



ADDRESS
BY HIS EXCELLENCY ÓLAFUR RAGNAR GRÍMSSON
PRESIDENT OF ICELAND
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Distinguished Guests, Ladies and Gentlemen:

Shortly after I was inaugurated into the office of President of Iceland, my wife and I had the pleasure of a short visit from their Imperial Highnesses, Prince and Princess Takamado of Japan, who were on their way to explore Greenland. We invited them to visit the Manuscript Institute in Reykjavík and see for themselves the calfskin manuscripts of the Icelandic Sagas, which describe the westward voyages made from Iceland by Eiríkur rauði, Eric the Red and his son Leifur heppni Eiríksson, Leif the Lucky. First the father discovered Greenland, then his son sailed in the year 1000 to a country which he called Vínland – and is now known as America.

Our Japanese imperial guests were astonished at how, ten centuries ago, the Icelanders had discovered this land of plenty in the New World, which the Japanese themselves did not become acquainted with to any extent until the dawn of the present century. Admittedly, the Japanese certainly deserve credit for the outstanding advantage they have taken of the opportunities which have awaited them here since then.

At present, Iceland is at a crossroads in its American trade. Behind us lies a success story that has certainly been very impressive, but also in another sense rather limited. This has largely focused on seafood – products harvested from the same ocean that brought Leifur Eiríksson here a thousand years ago, and then other Vikings after him, some of whom set foot here in Manhattan around 500 years before Christopher Columbus set off on his admittedly much better advertised voyage. Although Leifur was nicknamed the Lucky, Columbus was probably luckier still with his choice of PR company and the marketing of his voyage. But with the help of good people, we Icelanders intend to make up for that initial lack of publicity when celebrations are launched for the millennium of our countryman's voyage to the New World.

Another chapter in the Icelandic heritage here is the journeys made by tens of thousands of immigrants to United States and Canada the towards the end of the last century. As it happens, many Icelanders have settled here in more recent times as well. It is now estimated that there are around 200,000 people of Icelandic descent living in the USA and Canada – or the equivalent of two-thirds of the present population of Iceland itself. All of us face the major task of motivating this large community here in America for the benefit of Icelandic trade and Icelandic cultural relations.

In my inaugural speech on August 1 I advocated introducing a series of celebrations to mark the millennium of the voyages to North America and also an on-going drive to consolidate the links between the people of Iceland and the large number of people of Icelandic descent who live in this part of the world.

I have stated my commitment to promoting such work and I note with interest that many people have already proposed a large number of interesting ideas. There is clearly strong and diverse interest in launching such a concerted campaign.

It has rightly been pointed out that we can learn a great deal from the way that people of Irish and Italian descent here in the USA have taken advantage of their connections with their mother countries in order to boost trade, strengthen interests and weave a versatile cultural and social tapestry. Iceland could therefore approach the question of its American profile with a double aim:

??First, by establishing a series of links between the new millennium and the celebrations to commemorate Leifur Eiríkssons voyage to America. That chain of events could identify the challenge of a new age with the bold resolve of the voyagers who, a thousand years ago, sailed across uncharted oceans and discovered a new world.

??Second, by fostering and strengthening a sense of identity within the Icelandic community in the New World and linking it to annual celebrations held by Icelandic associations throughout the USA and Canada, visits to ancestral roots back in Iceland, comprehensive trade in Icelandic goods and services, and strong awareness of Icelandic culture and art, ancient and modern alike.

Icelanders' Day in North America – Leifur Eiríkssons Day – could acquire the same significance as St. Patrick's Day and Columbus Day, although naturally on a different scale.

Earlier I described Iceland as standing at a crossroads, and at such a juncture we can certainly draw strength from what we have achieved in the past. Our history here already includes an impressive chapter devoted to vigorous trade in seafood. The market that was built up in North America reveals the singular dedication and vision of Icelandic entrepreneurs in the immediate postwar period, and has established Iceland as a major supplier of fish in the USA.

But impressive as this legacy may be, it alone is not a sufficient basis for launching the new period for growth that Iceland needs to establish for itself in the American business world. The crossroads present a different kind of choice. On the one hand there is still the path laid by the established tradition of Icelandic-American trade for several decades. On the other hand, we can harness new possibilities within the world economy to expand that path, transform it into a superhighway and advance along it in pace with new technology and new attitudes to resources, initiative and progress.

The nature of global business today presents a wealth of new openings for Icelandic companies to collaborate and cooperate with partners from other countries. Many of the inherent qualities of Icelandic industry are well suited for being applied in the modern growth sectors around the world. Iceland's characteristic versatility can be twinned with global business innovation to lead us directly towards a new growth era in the Icelandic economy, provided that we have the wisdom and resourcefulness to take advantage of these opportunities and have the good fortune to make contact with capable, dynamic and successful partners.

I would like to name a few factors which illustrate this vital interaction between Iceland's localized characteristics and the globalization of trade.

??First of all, initiative, resourcefulness and creativity are strong elements in the Icelandic business tradition. The transformation of a poor fishing and farming society into a high-technology service- and production-oriented economy, with active marketing outlets on a global scale, has above all been achieved through the leadership and co-operation of individuals who have boldly blazed new trails. In recent years this tradition of trail-blazing has been extended from the fisheries sector to new software, computer and information companies. Such qualities may prove crucial for the adaptability of companies in the approaching – and Iceland is amply endowed with these qualities.

??Second, the Icelanders' working background is based on experience of many different types of jobs. The typically sheltered management background is virtually unknown in Iceland. Almost everyone has worked in "ordinary" jobs at some time in his or her life: fish processing, building sites, farms or shops, to name a few examples. Icelanders are used to applying themselves to many different types of tasks and solving problems themselves without much philosophizing or bureaucracy.

The story of the Icelander and the Swede who were travelling through Africa on behalf of an international development organization is a good illustration of this point. When their car broke down in the savannah, miles from civilization, the Swede took out his laptop and starting describing this setback in a report to headquarters. Then the Icelander got out of the car, mended it himself, and they drove away again.

??Third, the small size of the Icelandic economy creates closer relations between its different branches and sectors, and thus facilitates widespread cooperation on innovation programmes; this has largely prevented the emergence of bureaucratic obstacles which often block such activity in other countries. Through such intimacy, the new Icelandic software companies have had easier access to corporate and public sector partners in order to develop new lines and systems which later become viable products that are relevant almost all over the world. In Iceland, this cooperation is established through personal contacts and discussions, while elsewhere it often costs time-consuming voyages through bureaucratic mazes.

This makes Iceland an ideal testing ground for new information and software technology. Small-scale pilot systems can be developed there before being transferred to much larger economies. Powerful multinational companies, based in Japan and the USA, have already discovered this information age resource in Iceland. They have been fostering cooperation with Icelandic software houses on projects devised and led by the latest generation of Icelandic pioneers.

??Fourth, most if not all companies in Iceland are small by global standards. International studies have repeatedly shown that small businesses are the main driving force behind innovation and progress in the global economy. In many ways, the philosophy and working methods of small businesses make good soil in which to plant the seeds of new growth – and the Icelandic economy as a whole is fertile ground for small companies. There almost immediately, growth potential can be identified which, in larger economies, often lies hidden in the shadow of giant corporations. New growth is noticed early in Iceland, such is the essence of our beautiful nature and the business environment is similarly endowed. As you know, there are few big trees in Iceland to overshadow budding growth.

??Fifth, Iceland enjoys a strong tradition of democracy and human rights. We pose a threat to no one and have no ulterior interests or hidden motives. No one is afraid of us. Our partners around the world can rest assured of our integrity and develop close relations, even in sensitive areas of public service and information systems, and in industries with a vital local, regional or national significance.

The fact that other people do not fear us is really one of Iceland's resources. Iceland can be successful in remoter parts of the world because it rarely encounters the obstacles, suspicion or warning signs that companies from the larger Western nations run into.

On the strength of such qualities, Icelanders are desirable partners in joint international ventures. Even large American or European corporations can find a shortcut to success in Asia or Latin America if Icelandic partners take the lead in blazing the trail.

Trilateral cooperation of this sort may become a profitable approach in the twenty-first century economy: the Icelandic partner would lead the overseas side of the project, assisted by a powerful backer from the American or European finance and business world, and local companies in distant markets would provide contacts and connections.

Instead of aiming primarily at bringing foreign capital to Iceland in the form of companies which build facilities in Iceland, we could increasingly examine foreign financiers as partners for market penetration on a global scale. Such a vision is an essential part of the new thinking which needs to characterize Iceland's economic development in the coming century.

All these factors which I have pointed out present Icelandic industry with countless possibilities for partnerships and progress in the new global economy. They also make Icelandic companies exciting front-line partners for powerful multinational companies and conglomerates. Partnerships of this kind not only serve Iceland's interests but those of American companies too – to some degree in established branches of Icelandic trade, but even more in new fields of high technology, software, information technology, service industries, the environment, tourism and travel.

Most areas where economic innovation is being made offer the possibility of such partnerships and joint ventures. The field lies wide open, like the vast expanses of the Icelandic wilderness. The opportunities are infinitely varied, richly colourful and inspiring, like the Icelandic mountain landscape.

A inherent trait of Icelandic and American culture is that both nations have their origins in communities of pioneers. The explorer mentality is an integral part of our makeup, nurtured in our upbringing and history. Its roots lie in the adventures of the seafarers who braved the rough, uncharted seas to settle in a new world.

In this sense, Iceland has more in common with American civilization than with Europe. Most continental European nations have lived in their countries since time immemorial and have little knowledge or awareness of their origins. The existence of the Icelandic and modern American nations, however, rests on the resolve of pioneering settlers who sought a new world.

The civilization of the settlement and the explorers' tradition of initiative are a heritage which enable Icelanders and Americans to understand each other and build on a common foundation which is highly relevant to the tasks and challenges of the new century.

Our history and culture are therefore not only an occasion for celebrations at the dawn of the new century, on the millennium of the Viking sailings to the New World. They are no less a foundation for establishing a wide range of partnerships and cooperation, in order to take advantage of the opportunities for discoveries in the new age of high-technology and global economic growth.