



Speech
by the President of Iceland
Ólafur Ragnar Grímsson
at the Icelandic American Chamber of Commerce's Lunch
Los Angeles
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Distinguished guests,

Enjoying the splendid Icelandic food, prepared by talented chefs who have made the products of our barren land and the cold Atlantic Ocean into unique delicacies, and experiencing the success of bringing Icelandic culture, films, music and theatre to Los Angeles, the high temple of movie-making – I once again marvel at the success my small nation has enjoyed in modern times and ask myself what lies in store for us in the new global economy of the 21st century.

But is Iceland not blessed with an abundance of the key resources which will determine success and progress in the times ahead? I know it may sound naive, but I predict that the features of the new global economy are such as to allow us Icelanders to prosper as never before and give our global partners access to a highly rewarding cooperation.

Creativity is the backbone of the Icelandic heritage, creativity which centuries ago produced the Icelandic sagas and the Edda Poems, unique literary achievements in medieval Europe; and creativity is clearly what confers a competitive edge in the modern global economy and will do so even more in the knowledge-based industries and services of the 21st century.

For many who come from larger societies it is almost incomprehensible how a nation of 280,000 can produce such manifold manifestations of creativity:

Every week from September to June in the Reykjavík area one can choose from between 20 and 30 different theatrical productions, many of which are of world class standard. Our Symphony Orchestra will tour the United States in the fall, bringing evidence of the musical talent which produces in Iceland dozens of concerts every month. Each weekend, painters and artists open exhibitions at the many museums and galleries in the Reykjavík area. And all over the country, in small towns and fishing villages, choirs and theatre companies perform throughout the winter and summer months.

More books are published in Iceland per head of population than in any other country in the world. Masterpieces by modern Icelandic writers have given Icelandic film producers materials for a new wave in Icelandic movie making; this year we will see the premieres of the largest number of new Icelandic films ever.

But Icelandic creativity manifests itself not only in literature and the arts. Thousands of companies all over the country demonstrate the fascinating combination of entrepreneurship and creativity which is so uniquely Icelandic: Companies in fishing and fish processing, in shipping, in air transport, in commerce and trade, in information technology and computer software, in genetic research and the health sciences, in tourism and mass media marketing. Icelanders have become the greatest Internet and home computer users in the world; almost 90% of the population is now connected to the new networks of global information.

Some of the visitors I have received at the Presidential Residence claim that the official population figure given for Iceland is among the greatest PR stunts ever because, they say, it should take at least 5 million people to produce such a wealth of activities in business, culture and the sciences. Recently one of the highest officials of the United Nations, who was visiting Iceland for the first time, remarked that he had never before been in a European country that was so fundamentally influenced by the pioneering spirit that dominated the foundation of the United States. He said Iceland was American in its entrepreneurship and daring but European in its culture and sense of identity – clearly combining the best of both worlds.

Certainly the Icelanders are highly influenced by the example of their own early settlers who sought a new land where they could be their own masters and then decided, of their own free will, to found the first democratic commonwealth in the world, based on the rule of law, with the ancient Parliament, the Althing, as the centre of its institutions.

This spirit of our founding fathers and mothers, the spirit of exploration and discovery, has moulded the upbringing of the new generation, which is now creating in Iceland one of the most interesting modern societies on earth, a society that is using technology to achieve one of the highest living standards in the world.

Let me list some of the highlights of the Icelandic success story:

Iceland is now considered by the United Nations – both the Food and Agriculture Organization, FAO, and the UN headquarters in New York – as the best example of the profitable and sustainable use of marine resources. The leading Icelandic seafood corporations have partnership companies and subsidiaries in the United States, Britain, France, Germany, Spain, Mexico, Chile, Japan and many other countries. Icelandic fishing has indeed become a global marketing industry. By utilizing their proximity to the fishing sector, Iceland's technology and software companies have secured a competitive advantage for their products in the global market, and now have extensive sales networks in Europe, Northern America, Latin America, Asia, Africa and Australia. The association between our highly talented scientists, engineers and technicians and the fishing industry has created a wealth of new technology and software products; in this way, our old livelihood has fostered an ultra-modern high-tech industry that has succeeded impressively in global markets.

Another field where Icelanders have excelled is in air traffic, the transport industry of the 20th century. There are now many more flights per day from Iceland to the USA than there are from Norway, Sweden or Finland. Icelandair flies daily to New York, Baltimore, Boston, Minneapolis and also to other destinations in North America. Another Icelandic airline, Air Atlanta, which was founded a decade ago, is now the largest airline in the world in its branch of international business, and Icelanders played a key role in the foundation of Cargolux, the largest European company in the air cargo business.

In recent years a new generation of scientists, business leaders and technicians have succeeded in making Iceland an important player in many innovative branches of the new global economy.

Two remarkable companies, deCODE Genetics and UVS, have made Iceland a unique field for genetic research and scientific attempts to find cures for some of the most widely-spread diseases of modern times: cancer, heart diseases, Alzheimer's disease, multiple sclerosis and other diseases. deCODE genetics has become the first Icelandic company to apply to be listed on NASDAQ, and UVS has succeeded in bringing leading American businessmen and scientists onto its board of advisers.

Once again, the past has paved the way for the future: the factors that make Iceland such a promising ground for success in genetic research include our centuries-old interest in genealogy and the existence of complete medical records for every Icelander since the early decades of this century, coupled with the willingness of the population to participate in medical research.

Icelandic software, Internet and information technology companies have formed strategic relationships with leading American and European corporations, for example INTEL, CISCO and Ericsson. Icelandic firms in health technology have made tremendous progress in recent years. Only two months ago, one of them, Össur, bought the American company Flex-Foot, making the combined company the second largest such enterprise in the world.

Icelandic IT companies in the field of data management systems, communication solutions, wireless data and palmtop systems, gaming, mobile and multiple service networks have become international and highly competitive and are, either by themselves or in strategic relationships with American and European companies, achieving an interesting share of the global market for their products.

I realize that presenting the Icelandic success story in this way produces an optimistic, even a glorified picture, but the fact of the matter is that the opportunities opened by the new high-tech global economy are particularly well suited for the Icelandic sense of creativity and entrepreneurship.

Furthermore, for the first time in our more than a thousand years' history, we are now operating in a world economy which does not restrict us in any way, which in fact offers us limitless opportunities and challenges. The old economy, the economy of fishing in Iceland and of agriculture and manufacturing in the United States, was restricted by a system of hindrances and shortcomings, by the availability of land and ocean resources, by the capacity of productive machinery, by boundaries of trade and the requirements of the labour force.

The modern economy, with its cutting edge information technology, high-tech industries, software production, health and genetic industries, communication and mass media, has largely freed itself of these traditional restrictions.

Now the opportunities open to those with creative talent and entrepreneurship range the world over. Small companies created by young kids in their parents' garage, whether in Seattle or in Reykjavík, or companies that were created by the entrepreneurial skills of their founders, whether we take as an example America Online in the USA or deCODE Genetics in Iceland, show that the limits to growth are no longer of the traditional type. Thus, companies that have been created over the last decade in Iceland will be potentially able to join the club of the largest corporations in the world in the new century. For the first time in our history, our creative talents can, through the dynamic forces of the global economy, bring Icelandic enterprises to the forefront where the best of the world are performing.

These are indeed exciting times, and it is a unique blessing that the characteristics which enabled the Icelanders to survive for centuries in the isolation of the North Atlantic are now enabling our young generation of entrepreneurs, pioneers, scientists and technicians to excel in the emerging economy of the 21st century.

Some have argued that Iceland has already become a microcosm of the new information society, where products intended for the global market of the future can be tested and developed. Many global corporations have already established partnerships in Iceland for this purpose.

Some people who visit our country express surprise to find such a unique combination of a cosmopolitan society and an environmental dreamworld, the beautiful valleys and the fjords, the lava fields and the crystal clear rivers, the clean and refreshing air and the peace and security of the cities and towns, an ideal place to experience the best of modern civilization and enjoy splendid meals at excellent restaurants which are now growing in number every year.

Some of our visitors have claimed that Iceland is the best-kept secret in the world, and they hope, like the late John Kennedy, who visited the country a few years ago, to keep the knowledge of this marvellous experience for themselves after returning home.

We Icelanders however, were brought up on stories preserved in the ancient Icelandic sagas, stories of discoverers and explorers who dared to cross unknown oceans to discover a new world. Somehow our grandmothers taught us that we should excel like our ancestors, poets and pioneers, dreamers and discoverers and bring our entrepreneurial spirit to explore the world.

It is in this spirit that we have come to Los Angeles to share with you the excitement of our future.