

STAGING MUTUAL DEPENDENCIES

Energy Infrastructure and CSR in a
Norwegian Petroleum Town

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In 2017, the Norwegian company Equinor staged a concert in Hammerfest in Northern Norway, a town of about ten thousand inhabitants, and invited the entire town to the festivities. The occasion was a celebration of the first petroleum field established in the Norwegian Barents Sea, the Snøhvit project, which also is the first and only field for liquefied natural gas (LNG) production in Norway. The development of the field was approved by the Norwegian Parliament (Stortinget) in 2002, more than three decades after the North Sea and other parts of the Norwegian continental shelf were developed. The plans were saturated with a series of expectations about local investments and responsible resource management, but the field was also fraught with environmental controversies and cost overruns during the construction period that continued after production started in 2007.

This chapter examines how Equinor enacted their responsibilities within the local community when they entered Hammerfest in Finnmark, a region sometimes described as Norway’s “extreme northern periphery.”¹ In both the construction and operation phases, Equinor has enacted the company’s social responsibility toward the town and to the regulatory authorities through physical infrastructure, employment, impact assessments, and public events, thus entwining the Snøhvit operations with the life of the town. This development has in different ways fulfilled, exceeded, and fallen short of local expectations as the industry has developed over the years.

While many of the activities Equinor engages in or initiates in Hammerfest do not fit the traditional understanding of CSR per se, juxtaposing Equinor's position and way of interacting with a local community in a peripheral region of Norway to the international examples in this book provides a comparative view of the evolving language of CSR and societal responsibility, or *samfunnsansvar* (see chapter 2). Equinor engages differently in the north than in larger cities where the headquarters are located, and this regional focus highlights how material and political particularities of the region come to shape the perception of the company at other scales also (cf. Rogers 2012). Throughout this chapter, I will make three main points on the nature of CSR as practiced domestically: firstly, the relation between the company and the town must be seen in relation to the intertwinement of Equinor's ownership history (as the formerly fully state-controlled company Statoil); secondly, infrastructure and taxation play a crucial role in the community's gain and thereby their willingness to be a host municipality for petroleum; and thirdly, trust and the changing nature of trust are important as both the ownership structure and corporate communication structures change.

My material is based on fieldwork carried out in Hammerfest in the period 2015–17, participant observation; semistructured interviews with industry representatives, politicians, and residents of Hammerfest; as well as document analysis and media monitoring. After a fire broke out at Equinor's facilities in 2020, the material has been gathered through live-streamed public meetings and conversations with interlocutors in Hammerfest, which all took place online due to the COVID-19 pandemic.

Showcasing Good Times in an Arctic Petroleum Town

The Snøhvit project was the first petroleum project to be approved in the Barents Sea. Equinor marked its ten-year anniversary in 2017 with a celebration for the city to thank them for their hospitality and cooperation. The event was advertised in local newspapers, on social media, and by posters spread around the city. Heavy rain started falling the day before the event, making preparations difficult for the stage crew, but the weather started clearing a few hours before the concerts began. Volunteers, many of them local youth, wore rain jackets underneath light blue T-shirts provided by Equinor. The logo of the company and its partners were printed on the back, and the words "Hammerfest LNG celebrates ten years of production" in Nor-



Figure 9.1. Audience members gathered for Equinor’s Snøhvit anniversary in Hammerfest, August 2017. (At the time the company still operated under the former name “Statoil.”) © Ragnhild Freng Dale

wegian on the front. Cake was served inside a white festival tent from midday, but the crowd was relatively sparse before the program started three hours later. Throughout the afternoon, local catering businesses also sold food, much of it based on local fish and reindeer. Equinor’s local industry coordinator was in the audience, beaming and greeting people in the crowd, accepting congratulatory remarks, and making small talk during the breaks between concerts.

At 3:00 p.m., the show host took the stage and introduced the plant manager of the gas plant at Melkøya at the time, Unni Fjær. She started her speech by saying that they had been planning this event for almost a year, seeing it as an opportunity to thank the whole town for great cooperation through the years. She emphasized that she meant not only the municipality but also its inhabitants, that the LNG plant was mutually beneficial both for Equinor and for them. Highlighting how important Equinor was for jobs in the region, she remarked that half of the people who live in Hammerfest have either worked at Melkøya or have a family member who has worked there. Her final words concerned the property tax paid to the municipality each year, a sum that amounted to nearly two

billion Norwegian crowns over the ten-year period. Someone in the crowd gasped, as if this number was totally new or unprecedented. Someone else clapped, but the applause remained modest: the crowd was not yet big enough to sustain a longer round of spontaneous applause. Equinor's representative continued by emphasizing that she was not a fan of property tax per se but was "impressed" with what the municipality had done with the money, how they had used it to create prosperity and a town where people want to live. It was obvious, she said, that they had to invite the whole town to celebrate Melkøya's tenth anniversary and use the celebration as a platform to showcase young local talent.²

The next speech was by the then mayor of Hammerfest, Alf. E. Jakobsen, who spoke in his characteristically straightforward and humorous manner: "I can understand that she loves property tax," he started, jokingly stating the amount the company pays in taxes and how it has made them "Siamese twins" of sorts—when things go well for Hammerfest, they go well for Equinor, too. "And for the town," he continued, "it is no secret that if you hadn't come, we would be in deep shit." There had been a period with bad times in the fishing industry, and Hammerfest had been placed on the ROBEK list for municipalities, which requires the state to approve any loans a local authority wants to make because they are not deemed able to repay. "And if there is one thing we don't like," he continued, "it's the state meddling in the size of our loans." He proudly declared that now their loans were so large that property tax would probably be needed forever—a joke that carries a large degree of truth, as Hammerfest's investments in anticipation of Snøhvit's arrival had made them a heavily indebted municipality, fully dependent on property tax income to keep their economy afloat. He praised Equinor for throwing a party for the whole town and reminded everyone that the collaboration between Equinor and Hammerfest stretched all the way back to 1981, when the company first started looking for petroleum in the region. At the end of his speech, he presented a gift to Equinor's production manager, a work of art called *Vannpoesi* (water poetry). "What this symbolizes to me," he said, "is that when you have gas that will be produced until 2055, maybe longer, then it's good times for Hammerfest also."

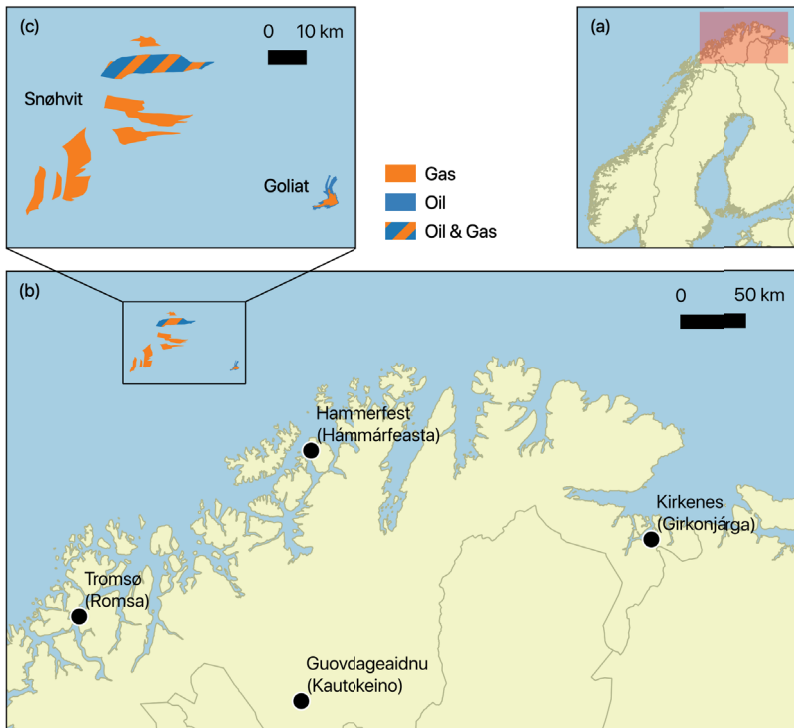
The event continued with mini concerts and other performances, including youth bands from the local area, a few more known young artists, and a show by the local gymnastics club. According to the evening's host, the gymnastic routine was inspired by the gas pipelines at Melkøya, the young gymnasts illustrating the flow with their bodies and movements. After the concerts, people quickly disap-

peared from the city center, families went home, and the town remained relatively quiet for a Saturday night. Equinor had thrown a family-friendly party, and though performed for a sparse crowd, it seemed to be well received in the town.

A New Region at Home

Finnmark is the northernmost county in Norway, some fifteen hundred kilometers north of Norway's petroleum capital of Stavanger and the North Sea where Norway's petroleum activities started in the 1970s. It is also a region with a less diverse economy than other parts of Norway (Arbo 2010). Petroleum exploration began in the Barents Sea in the 1980s, and Equinor discovered Snøhvit in 1984. A lack of infrastructure combined with political concerns for a vulnerable Arctic environment kept further development at bay for nearly two decades (Ryggvik and Smith-Solbakken 1997; Thesen and Leknes 2010). The distance from the Barents Sea to the rest of the Norwegian continental shelf meant that gas in this area could not easily be connected to pipes to the continent. Its materiality demanded a different solution: an LNG plant that could convert the gas to a liquid state transportable on tanker ships.

The project was contested when the Plan for Development and Operation (PDO) was approved by the Storting in 2002 (St.prp. no. 35 [2001–2002]). Other potential projects in the Barents Sea were on hold as an integrated management plan for the northernmost ocean areas was due within a few years, while the gas field, Snøhvit, was exempted from this process. Opponents saw Snøhvit as preempting further development, creating a path dependency toward oil in the future.³ Concerns over a vulnerable Arctic environment were also high, as they had been in previous decades (Thesen and Leknes 2010). Thirdly, the economy in the project was disputed, and the Petroleum Act had to be changed to make the project viable. The changes were pushed through the necessary instances of government and parliament led by the minister of finance from the Labor Party,⁴ and some of the committee members handling the case noted that the pace of this process was almost too fast. This was, in particular, related to the emissions from the gas facility, which risked undermining Norway's efforts after the Kyoto Protocol (Innst. S. no. 100 [2001–2002]: 8). The final approval of Snøhvit therefore came with a caveat that Equinor should make a plan for reducing emissions from the field. The committee and the parliamentary debate also made



Map 9.1. Map showing the location of the two currently producing fields operated from Hammerfest: Snøhvit (Equinor) and Goliat (Vår Energi). Illustration: Tom Chudley

clear that jobs and ripple effects were expected from this development, particularly as Snøhvit was the biggest industrial development ever seen in Finnmark.

The expectations of active local job creation reflected the fact that Snøhvit was developed at a time when the industrial and political landscape was vastly different from the early years of Norwegian petroleum development. Companies and the supply industry were by now mainly located in the south and west of Norway. Furthermore, Equinor was registered on the stock exchange in 2001, an outcome of an internationalization and restructuring of governmentally owned firms that was started during the Conservative Party's rule in the 1980s. Bearing these changes in mind, the committee handling the PDO remarked that the project should set a minimum standard for further construction and production in the north⁵ and thereby placed

this responsibility on Equinor as the operator in charge. They also expressed an expectation that Snøhvit would help turn a trend of outmigration from the region, bringing new optimism, new industry, and new jobs. Hammerfest, along with the rest of coastal Finnmark, needed new jobs, as the fisheries had been restructured in the 1990s and most of the fish-processing industry had been outsourced to other countries. Snøhvit was expected to reverse the negative development and population decline and to be an example of what petroleum can come to mean for the north.

Material Expectations

The contents of the PDO are the foundations and binding conditions for the operator of a petroleum field. PDOs are also full of nonbinding expectations that are written into the document, thus solidified into a form that is not easily broken. Here lies much of the societal responsibility vested in Equinor: not from the company's own goodwill but the outcome of hearings, negotiations, legislation, and parliamentary debate. Snøhvit, with its "long and stable" period of operation, was expected to be positive for the town of the West-Finnmark region over the long term and bring both competence, investments, and ripple effects. When the broad majority in Stortinget approved the PDO for Snøhvit in 2002, the document included statements to ensure that the project would bring development, jobs, and economic opportunities to the region. The municipality of Hammerfest had been in close dialogue with Equinor throughout the process and entered into an agreement with the company that would pay for some of the necessary upgrades to infrastructure and establish a local industry coordinator in Hammerfest, who would be a point of contact for the local community, local business, and the municipality (St.prp. no. 35 [2001–2002]).

Equinor, on its side, exerted pressure by committing costs ahead of the decision; it signed contracts for gas sales with a specific start date for deliveries such that delays to the production start would be costly for the company and thus jeopardize the project altogether (Tveiterås 2010). Equinor's main problem was that taxation rules at the time did not allow them to manage costs the way they wanted, as the depreciation period was too long to be profitable in the short term. The change to the Petroleum Act reduced the depreciation period for new, large-scale LNG plants in Norway, and Equinor was allowed to write off the costs for the project over a shorter time period than nor-

mal: three years instead of six. To keep income for the state high, the whole LNG facility was classified as “offshore” rather than a normal onshore facility, meaning that the tax payments from the company to the Norwegian state would be greater.⁶ Furthermore, the plant’s location onshore within Hammerfest municipality meant that the municipality could claim property tax from the facilities—the property tax to which the mayor referred during the 2017 celebrations.

During an interview, one of Equinor’s representatives called this a “win-win” for all parties, as Equinor, the Norwegian state, and Hammerfest municipality all gained from the outcome. The environmental NGO Bellona filed a complaint about these changes to the European Free Trade Association (EFTA), claiming that this was an illegal state subsidy of a polluting project. The Department of Finance defended the decision in a letter to the EFTA Surveillance Authority, emphasizing that the change was necessary to make petroleum viable in Norway’s “extreme northern periphery” (Department of Finance 2002). Both the tax change and the project were eventually approved, and a construction period of five years followed before the field was ready to go into production. The delays increased total costs far beyond what the company expected but also created more work to be done locally during the construction phase—though the construction phase depended heavily on workers from outside Finnmark. In total, twenty-three thousand people worked on Melkøya for shorter or longer time periods (Eikeland et al. 2009).⁷

A Cornerstone of the Town

“I won’t say it’s meant everything, but it has certainly been very, very important,” one of Hammerfest’s politicians said to me in an interview, explaining how Equinor’s Snøhvit and the start of the petroleum era was a boost after a long period of decline in the fisheries. The municipality made their plans on account of the promises and plans presented by both state and company, which predicted a growth in income, population, and jobs that would follow from the income of the gas facility, reflected in impact assessments and plans (Asplan Viak/Barlindhaug Consult 2001; Hammerfest Kommune 2001). With a guarantee of income from the property tax, the municipality could borrow money to invest in infrastructure for a petroleum town—but also to invest it so that inhabitants could see the benefits: schools, kindergartens, a landmark cultural center, and jobs that their youth would stay for.

The construction period turned Hammerfest into a booming town for five years. Locals still describe it as a “Klondike” mood, a surge of energy and activity, when several thousand construction workers descended on the small town. Interestingly, the flurry of activity was mostly seen as positive, and research on the impacts of Snøhvit during and directly after the construction years showed renewed optimism in both Hammerfest and the nearby town of Alta, with a great number wanting to stay in the region to work (Eikeland et al. 2009). Indeed, the title of the concluding report of the follow-on research opens with a reference to a newspaper article where a local teacher points to the new school she works in and says: “This is Snøhvit” (Eikeland et al. 2009). Ripple effects detailed in the report include a growing population, new optimism, and youth returning home. Such reports are part of the conditions in the PDO, financed by the companies but carried out by independent research institutes. The follow-on research enacts the assessment of whether the company meets the conditions and predictions made in the PDO and the impact assessments, thus already shaping what kinds of variables are to be measured and what experiences are discussed. Framing determines what matters or not (Beck 1992; Callon 1998), and as such, reports guide the gaze toward measurable effects of petroleum development. The choice to use a local teacher’s statement as the opening narrative and title of the report strengthens this notion: Snøhvit’s significance verified as all-encompassing by independent research reports, thus amplifying and strengthening the narrative of Snøhvit as a revitalization for the town that prepared the ground for more petroleum activity.

Another frequently narrated example is a collaboration between Equinor and the local high school, which was showcased in an industry report by KonKraft.⁸ Across a full page in the report, the rector of the local high school says that the collaboration with Equinor and Melkøya had led to more motivated students and fewer absences in all subjects as well as a good dialogue with Equinor on what both parties want from each other (KonKraft 2016: 81).

Yet, even as these examples of the youth’s positivity were listed in other industry reports, the trend had shifted when I conducted fieldwork in 2015 and 2016 in the aftermath of the global oil price crisis. The reports of ripple effects had indeed hinted at this, as the popularity of the petroleum sector started falling at the end of Snøhvit’s construction period when fewer jobs were available (Eikeland et al. 2009: 99–100). The drop in applications to the high school program was more dramatic in the years following the drop in global oil prices, from long waiting lists to just four applicants in 2016. Two years later,

just one applicant had chemistry and processing as their top priority. Industry representatives and the deputy mayor expressed concern to the media, as they wanted local, skilled petroleum workers who would be needed for future development of the Barents Sea (Reginussen 2018).

The ten-year anniversary, then, should be seen as both a past- and future-oriented performance: both as an affirmation of the positive effects of Equinor's operations in the Barents Sea, and an attempt to create enthusiasm for the petroleum industry among the young generations of Hammerfest. A common trope in Hammerfest is that after Snøhvit, people "started painting their garden fences" again rather than letting them fall into disrepair. The gas production has become a synonym for stability and a future for the town.

CSR or *Samfunnsansvar*?

As discussed in the introduction to this volume, the term CSR does not easily resonate within Norway. The closest equivalent is the term *samfunnsansvar*, which translates more closely as social or societal responsibility as Maraire and Hugøy point out in chapter 2. None of these phrases are commonly used in Hammerfest, though people have clear expectations that the petroleum companies should create positive ripple effects and in particular contribute to job creation (Loe and Kelman 2016: 29). There is awareness in the local community of job opportunities in the wake of petroleum development, of sponsorships of festivals, art, and music, and of contributions to Hammerfest as an attractive place to live even for those who don't work in the industry, which people also expressed to me during my fieldwork.

To document these effects, reports become significant tools to verify the industry's importance by an independent party and as a basis for discussion of what petroleum development has meant and will mean for the region. This was also a narrative that Equinor's spokespeople liked to tell whenever they said something about the Snøhvit project. In an interview with Fredrik, a former industry coordinator in Hammerfest, he opened our conversation by asking if I had read these reports. In his opinion, they gave a very good idea of what Snøhvit meant regionally and what ripple effects had been created from their operations in the past decade. When I could confirm that I did indeed know their content, he was at ease and would gladly continue answering questions, even those that probed more deeply about their relationship with the town, the region, and the indigenous population.⁹ As this had been verified by a third party in the

research report, the implicitly communicated message was that I did not have to take his word for it. He also explained that this research had been important to the company during the construction phase: a way to monitor their effects as they went along.

Fredrik talked with enthusiasm about the good terms enjoyed between the municipality and the company, in particular investments in infrastructure and how Equinor had helped both start and develop vocational training and apprenticeships through the local high school. This was beneficial both for the town and for the company, he said, as it contributed to a stable workforce—most would be able to enter straight into well-paid jobs at a young age. Securing a local workforce would help strengthen the ties between the town and the industry, but it also meant better stability for Equinor as workers living locally are more likely to continue than those who commute from the south. In addition, the local jobs were among the most important themes in the PDO and thus an obligation Equinor would have to fulfill to remain credible in the region. This was not only an economic question, according to Fredrik. It was also one of *samfunnsansvar*, societal responsibility.

When discussing Equinor's role in the community, Fredrik told me that it was important for Equinor locally to *not* take a role as gift-giver, to fund all things large and small in the town, but rather to help fund activity and infrastructure that would also be beneficial to company activity and to stay out of other local affairs. "We provide money for the state [through taxes]," he said, "and then the politicians will have to judge what they want to do with it." In other words, the industry itself also frames their activities mainly as those of a good corporate citizen, where CSR activities are backgrounded and *samfunnsansvar* more important. Equinor participates in regional industrial energy projects and networks, employs locals and commuters who bring activity to the service industries, and participates in various sponsorship activities, which all entwine them in the material culture of the town. Yet, in line with Fredrik's words, one cannot understand Hammerfest's relationship to gas without understanding the importance of taxation.

The Importance of Taxation

I began this chapter with an ethnographic episode of speeches and gift-giving during Hammerfest LNG's ten-year anniversary celebration. Anthropological approaches to gift exchange stress that they not

only serve as an exchange of things but also express the donor's and the recipient's perspectives on each other (Cross 2014: 123; Strathern 1999). The ceremony in Hammerfest—and the joking tone between representatives from local government and company—shows how Equinor's *samfunnsansvar* is both different from and exceeds the activities easily labeled as CSR activities. As the mayor made evident with his offer of a symbolic return gift to Equinor, it is not the gift-like parts of Equinor's display of societal responsibility that matter for the municipality and its inhabitants. Hammerfest is not in a relationship of indebtedness, such as those Dinah Rajak (2011) investigates in the international CSR performances, nor is this about reinforcing existing hierarchies between donor and recipient (Cross 2014). On the contrary; Norwegian society sees itself as an egalitarian society (Gullestad 1989). The gift exchange between the mayor and Equinor performed an equality between the parties that simultaneously underplayed and underlined their differences and obligations. As the north of Norway is more marked by gift economies than other parts of Norwegian society (cf. Kramvig 2005; Lien 2001), such exchanges have a wider symbolic significance than those of hospitality and ceremony alone. The mayor's return gift reminds Equinor that they are not giving money to Hammerfest out of goodwill but paying taxes as all businesses are required to. Equinor's obligatory social responsibility is thereby put on display by the gift, a social responsibility entwined with the company's relationship to the state and Norwegian law.

Equinor's representative played along with this joking and informal tone during the gift exchange, but if Equinor could choose, they would rather not pay this property tax. When the conservative government proposed a law that would remove property tax for municipalities in 2015, Equinor's leadership expressed support for such a change. The company proclaimed contributions to local ripple effects, growth, and jobs as important, but also argued that their competitiveness in the international arena would improve if the property tax were removed (Statoil 2015). Hammerfest and a range of other municipalities hosting petroleum installations were of the opposing view and expressed so in vocal terms both in the media and in the public hearing. To them, the tax income was crucial for economic survival.

Though the proposal was eventually scrapped, the response from Equinor shows a clear difference between company interest and municipal interest, which the mayor also marked during his stage appearance at the ten-year anniversary. Equinor will continue pro-

duction in the community for at least thirty-five to forty years, and Hammerfest expects the yearly tax income to continue. The property tax ensures them a better economy than similarly sized municipalities without an LNG gas facility, a rare stability in a region otherwise dependent on the public sector and seasonal, often fluctuating, sectors, and the municipal budget is dependent on the continuation of that money flow.

Promise and Disappointment

The entwinement of social responsibility and legal requirements has been a key factor in the good relations built in Equinor's first Barents Sea petroleum project. But this relation between Equinor's local organization, Hammerfest LNG, and the town of Hammerfest has not become the standard for the company's operations in the north. The municipality of Nordkapp has been heavily disappointed by the development of the oil field Johan Castberg, where they were first led to expect an onshore terminal, as both political signals and Equinor's own rhetoric pointed in this direction. In 2013, Equinor invited the press to the potential landing site for an onshore terminal and popped a bottle of (nonalcoholic) champagne in front of media with the mayor of Nordkapp present. Subsequently, the company found less oil than they expected, oil prices dropped, and Equinor started quietly backtracking from their promise. In 2015, they presented plans for a floating production ship that would function independently of an onshore solution, and in 2017 they settled on this idea as their final concept solution. The terminal remained on the drawing board, possible if and only if the other companies exploring nearby decided to also develop their fields within the next few years.

The final decision to locate the operations farther south in Harstad and not bring the oil onshore at Veidnes was made in 2017. Politicians in Finnmark and particularly Nordkapp were disappointed by Equinor's U-turn, going forward with developing the field without the guarantee of local content that comes with onshore infrastructure. Labor Party politician Ingalill Olsen expressed that if there were no local content (for *their part* of Finnmark), then the oil might as well stay in the ground. After waiting patiently for Equinor to fulfill their promise that oil development at Castberg would bring a boost to the Nordkapp municipality in the form of jobs and other spin-offs, she changed her mind in a newspaper chronicle in March 2018 (Olsen 2018): the argument about jobs has disappeared, the people

of Finnmark feel fooled, and without these local spin-offs, it just is not worth the risk to the local environment. It is then, similar to what Bråten shows in chapter 3, the embeddedness of the company that obligates it to the activities deemed as important locally: jobs, taxation, and ripple effects rather than sponsorship and other “typical” CSR activities.

When asked about the Castberg project in this same period, both Fredrik and other representatives at Equinor described their own company’s handling of the local community’s expectations as “unfortunate.” They had acted too soon and instilled expectations that were unrealistic before they learned more about the field and the possibilities. Researchers Trond Nilsen and Stig Karlstad (2017) commented on the situation in the regional newspaper, noting that the “informal and unwritten relationship of trust” between Equinor and important political and industrial actors in the north had been solidly scarred by failing to bring oil onshore or at the very least to locate activity near the field. They concluded that Equinor can no longer count on the same support from Finnmark. On a local level, then, this is a demand for the company to be embedded in the places closest to petroleum activities; the experiences from Snøhvit show that local activity clusters around the host municipality, and though some jobs will fall to Hammerfest, people in Nordkapp see the company’s *samfunnsansvar* as fulfilled if and only if they also see the company embedded within *their* municipality. The different fates of Snøhvit and Castberg also highlight how local expectations interweave with the materiality of the infrastructure necessary to extract it (cf. Barry 2013; Weszkalnys 2014).

What, then, about the state’s role? When the PDO for Castberg was approved in 2018, it contained clear expectations that Equinor would consider a terminal and reach a decision later, but there was no demand save in the remarks of a few politicians from the opposition. Rather, the company was expected to make the soundest socioeconomic decision themselves (Prop. 80 S [2017–2018]). In early 2020, the new minister of petroleum and energy, Sylvi Listhaug, responded to a written question about the lack of an onshore terminal. She gave a long explanation of how “every stone [had] been turned” to make the onshore terminal profitable but emphasized that it was neither socioeconomically profitable nor profitable for the companies to build such a terminal.¹⁰ Furthermore, she cited calculations by the companies of how many jobs the development of Equinor’s field with the offshore solution would mean for the north both during construction and afterward. “If the companies had not found a profitable way

to develop the field," she wrote, "then these big ripple effects [in the north] would not exist."

Her response underlines the national economy as aligned with the company's own judgments of economic viability. As pointed out in the introduction to this volume, when companies operate abroad, the state needs to show a professionalism in not instructing the companies in their operations. In Norway, responsibility is enacted within a different socioeconomic ensemble than in many places where Equinor operates abroad. The Norwegian government's hands-off approach concerning Castberg is indicative of a move away from the established social contract that local activity will mean local jobs. Though the state is the majority owner in Equinor, this is a passive ownership where the state does not see it as their responsibility to interfere in commercial decisions. As with the Hydro model (chapter 4), the state enacts its ownership in a passive manner. This also reflects what Maraire and Hugøy discuss in chapter 2: that the state is more concerned with a noninterfering ownership and the revenue produced by the company than with directly using its ownership to instruct companies. Though some political parties have protested this way of handling the Castberg project for relocating local benefits outside the region, the consensus in Stortinget has been not to instruct the company. The PDO may have insisted that Equinor spend time evaluating alternatives for making a terminal cost-efficient, but they trusted the company to make the most economically sound decision.

This ownership model was nearly overturned during the COVID-19 pandemic. Concerns for Norwegian jobs were high, and a corona crisis package was introduced to keep up the activity level in the petroleum industry. As part of this, Stortinget made the terminal at Veidnes a condition for the Castberg field. The state would foot most of the bill for the terminal to secure activity in the Norwegian petroleum sector through the crisis. Finnmark's politicians were overjoyed, but their hope was short-lived. A few months later, the government decided that this terminal was impossible after all. Unlike the early 2000s when taxation was adjusted for the Snøhvit project, the minister of petroleum and energy in 2020 saw it as politically, economically, and legally impossible to pursue (Johnsen 2020). This also reflects a shift in the planning level and the relationship between the state and the municipal level, which is governed more by market thinking now than before (Vike 2018). A company that was created to ensure that Norwegian oil would benefit the Norwegian population has, after changes to both Norwegian policy and the company's internationalization, withdrawn from these responsibilities in the

local region with their change of plans for the Castberg field. On the local level, their retreat is understood not just as Equinor's decision but also the state's lack of disciplining the company. With insufficient instructions in the PDO, the infrastructure that would guarantee societal benefits is not a priority for the company.¹¹

Handling Emergencies

Having covered the state-company entwinement and the taxation structure as critical points in the relationship between Equinor and their host municipality in the Snøhvit project, a third and important point must be made about how emergencies and incidents are handled by Equinor locally. The first such critical moment incurred when the gas plant began operations in 2007 and a thin, fine layer of black soot from the gas burner unexpectedly spread over town. The company's guarantee that the substance was not dangerous was met with skepticism from many inhabitants, a situation made worse by the fact that the instruments for measuring local air pollution were malfunctioning at the time. Equinor subsequently ordered an independent report from the University of Tromsø and paid for cleaning people's cars, homes, and windows. This process was overseen by their local industry coordinator at the time, who later remarked to me that not everyone had trusted the report (as it was paid for by the company) but that the incident gradually faded into the background as people became more accustomed to the presence of the LNG plant and the problem of the gas burner was solved.

The following autumn, Equinor reached out to the city for approval by holding their first concert for Hammerfest. The second concert took place in 2010 to celebrate Snøhvit's successful operation. Both concerts featured more famous bands and hosts than the 2017 event, with an atmosphere of a people's celebration aimed more at the population as a whole than the children and youth who are now Equinor's campaign focus nationally.¹² Such sponsorship is in part aimed at tamping down critique (Rogers 2012), and Equinor's gifting of the concerts certainly took place at a time when the company needed goodwill. The newspapers reported the first of these concerts as a successful event that had been welcomed by people in the town. Some shorter text messages to the editor¹³ expressed that "some people had complained" about the concert and Equinor but praised the company for both the concert, the free food, and the good atmosphere on a cold autumn day with the flame of Melkøya shining

in the background. “Where would Hammerfest be without Snøhvit?” one of them wrote. Another wrote that without the gas, there would be “no cultural house and no newly refurbished schools or the many jobs Snøhvit has given us.” (Finnmark Dagblad 2008, my translation).

While not everyone was convinced, there was no public opposition, the narrative of Hammerfest’s entwinement with the gas and oil so taken for granted that silence is more common than criticism. The knowledge of the chemicals sometimes surfaces in casual conversations, as does the fact that Snøhvit was mentioned in 2007 by the chief of defense as a possible terrorist target of strategic importance, which caused some worry in Hammerfest (NTB 2007). At the time of writing, a new hospital is under construction in Hammerfest, located closer to the sea and to Melkøya—a localization that has also led to debates about safety. These concerns have mostly been dismissed with reference to the legally required safety zones, which are in place to ensure incidents will not threaten the town or critical infrastructure.

Melkøya on Fire: Performing Local Accountability

The safety debates flared up again in September 2020 when a fire started at Equinor’s gas facility at Melkøya. The flames were visible to everyone in the city, and the boats in emergency preparedness worked for eight hours to put out the fire with the aid of some larger ships that happened to be nearby. The incident was broadcast in real time by local news outlets, but neither they nor inhabitants of Hammerfest received any information about what had happened or what they should do. Some wondered if they needed to flee the city (and a few started doing so); others stayed inside out of fear of a potential explosion, while many went outside to look at the flames and black smoke. Personnel on Melkøya were evacuated, and the company communicated closely with the emergency services and the municipality, but little of this information reached inhabitants until much later on (Saue 2020). On the national news that same evening, standing on the shore looking out at the now-no-longer burning LNG plant, the plant manager said that they did not know why the fire had started.

The Petroleum Safety Authority (PSA) have criticized the safety culture at the installation on several occasions, including following an inspection they had conducted the year before. In the days following the event, a spokesperson for the PSA characterized the event as one

of the most serious in Norwegian petroleum history and for which they would conduct a full investigation (NTB 2020). This was further confirmed by the PSA's investigation of the incident, which found several breaches of safety procedures and notes of concern that Equinor had not followed (PSA 2021).

Equinor on their side decided not to disclose any information about why the fire started until their internal investigations were finished. Nevertheless, to try and calm matters in town, they invited inhabitants to a public meeting a few days after the fire. Due to the ongoing COVID-19 pandemic, the meeting took place through Equinor's internal corporate communication platform on Microsoft Teams. In this session, the then plant manager, Andreas Sandvik, explained as much as could be said at the time, emphasizing that there were safety zones and separations of different parts of the facilities, so there was never a threat to the town or its inhabitants. Around his neck hung an Equinor key card, with the corporate slogans "I AM SAFETY" along with "Accountable, visible, and engaged" printed on the lanyard. This was clearly visible as he discussed the incident, avoiding clear conclusions as investigations were ongoing and the project team established to deal with the damage was only just set up.

Along with the plant manager was the then mayor of Hammerfest, Marianne Sivertsen Næss. She answered questions about the communication between the company, the municipality, and the emergency services, which she classified as excellent and a result of training for such unexpected scenarios. Participants could ask questions in the chat box, which were read by the head of communications for Melkøya. In the short hour the meeting lasted, participants also discussed improvements if such an incident were to occur again; for example, by sending an SMS to inhabitants or ensure they had information earlier. They emphasized the safety zones, which are a requirement by Norwegian law and verified by independent third parties. This evoked a sense of security, that the town and its inhabitants were safe even when such a serious incident occurred, and asserted their expert authority over the speculations that had flourished while the fire was ongoing.

Whether this meeting reassured people was impossible to gauge in this online format; there was no interaction save the chat box to ask questions, and only Equinor and the mayor appeared on camera. The format of communication and the nature of the dialogues were clearly in company control, where "expert knowledge ... became information to be communicated but not a subject to be discussed" (Ottinger 2013: 100), their credibility backed up by the presence of the

mayor. Equinor did not say much to the press in the following weeks but sent a brochure in the mail to inhabitants in the municipality, which described how Equinor was working to keep “zero damage to humans, environment and material, zero accidents and loss” (Equinor, 2021).¹⁴ Some of my interlocutors were outraged by this—they had heard nothing about reasons for the fire at all, and now they received a brochure that proclaimed in glossy corporate language how responsible the company was in ensuring no damage or spills from their operations. The intent may have been to inform inhabitants and calm matters down, but the zero-damage claim after the fire gave the impression that the company had something to hide. To maintain an image as a dependable and trustworthy company under pressure, Equinor is working to restore that image in a way that is reactive rather than systematic (cf. Dolan and Rajak 2011).

Simultaneously, Equinor’s reactions happened in a format that responded to the Norwegian society’s demand for openness and information. Since the fire, Hammerfest LNG’s plant manager has appeared before the municipal board several times to explain the current status of Melkøya and what it means for the local community. This, as he said during his explanation at one such meeting, was a channel to inform the population and the town. During a question-and-answer session afterward, questions were brought up that show how concerns for safety and for local jobs continue to be entwined. Two politicians asked about consequences for local jobs, and Equinor made assurances of constant efforts in recruitment, that all of them would keep their jobs, and that more than 300 of their 350 employees at Melkøya had Hammerfest as their home. Whether in normal circumstances or during this crisis, the care shown between the company and the municipality was one of mutual dependence, displaying both goodwill and recognition of the legal requirements for operation.

Conclusion: A Matter of Different Perspectives

To understand how Equinor enact their social responsibility in Hammerfest and the Finnmark region, then, several factors should be kept in mind. The geographic location in the Barents Sea and the materiality of the resource as gas and not oil has been key to the specific development of an LNG facility, which was contingent on new legislation and political priorities. The (mostly) positive experiences in Hammerfest and the disappointments in Nordkapp over the Cast-

berg field underline the importance of what is written into the PDO, but also how the embeddedness of the company is related to the idea of *samfunnsansvar*. Equinor is accessible and responsive to the local community in Hammerfest, where the company is a cornerstone of the economy, whereas the Nordkapp municipality, where no activity was established, have found the company distant and irresponsible.

As the ethnographic material shows, local expectations are not directed solely at the company but also toward the state to make the company choose certain types of infrastructure over others. This reflects both an intertwinement of different levels of governance and the contradictory role of the state as both legislator and a passive majority shareholder in Equinor. Though the government could use their ownership to steer the company, they withhold from doing so and rather express their expectations and demands in documents such as the PDO. Expectations of local content is clear, but the question of *how* is mostly left to the company itself. Simultaneously, as reflected in the Castberg debates, Equinor's behavior in Finnmark is debated, restated, and reshaped continuously in the press, in debates in Stortinget, and elsewhere in the public sphere. This is also what marks the Norwegian case as different from the cases abroad; that their activities are read through the lens of *samfunnsansvar* both at the local and the national level.

The local celebration in Hammerfest should be seen as part of this process, as it took place not only on the ten-year anniversary of the field's start of production but also in parallel to the process of the Castberg field and further petroleum exploration in the Barents Sea. With the concert, Equinor displayed their tight and friendly relationship with their host municipality in the north, which circumvents the bad press around the Castberg project in Finnmark. Locals may come to a concert when one is offered, but as emphasized by the mayor during his speech, the relationship is built not on gifts to the community but on the binding commitments of the infrastructure and property tax.

The recent fire at Melkøya reveals both a fragility and robustness in this relationship. Though dialogue with the municipality was immediate, inhabitants did not get full information until many weeks after the event. The dissatisfaction with flashy brochures reflects a desire for security, to know operations in future will be safe and beneficial to the community. For local politicians, their relationship of mutual dependency and benefit with Equinor is contingent on the national political level and how legal requirements and tax arrangements are shaped. For the company, it is a matter of complying with

Norwegian law and political expectations, though the company's own judgment of profitability is increasingly trusted by the government. It is not that CSR does not at all exist on the national level but that the regulated and expected ripple effects such as jobs and taxation are what is deemed as *samfunnsansvar* proper in the Norwegian context.

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Notes

1. Quotation from the Norwegian Department of Finance, who described the location to the European Free Trade Association when taxation rules were under discussion (Department of Finance 2002).
2. Such a focus harmonizes well with Equinor's main focus in their CSR activities nationally, where their "Heroes of Tomorrow" initiative targets young talents in sports, the sciences, and the arts (though the latter in particular has been disputed).
3. This was also correct: though only one other field is in operation today (the Goliat field, operated by Vår Energi), two are in the construction and planning phase (both operated by Equinor), and licenses for exploration in new areas have been awarded numerous times since the Barents Sea South East was opened in 2016.
4. The minister was the Finnmark-born Karl Eirik Schjøtt-Pedersen, who later became the director general of the Norwegian Oil and Gas association, an employer and industry organization for companies with activities on the Norwegian Continental Shelf (mainly the petroleum majors). They recently changed their name to Offshore Norway.
5. The remark was made by a political majority in the committee recommendation on the PDO for Snøhvit (Innst. S. no. 100 [2001–2002]).
6. Offshore operations are taxed at 78 percent in Norway, while taxation of onshore facilities amount to 28 percent.

7. In comparison, the whole of Finnmark has a population of approximately seventy-five thousand people.
8. KonKraft describe themselves as “a collaboration arena between NOROG, the Federation of Norwegian Industries, the Norwegian Shipowners Association and the Norwegian Confederation of Trade Unions (LO), with LO members Fellesforbundet og [sic] Industri Energi. It serves as an agenda-setter for national strategies in the petroleum sector, and works to maintain the competitiveness of the Norwegian continental shelf (NCS), so that Norway remains an attractive area for investment by the Norwegian and international oil and gas industry—including suppliers and the maritime sector” (KonKraft 2016).
9. As discussed in chapter 1 (Müftüoğlu et al., 45), such demonstrations of prior knowledge are important to secure access—even though I had reached Fredrik through other contacts within the company, it was important for him to check that I knew the “basics” before we started the interview.
10. <https://www.stortinget.no/no/Saker-og-publikasjoner/Sporsmal/Skriftlige-sporsmal-og-svar/Skriftlig-sporsmal/?qid=78262>.
11. Nordkapp’s disappointment resembles Hasvik’s experiences with the Goliat field, which is operated by Vår Energi (formerly Eni Norge) from Hammerfest. Hasvik, a municipality on the Sørøya island just fifty kilometers from the field, had been the potential landing site for an oil terminal until the company decided not to bring oil from the Goliat field to an onshore terminal. Hasvik, a fishing-based community, had been left with a high risk in the event of an oil spill, while Hammerfest gained most of the local ripple effects (Dale 2018). In both of these cases, a combination of the company and the state was blamed: the company for caring only for costs, and the government for not using their power to secure local content.
12. Aiming the event at children aligns with the “Heroes of Tomorrow” campaigns of Equinor, which are mostly directed at developing young talent in sports, the sciences, and the arts.
13. A format where people sent text messages to the newspaper to make comments, almost like today’s social media platforms.
14. Equinor is required by law to send information about their operations to nearby inhabitants every five years but decided to send a new one ahead of time.

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