

The general framework of EU-Iceland relations and the public debate on EU membership in Iceland

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Chair and other distinguished participants,

First of all, I would like to thank you very much for the opportunity to participate in this workshop. At my university in Iceland one of my important tasks is to explain European integration to my students and to the public – in fact, it's my favourite subject. I will split my talk into seven broad themes, with a short conclusion where I will try to answer the question - what is needed for a yes vote in Iceland.

1.

The economic crash, which started with the fall of the Icelandic króna in March 2008, clearly stimulated the ongoing EU debate. These events made many Icelanders question the country's traditional domestic and foreign policies; - including the reluctance to be entangled with the European project. This opened a window of opportunity for pro-European forces and EU membership became the main election issue in April 2009.

The Social Democrats went so far as to make an EU application a precondition for maintaining the coalition government with the conservative Independence Party after the banking crisis, and then for creating a new majority government with the Left Green Movement after the spring elections.

The Social Democrats have pursued the EU application in their steady belief that membership will lead to economic benefits and that Iceland's future belongs to the European project. They succeeded in the past and got Iceland to join EFTA and the European Economic Area.

2.

Other parties have not followed the Social Democrats in their pro-European approach.

The Left Green Movement remains steadfast in its opposition to EU membership. It reluctantly accepted to go along with an EU application in order to form the first left wing government in the country.

The Independence Party still opposes membership – though it is deeply divided on the issue, and was (for instance) advocating unilateral adoption of the euro just before the last election ...in order to appeal to its pro-European voters.

At present, it advocates withdrawal of the EU membership application.

The European policy of the centre-agrarian Progressive Party remains highly contested. Last year the party changed its policy so that formally it is in favour of an EU application, with preconditions. However, two-thirds of its parliamentarians voted against an application.

Also, the parliamentarians of the Citizen's Movement (which is an offspring of last year's winter protests) remain sceptical of EU accession.

3.

The political discussion in Iceland has been dominated by the Ice-save dispute. It has raised nationalistic feelings and has both overshadowed and increasingly sidelined discussions on the wider merits of an EU application. The pro-European forces have thus had a hard time making their case in an atmosphere of resentful nationalism where Icelanders generally feel that all of their closest neighbouring states, except for the Faroe Islands, have deserted them at a time of great need.

4.

The state of public opinion on EU membership has clearly been affected by the Ice-save dispute. Since early 2009, the majority of voters have stated their opposition to membership in opinion polls, - contrasting with the previous twelve-year period where nearly all polls indicated a majority in favour of membership, - peaking just after the economic collapse.

However, a majority of voters are still in favour of continuing accession talks with the EU.

The support shown last year for the idea of withdrawing the EU membership application has drastically declined.

The debate is becoming more balanced, widening and deepening.

5.

The anti-EU movement has gained momentum and set up camps in the rural and coastal areas. The campaign is strongly supported by the fisheries' and farmers' associations which have taken a rigid stand against EU membership and been vocal in the media.

Prominent figures of the movement in the parliament have submitted motions calling for a referendum on the continuation of the EU negotiations, or for the immediate withdrawal of Iceland's application. - So far no action has been taken on these proposals in parliament.

The No-movement has also made great play with the alleged EU pressure on Iceland to 'adapt' its laws and practices to EU norms even before the treaty of accession has been ratified.

The government has had to recognize concerns on this by promising there will be as little 'adaptation' as possible until a final decision on membership has been taken by a popular vote.

The pro-European movement has reorganized itself and set up an association named Stronger Iceland - A nation amongst nations. It draws on prominent figures mainly from the Greater Reykjavik area, the main employers' and employees' associations, and political parties – mostly Conservatives, Social Democrats and Progressives.

6.

The business community and labour organizations have remained relatively silent on the EU issue after an initial campaign for the EU application. They are, however, bound to come back into the debate with full force closer to the referendum on membership.

That said, the Confederation of Icelandic Employers is not active in the EU debate. This is because of an internal split in its governance whereby the powerful Federation of Icelandic Fishing Vessel Owners, the only major opponent of EU membership in the Confederation, can wield a blocking vote on the EU question.

7.

There are growing discussions in the media about the pros and cons of EU membership though it sometimes lacks expertise to distinguish Euro-fact from Euro-fiction.

The leading newspaper, *Fréttablaðið*, publishes widely on European affairs and advocates membership in its editorials. - On the other hand, the conservative paper, *Morgunblaðið*, runs a fierce campaign against EU membership. It is owned by fisheries moguls.

The state media authorities who run the main TV and Radio stations and the private channels offer some more balanced insights into the EU membership question but could obviously do more to inform the public.

Finally, - Will there be a yes vote?

For an accession treaty to be approved by a majority of voters it will need to address their concerns on two key points:

first, the satisfactory continuation of Iceland's fishing activity and management of its waters under the common fisheries policy, ...

and second, the protection of Iceland's rural communities within the common agricultural policy.

Another positive factor in an accession treaty would be a stabilization agreement with the European Central Bank to secure the stability of the króna until Iceland fulfils the criteria to adopt the Euro.

If these conditions are met, I believe that the government – or at least the Social Democrats – could argue convincingly in a referendum for a yes to Iceland's membership of the EU, particularly if they widen the debate to show that Iceland has a strategic interest in participating fully in Europe. But other parties will continue to oppose it, and at this stage the final result is difficult to predict.

In the meantime we in Iceland hope that you in the European Parliament will assist us by your comprehension and support.