was not bound by this; its recognition came later, in 1924.
then left Paris (Berg, 1995; Eide, 2019; Mathisen, 1951; Østreng, 1974). In France, Wedel and the Norwegians received invaluable support by established scientists like geographer Charles Rabot, who helped publish Norwegian treatises and articles on Spitsbergen (Jones, 2014).

In early July, the High Council decided to establish a commission with representatives of the victorious great powers to assess the Spitsbergen issue. The commission met for the first time on July 18th and shortly afterwards decided to ask Norway to put forward a proposal for a treaty. The government had not prepared such a document, but the Store Norske-affiliated committee had indeed a draft – and Stang was in Paris. With the aid of the French government’s legal adviser, Henri Fromageot, Wedel and Stang produced a draft in three hectic days. It was shorter and more pointed than the committee’s proposal, but probably inspired by it in content and wording. An important difference was that the final proposition used the wording “recognize the full and absolute sovereignty of Norway” instead of the draft’s weaker “placed under the Kingdom of Norway’s supremacy (sovereignty)” (Østreng, 1974, p. 104 f.). The former, which probably was formulated by Fromageot, ended up in the final treaty. The draft was sent in parallel to the commission and to the Norwegian MFA. The latter was critical, particularly regarding the clauses that provided extensive rights to foreign citizens, but Wedel made it very clear that this was required in the present situation should Norway have any hope of achieving sovereignty. The government conceded to the draft on August the 6th, making reservations about affirmation by Stortinget (parliament).

From this time on, the process was in the hands of the Spitsbergen commission. The foundation for its work was the Norwegian proposal that had been produced not by the government in Kristiania, but by its envoy in Paris with the aid of at least partly extra-official advisers, some of whom were directly affiliated with private enterprise. It is beyond the scope of this paper to explore the deliberations in Paris, which have been thoroughly researched by others (Berg, 1995; Fife, 2016). Suffice it to say that after seventeen meetings in the commission and a series of consultations with all parties, the final draft was approved by the High Council and the Norwegian government in September–October (Mathisen, 1951; Ulfstein, 1995). As Østreng and Fife have shown, the treaty did not differ much from the Norwegian initial draft, which in turn was substantially based on Stang and his committee’s proposal, but in large parts crafted by the more experienced Fromageot. The formal signing of the treaty by nine powers took place on the 9th of February 1920 in the Salon de l’Horloge of the French Ministry of Foreign Affairs on Quay d’Orsay in Paris, Wedel signing on Norway’s behalf.

6. **Reception of the treaty**

News about the signing of the treaty was received in Norway with great enthusiasm, even euphoria. Wedel was celebrated by the press and the political community as a national

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6 A lot of work was put into compiling the documentation, as has been shown by Mary K. Jones (Jones, 2014). Whether it had an impact on the great powers regarding the question of sovereignty is, however, doubtful.

7 R. E. Fife assesses Stang’s contribution as significantly less important compared to Fromageot’s (Fife, pers. comm. 2022).
hero, which was not completely inappropriate – his personal initiative and contribution was indeed significant. It took a while, however, before the full text of the treaty became public. When it did, the initial joy subsided. There were critical voices, not least among parliamentarians, who argued that Norway’s sovereignty was being limited. Foreigners had been granted equal access to Spitsbergen, they had the same rights to hunting, fishing, and commercial activities, and there were restrictions on taxation and military presence. In fact, many reacted negatively to the very conditions that the government had criticized themselves when Wedel presented the draft in 1919. The disappointment is understandable, but then neither the public nor the political elite were aware of the power-play and conditions that reigned under the negotiations in Paris. A present-day appraisal is likely to be that Norway in fact achieved as much as could realistically be hoped for in 1919-1920, considering the pre-war situation (Arlov, 2011, p. 34 f.; Berg, 1995, pp. 285–286).

We lack solid information about how the Norwegian coalmining companies received the treaty, but we may infer that they were rather pleased with the fact that property rights would now be settled, and a mining code written, that law and order would reign and – not least – that taxation would be low. Their primary interests, forwarded by Store Norske and their associates, had prevailed to a large degree. Seen from a national perspective, there was a potential problem of foreign competition. In early 1920, though, there were few actual competitors on Svalbard. The Swedes were operating Sveagruvan in Van Mijenfjorden, the Dutch were establishing Barentsburg in Grønfjorden, but the Norwegian companies were strategically located in areas with presumably ample coal resources. There were other events and circumstances that invoked far greater challenges than competition. I shall return to them in a short while.

In this situation, the government rightfully feared that ratification of the treaty by Stortinget might be threatened and that the victory in Paris was indeed pyrrhic. It would take some time, though, before the question became acute. There were many issues to clear before Norway could assume sovereignty: laws had to be made, a regulatory Code for mining must be negotiated, and securing acceptance of the treaty from Germany and Soviet Russia, who were not signatories, was deemed necessary. All these tasks would consume years of work – in fact it took more than five (Arlov, 2011; Johannesen, 1997). At least, the government was allowed to work in peace. The initial disappointment by the treaty soon blew over and turned into indifference. Nationalism in the shape of ‘Arctic imperialism’ (‘ishavsimperialisme’), represented by activist environments, turned its eyes on East Greenland and later Antarctica, rather than Svalbard (Drivenes, 2004).

7. **Manoeuvring for pole position**

The government was undoubtedly marked by a certain resignation over the result in Paris, but it chose quite an offensive strategy that may be summed up as “making Svalbard as Norwegian as possible”.8 Adequate jurisdiction and legislation were one obvious path to

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8 This is a paraphrase of PM Mowinckel’s appeal when the question of affiliation of Svalbard was debated in Stortinget in July 1925: “Vi er nødt til å legge penger, arbeide og interesse i Svalbard. La oss da gjøre hva vi kan for at det i gjerning blir så norsk som mulig.” St. forh. (Parliamentary minutes) 195, 8, L., p. 226.
follow. Another was to make sure Norwegian economic activity retained the dominant position it had acquired during the war. There were, however, ominous clouds on the horizon.

The first severe blow, quite literally, came on the 3rd of January 1920 when Mine no. 1 in Longyearbyen exploded and burned, killing 26 people and destroying infrastructure (Westby, 2003, p. 163 f.). Apart from the tragic loss of lives, this ruined the economy of Store Norske, who had not prioritized preparing Mine no. 2 for production. The post-war economic downturn in the early 1920s, sinking the coal prices to more normal levels, accelerated the crisis which hit all the companies, Norwegian and foreign alike. Banks went down and credit was becoming increasingly difficult to get. All the companies, bar none, struggled to survive the international post-war crisis.

In this situation the Norwegian government, with the consent of Stortinget, took action to secure national interests. In anticipation of the formal arrangement of property, which would take place after the treaty had been ratified by all parties, it was of vital importance to keep the coalmining companies present and active on Svalbard. Left to themselves and a failing market the companies were sure to go under. Consequently, the state needed to interfere in private enterprise for the greater national benefit. And so it did. The state provided credit that the banks and owners were not able to give, often in the form of prepaid orders of coal. Public corporations like the railroads and state whaling became regular customers. A special government committee, Spitsbergen-Kullkomiteen ('Spitsbergen Coal Committee'), was appointed as early as June 1920 and worked incessantly together with the companies to ensure the continuation of their activity. Before it was dismantled in spring 1926, the committee held more than 600 internal meetings and administered some 20 million kroner of direct and indirect support – a huge sum for a poor state like Norway in the 1920s (Sørheim, 1995).

During the period from the signing of the treaty in 1920 and until its enforcement and Norway’s assumption of Svalbard’s sovereignty in 1925, the private coal companies became clients of the state. They were totally dependent upon state subsidies to survive the post-war crisis. The state did not take over private stock or nationalize the companies, but they were deeply indebted and thus in reality under public administration. Stortinget gave its consent along the way to the vast public spending. To pre-empt the conclusion, in this period the coal companies surely were instruments of the authorities’ policy to secure and strengthen national interests before Norway would take over Svalbard.

The government worked on other fronts as well in 1920-1925 to improve Norway’s position, or, to put it differently, to reduce the effects of the treaty’s built-in conditions. One track that directly benefited the Norwegian coal companies was to weaken the claims of former occupants of land so that they would not compete with overlapping Norwegian claims. This was done by direct negotiations with foreign actors and in some cases purchase of their claims (Brugmans & Reyment, 2020, pp. 12–18; Hoel, 1966). The state’s lawyer in these negotiations was none other than the omni-present Arnold Ræstad. A million kroner was spent on buying out conflicting German and British interests. Furthermore, the treaty imposed on Norway to work out a Mining Code, and this process also offered an opportunity to secure the future of Norwegian companies, first and foremost by getting acceptance for mineral exploration and extraction on other men’s
ground. Since pre-war actors claimed large areas that could possibly become private property, it was of great importance that such property rights did not preclude the possibility to search for and exploit underground resources in the future. This was a controversial issue in the bilateral negotiations, particularly with Sweden and the Netherlands, but in the end a compromise was reached, and the Mining Code was adopted without having to resort to the court of arbitration. While private Norwegian companies were not involved in this legislative and diplomatic process, their best interest were taken care of by the government. Indirectly, also by securing German and Soviet-Russian acceptance of the treaty in 1923-1924, the Norwegian authorities solidified the framework under which industrial activity – Norwegian as well as foreign – could take place. Finally, the companies would all benefit from the development of legislation and the introduction of law and order on Svalbard (Arlov, 2011; Johannesen, 1997).

8. Epilogue: A part of the Kingdom

By 1924 most of the processes mentioned above were finished. In October, Stortinget ratified the treaty without further ado, although some scepticism remained among parliamentarians. The government’s systematic work from 1920 to improve the situation had broken down the political resistance enough to carry the ratification through. Some final touches remained before Norway could assume sovereignty: a solution to how Svalbard would be administered. This was an internal political and legal question for Norway to decide, and the first law proposal was withdrawn by the government in 1924. A reworked proposal “on laws on Svalbard” was presented to Stortinget the year after and passed in July 1925. The nationalization of Spitsbergen also included officially renaming the archipelago ‘Svalbard’, alluding to age-old (albeit questionable) Norse traditions (Arlov, 2020).

The formal enforcement of the treaty took place in Longyearbyen on the 14th of August 1925. The Norwegian flag was hoisted on a pole hastily prepared by Store Norske and the Minister of Justice, Paal Berg, declared that Svalbard was now “a part of the Kingdom of Norway”, in accordance with the law of July 18th. In his diary of the event Store Norske’s Office Manager, Sigurd Westby, noted with a hint of sadness (Westby, 2003, p. 312):

And so, the state flag slid to the top for the first time on Svalbard. And Svalbard’s free, but therefore sometimes perhaps a little bit worrisome existence as “Terra Nullius” was ended. “We” had become a part of the Kingdom of Norway.⁹

With the introduction of Norwegian law and local administration (‘Sysselmannen’, the Governor) on Svalbard, Store Norske as well as the other private companies were indeed stripped of their former freedom and independence. As I have shown above, this independence was an illusion – the state effectively decided their existence by economic support. Now that sovereignty was formalized and Norwegian interests safe-guarded, the government was far less inclined to subsidize the companies (Sørheim, 1995). Only enough activity in the mines was permitted to secure their rights during the process of ordering

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⁹ My translation.
property claims that started three months after the enforcement of the treaty. This process, headed by a special commissioner appointed by Denmark, was concluded by 1927. In the meantime, most of the companies had ceased mining. De Norske Kulfelter in Hiorthhamm was bankrupt already in 1922. Bjørnøen was kept floating until 1925, while Kings Bay stopped coal production in 1929. Foreign companies fared no better. The Swedish partly state-owned Svenska Stenkolsaktiebolaget Spetsbergen stopped mining in Sveagruvan in 1925, whereas the Dutch company NESPICO held out for one more year in Barentsburg. The British Northern Exploration Company and Scottish Spitsbergen Syndicate both ceased their activities on Svalbard around the same time (Hoel, 1966; Kruse, 2014). Thus, by 1930, Store Norske was the sole producing company left, and it remained so until the Soviets started mining in Grumant and Barentsburg in 1932-1933.

The Norwegian state focused their support and attention on Store Norske after 1925. In 1933 the company was refinanced by the state, but not taken over. It received a state loan to purchase Sveagruvan. At the same time, in 1933, the now idle actors Bjørnøen and Kings Bay were nationalized. In other words, the state seized control over the Norwegian companies. The consolidation of interests must be seen in the light of the Soviets establishing themselves on Svalbard, and as an expression of the enduring political ambition ‘to make Svalbard as Norwegian as possible’.

9. Discussion and conclusion

The general research question in this paper is the interaction between Norwegian private coalmining companies and public authorities in the decade from 1916 to 1925. This was a crucial period in Svalbard’s political and economic history. In 1916-1917, during the First World War, a small handful of Norwegian companies established themselves on the archipelago. In the absence of foreign contenders, they achieved a dominant position in what was still a no man’s land. Three years later, in 1920, the ‘Treaty concerning Spitsbergen’ (Svalbard Treaty) was signed in Paris, granting Norway sovereignty over the area. I have asked whether and, if so, how private enterprise influenced the Norwegian government’s decision to go for a unilateral supremacy on Spitsbergen, and how they worked to secure their vested interests. It took another five years before Norway assumed sovereignty and the treaty was enforced. During the intervening period, 1920-1925, crises struck the companies, and they became dependent upon state support to survive. How did the Norwegian government interact with the companies then to safeguard national interests? My hypothesis was that while private enterprise was instrumental in transforming Spitsbergen from terra nullius to a land under national sovereignty in the period 1916-1919, the companies themselves became instruments of the government’s policy to strengthen the Norwegian position before enforcing the treaty in 1925. It is time to conclude.

First, there is no doubt that the long-term goal of the public authorities, ever since Norway became independent in 1905, was to gain supremacy over Svalbard. That wish was frustrated by the multilateral process to solve the ‘Spitsbergen issue’ before the First World War, which proved fruitless. The war resulted in the withdrawal of foreign economic activity on the islands, and this void was filled by Norwegian coalmining companies. The government was, seemingly, hesitant to seize on the opportunity to restart the political
process as the war was ending. I suggest that it felt bound by the pre-war negotiations. When it finally changed course in late 1918, it was partly due to internal pressure from envoy Wedel Jarlsberg in Paris and from Stortinget. Also, the government was subject to external pressure from public opinion and private enterprise, in particular Norwegian shipowners, and Store Norske Spitsbergen Kulkompani. While all of the above were infused with a common ‘national will’ to get supremacy over Svalbard, I believe the coal companies’ primary interest was to secure their investments and property, and to have law and order introduced by international agreement.

Second, I think that Store Norske’s initiative to work out a proposal for such an agreement, in effect a treaty, is indicative of the company’s pro-active role in nudging the government to take political action. There is no evidence that the government felt negative about the work of the committee. On the contrary, it must have been advantageous that this job was done privately, not compromising the official policy of loyalty to the pre-war diplomatic process. When, in early 1919, the government publicly declared its desire for full sovereignty, the private proposal proved very useful indeed. The Spitsbergen Commission requested a draft treaty from Norway, but the government had not prepared any such document – something Willy Østreng characterized as being “remarkably passive” (Østreng, 1974, p. 100). The Store Norske committee, however, had – its chairman, Stang, and the company’s board member, Anker, were both present in Paris to aid Wedel. The draft was used as a template for the proposal which Wedel, Stang and Fromageot jointly worked out and which Wedel forwarded to the commission as the official proposal from Norway. Although the Norwegian government was critical of the draft, it had no alternative but to accept it. I think it is fair to conclude that Store Norske, a private company, did in fact play an instrumental role in shaping the Norwegian official position prior to and during the peace conference in Paris. Equally important, Store Norske had the full support of its largest shareholder, John M. Longyear, who in turn had US Secretary of State Robert Lansing’s attention (Berg, 2017; Singh, 1980). In his openly advertised support of a Norwegian solution for Spitsbergen, which undoubtedly was founded in political and legal considerations, he effectively served as an agent for private enterprise while paving the way for sovereignty. All in all, I believe my hypothesis is substantiated on this point.

Third, the Svalbard Treaty of 1920 confirmed Norway’s ‘full and absolute sovereignty’ but held conditions that did not favour Norwegian private enterprise more than foreign. In Norway, there was a wide-spread disappointment with what was perceived as a ‘conditional sovereignty’. Therefore, it became a priority for the government to improve the relative position of the Norwegian companies and strengthen national presence on the islands, thus increasing the internal political support for the treaty. Due to falling coal prices, accidents and the post-war economic crisis, mining was not economically viable after 1920. All the Norwegian companies became dependent upon credit and support to survive. The state assumed the role of sponsor or patron, and the private companies became clients. The offer of public economic support came with strict conditions that the companies must not sell out to foreign interests before the property rights were finally settled, that is after enforcement of the treaty. The government also acted directly on
behalf of the companies to remove competition by buying out conflicting land claims. In 1925, when the situation was cleared and the authorities felt ready to enforce the treaty, the Mining Code, and Norwegian laws on Svalbard, the state subsidies were reduced or removed. Being the largest creditor, the state retained the national control of the companies. I think there can be no doubt that Norwegian public authorities actively used private companies as instruments to improve Norway’s position on the archipelago before implementing the treaty and settling the property rights. I would also argue that this strategy, by and large, was successful.

Finally, I must concede that these conclusions are not breaking news. My study rather confirms previous research into public-private relations in Norway regarding the ‘Spitsbergen issue’. Furthermore, this interaction was not unique to Norway. Others have shown how J. M. Longyear and the ACC actively mobilized US authorities to secure American interests on Svalbard before and after the First World War (Berg, 2017; Singh, 1980). British exploration companies tried to influence their government in the same manner, with far less success (Kruse, 2014). The Dutch government took active part in the negotiations about the treaty and the Mining Code to secure the interests of the private NESPICO (Mathisen, 1951). Swedish coalmining companies interacted regularly with public authorities, and in the 1920s even managed to involve the state directly as investors (Avango, 2005). Many private and semi-private actors sought to influence governments and the public around the negotiations in Paris (Jones, 2014). So, it seems, this kind of interaction was rather the norm than something exceptional. What is, perhaps, unique to Norway is the enduring and pervasive ‘national will’ to attain supremacy over Svalbard.
Works cited


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