



Speech
by the President of Iceland
Ólafur Ragnar Grímsson
at a luncheon with
the Canadian and Icelandic Business Community
World Trade and Convention Centre
Halifax
9 August 2000

Distinguished guests

In this historic year when we celebrate the thousandth anniversary of the Viking discovery of this great continent, it is worth reflecting on the visions which inspired the great Icelandic explorers to cross the dangerous ocean to seek new lands. They were certainly driven by the desire which over the centuries has drawn innovators and discoverers to seek to extend human knowledge, but equally they wanted to expand the area of trade which was an important ingredient of the Viking culture.

In their journeys they conducted extensive trade and brought different parts of the world together by selling goods from one region to another; thus producing continually expanding trade in Europe and across the Atlantic Ocean.

These great discoverers of Northern Europe, Greenland and North America were among the foremost traders and merchants of their times. In the centuries that followed Leifur Eiríksson's journeys, the Icelandic community which was established in Greenland conducted extensive trade with Northern Europe, especially through connections with Western Iceland and onwards to England. This extensive trade network pioneered by the Viking discoverers lasted well into the 15th century.

In many ways the Northern Regions are in modern times experiencing a great revival of this old tradition. Just as the summit meeting of President Reagan and Secretary General Gorbachov in Höfði House in Reykjavík in the autumn of 1986 began the transformation of the entire world, and brought the dawn of the new era which has replaced

the darkness of the cold war, so the Northern Regions have experienced vibrant changes, similar to the arrival of spring which breaks the ice covering lakes and rivers; suddenly there is movement everywhere and newly released streams move forward with force and vigour.

New states and regional organisations have been created. For the first time in our history there now exists an interlocked network of organisations embracing the entire area from Russia across the Baltic states and the Barents Sea through the Nordic countries, over the Atlantic Ocean and Greenland into Canada and the United States of America.

We now have exclusive forums for cooperation between the Northern European states, Canada and the two most important states of the twentieth century, the United States of America and Russia.

In the Northern Regions we have also seen increasing interest from provincial and regional governments in enhancing their progress and prosperity by creating an extensive network of cooperation with other parts of the Northern Regions. Clear examples of these developments are the growing contacts between my country, Iceland, and the eastern provinces of Canada, as well as the active cooperation which is now developing between Greenland and Iceland, on the one hand, and Greenland and Canada on the other.

Economic growth and income distribution in the North are issues of great importance and will influence the growth of successful and stable political cooperation between central and territorial institutions. In many ways the growing commercial and trade relationships between Iceland and the eastern part of Canada in recent years provide an excellent example of how we can progress towards enhanced economic growth in our part of the world.

With the establishment of shipping routes, the closest North American ports for Icelandic vessels are now in Canada, in Halifax and St. John, while regular flights by Icelandair have provided a new impetus for trade and tourism on both sides.

It is well known that in most scenarios the human factor is one of the most important elements in economic and business success. Therefore the prospects for joint ventures are considerably better when shared understanding and culture create similar values. This is certainly the case between Iceland and Canada especially so far as Newfoundland, Nova Scotia and Manitoba are concerned. Life in the maritime provinces has

many similarities to life in Iceland where fisheries have been the all important economic sector.

The private sector in Iceland has demonstrated a clear interest in expanding its activities in Canada. This development is in particular visible through increased direct investment by Icelandic companies in Canada and improved connections between the two countries by sea and air. Many Icelandic companies see great potential in Canada and quite a few have either established themselves in the country or developed close cooperation with Canadian companies. Many Canadian firms have also demonstrated significant interest in trade and other areas of cooperation with Iceland.

This development is particularly strong in the fishing industry. The similarities we see between Canada and Iceland have surely attracted Icelandic firms to expand their operations and sales network to Canada and vice versa. The size of the Canadian market is convenient for Iceland and the corporate culture is both familiar and friendly.

Let me also mention here that Iceland is considered by the United Nations – both the Food and Agricultural Organisation, FAO, and the UN Headquarters in New York – as one of the best examples of profitable and sustainable use of marine resources. The leading Icelandic seafood corporations have created partnerships and subsidiaries all over the world – in North America and many European countries as well as Latin America and Asia. In recent decades Icelandic fisheries have indeed assumed the same character as any other global marketing business.

By working closely with the local fisheries sector, many Icelandic technology and software companies have created innovative specialist products for this sector and then marketed them successfully to fisheries companies worldwide, as their extensive sales networks show. Thus an modern high technology has come to the service of our traditional livelihood, and then developed into a niche industry in its own right and been successfully marketed to fisheries companies around the world, especially to places with similar conditions to those in Iceland, such as here in Newfoundland.

It has indeed been interesting to see how in recent years a new generation of scientists, business leaders and technicians have made Iceland an important player in many innovative specialist sectors of the global economy.

Two remarkable companies, deCODE Genetics and UVS, have taken advantage of Iceland's unique conditions for genetic research, and have been adding new dimensions to scientific attempts to find cures for some of the most widespread diseases of modern times: cancer, heart diseases, Alzheimer's disease, multiple sclerosis and others. deCODE Genetics has now become the first Icelandic company to be listed on NASDAQ and UVS has succeeded in bringing leading American businessmen and scientists onto its board of advisers.

Leading American and European corporations, for example Intel, Cisco and Ericsson, have been enlisting Icelandic software, internet and information technology companies to help enhance their products. Icelandic firms in health technology have also made tremendous progress in recent years and so have IT companies in the field of data management systems, communication solutions, wireless data and palmtop systems, gaming, mobile and multiple service networks. These companies have proven themselves to be competitive at an international level and are, either by themselves or in strategic relationships, winning ground by thinking globally.

Our experience in recent years has demonstrated that the opportunities opened up by the new high tech global economy seem to be particularly well suited to the sense of creativity and entrepreneurship which flourishes in places such as Iceland.

We are now operating in a world economy which does not restrict either a small country like Iceland or communities such as the eastern provinces of Canada in any way but in fact offers us limitless opportunities and challenges.

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 the traditional restrictions which dominated the old economy. Restrictions which were created by the capacity of productive machinery, by boundaries of trade and labour requirements. Now the opportunities for imagination and entrepreneurship range the world over and for the first time in our history we have the possibility of allowing creative talents in technology, business and commerce to enrich our countries with innovation and enterprise.

These are indeed exciting times for the countries and provinces in the Northern Regions. Whereas for centuries the isolation of the North Atlantic posed many hindrances, our young generations of entrepreneurs,

pioneers, scientists and technicians can now suddenly excel in the emerging economy of the twenty-first century.

We can see this in many ways in the expanding commercial and business relationships between Iceland and the eastern provinces of Canada in recent years. Not only have our fishing companies established marketing networks in Canada but our technology and software companies are also offering their products to fishing companies and the fish processing industry in Canada. In addition many Icelandic and Canadian companies have created joint ventures with the aim of adding value to their products through further processing.

We can also see evidence of this growing cooperation in high tech industries, for example with the establishment of the Marel company here in Halifax and also in the operations of TM-software, an important company in the field of software and information technology.

I have seen during my visit how the Icelandic immigrants who settled in Canada have fared quite well in their new homeland. They have cultivated ties with the old country and some of the most valued contribution to Iceland in the early 20th century came from prosperous settlers who wanted to return some of their good fortune to the old homeland.

At the opening of the 21st century I believe we have now many new opportunities to bring our economic and business cooperation on to a new level. In this respect Manitoba and the eastern Canadian provinces like Newfoundland and Nova Scotia have a particular role to play because of the links we already share.

Therefore it was my wish to conclude my state visit to Canada by a dialogue with Canadian business leaders in these areas in order to further productive cooperation between our countries.

I thank you all for the opportunity of addressing you here today and would like to say how highly impressed I have been by the examples you have shown me of the success you have achieved.