



**Address**  
**by**  
**the President of Iceland**  
**Ólafur Ragnar Grímsson**  
**at the opening of**  
**the 17<sup>th</sup> Nordic Conference on Business Studies**  
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Distinguished scholars,  
Professors, academics, researchers,  
Ladies and gentlemen

Are we different from others? Is there a Nordic style of management – a Scandinavian way of organising growth and seeking profits? Has the Viking heritage moulded our thinking, our culture, our traditions and thus created a unique style of entrepreneurship? How do we explain the extraordinary success of some Nordic corporations? How did they gain the strength to become major global players? Do the studies of the French, the British, the Germans, the Americans apply to us – or should we be treated as special cases?

Iceland is indeed a highly suitable place to raise such questions and the origins of the settlement more than a thousand years ago can provide us with inspiring insights.

The Norwegians who decided to leave their homeland and sail to Iceland were probably the most independent-minded, entrepreneurial and strong willed people of their times, refusing to bow to the power of the state created by King Harald Fair-hair, determined not to pay the taxes he introduced. Therefore they took their entire household and left, establishing in Iceland what became in effect the first tax haven in the world. The more obedient and less adventurous Norwegians stayed behind, opting to serve the King instead of becoming free men in Iceland.

We could also toy with the idea that since the voyage went through the Faroe Islands those who were seasick thankfully went ashore there and did not have the strength to go any further, thus becoming the

forefathers of our Faroese friends. And let us not forget the pioneering spirit which led Leifur Eiriksson to journey even further and discover the continent across the ocean, now called America, which admittedly he and the other Icelandic discoverers were wise enough to leave. However, if they had stayed we might well all be speaking Icelandic here today because instead of English it would have become the universal language of business research.

You may think these references are light-hearted – and to some extent they are – but I am convinced that the heritage of the Sagas, the spirit of the settlers, the daring and the drive which by being transmitted to generation after generation have profoundly affected our identity and our culture. The Icelandic entrepreneurs who paved the way for our modern achievements and created the enterprises which made the Icelandic fishing industry the most progressive in the world often sought their inspiration from those who a thousand years before had pioneered the settlement of Iceland. In this respect we have always been a frontier society – in that sense more like the Americans than our Nordic relatives – because the reading of the Sagas, the endless storytelling gave each generation a sense of being, created references which we used to justify bold actions.

The legacy of the Vikings was merged with the experience of farmers and fishermen and gave us a work ethic which has turned out to be a great asset in the modern competitive world. This was brought home to me some years ago when I opened in Luxembourg the first Icelandic bank to be established abroad and I asked a number of their international clients why in this centre of high finance where all the major European and American banks have branches they had decided to deal with this new Icelandic bank.

We discovered, they replied, that we could call the young Icelanders day or night, in the late evenings and at weekends and they were always willing and ready to trade whenever it was needed, when Tokyo and Wall Street were open, but the staff in the more prominent European banks went home at six o'clock and did not want to be disturbed afterwards, their weekends being a sacred time for play and relaxation. The Icelanders, however, were always willing to try hard for a deal.

The old work ethic from the farming and fishing communities where the hay was harvested whenever the weather required and the fish processed when it was brought ashore – and everybody lent a helping hand until the work was finished – has consequently given us a strong competitive edge at the dawn of the 21<sup>st</sup> century, a niche in the global market. It therefore did not come as a surprise that this entrepreneurial

spirit has within a very short time made this same Icelandic bank one of the ten largest banks in the Nordic countries.

The business leaders, the managers, the CEOs are not created by training alone, by studies, discipline or the application of rationality models; they are also moulded by culture, by our heritage, the vision which the legacy of others has provided. It is therefore undoubtedly a promising field of study to examine the Nordic dimension in modern business, to try to find the advantages which our communities have fostered; but also to inquire whether there are particular drawbacks or hindrances which have emerged out of the Nordic setting.

In many ways the new century promises to be a fascinating time for Nordic entrepreneurs and business leaders. Never before has such unlimited potential been available. Never before have Nordic companies had the possibility to become global conquerors, the predominant players in their fields.

Recent years have seen many success stories of this kind and it is definitely worth asking what are the common denominators that have made Nordic companies such global leaders; not only Nokia or Maersk Line but also many firms in pharmaceuticals and software, information technology, prosthetics, beverages and banking, health products and numerous other fields.

Anyone who would have predicted ten years ago, not to say twenty or thirty, that Icelanders could establish successful global banks, make pharmaceutical products surpass redfish as the predominant export to Germany, control the second-largest prosthetics firm in the world, establish one of the most successful breweries in Russia, buy the famous British toy chain Hamsley's, open the first Debenhams warehouse in Stockholm – to name only a few recent examples – anyone who would have delivered such predictions would probably have been laughed out of the most respected seminars or lecture halls. To analyse this successful record is therefore a fertile field of study. What are the lessons we can learn from this dramatic transformation?

One dimension is absolutely clear. We now live in a world where information technology and globalisation have dramatically transformed the operating environment and innovations can consequently emerge from any direction. Individual initiative and creativity can lay the foundation anywhere in the world for companies which can establish a global presence. Technology and intellectual products, specialist services and information systems developed within our countries can rapidly become highly lucrative products in the global marketplace. Company growth in small states is no longer subject to the same restrictions.

Through globalisation, they can grow to gigantic proportions in their respective fields in the space of a few years. It can definitely be said that the new economy of the 21<sup>st</sup> century has presented our businesses with opportunities to flourish. Never before have they enjoyed such potential for prosperity and progress.

Now, in effect, avenues have opened up for ideas and innovations from anywhere in the world. Every entity has the opportunity to profile itself. New companies can emerge regardless of where their home base is, and soon have the whole world as their market region.

Small size is no longer the obstacle it once was. The traditional sectors of the industrial revolution, which based their growth on economies of scale, are no longer decisive. Now, innovations can come from all directions and individuals and businesses in small states or in small communities within larger states can rapidly attain key positions.

In fact, there is much to suggest that, in the new economy, our countries can become profitable bases for business innovations. We find it easy to see how different elements link up, establish cooperation between different fields, gain access to information and experience, grasp solutions to difficult tasks. Experience shows that our nations can serve as laboratories or research stations in precisely the sectors which are increasingly dominating the economy of the new century. In this respect, the new economy has truly opened up new horizons.

Something that gains a foothold in the Nordic countries can prove competitive elsewhere in the world. Our nations act as training centres for penetrating larger markets. Companies are no longer held back by the boundaries of the past. The entire world is now their playing field.

There is also much to suggest that culture will have a strong impact on the competitive position of nations, and the creative energy that it nourishes can produce numerous opportunities. We may also be well placed in this respect, because our culture and customs, heritage and history give us a unique position. Icelandic culture has, for example, always respected the talents of individuals who compose poetry and tell stories, who are creative participants in their companionship with others. Admiration of creative people has been transplanted from ancient times into the new age, and originality is one resource that our culture has handed down. Such qualities can indeed prove decisive in the years to come.

Nordic roots and globalised outlook – is that combination the key to success? What does it mean to be a Nordic business in a world where all markets are interrelated? Are we blessed with a magic touch which is

denied to others? Whatever the answers may be one thing is absolutely certain: These are indeed fascinating times for Nordic business and I hope your discussions and deliberations in the days to come will bring us new directions and a more profound understanding.

With such a wish I am pleased to declare the 17<sup>th</sup> Nordic Conference on Business Studies hereby open.