

Iceland: The Dominant Party in Thrall to Its Past Discourse

Baldur Thorhallsson

Abstract The chapter will examine how the firm adherence of Iceland's largest and historically most prominent political party – the conservative Independence Party – to its belief in the importance of national sovereignty, its Cold War ideological stance and its closeness to the fisheries and agrarian sectors have shaped its European policy and kept Iceland as an awkward partner in the European integration process. Iceland joined EFTA and the EEA, but only after difficult debates, and a coalition government including the Independence Party put the country's 2009 European Union membership application on hold. The chapter argues that participation in the European project clashes with the Conservatives'

Baldur Thorhallsson, Professor of Political Science, the Faculty of Political Science and the Centre for Small State Studies, University of Iceland. The chapter draws extensively on a lecture and a short article in conference proceedings by Thorhallsson, B. 'The influence of ideology on the European policy of the Independence Party', Johannesson, G. and Bjornsdóttir, H. (eds.) *Rannsóknir í félagsvísindum IX*, Félagsvísindasvið Háskóla Íslands, 2008.

B. Thorhallsson (✉)
University of Iceland, Reykjavik, Iceland
e-mail: baldurt@hi.is

© The Author(s) 2018
M. Stegmann McCallion and A. Brianson (eds.), *Nordic States and European Integration*, Palgrave Studies in European Union Politics, DOI 10.1007/978-3-319-57562-9_6

vision of Icelandic identity, its protectionist policies regarding the primary economic sectors, its emphasis on the solidarity of the nation and the policy of relying on US protection for Iceland's territorial security. The findings of this chapter for Iceland are similar to those of Murray et al. (*Comparative European Politics* 12(3): 279–300 2014), which were that British ambivalence towards the European Union is caused by a combination of various factors of material and ideational origin, with national identity, domestic politics and power relations as the most important factors.

Keywords Iceland · Nordic states · European Union · European integration · Sovereignty · National identity · Independent Party · Fisheries · Agriculture · Ideology

6.1 INTRODUCTION

The historical narrative in Iceland, created in the 'independence struggle' against Denmark at the beginning of the twentieth century, emphasizes the uniqueness of the nation. This has led to a steadfast belief on the part of many Icelanders that everything Icelandic should be protected by all available means (Hálfðanarson 2001). The associated nationalistic political discourse has profoundly influenced domestic and foreign affairs. Iceland is closely associated with the other Nordic states and has adopted many of their domestic characteristics. Iceland is also highly integrated into the European project through its membership of the European Economic Area (EEA) and the Schengen Agreement. On the other hand, there are important exceptions from the Nordic model in Iceland and the country has always hesitated to participate in the European integration process (even in EFTA, EEA and Schengen) and is not a member of the European Union.

Iceland received Home Rule in 1904 after having been part of the Danish kingdom for centuries. Icelanders commonly view the Nordic settlement in the ninth century and the following three centuries as a glorious and prosperous period. Icelanders are seen to have been independent (the Althingi, the Icelandic national parliament, was created in 930) despite the influence of the Norwegian King on affairs on the island. The traditional narrative still holds that decline and humiliation ensued when Iceland lost its independence and became part of the Norwegian kingdom in the last quarter of the thirteenth century.

The nationalist movement in Iceland gained momentum in the mid-nineteenth century and a long but peaceful 'independence struggle' followed. Iceland slowly gained control over its own affairs: the Althingi was re-established in 1844, Iceland received a constitution in 1874, Home Rule in 1904 and sovereignty in a union with Denmark with a common monarch in 1918; the Republic was created in 1944. Iceland has been in full charge of its foreign affairs since it gained sovereignty although Denmark carried out its foreign policy and led by example until the Nazi occupation of Denmark and the creation of the Icelandic Foreign Service in 1940. The traditional narrative holds that Iceland did not become prosperous again until it became a free and independent country in the first half of the twentieth century.

British and American occupation in the Second World War rapidly modernized the country and set up a special relationship between the United States and Iceland. The United States (US) not only supported the creation of the Republic and guaranteed the country's security; the Icelandic economy relied heavily on US aid in the post-war period. The economy was characterized by trade restrictions and high tariffs until the 1960s and US assistance kept up living standards in the country. US direct assistance slowly diminished and Iceland received its last 'aid package' in the late 1960s. On the other hand, the US continued to pay for the running of Iceland's international airport (on the US base), and the expensive surveillance radar network around the country, and the US military base made a considerable contribution to the economy until it was closed in 2006.

Iceland joined most of the post-war international organizations but was not an active participant in them, and received both financial backing from the World Bank and important advice from the International Monetary Fund until the mid-1970s. In 1970, Iceland joined EFTA in order to take part in the EFTA member states' free-trade agreement with the European Economic Community (EEC), which was signed 2 years later. In the late 1950s, Iceland had not been invited to participate in the creation of EFTA due to a fishing dispute with Britain, but even if it had been, it was ready for membership of neither EFTA nor the EEC due to the undeveloped state of its economy. A reluctance to open up the economy and share power with others delayed EFTA membership for a decade (Thorhallsson and Vignisson 2004a). Also, Iceland was not in much need of better trade deals due to the 'herring boom' and the associated economic prosperity in the 1960s. The free-trade agreement

with the EEC was highly beneficial for the fishing industry and the country did not start to consider other alternatives until Spain and Portugal (important markets for Icelandic marine product exports) joined the EU (Thorhallsson and Vignisson 2004b).

In the mid-1990s, Iceland joined the European Economic Area and decided to participate in the Schengen scheme to secure the continuation of the Nordic passport union. Membership of EFTA and the EEA caused great controversy in the country. All political parties, except for the small Social Democratic Party (SDP), had great reservations about the four freedoms, power sharing and the transfer of power from Reykjavik to Brussels. Membership led to considerable public protests and the coalition government consisting of the centre-right (conservative) Independence Party (IP) and the SDP only narrowly managed to have Althingi ratify the EEA Agreement. At the time, there was no way for pro-European forces within the parties to take up the EU cause and push the national parliament to follow the other EFTA members and apply for membership of the European Union (Thorhallsson 2004).

The Independence Party's dominant position in Icelandic politics and its ideology are crucial to explain Iceland's awkward engagement with the European project. It is only by examining the IP that we can properly account for Iceland's reluctant membership of EEA, EFTA and Schengen, its unwillingness to join the European Union and its special relationship with the United States.

The Independence Party has dominated Icelandic politics ever since the Icelandic party system took root in the second and third decades of the twentieth century. The fact that the Icelandic right is united, and the centre-left is divided, in conjunction with the right's ability to work both with the Social Democrats and the centre-agrarian Progressive Party, has given it a pivotal position in Icelandic politics. The Conservatives have been in office for 55 of the 73 years since the creation of the Republic, often receiving nearly 40% of the vote.¹

The IP has been dominant in forming Iceland's foreign policy. It took the lead in firmly committing Iceland to western alignment during the Cold War and to close relations with the United States. Iceland was a founding member of NATO and hosted a US military base from 1951 to 2006. The Conservatives were in coalition with the Social Democrats when Iceland joined EFTA and the EEA, and in coalition with the Progressive Party at the time of accession to Schengen. On the other hand, the party and a number of its MPs had great reservations about

the EEA—particularly as regards participation in the Union's four freedoms and the transference of sovereignty included in the Agreement. In opposition during 1988–1991, the party proposed withdrawal from the EFTA-EEA negotiations and to work instead for a bilateral agreement with the EU on free trade in marine products, alongside other negotiations on access to the Common Market. The former leader of the party claims that this position was partly tactical, and was adopted in order to split the left-of-centre coalition then in office—which was divided on the EEA Agreement—in order to make clear that the IP would not support the EEA while it was in opposition (Pálsson, interview, March 27 2007).

The Conservatives only came out in favour of the agreement after they formed a coalition government with the Social Democrats, who made signing of the EEA Agreement a precondition for the creation of the coalition in 1991. However, the IP leadership had substantial difficulties in bringing all its parliamentarians into line with the party's new policy on the EEA. Actually, it narrowly managed to have enough of its MPs support the agreement and oppose a bill from the opposition on a referendum on EEA membership (Bjarnason, interview, March 23 2007). Those in the party who opposed the agreement repeatedly referred to freedom and independence in their speeches: Iceland would sacrifice its freedom and independence by joining the EEA (Albertsson 1993; Haukdal 1993; Jónsson 1992, 1993). Moreover, the solidarity of the Icelandic nation would be placed in jeopardy by the ratification of the agreement (Jónsson 1992). They were particularly suspicious about the supra-national character of the EEA. They also pointed to the sacrifices that the Icelandic agricultural sector might have to make due to more liberal imports of agricultural products; in fact, the degree of liberalization was very limited (see detailed discussion in Thorhallsson 2008). Moreover, the leader of the party who served as the Prime Minister at the time opposed participation in the Schengen Agreement behind the scenes and only reluctantly agreed to sign it in order to secure an arrangement by which Icelanders did not have to show passports on their visits to the other Nordic states.

The IP never seriously considered the EU membership alternative until after considerable external and internal pressure to examine the pros and cons of membership after the 2008 economic crash in Iceland. The Social Democrats insisted on an EU application as a precondition for the continuation of its coalition government (2007–2009) with the Conservatives. Until the mid-1990s, the Conservatives' policy towards

EU membership was labelled 'the wait and see' policy, i.e. to follow the development of the project from the sidelines without formally rejecting full participation in it. However, in 1996, it was safe for the party to formally oppose membership since the EEA Agreement was seen as being highly beneficial for Icelandic interests and the EEA Agreement itself was secured after Norwegian voters had rejected EU membership. In the immediate aftermath of the crash in 2008, the IP became more open to discussion of the EU membership option, even though it stuck to its policy that Iceland should not apply for membership. The Conservatives suggested instead that Iceland should adopt the Euro with the support of the EU (which was immediately rejected in Brussels).

The first left-wing government in Iceland was created after the spring election of 2009. The crash had given the Social Democrats the opportunity to place the EU question on the political agenda, and their strong negotiating position after the general election (making them the largest Icelandic political party for the first time) enabled them to carry the membership application through the Althingi. The SDA made EU application a precondition for the creation of a government coalition with the Left Green Movement (which the Left Greens very reluctantly accepted, in view of their firm opposition to membership of the EU, in order to secure a place in government). Iceland's EU membership application in the summer of 2009 was soon sidelined by the 'Icesave' dispute, which dominated Icelandic politics until the end of the parliamentary term in 2013 and triggered a nationalist backlash and greater Euroscepticism. The main opposition parties, the IP and the Progressive Party, abandoned their softer stances on the EU membership application, now fiercely opposing the accession process which Iceland had begun. The parties resumed their traditional European policy stance that EU membership did not serve the country's interests, framing EU membership as a surrender of Iceland's sovereignty and control over its national resources (Thorhallsson 2015). Fears over the implications of the EU's 'unfavourable' Common Fisheries Policy (CFP) and its Common Agricultural Policy (CAP) for Iceland's fisheries and agricultural sectors ranked high.

In spring 2013, the first act of the newly formed coalition government, consisting of the Conservatives and the Progressives, was to put the EU accession negotiations on hold. They again came out in outright support of the Icelandic currency, the Icelandic króna, and in opposition to the transfer of power over the country's monetary affairs. However, the coalition hesitated to carry out its intention of making the Althingi withdraw the EU

membership application altogether. That said, in spring of 2015, the Foreign Minister wrote a letter to the European Commission stating that the government did not consider Iceland an applicant country any longer and insisted that the EU take the same view (Thorhallsson 2015). The Conservative leadership has been unwilling formally to withdraw the application due to a small vocal pro-European force within the party (mainly from the business community), a section of which has now left the Conservatives and created a new political party. A parliamentary resolution prepared by the government in 2015 to the effect that Iceland should cancel its EU application met fierce opposition, and around 22% of voters signed a petition to the assembly to halt the action on withdrawing the application and hold a popular referendum instead on whether to complete the entry negotiations.

This chapter seeks to explain why Iceland's relations with the European Union are characterized by awkwardness. It argues that the IP's position on Europe is the result of an interplay of material and ideational conditions. The findings are consistent with those of Murray et al. (2014) who showed that British awkwardness towards the EU 'is produced by the interaction of various factors that stem from both material and ideational origins' and that 'power relations, domestic politics and cultural identity are the most important factors'. In the case of the Independence Party and its position towards European integration, these factors all play a key role.

In terms of power relations, the IP was the dominant actor in keeping Iceland aligned with the United States. The Conservatives found that the US provided Iceland with sufficient military, diplomatic and economic backing. It has always hesitated to look to Europe for these benefits and still regards US military backing and its potential diplomatic backing as more important than potential European support. For instance, prominent leaders of the party hoped for US assistance during the 2008 economic crash and were very disappointed that the US government refused to come to Iceland's aid.

In terms of cultural identity, the chapter analyses the extent to which the Independence Party's (IP) ideology has influenced its policy towards European integration. It argues that the Conservatives' opposition to EU membership is partly based on its ideology, i.e. the core values of the party. The ideology of the IP has roots in the concepts of freedom and independence. The party's political discourse is founded on these concepts and is extensively referred to in all contexts concerning domestic and foreign affairs. Membership of the EU is seen as running contrary to these core values of the party.

In terms of domestic politics, the Conservatives have enjoyed broad popularity among voters of all walks of life, as is claimed in its successful slogan 'solidarity of classes' (*stétt með stétt*), dating back to the economic structure of the 1930s. The idea of solidarity between classes and the universal appeal of the party to the traditional classes makes it difficult for the party leadership to break ranks with what are, historically, the core economic sectors of Icelandic society, i.e. the agricultural and fisheries sectors, which firmly oppose EU membership. The fisheries and agrarian sectors have also formed a powerful force within the party due to the over-representation of MPs from the rural and coastal areas in the Althingi, at the cost of the more populated areas, especially in the Greater Reykjavík area. The solidarity of Iceland's economic sectors and, in fact, the solidarity of the party itself, is threatened by discussion of EU membership. Moreover, the party's emphasis on self-determination of the nation—its freedom and independence—is manifested in its protectionist policies in the agricultural and fishing sectors. Accordingly, material (agrarian and fisheries interests), ideational factors, and domestic politics (overrepresentation in the Althingi of the less populated regions) are nicely knitted together and strongly shape Iceland's engagement with the European project, making it an awkward partner.

6.2 IDEOLOGICAL ORIGINS OF THE CONSERVATIVES'

AWKWARDNESS: THE VALUE OF FREEDOM AND INDEPENDENCE

The Independence Party gives an account of its achievements under the headline 'History of the Independence Party—history of freedom and the nation,' indicating its emphasis on self-determination (Independence Party, n.d.). The party was founded in 1929 through the merger of the Conservative Party and the small Liberal Party. The backgrounds of these parties lay in the independence movements—loosely-defined parliamentary parties—striving for independence from Denmark in the first two decades of the twentieth century (Guðmundsson 1979; Kristjánsson 1979). The IP followed their quest for greater independence and its key goal, set in its first platform, was achieved in 1944 with the foundation of the Republic of Iceland (Independence Party, n.d.). The title of the Independence Party's first manifesto, 'Iceland for Icelanders' (*Ísland fyrir Íslendinga*), reveals the roots of nationalism in its ideology and the wish for full independence from Denmark (Guðmundsson 1979; Kristjánsson 1979).

The Independence Party, along with other political parties, kept 'the independence struggle' alive during a series of extensions of Icelandic

fishery limits from 4 miles in 1952 to 200 miles in 1975. The party's emphasis on independence and self-determination of the nation was in the forefront of its policy. One could argue that the political discourse during the Cod Wars indicated that the nation had not won its independence until it had full control over its waters (Ingimundarson 2003). The fishery limit extensions over-ruled all other overseas priorities such as better market access to Europe and defence cooperation. For instance, Iceland was not invited to participate in the negotiations which led to the foundation of EFTA in 1959 due to its fishing disputes with Britain (Benediktsson 2003) and its free-trade agreement with the EU, formed within EFTA in 1972, did not take effect until 1976 due to the Second and Third Cod Wars (Thorhallsson and Vignisson 2004a). Moreover, in 1960, the government under the leadership of the IP threatened to leave NATO if Britain again sent its frigates into the 12-mile zone (Ingimundarson 2001a) and in the third and final Cold War, Iceland, under the leadership of the IP, went as far as breaking off diplomatic relations with Britain and hinted that Iceland's membership of NATO was at stake (Ingimundarson 2003).

Another concept, besides independence, commonly referred to by the party is 'freedom', i.e. freedom of the individual, freedom to work and the abolition of any kind of restraint (Gissurarson 1992, 2008; Independence Party 1991, 2007c, n.d.; Oddsson 2004a). The political discourse of the party leadership has successfully combined the concept of freedom with the market, the nation and the right of the Icelandic state to manoeuvre internationally (Guðfinnsson 2006; Independence Party 2007c; Oddsson 2004a). One could say that the party has captured the freedom concept in the political discourse, and that this has led the way towards its electoral success ever since its foundation.

Furthermore, the Independence Party extensively and successfully used its core concepts of independence and freedom to justify its controversial policies throughout the Cold War: Iceland's independence, freedom and democracy were best protected by a military alliance with the USA and other Western democratic governments within NATO (Bjarnason 2001; Guðlaugsson and Jónsson 1976; Oddsson 1999). The party's close ties with the US government date back to 1941, when it paved the way for US protection in the Second World War, favourable economic and trade arrangements and a promise by the USA to support Iceland's quest to become a republic (Kristjánsson 2001). In 1946, the party took a decisive step away from Iceland's traditional policy

of neutrality and allied the country with the USA, allowing its military to use the international airport in Keflavík (Ingimundarson 1996; Whitehead 1991).

The party's traditional political discourse is still alive and well. For instance, it frequently referred to the importance of standing by freedom, democracy and human rights in its support for the US 'war on terror' and in justifying Iceland's placement on the list of 'the coalition of the willing' (Bjarnason 2003a, 2004; Oddsson 2004b, c). Hence, ever since the early 1940s, the IP has looked to the USA for inspiration and support. The relationship between the IP and the US government strengthened over the years as the IP broadly followed US foreign policy. (Ingimundarson 1996, 2001a, b, 2008). The similar emphasis in US political discourse on freedom and independence has not been unfamiliar to the party leadership and even serves as a further motivation for its use.

Interestingly, the Independence Party emphasized international cooperation based on bilateral relations with neighbouring states in the post-war period, mainly with the other Nordic states, the USA and Britain. Iceland has been regarded as having greater room for manoeuvre internationally through using a bilateral or even unilateral approach than by working within multi-lateral frameworks of international organizations. Iceland did not become active within the international organizations it joined in the post-war period in the same way as the other Nordic states (Thorhallsson 2005). For instance, it played a very limited part in NATO for two reasons: the importance which was placed on the defence treaty with the USA and domestic controversy surrounding its NATO membership (Ingimundarson 2001b). The leadership of the Independence Party was convinced in its belief that it had a better chance of influencing decision-makers in Washington than within NATO (Bailes and Thorhallsson 2006; Ingimundarson 1996, 2001a; Kristjánsson 2001; Hrafnsson 2003; Viðræður um varnarmál 2003). Also, Iceland played a very limited part in the activities of the United Nations and the Council of Europe.

Moreover, Iceland's unilateral approach in extending its exclusive economic zone is seen to have paid off and been resolved by bilateral negotiations (Thorhallsson 2005). Ignoring the development of international law and the multi-lateral framework in which the Cod Wars were concluded (Jóhannesson 2002). In addition, Iceland's freedom of action is seen as being heavily restricted by the rules of the International Whaling Commission (IWC): the IWC's multi-lateral framework is seen

as restricting the use of marine resources and the Icelandic government's ability to take independent decisions concerning its waters (Guðfinnsson 2006; Nýting hvala óhjákvæmileg 2008). However, in 2003, under the leadership of the Independence Party, Iceland took the decision to resume whaling for scientific purposes according to IWC rules. In 2008, a fisheries minister of the IP repeated this decision, despite outright condemnation by all the Social Democratic ministers in the coalition government (Samfylkingin 2008). Iceland's freedom to use 'its' marine resources and take independent decisions was kept in the forefront of these decisions (Átökin um auðlindina 2006; Stefánsson 2008).

Prominent figures in the Independence Party have not only been sceptical about transferring power to EU institutions; they have criticized the role of the European Court of Human Rights (Bjarnason 2003b, 2005) and opposed moves within the United Nations towards joint policy-making in the fields of fisheries and environmental protection of the sea (Hannesson 2004). Also, their enthusiasm for the inter-governmental nature of Nordic co-operation is matched by the suspicion with which they regard the supranational character of the EU. Furthermore, the IP has emphasized what can be described as the importance of direct benefits of overseas relations. Accordingly, Iceland only became actively engaged in international relations if it received direct benefits. For instance, it played an active part in the International Monetary Fund and the work on the Law of the Sea within the UN in the 1970s due to the obvious benefits from these activities (Thorhallsson 2005).

Many within the IP were not keen on Iceland's first bid to become a member of the UN Security Council in the period 2010–2012. This is because a seat in the Council is not seen as giving Iceland any direct economic gains; on the contrary, it is seen as being extremely costly for the state budget (Kostar um milljarð 2005; Oddsson 2005) and Iceland, as a small state, is not seen as being able to have a say within the council. The long-serving chairman of the party and PM, Davíð Oddsson, was very sceptical of the UN bid and wanted to withdraw the application when he moved from the Prime Minister's Office to the Foreign Ministry, slowing down the campaign for the seat in 2004 (Thorhallsson 2012). The government kept the application alive in response to considerable pressure from the other Nordic states (which usually take turns to apply for a seat on the Council). Moreover, Iceland did not give into heavy US pressure to contribute to its own defence and pay for the operation of its international airport and helicopter rescue teams until the last possible

moment in the negotiations about the future of the US base in Keflavík (Ingimundarson 2008). The Conservatives wanted to keep full US backing and commitment intact.

6.3 IDEOLOGY, MATERIAL INTERESTS AND MEMBERSHIP OF THE EUROPEAN UNION

The Independence Party has, since its foundation, held a broad appeal for voters of all classes (Gissurarson 1992; Grímsson and Broddason 1977; Harðarson 1995). In the 1930s, the party leadership presented itself as the representative of the nation at large, and not of particular interests. It managed to secure support from public servants, merchants, vessels and fish-factory owners, the middle class, farmers and workers by its ideology, manifested in the slogan 'solidarity of classes,' referring to the importance of having workers, farmers and employers unite (Kristjánsson 1979). Furthermore, key actors from all sectors of Icelandic society took part in the establishment of the party and from the beginning the solidarity of these actors and the economic sectors which they represent has influenced its policy formation (Guðmundsson 1979). Accordingly, it managed to maintain considerable support both in the rural regions and the Greater Reykjavík area—its stronghold until the mid-1990s being the capital (Gissurarson 1992).

This broad range of party supporters from all economic sectors has led to cautious policy-making concerning domestic and foreign affairs. The universal appeal of the party, based on its ideology of solidarity between the economic sectors and classes, coincides with the solidarity of the party itself. Its status as the largest political party in the country and forming most of its governments—the only conservative party in the Nordic states to have succeeded in these respects—makes it difficult for the party leadership to break ranks with the traditional economic sectors. Discussions on EU membership are seen as putting a strain on the solidarity of the party and its universal appeal to voters in the rural and urban regions (Bjarnason, interview, 23 March 2007; Pálsson, interview, 27 March 2007).

Historically, the Independence party was slow to adopt the liberal economic and trade policies of its sister parties in Western Europe (Ásgeirsson 1988). Moreover, the party's emphasis on freedom of the market and the abolition of any kind of restraint (Independence Party, n.d.) is still compromised by its protectionist policies in the traditional

economic sectors, those of agriculture and fisheries. Iceland's decision-making continues to be based on sectoral corporatism, not the Scandinavian consensual decision-making based on the corporatist model (Thorhallsson 2010). The party hesitates to open up the Icelandic fishing industry to foreign investment, despite the multiple effects this might have on its expansion abroad (Efnahags- og viðskiptanefnd 1995; Greiningardeild Kaupþings 2003; Eðlilegt að heimila fjárfestingar útlendinga í skráðum sjávarútvegsfyrirtækjum 2004). For instance, Iceland secured an exemption from the free flow of capital in the fishing industry in the EEA Agreement, the EU Common Fisheries Policy not being a part of the Agreement. This is because of the party's commitment to maintaining Icelandic ownership of the industry and its marine resources (Stefánsson 2008; Blöndal 2008; Independence Party 2007a) and outright pressure from the sector not to open it up to foreign ownership of fishing quotas. This probably has to do with huge profits from the industry which current Icelandic owners want to keep for themselves. However, foreigners can own as much as 49% of a fisheries company (through direct and indirect ownership) in Iceland (Icelandic Ministry of Fisheries and Agriculture 2016). The fisheries sector has held a special status among the party due to its economic importance and the direct connections between many of its MPs and the sector (Thorhallsson and Vignisson 2004c).

The IP is also strongly committed to protecting the small Icelandic agricultural sector, and continues to implement policies of import restraints and high tariffs against agricultural products. Whenever discussion comes up concerning the possibility that changes in WTO rules might lower trade barriers against agricultural products, the IP leadership announces that it will find ways to continue the protection of Icelandic farmers (Guðbjartsson 2008). Iceland finds itself in the company of the most protectionist countries in the field of agricultural trade within the WTO—namely Norway, Switzerland, South Korea and Japan. Furthermore, the fisheries and agrarian lobby have formed a powerful force within the party due to the fact that votes in the rural and coastal regions still carry considerably more weight (proportionally) than those in the urban area—so much so that the disproportionality between rural and urban regions in Iceland is the greatest in Western Europe (Harðarson 2002). The important role of the agrarian and fisheries sectors in Icelandic society and politics dates back to their status as the backbone that kept the remote nation alive for centuries and, in the case

of the fishing industry, led to enormous economic growth in the twentieth century. Most Icelanders may no longer work within those sectors but they are all in one way or another connected to them through relatives, friends or ancestors.

Originally, the leadership of the Independence Party sought ideas and policies from the other Nordic states. American influences became evident later, and since the 1980s the party has been highly influenced by the neo-liberal policies of the Reagan and Thatcher era. It developed relations with the British Conservative Party and was influenced not only by its liberal economic and trade policies but also by its scepticism towards the supra-national institutions of the EU. The EU project is seen as putting constraints on businesses, restricting world trade, threatening the authority of domestic institutions, diminishing sovereignty and undermining the uniqueness of the nation and its identity (Baker 2001; Brady 2006; Cameron and Topolaneck 2007; Thatcher 1993). Moreover, US influence was not restricted solely to the party's attitude to neo-liberalism: it strengthened the Independence Party's cynicism regarding the superiority of international organizations (Bjarnason 2000, 2003b, 2005; Gissurarson 2001; Haarde 2006; Luck 2003; Oddsson 2004a).

The Independence Party's present policy on European integration was formed under the leadership of its chairman, Davíð Oddsson, in the early and mid-1990s. He became gradually more Eurosceptic, while governments which he headed privatized state-run businesses and improved the corporate environment through various measures including tax reductions (see detailed discussion in Thorhallsson 2008). Oddsson's opposition to EU membership was based on several arguments: Iceland's fisheries sector would be seriously damaged by EU membership; Iceland would not be able to conduct its own economic policy; adopting the euro would be fatal to the economy; as a small state, Iceland would be powerless within the EU and unable to defend its interests; corporate taxes might rise as a result of membership and regulations from Brussels would place a burden on businesses and the community at large (Independence Party 1995, 1999, 2007b; Oddsson 2001, 2002a, b). In 1996, it was safe for the party to formally oppose membership since the EEA Agreement was seen as being highly beneficial for Icelandic interests and the EEA Agreement itself was secured after Norwegian voters had rejected EU membership.

However, the party never ruled out the possibility that membership might become an option in the near future (Independence Party

1999, 2007b; Independence Party and Progressive Party 1995, 1999). Oddsson managed to unite the party by this approach. He maintained firm control on the EU debate, not only in the party, but in the country as a whole, by strongly denouncing the EU whenever the issue of possible membership arose. For instance, his opposition to EU membership and an open EU debate weakened moves by the Confederation of Icelandic Employers and the Iceland Chamber of Commerce to campaign openly for membership in the mid-1990s—these associations standing in a close relation to the Independence Party (see detailed discussion in Thorhallsson 2004).

The Conservatives took up a much fiercer stance against EU membership during the application process from mid-2009. Opponents of EU membership within the party point to the economic success of Iceland since the mid-1990s and argue that Iceland's living standards have risen enormously, this partly or mainly because of the country's status as a non-member of the EU (Oddsson 2004a). They point to the fact that the government and the Central Bank have been able to form their own economic and monetary policy without EU interference (Oddsson 2002c, 2004a) and the fact that Iceland recovered relatively quickly from the 2008 economic crash and, at present, has one of the highest economic growth rates in Europe (IMF 2016). They totally opposed membership of the Common Fisheries Policy (CFP), i.e. sharing Icelandic waters with foreign vessels, transferring power in the fisheries sector from Reykjavík to Brussels and allowing the European Commission to negotiate on behalf of the Icelandic fisheries sector internationally (Haarde 2006; Oddsson 2004a). They opposed the workings of the Common Agricultural Policy (CAP) and want to protect agricultural production in Iceland in any way possible (Viðskiptablaðið 2015). Also, EU opponents commonly argue that as a small state within the EU, Iceland would not have any influence within the Union and would not be able to defend its interests within it (see for instance Oddsson 2002b and Gissurarson 2001). They also indicate that Iceland would be a net contributor to the Union in terms of direct transfer of money and that Iceland as a EU member might face the danger of tax increases (Haarde 2006). Moreover, the prominent figures of the IP frequently refer to Iceland's freedom to make free-trade agreements with other countries as a positive aspect of not being a member of the EU (Haarde 2006; Kjartansson 2008; Oddsson 2001, 2004b), ignoring the reality that Iceland participates in the free-trade agreements of the other EFTA states, which

normally follow the EU in this respect (EFTA, n.d.; Ritstjórargreinar: Fríverzlun við Kína 2005; Sigurðsson 2007). The freedom to make free-trade agreements without being bound by EU arrangements, which it would be as a member, is what matters.

6.4 CONCLUSION

Iceland has been an awkward partner in the European integration process from the beginning. The origin of the Independence Party's nationalist ideology and ideological stance during the Cold War and its closeness with the primary sectors help us to evaluate Iceland's European policy. We have identified a core link between important economic interests (those of fisheries and agriculture) and national identity/autonomy. The outcome is Iceland's awkward position in the European integration process. Our findings are consistent with those of the study by Murray et al. (2014) showing that British awkwardness towards the European Union 'is produced by the interaction of various factors that stem from both material and ideational origins' and that 'power relations, domestic politics and cultural identity are the most important factors.'

In the case of the Independence Party and its position towards European integration, these factors all play a key role. The IP was the dominant actor in forming the special relationship between Iceland and the United States and, thus, placing Iceland in an awkward position in Europe. The Conservatives saw, through close relations with the United States, the means by which to keep Iceland secure and economically prosperous. The unique and extensive benefits of the special relationship with the US meant that Iceland and Icelandic elites looked towards the US for help and did not concern themselves much with affairs on mainland Europe. This policy of the party still prevails and the last government including the Conservatives, created in 2017, is fully committed to the US and want to strengthen the ties between the two countries. Unlike other small states in Europe which looked kindly upon European integration as a solution to the vulnerabilities of smallness, Iceland looked to the superpower in the West. Iceland's special relationship, in terms of defence and economic assistance, with the US placed Iceland in an awkward position right from the start of the European integration process.

The Conservatives' attitude towards European integration has also been shaped by domestic politics and firmly made Iceland into an

awkward partner in the European project. The IP looks after agricultural and fisheries interests in Iceland, two sectors that are generally Eurosceptic and deem EU membership adverse to their interests. The traditional domestic decision-making based on sectoral corporatism gives these sectors a powerful position and the Conservatives' idea of solidarity contributes to their opposition to EU membership, i.e. the solidarity of the nation and the economic sectors are seen as being threatened by membership. In addition, the solidarity of the party would be endangered by any extensive EU debate in the country. The IP also tries to appeal to rural and coastal areas, which are generally more Eurosceptic. The electoral system in Iceland helps the IP maintain its dominant position in Icelandic politics, because it awards disproportionate representation in parliament to the rural areas, which tend to be Eurosceptic, over more populous areas, which tend to be more pro-European. Moreover, the European alternative is only regarded as feasible when all economic sectors are largely united (the interests of fisheries and the agrarian sectors having been settled) in their quest for a European solution. This was the case with membership of EFTA and the EEA. Most Icelandic politicians and voters regard Iceland's awkwardness in European integration process as beneficial. Iceland has secured favorable access to the Common Market and, at the same time, kept full domestic control over its important primary sectors. Hence, transfer of power/sovereignty to Brussels is limited to other economic sectors, and national identity/autonomy preserved in areas of importance for the national image. Moreover, the powerful role of the fisheries and agrarian lobby is kept intact and the sectoral corporatist structure (which is highly beneficial for the primary sectors and the Independence Party) is not altered. A policy change is highly unlikely.

The European project also clashes with the IP's vision of Icelandic identity and, thus, firmly contributes to Iceland's awkwardness position in the European integration process. The IP has since its foundation emphasized Iceland's independence struggle and used nationalist rhetoric to appeal to voters. It has both shaped and been influenced by the nationalist discourse in Iceland. Hálfðanarson (2004) finds that political discourse tends to polarize around nationalism, which has made it difficult for politicians to compromise Icelandic sovereignty. For Hálfðanarson (2004, 130), 'hesitation towards the EU makes perfect sense when it is examined in the context of Icelandic political history'. Hálfðanarson (2004, 130) finds that the nationalist rhetoric, myths and

ideals of the independence struggle 'have defined all political debates in the country' and suggests that Icelandic discourse regarding sovereignty and European integration is deficient and crude, owing to the fact that Iceland has repeatedly had to surrender sovereignty to gain practical benefits without formally recognizing that it has done so. This means that any further integration, with clearer breaches of sovereignty, is unlikely unless the Icelandic political community undergoes change. To the extent that Iceland has surrendered sovereignty through EFTA, or Schengen, Icelandic political elites are unable to recognize that any sovereignty has been surrendered (Hálfðanarson 2004, 138–141). EU membership is consequently seen as an unacceptable loss of sovereignty, one which the IP struggles to reconcile with its past and current rhetoric. Moreover, Icelandic identity is closely connected to the primary sectors—agriculture and fisheries—and a transfer of power in these sectors to foreign organizations is seen as unacceptable by most politicians and voters. All governments would have great difficulties with compromising Icelandic sovereignty in these sectors. The outcome is an awkward position in the European integration process.

These are the key reasons why the IP's position towards the EU is so awkward. The Conservatives have always been uncomfortable with the pressure to participate in European integration in order to secure Icelandic core economic interests. They have never been fully committed to the EU's goals, such as the four freedoms, or the development of common European security and defence policy. Membership of the CAP and the Common Fisheries Policy is out of the question for both material and ideational reasons. The Conservatives lack full commitment to the EU's values on free internal trade and role in preserving peace in Europe. According to the literature cited by Murray et al. (2014), they lack full commitment to the European project and, thus, are awkward partners in it. Despite this hostility towards EU membership, the Conservatives have nonetheless been forced to accept some of the constraints associated with participation in the European project. Iceland joined EEA, EFTA and Schengen because non-membership would have threatened its key economic interests in the case of EEA and EFTA, and imposed burdens on Icelandic individuals in the case of Schengen. EEA and EFTA membership entailed access to EU markets, including those for marine and agricultural products, without adverse effects for these sectors. When indisputable economic interests clash with the sovereignty and nationalism

discourse, the economic interests prevail. One could say that Iceland has been able to get away with its ambivalence through the willingness of the European Union to grant it—along with Norway and Liechtenstein—access to the Common Market without sacrificing its protectionism in the agrarian and fisheries sectors. However, the EEA arrangement comes at the cost of participation in the EU's decision-making and Iceland is obliged to implement EU rules without much chance to exert influence on their content.

These findings have significant implications for predicting Iceland's future engagement with the European project. It is hard to see Iceland joining the European Union unless the IP loses its dominant position in Icelandic politics or economic interests shift drastically, to the extent that the IP could embrace economic sectors with a pro-European leaning or that the EU could accommodate Iceland's agricultural and fisheries interests. The financial crisis in Iceland proved an insufficient impetus to change Iceland's situation, as the IP regained its dominant position quickly and shifted its attitude on EU membership back to opposition after having wavered briefly after the worst of the crisis.

As long as Iceland's core material interests are not threatened, the dogma of the Independence Party's concepts of independence, freedom and solidarity prevails. Accordingly, the party holds on to its rhetoric on Iceland's sovereignty, greater freedom and the importance of protecting the fisheries and agrarian sectors as a country outside the EU. Iceland, as an awkward partner in the European integration process, is seen as having better chances to explore new opportunities across the globe, and to align itself with the United States.

NOTE

1. Moreover, a small minority of the party's MPs, under the leadership of its vice-chairman, led a government for three of the remaining 18 years when the Independence Party itself was in opposition.

REFERENCES

- Albertsson, I.B. 1993. Speech on Althingi, 1. mál: Evrópskt efnahagssvæði, 3. umræða. <http://www.althingi.is/altext/116/01/r09193937.sgml>. Accessed 5 Aug 2008.
- Ásgeirsson, J.F. 1988. *Fjóð í hafti*. Reykjavík: Almenna bókafélagið.

- Bailes, A.J.K., and B. Thorhallsson. 2006. Iceland and the European Security and Defence Policy. In *The Nordic Countries and the European Security and Defence Policy*, ed. A.J.K. Bailes, G. Herolf, and B. Sundelius, 328–341. Oxford: Oxford University Press.
- Baker, D. 2001. Britain and Europe: The Argument Continues. *Parliamentary Affairs* 54: 276–288.
- Benediktsson, E. 2003. *Iceland and European Development: A Historical Review from a Personal Perspective*. Reykjavík: Almenna bókafélagið.
- Bjarnason, B. 2000. Ferðalög – danskar Evrópudeilur – Raddir Evrópu. 27 August. <http://bjorn.is/pistlar/nr/504>. Accessed 21 Aug 2008.
- Bjarnason, B. 2001. *Í þina kalda stríðsins*. Reykjavík: Nýja bókafélagið.
- Bjarnason, B. 2003a. Skynsamlegasta úrræði Saddams. 22 March. <http://bjorn.is/greinar/2003/03/22/nr/946>. Accessed 9 Aug 2008.
- Bjarnason, B. 2003b. Mannréttindasáttmáli Evrópu, 50 ára. September 26. <http://bjorn.is/greinar/2003/09/26/nr/2553>. Accessed 11 Aug 2008.
- Bjarnason, B. 2004. Átökin um Íraksstríðið. Morgunblaðið. December 18. http://mbl.is/mm/gagnasafn/grein.html?grein_id=835452. Accessed 9 Aug 2008.
- Bjarnason, B. 2005. Hlutverk dómara – alþjóðavæðing. 28 October. <http://bjorn.is/greinar/nr/3311>. Accessed 11 Aug 2008.
- Bjarnason, B. 2007. Interview; Bjarnson, Björn, MP for the Independence Party from 1991, Chairman of the Foreign Affairs Committee in Althingi from 1992–1995, Minister from 1995–2002 and from 2003. 23 March.
- Blöndal, H. 2008. Fiskveiðiheimildirnar séu í höndum Íslendinga. Morgunblaðið. 3 February. http://mbl.is/mm/gagnasafn/grein.html?grein_id=1190042. Accessed 12 Aug 2008.
- Brady, G. 2006. The Conservative Party and the European Union. <http://www.conservativesabroad.org/guestblog/?p=10>. Accessed 22 Aug 2008.
- Cameron, D., and M. Topolaneck. 2007. Building an EU that We can all Be Proud of. <http://www.telegraph.co.uk/opinion/main.jhtml?xml=/opinion/2007/03/06/do0601.xml>. Accessed 22 Aug 2008.
- Efnahags- og viðskiptanefnd, minnihluti. 1995. 830. Nefndarálit um frv. til l. um breyt. á l. um fjárfestingu erlendra aðila í atvinnurekstri, nr. 34 25. mars 1991, með síðari breytingum. <http://www.althingi.is/altext/120/s/0830.html>. Accessed 12 Aug 2008.
- EFTA. n.d. Trade Relations. <http://www.efta.int/content/free-trade>. Accessed 22 Aug 2008.
- Gissurarson, H.H. 1992. *Jón Þorláksson: Forsætisráðherra*. Reykjavík: Almenna bókafélagið.
- Gissurarson, H.H. 2001. *Hvernig getur Ísland orðið ríkasta land í heimi?*. Reykjavík: Nýja Bókafélagið.
- Gissurarson, H.H. 2008. Í dag – Evrópusambandið: Hvaða nauður. Fréttablaðið. <http://www.visir.is/ExternalData/pdf/fbl/080822.pdf>. Accessed 24 Aug 2008.
- Greiningardeild Kaupþings. 2003. Sjávarútvegsgreining 01 2003, 27 January. <http://www.kaupthing.is/PageID=852&NewsID=2837>. Accessed 12 Aug 2008.
- Grimsson, Ó.R., and P. Broddason. 1977. *Íslenska þjóðfélagið: Félagsgerð og stjórnkervi*. Reykjavík: Félagsvísindadeild og Örn & Örlygur.
- Guðbjartsson, S. 2008. Landbúnaðurinn á grænu ljósi. Morgunblaðið. 11 July. http://mbl.is/mm/gagnasafn/grein.html?grein_id=1228247. Accessed 12 Aug 2008.
- Guðfinnsson, E.K. 2006. Ræða á aðalfundi LÍÚ. 19 October. <http://www.ekg.is/greinar-raedur/2006/10/19>. Accessed 9 Aug 2008.
- Guðlaugsson, B., and P.H. Jónsson. 1976. *30. marz 1949: Innganga Íslands í Atlantshafsbandalagið og beiðirnar á Austurvelli*. Reykjavík: Bókaútgáfan Örn og Örlygur.
- Guðmundsson, H. 1979. *Uppruni Sjálfstæðisflokksins*. Reykjavík: Félagsvísindadeild Háskóla Íslands and Örn & Örlygur.
- Haarde, G.H. 2006. The BEA Agreement: Taking Stock and Looking into the Future. <http://www.utanrikisraduneyti.is/frettaefni/RaedurGHH/nr/3014>. Accessed 15 Aug 2008.
- Hálfðanarson, G. 2001. *Íslenska Þjóðríkið: Uppruni og Endimörk*. Reykjavík: Hið íslenska bókmenntafélag.
- Hálfðanarson, G. 2004. Discussing Europe: Icelandic Nationalism and European Integration. In *Iceland and European Integration*, ed. B. Thorhallsson, 128–144. London: Routledge.
- Hannesson, H.W. 2004. Oceans and the Law of the Sea. Statement by Ambassador Hjálmar W. Hannesson, Permanent Representative of Iceland to the United Nations, at the 59th Session of the General Assembly. <http://www.iceland.org/un/nyc/the-embassy/statementsnews/nr/809>. Accessed 11 Aug 2008.
- Harðarson, Ó.P. 1995. *Parties & Voters in Iceland: A study of the 1983 and 1987 Alþingi Elections*. Reykjavík: Social Science Research Institute, University of Iceland.
- Harðarson, Ó.Th. 2002. The Icelandic Electoral System 1844–1999. In *The Evolution of Electoral and Party Systems in the Nordic Countries*, ed. A. Lijphart and B. Grofman, 101–166. New York: Agathon Press.
- Haukdal, E. 1993. Grein fyrir atkvæði, 1. mál: Evrópskt efnahagssvæði, 3. umræða. <http://www.althingi.is/altext/116/01/r12154441.sgml>. Accessed 20 Aug 2008.
- Hrafnsson, B.I. 2003. Mikilvægur áfangasigur. Morgunblaðið. 16 August. http://mbl.is/mm/gagnasafn/grein.html?grein_id=746793. Accessed 18 Aug 2008.
- Icelandic Ministry of Fisheries and Agriculture. 2016. Foreign Investment. <http://www.fisheries.is/economy/structure/Foreign-investment/>. Accessed 16 Aug 2016.

- IMF. 2016. Iceland: 2016 Article IV Consultation-Press Release; Staff Report; and Statement by the Executive Director for Iceland. IMF Country Report No. 16/179. <https://www.imf.org/external/pubs/ft/scr/2016/cr16179.pdf>. Accessed 23 Aug 2016.
- Independence Party and Progressive Party. 1995. Stjórnarsáttmáli. Stefnyfirlýsing ríkisstjórnar Sjálfstæðisflokks og Framsóknarflokks sem tók við völdum 23. apríl 1995. <http://www.stjornarrad.is/Stefnyfirlýsing/nr/69>. Accessed 20 Aug 2008.
- Independence Party and Progressive Party. 1999. *Í fremstu röð á nýrri öld: Stefnyfirlýsing ríkisstjórnar Sjálfstæðisflokks og Framsóknarflokks*. Reykjavík: Forsætisráðuneyti.
- Independence Party. 1991. *Kosningayfirlýsing Sjálfstæðisflokksins 1991*. Reykjavík: Sjálfstæðisflokkurinn.
- Independence Party. 1995. *Framboðslisti Sjálfstæðisflokksins í Reykjavík*. Reykjavík: Sjálfstæðisflokkurinn.
- Independence Party. 1999. *Kosningayfirlýsing Sjálfstæðisflokksins 1999*. Reykjavík: Sjálfstæðisflokkurinn.
- Independence Party. 2007a. Ályktun umhverfismál og auðlindanýtingu. http://xd.is/?action=landsfundur_nanar&cid=590. Accessed 12 Aug 2008.
- Independence Party. 2007b. Ályktun um utanríkismál. http://xd.is/?action=landsfundur_nanar&cid=603. Accessed 12 Aug 2008.
- Independence Party. 2007c. Landsfundur 2007: Stjórn málaályktun. http://xd.is/?action=landsfundur_nanar&cid=588. Accessed 7 Aug 2008.
- Independence Party. n.d. History of the Independence Party—History of freedom and the nation. http://xd.is/?action=international_en&cid=620. Accessed 4 Aug 2008.
- Ingimundarson, V. 1996. *Í eldlinu kalda stríðsins – Samskipti Íslands og Bandaríkjanna 1945–1960*. Reykjavík: Vaka-Helgafell.
- Ingimundarson, V. 2001a. *Uppgjör við umheiminn. Íslensk þjóðernishyggja, vestrænt samstarf og landhelgisdeilan*. Reykjavík: Vaka-Helgafell.
- Ingimundarson, V. 2001b. The Role of NATO and the U.S. Military Base in Icelandic Domestic Politics, 1949–1999. In *A History of NATO—The First fifty years*, ed. G. Schmidt, 285–302. New York: Palgrave.
- Ingimundarson, V. 2003. Fighting the Cod Wars in the Cold War: Iceland's Challenge to the Western Alliance in the 1970s. *The RUSI Journal* 148 (3): 88–94.
- Ingimundarson, V. 2008. Frá óvissu til upplausnar: “Öryggissamfélag” Íslands og Bandaríkjanna, 1991–2006. In *Uppbrot hugmyndakerfis. Endurmótun íslenskrar utanríkisstefnu 1991–2007*, ed. V. Ingimundarson, 1–56. Reykjavík: Hið íslenska bókmenntafélag.
- Jóhannesson, G.Th. 2002. Tíu spurningar. Hugleiðingar um þorskastríðin. In *2. íslenska sögunpingið: 30. maí – 1. júní: Ráðstefnurit II*, ed. E.H. Halldórsdóttir, 436–451. Reykjavík: Sagnfræðistofnun Háskóla Íslands.

- Jónsson, E.K. 1992. Speech on Althingi, 1. mál: Evrópskt efnahagssvæði, 1. umræða. <http://www.althingi.is/altext/116/09/r10002105.sgml>. Accessed 20 Aug 2008.
- Jónsson, E.K. 1993. Speech on Althingi, 1. mál: Evrópskt efnahagssvæði, 2. Umræða. <http://www.althingi.is/altext/116/01/r05105406.sgml>. Accessed 20 Aug 2008.
- Kjartanson, fi. 2008. Endurskoðum gjaldeyrismálin. <http://www.visir.is/article/20080713/SKODANIR03/573552955>. Accessed 15 Aug 2008.
- Kristjánsson, S. 1979. *Sjálfstæðisflokkurinn: Klassíska tímabilið 1929–1944*. Reykjavík: Félagsvísindadeild Háskóla Íslands and Örn & Örlygur.
- Kristjánsson, S. 2001. Forsetinn og utanríkisstefnan: Bandaríkjaför Sveins Björnssonar. *Ný saga* 13: 4–16.
- Luck, E.C. 2003. American Exceptionalism and International Organization: Lessons from the 1990s. In *US Hegemony and International Organizations: The United States and Multilateral Institutions*, ed. R. Foot, S.N. MacFarlane, and M. Mastanundo, 25–49. Oxford: Oxford University Press.
- Morgunblaðið. 2003. Viðræður um varnarmál. 6 June. http://mbl.is/mm/gagnasafn/grein.html?grein_id=735265. Accessed 18 Aug 2008.
- Morgunblaðið. 2004. Eðlilegt að heimila fjárfestingar útlandinga í skráðum sjávarútvegafyrirtækjum. 20 October. http://www.mbl.is/mm/vidskipti/frettir/2004/10/20/edlilegt_ad_heimila_fjarfestingar_utlandinga_i_skra/. Accessed 12 Aug 2008.
- Morgunblaðið. 2005a. Kostar um milljarð. 24 January. http://mbl.is/mm/gagnasafn/grein.html?grein_id=840910. Accessed 12 Aug 2008.
- Morgunblaðið. 2005b. Ritstjórnargreinar: Fríverzlun við Kína. 14 May. http://www.mbl.is/mm/gagnasafn/grein.html?grein_id=1017604. Accessed 22 Aug 2008.
- Morgunblaðið. 2006. Átökin um auðlindina. 1 June. http://mbl.is/mm/gagnasafn/grein.html?grein_id=1085693. Accessed 14 Aug 2008.
- Morgunblaðið. 2008. Nýting hvala óhjákvæmileg. 9 April. http://www.mbl.is/mm/gagnasafn/grein.html?grein_id=1205605. Accessed 11 Aug 2008.
- Murray, P., A. Warleigh-Lack, and B. He. 2014. Awkward States and Regional Organisations: The United Kingdom and Australia Compared. *Comparative European Politics* 12 (3): 279–300.
- Oddsson, D. 1999. Ávarp Davíðs Oddssonar forsætisráðherra á ráðstefnu Samtaka um vestræna samvinnu og Varðbergs í tilefni af fimmtíu ára afmæli Atlantshafsbandalagsins. <http://www.forsaetisraduneyti.is/radherra/raedur-og-greinar/nr/331>. Accessed 8 Aug 2008.
- Oddsson, D. 2001. Ávarp Davíðs Oddssonar forsætisráðherra á fundi Samtaka um vestræna samvinnu og Varðbergs. <http://www.forsaetisraduneyti.is/radherra/raedur-og-greinar/nr/355>. Accessed 21 Aug 2008.

- Oddsson, D. 2002a. Áramótagrein forsætisráðherra í Morgunblaðinu 31. Desember 2002. <http://www.forsaetisraduneyti.is/radherra/raedur-og-greinar/nr/378>. Accessed 2 Feb 2004.
- Oddsson, D. 2002b. Ávarp forsætisráðherra á aalfundi Samtaka atvinnulífsins. <http://www.forsaetisraduneyti.is/radherra/raedur-og-greinar/nr/365>. Accessed 18 Aug 2008.
- Oddsson, D. 2002c. Ræða forsætisráðherra, flutt á ársfundi Seðlabanka Íslands 26. mars 2002. <http://www.forsaetisraduneyti.is/radherra/raedur-og-greinar/nr/364>. Accessed 15 Aug 2008.
- Oddsson, D. 2004a. Iceland's Economic Performance. Address by Davíð Oddsson, Prime Minister of Iceland. The American Enterprise Institute, Washington DC, 14 June 2004. <http://eng.forsaetisraduneyti.is/minister/speeches-and-articles/nr/1391>. Accessed 8 Aug 2008.
- Oddsson, D. 2004b. Ræða Davíðs Oddssonar, utanríkisráðherra um utanríkismál. <http://www.utanrikisraduneyti.is/frettaefni/RaedurDO/nr/2436>.
- Oddsson, D. 2004c. Speech: At the End of the Year. <http://eng.utanrikisraduneyti.is/speeches-and-articles/nr/2505>. Accessed 9 Aug 2008.
- Oddsson, D. 2005. Ræða Davíðs Oddssonar, utanríkisráðherra, um utanríkismál. Flutt á Alþingi á 131. löggjafarþingi 2004–2005. <http://www.utanrikisraduneyti.is/frettaefni/RaedurDO/nr/2687>. Accessed 12 Aug 2008.
- Pálsson, P. 2007. Interview; Pálsson, Þorsteinn, Chairman of the Independence Party from 1983 to 1991. Prime Minister 1987–1988. Minister from 1985–1987 and 1991–1999, 27 March.
- Samfylkingin (Social Democratic Alliance). 2008. Samfylkingin styður ekki hvalveiðarnar. 20 May. <http://www.samfylking.is/Forsida/Frettir/Eldrifrettir/lesaeldrifrett/2284>. Accessed 4 Aug 2008.
- Sigurðsson, B.G. 2007. Speech: Meeting of the Iceland Chamber of Commerce and the European Commission Delegation to Iceland and Norway. <http://eng.vidskiptaraduneyti.is/minister/speeches/nr/2509>. Accessed 22 Aug 2008.
- Stefánsson, H.O. 2008. EES-samingurinn: Ráðherra greinir á um fjárfestingar. 24 stundir. 19 January. http://mbl.is/mm/frettir/innlent/2008/01/19/ees_samingurinn_radherra_greinir_a_um_fjarfestinga/. Accessed 11 Aug 2008.
- Thatcher, M. 1993. *The Downing Street Years*. London: Harper Collins Publishers.
- Thorhallsson, B. 2004. Towards a New Theoretical Approach. In *Iceland and European Integration. On the Edge*, ed. B. Thorhallsson, 185–208. London: Routledge.
- Thorhallsson, B. 2005. What Features Determine Small States' Approach to Foreign Relations until the mid-1990's. *Icelandic Review of Politics & Administration (Stjórnsmál og stjórnsýsla)* 1 (1): 107–140.
- Thorhallsson, B. 2008. Evrópustefna íslenskra stjórnvalda: Stefnunótun, átök og afleiðingar. In *Uppbrot hugmyndakerfis. Endurnótun íslenskrar utanríkisstefnu 1991–2007*, ed. V. Ingimundarson, 67–96. Reykjavík: Hið íslenska bókmenntafélag.
- Thorhallsson, B. 2010. The Corporatist Model and Its Value in Understanding Small European States in the Neo-Liberal World of the Twenty-First Century: The Case of Iceland. *European Political Science* 9 (3): 375–386.
- Thorhallsson, B. 2012. Small States in the UN Security Council: Means of Influence? *Hague Journal of Diplomacy* 7 (2): 135–160.
- Thorhallsson, B. 2015. Iceland—A reluctant European? In *The European Union's non-members: Independence under hegemony?* ed. Erik O. Eriksen and John Erik Fossum, 118–136. New York: Routledge.
- Thorhallsson, B., and H.P. Vignisson. 2004a. The First Steps. Iceland's Policy on European Integration from the Foundation of the Republic to 1972. In *Iceland and European Integration: On the Edge*, ed. B. Thorhallsson, 21–37. London: Routledge.
- Thorhallsson, B., and H.P. Vignisson. 2004b. A Controversial Step. Membership of the EEA. In *Iceland and European Integration: On the Edge*, ed. B. Thorhallsson, 38–49. London: Routledge.
- Thorhallsson, B., and H.P. Vignisson. 2004c. Life is First and Foremost Saltfish. In *Iceland and European Integration: On the Edge*, ed. B. Thorhallsson, 67–102. London: Routledge.
- Víðskiptablaðið. 2015. Harma að Bjarni vilji ekki afnema tolla á matvörur. 13 June. <http://www.vb.is/frettir/harma-ad-bjarni-vilji-ekki-afnema-tolla-matvorur/118916/?q=Matvorur?q=Matvorur>. Accessed 23 Aug 2016.
- Whitehead, P. 1991. Leiðin frá hlutleysi 1945–1949. *Saga* 29: 63–121.