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Mining through controversies: Public perceptions and the legitimacy of a planned gold mine near a tourist destination

18 Abstract

19 The economic, social and ecological implications of the extraction of mineral resources 20 21 have been increasingly discussed under the heading of the social licence to operate. In Finland, critical public framings characterised by impressions of failed economic 22 23 promises, unreliable technology and environmental hazards have dominated the recent 24 mining debate. Operators probing for opportunities to establish new mines have faced critical public reactions. Changes to legislation, natural resource management and 25 corporate responsibility have been demanded in order to effectively address 26 27 environmental concerns and local social acceptability issues. We studied media representations and planning documents in order to identify the variety of publicly 28 29 presented concerns related to a planned gold mine and mining company's social licence 30 to operate. Our case study focuses on the planning processes of a gold mine adjacent to 31 an important tourist destination in the Kuusamo municipality in north-east Finland. We highlight the role of public debate on the formation and erosion of legitimacy and the 32 33 fragility of the social licence to operate. 34 35 Keywords: Communication: Mining industry; Natural resources policy; Newspaper 36 37 coverage; Planning; Public perceptions 38 39

- 40 Highlights
 - Legitimacy and social licence to operate are key issues for land use policies
 - Social debates related to land use planning in the mining sector are studied
- Public criticism can be a valuable asset for developing natural resource
 management
- The concept of legitimacy helps to connect social licence to operate with wider
 social concerns
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51 1. Introduction

52 53 The mining industry intensively modifies surface and subsurface areas, affects regions 54 far beyond mining sites through atmospheric emissions and hydrological cycles, and has a wide impact on local economies, social structures and cultural values. Critical public 55 debate often accompanies the planning, construction and operation of a mine, and 56 controversies may also emerge during or long after the closure of a mine (Hilson, 2002; 57 Worrall et al., 2009). These public debates may remain as mere discursive acts without 58 any discernible impact on mining operations, or they may directly or indirectly lead to a 59 60 refocusing of mining schemes or even the cancellation of operations. Through intensive media reporting and various online and social media applications, local-level public 61 controversies can gain wider attention at national and international levels, especially if 62 63 conflicts between different societal sectors - such as mining and tourism - are involved (Urkidi, 2010; Tiainen et al., 2014). As noted by McLennan et al. (2014), even though 64 mining and tourism are local issues, they are likely to be reported through national-level 65 66 media coverage.

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The concept of social licence to operate (SLO) is a framework that allows for the causes 68 of conflict and public acceptance to be organised and articulated. It has been increasingly 69 70 used to understand the formation of local acceptance or opposition towards mining operations, and to manage conflicts between the mining industry and local communities 71 (Owen and Kemp, 2013; Prno and Slocombe, 2013; Bise and Moffat, 2014; Parsons et 72 73 al., 2014; Koivurova et al., 2015). SLO refers to the constraints and opportunities related 74 to locally determined societal expectations. It aims to inform conflict management strategies by focusing attention on the activities that local communities consider 75 76 unacceptable, the need for early and active interaction, transparent disclosure of relevant 77 information, and context-sensitive decision-making that is responsive to local culture and history (Prno and Slocombe, 2013). The concept points to social acceptance and 78 79 legitimacy beyond formal planning and permitting processes, and highlights the need for learning, not only by the employees of the mining industry but also by the members of 80 81 local communities.

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SLO was initially used as a metaphor for the ability of communities to resist or stop 83 mining projects (Boutilier et al., 2012). It is typically perceived in terms of local 84 acceptance of mining operations characterised by a set of four steps or linear stages, 85 ranging from distrust and the withdrawal of licences to acceptance, approval and and 86 finally trust-creation of the mining company's presence in the local community (Boutilier 87 and Thomson, 2011; Koivurova et al., 2015). In this article, we consider this as an 88 89 oversimplification. Instead, we claim that the formation of SLO requires legitimation that is 90 a result of many parallel and often non-linear social processes with opportunities for amplification and attenuation. Here we focus on the roles of public debates. 91 92

93 Social licence, and more broadly, societal legitimacy, is granted to mining companies and operations through various stakeholders (Prno and Slocombe, 2013; Table 1). Legitimacy 94 can be understood as a resource that an organisation must acquire from its environment. 95 Here we take the characterisation of Hybels (1995) as a starting point: the legitimation of 96 an organisation or industry comes from different constituencies through two general 97 types of actions. First, the stakeholders communicate their good (or ill) will towards the 98 organisation and second, they grant (or deny) some kind of resources that are important 99 to the organisation. Here we adopt a broad definition of stakeholder (Mitchell et al., 1997) 100 101 and consider actors such as government or municipal authorities and the media as stakeholders. Stakeholders such as NGOs or journalists can direct critical or positive 102 public attention towards the company, whereas authorities may have a direct influence 103 through permitting procedures. Stakeholders such as customers may communicate 104 complaints about a product or service and then withdraw their support by boycotting the 105

106 company. Legitimacy is thus coupled with the control of resources that are critical to the107 organisation, with real leverage.

109 The media has not traditionally been considered as a separate constituency of legitimacy

110 (Hybels, 1995). However, the media – and more recently, social media – has an

111 important indirect influence over how various groups and institutions perceive and react

to the legitimacy of a given organisation. Legitimation processes involve different

- discursive underpinnings that highlight and institutionalise certain examples,
- interpretations, ideologies and narratives (Vaara et al., 2006). Thus, the media does not
- directly govern resources vital to the organisation, but it does affect constituencies'
- 116 considerations and decisions over the acceptability of a company and its plans and 117 operations, leading to concrete measures of support or withdrawal thereof (Vaara and
- 118 Tienari, 2008; McLennan et al., 2014; Lyytimäki and Assmuth, 2015).
- 118 Tienari, 2008; McLennan et al., 2014; Lyytimaki and Assmuth, 2015). 119

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Table 1. Legitimation as control of resources by stakeholder groups in the mining sector(compiled based on: Hybels, 1995; Mitchell et al., 1997)

Key stakeholders	Examples of resources controlled by stakeholders
Authorities (state/municipality)	Legislation, regulations, permits, subsidies, taxation, contracts
The public (local communities)	Patronage (as customer), support (as community interest), labour
Finance sector (investors)	Investments
Other industries (e.g. tourism)	Intensity of competition, indirect control by influencing other stakeholders
Media (including social media)	Indirect control by influencing other stakeholders, informing, framing

124 125

SLO and the legitimacy of mining operations have been studied predominantly from the 126 127 perspective of developing economies and corporate social responsibility (e.g. Dashwood and Puplampu, 2010; Hanna et al., 2016). Here the focus is on an industrialised but 128 sparsely inhabited northern country and on public debate. The mining sector in Finland 129 stagnated at the end of the 20th century, but experienced a revitalisation after the turn of 130 the millennium. The amount of functioning metal ore mines increased from six to twelve 131 132 between 2007 and 2012 and over 30 global companies have recently carried out 133 exploration for further deposits (Wessman et al., 2014). The best-estimate future scenario 134 shows continuous growth of the industry and it has been estimated that the metal mining 135 industry has the potential to provide benefits, especially in economically regressive areas (Tuusjärvi et al., 2014). Management of the environmental and economic risks and 136 maintaining the industry's social licence to operate have been identified as key 137 challenges (Jartti et al., 2012; Tuusjärvi et al., 2014). 138 139

140 Public criticism towards the mining industry has intensified in Finland during recent years. One mine in particular has influenced the critical tone of the public debate (Rytteri, 2012): 141 142 The Talvivaara mine, situated in Sotkamo, in the eastern part of the country, was first 143 welcomed - both locally and nationally - as an economically promising large-scale investment with innovative domestic bioheapleaching technology to extract the metals 144 from ore. The planning phase, the construction of the mine and the commencement of 145 146 production in 2008 did not draw major public criticism (Meriläinen-Hyvärinen et al., 2012). 147 Critical debate started in 2010. That was first mainly related to the planned uranium 148 production from the by-products of the mine. In addition, the occasional odour nuisances 149 and deterioration of water quality in nearby watercourses attracted criticism. A major leak 150 from the gypsum waste pond caused severe water pollution in 2012 and several

subsequent environmental management failures intensified the debate (Tiainen et al.,
2014). The critical tone was strengthened by the very poor economic performance of the
mine.

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Largely because of the high-profile media debate related to the Talvivaara mine, the 155 mining sector as a whole has recently been discussed under critical public framings. As a 156 reaction to the critique, various activities for improving environmental management 157 practices, environmental performance and the public image of the mining sector have 158 been launched. For example, in addition to traditional forms of environmental 159 governance, the Finnish Ministry of the Environment launched a voluntary stress test that 160 161 was conducted on nearly half of all Finnish mines (Välisalo et al., 2014) and the Ministry of Employment and the Economy has launched a sustainable mineral industry action 162 programme (Jokinen, 2013). 163 164 This article studies how the legitimacy forming the basis for the social licence to operate 165 is created or eroded while the land use planning processes of a new mine take place. We 166

167 focus on public perceptions and local debates that inform us about, or advance or oppose the plans for gold mining. We ask who the actors occupying the public discursive 168 space are and how they aim to create, stabilise or destabilise the legitimacy of the 169 planned mine and the mining sector more generally. The main focus is on the views 170 171 presented as a result of the Environmental Impact Assessment (EIA) process and on the roles of traditional media and online debates to create framings that legitimise or 172 delegitimise the mining industry. We identify key issues and concerns that are framed as 173 174 relevant by different actors on different platforms of communication. By frames, we mean

175 ways of selecting and highlighting certain aspects of a perceived reality and to 176 intentionally or unintentionally promote a particular problem definition, causal

177 interpretation, moral evaluation or recommendation (Entman, 1993).

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Our discussion is based on newspaper coverage, online debate and planning
documents. We employ a case study approach and focus on the municipal-level planning
process in Kuusamo, north-east Finland. It should be noted that some of the lessons
from the case are directly applicable only to the Finnish planning and management
context. Here we focus on the more widely applicable lessons related to public debates.
Our study contributes to the critical discussion of the concept of the SLO and the
formation of legitimacy.

- 186 187
- 188 2. Materials and methods

189190 2.1 The case context

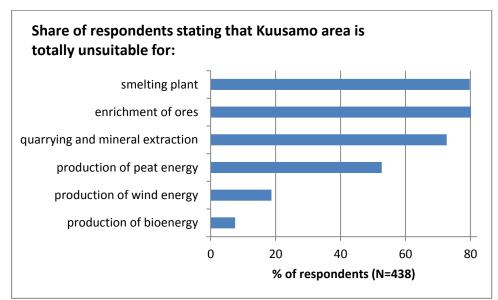
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This analysis is based on the multiple-material case study approach. Materials focus on 192 193 public debate and include data from newspaper and online debates, and views presented in planning documents. The study area is the municipality of Kuusamo in north-east 194 Finland. The municipality has almost 16,000 inhabitants and it covers a land area of 195 4.978 km². About two-thirds of the population live in the town of Kuusamo. Most of the 196 land area is sparsely inhabited rural areas and forests. Oulanka National Park is situated 197 in the northern part of the municipality. The main economic sector is tourism, with about a 198 199 million tourists visiting the area each year. The most popular tourist destination is the 200 winter ski resort of Ruka. Other key economic sectors include forestry, reindeer husbandry and small industries. The unemployment rate has been around 12% in recent 201 202 years (Statistics Finland, 2014; Ruka-Kuusamo matkailuyhdistys, 2013). The permanent residents of Kuusamo municipality as well as the owners of second homes living 203 204 elsewhere have shown critical attitudes towards the plans for a new mine (Sweko, 2014, Fig 1). One key explanation for the criticism is the perceived risks of the mine to the 205 tourism sector. It has been estimated that the number of annual visits of domestic nature-206

based tourists to Kuusamo will fall to about half if the mining plans are implemented
(Hietala et al., 2014). This would lead to a decrease in employment and wages in the
tourism sector equalling the increase in employment and wages brought about by the
mine.

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Figure 1. Attitudes towards different types of land use in the Kuusamo area (source: Sweko 2014).

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The Kuusamo mine, planned by the Australian-based Dragon Mining Oy (formerly Polar 218 219 Mining Oy), is a potentially important new investment in the area. The metal deposits gold in particular – in the Kuusamo area were discovered in the mid-1980s. A Finnish 220 state-owned company (Outokumpu Oy) acquired the prospecting rights in 1990 and 221 examined mining options until 1994. However, mining activities were not started and the 222 223 company renounced the prospecting rights. Dragon Mining Oy conducted wide 224 explorations between 2010 and 2013 with more promising results. The company has 225 valid mining licences for five deposits, the largest being the Juomasuo deposit. 226

The Environmental Impact Assessment (EIA) process for the gold mine required for the environmental permit was initiated in 2011. The ore input of the planned mine is approximately 500,000 t/y. According to the mining company, gold is considered the only economically potential metal, but the EIA process also includes an evaluation of the potential impacts of producing a cobalt-bearing concentrate. It is specifically emphasised that 'the Company is not contemplating uranium extraction or producing uranium-based products.' (Dragon Mining, 2013: 8).

235 2.2 Materials

236 237 Various data sources illustrating the level of public acceptance were used in order to examine the case (Table 2). The planning documents studied here include comments 238 made during the assessment programme of the EIA for the Kuusamo mine. This material 239 240 consists of the summaries of statements by municipal or expert organisations and summaries of opinions by private individuals or non-governmental organisations (NGOs) 241 as compiled in the official statement of the EIA authority (North Ostrobothnia Centre for 242 Economic Development, Transport and the Environment) (ELY, 2011). The purpose of 243 244 this material is to provide information on the views presented in the context of the planning process. 245 246

In addition to planning documents, the media debate is studied. Representations created
 by the media – including various social media applications – both reflect and influence

public and policy agendas (Anderson, 1997; Cox, 2010). Issues and risks related to 249 250 mines are brought to people's attention and are amplified or attenuated largely through the media. Media material was selected from the leading local newspaper of the area. 251 252 Koillissanomat. It is a daily newspaper with a circulation of 6,449 in 2013 253 (Levikintarkastus, 2014). Material was collected using keyword searches from the 254 newspaper's online archive. After testing several search strings, keywords denoting gold mining (kultakaivo^{*}) and the place of the planned mine (juomasuo^{*}) were selected. Data 255 collection stopped in August 2014 and all preceding hits were included. It is possible that 256 some news items related to the case but not containing the keywords tested here 257 remained outside the sample. However, we consider the sample adequate to identify the 258 259 key phases of the debate. 260

The news stories were analysed to generate a long-term overview of the public 261 discussion. Online debate sparked by one newspaper item was analysed to provide a 262 snapshot of a more interactive and informal debate. The studied online debate was 263 based on a newspaper column entitled 'Hysterical people disappointed with EIA' 264 265 (Hysteerikot pettyivät yvaan, published on 13 December 2013), published both online 266 and in the printed newspaper. It was felt that the publication of the EIA report was a focusing event influencing the public agenda-setting and opinion formation (Birkland, 267 1998). All 44 comments published in the newspaper's discussion forum on this column 268 269 were analysed. The number of online comments can be considered relatively high for a local newspaper with a limited readership. 270

271 272 Both the document and media analysis followed the standard content analysis approach (Krippendorff, 2004). Materials were screened for the key issues presented, the overall 273 274 tone towards the mining industry, and the key frames of concern. The coding scheme 275 included an element of subjective interpretation. Cohen's kappa was used to test intercoder reliability. The test showed perfect consistency between two researchers on 276 277 the main subject of the news item (κ =1.00), and good consistency on the overall tone 278 (κ =0.74) and key actors (κ =0.64) of the news item (Landis and Koch, 1977). The chisquare tests were used to identify statistically significant differences between binary 279 coded variables. 280

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Type of material	Actors presenting their views	Number of units	Timing
Representations by local newspaper	Newspaper editors, writers of the letters to the editor	124 media items	Oct 2010 – Aug 2014
Online debate	All people active in the online environment	44 online comments	13 – 29 Dec 2013
Summaries of views presented in the EIA process	Limited to actors with a potential interest in the proposed project	50 summaries of statements or opinions on the assessment programme	29 Apr – 31 May 2011

283 Table 2. Characterisation of the material

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3. Results

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The debate related to the planned gold mine in the Koillissanomat started in late 2010 (Fig 2). The coverage was relatively stable during the early phase of the debate in 2011.

290 The coverage increased during late 2012, largely because mining issues were discussed

as one of the themes related to the municipal elections. The second intensive phase of

discussion in mid-2013 was related to the preparation and release of the EIA report on
 the mine. This intensive debate continued in early 2014. The coverage thus followed a
 cyclical pattern, revolving around critical events relevant to the support of the gold mine
 project.

The overall number of news items in our sample was 124. Over half (58.9%) of the sample consisted of news stories, while the rest were letters to the editor or columns by newspaper editors or external writers. The majority (83.9%) of the items in the sample focused on mining issues. The rest focused on other issues and mentioned mining as a side topic. The items with mining as a side topic often presented mining activities as examples of negative development, and were more critical towards mining plans than the items focusing on mining issues (χ^2 =7.63 *df*=2, *p*=0.022).

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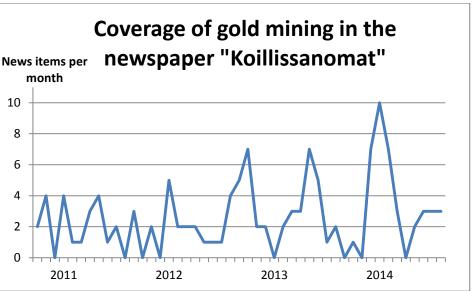


Figure 2. Coverage related to the planned gold mine in Koillissanomat.

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Over half (52.4%) of the coverage had a neutral tone towards mining while 40.3% had a critical tone and 7.3% positive tone (Fig. 3). The overall tone of the debate changed over the years ($\chi^2 = 16.61$, *df*=8 *p*=0.034). A neutral or positive tone towards the planned mine dominated during the first years of the debate, while a negative or neutral tone dominated the last years.

314 315 Criticism was mainly related to the environmental risks of the planned mine. Potential 316 risks related to water quality, dust and odour problems were emphasised. Risks related to 317 uranium were highlighted even though there were no official plans for uranium mining. Environmental risks were highlighted by taking the Talvivaara mine in eastern Finland as 318 a reference point. A considerable share (N=17) of the sample mentioned the Talvivaara 319 mine, all with a negative tone. For example, a letter to the editor entitled 'Talvivaara 320 forces us onto tiptoes' (11 Nov 2012) emphasised the need for caution and careful risk 321 322 assessment. A news item entitled 'Decisions needed at Juomasuo' (1 Jan 2012) took the 323 Talvivaara case as a cautionary example of public image control and highlighted the fact that the actual performance of the mining sector is better than the reputation that had 324 325 been ruined by the problems at the Talvivaara mine.

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The high level of scepticism towards the efficiency of environmental management and environmental technology of the mining industry was clear, particularly in the letters to the editor. However, the majority of the opinion pieces framed the mining industry in neutral tones. For example, a column entitled 'People must be asked about the mine' (10 Jan 2014) demanded that the local people be consulted, partly in order to prevent the escalation of local controversy to the national or even international level. However, the column did not express a clear opinion for or against the mine. All the news items that took a positive stance towards the mining industry highlighted the
potential benefits to the local economy and employment. However, the economy was
also presented as a rationale for opposing the new mine. Both the negative impressions
related to the planned mine and actual risks related to the mining industry were raised.
The former included potential image damages and economic loss to the tourism industry,
and the latter the direct and indirect costs related to potential environmental damages.

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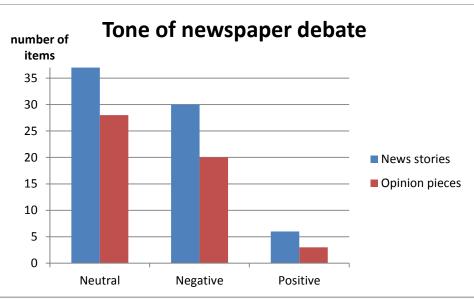


Figure 3. Overall tone of the coverage towards mining industry in the local newspaper
Koillissanomat

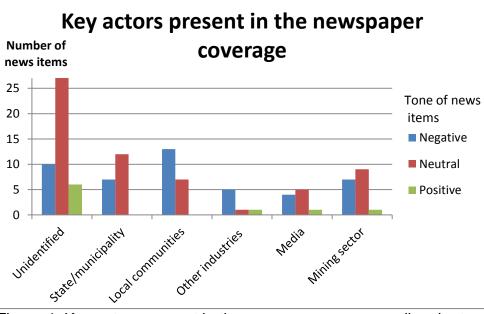
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The key actors defining the issue and creating the framings in our sample were 347 348 journalists and private individuals writing letters to the editor or comments in social media. However, a wider set of actors presented their views through the newspaper 349 coverage as interviewees or information sources (Fig. 4). Over a third (36.3%) of the 350 351 newspaper sample did not contain any dominant actor that could be identified from the title or first paragraph of the news item. These news items took a neutral or positive tone 352 towards mining more often than the news items with a clearly identifiable dominant actor 353 $(x^2 = 11.28, df = 2, p = 0.004)$. This suggests that the actors with a strong negative view are 354 likely to end up as interviewees in the news industry - emphasising the idea that 'bad 355 news is good news' (Lowe and Morrison, 1984). Since the debate was focused mainly on 356 the local level, the most commonly featured actors were the municipal policy-makers and 357 members of local communities. The tone of the news items with local level actors as key 358 information sources was more critical than the tone of other news items (χ^2 =6.71 df=2, 359 360 p=0.035).

361 362 Actors representing regional administration and national-level policy-makers were present only occasionally - when the EIA authority issued its decisions and when the 363 minister for the environment commented on mining issues during trips to the region. The 364 news items with representatives of the local community as dominating sources were 365 often critical towards the mining industry. The finance sector and investors were not 366 367 directly present in our sample. Perhaps surprisingly, the other industries, notably tourism, were discussed more by other actors than the representatives of the relevant 368 entrepreneurs themselves. The passive role adopted by other industries may be 369 370 explained by the uncertainty around economic impacts of potential mining activities 371 (Hietala et al., 2014). Also, the tourism industry was part of a broader lobbying group and may not have wanted to speak publicly through individual companies. The tone of these 372 news items was generally negative towards the mining industry. 373

Over a tenth (13.7%) of the news items had the representatives of the mining sector as primary actors defining the issue. No statistically significant differences in the tone of news items were observed between news items with mining sector actors and other actors as key sources. The overall tone of news items with an emphasis on the views of the mining sector was typically neutral or negative, with just one news item taking a positive tone. This suggests that the actors in the mining sectors were unable to influence the framing of the news, even in cases when they served as the key information sources.

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Figure 4. Key actors present in the press coverage according the tone of the news item.

388 The comments given to the EIA programme in 2011 ranged from brief statements noting 389 that there are no major concerns, to general-level expressions of concern opposing all 390 mining activities. The statements also included detailed technical critique of absent or misdirected assessment of impacts. The majority of the statements and opinions did not 391 392 present direct views for or against the planned mine, but instead presented demands for issues to be taken into account in the assessment report. The issues ranged from the 393 assessment of potential archaeological value to the estimation of potential vibration 394 395 effects as a result of the mining activities, making the scope of potentially legitimate issues very wide. 396

Only one of the 50 statements took a clearly positive tone towards the planned mine. The
opinions of private individuals and statements by environmental NGOs were highly
critical. For example, the Northern Ostrobothnia district organisation of the Finnish
Association for Nature Conservation stated that 'The programme clearly avoids
presenting relevant information.' The tone in the statements by expert and municipal
institutions and stakeholders was more neutral, even though various concerns about the
scope and depth of the EIA were presented.

405 The timing of the assessment proved to be a key issue defining the legitimacy of the EIA. 406 407 A major shortcoming mentioned by several statements was the lack of information about 408 the key methods used in the treatment of metal ores. Such information was not yet available. Other commonly noted issues included the need for further assessment of 409 wastewater treatment options, the impact on air, water and groundwater quality, 410 411 requirements for infrastructure and traffic, impacts on reindeer husbandry, and the relationship between the mining and tourism sectors. The management of uranium in the 412 413 mining waste was raised as a potential problem in the absence of uranium recovery. The 414 impact on tourism was highlighted together with fears of damage to image because of

415 questions about uranium. The damage to tourism because of concrete dust and noise 416 problems and changes to the landscapes and scenery were also noted as subjects for

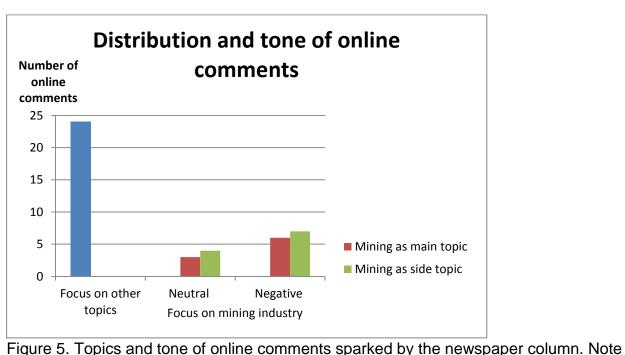
417 418 more in-depth assessment.

In addition, the presentation of the results from the assessment was strongly criticised. Easy-to-read maps with adequate scale and outlining, and the use of photographs to illustrate the impacts on landscapes were required. Improving the possibilities of the inhabitants and entrepreneurs to follow and participate in the planning was called for. The language of the assessment programme was criticised as being too technical. Several errors and a number of inconsistencies were detected from the material and the layout was criticised as unfinished.

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427 Despite the critique, the EIA programme was accepted by the EIA authority and the 428 process continued with the preparation of the assessment report. It was released on 11 December 2013. The newspaper column that served as a starting point for the online 429 430 debate studied here was published soon after the EIA report on the mine was released. 431 The online debate consisted of 44 responses to the column and it was characterised by critical overall tones. However, over half (54.5%) of the online comments focused on 432 issues other than the mining industry or the EIA report. These comments contained 433 arguments directed at people rather than issues, and commonly used ironic or satirical 434 435 expressions aimed to ridicule the opponents. In particular, the ability of the newspaper to serve as a trustworthy and objective communication platform was questioned because of 436 the critical views towards people opposing the plans presented by the editor-in-chief who 437 438 wrote the column. The majority of those comments focusing on the mining industry were critical (66.7%), as were the majority of comments mentioning the mining industry as a 439 440 side topic (63.6%) (Fig. 5).

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the absence of comments with a positive tone.

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446 The EIA authority received 225 comments and opinions concerning the EIA report, 447 448 including ones with several signatories. This can be considered as a high number in the Finnish context. The responses were again critical of the planned mine. In addition, the 449 quality of the assessment report was criticised as poor, and several errors were pointed 450 451 out. The final decision was given in June 2014 (ELY, 2014). The EIA authority found that the report contained significant shortcomings and that the instructions given based on the 452 assessment programme were not fully adhered to. Therefore, the assessment report was 453 454 not approved and it was returned for preparation. In practice, the process was taken back

several steps since a satisfactory EIA is the precondition of permitting the mine. This 455 456 exceptional decision did not cause a major peak in newspaper coverage. Dragon Mining Ov publicly estimated that the additional studies required by the EIA authority would 457 458 cause a delay of several years (Koillissanomat, 4 July 2014). After this, the company 459 closed down its local office in Kuusamo. In August 2014, Finland's minister for the 460 environment visited in Kuusamo area and stated that he did not believe that the mine would be established (Koillissanomat, 4 August 2014). At the same time, the national 461 economy and the mining sector were going through an economic downturn, which meant 462 that the future of the mining project remained uncertain. This situation prevailed during 463 464 the year 2015.

465 466

467 4. Discussion

468 The media is an important legitimation arena for organisations (Vaara et al., 2006). 469 470 However, it is often fickle. Attention given to certain issues and the tone of the debate are 471 prone to rapid changes. The cyclical pattern of debate shown in our case study 472 resembled the development of other recent mining disputes in Finland (Tiainen et al., 2014), as well as other environmental debates related to projects affecting land use 473 474 (Lyytimäki and Assmuth, 2015). This cyclicality can be caused by various factors such as 475 environmental accidents, policy events or campaigns, economic development or changes in public attitudes. In our case, the changes in the intensity of the public debate largely 476 followed the cycles of municipal decision-making and land use planning. The EIA process 477 478 provided local actors with opportunities to present their views and motivated journalists to include the issue in the news agenda. Our analysis also showed that the critical tones in 479 480 the public debate and the media used the tailings dam failure and other problems at the 481 Talvivaara mine as a reference point. Thus, the Talvivaara spill served as a 'critical event' for both the Finnish mining sector and opponents to the Kuusamo gold mine. The 482 483 process of legitimisation was also influenced by the overall economic development and 484 global downturn of the mining industry.

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In our case, the reporting by the local newspaper was relatively neutral towards the 486 487 planned gold mine. However, the case also highlighted that an actor operating in a resource-intensive sector such as mining is very likely to face public criticism, which 488 489 eventually leads to partial erosion of the legitimacy and social licence to operate. In particular, the claims presented via new online and social media applications may leave 490 the actor subject to stark criticism with little opportunity to respond effectively. Research 491 492 focusing on international corporations has suggested that even active corporate online communication in social media is largely unable to build genuine engagement and 493 494 legitimacy (Colleoni, 2013). Likewise, in Finland, the Talvivaara mine company has been unable to influence the critical public framings and restore the legitimacy of its operations, 495 496 despite the active communication strategy that was adopted by the company (Tiainen et 497 al., 2014). 498

499 Thus, our results show that because of the media reporting reflecting concerns on 500 various scales, the legitimacy of a local-level issue such as a mine is to a great extent defined by national or even international factors. The critical framings created by the 501 national-level public debate related to the problems at the Talvivaara mine influenced the 502 503 local-level discussion of the planned gold mine in Kuusamo, despite the clear differences 504 between these two cases. Our results also showed that a local case can influence the public agenda at national level. The Kuusamo case was raised up, for example, by the 505 506 national public broadcast TV-channel (TV1) that aired a special panel discussion focusing on the conflict between mining and tourism (28 Nov 2013). 507

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509 The critical tones of the media coverage, public opinion and responses to the EIA report 510 show that the gold mine project has been contentious since the beginning. This seems to echo the observations by Boutillier et al. (2012) that local communities are often divided
in their opposition/support for mining, but, overall, mining has become increasingly
difficult to justify, especially in communities with prosperous economies. The benefits of
mining to local communities are not readily perceived and there is less tolerance towards
the environmental and social costs it incurs. In Kuusamo, moreover, the mine was
perceived as a threat to another key asset of the local economy: tourism, based around
the local ski resort.

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Our results provide further support for the finding that trust is a key issue restricting the 519 co-existence of tourism and mining, as highlighted by the analysis of Australian 520 521 newspaper discourse (McLennon et al., 2014). In our case, the negative overall framings cast over the whole mining industry, together with the local economic importance of the 522 523 tourism industry for the region (Hietala et al., 2014), created serious obstacles for 524 corporate communications aiming to convince local actors about the viability of the mining scheme. In addition, the poor guality of the EIA documents compiled by an 525 external consultant firm accelerated the critique and decreased the trust. 526 527

528 In addition to external events such as the Talvivaara mine accidents, stakeholders who 529 are not local residents play important roles in defining social acceptance and legitimacy. In particular, the mobilisation around the Kuusamo mine shows that interest groups 530 531 rallying against the mine were not all local. Cottage owners, typically living in Southern 532 Finland and seeing Kuusamo as their recreational landscape, were active and vocal in their opposition. Interestingly, some commentaries questioned the justification of the 533 534 cottage owners' participation in the debate, on the grounds that they were 'not local' and thus should not be considered as stakeholders in the planning process. However, the 535 536 cottage owners organised and founded their own association, which points to the fact 537 that the geography of the SLO cannot be strictly bound to the mining locality. Cottage owners may well be affluent and influential, as well as very media-savvy. 538 539

540 Critical public debate around the mining industry can be seen as a sign of an active and well-functioning civil society, and an important part of the social processes needed for 541 building legitimacy (Kronenberg, 2012; Owen and Kemp, 2013). The existence of the 542 543 possibility to present public critique is also a precondition for stable social structures needed for making long-term investments in industries such as mining. Active 544 participation by non-governmental organisations and other stakeholders led to delays 545 546 and changes, incurring considerable costs to the exploration and mining companies. However, such participation can also widen the knowledge base needed for natural 547 548 resources management. Wide debate including a diverse set of actors may help to achieve the optimal long-term decisions taking into account all relevant information, 549 550 including local natural, social and cultural conditions. In particular, wide-based participation as early as possible in the planning phase provides a means to reconcile 551 disagreements and identify 'known unknowns' that may otherwise remain unnoticed and 552 553 aggravate conflicts later on (Gross, 2010; Lyytimäki et al., 2012).

554 Perceptions about the importance of and trade-offs between the social, economic and 555 556 environmental impacts of mining activity can vary significantly (Rytteri, 2012; Rolfe and Windle, 2015). A high capacity for social learning is required in order to create a shared 557 understanding based on different and often incompatible values, aspirations and 558 559 knowledge bases by various actors. In particular, interactive communication, sensitivity to different perceptions and specific mediation and conflict resolution mechanisms are 560 needed in order to avoid an escalation of conflict and inclusion of different types of 561 562 knowledge in the assessment and planning processes (Bloodworth et al., 2009; Prenzel and Vanclay, 2014). The results from our case study suggest that the formal EIA 563 564 process, newspaper debate and online debates lack the ability to serve such integration 565 and social learning.

Reflecting the contentious character of the Kuusamo gold mine, the public debate was 567 568 dominated by critical attitudes towards the planned mine. The debate showed little or no 569 sign of social learning or constructive engagement between different parties. In the 570 mining sector, this kind of failure to harness the positive potential of public debate is a common one (Hilson, 2002; Hamann, 2004; Kemp et al., 2011; Tiainen et al., 2014). The 571 572 disapproval of the EIA report clearly indicated a lack of ability to include and learn from the insights presented during the earlier phases of the planning process. The EIA 573 process can support constructive communication and conflict management, if these 574 functions are acknowledged (Peltonen & Sairinen 2010). It may provide opportunities for 575 collaborative learning affecting all participants, but such learning requires that special 576 577 attention is paid to adapting participatory methods and knowledge brokerage for a particular context instead of just aiming to fulfil the minimum regulatory demands set by 578 legislation and the authorities (Saarikoski, 2000; Sinclair et al, 2008; Saarela et al., 579 580 2015). 581

More generally, in our case, the EIA process demonstrated the important role of public 582 583 authorities in the process of legitimation. Since the mining operation cannot proceed 584 without an officially approved EIA, granting or holding such approval by the authorities is a concrete act of (de)legitimation. This decision is partly informed by the publicly 585 presented stakeholder opinions and complaints filed with the authorities. Since the 586 587 sufficiency of an EIA process cannot be strictly defined by law, the consideration goes beyond mere legality. Legitimacy, as seen through this lens, is not just a matter of 588 opinion, but a powerful factor in granting social licence to operate. 589

590 The legitimacy and public acceptance of an organisation is indirectly influenced by the 591 592 media. This ability is, in turn, influenced by the legitimacy of the individual media, which is 593 constituted by factors such as the perceived level of independence from political or economic interests and quality of the media contents (Cox, 2010). An important trend is 594 the development of information and communication technologies towards more 595 596 interactive forms of communication allowing and inducing additional critique. As our 597 sample showed, the online debates induced by print media contents have the advantage of meta-commentary over conventional print media content. More generally, social media 598 599 provides a channel of media criticism, thus serving as a measure of the contentiousness and perceived neutrality of conventional media content. Anticipating and learning from 600 this meta-commentary remains one of the key challenges of developing the social licence 601 602 to operate.

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605 *5. Conclusions*

606 In addition to legislative and economic issues, legitimacy and social licence to operate 607 608 are increasingly important questions in environmental governance and land use policies. 609 The importance of SLO is emphasised partly because of critical debates in traditional media, new social media applications and more participatory planning and governance 610 approaches. Our observations on the use of social media as a meta-commentary on 611 612 media content, reflecting the acceptability of the framings and interpretations, warrants future research on the effects of social media on the other organisational resources of 613 614 legitimacy. 615

The concept of social licence to operate has originated from the mining sector, but it has gradually been used in other industries too (Boutilier et al., 2012; Bice and Moffat, 2014). In order to be meaningful, the concept should not be seen only as a tool for restraining local opposition or building positive corporate reputation. Instead, it should be used as a conceptual aid for building practices and operations acknowledged as legitimate by all stakeholders. A key issue is the preparedness of the mining industry to communicate and justify planned actions and the willingness to openly engage local communities as well as
other stakeholders.

625 However, the challenge goes beyond issues of open communication. The ability to learn 626 from other actors is the ultimate key to building social licence to operate and to avoid the erosion of legitimacy of operations. Our case highlighted the importance of including local 627 concerns and knowledge in the planning of operations that potentially affect local land 628 use and livelihoods. Our case study also suggests that conflicts are not necessarily 629 something to be avoided or feared. In most cases related to mining, they are 630 unavoidable, as local communities question the impacts and cost-benefit ratios of mining 631 632 operations. The emergence of the notion of social licence can be seen as a reaction to such trends, with high demands of transparency, stakeholder engagement, ex-ante 633 634 assessments, and precautions for environmental and social harm. Therefore, it is very 635 useful to consider conflicts as potential opportunities for social learning.

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