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The making of mining expectations: Mining romanticism and historical memory in a neoliberal political landscape

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This paper investigates a greenfield mining project in a peripheral region in northern Sweden through the analysis of how different actor groups formed their own ‘horizons of expectations’ that temporally became fused, only to crumble together with the mining company in a short period of time. By focusing on the co-evolvement of expectations, we show how expectations are differentiated along geographical and temporal scales, reflect upon how these differences relate to interests and historical memory, and finally what these differences mean for the development of large-scale, long-term, raw materials-based projects devoted to industrial production in depopulating areas in an economy otherwise orientated towards neoliberal governance and post-industrial development. By doing so, we make a theoretical contribution to the literature on expectations through the introduction of the concept ‘horizon of expectations’, and a contribution to the literature on neoliberalism and its cultural-geographical implications.

Keywords: mining policy; expectations; re-industrialization; neoliberalism; natural resources; industrial politics

For decades, the advanced nations within the global economy have become increasingly reliant on other means than deriving value from primary resources sold through commodity markets for their economic growth. Focus has shifted to services and knowledge-intensive forms of production, while traditional lines of production have lost their importance both as

regards their proportion of GDP and their proportion of the total workforce (e.g. Gude et al, 2012; Jessop 2007, 2013; US Department of Commerce, 2010).

Within this changing economic landscape, the extractive industries hold a special position. Their recurring cycles of boom and bust keep alive the promise of rapid industrialization and economic growth for peripheral communities that have found themselves on the losing end of the neoliberal restructuring of the economy, and they retain a strategic value within a context of resource security that is often highlighted by nation states in periods of regional and global instability or temporary drops in supply (Butts, 2015; Stuermer, 2013). Thus, while the industrial policies of advanced nations may be more geared towards other, more abstract forms of value production, individual projects of minerals extraction maintain the power to generate and attract, on the one hand, great expectations, investments and resources, and, on the other, enormous disappointments and controversies, as locales either left untouched or left behind by capital accumulation are suddenly targeted, willingly or unwillingly, by spurts of investments (e.g. Coates, 1993; Merrild Hansen et al, 2016; Nuttall, 2010; Nygaard, 2016; Rastad Bjorst, 2016; Wilson & Stammler, 2016).

In this paper, we describe one such venture, located in a peripheral region of northern Sweden. Here, in the municipality of Pajala, a Greenfield mine was developed in record time between the years 2008-2012, only to go bankrupt two years later and leave the dreams of local prosperity held by the economically and demographically stagnating community in tatters. Through a study of statements in the media and interviews, we analyze how the hopes and future visions of different actor groups – company representatives and consultants, financial analysts, municipal politicians and state representatives – were tied to the project and for a period of time converged to create a common ‘horizon of expectations’, and how this horizon of expectations eventually crumbled together with the mining company itself. We thus investigate how expectations are formed around large-scale, long-term, raw materials-based projects devoted to industrial production in depopulating areas in an economy otherwise orientated towards neoliberal governance and post-industrial development focused on short-term economic growth through the accumulation of global, mobile capital and consumption. In doing this, we analyze how expectations are differentiated across geographical and temporal scales, how they may become temporarily fused but also easily pulled apart, as the neoliberal economy create certain configurations of responsibility and distance to localized devaluations (see Harvey, 1996, 2006).

Situating the study

In 2005, the Canadian exploration company North American Gold Inc. changed its name to Northland Resources, was listed on the Oslo stock exchange, and acquired full rights to an iron ore project in Kaunisvaara, outside Pajala in the Norrbotten region above the polar circle in Sweden. In 2008, when the company switched from the TSX Venture Exchange to the Toronto Stock Exchange, the positive results of a preliminary economic viability study were announced. In 2010, Northland Resources received the final environmental permit for the first of three planned mines in the Kaunisvaara project, and ground was broken for the mine towards the end of the year (Bergman, 2012).ⁱ

Norrbotten is a sparsely populated region where many small communities have been hard hit by changes in the country's industrial base and transition to a post-Fordist society. Over the decade ending in 2015, 10,000 state-sector jobs disappeared from the Swedish countryside, especially affecting sparsely populated municipalities in peripheral regions such as Norrbotten (Gänger, 2015). This development has produced both winners and losers. In Norrbotten, the regional economic centre of Luleå has seen continuous in-migration since the 1960s, the mining town of Kiruna, home of the state-owned company LKAB, has remained relatively stable over the same period (even though it did experience significant migration for a period in the middle of the 1970s), while the municipality of Pajala has steadily declined, losing half its 1969 population of 12,000 (SCB).

The Northland Resources project should be seen in the context of two general trends. First, the opening decade of the twenty-first century saw a sustained boom in global raw material prices, with iron ore experiencing among the highest percentage increases. By far the most significant factor in this trend was demand from China, where iron ore imports increased 42.5 times in value terms between 2000 and 2010 (Bergman, 2012). Iron ore prices continued to rise up to 2011, when they reached an historic high from which they have since fallen steeply (e.g. Hurst, 2015; US Geological Survey, 2016).

Second, the Pajala project should be seen in the context of a regulatory shift – over a decade long – in Swedish mining policy towards deregulation and neoliberalism (Envall, 2015;

Liedholm Johnson, 2010). This development was most concretely expressed in the government's Mineral Strategy of 2013, a document in which the liberal-conservative government signalled its regulatory approach to the mining sector for the future. In all respects a highly industry-friendly document, the Strategy, which has been broadly supported in the Swedish parliament, called for expansion of the Swedish mining sector on the grounds that it was economically beneficial and important for EU resource security. The state's role in such an expansion was mainly that of facilitator, making Sweden an attractive country for foreign investment through its comparatively low taxes, speedy and transparent permitting processes, and easy access to geological data (Swedish ministry of enterprise and innovation, 2013).

The ideological shift in Swedish extractive industry governance must be understood as part of a global trend in national regulatory regimes towards neoliberalization, both as regards natural resources regulation in general (Bakker, 2010; Castree, 2008a, 2008b; Levien, 2012; Sud, 2009; Wilshusen, 2010) and mining in particular (Bridge, 2004; World Bank, 2011; see Keeling & Sandlos, 2015; Sandlos & Keeling, 2016, Tennberg et al, 2014; Van Dam et al, 2014; Wilson, 2015; Wilson & Stammeler, 2016 for a discussion of neoliberalization of mining in the Arctic region specifically). Bridge (2008) describes this as a shift in emphasis from the *extractive* to the *investment* component, meaning that governmental regulatory efforts in the primary sector are directed towards making domestic natural resources attractive to foreign investment and venture capital, rather than towards creating a viable extractive industry. As explained by Cumbers (2000), foreign investment capital is regarded in this regime as a point of 'access [to] emerging global networks of production, consumption and information exchange' (p. 372). The neoliberal turn in extractive industrial governance can therefore be construed as the intensification of a tendency that Harvey (2006a) claims is inherent to capitalism itself, namely, movement towards spatial extension, temporal shrinking, and the deterritorialization of capital. This movement allows capital to flow more easily across time and space and to become less anchored to material resources (see also Arrighi, 2009). What is new in the neoliberal approach to extractive resource governance, however, is a distancing of the state from the extractive venture itself, and thereby largely from both responsibility and profit (e.g. Harvey, 2006b). This is connected to what Mommer (2002) has identified as a post-war governmental strategy in the primary sector (in his case, oil) of shifting from a proprietorial to a non-proprietorial model. In the former, ground rent is identified as the state's crucial lever in regulating extractive industries, as it holds the

exclusive privilege of territorial ownership. In the latter model, however, extractive resources are regarded as just another resource to be exploited through investment, and as such, a resource to be made available to any investor willing to take the risk. The role of the state thus shifts from that of landlord, with exclusive ownership rights to its territorial domain, to the much more distanced role of investment facilitation.

The neoliberal shift has been far from uniform across the globe, with, for example, a trend towards privatization of mining companies noticeable since the 1980s being halted in the mid-2000s through the increased involvement of Chinese state-owned companies on the world market and the implementation of ‘neo-extractivist’ state policies in Latin America (Burchardt & Dietz, 2014; World Bank, 2011). In Sweden, as in many other countries, the state has proved willing to cede control and influence over some dimensions of the economy but not others, an approach that Harvey calls ‘circumscribed neoliberalism’ (Harvey, 2005, p. 115). Neoliberal policies in natural resources regulation amount to more than just ownership model, however, and can also be seen in processes that aim to facilitate resource exploitation by removing regulatory barriers, both in the form of environmental and financial regulation (Bebbington & Bury, 2013; Bridge, 2004; Bury, 2005; Haikola & Anshelm, 2016; Krever, 2011; McDonell, 2015; Naito et al, 2001; Otto, 1997; Warhurst & Bridge, 1997). Ease of access to natural resources for investors across the globe is one explanation for the so called ‘financialization’ of commodity markets that has occurred since the turn of the century, by which commodity markets that had previously been relatively independent have seen radically increased investment flows and become more tightly coupled with other financial markets (Adams & Glück, 2015; Büyükşahin & Robe, 2014; Irwin & Sanders, 2011; Miffre & Brooks, 2013; Stoll & Whaley, 2010; Tang & Xiong, 2012). This added exposure to short-term investments will likely make the upstart phase for emerging companies extra critical in a business that has always been associated with waves of booms and busts. In the ever-recurring price fluctuations of the mining industry, determined by the relation between supply and demand, the market logic dictates that the entrenched companies enjoy huge competitive advantages when there is a supply glut. By flooding the market and pressing prices downwards, incumbents attempt to put smaller companies with high production costs out of business, usually succeeding (Bridge, 2004; Carter et al, 2011; Hurst, 2015; Lassour & Manley, 2015; Lynch, 2002; Smyth & Hornby, 2014; Stuermer, 2013).

Based on this contextualization, in the following we will discuss from a more theoretical perspective, how to approach and study mining expectations.

Theoretical framings

Expectations and infrastructure projects

In science and technology studies (STS), a significant literature has developed examining the formation of expectations and how these affect future socio-technological developments. In this literature, several common themes can be identified in the way of ontological premises, study objects, empirical findings, and theoretical concepts. Of main interest are expectations created around system regime changes or emerging technologies (Borup et al, 2006), such as nanotechnology (Selin, 2007), biotechnology (Brown, 2003; Milne, 2012), lab-on-chip technologies (van Merkerk & van Lente, 2005), hydrogen economies (Eames et al, 2006), stream restoration (Lave, 2014), and ‘smart grid’ technology (Ballo, 2015). Many studies focus on the disappointment resulting from a failure of expectations to be realized, and the preceding hype that is a prerequisite for the disappointment (Brown, 2003; Geels & Smit, 2000). Expectations are regarded as potentially performative, meaning they affect behaviours – such as investment, managerial decision-making, and research agenda-setting – and, therefore, ultimately the paths of social and technological development (Berkhout, 2006; Michael, 2000).

Following on this premise is an interest in how actors, sometimes individual champions or ‘entrepreneurial technoscientists’ (Brown & Michael, 2003, p. 7), strategically shape discourses of expectations in order to enrol support for a specific idea, project, or technology (Fujimura, 2003). From this perspective, hyping is often a purposeful action undertaken on behalf of individuals or actor groups in a process of agenda building (Selin, 2008). The characteristics of deliberately designed visions can therefore be made objects of study. Agendas effective at mobilizing support are found to be interpretatively flexible, that is, translatable and adjustable to the specific cultures of different actor groups (Borup et al, 2006; Konrad, 2006; Selin, 2008), and normatively functional, inscribed with values as to

desirable futures (Berkhout, 2006; Jasanoff, 2015). The performative effect of expectations also leads to an interest in how they foster path dependence and structure imaginaries (Jasanoff & Kim, 2009) in the form of ‘endogenous futures’ (Rip & te Kulve, 2008), ‘predisciplining of the imagination’ (Brown & Kraft, 2006), ‘scripts’ (Akrich, 1992), and irreversibility (van Merkerk & van Lente, 2005).

Horizons of expectations

The STS expectations literature constitutes a valuable field of experiences for our study, providing several useful concepts to draw on or contrast against. However, given the field’s strong focus on the active shaping of expectations by specific actors, likely stemming from its devotion to new technologies and systems change, and its lack of attention to the broader contexts of political, economic, and cultural factors (see Lave, 2014 for a similar point), our point of departure will differ some from the field’s main current. Similarly, the literature on large-scale infrastructure projects, while conducive to thinking about the interpretative flexibility of development plans, differs from our study in its focus on the logic and rationality of management and stakeholder decisions during project development.

For our purpose, the perceived rationality or irrationality of actors is irrelevant. What we aim to illustrate is not how expectations are actively generated by actors with a fixed intent and distributed top–down, nor how certain actors strategically attempt to enrol support for a more or less coherent vision, but rather how expectations connected to a project are created in separate actor groups in line with their particular interests and cultural predispositions, and how these markedly different expectations co-evolve by their own momentum and logic. For this reason, the idea of interpretation inherent in the STS literature on expectations leads us in the wrong direction, as we perceive the visions and future constructs centred on the mining project in Pajala not as prepackaged agendas, but as ideas actively produced within each actor group in interaction with other sets of expectations.

Our theoretical understanding of how expectations intermingle to create material outcomes is informed by Malafouris’ (2008) discussion of material agency. Malafouris’ aim is to afford a comprehension of action as based not solely on human intention and agency, but as arising out of connections and interactions between human cognition (not restricted to conscious thought) and material affordance. In this interaction, the prior intention of an individual or

group of individuals is downplayed by Malafouris as simply one (not even necessary) element of the ‘system’ that produces action and effects in the physical world. This theoretical framing of material change helps us understand and explain how different kinds of expectations from different actor groups formed in connection with the proposed mining development in Pajala, constituting crucial elements in the materialization of the mine.

In the view proposed by Malafouris, ‘agency is not a property but the emergent product of the “irreducible tension of mediated activity”’ (2008, p. 33, within a quotation from Wertsch, 1998). Taking as his example the potter’s shaping of the clay into a finished artefact, Malafouris argues that interactive forces, impulses, and responses flowing between the clay, the wheel, and the potter, some of which the potter is aware of and some of which she is not, should form the basis for analysing the making of a crock, rather than the notion of a preconceived intention in the mind of the potter to create that item.ⁱⁱ From this conception of mediated action, two main points are important for us.

First, we agree with Malafouris that, in a system of intermingling agential forces, it is difficult and often impossible to distinguish hierarchical, causal relations, and to determine what agent in fact had the ultimate agency in effecting a particular material change. For the purpose of explaining material change, Malafouris proposes that the researcher construct a ‘chrono-architecture’ in which the causal antecedents of the final outcome to be explained are recreated. Such an architecture will aim to identify and present, in a way that depends on the purpose of the research, agential relations within the system of change, rather than identifying ultimate causes. The expectations we study here relate in various complex ways to a number of material phenomena, such as iron ore, and to what Eames et al (2006) call ‘ideographs’, such as ‘regional development’ and ‘local self-sustenance’, and weighing their relative importance against each other is not possible given our method of investigation. While we would certainly not claim that some agents may not have been more influential than others in constructing the mine in Pajala, our aim is rather to analyse how different actor groups with different agendas conjoined to create a dynamic force of expectations driving the project forward.

Second, Malafouris’ discussion of John Searle’s concept of ‘background’, consisting of the unconscious and semiconscious, mental and bodily predispositions in the individual that make action possible, serves as a useful heuristic device for us, when transposed to a

collective level, to explain how the original idea of constructing a mine in Pajala grew and was shaped according to expectations rooted in different cultural settings. Explaining what has been described both as one of the biggest financial scandals in Swedish history and as a profound example of governmental failure merely in terms of interpretations and misinterpretations of a given reality (e.g. the quality and quantity of extractable iron ore in the ground in relation to the world market, the availability of labour in the vicinity of Pajala, and the financial liquidity of Northland Resources) would be insufficient for understanding the dynamic interplay of expectations that led to the outcome. Not only are those basic variables (e.g. the price of iron) highly uncertain and relative, but they are situated in contexts of deep-seated cultural assumptions and structures.

Based on this agential understanding, we argue that expectations concerning a specific project or idea may co-evolve in different actor groups, coproducing a coherent *horizon of expectations* that may dominate the field of vision of all actor groups for a sustained period. In this process of coproduction, it would be difficult, at least given our methodology, to distinguish a hierarchy of causal relationships, in the sense of establishing what expectational propositions are more influential than others.ⁱⁱⁱ

The concept of horizon is taken from Gadamer's (1994) hermeneutics, in which he argues for the existence of separate horizons of understanding, determining and limiting the outlook of the thinking subject. Without needing to delve too deeply into this philosophy of interpretation, the relevance of Gadamer's notion to us lies in its association with line of sight or perspective, which in turn evokes ideas of memory and of projection into the future.

In Gadamer's view, the concept of horizon implies a profound temporal dimension, in that each individual's horizon carries with it historical memory that helps determine its constant movement: 'The historical movement of human life consists in the fact that it is never absolutely bound to any one standpoint, and hence can never have a truly closed horizon. The horizon is, rather, something into which we move and that moves with us. Horizons change for a person who is moving. Thus the horizon of the past, out of which all human life lives and which exists in the form of tradition, is always in motion' (Gadamer, 1994, p. 304). To this, we would like to add a future temporality less present in Gadamer, in that a horizon projects into the future, determining the actions of groups of involved actors involved on the same field of action, which in turn is constituted by the planning of a specific project.

The above quotation also implies another aspect crucial for our analysis, namely, the openness of each horizon and the possibility of fusing horizons through communication and dialogue. As actor groups come together on a field of action, each group views the project at hand against its own specific horizon of expectations. However, as the planning process develops and actor groups interact, their horizons may become temporarily aligned, creating a common horizon of expectations. As long the horizons remain aligned, the common horizon of expectations simultaneously constitutes an objective towards which the different actor groups will all strive, and a temporal dividing line beyond which actions and outcomes may only be guessed. By uniting the actor groups, the common horizon of expectations creates a force, pulling the project forward.

The concept of horizons of expectations does not preclude the idea of certain expectations being dominant while others are residual or less pronounced. Expectations may emerge, shifting the horizons or creating new ones, just as they may turn into disappointment, leading some to crumble while others remain, tied as they are to a group's background. Expectations from one horizon may influence the horizons of others, spreading, being borrowed and modified according to the specific background of another group. However, we do not primarily propose the concept as a means of disentangling how separate expectations affect each other or impose themselves on a common field of interpretation, even though we do analyse how expectations – such as the number of jobs to be created by the mine – first constructed by one actor group become incorporated into the horizon of another group. For these kinds of relations between separate claims/propositions/storylines, there is already a worthwhile conceptualization in the existing literature (e.g. Hajer, 1993). Instead, we propose the concept as a means for the study of how individual projects, with a relatively fixed future boundary in terms of material outcome, can be given momentum as they are placed against a horizon of expectations. What makes the concept especially conducive for the study of this kind of project is its connotation to perspectival dynamism, difference and possible alignment. Horizons may become temporally fused but are always ultimately anchored in the group (or, possibly, the individual) vantage point. As the analysis will show, the durability and permanence of certain horizons is related to their anchoring both in historical memory and group interests^{iv}, both of which we include in the concept of 'background'. The relation between the horizons of expectations and respective group will determine to what degree a horizon may crumble and disappear, and to what degree it will simply shift, rather becoming,

as it were, a horizon of disappointments. The temporal delimitation implied by the concept fruitfully evokes the idea of different groups (or actors) acting towards different time horizons, even though they may be temporally aligned. We shall return to these aspects in the concluding discussion.

Methodological approach and considerations

We have analysed media statements from 2009–2015, conducting interviews in 2015 (i.e. after the company bankruptcy), and reading consultant and state agency reports. By analysing mass media from the time of the project planning, we avoid being dependent on statements constructed with hindsight. The material actually allows us to study expectations as they are formed rather than past expectations, and to write history ‘forwards’, with the ambition of situating the narrative in the historical context and avoiding as much as possible the determinism that comes from a posteriori knowledge of developments (e.g. Nilsson, 1989). Note that our approach is not one of media analysis, meaning that the newspaper articles and reports are treated as access points to opinions and visions expressed at the time by the people figuring in the texts. Admittedly, our analytical treatment of press material as mere reflections of opinions held by different actors groups has the potential drawback of neglecting the framing role of the (newspaper) medium in the representation of expectations. However, we find no reason to believe that adding new kinds of empirical material would have yielded a significantly different understanding of the views held by the different actor groups studied. Also, to a large extent, and particularly in the case of the government and state representatives, an important aspect lies not so much in statements but in actions, and especially the lack of actions, which means that the media framing is of less interest for our analysis. This, coupled with the fact that statements are highly consistent within each actor group (see also next paragraph) and across different types of material (interviews, consultant reports and press texts), justifies our treatment of the press material as a valid source for understanding how the different actor groups understood and promoted the mining project, with the reservation that the medium is never completely transparent or innocent. Suffice it to say that the form of the (newspaper) medium undeniably did play a role for how these actor groups’ visions of the mining project was represented, that we do not analyse this particular role of the medium in the present text, and that we do not believe such an analysis would make a significant difference for our purpose.

The newspaper articles were collected from two Swedish media archives using search terms relating to Northland Resources and its mining project in Pajala. Using the Retriever search engine, we conducted searches of the major daily newspapers, the business press and other relevant papers, ending up with a cull of around 100 relevant articles. The starting point for the analysis was set at 2009 for the simple reason that this was the year when the mining venture began appearing in the press, while what actor groups to include was determined by the empirical analysis. After gathering the press material, we read it through repeatedly, identifying the prominent actors and ideas in the discussion leading up to the establishment of the mine. While it would certainly be possible to find diverging opinions by actively seeking relevant informants to interview, this would not serve our purpose, which is to understand how the mining project was understood and represented by actors engaged in the actual planning and decision-making of the project. The analytical choice to treat these actors as coherent groups was empirically motivated, as reading the material revealed that actors in each group expressed sentiments largely consistent with each other. We have included as references examples of texts that support our claims, and these should not be seen as an exhaustive list.

Ten interviews were conducted in the spring of 2015, when the future of the inactive mine was still highly uncertain. Informants included inhabitants of Pajala, workers still employed in maintenance work at the mine, politicians in the municipal administration, the head of the national union of mine workers, and the county governor. These interviews were transcribed and analysed in the same way as the texts.

In her review of expectations studies, Selin (2008) touches on the interesting methodological problem of how to relate a historic expression of expectations, such as a visionary speech, to a material outcome. However, our purpose here is not in any sense to *prove* that the expectations we analyse have been determinative of developments. That these expectations are crucial to explaining why the mine in Pajala was built is a theoretical premise of our study rather than a hypothesis we set out to prove. (It seems more or less self-evident, for example, that stock recommendations from stock market analysts are influential in determining investor decisions, and that investments in a company in turn affect its chance of success.) To be more precise, we stake a theoretical claim in this paper, that expectations, when they fuse

into a common horizon, can create a force, and that this force lies in the alignment between different groups and their respective horizons of expectations.

Given the theoretical assumption that expectations *do* matter, and thus leaving methodological issues of direct causality aside, researching expectations is not essentially different from other forms of text analysis that seek to establish formations or patterns of meaning in texts and identify them as views held or promoted by certain actors. The historical documentation of expectations, which is what we are dealing with in this paper through newspaper articles, consultant reports etc – can thus be used as a source for the study of the chronological developments of expectations, while the performative impact or lack of impact becomes a matter of historical fact. First and foremost, however, our aim is not to explain how expectations perform, but to investigate *how* and *why* they develop in relation to material change, and offer an explanation as to why expectations develop in certain ways in certain actor groups.

The building of expectations and fusion of horizons, 2009–2012

Company representatives and consultants

Towards the end of 2010, the mining company Northland Resources announced plans to begin extraction in the first of three planned mines in early 2013. It was estimated that the project would cost around SEK 5 billion and produce 5 million tonnes of iron ore in each of the 20–24 years that the deposits were calculated to be extractable. By stressing the high quality of the extractable ore and the fact that more findings were being analysed – thereby raising the prospect of even more mining establishments than those already planned – management was not only making a strong case for its company's market value, but also stretching its horizon of expectations well into a golden future (Wrede, 2010). Since the early days of project planning, in 2006, various company leaders had established good rapport with the local community and local administration, and by all accounts they gave the impression of being a serious company and not one merely seeking to inflate its share value and sell quickly at a profit (interview, May 22, 2015).

At this time, the international iron ore market had seen rising prices for over ten years. The two big actors on the Swedish mining scene, state-owned LKAB and privately owned Boliden, proclaimed their intention to significantly increase production to profit from the demand emanating from high-growth regions around the world, China in particular. There was little talk of any slackening of the Chinese appetite for base metals, with some economists describing the historically high prices as indicative of a world-market shift to a ‘super cycle’ (e.g. Farooki & Kaplinsky, 2012; Rogers, 2004). In this context, it seemed that the main issue facing greenfield mining projects^v was getting the product to the market as quickly as possible. The Northland Resources information manager, Niclas Dahlström, exuded enthusiasm as he explained, in 2012, that the project was on schedule. The company was aiming to be second only to LKAB as Europe’s main iron ore producer, and to be the most gender-equal mining company in the world (Jacobsson, 2012).

The same year, however, the decade-long trend of increasing iron prices broke. Prices dropped to USD 90/ton in the summer, from a high of USD 192 in 2011, following a drop in Chinese demand. The Northland Resources CEO, Karl-Axel Waplan, strove to downplay the importance of these developments for the company, arguing that demand would soon outstrip supply once again, as developing projects around the world would stall due to the fall in prices, benefitting companies already in production, such as Northland Resources. Management again highlighted the quality of the iron ore, comparing it to lower-grade deposits in China, where mines could be expected to close due to the downturn, reiterating its long-term commitment to Pajala (Elofsson, 2012a; “Vi är den...”, 2012). According to this horizon of expectations, world market volatility in fact favoured the company and Pajala, as it would force less solid ventures out of business.

The expectations emanating from Northland Resources’ management were confirmed and strengthened by consultants employed to establish prognoses as to how the mining project would benefit the community of Pajala. In a report written in 2008 on behalf of the company, national economists Tomas Ejdemo and Patrik Söderholm envisioned a population increase from 6000 to 9000 inhabitants during the 2013–2017 production peak. Local geographic conditions and limited communications would likely mean a high degree of work in-migration and weekly commuting, reducing the risk of a fly-in–fly-out workforce and therefore increasing the potential benefits to Pajala. The two economists calculated a

multiplier effect of 2.4%, meaning that for every 100 jobs created directly in the line mining operations, an additional 147 jobs would be created in the community. They lent credence to the promise made by information manager Dahlberg at Northland Resources that the new mines would not constitute what he called ‘on-shore oil platforms’. Instead, Ejdemo and Söderholm identified the project as valuable for Pajala in terms of a significant increase in median income and, therefore, in tax revenue. Crucially, the municipality would have to make Pajala an attractive place to live (Ejdemo & Söderholm, 2008). Another consultant, Kairos Future, created a vision of a future Pajala that did just that, for example by improving communications, using its natural beauty as a selling point, and supplying basic services that would make young people want to stay (Baudhold & Johnsson, 2008).

For somewhat dissenting prognoses about Pajala’s future as a mining community at the time, one had to look to state-sector actors. The Swedish Agency for Growth Policy Analysis published a report in 2010 criticizing the population growth figures bandied about by company consultants as overly optimistic, and instead estimated the creation of a total of 600 jobs between 2014 and 2027. Judging from the size of Pajala municipality, the greatest growth capacity was ascribed to the retail and communal service sectors, and in-migration was projected to be far lower than Ejdemo and Söderholm claimed. In sharp contrast to the latter, the state agency forecast a sustained population *decrease* in Pajala up to 2030, with the possibility of stability in some years due to the mining establishment (Tillväxtanalys, 2010).

Such attempts to lower expectations went largely unheeded in the jubilant atmosphere surrounding the mining project at the time. The claims of the company and its hired consultants established a horizon of expectations dominated by a classical regional development notion in which economic growth is generated by a single heavy industry. Two important features of this horizon that the company representatives were careful to stress time and again were its long-term commitment, lasting at least twenty years, and the high quality of the iron ore, which promised to make Northland Resources the second largest iron ore producer in Europe. As we will see in the following, these features resonated well against the cultural ‘background’ – to use Malafouris’ terminology – of Pajala, where actors aligned their horizon of expectations with the company’s, raising expectations even further and adding aspects determined by their historical memories and specific places in the spatial configuration of the Swedish economy.

Local politicians and inhabitants

The existence of iron ore deposits in the bog surrounding Pajala has long been known, and the state-owned mining company LKAB conducted explorations in the 1970s, ultimately determining that the ore could not be extracted profitably. The ore vein remained untapped, and the people of Pajala kept migrating to the LKAB mine in Kiruna, constituting a commuting workforce that gave rise to the expression ‘The car rally of the Torne Valley’.^{vi} When this workforce began settling in Kiruna, the result was a reinforced pattern of depopulation and tax base erosion in Pajala. The competition between the two municipalities is explained by the fact that Pajala has experienced relatively good demographic times only when LKAB has experienced problems. Adding to Pajala’s woes as the weaker partner in this uneven socio-geographical configuration, is the migrant workers’ habit of returning to Pajala upon retirement, putting pressure on an already strained municipal budget. This unbalanced structure of work migration has given rise to a widespread feeling in Pajala that, having been deprived of the fruits of its population’s work, the municipality is left to pay for its old age care (interview, May 22, 2015).

The iron ore deposits have always been part of the local consciousness, forming what Berkhout calls a ‘dormant vision’ (Berkhout, 2006). Meanwhile, as Pajala has been on the losing end of the fundamental restructurings of the Swedish industrial base since the 1970s, the community holds a double sense of governmental neglect, in the context both of Sweden as a whole, whose northern regions have traditionally supplied the raw material for the wealth accumulated in the south, and of the region of Norrbotten, where the state has invested heavily in the state-owned mine in Kiruna (interview, May 22, 2015).

Given this background, it is unsurprising that municipal politicians in Pajala responded optimistically to the job creation estimates of consultants hired by Northland Resources. Indeed, they went even further in their expectations of the future. The municipal commissioner at the time, Social Democrat Bengt Niska, announced that venture capitalists should feel very welcome in Pajala and that Northland Resources’ mining project would mean the end of half a century of declining population. What was described as the last great iron ore reserve in Europe would, according to the commissioner, bring about a doubling of Pajala’s population. Although Northland Resources’ head of public relations estimated about 500 new jobs, Niska preferred to prophesy in four digits, explaining that a long ‘depressed’

community would become ‘Sweden’s most exciting municipality for the future’. His estimated 100% population increase, from 6000 to 12,000 in 10–15 years, would demand a concerted effort by municipal and national governments, as Pajala was to absorb the pressure of such explosive growth. Governmental investments in housing, roads, schools, and social services to a figure of SEK 100–150 million would be needed, according to Niska (Nilsson, 2004; Wiman, 2011; Wrede, 2010).

Yet, the decision to commit wholeheartedly to the project had not come all that easily to the municipal administration. The unease mainly concerned the risk connected to the decision to invest heavily in new apartments, a decision made out of the municipality’s determination to avoid a fly-in–fly-out situation at all costs (interviews, May 22, 2015). The situation in which the administration found itself in 2009 was explained by municipal councillor Johnny Lantto:

Suddenly, this Klondike opportunity appears. It was an enormous dilemma for us: ‘Should we go for this or not? Maybe, at the most, we might be able to build 50 apartments – the ship has already sailed for this municipality, we’ve already created a fly-in–fly-out situation’. We saw that for 100 jobs advertised by Northland, we received 1100 applications. And we saw that those who wanted to come here, they were families with small children, and what they wanted to know was what the housing market was like. And the answer we could give them was not what they wanted to hear ... And we decided that we wanted to be able to tell these people that, ‘yes, we have apartments for you here’ (interview, May 22, 2015).

In the eyes of local politicians, the decision amounted to something like ‘go for broke or don’t go at all’. There was no middle ground. From 2011, investments by the municipal housing company, which had only just finished a program of housing liquidation due to excess supply, were made amounting to SEK 80 million, partly financed through loans, a huge sum in relation to a total municipal budget of around SEK 100 million (ÅF Infraplan, 2014). As the leap into an uncertain future was made, developments at first seemed to vindicate the decision. Rooms in Pajala were let for unprecedented figures, around SEK 8000 per month and newly built apartments sold for over SEK 1 million. The formation of a housing queue, rare in Pajala, was taken by commissioner Niska as a sure sign of a turnaround for the community, as he foresaw a century-long boom (Wiman, 2011). When mining construction officially began soon before Christmas in 2010, the local administration’s expectations were sky high. Municipal reports estimated a population of 10,000 by the year 2020 and the creation of 1800 new jobs, leading the union press to invoke images of a nineteenth-century gold rush (Herin, 2011; Leander, 2011). Kurt Wennberg, who

succeeded Niska as municipal commissioner in 2011, sustained the horizon of great expectations with the same enthusiasm as had his predecessor. Echoing the proposals of the consultant Kairos Future in 2008, he called for a focused effort by the municipal government to make Pajala culturally and socially attractive. He identified dialogue between Northland Resources, the municipal administration, and the local population as central to the positive development now occurring (Jacobsson, 2012; Tjällman, 2012).

The feeling of a turnaround was pervasive not only at the town hall but throughout the community, as the population increased in 2012 for the first time in decades. The horizon of expectations established when company representatives had first suggested the project back in 2006 became consistently more pronounced. New job estimates were aligned with concrete manifestations of change big and small, such as the building of new apartments, people finding it worthwhile to paint their houses for the first time in years, and the local food store extending its opening hours until 10 pm (interviews, May 21 & 22, 2015), all of which contributed to a strong belief in the future. An oft-told anecdote that has gained almost mythical status tells of a man expressing his disbelief at being stuck in a traffic-jam in Pajala (interview, May 21 & 22, 2015). Newspapers described a forlorn town being granted hope by the mine, often identified as Pajala's last chance of a revival, and the new phenomenon of the 'Pajala smile'. These news stories claim that Northland Resources is ascribed the status of community saviour by the inhabitants of Pajala, evidenced by the fact that a tenth of the adult population opted to buy company stock. By all accounts local support at the time was close to unanimous. Indeed, support was so strong that the Saami village whose reindeer foraging would be significantly affected by the mining project deemed it socially impossible to object (Cardell, 2013; Eriksson, 2013; interview, May 23, 2015; Jacobsson, 2012; Kadhammar, 2013; Karlsson, 2013b; Nilsson, 2009; Tidholm, 2013; Tjällman, 2012).

In this way, uneven spatial power relations and historical memory helped create a fertile ground in which the expectations encouraged by Northland Resource's office could take root and grow on their own. The cultural 'background', in Malafouris' sense, comprised a mixture of deep frustration and dormant hope attached to potential underground riches. This meant that the plan to develop a mine in the community might be construed as in some way already realized – what Rip and te Kulve (2008) describe as an 'endogenous future' (see also Wilson, 2016, for the importance of local memory in relation to extractive industrial projects). In the terminology of Harner (2001), the 'meaning', in the sense of a historical identification with

mining through the community's export of workforce to Kiruna, seemed finally to be fused with the 'means', i.e. the opening of an actual mine in Pajala. Sadly for those locals who invested heavily in the project, both monetarily and emotionally, the endogenous future entailed hopes and expectations closely related to the classical, heavily state-sponsored socio-industrial development associated in Sweden with the 1960s and 1970s. As subsequent events would show, the industrial landscape of the twenty-first century meant that the government could easily distance itself from financial wrecks like that left behind by Northland Resources, and Pajala was left hoping that a turnaround on the global iron ore market would make the bankrupt mine seem a worthwhile investment.^{vii}

Government and state

For as long as the project seemed to be proceeding on track, however, the liberal–conservative government in Stockholm professed commitment to the mining venture for its growth creating potential, announcing an investment of SEK 1 billion for the construction of a new road for the transport of ore^{viii} (Anderberg, 2013a; Nordenskiöld, 2010). Kristina Lugnet, then director of the Agency for Economic and Regional Growth and later appointed National Coordinator for the Mining Industry, officially vouched for the solidity of Northland Resources, as she foresaw 'incredible effects for the whole of the Torne Valley'. In 2010, luminaries such as the crown princess and the prince signalled the importance attributed to the venture by visiting Pajala. The county governor was present when construction of the mine was officially initiated that year, proclaiming the day an historic one 'for Pajala, the Norrbotten region, and the whole of Sweden' (Herin, 2011; Wrede, 2010).

The sudden and highly unusual traffic to Pajala of high-ranking officials continued in 2012, as the Minister for Infrastructure marked governmental support for the project by driving an excavator at the mining site, while the prime minister visited to speak about the mine's lasting and long-term impact on local job growth. In the case of Northland Resources, it was difficult to discern a dividing line between the political parties, as the leader of the left-wing opposition, Stefan Löfven, also travelled to Pajala to pay tribute to the company for what it was doing for the community, claiming to be able to smell money in the soil (Anderberg, 2013a; Karlsson, 2013a; Persson, 2012; Widmark, 2012). Backing also came from the largest union for mine workers, whose leader stressed the importance of such ventures for the

viability of small communities, the mining industry in general, and the Swedish export sector (interview, May 28, 2015).

Government and state representatives viewed the mining project in Pajala against an expectations horizon of regional development, underlining its potential as a generator of growth for a stagnating community and of regional growth from a wider perspective. The government's stance should also be viewed against the background of its attempts to reorient the national mineral policy towards further liberalization, a reorientation that would be formulated in the Mineral Strategy of 2013 (Swedish ministry of enterprise and innovation, 2013; Haikola & Anshelm, 2016). In this context, Northland Resources seemed the perfect example of the power inherent in the free market, with the government acting as facilitator so that private capital could work its magic. In both these respects, the government's horizon of expectations was well aligned with those of the other actor groups. As long as iron ore prices remained historically high and Northland Resources was on schedule in its production plan, the government would be willing to make limited investments in the aforementioned road, risking relatively little in the process.

Financial analysts

Analysts for the more influential Swedish financial papers fused their horizons of expectations with those of the other actor groups by going along with the identification of Northland Resources as something of a hero. The booming mining industry was highlighted by several finance papers in 2010 as part of a raw material super cycle evident since 2003, and the mine in Pajala was identified as a project situated perfectly in both time and place, on track to supply high-quality iron ore to an insatiable Chinese market, where demand was unlikely to slacken for several decades. Praise was heaped on Northland Resources as a solid company from most directions, with several asset managers valuing its shares at three to four times their then current price, the asset management agency Carnegie going as high as 10 times. No contemporary analyst reported any doubts that the project was firmly on schedule or that the company would soon be producing five million tonnes of iron ore concentrate per year, making it the second largest iron mine in Europe after the LKAB mine in Kiruna. Instead, expectations were raised for Pajala, Northland Resources, as well as the shareholder, 'buy' being the recommendation at a time when analysts deemed the share price irrationally suppressed (Elofsson, 2011a; Elofsson, 2011b; Elofsson, 2012a; Jönsson, 2012a; Jönsson,

2012b; Jönsson, 2012c; Nordenskiöld, 2010; Widmark, 2012). The firm belief in the Northland stock being undervalued and a great buy, especially given that the most profitable moment to own mining stocks is usually considered to be at the beginning of production, remained undiminished among financial analysts throughout 2012, despite a fall in the share price on the Oslo stock exchange and a reversal in the global price trend of minerals (Elofsson, 2012b; Widmark, 2012). When production commenced that year, most financial analysts, in the press and in the big banks, took this as confirmation that the company had weathered the most difficult spell and that the future for shareholders and Pajala as a community was bright.

Against a different background, financial analysts and asset managers helped cast Northland Resources as an almost heroic enterprise, well placed in time and space and exemplifying what can be achieved with some daring and an eye for investment. There was something almost romantic to this horizon of expectations, making it easy to fuse with those of the other actor groups.

Rounding up: the building of expectations and fusion of horizons

In the period analysed above, each participating actor group on the field of action created a horizon of expectations specific to its background – to use Malafouris' terminology. As long as the project seemed to be on schedule these horizons were aligned and drew on each other in dynamic interaction, which meant that the project quickly gained momentum and became irreversible. Indeed, given the appeal of the project to all these groups, it might well be questioned in retrospect whether there was ever any time when the project might have been stopped, given its suitability to the frame of reference of each group and given the force generated by the common horizon of expectations. In the period between the conception of the project in 2006 and the revelation of severe liquidity problems at Northland Resources in 2013, the mine in Pajala appeared as almost the perfect project: a hero to some, a saviour to others, and a suitable symbol to still others. It can be contrasted, for example, to the Aramis project described by Latour (1996), a project that failed arguably, at least, due to the lack of real engagement from the involved actor groups.

The unique voices of all groups that participated in aligning the various horizons of expectations make a concept such as ‘interpretative flexibility’ (Eames et al, 2006) inappropriate when describing how the Pajala mine came to be construed, before Northland Resources’ reversal of fortunes, as an opportunity not to be missed. As we have seen, the process should not be seen as the successful ‘selling’ of an idea by Northland Resources, as the idea itself was not only ‘interpreted’ by the various actors, but actually regenerated according to their backgrounds. In the community of Pajala, local politicians were not mere passive recipients of the prognoses and proposals issued by the company, but constructed their own visions and estimates of job creation and local economic effects, estimates that often went much further than those of Northland Resources and its consultants. The ‘readiness to act’ (Libet cited by Malafouris, 2008) was already there, ingrained in the local historical memory of uneven regional development, depopulation, and the promise of buried riches. For the community of Pajala, the appearance of Northland Resources meant rediscovering the horizon of expectations of the 1970s, when state-owned LKAB conducted explorations in the area and hopes were fixed on a governmental decision to exploit the iron ore. The only difference between the new and old horizons of expectations was the added dimension of appealing simultaneously to venture and private capital. As we will see in the next section, as the fortunes of Northland Resources reversed, local politicians and inhabitants once again placed their hopes in a government takeover.

For the government, the mine was treated mainly as a source of regional development, but it also became symbolically important as the flagship of its mineral policy and the new Mineral Strategy launched in 2013. In the world of financial analysts, Northland Resources was identified as a potential rocket, fitting the existing frame of stock-market heroes and often described in almost romantic terms as a perfectly timed venture, ready to exploit a booming market with insatiable needs. Early in 2013, actor groups moved towards a common horizon of expectations that looked promising in every conceivable way.

Reversal of fortunes: horizons of expectations crumble

When 2013 opened, it was well known that Northland Resources had underestimated the costs of getting production on line by significant amounts. Especially troublesome was the

budget overrun on the logistics side, which amounted to SEK 600 million (Froste, 2013), leading to the projected production cost per ton being revised from USD 56 to well over USD 80, a significant problem at a time when global prices were beginning to drop (Company Report, 2012). Yet, despite these ominous signs, the image projected outwards had consistently been one of confidence that once the ore shipments started, which they did towards the end of 2012, the most critical phase would have been passed and the finances would work out. Thus, the news on January 23, 2013, that a SEK 2,5 billion liquidity shortage would necessitate a new share issue, seemed to come out of the blue. To make matters worse, it soon became apparent that the liquidity crisis began with leaked information that the management had tried to keep within the company (Forsberg, 2015).

Facing accusations of mismanagement, nervous shareholders, and journalists' and financial analysts' claims that the Pajala project could be derailed, both Waplan, the CEO, and Dahlström, the information manager, reiterated the fundamental solidity of the venture. They cited its uniqueness, having not only been on schedule but actually ahead of schedule, and its promising future, with a second production line planned to be operational by 2015 and a second mine scheduled for 2016. While forced to admit to some unforeseen extra expenses connected with logistical solutions, the management stressed its conviction that all the problems were manageable and within the frame of normal risk in the mining industry. A weak dollar against the Swedish krona, reducing the value of the exported ore, and falling iron prices were identified as problematic factors contributing to the company's liquidity crisis, but when speaking retrospectively in early 2014 about the turbulent year of 2013, when the company share lost 99,7 % of its stock market value, Dahlström maintained the established, gold-tinted horizon of expectations, still extending it into a rosy future by speaking optimistically about anticipating 'the journey ahead' (Cardell, 2013; Forsberg, 2013; Froste, 2013; Harr, 2014). Perhaps slightly ominous for the company, but still promising for Pajala as a community, were the words of raw materials expert Magnus Ericsson at Raw Materials Group, who spoke of the mine as 'a set table', and expressed great confidence that it would continue to produce iron ore, though perhaps under different ownership (Cardell, 2013; Sandberg, 2013).

That Northland Resources had financial problems had been known for at least a year, but financial analysts had kept their faith in the long-term viability of the Pajala project and reiterated their belief that the company was undervalued and would begin turning the large

investment into sizeable profits, if not before, then after the second production line came on stream. After January 23, 2013, however, these analysts immediately and unanimously washed their hands of their prior hype, expressing moral outrage at what they perceived as company misconduct in the form of withholding information and failure to control costs, the management being accused of ‘resorting to all the old tricks’ and ‘not being straightforward with the truth’ (Åsberg, 2013a). The tentative admission by one analyst of his profession’s falling prey to ‘mining romanticism’ (Anderberg, 2013a) in building a horizon of massive expectations around Northland Resources was a rare instance of self-criticism, as the financial papers began identifying the mine in Pajala as a former ‘venture of hope’ (Jakobsson, 2013), without reflecting on their own contribution to constructing and sustaining that hope. Analysts competed in heaping infamy on the company, naming it the ‘scandal company of the year’ (Elofsson, 2013) and ‘the rotten apple on the stock market’ (“Börsens värsting”, 2013). They simultaneously began revising their former prognoses of a super cycle lasting until 2030, as they saw signs of global economic slowdown – a miscalculation for which Northland could hardly be blamed. Reformulation of financial prognoses for Northland Resources as a company and, simultaneously, for the global iron ore market as a whole meant that the entire basis for the horizon of expectations sustained by the financial papers crumbled. The prospects for the iron ore in Pajala, only recently identified as of very high quality, suddenly seemed grim. After the news of a liquidity crisis in January 2013, almost no positive article was published about Northland Resources, and when the company announced a year later it would issue new bonds, experts harshly stated that ‘only an idiot would put his money there’ (quote from “Friarna svärmar...”, 2014; Anderberg, 2013b; “Börsens värsting”, 2013; Elofsson, 2013; Forsberg, 2013; Froste, 2013; Froste, 2014; Jakobsson, 2013; Munck, 2013; “Märklig väg...”, 2013; Åsberg, 2013a; Åsberg, 2013b).

Next to leave the sinking ship and let the horizon of expectations crumble was the Swedish government, though it did so without the same fanfare and diatribe with which the financial analysts heralded their departure. Instead, the government simply vanished from the scene. After January 2013, the high-profile visits from Stockholm that advertised the Pajala mine as a flagship venture for the governmental mineral policy would cease. However, the newly appointed Social Democratic government sent the Minister of Enterprise, Mikael Damberg, and Minister of Rural Affairs, Sven-Erik Bucht, to Pajala in November 2014 to express their wish that a solution would be found that would allow the mine to continue producing. It was a wish that did not commit the government to anything and therefore did little to appease the

worried administration in Pajala or the management of Northland Resources. As it turned out, it would be only a month before Northland Resources announced bankruptcy (Forsberg, 2015).

Ever since the news of the liquidity crisis back in January 2013 it had become more and more apparent that the Northland enterprise was premised on iron prices remaining on uniquely high levels. As the iron giants of the world ramped up production and supply began finally to overtake demand after almost a decade of iron shortage, it became clear that prices were only heading in one direction, and that upstarts such as Northland would be struggling to survive without state backing (Boling, 2014; Company Report, 2012; Hurst, 2015; Smyth & Hornby, 2014).

In February 2013, the company had filed for reconstruction, and twice it was kept afloat through financial injections from a group of large investors. All through this period and well after the bankruptcy, the municipal commissioner of Pajala, the county governor of Norrbotten and a group of private investors with a regional connection, who also led the investment efforts that kept the company from bankruptcy for almost two years, put intense lobbying pressure on the government to initiate a rescue action through the state owned LKAB. Despite several rumoured rescue operations, however, the government refrained from getting involved, consistently claiming the need for a market solution, while the management of LKAB reiterated its claim that it could not be expected to do anything that would not be economically rational (Forsberg, 2015; interviews, May 21 & 22, 2015; Sundström, 2015).

In Pajala, of course, there was no room for such passivity. News of the liquidity crisis in January 2013 came as a shock, but the local administration was quick to unequivocally stress its continued support for the company and to recall the positive impacts the project had had on the community in the form of investments. The worst-case scenario, as presented by the then commissioner Kurt Wennberg, was that bankruptcy would mean an unfortunate hiatus in mining operations. Given the large sunk costs^{ix}, however, a new owner would almost certainly take over. Local politicians were unanimous in 2013 that the mine had only been positive for Pajala, that even if the worst-case scenario materialized, the community would be in a much better position than it had been before Northland Resources came to town (Cardell, 2013; Eriksson, 2013; Karlsson, 2013a; Sandberg, 2013).

The period since the company's bankruptcy in 2014 has been one of hope gradually giving way to unease about the future. Immediately after the news of default, former municipal commissioner Bengt Niska expressed certainty that a new operator would step in, and the new commissioner, Harry Rantakyrö, was hopeful of a state-led solution to the crisis involving LKAB in Kiruna (Jönsson, 2014a; Jönsson, 2014b; Nordlund, 2014). As time has passed and the mine has remained silent, however, anxiety has grown that there might be no one ready to assume ownership and that the worst-case scenario, the dismantling and selling-off of the refining plant, might come to pass. It has been a case not so much of diminishing expectations, since the previously established horizon of expectations remains, but rather the cloaking of this horizon in a cloud of uncertainty, growing with each day that passes without a takeover bid.

Rather curiously, despite the turmoil and lost private investments for those who were enticed to invest in the company, support for Northland Resources from local politicians and inhabitants alike has remained almost undiminished, although the mood, which remained hopeful for some time even after the bankruptcy, has gradually given way to defeatism. By far the most prominent view is a firm conviction that the decisions made were the right ones, that it was a unique opportunity impossible to let pass, and that Pajala, regardless of what the future holds, is better off today than it was ten years ago. Even in the worst-case scenario, Pajala will be left with a highly valuable lesson in socio-economic development (interviews, May 21 & 22, 2015). Although Northland Resources' venture ended in total failure from the company's perspective, the project can hardly be described as a 'failed future', a term employed by Brown and Michael (2003) to describe how expectations yield to disappointment.

This does not mean that the community of Pajala has undergone this extremely condensed cycle of reindustrialization and deindustrialization unscathed. Indeed, several reports talk about a town sunk in deep depression after a short-lived glimmer of hope (interview, May 21, 2015; "Låg stämning...", 2016; Uppdrag Granskning, 2015). However, what bitterness and anger exists in Pajala is directed solely towards Stockholm, from which little has been heard since the bankruptcy. Despite calls from politicians in Pajala and opposition politicians for the government^x to mount takeover action through the state-owned LKAB, no step has been taken in that direction, leaving local politicians with the impression that the government was only interested as long as things looked rosy. For the inhabitants and local administration of

Pajala, the sense of being neglected seems to have been vindicated by the apparent lack of interest from Stockholm, which, many assume, would display more urgency had the bankruptcy affected a more favoured geographical area (interviews, May 21 & 22, 2015).

Rounding up: horizons of expectations crumble

The reversal in fortunes for Pajala and Northland Resources at the beginning of 2013 revealed the discrepancies in the backgrounds of all actor groups, as their respective horizons began drifting apart. For the financial analysts, the fall from hype to disappointment was in some ways the farthest, as serious accusations of misconduct, immorality, and cover-ups were levelled against the management of Northland Resources. The indignation with which the analysts, who had just recently been cheerleading for the great potential and solidity of the company, now expressed moral outrage at management actions may appear somewhat naïve, given the nature of the financial world in which they operate daily. This should be understood as a reaction to the feeling that they had been misled, even though the outrage was expressed on behalf of the anonymous small investors tricked into buying stocks (e.g. Anderberg, 2013a; Forsberg, 2013; Jakobsson, 2013). Also, applying a narratological frame of analysis, the outrage signalled a suitable turn in the story they were constructing, of a hero now turned villain. In the case of the financial analysts, the horizon of expectations came tumbling down, in a reversal of expectations that was as definitive as it was rapid.

The reaction of the government, on its part, was muted and highly revealing of its attitude towards ventures such as the one in Pajala. Having encouraged the project from the start and facilitated it through investing around SEK 1.5 billion in road construction – a significant but non-fatal amount – the government distanced itself from events as they unfolded starting in 2013. From being the perfect example of how private capital might be attracted and put to use for the benefit of everyone, the project has instead become a symbol of the ease with which a government can relieve itself of responsibility when applying a neoliberal approach. The horizon of expectations upheld by the government more or less just vanished, rather than tumbling down as in the case of the financial papers. The government's stance indicated that the main issue from a national governmental perspective was the attraction of global capital and not the development of heavy industry. It also indicated that the Mineral Strategy would

be implemented via a post-industrial and neoliberal governmental approach in which regional development and the development of classical heavy industry might occur as beneficial side-effects, but would not be prioritized. The story of Northland Resources in Pajala is thus very far from the idealized form of liberalism defined by Harvey (2006b) as the privatization of profit and socialization of loss, and much more a case of what he terms 'circumscribed neoliberalism' (Harvey, 2005, p. 115). While the profit would indeed have been largely privatized in the case of continued mining operations, most of the loss has also stayed with the private parties enticed to invest their own capital in the venture. As it happened, the company most eager to stress the quality of its iron ore and competitive edge turned out to be one of the easiest victims of world market vicissitudes.

Indeed, a collision between radically different expectations of economic orderings lies at the centre of the disappointment left in Pajala, now existing in a limbo of anxiety regarding what will happen with the passive mine. Here, the remaining horizon of expectations, now shrouded in uncertainty about the future, is more or less the same as the one first established in the 1970s, comprising hopes of a massive state-led effort to exploit the iron ore deposits. Local inhabitants and politicians have expressed no resentment towards Northland Resources. Rather, the feeling of gratitude for the opportunity, still alive due to the capital costs sunk in the mine, lingers, albeit less pervasively than before (interviews, May 21 & 22, 2015). Interestingly, the local government, local population, and company have been closely aligned in their vision of classical, heavy industry-led regional development in which the mine becomes the generator of local growth and welfare. Such development has, historically in Sweden at least, entailed sustained commitment from the national government in the form of long-term investment and financial backing, a support vital for capital-intensive, 'inflexible technologies' (Collingridge, 1992). However, under the regulatory regime employed in the case of Northland Resources, no such assistance was in the offing. In the event, both the company and the community of Pajala became victims of the compressed time horizon and 'chronic instability' associated with capitalism under neoliberal governance (Harvey, 2006b). The local horizon of expectations, determined as it was by its specific history and historically determined spatial relations, came undone against the 'non-territorial "region" in the world-economy, a decentered yet integrated space-of-flows, operating in real time, which exists alongside the spaces-of-places that we call national economies' (Ruggie, 1993, p. 172; quoted from Arrighi, 2010, p. 80).

Concluding discussion

In this article, we have mapped the rise and fall of a mining venture in northern Sweden, explaining how expectations developed in different actor groups during the planning of the project and how, ultimately, each vision gave way to disappointment in line with each group's initial expectations and perspective. In this concluding discussion, we wish to extrapolate two main explanatory points from the preceding discussion.

The first point relates to the theoretical framing of the mining project in Pajala as a case of fusing horizons of expectations. Up to the reversal in early 2013, the events may be construed as a dialectical process of mutually reinforcing and changing expectations that, by this reinforcing interaction, created an emergent force leading to irreversibility. We maintain that the material outcome of the project, i.e. the construction of the mine, cannot be explained as the simple result of an intentional act of human agency, or as the simple result of a linear planning process gone wrong, whether this can in turn be described mainly in terms of miscalculations and/or misleading prognoses emanating from Northland Resources, irrational hopes on the part of local politicians and inhabitants, or the gullibility of financial experts and governmental representatives. Rather, as in Malafouris' explanation of material agency, we claim the mine to be 'the emergent product of the "irreducible tension of mediated activity"' (Malafouris, 2008, p. 33, within a quotation from Wertsch, 1998) i.e. the result of a dynamic interplay of expectations created by different actor groups according to their specific backgrounds. In this interplay, hopes and interests – latent or pronounced, rational or irrational – were the central constituents that sustained the horizons of expectations around the mining project in Pajala.

The concept of 'horizon of expectations' is, we argue, conducive to the understanding of volatile contexts of expectation building such as the mining project in Pajala. Other theoretical concepts that lie close to hand, primarily Hajer's 'discourse coalition' (1995) and 'hegemony' as used by Mouffe (2005), and by Harner (2001) in specific connection to mining, are misleading for mainly two reasons. First, even though they both allow a significant degree of flexibility, we believe they connote a structural consistency and stability that were never present in the Pajala project. Secondly, both concepts imply an aspect of asymmetrical power relations and the more or less active imposition of one meaning instead of others. While the different actor groups did come to share a common horizon of expectations for a time, it was never so much a case of one group commanding the

interpretative initiative over others; instead, what we have shown is that the fusing of horizons of expectations could happen precisely because all actor groups acted out of their own interests towards the same goal.^{xi} Indeed, the rapidity with which this horizon unravelled after the liquidity crisis reveals the vast differences in interests between the groups. The concept of horizon of expectations can thus be more sensitive to mediated agency and volatility in expectations than other theoretical concepts that imply stronger structural consistency, making it well suited for the analysis of relatively short-term projects.

Furthermore, the concept of a horizon of expectations holds a metaphorical value in its connotations to space and temporality. By connoting geographical distance, the concept is apt for describing the relative ease with which actor groups can distance themselves from a project when something occurs that makes the horizons of expectations shift or, as in this case, crumble. Most removed from the events in Pajala, figuratively as well as physically, were the financial analysts and the government, so they were the ones who could distance themselves from the company's misfortunes most easily. Company management itself, naturally, clung to its original horizon of expectations all the way up to the bankruptcy, something that the municipality of Pajala is still doing to this day, albeit with an increasing sense of futility. Furthermore, the spatial dimension can be understood in the context of neoliberal governance. If *distance* and distancing are taken to be key aspects of neoliberal governance, the spatial relation between the state and the events in Pajala can be understood as determinative of how easily the state is allowed to act in accordance with its neoliberal prerogatives, i.e. limit its liabilities and cut its ties of responsibility (e.g. Jessop, 2002; see also Haikola & Anshelm, forthcoming). If the project would have been situated in a Stockholm suburb, it seems unlikely that the government could have distanced itself from the events as easily as it did.

Closely related to this spatiality is a temporal dimension, briefly broached in the theoretical discussion in the beginning of the paper. The temporality of the concept of a horizon of expectations is partly evoked by the implication of a point in space towards which one moves, and partly, by the prospect the concept raises of temporal horizons differing according to vantage point. This, in turn leads to the second explanatory point of this concluding discussion, which concerns the material and cultural substance of the expectations. While the crumbling of the horizons of expectations revealed the vast gaps between the specific backgrounds of the various actor groups, there was obviously a

connecting point between them that allowed their horizons to fuse while things were proceeding as planned. This common vantage point lay in hopes of classic, heavy industry-led regional development that were shared by all actor groups until the liquidity crisis. For financial analysts and for the government, this hope took the form of a kind of mining romanticism, as both groups identified in Northland Resources a perfect manifestation of a new era of mining entrepreneurs, willing to take financial risks in order to turn mineral deposits into long-term profits and regional growth. While the former actor group washed their hands in outrage after the liquidity crisis, the latter simply retreated into the wings, as it became evident that the governmental interest in the project had always rested on a post-Fordist industrial policy, regardless of the romantic rhetoric evoking memories of the proud history of Swedish mining. In this, the time horizons of both groups were revealed to be relatively limited in ways that might be explained by the workings of neoliberal economics. For the financial analysts, the temporal dimension of their expectations naturally never extended further than what the quarterly reports of the stock markets dictated, and they apparently failed to take into account the vulnerability on the world-market of an emerging, small-scale mining actor dependent on unprecedentedly high iron prices for its financial stability.

The government, for its part, could never bring itself to translate its horizon of expectations into an active and sustained support to replace its original expectations, which were premised on the idea of private investment being welcomed and made to work the Swedish mineral deposits. From the governmental perspective, framed as it was by neoliberal doctrine, the mining project in Pajala amounted primarily to regional development and would therefore be deemed outside the realm proper for a state-directed rescue operation, given that a top priority for the national economy was keeping the budget deficit in check (see Ostry et al, 2016). The neoliberal shift in focus from the extractive to the investment component and the associated post-Fordist shift away from heavy industrial forms of value production thus delimited the governmental horizon's temporal projection into the future, and also made it more volatile, liable to shifting and crumbling.

Northland Resources, the municipal government, and the inhabitants of Pajala subscribed to a similar view of classic, regional development generated by heavy industry, which is what allowed the horizons of expectations of all actor groups to fuse for a time. However, the term 'romanticism' is misplaced in explaining the stance of these groups, since it implies mythical

and somewhat irrational hopes and beliefs. For the company, the appeal for the kind of longer-term state support associated with classical Swedish industrial policy was nothing less than a business prerogative, necessitated by the scale of capital costs related to greenfield mining projects. At the same time, Northland Resources had to work in parallel with the much reduced temporal dimension dictated by the logic of the stock market and investor behaviour, making believable that iron prices would remain high/bounce back and, therefore, that the quality of its ore would be competitive on the world market. In this context, the ‘financialization’ of commodities ongoing since the turn of the century (see ‘situating the study’), deserves mention. While it remains unclear whether increased investment flows and number of investor categories have increased price volatility on an aggregate level (Adams & Glück, 2015; Büyükşahin & Robe, 2014; Irwin & Sanders, 2011; Miffre & Brooks, 2013; Stoll & Whaley, 2010; Tang & Xiong, 2012), it seems likely they have increased the vulnerability of greenfield mining ventures such as Northland Resources, as they become more exposed to investors not traditionally committed to the long-term perspective demanded by iron mining, and to the possibility of short-positions being taken against them. The implications of these market dynamics for regulatory agencies should be thoroughly analyzed, given that an emerging mining company attempting to get production online in time to be able to benefit from a price boom will feel increased pressure to keep investors happy with confident prognoses regarding production costs.

From the company perspective, there was certainly no irreconcilable ideological collision between governmental subsidy and market competition. Nor was the apprehension of any such potential contradiction evident in the statements of local politicians in the boom years before 2013, as they warmly welcomed venture capital to Pajala while calling for financial support from Stockholm. Although venture capitalism had supplied the game with new rules, historical memory supplied ample evidence of what state-supported heavy industry could bring to a small community such as Pajala, which had so far not benefited from the same generosity the government had shown its neighbour and rival Kiruna. In that way, the temporal dimension of the local horizon of expectations was, perhaps unsurprisingly, deeper than for other actors groups, as it projected far into the future and extended decades back into historical memory. The relative permanence of this locally anchored horizon of expectations was not one of choice, but necessity. As the tide of fortune ebbed, hopes – increasingly desperate – turned wholly to the government, as various scenarios of a state-led takeover

were outlined. Sadly for the municipality, as the government remained passive in the face of Pajala's misfortune, the atavism of these hopes became obvious.

To conclude, each actor group's horizon of expectations was anchored in its specific background, i.e. its unique relation to the geographical place and to historical memory of mining–industrial development. The distance of each group from the events in Pajala, both in a figurative sense, concerning emotional connection and economic dependence, and in a physical, geographical sense, determined the temporal dimension of its respective horizon of expectations, i.e. how far into the future their horizon extended and how fast it could cut its ties to the demise of Northland Resources and the mine. Ultimately, the lingering mixed feeling of desperate hope and disappointment in Pajala was determined by the meeting, and temporary fusing, of two divergent logics of modernity: one post-Fordist, temporarily hidden behind romantic conceptions of classic mining industrialism, and one atavistic, presupposing mechanisms of industrial governance unavailable in the current political landscape. Today, the deserted mine and the half-finished road leading up to it, constitute suggestive symbols of the collision between these two different logics.

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ⁱ In parallell, Northland Resources planned to tap into the sister deposit in Kolari on the Finnish side of the border, by reopening the Hannukainen mine that had closed 1998 (see Heikkinen et al, 2016; Van Dam et al, 2014). The project was still in its planning phase when Northland Resources declared bankruptcy in 2014.

ⁱⁱ For those interested in further discussion of agency and the relation between human cognition and material affordance, we suggest Ingold (2000, 2011).

ⁱⁱⁱ This is also the reason we prefer the concept of different horizons of expectations becoming temporally fused over Harner's (2001) related idea of 'means and meaning' being aligned, given the close relation between his idea and the concept of hegemony, i.e. the active and deliberate imposition of one interpretation over another.

^{iv} By interests, we mean everything from economic and political considerations of elected politicians, through the dreams and hopes of a decent life of local inhabitants, to the need for financial analysts of adhering to the double logics of the stock market and mass media.

^v A greenfield mining project is the development of a previously untapped ore deposit into production state. It entails large capital costs for the construction of the new mine, and is therefore generally considered much riskier, in financial terms, than brownfield mining, i.e. the development/expansion of established mining operations.

^{vi} The Torne Valley, where both Pajala and Kiruna are located, is the valley of the Torne River.

^{vii} A parallel case is the Talvivaara nickel mine in neighbouring Finland. The owning company went bankrupt in 2014, at a time when serious environmental problems had been discovered in relation to the mining operations, something that has brought legal action against several members of the former management. In 2015, the Finnish state assumed control of the mine through a newly formed company created solely for the purpose. The stated intent at the time was to continue mining operations, but in 2016, the Finnish state instead announced the mine would be shut down.

^{viii} After the company bankruptcy, SEK 680 million had been paid out (ÅF Infraplan 2014).

^{ix} In total, at the time of the bankruptcy, it is estimated that investments in the project amounted to SEK 10 billion, out of which almost eight were made by Northland Resources, largely through loans that they were forced to default on. The state invested around SEK 680 million in the unfinished road. Individual private investors, both foreign and Swedish, lost all their money, as did the group of large investors that attempted to save Northland Resources during 2013 and 2014. Canadian investors have initiated a legal process against the former management of Northland Resources on behalf of shareholders, claiming information about the liquidity problems was deliberately and unlawfully withheld from the public (Forsberg 2015, ÅF Infraplan 2014).

^x In 2014, the liberal-conservative government in power since 2006 was replaced with a Social Democrat-Green Party minority government. There is no discernible difference in the stance towards the bankrupt mine between the two governments.

^{xi} Which is not to say, of course, that we believe power relations were totally absent here (how could they be?) However, such relations, just as links of causality, must lie outside the scope of the present analysis, since they would entail an entirely different research method.